

FINANCIAL AND OTHER DECISIONS AT THE DEATH OF A LOVED ONE

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In early November, my Mother passed away at the age of 91. She was a great mom. Although it is very hard to lose a parent, I feel blessed that she died quickly, in her own home; of sound mind and most importantly knowing the strength of her faith and that she is now reunited with my Dad.

Experiencing the death of both parents gives me recent firsthand experience that I think can help others plan for their own death or the death of a parent. Here are some tips that I think are worth considering.

PRENEEDS:

My Mom and Dad both purchased a preneed funeral plan and burial plots nearly 25 years ago. Although a case can be made that a person may do better investing his money separately than buying a preneed, the advantages of buying a preneed are certainly worth considering. In my case, it made it much easier to not have to worry about where to bury my Mom and or what casket to use, or what services to choose. That had already been done by my parents and it was very nice to not have to concern myself with these issues.

FUNERAL DETAILS:

My Mom's pastor at her church in St Joseph had a class several years ago which my Mom attended that discussed funeral decisions. Her minister gave her a document that I helped my Mom complete that listed every detail of a funeral; songs to sing, scriptures to read, a list of pallbearers, the location of the service and other important details. The minister kept a copy and so did I. Again, the decisions of what she wanted were already made by her. This was extremely helpful. (One item that wasn't fully anticipated was that many of her potential pallbearers predeceased her. Fortunately we still had a few younger ones including our sons.)

PRESERVING FAMILY KNOWLEDGE:

About seven years ago, I spent several hours with a small audio recorder, recording my Mom telling about our family's history. We also covered my Mom and Dad's life together and memories of her childhood and her spiritual life. I transcribed this on paper and I am very glad to have this because I know these memories are not lost to death.

DURABLE POWER OF ATTORNEY, WILLS AND BENEFICIARY DESIGNATIONS:

It is important to have a will which my Mom had in her lock box and which I had a copy in my files. Also, she had my brother and I listed as payable on death beneficiaries on her financial assets, including her home and bank deposits and an annuity. This was also helpful in that payable on death assets avoid

probate which can cause delays and can be expensive. I actually failed to have this done on a small investment that my Mom owned which will require some paper work with the court and a time delay which would not have been necessary if I had not overlooked this. The other item to note is that a durable power of attorney allowed me to pay my Mom's bills while she was alive. However, it ceases at death. This required me to close that account and open another one. It would have been easier to have been a joint owner on the account which would have allowed me to continue paying bills from that account without interruption.

Death of a parent is difficult, but some of the financial and funeral decisions can be easier with proper planning.

In next month's article, I will continue with part two of this discussion with several other important items including selling a house and its contents.

Remember every investor's situation is unique and it is important to review your specific situation with a financial professional.

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