

What Does the PGT Do as Committee of Estate?

When the Public Guardian and Trustee (PGT) is appointed committee of estate (usually through the certificate of incapability process) to manage an adult’s financial affairs, the adult becomes a client of the PGT. The PGT, like any other committee of estate, has a duty to protect the client’s property and has authority to deal with all of the client’s property. All property continues to belong to the client and is held in trust in the client’s name.

The PGT duty as committee is to manage the assets for the benefit of the client and the client’s legal dependent(s). All actions and decisions made by the PGT must be for the benefit of the client and accordingly the PGT takes the client’s personal

circumstances and unique family situation into account in making decisions on behalf of the client. The PGT is guided by the principles of the *Adult Guardianship Act*, and the duty to foster the client’s independence and involve the client in decision making, to the greatest extent possible. The PGT will involve the client, and/or impacted or involved family and friends, where appropriate, in making decisions.

Each client’s financial and legal affairs are administered on an individual basis to serve the client’s best interests. A Client Service Team, which includes a case manager and staff with financial and legal expertise, manages the client’s finances and legal matters.

Committee of estate CAN make decisions about:

Securing assets

Applying for benefits

Receiving income

Paying bills

Contracting for services

Maintaining, purchasing, and selling real estate

Managing investments

Preparing tax returns

Appropriately providing for legal dependents

Committee of estate CANNOT make decisions about:

Health care

Personal decisions

Placement and living arrangements

Marriage or divorce*

Adoption*

Voting*

Executing a will*

Criminal proceedings*

Immigration matters*

*No substitute decision maker can make decisions on these matters.

Involving the client and family

As committee, the PGT supports and promotes a client's independence and involves the client where possible in key decision making. The case manager will meet with the client to identify needs, priorities, the level of participation and to develop a plan. If assets are secure and the client is able, the PGT will minimize its involvement in day to day decisions such as grocery shopping and entertainment. Many clients still maintain and use their own bank account.

The PGT involves the client and impacted family in major financial and legal decisions. The level of involvement will depend on things such as the client's wishes, past practices, the client's ability to understand, the interest and availability of family, the urgency of the situation and confidentiality.

In situations where there are financial decisions that may impact personal or health care decisions, the PGT works collaboratively with the client and/or others who have legal authority, such as a client's committee of person or representative for personal and health care, to ensure that decisions made are in the best interest of the client.

Patients Property Act, s. 18(2)

A committee must, to the extent reasonable, foster the independence of the patient and encourage the patient's involvement in any decision making that affects the patient.

Getting started

On being appointed as committee of estate, the PGT will contact the client and inform the client of the activities that will follow. A new client can expect the PGT to do the following:

- Inform them about options for second assessments or reassessments;
- Foster independence and encourage involvement of the client in decision making;
- Organize an initial client visit;
- Gather information from family, friends and financial institutions;
- Contact financial institutions about the PGT authority as committee of estate;
- Request PGT inspectors to inspect the client's residence/property;
- Make an inventory and secure assets;
- Dispose of personal effects/real property, where appropriate;
- Conduct a search for a will;
- Deal with any legal issues;
- Develop a case plan and budget;
- Redirect mail and arrange for a change of address, where required; and
- Redirect income and bills and arrange for automatic payments.

Gathering information

The PGT works to gather as much information as possible about a client's affairs in order to get a full picture of the client's financial situation. In many cases, the client is not able to fully describe their assets, income, debts and other responsibilities.

Wherever possible, the PGT gathers information from various sources. Relatives are encouraged to talk to the case manager and to discuss the client's preferences and concerns so that the case manager can provide the best possible service. A questionnaire is sent to involved relatives and friends and these responses greatly assist in managing the client's affairs, particularly when they

are submitted promptly. Any information that can give the case manager a better understanding of the client's circumstances, or family situation, will help make it possible to provide the best service and to enhance the client's quality of life to the greatest extent possible.

For a period of time, the client's mail will also be redirected to the PGT in order to assist in identifying income, assets and liabilities that need to be managed. All personal mail will be forwarded to the client.

The PGT is committed to maintaining the confidentiality and security of client information and the collection, use and disclosure of personal information must comply with BC legislation. Information is only shared with others when it is in the best interest of the client. This may mean that some financial or other information may be shared with people such as health care providers or involved family if it is necessary to provide support to the client, or for the PGT to carry out its duties. The client's wishes and situation are always taken into consideration.

Collecting income and paying bills

The PGT will collect income on behalf of the client. For example, the PGT may collect wages, pensions, disability payments, Worksafe BC payments, annuities, mortgage and agreement for sale payments, investment income, rents and gifts under a will.

The PGT also ensures any bills or expenses are paid on the client's behalf. Where the client is able to manage some day to day expenses, funds will be made available to the client's bank account to cover expenses such as groceries, transportation and entertainment. If the client is in a care facility, the PGT pays the residential care user fees and provides additional money for small purchases if the client can afford this.

If the client's dependents are in need, the client's assets may be used to assist them, depending on the type and amount of assistance, the

wishes and needs of the client, and their legal obligation to assist the family member.

If the client does not have money to cover their own living expenses, the PGT will apply for income assistance, or other applicable benefits, on the client's behalf.

Where there are debts or other liabilities, and the client has sufficient funds, the PGT will arrange for repayment or settle the claims on the client's behalf.

Managing the assets

When someone becomes a client of the PGT, the PGT establishes a trust account for the client. This is where the client's cash is invested, income is credited, and bills are paid. The PGT will safeguard or sell other assets, depending on the type of asset and the circumstances of each client. Many assets (e.g., motor vehicles and speculative stocks) may depreciate in value if they are not converted into cash. Often, the needs of the client's family, demands of creditors, costs of storage and other circumstances require selling assets. Also, by nature, some assets are best converted into cash if they are difficult to protect. Each client's particular circumstances determine the best option.

- **Bank Accounts:** Where possible, arrangements are made so a client can continue to access their bank account. These will be retained but restricted to safeguard the client's interests. If the client is unable to access the bank account it will usually be closed and the proceeds invested in a trust account established for the client with the PGT.
- **Joint Bank Accounts:** When a client has a joint bank account with another person, a number of things are considered, such as the nature and intent of the account when it was created. Each situation is dealt with on an individual basis.
- **Joint Spousal Assets:** When the client has joint assets with a spouse, the PGT will work with the

spouse about issues such as taxes, real estate, insurance and pension splitting options.

- **Other Joint Assets:** When the client has joint assets with someone else, the PGT will work with the person on issues such as taxes, real estate, and insurance.
- **Cash:** All liquidated assets are held in the trust account or investment accounts with the PGT.
- **Contents of a Safety Deposit Box:** The PGT is responsible to ensure all significant assets are inventoried and secured. Usually the box is closed out and items removed for safekeeping.
- **Stocks and Bonds:** Stocks and bonds may be sold if the client requires liquid assets. If the client's affairs are likely to be managed by the PGT for a length of time, the investments are evaluated and transitioned into a PGT managed investment account. Efforts are made to avoid penalties for withdrawal.
- **Furniture and Other Personal Belongings:** If the client is likely to continue living on their own, furnishings and other belongings will be left with the client. If the client does not require their furniture and other belongings because they are not living independently, these items may be stored if the client can afford to pay the storage charges. If the client is not likely to need the belongings, they may be sold at public auction and the proceeds credited to the client's trust account.
- **Memorabilia:** All efforts are made to preserve or store a client's memorabilia, such as photos and family mementos.
- **Managing Real Estate:** If the client continues to live at home or is likely to return home, every effort will be made to preserve the client's residence. If a stay in the hospital is expected to last only a short time, the home will be secured and left vacant. If the anticipated length of hospitalization is longer, the belongings will

be moved to storage and the home may be rented. This can be arranged when the client has sufficient resources to cover expenses such as taxes, mortgage, repairs, and other costs related to maintaining property. The PGT engages a property management company to maintain the property, complete repairs, conduct inspections, and winterize the home.

- **Selling Real Estate:** If the client will not likely use the property again, or cannot afford to cover property management expenses, the property may be sold. The client and their closest relatives, if known to the PGT, are consulted prior to the sale of the property. Before a property is sold it is appraised to ensure the best price is obtained from the sale.
- **Motor Vehicles:** In some cases, the client is still able to drive a motor vehicle, and if there are sufficient funds, the PGT will arrange payment of vehicle insurance and operating costs related to the vehicle. In many cases, the client will not be using the vehicle. If a client does not drive or benefit from the use of their vehicle, the PGT will sell the vehicle.

Fees and expenses

The PGT charges fees for committee of estate services: managing assets, managing income, paying expenses, securing assets, conducting banking, investing and budgeting. A detailed description of fees can be found at www.trustee.bc.ca/fees.

The client is also responsible for expenses related to goods or professional services provided to the client such as the services of real estate agents, property management services, home repairs, property taxes, preparation of tax returns, legal services and asset storage, protection and maintenance.