

FINANCIAL DECISIONS AND OTHER DECISIONS AT THE DEATH OF A LOVED ONE - PART TWO

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In last month's first installment of this topic, I discussed several issues involving my Mom's death. I mentioned that she had bought a preneed plan and had purchased a burial plot. Also, she had planned out her funeral in advance with her minister. Further, I mentioned that I had taped some conversations with her preserving some family history and memories. Finally, I discussed how important it was to have a will, durable power of attorney, health directives and living will and to be sure that assets are titled appropriately with payable on death beneficiary designation.

In this month's installment I wanted to address several other issues. First, as a follow up to last month's discussion, on one of my Mother's financial assets I had overlooked having a payable on death designation which has caused me some minor complications. I have had to have an attorney prepare some small estate papers to file with the court which will take some extra time and expense that would have been unnecessary had I not overlooked this one asset. Remember to check all assets, not only financial assets like bank accounts, investments and insurance but also real estate deeds and car titles.

SELLING ASSETS:

My Mom kept a lot of items in her house. The good news about this is that there are a number of family items, pictures and memorabilia from her family and my Dad's family that we are happy we can keep. The bad news is that keeping lots of items makes it harder to clean out. My Mom had an attic and basement full of many things (multiple sacks) that needed to be thrown away. The advice here is to keep and mark and designate important items and throw away the rest. With pictures and other memorabilia write on the back who is in the picture and their relationship if this is a distant relative.

Some of the items that I am glad we found are letters from my Dad to my Mom and to my grandparents during his stay in Europe in World War II. Also, we found a box of letters from my grandparents to each other. In one of those letters, one of them wrote to the other about how terrible it was that the Titanic had sunk a few days ago. We also found some very unique items, a 1903 revolver that was owned by my grandfather and a Nazi sword from World War II that my Dad brought back from the war

As a side note here, letters are not written nearly as much today as in past years and this is a shame because letters tell us a lot about people and their feelings. Remember this and take time occasionally to write a letter to a loved one to tell them how you feel about them. I typed a letter to my parents once at Christmas about what they meant to me. I know it meant a lot to them because it was framed and hung in their bedroom. Marla and I also wrote special letters to our kids when they graduated from high school about what they meant to us and some of the special memories we had with them.

There are different ways to sell assets inside a house which can include a separate auction or combining these assets in a bigger auction. We decided to have an estate sale in which the person who does this prices and arranges everything in the house to be sold. Then a date is set and people can walk through and buy the items at the price that has been established. What is not sold at the sale can be sold through other connections that the estate sale person has. In our case we had our children walk through the house with my wife, Marla and my brother, Richard, to see if there is anything special or meaningful to them that they wanted. It was interesting to see the items that were important to them for sentimental reasons. This way you don't inadvertently sell something that someone in the family would want.

It is important to note that once a house is unoccupied that the insurance to protect it and its contents will be higher but it is important to protect the house and its contents from loss.

SELLING THE HOUSE:

We decided not to put the house on the market until the contents were sold. (Otherwise, people say they wanted to look at the house when really they just wanted to see the contents before the estate sale wasting time for the real estate agent.) With both the estate sale person and the real estate agent it is important to use people that have a good reputation for competence and character. We asked real estate agents here in town about agents they knew in the town of my Mom's house. Further we asked the funeral director, who was a family friend who he recommended and matched these up to select both people. We met with them, talked through how they would do both the estate sale and the sale of the house and coordinated their efforts.

FINAL ADVICE:

In summary, the most important piece of advice is to preplan, organize and document. I have some record organizing documents that can be very helpful in prompting a person to list their assets, where important documents are located, important contacts and phone numbers, final instructions, funeral arrangements and other important documents helpful at death.

The death of a parent is never easy, but a person can make the final arrangements and the financial decisions significantly easier with a some preplanning.

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