

# Inside Business

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## Considerations parents need to address for the sake of their kids

Thankfully, the natural order of things is that parents tend to die long after their children become adults, but, sometimes, it doesn't work out that way. In the aftermath of the incapacity, death or disability of parents, legal arrangements will need to be made for the care of the minor children and, possibly, the management of their inheritance. Parents can help ease this process and protect their kids by thoughtful planning.



**Matthew Trinidad**  
Pro Bono Publico

At a minimum, parents need to make a plan for the physical care of their children. Sometimes, this consideration doesn't involve the disability or death of the parents. For example, the parents may need to entrust a child with a relative during a business trip. Perhaps the family is moving, and the parents have arranged for the oldest child to stay with a friend's family to finish up high school.

Under these circumstances,

Colorado law enables parents to temporarily delegate certain decision making authority to a third party. The parents may

revoke or limit the scope of the delegated authority, and under law, a delegation of authority will be effective for no more than 12 months, but it can be renewed by the parents if necessary. Google "JDF 750" and "JDF 751" for forms and instructions for the delegation of parental responsibility, which are offered through the Colorado Judicial Branch website.

It's important to understand that a delegation of parental authority will have no effect upon the death of the parent, when a legal guardianship must be established.

A parent can make a guardianship appointment in a will or other formal writing. I recommend that you use an attorney for this. In addition to minimizing the court procedures required to

establish a legal guardianship by petition, if the parents proactively make the appointment, they can reduce the risk that there will be a dispute over who will take care of the kids.

If the parents fail to appoint a guardian, a petition for guardianship will need to be initiated in court by whomever volunteers to take custody. This petition will involve some relatively complex procedures, it can take weeks or months, and it can be expensive, all at a time when the family is dealing with a painful loss.

If a minor child inherits money, real property or other significant assets, a court proceeding called a conservatorship may be necessary for an adult to manage the property on behalf of the child. The conservator will hopefully be a responsible person who has the best interests of the child in mind. Like a guardianship, a conservatorship is a complex, time-consuming and expensive court action, and it is oftentimes an inferior means to administer a child's inheritance. Fortunately, like a

guardianship, a conservatorship can be avoided through formal estate planning.

A testamentary trust is considered to be the best mechanism to manage an inheritance for kids, even for modest estates. Importantly, even though the beneficiary designation of a life insurance policy, IRA, 401(k) or other qualified benefits, controls the disposition of the death benefits, a testamentary trust established by a will or revocable living trust may be designated as a beneficiary of the death benefit. If the parents fail to designate a trust as the beneficiary, the insurance provider or plan administrator will likely only distribute the death benefit after a conservatorship is established to receive the money, which as suggested above, is less than ideal.

The Colorado Uniform Transfers to Minors Act offers a less formal, but oftentimes appropriate, method for giving property to kids. The so-called "UTMA" is basically a statutory trust under which a custodian has a fiduciary obligation

to manage the property for the child until he or she becomes an adult. The UTMA doesn't enable the parents to craft specific instructions for the administration of the property or to extend administration past 21 years of age, but, despite its limitations, a UTMA custodianship can be very effective in certain situations.

Parents should never give or bequeath property directly to a friend or relative, free of trust or custodianship, on the understanding that they'll take care of the kids. The friend or relative will be under no legal obligation to take care of the kids, who would theoretically be disinherited. Equally concerning is the fact that the creditors of the friend or relative (including a divorcing spouse) could go after the money.

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### BUSINESS BRIEFS

#### Edward Jones to host open house

Craig W. Snow, a local financial advisor for the financial services firm Edward Jones, invites the public to attend an open house from 5:30-7:30 p.m. on Thursday, March 20, at 820 Castle Valley Blvd. Suite 108, in New Castle.

Edward Jones provides financial services for individual investors in the United States and, through its affiliate, in Canada. Every aspect of the firm's business, from the types of investment options offered to the location of branch offices, is designed to cater to individual investors in the communities in which they live and work. The firm's 10,000-plus financial advisors work directly with nearly 7 million clients to understand their personal goals— from college savings to retirement — and create long-term investment strategies that emphasize a well-balanced portfolio and a buy-and-hold strategy. Edward Jones embraces the importance of building long-term, face-to-face relationships with clients, helping them to understand and make sense of the investment options available today.

#### Loy joins Creekside Salon & Day Spa

Formally Body & Soul Day Spa owner Rhianna Loy is now offering all salon and spa services at Creekside Salon & Day Spa in New Castle. Always offering mani/pedi specials. Specializing in diamond microdermabrasion facials. Spring favorites include body scrubs using mineral salts that rehydrate after the long winter. Creekside Salon & Day Spa is located at Fourth and Main right across from the library. 970-984-3625



Rhianna Loy

#### Midland Fitness hires personal trainers

Midland Fitness has recently hired personal trainer Patrick Davis. Davis is a Glenwood Springs local who holds a degree in Health and Exercise Science from Colorado State University. His education and experience enable him to take the confusion out of exercise and to help others make fitness a part of their lives. He is available for one-on-one training, or try one of his MaxxFit classes at Midland Fitness. He can be reached at 945-4440.



Patrick Davis

New Castle Family Fitness has recently hired personal trainer Laura Oysti. From zumba and yoga to one-on-one training, she will keep your workouts fun, fresh and results-driven. A 2010 car accident that left her with a broken neck has been her inspiration to keep herself committed to staying in shape and to help others along their own journey. She can be reached at 984-3200.



Laura Oysti

#### Thanks from Duffy's

Duffy's Garage has closed. We want to thank everyone who has supported us the past 10 years. Especially our loyal customers that have stuck with us since the move to our less-than-convenient location. I can't thank you enough for your loyalty and trust in letting us service your vehicles. It's always been more than appreciated. I really can't thank you enough.

Hopefully I'll be able to help you in some way in the future with your automotive needs.

Once again, a heartfelt thank-you. Steve, Dave, Mark and Duffy

#### TSC offers PhoneSuite

Technology Systems Consultants from Carbondale recently sent two representatives to the Hotel/Motel "PhoneSuite" Conference in Las Vegas. PhoneSuite is a perfect fit for the small lodging industry, and comes with a front desk console, guest Voicemail and a built in PMS system ( or interface). This platform also allows the customer to use the latest SIP technology to keep monthly cost to a minimum. PhoneSuite has been approved for use in Best Westerns, as well as other chains.

According to Barry Cryer, owner of Technology Systems Consultants, "With the latest PhoneSuites in our product line, we now offer a complete array of VoIP and hosted phone solutions, and PhoneSuite allows us to address the hotel/motel opportunities, using VoIP technology."

PhoneSuite is a Colorado-based company, with production and assembly based in Denver. www.phonesuite.com

#### James leads Vicki Lee Green Realtors

Vicki Lee Green Realtors would like to congratulate Michelle James for being the top sales person of the month for February. Michelle was also the top listing agent for February with the highest number of new listings. Michelle has 20 years' experience selling real estate in the Roaring Fork Valley.



Michelle James

#### 2014 Spring Business Seminar Series

The Roaring Fork Business Resource Center and Colorado Mountain College are partnering with KMTS to present the 2014 Spring Business Seminar Series. Seminars cost \$40 each or \$185 for all five. For more information, go to <http://rfrbc.org> or call

(970) 945-5158.

How to Start a Business is from 8:30 a.m. to 12:30 p.m. March 19 at CMC Carbondale. It will cover a process overview on starting your own business, including legal structures, required forms and licenses, tax requirements and financial considerations.

Understanding & Troubleshooting the Bookkeeping Process is from 8:30 a.m. to noon March 27 at CMC West Garfield. Learn about the reasons behind bookkeeping processes and understand the checks and balances needed to prevent mistakes. (Note: This is not a course on bookkeeping 101 or how to use QuickBooks.)

100 Promotional Ideas for Under \$100 is from 8:30 a.m. to noon April 10 at CMC Glenwood Center. Jumpstart your marketing. Engage your customers with new ideas and implement them with little to no budget.

Everything is Negotiable is from 8:30 a.m. to noon April 17 at CMC Glenwood Center. Find out if you can successfully navigate conflicts and negotiate the optimal terms for yourself or your business.

Technology for Small Business is from 8:30 a.m. to noon April 24 at CMC Aspen. It will cover why you should invest in technology and have a plan. The basics to get you started.

#### CONTACT US

A business brief is news about your business — new hires, promotions, certifications, training, awards, grants, relocation or opening a new business. Email your items to [insidebusiness@postindependent.com](mailto:insidebusiness@postindependent.com), or mail or deliver to the newsroom at 824 Grand Ave., Glenwood Springs, CO 81601.