

FINANCIAL JOURNEYS

FINANCIAL & RETIREMENT PLANNING FOR LIFE



Surviving, then thriving

When facing the inevitable, it may help to take time to deal with the practical details beforehand

Few things are as sad and traumatic as the death of a loved one. From the loss itself, to the ways it can impact you physically and emotionally, to navigating the logistic and financial complexities that come with it, it's easy to feel overwhelmed. And when it comes to talking about death, it can be as awkward beforehand as it is difficult afterward.

Talking with family along with friends and professional advisors, however, can be the key to preparing as much as you can and getting through the inevitable with as little upheaval as possible.

But just how do you approach a loved one with the subject of their death? And where do you go from there? Perhaps first consider how you would want everything handled, and then start the conversation from that perspective.

START SMALL, GO SLOW

Like many endeavors, it's often good to start small and be patient.

PUT IT ON THE RADAR

Rather than sitting down for a heavy talk, try simply mentioning the subject and see how it goes. You might even break the ice with gentle humor: "You know, at some point we could consider chatting about the big scary death thing." Remember, this can be a series of conversations.

MEET THEM WHERE THEY ARE

Death is emotional and its effects are complicated. When your loved one is ready to talk, get a sense of what's top of mind for them. Is it unsolved relationship issues? Finances? Legal hurdles to address? Listen for cues, and you'll find the appropriate starting point. From there, the rest of the dialogue should come naturally.

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Surviving, then thriving (cont.)

THE GIFT OF PLANNING

Once the conversation has begun, everyone will soon start to feel more comfortable. And while certain topics can be difficult, it will be apparent that working through them and being on the same page will pay emotional dividends later on.

Beyond family

Once you've gotten a little more comfortable, encourage your loved one to share pertinent details with their family attorney, accountant and financial advisor who can help fill in any blanks and help ensure as smooth a transition as possible when the time comes. From reviewing beneficiaries and titles to make sure they align with the will, to practical matters like having access to liquid cash, to making decisions without liquidating assets or waiting for life insurance proceeds, the details become easier with professional guidance.

Wills and trusts

Everyone needs a will to express the desired transfer of financial and tangible assets. If desired, encourage your loved one to work with professionals to help document their wishes accurately. For some, a trust may be appropriate to help dictate how assets are distributed, while keeping affairs confidential by avoiding probate.

Letters and proxies

Not everything is covered by a will, so ask your loved one if they'd like to write a personal letter to communicate any additional wishes. It can be a way for them to share their values, life lessons and faith with the next generation. It's also important that they designate a durable power of attorney – someone who can be trusted to handle financial business and make healthcare decisions on a person's behalf.

Living wills

This advanced care directive specifies how someone wants healthcare providers to handle their life-sustaining treatment and end-of-life care in the event they cannot do so themselves.

Funerals and obituaries

Everyone has a different idea of what they want when it comes to final respects. Some prefer celebrations, while others want solemn occasions or even creative gatherings. Regardless, listen to what your loved one desires and perhaps help research costs and make arrangements in advance.

Security codes and passwords

When someone passes away, survivors will need documented information to access or shut down a variety of personal and financial accounts.

THE AFTERWARD

It'll be important to surround yourself with love and support after the loss. Conventional wisdom suggests holding off on major decisions and taking at least a year to heal. However, certain practical matters will likely arise and need attention during this time. With help and professional guidance, tasks that seem daunting can be accomplished gracefully and peacefully.

Let people know

Make those you know aware of the loss. Reach out to family, friends and spiritual counselors for emotional support.

Confirm final arrangements

Contact the funeral home to confirm or clarify your loved one's planned services. If you need clarification yourself, look to the will or personal letters for instructions.

Ample certificates

It is recommended you get two to three dozen original copies of the death certificate from the county where the death occurred. One will be needed for every account relating to the estate, as well as one to forward the person's mail from the post office.

Time off and childcare

If you're able to, take time off work – many companies offer bereavement leave for the loss of close loved ones. Keep the little ones in mind, too, they'll need support and possibly childcare as you deal with the details and services.



As a practical matter, although this may be a difficult discussion to have for all parties, the time to create a plan is now, while everyone has the opportunity to contribute fully to helping ease the painful transition in the future. As you work through your loved one's wishes, consider your own planning needs. While planning for death and its aftermath can be somber and uncomfortable, it's never too early to start talking. ■

NEXT STEPS

- Educate yourself further on the legal and financial implications of death
- Gather important documents
- Think about ways to broach the subject
- Seek guidance from legal and financial advisors

Sources: Raymondjames.com; caregiverslibrary.org; nextavenue.org; psychcentral.com



Sandwiched

Caring for others as well as yourself

When it comes to the “Sandwich Generation,” much has changed since the phrase was coined by Dorothy Miller in 1981. Back then, it was mostly women in their 30s and 40s who were serving as caregivers for both young children and aging parents. But today, both genders are sandwiched and the age range is from 40 to 59.

Even more revealing are examples of how being in the middle can affect lives, finances and the overall economy.

Nearly half (47%) of adults in their **40s and 50s** care for their parents while raising young children and/or **supporting older children**

There are **43.5 million** unpaid caregivers in the **U.S. over the age of 50**

The estimated amount of **lost income** during a working adult’s lifetime due to caregiving is **\$304,000**

1 in 4 caretakers take employment leave to **care for family**

Those who are sandwiched spend about **25 hours per week** caregiving

From **2007 to 2013**, the estimated value of services provided by caregivers grew from **\$375 billion to \$470 billion**

Another reason this role is getting harder is more and more people are living longer and more likely to experience aging related health issues that may require extra care. So for anyone stuck in the balancing act, a simple question arises. While you’re caring for your loved ones, who’s caring for you? Consider these tips:

Ask for help: You might be surprised how willing your family and friends are to lend a hand. Even assistance with simple tasks like errands, housework and food prep can provide needed relief.

Be good to your body: The more pressure, the more important it is to nourish your body. Avoid junk food, and curtail alcohol and caffeine. Sneak as much sleep as you can. This will help reduce stress, anger and frustration.

Remember your mind: Prayer, meditation or quiet reflection can help you get through challenging days. Turn to online resources, libraries, therapists or a place of worship for resources to help you achieve balance and calm.

Talk to your financial advisor: Before making a significant contribution to your loved one’s care, discuss financial strategies for navigating your caregiving role. There might even be available assistance for you and your family. ■

NEXT STEPS

- Make a list of people you can reach out to for help
- Assess your diet and sleep habits
- Research local counselors if you’re comfortable
- Ask your financial advisor for guidance

Sources: Raymondjames.com; huffingtonpost.com; kiplinger.com; pewsocialtrends.org



A brighter financial future

A recent survey revealed that more than 40% of new college students didn't feel prepared to manage their money. Some were reluctant to even check their bank accounts for fear of what they might find. Clearly, some advice would be helpful.

Consider talking to your kids or grandkids sooner, rather than later, about basic financial management. These skills are much easier to learn before they become financially independent, as there are fewer financial factors to consider. Teaching them a few basic principles now will leave them better equipped to deal with more complicated matters down the road, such as mortgages, healthcare and tradeoffs that may need to be made in retirement.

START WITH THESE FIVE BASICS

1. Determining how much money they have

Although most college students are more likely to consult an app than an actual paper bank statement, it's essential that they understand what they're looking at. Explain any unfamiliar terms, such as "posted" vs. "available" balance. This way, they'll know exactly how much cash they have on hand.

2. Understanding credit and loan offers

College students are easy prey for predatory lending practices. Teach yours to recognize the differences between good offers and bad ones. While it's important to establish a credit history, it's even more important to understand how credit works and how to use it responsibly.

3. Distinguishing between wants and needs

Building a solid financial foundation requires understanding the difference between wants and needs. Since most young adults have had their needs taken care of by their parents, they're used to spending their own money on wants. As they grow older, it's crucial they learn to put needs before wants.

4. Establishing a simple budget

The sooner young adults learn to budget, the easier it will be to grasp the basic skills. Teach them the importance of developing a plan for their income, and how to prioritize. Perhaps help them build a spreadsheet or set up an app to track and categorize their expenses.

5. Thinking about tomorrow

Teach your kids to think beyond today, and encourage them to save for themselves, the future and others. It's never too soon to save for retirement and to start thinking philanthropically. And everyone can use a rainy day fund to help get them through the unexpected. ■

NEXT STEPS

- Make sure your kids have mastered financial basics by checking in with them from time to time
- Follow up on any new questions that may have surfaced after their initial money management attempts
- Help them quickly recognize when they need financial help, and where to turn for solutions

Source: Moneymanagement.org