

Volume 3 / Issue 3

**MAKE YOUR CHILDREN PART OF THE CONVERSATION**

As Benjamin Franklin once said, "In this world, nothing can be said to be certain except death and taxes." Yet in spite of these certainties, many of us are reluctant to discuss our future and our finances with our adult children.

No one denies that talking about what will happen to the family after you pass or become ill is a difficult thing to do. But it is also incredibly important both for your adult children's future and for your relationship with them.

The following are a few things to keep in mind when you're preparing to discuss your financial situation with your adult children.

**DECIDE WHAT THEY NEED TO KNOW**

The point of having a financial conversation with your children is to give them the knowledge they need to:

- Act on your behalf, should they need to
- Understand why you've made your particular estate planning choices
- Make any legal or financial processes they have to go through, in the event of your death, as painless as possible

The extent of the information you share is up to you; however, your children do need to know whether or not you have a financial plan to pay for long-term care or medical treatment, should the need arise. They should know where your important legal and financial documents are, as well as how to contact your medical, financial, tax and legal advisors.

Your children should also be made aware of what money will be available for funeral arrangements and any other end-of-life business they'll need to take care of.

**HAVE AN HONEST DISCUSSION**

You know your family best, so you will know what things really need to be discussed in order for everyone to be prepared, comfortable and confident in your decisions. While the conversation may be uncomfortable, you will be saving your children from legal and financial stress later on by being as honest and open as possible. Talking with your family about how your estate will be divided is rarely easy, but it's an important step to take as you age.

**INCLUDE THEM IN ADVISOR MEETINGS**

When you meet with your financial advisor, take the opportunity to include your children. Their familiarity with your trusted financial advisor is key to their understanding of your current financial needs and your future plans and goals.

Actively involving your adult children in meetings with your legal and financial advisors can help them become educated on the intricacies involved in your estate plan and investment portfolio.



**SENIOR ESSENTIALS: DURABLE POWER OF ATTORNEY, HEALTH CARE PROXY & LIVING WILL**

What would happen if you were ill and unable to make your own medical or financial decisions? It's difficult to think of yourself in that situation, but by considering the scenario now and taking steps to be prepared, your well-being and wishes will be safeguarded.

**DURABLE MEDICAL AND FINANCIAL POWERS OF ATTORNEY**

In order for your children or a selected spokesperson ("agent") to make most decisions on your behalf, they must be given the legal power to do so. The simplest and most effective way to do this is with a Durable Power of Attorney ("DPOA"). A durable power of attorney is a document you execute (while able to do so), that gives your agent specific legal powers to act on your behalf. The term "durable" means it stays in effect if you no longer have legal capacity to execute such documents.

Durable Powers of Attorney come in two forms: medical and financial. A **Medical Power of Attorney**, also called a "Health Care Proxy" or "Health Care Directive," allows an agent to make medi-

Beltz Ianni & Associates, LLC is focused on helping people prepare for and maintain a successful retirement. We are always ready with the guidance and tools you need to achieve success. We define a successful retirement simply as one where you can retire with confidence. In addition to retirement, insurance planning and investment planning for individual clients, we help manage the wealth and health concerns of employees at the companies we serve through our retirement plan, group benefit and health care business services.

280 Kenneth Drive, Suite 110  
Rochester, NY 14623  
585-340-5200  
www.beltz-ianni.com

cal decisions on your behalf. These can include authorizing a treatment, hiring or firing a physician, or hiring a personal attendant for home care. A related document is a Living Will—see below for an explanation of use.

A **Financial Power of Attorney** is broader. It allows your agent to act for you in many legal and financial activities, such as transferring money, paying bills, filing tax returns, selling assets, or accessing information on your behalf.

### **Living Will**

A living will is your written expression of how you want to be treated in certain medical circumstances. Depending on state law, this document may permit you to express whether you wish to be given life-sustaining treatments in the event you are terminally ill or injured, to decide in advance whether you wish to be provided food and water via intravenous devices ("tube feeding"), and to give other medical directions that impact your care, including the end of life. A living will applies in situations in which the decision to use such treatments may prolong your life for a limited period of time and not obtaining such treatment would result in your death.

Your state of residence may have standard or statutory forms for the Powers of Attorney and Living Will. You should check with your attorney for guidance.

*Making your children a part of your legal, health care, and financial conversation will smooth the transition if and when they need to step in as your decision maker.*

**Source:** The American Bar Association, <http://www.americanbar.org>. The information presented here is not intended as legal advice, and is subject to change with changing laws and regulations. Please consult with your attorney/legal counsel before taking action.