



Pet Trusts – Can You Trust Your Pet?

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Surveys report there are more than 140 million dogs and cats sharing our hearts, our homes, and even our beds. These numbers don't include the millions of horses, birds, reptiles, and other pets we call "kids." We treat them like our children, sometimes better. We worry about them when they are not with us and wonder whether they will be properly cared for when we are gone. Our pets love us unconditionally, help reduce stress, and even increase our longevity. They do so much for us, yet few of us have done anything to assure their long-term care in the event we are unable to provide for them personally.



Have you ever wondered what would happen to your pet if something happened to you — a natural disaster, a disability, or even death? Perhaps you are like many people who assume friends or family will step in to care for your beloved pets, much like they would care for an orphaned child. The sad truth is that if you don't take affirmative steps to ensure an enforceable plan for your pets, they may have an uncertain future. In many states, simply making a will or a trust that includes your pets may not be sufficient. Many states do not recognize provisions that provide for pets. Therefore, you need to consider all of your options to provide for the long-term care needs of your "children who wear fur coats."

Planning for your four-legged loved ones can, in many ways, be just as challenging as planning for your two-legged loved ones. A typical question that arises is, "Do I need a will or a trust?" The best answer generally is, "It depends." Factors that have to be addressed when planning for your pets include the following: your goals; wishes and desires for your pets; the number of pets you own; whether any of your pets have unique circumstances necessitating special planning (i.e., health concerns, unusual behaviors, etc.); your financial resources to ensure your pets are provided for adequately; and the identity of one or more caregivers or trustees.

These are just a few of the issues and concerns you must consider to create a comprehensive plan to ensure your pets will be properly cared for when you are unable to do so yourself. No two pet-owners' circumstances are the same, and in each case, your planning goals must be considered so they can be fulfilled.

The first step in planning for your pets, and one of the most crucial, goes beyond the legal design of a pet estate plan. The first step is selecting the caregivers who will have

physical custody of your pets and who will provide the home where they will live and the care they will require to thrive. Much like planning for minor children, before any of the financial considerations are addressed, you have to determine and feel comfortable with your choice of caregiver(s). Finding the right person(s) can be a challenge. You may consider family or friends, but what do you do if you don't have anyone suitable for this important role? In this instance, a pet sanctuary or perpetual care facility may be the right choice. Another option is to create an Animal Care Panel — a panel of trusted individuals who will be entrusted with the oversight responsibility for your pets and their caregiver. One client has created her Animal Care Panel from a selection of family, friends, and her veterinarian. Their job is to choose her pet caregiver who will live in her home, care for her pets, and report periodically regarding the health of the pets to the panel, as well as to the trustee, who is responsible for the distribution of her assets for the benefit of her pets.

Selecting a trustee to manage your assets for your pet's care is also a critical part of your plan. Your pet caregiver may act as trustee or you may feel more comfortable if the person caring for your pets doesn't have the dual responsibility of managing the assets for your pets' benefit. Alternate trustee choices may include a trusted friend or family member, or a professional fiduciary such as an attorney, certified public accountant, or trust company specializing in pet trust services. Your trustee will be charged with the responsibility of making sure your wishes regarding the investment and distribution of assets for the care of your pets are followed.

A comprehensive plan for your pets should ideally include a durable power of attorney that includes provisions for the care of your pets, a will or trust, preferably a trust, with specific instructions outlining in detail your wishes for the care of your pets as well as the selection of your pet caregivers and trustees, and appropriate alternates. As discussed above, your plan may also include an Animal Care Panel to provide oversight and guidance to your caregiver and trustee for pet care and asset distribution decisions. All of your legal documents should be supplemented with substantial "baby-sitter" instructions outlining the care requirements for each of your pets, including their daily care, medical history, photographs, and special instructions to meet the unique needs of your pets. Your plan shouldn't stop at your possible disability or death but should also include disaster instructions in the event of a natural disaster or an unexpected evacuation that prevents you from caring for your pets.

In summary, following are the top ten considerations when planning for your pets:

1. Make a notebook with a detailed description and history for each of your pets. Clearly identify your pets for future caregivers with photographs and other identifying information, including unique markings, microchips, and DNA.
2. Post emergency decals at home identifying pets and their locations. Carry a wallet card that advises emergency personnel about the existence of your pets.
3. Seriously consider how you want your pets cared for in the event of a

natural disaster, your disability, and upon your death. What documents have you put in place to accomplish this goal — disaster plan, powers of attorney, wills and/or trust?

4. Analyze the care costs for your pets for planning purposes — how much will be required to provide them with a lifetime of care? Are your resources adequate? Can life insurance assist in meeting this goal?
5. Identify possible caregivers (including perpetual care providers) and their alternates. Will an Animal Care Panel assist in the selection, oversight, and care decisions related to your pets?
6. Determine how your caregivers will be compensated — lump sum, fixed sum, actual expenses, bonus compensation, outright gift of money and pet?
7. Identify your trustee (and alternates) who are charged with the responsibility of administering, investing, and distributing the assets of your estate for the benefit of your pets.
8. Carefully choose your remainder beneficiaries — those who will benefit from your estate plan after your pets.
9. Include pet charities as part of your lifetime and estate plan giving.
10. Choose legal practitioners and trusted advisors who are sensitive to your needs and desires to plan for your pets.

Peggy Hoyt practices in family wealth and legacy counseling, including trust and estate planning and administration, small business creation, succession and exit planning, real estate transactions, and animal law.