

Practical Solutions, Meaningful Impact

REFLECTING ON A YEAR OF CLIENT SUCCESSES

As another year comes to a close, we celebrate the meaningful ways we've been able to serve our clients. While we've continued providing highly personalized estate planning and trust administration services, we want to highlight some of our more specialized areas, which address concerns that are becoming increasingly common for our clients.

Helping Clients Transition to Professional Fiduciaries

One of the most significant trends we've seen this year involves helping clients transition from serving as their own trustee to appointing private professional fiduciaries. As many of our clients age or simply decide they no longer want to manage complex assets, they find peace of mind knowing a qualified professional can step in to handle those responsibilities.

We've been proud to introduce our clients to trusted fiduciaries whose sole occupation is managing estates, much like an accountant or attorney would in their own specialty. This change often lifts a tremendous

weight off our clients' shoulders, allowing them to focus on their health, family, and the enjoyment of life. We typically recommend a few professionals for our clients to interview, and it's always gratifying when they find the right fit.

Eliminating Outdated Irrevocable Trusts

Another major focus this year has been helping clients eliminate or modify outdated irrevocable trusts that no longer serve their purpose. Many of these trusts, created before 2010, were designed for estate tax purposes that are no longer relevant under current laws. Unfortunately, keeping them in place can trigger unnecessary capital gains taxes, sometimes amounting to hundreds of thousands of dollars.

Through both court petitions and non-court methods, we've helped clients dissolve or amend these trusts, saving them significant tax burdens. The cost of resolving the issue is often a fraction of the potential tax liability. If your estate plan or your parents' trust was created before 2010, now is the



perfect time to review it before an avoidable tax bill is due!

Property Tax Planning Under Proposition 19

We've also continued to assist families with property tax planning in light of Proposition 19. Our strategies have helped clients preserve low assessed values when transferring real property to the next generation. It's an important step to keep family assets affordable and sustainable for years to come.

Personal Property Distribution With Technology

One unique project we worked on this year involved complex personal property distributions among heirs. What used to be a stressful, often months-long process is now streamlined using digital tools that help families catalog, value, and distribute personal property efficiently.

A Collaborative, Team-Based Approach

One of the developments we're most proud of this year has been

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Keep More in the Family

Reduce Taxes With Strategic Gifting

When planning your legacy, gifting during your lifetime is thoughtful and strategic. Not only do your loved ones receive an early boost, but you may also shield more of your estate from federal taxes. Let's break down six smart, actionable, and strategic ways across all states.

Tap the annual gift tax exclusion.

Every year, you can gift up to \$19,000 per person (or \$38,000 if married filing jointly) without trimming into your lifetime exemption or filing a gift-tax return. The best part is you can repeat it and share the love with an unlimited number of people. Over time, that's a significant aggregation of tax-free transfers.

Use your lifetime exemption.

In 2025, the lifetime exemption is at \$13.99 million per individual (and nearly \$28 million for couples). In July 2025, Congress made the exemption amount permanent, so speculation about it dropping to half in 2026 has been laid to rest. In fact, the lifetime gift and estate tax exemption will increase to \$15 million (\$30 million per couple) on Jan. 1, 2026.

Make direct payments that don't count as gifts.

You can pay unlimited amounts directly to medical providers or educational institutions for someone else's benefit. These payments bypass the annual exclusion and the lifetime exemption limits, making them powerful and clean ways to help without tax consequences.

Leverage trusts for smarter transfers.

Qualified Personal Residence Trusts (QPRTs): Transfer your home to a trust while retaining the right to live there for a set

term. The gift's taxable value is reduced thanks to the IRS's calculation of your retained interest, meaning you minimize the use of your exclusion and remove future appreciation from your estate. Just be sure to outlive the term to reap the benefits.

Intrafamily Loans: Loan money to loved ones at the IRS's minimum applicable rate (when interest rates are low). If assets purchased with those funds appreciate, that growth shifts out of your estate and no gifting is required (unless you later forgive the loan).

"Gifting isn't just financially savvy; it's personal, philanthropic, and full of upsides for both giver and receiver."

Explore upstream gifting.

If your parents or grandparents have estates far smaller than yours, you might gift appreciated assets upstream, allowing them to hold and later pass the assets down with a useful step-up in basis that reduces capital gains tax for future generations.

Avoid estate inclusion with life insurance planning.

Putting a life insurance policy into an Irrevocable Life Insurance Trust (ILIT) can remove it from your estate so the death benefit passes tax-free to beneficiaries. But watch out for the IRS's three-year rule: Gifting the policy within three years of your death will bring the full value back into your estate. A great workaround is to have the ILIT purchase the policy outright.

Gifting isn't just financially savvy; it's personal, philanthropic, and full of upsides for both giver and receiver. Thoughtful planning now lets your legacy grow, live on, and stay largely intact.



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deepening our collaborations with other professionals, such as attorneys in other practice areas, CPAs, and financial advisors. Working together as a team ensures every aspect of a client's financial and legal life is aligned. Whether that means forming LLCs for inherited real estate, addressing landlord-tenant matters, or reviewing beneficiary designations, this integrated approach saves our clients time and stress while producing the best outcomes.

As we close out the year, we're grateful for the trust our clients place in us and excited for what's ahead. Here's to another year of thoughtful planning, meaningful connections, and helping families build lasting peace of mind.

- Angela Klenk

Classic Italian Tiramisu



Ingredients

- 1/4 cup Dutch-processed cocoa powder, plus more for dusting
- 1 cup brewed espresso
- 1 tbsp vanilla extract
- 5 large egg yolks, cold
- 1/2 cup white sugar
- 1/4 tsp kosher salt
- 16 oz mascarpone cheese, chilled
- 1 3/4 cups heavy cream, chilled
- 28 hard ladyfinger cookies

Directions

1. In a bowl, whisk together cocoa powder, espresso, and vanilla and set aside.
2. In a mixer, beat egg yolks and sugar until pale and thick, about 5 minutes.
3. Add salt and mascarpone cheese, and continue to whip.
4. Add the chilled heavy cream and continue to whip until light and smooth.
5. Dunk each ladyfinger in the espresso mixture to absorb the liquid and line a 7x11-inch oval baking dish with the cookies.
6. Top the first layer of cookies with half the whipped mascarpone mixture and spread it into an even layer. Dust with cocoa powder.
7. Repeat for another layer and then finish by dusting with cocoa powder on top.
8. Cover with plastic wrap and chill for at least 2 hours before serving.

Inspired by [WhatsGabyCooking.com](https://www.whatsgabycooking.com)

Tiny Pup, Big Hero



Trailblazing Chihuahua Led Searchers to Lost Owner

When 85-year-old Barbara Crosby went missing in the California wilderness, no one expected her travel companion, her loyal dog Pancho, would become her savior. Spotted by residents in the area, the adventurous pup led rescuers straight to his owner, navigating a steep embankment that could have spelled disaster.

The pair went missing on an early Saturday morning when Barbara, who has dementia, wandered away from her senior living home with the Chihuahua mix. Search and rescue teams immediately began to look for the at-risk adult but saw no sign of her throughout the day. As they were about to pack up for the night, multiple residents reported that they had spotted Pancho in the area.

Thanks to details from these glimpses of the would-be hero, rescue crews could pinpoint Pancho's travel path, which led down a 70-foot steep embankment off the road. After hiking to the bottom, they found him hiding under some brush and followed him to where Barbara lay sleeping nearby.

Due to the rugged terrain, the team had to utilize a litter and rope system to lift Barbara to safety and promptly take her to a nearby hospital. Though she was no longer in harm's way, the crews couldn't stop to celebrate too long. Pancho pulled a hound-ini act and ran off before rescuers could lift him out.

Residents spotted the runaway dog the next day, just a short distance away. Dehydrated and exhausted from the ordeal, Pancho was taken to a veterinarian for treatment and is back to his old self.

The county sheriff's office recognized Pancho's life-saving act in a special thank-you online, stating that his "loyalty and presence near Barbara's location helped lead us to her, truly the unsung hero of this rescue." They also thanked the search and rescue crews and the community members who shared their Pancho sightings.

This Chihuahua's keen instincts guided rescuers through tricky terrain, proving heroes come in all sizes. Thankfully, this duo's adventure ended in tail wags and plenty of treats.

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Pancho Becomes Lifesaver in Wilderness Rescue

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THE COST OF CLUTTER

How Minimalism Can Save You Thousands

We've all been there: staring at a closet full of clothes and thinking, "I have nothing to wear." Or paying rent for a bigger apartment just to store things we barely use. Clutter isn't just a space problem; it's a money problem. Every unused subscription silently chips away at your finances. The good news is that minimalism offers a way out. Far from being about deprivation, it's about reclaiming control of your space, spending, and savings.

The Hidden Price of 'Stuff'

Every purchase comes with two price tags: the sticker price and the hidden costs. That \$50 gadget isn't just \$50; it might also mean higher credit card interest if you're carrying debt, or another box in the attic eating up storage space. The more we accumulate, the more we pay to maintain, store, clean, and eventually replace those items. That's where minimalism comes in. It forces us to ask: "Do I really need this, or is it just clutter in disguise?"

Quality Over Quantity

Minimalism doesn't mean buying nothing. Instead, it's about buying better. One high-quality pair of shoes can last for years, while three cheap pairs wear out quickly and cost more in the long run. Choosing durability and timeless designs over impulse buys protects your wallet and reduces waste.

Simplifying Finances

Clutter can even creep into your bank account. Old subscriptions, overlapping accounts, and unused memberships all nibble away at your budget. By canceling what you don't use



and streamlining your finances, you save money and reduce the mental load of tracking your bills.

Downsizing Expenses

One of the biggest financial wins of minimalism comes from downsizing. A smaller home or apartment doesn't just mean lower rent or mortgage; it also slashes utilities, maintenance, insurance, and even property taxes.

More Space for What Matters

A clutter-free environment frees up mental bandwidth. With fewer distractions, you can focus on what truly matters: building a side hustle, nurturing relationships, or enjoying a calmer, more intentional life.