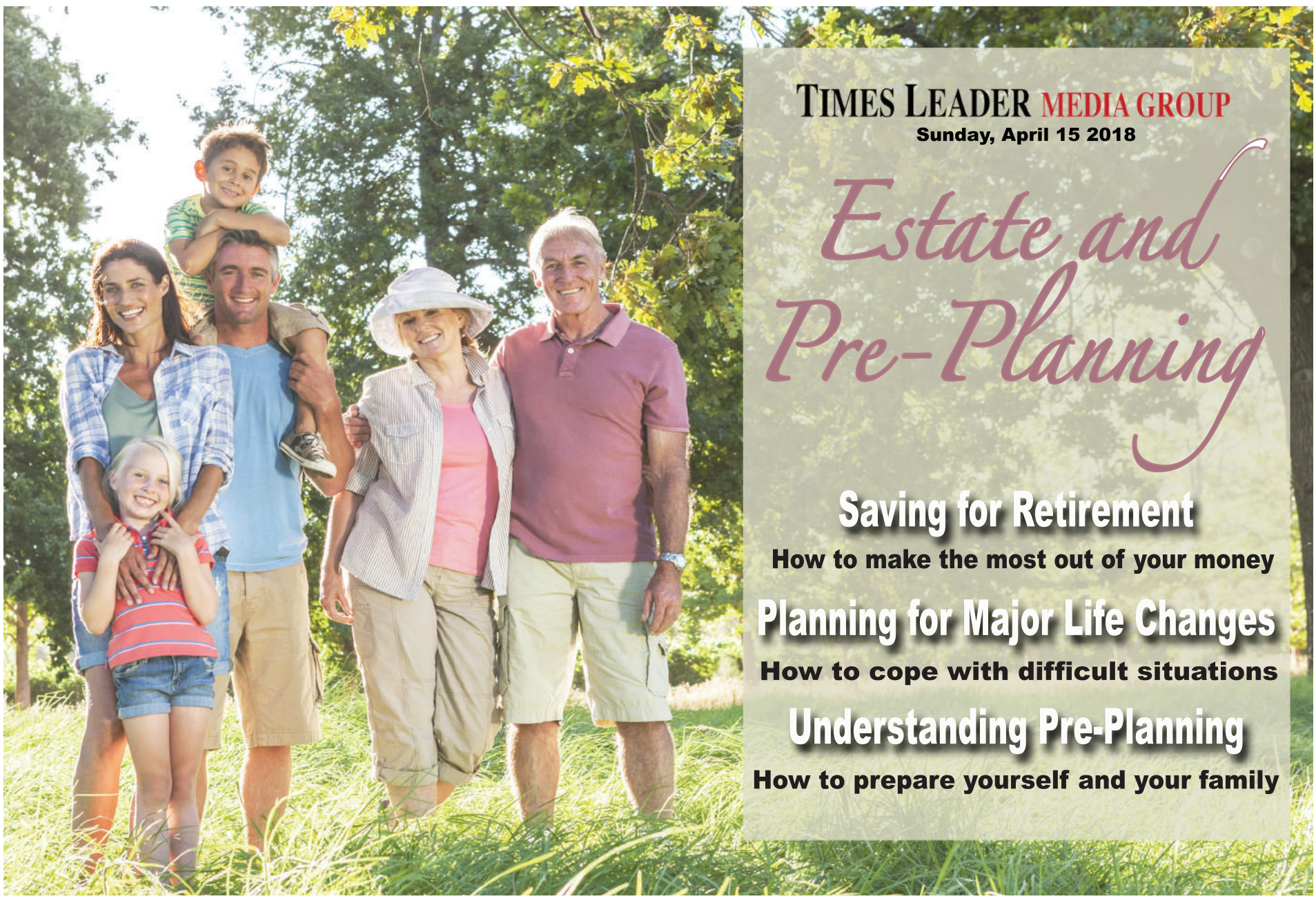


TIMES LEADER MEDIA GROUP
Sunday, April 15 2018

Estate and Pre-Planning

Saving for Retirement
How to make the most out of your money

Planning for Major Life Changes
How to cope with difficult situations

Understanding Pre-Planning
How to prepare yourself and your family

Plan a Lasting Legacy

BY MARLA R. MILLER | CTW FEATURES

Now that you're retired, it's likely you've started to think about what you want to pass on to your kids and grandkids – and we're not just talking money. Here's why you should map out your ancestry, teach your family about your life and decide the best way to pass down valuables, money and property without fuss or hurt feelings.

Now that you're retired or in the midst of downsizing, you've probably started to think about what you want to pass on to your children and grandchildren. Or maybe you finally have the time to dive into genealogy research and organize family photos.

The fun part of planning a lasting legacy is taking the time to write your personal story; the stickier side involves divvying up assets and personal property to heirs.

Personal historians and estate lawyers can take the guesswork out of both, helping to guide you through the process so family heirlooms don't end up in an estate sale and relatives don't end up in court.

In the internet age, genealogy research has become a lot easier. Personal historian Carolyn Parrott, owner of Kept Memory, LLC, recommends people start simply and use free resources initially. FamilySearch.org is one of her favorites. In addition to billions of records, the site also offers free online classes.

But beyond mapping out ancestry and locating birth, immigration, military, marriage or death records, it's important to record special events and milestones from your own life to pass down to family, whether that's orally sharing stories or writing them down. Many people turn to genealogy experts and personal historians to not only do the research for them and trace their family's roots, but put it all together in a book, audio recording or video.

"If people don't feel up to doing it themselves, don't know where to start, or how to proceed, it's important to find someone who can stay motivated to get it down," Parrott says.

Parrott lives in Carmel, Indiana, and launched her business in retirement after writing a children's book for her granddaughters. She covered key aspects of her childhood like where she lived, her neighborhood, school and favorite teachers and subjects.

"Think of it as an interview. What would you have liked to know about your own grandparents or parents?" she says. "It doesn't have to be daunting, just choose an area of your life and write or speak about it."

She also tells people to start with big memories, like special vacations or summers with grandparents, or by thinking about who they remember in their family like special aunts, uncles and cousins.

It doesn't have to be chronological either. You can write about your career, values, biggest accomplishments, how you met your spouse, what you know about your birth, how you remember your childhood home, or offer some simple advice on what you have learned about life.

If you're uncomfortable writing or unsure of your skills, Parrott suggests using a recording device and simply talking about those details.

Another tip is to gather and protect important documents that will mean something to heirs, like diplomas, marriage certificates, and baptismal records, and jot down what you remember about each one of those events.

She also recommends taking time to organize photos and labeling the people in them on the back using pencil.

"The saddest thing I see is they'll have a box of pictures and they don't know who the people are," she says. "Spend a little time on a rainy or snowy Saturday and carefully write about what you know about the people."

The website personalhistorians.org will help you locate a personal historian in your area. Personal historians work with a variety of clients to help preserve family histories, retirement tributes, military careers, ancestry books, biographies and more. Projects can range from a short, spiral-bound book to a 400-page book with premium, color printing.

Whether you work with a personal historian or not, the most important takeaway is to record as much as you can of your own history and life events.

"Write it out in a journal, write regularly for yourself about some aspect of your life and your family's history," Parrott says. "It's a really important legacy to leave for your family. When an elder dies, it's as if a library has been burned down."

Divvying up personal property and assets can be much touchier and emotional, says Erin Cook, an attorney and owner Estate Planning of SC, LLC, in Columbia, South Carolina.

A will is a good starting point, but some states allow personal property memorandums which Cook advises people to create so they don't have to redraft their will multiple times. People can change and update it as needed, and it helps to pass down valuables and property without fuss or hurt feelings.

"The best thing you can do is to communicate to your children what you want to happen when you die, what your expectations are," Cook says. "That's helpful in keeping your children from fighting over the property because they know what you wanted to happen."

Whether it's family photos, antiques or the coveted diamond ring, it's best to spell out your wishes for specific items before your death in a personal property memorandum or go ahead a give the item to the person you want to have it, Cook says. It's a good time to do it when downsizing to a smaller home or even assisted living or a nursing facility.

Sometimes people write the name of the person on the back of an item, but there is no guarantee they will ever receive it once living heirs or the executor get involved.

"It's really more of an issue if there's one particular item that's not easily split or replaceable, like the grandfather clock from the early 1900s that still works," she says. "People argue over stuff more than the money."

Cook is a certified specialist in estate planning and probate law and she recommends people consult an attorney who specializes in estate planning. It's often an emotional and dynamic process that can involve some tough decisions and change over time.

It's also important to name a power of attorney, complete healthcare directives, and understand tax laws and how to avoid probate. In addition, every person should name one personal representative, usually the power of attorney, to make sure their estate is settled and deadlines are met. The personal representative has the final power if there is a dispute.

"The personal representative at death should change the locks," she says. "Their job is to protect that property. The personal representative should look for a memo and distribute that property."

Typically it's the surviving spouse, but it becomes an issue upon their death when a child takes over. Often, it creates bitterness and infighting among siblings.

Clients often think their children won't end up in court, but she has seen it time and again. Once both parents are gone, there is nothing to keep that bond strong. There is usually various family dynamics at play – one child has a grudge, one child feels they were always slighted, or the oldest child is bossy and strong willed.

Parents are hesitant to name one child as the personal representative, but it avoids conflict, Cook says. She recommends someone that is organized, responsible and task-oriented because there is paperwork to file and deadlines to meet.

"Sometimes there's no way to avoid hurt feelings," she says. "Be a good communicator. Leave written instructions. Verbally communicate what you want to happen. Set your kids up for some kind of success."

"Transfer my home to my kids," they said... "I would be protected," they said.

WRITTEN BY ATTORNEY CASEY SAUERWINE | MARSHALL, PARKER & WEBER

It is the heart of seminar season for us here at Marshall, Parker and Weber and soon it will also be health fair season and baseball season (my favorite). What I encounter every year around seminar season and health fair season is that one common question or statement that is repeated day in and day out.

I either get "I transferred my house to my child/children to protect it from nursing home costs, that was the smart move, right?" or "Should I transfer my home to my children? I have heard about this look back rule and I want to protect my house in case anything happens."

Inevitably everyone wants me to assure them that yes that was the smart plan and good job doing that without talking to a lawyer. Unfortunately, what I tell them is not always what they want to hear and instead of disappointing you, I would like to give you some advice ahead of time before you make that decision to go ahead and transfer your home to your child/children.

The big issue people face when transferring their homes to their children is they do not take into account their children's life circumstances. Simply put, parents do not think about the worst-case scenarios with their children and what that means for them. Parents do not like to think their child is a gambler or maybe an alcoholic. What seems like a good marriage today may not be a good marriage tomorrow. Accidents happen, health problems may develop and parents may outlive their children. These are issues that mom and dad never truly think about when transferring their house to their children and unfortunately it can come back and hurt them.

However, there are things you can do in order to protect your interest in your home and at the same time protect it from nursing home costs.

One way to protect your home from the costs of a nursing home and still protecting it for you and eventually your children is to put it in an irrevocable trust. This way the trust is the owner of the property with no life circumstances that would cause you to be removed from the property. Moreover, when you die the property will then be distributed to the beneficiaries (who could be the children that you initially thought about giving the house to). This trust allows you to protect your house from those costs of care that you may be concerned about and distributes it to your intended beneficiaries when you are gone.

One thing you must remember when considering a trust is there is a five year look back no matter if you transfer it directly to a child or into a trust. This type of planning should be done some time in advance so you get through the five year look back.

Another issue you should consider when transferring your home directly to your children is that of capital gains. When most of us sell our home, we benefit from a tax exclusion on capital gains we make on the sale. This is because we can meet certain ownership and use requirements as set forth by the IRS and we are excluding $250,000 (single) or $500,000 (married couple) or less of a gain. (1)

The issue arises where the property is transferred to the children and they do not live at the property and therefore cannot satisfy the use test. If they are owners and they sell the property, they will have to pay tax on the gain. What is even worse is because you transferred it during your lifetime, your children do not get a step-up in basis to its value when they took over ownership of the property. Instead they receive your tax basis. This means if you have lived in the property for a long time and it has significantly appreciated in value from the original purchase price; it can be a significant and expensive tax problem for your children.

Here again, an irrevocable trust is a great way to avoid this issue because when a trust is properly drafted, the children inherit the home and therefore get the step-up in basis under the IRS rules. (2)

Finally, if you still insist on transferring your house to your children as opposed to locking it up safely in an irrevocable trust, remember to retain a life estate in the property. Reserving a life estate is important; language is placed in the deed that specifically creates this right that allows you to use and occupy the home for the rest of your life.

This language is important because it keeps children from kicking their parents out of the property. The idea of children kicking their parents out to some is ridiculous and heartless but we address it because we see it more than people think. Having a life estate in the property is an option when you want to transfer your property but you do not want the trust. Does the life estate offer as much protection as just having the property in a trust, no but it is better than not doing anything and just doing a straight transfer to the children?

At Marshall, Parker & Weber our attorneys counsel clients on these issues all the time and if this is a topic coming up more and more often between you and your spouse or within your family, it might be a good time to reach out to an elder law attorney and review your options before you make a decision.

Casey Sauerwine is an Attorney at the law firm of Marshall, Parker & Weber with offices in Wilkes-Barre, Scranton, Williamsport and Jersey Shore. For more information visit www.paelderlaw.com or call 1-800-401-4552.

8 Ways to Start Saving Now

Saving money is difficult for many people across North America. According to a 2017 GoBankingRates survey, 57 percent of Americans have less than $1,000 in their savings accounts, and 39 percent have no savings at all. A recent Ipsos survey on behalf of the accounting firm MNP found that more than half of Canadians are living within $200 per month of not being able to pay all of their bills or meet their debt obligations.

With such little room for error, even minor unexpected bills can pave the way to financial hardship. Fortunately, many people do not have to make drastic changes to save more. Here are several ways to start saving more now.

1. Plan meals. Decide what you will make in advance and list all the ingredients, enabling you to shop for the lowest prices.

2. Cut the cord. Cutting ties with traditional cable television providers can save consumers substantial amounts of money. Streaming services like Netflix, Hulu, and Amazon Prime provide a slew of content for a fraction of the cost of mainstream cable.

3. Establish a goal. It's easier to save when you have an end goal, whether it's financing a vacation, buying a home or growing your family. Establishing a goal gives men and women something to strive for.

4. Make coffee at home. Make your daily coffee at home rather than paying several dollars per day for that morning cup of Joe.

5. Wait before checking out. Impulse buys can quickly add up. Store that online item in the shopping cart for a day or two to really think about if it is a necessity or just an impulse buy.

6. Shop quality not quantity. Bulk buys may seem advantageous, but not if the items break or wear out prematurely. When shopping, opt for quality merchandise that may cost more initially, but thanks to its durability, will save money in the long run.

7. Don't worry about your neighbor. Trying to keep up with the Joneses, Smiths or Murphys is a recipe for overspending. Stick to your budget and make improvements or upgrades as you can afford them.

8. Rely on automatic deductions. Set up automatic deductions so a predetermined amount of money is deposited into a designated savings account each paycheck. Chances are you won't miss it, and the savings will add up.

Pre-Retirement Checklist: 10 Tasks to Complete

WRITTEN BY ROBERT POWELL, USA TODAY | WWW.USATODAY.COM

If you want to do retirement right, you'll need a checklist. But what tasks should be on your pre-retirement checklist? Here's what experts had to say.

Are you sure you want to retire? First, revisit your retirement date. "For some, making a decision to stay on the job an extra year or two beyond your planned retirement date will enable you take advantage of your company's match in your 401(k) plan, delay triggering Social Security to maximize monthly payouts later, and accumulate more money in your savings," says Sandra Timmerman, a nationally recognized gerontologist.

Can you afford to retire? Dead set on your retirement date? Determine whether you can afford to retire — whether you'll have sufficient income and assets given your household's retirement expenses and liabilities.

To do that, create a financial plan, and stress test it. What will your sources of income will be in retirement; how much can you expect from each source and for how long? The average retiree has income from Social Security, wages, retirement accounts such as IRAs and 401(k)s and, for some, a pension.

Visit the Social Security Administration's "my Social Security" website to get your benefit estimate and earnings statement, says Stuart Michelson, a finance professor at Stetson University and editor of the Financial Services Review. Review, too, your company's retirement benefits, including your pension, 401(k) or other retiree benefits.

Figure out not just your gross income, but your after-tax income and whether you can live on that. "I've seen so many situations where people look at the amount of their retirement benefits and compare that to their take-home pay," says Larry Frank Sr., a financial adviser with Better Financial Education in Roseville, Calif. "Big mistake since the retirement benefits, be they from a pension, Social Security, and/or their 401(k), 403(b), 457 and the like are in gross dollars."

Create an investment plan. "Make sure your portfolio is designed around the rest of your lives, and not just hitting the retirement date," says Carl Richards, director of investor education for the Bam Alliance in Park City, Utah. "Because the goal for so long has been to retire, and most people have been so focused on that goal, they fail to realize that life goes on, and the whole point of saving and investing over decades is so there will be enough money in retirement to live."

Do a dry run. Determine whether you'll have enough income to support your desired lifestyle in retirement — before you retire. "While you're still working, and it looks like you will have less to spend in retirement from all sources compared to working, then practice the transition first," says Frank. "You do this by saving more, which equals spending less."

If you can successfully live on less, then you've shown yourself you can retire as planned. "If you can't, then you need to work longer," says Frank.

What will your expenses be in retirement? Visualize and price what retirement will mean and determine an appropriate income-replacement ratio. "This might include doing mundane things such as figuring out the cost of living for small items in a new city or costing out leisure-time activities," says John Grable, professor of financial planning at the University of Georgia and co-author of The Process of Financial Planning.

New retirees can expect a U-shaped expense pattern in retirement. "During the early years expenses may be near pre-retirement levels," Grable says. "Over time, expenses should drop as the routine of retirement kicks in, but at some point, health care costs may drive expenses back up," says Grable. "Be prepared for this now is a sign of prudent planning."

Evaluate whether you need to replace some or all of your employee benefits in retirement. "For those who are Medicare-eligible, it's important to make sure the transition is seamless, and to figure out supplemental insurance options and pricing," says Timmerman. "To many people's surprise, health care and dental care costs are higher in retirement than they anticipated."

If you have an employer-sponsored retiree health care plan, consider the possibility that your employer might cancel or trim this benefit in the future.

On average, retirees spend anywhere from 11% to 16% of their after-tax income on expected health care expenses. And don't forget to plan to pay for unexpected health care expenses, too.

Plan for two eras in retirement. For couples, there are two general eras in retirement for which to plan, says Frank. One, when both are living, and two, when either one is the survivor.

Pension choices range along a spectrum of 100% to survivor and 0% to survivor, with the maximum benefit today being 0% to the survivor. "If people stopped to think about this for a moment they'd realize their retirement choice has a big effect on the second retirement era," Frank says.

Ditto the decision around when to claim Social Security benefits. . "Claiming Social Security should also factor how to maximize benefits for the survivor era," says Frank.

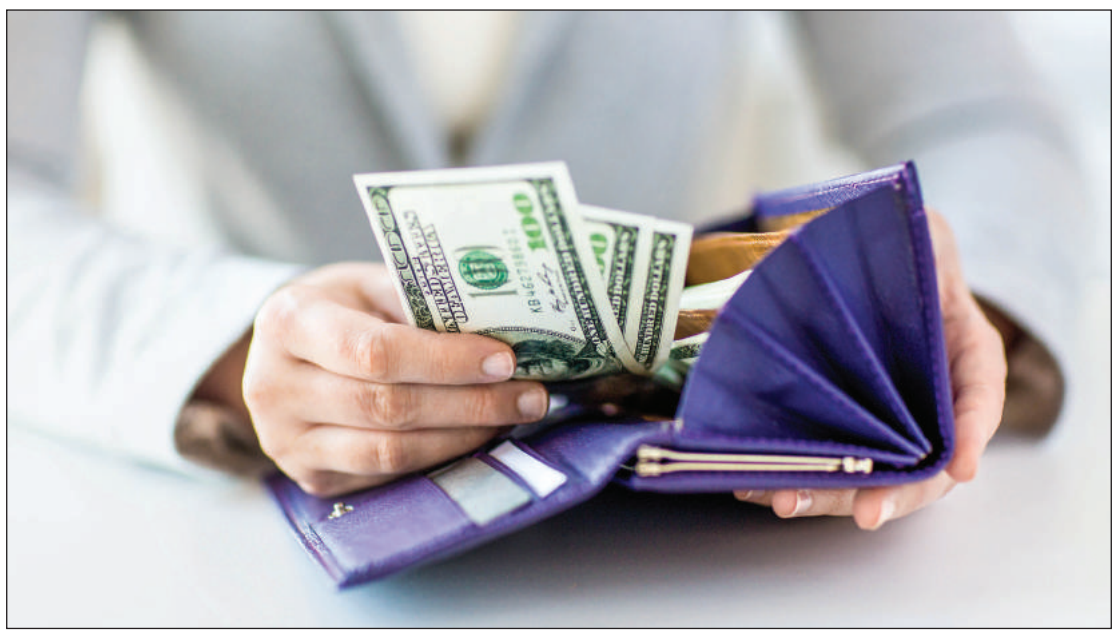
Work with a financial planner. Would you benefit from hiring a financial planner who can build a retirement plan or who could vet your plan? "Work with a financial planner or actuarial adviser to get a good feel for life expectancy," says Grable. "How long one will live is the key factor driving savings requirements for a pre-retiree along with assumed rates of return pre- and post-retirement."

Do you have flexibility? If you're unsure whether you want to retire full time or part time, give yourself some options. "Set up your life so you can be flexible and test things out without making major commitments, says Joe Tomlinson, a financial planner with Tomlinson Financial Planning in Greenville, Maine.

Where will you live? Revisit your housing options in retirement. "Most of us plan to stay in our current homes and communities when we retire, but there might be practical reasons to move," says Timmerman. "If your home is too big, too hard to maintain and not suitable should you become impaired, you might consider downsizing to a newer, more accessible home in a less-expensive area, and use the money to supplement your retirement nest egg. Even if moving is not on the radar, it's helpful to think through your changing housing needs as you age."

What will you do? What you want to do with your life in retirement once the honeymoon period is over? "Traveling and playing golf isn't enough for most people who have had an interesting, busy work life," says Timmerman.

Identifying the things you've always wanted to do and how you will get started — whether launching a new business, having deeper community involvement or developing new skills — will add fulfillment and excitement to your retirement planning process, she says.



Ways to Stretch Your Money Further

Living on fixed income after retirement requires that many retirees make some financial concessions. Retirement income likely won't equal the income professionals earned while they were still working, so men and women approaching retirement may want to begin prioritizing their purchases and choosing which luxuries they can and cannot live without going forward.

Managing on a fixed income may necessitate some changes, but a little frugality and financial wherewithal can ensure seniors need not compromise too much during their golden years.

Change your dining habits

Many people enjoy meals out on the town after getting home from work and spending time with the family. Retirees have more flexible schedules, and adjusting the time of day when they dine out can add up to considerable savings. Many brunch and lunch offerings are less expensive than dinner menus, and seniors can use this to their advantage. Meet up for lunch and spend less. If you prefer take-out, order from the lunch specials and then reheat your food at dinnertime.

Ask about senior discounts

Various restaurants, stores and other retailers offer senior discounts. Inquire about discounts before making purchases and take advantage of any offers.

Pool your resources

Bulk shopping clubs enable individuals to save money on the cost of many goods and services. However, for seniors living in two-person households, it may seem counterintuitive to purchase items in bulk. Split the cost of shopping club memberships with fellow retirees. This allows you to get discounted prices without having to store excessive amounts of food.

Shop around

Instead of shopping only at stores you're familiar with, go where the deals are. Many people are surprised to learn that drug stores often charge less than supermarkets for personal grooming products and household supplies. Shopping online also may yield some good deals. Before making any online purchases, familiarize yourself with shipping costs, which may negate the savings.

Sign up for rewards programs

Rewards programs may lead to a few extra promotional emails throughout the week, but the savings reaped can be considerable and well worth nuisance of seeing your spam folder fill up each day. Many savings clubs have replaced traditional coupons, saving seniors the effort required to scan circulars looking for deals.

How to Save More for Retirement After Age 50

Whether it's advice from their parents, a response to television ads urging viewers to save for retirement, or their own financial savvy, many of today's young professionals recognize the importance of saving for retirement from the moment they receive their first paychecks. But men and women over 50 may not have been so practical, and many such professionals may feel a need to save more as their retirements draw ever closer.

Saving for retirement might seem like a no-brainer, but the National Institute on Retirement Security notes that, in 2017, almost 40 million households in the United States had no retirement savings at all. In addition, the Employee Benefit Research Institute found that Americans have a retirement savings deficit of $4.3 trillion, meaning they have $4.3 trillion less in retirement savings than they should.

Men and women over 50 who have retirement savings deficits may need to go beyond depositing more money in their retirement accounts in order to live comfortably and pay their bills in retirement. The following are a few simple ways to start saving more for retirement.

Redirect nonessential expenses into savings

Some retirement accounts, such as IRAs, are governed by deposit limits. But others, such as 401(k) retirement plans, have no such limits. Men and women can examine their spending habits in an effort to find areas where they can cut back on nonessential expenses, such as cable television subscriptions and dining out. Any money saved each month can then be redirected into savings and/or retirement accounts.

Reconsider your retirement date

Deciding to work past the age of 65 is another way men and women over 50 can save more for retirement. Many professionals now continue working past the age of 65 for a variety of reasons. Some may suspect they'll grow bored in retirement, while others may keep working out of financial need. Others may simply love their jobs and want to keep going until their passion runs out. Regardless of the reason, working past the age of 65 allows men and women to keep earning and saving for retirement, while also delaying the first withdrawal from their retirement savings accounts.

Reconsider your current and future living situation

Housing costs are many people's most considerable expense, and that won't necessarily change in retirement. Even men and women who have paid off their mortgages may benefit by moving to a region with lower taxes or staying in the same area but downsizing to a smaller home where their taxes and utility bills will be lower. Adults who decide to move to more affordable areas or into smaller, less expensive homes can then redirect the money they are saving into interest-bearing retirement or savings accounts.

Many people begin saving for retirement the moment they cash their first professional paycheck. But even adults over the age of 50 sometimes feel a need to save more as their retirement dates draw closer, and there are many ways to do just that.

Free and Happy, Every Day

BY BRIAN SHERMAN | CTW FEATURES

Retirement should be a reward for a life well-lived and hard-worked, but for many retirees a loss of identity and too much free time can be a burden. Here's how to avoid a post-work letdown, stay active and stay engaged with your community, your family and yourself.

Is retirement a prize for a lifetime of working hard and planning ahead, or is it a chance to brand yourself with a new identity, find a new calling and focus on filling your free time with worthwhile activities that once seemed beyond your reach?

There's no reason why retirement can't be both, and there's even less reason to believe that giving up your chosen career means you'll spend the remainder of your life wiling away your days, months and years in a rocking chair on your back porch.

Conventional wisdom on retirement is based on the past and doesn't take into account that most people now live for 20 or 30 years or more after they retire, according to Bud Harris, author of "Aging Strong: Living it Forward and Giving it Back."

"Because medical science is helping us live longer, people have a new opportunity in the fourth quarter of their lives," Harris said. "It's a time of great opportunity."

In his book, Harris wrote about one man who retired from the U.S. Postal Service at the age of 65. After fighting depression for a few years, he went to work in the garden department of a big-box store. He's in his 90s now and still has the same position – though, Harris pointed out, he's doing much more than simply punching a time clock.

"For him, it was a new vocation – helping people bring beauty into their lives and homes. He found a new calling. It has to be more than just a job," Harris explained.

"I don't believe in retirement in the conventional sense of the word," Harris added. "It's a good turning point in life. It's time to get a new identity and develop a broader sense of who we are and a broader sense of the purpose in our lives."

Or maybe people who have retired simply need a good reason to get out of bed every day. Dave Bernard, who has written several books on retirement, has taken up several post-career activities, including gardening, online history classes, learning to speak French and piano lessons. His blog, Retirement – Only the Beginning, "keeps my business side active enough."

"You always need to be keeping your eyes open for the next thing you might want to add to the mix," he said.

Bernard cautioned, however, that in some cases, part-time work can be a key component of the retirement equation.

"I don't think everyone is cut out to be 100-percent retired," he said. "There's a certain satisfaction that comes with work. There's nothing wrong with including some kind of work. It really depends on the person."

Bernard pointed out that when he decided to give up his full-time job, one of his concerns was that he would have too much free time. That hasn't been the case, but he noted that, on occasion, it's perfectly OK just to do nothing.

"You don't have to be productive every minute of every day, and that takes some serious practice," he said.

Harris, meanwhile, pointed out that there is indeed such a thing as having too much free time in your retirement years.

"That means we don't have a clearly defined purpose," he stated.

According to Bernard, your relationship with your spouse might take some work, especially if both of you are retired. Chances are, unless you were co-workers, this will be the first time in your married life that you will be spending the bulk of your time together. That can be both a good thing and a bad thing.

"You have to give each other space. You have to encourage your spouse to find individual interests but do the things together that you both enjoy," he said.

And he pointed out that you need to plan ahead for your retirement years. With no full-time job to go to, you have to decide what it would take for you to be excited to jump out of bed every morning.

"It might be just getting out the door and exploring new parks or trails around our neighborhood," Bernard concluded. "You don't want to just wake up, read the newspaper and wonder what you're going to do when you get done with that. The more things you try, the more the likelihood that you will find something."

Retirement Saving Tips for Late Starters

Despite countless television ads touting the virtues of retirement planning, it seems many people are not getting the message. According to a survey from GOBBankingRates.com, one-third of Americans have nothing saved for retirement. The picture is not any rosier in Canada, where Statistics Canada reports that just 65.2 percent of the country's 14 million households contributed to a retirement plan in 2015.

Financial advisors recommend men and women begin saving for retirement as early as possible. The longer people delay opening a retirement account, the less time their money will have to grow. Those who never open such accounts may not be able to meet their cost of living in the future.

While it pays to start saving for retirement early, late bloomers who need to catch up should know that it's never too late to start.

Sign up for an employer-sponsored retirement account. Many employers arrange for retirement savings accounts like a 401(k) for their employees. Such accounts are typically tax-deferred. As a result, men and women likely won't even notice the money missing from their paychecks each month. Take advantage of such offerings if they exist. Such opportunities can be even more beneficial to late bloomers whose employers match contributions up to a predetermined percentage.

Start saving as much as possible. Many people contribute 6 percent of their pay to a retirement savings account such as a 401(k). That rule of thumb may be enough for young workers, but late bloomers may need to contribute a higher percentage of their incomes if they hope to catch up. If 10 percent is doable, then contribute 10 percent, being sure to diversify how that 10 percent is invested. Workers who can afford to contribute more might want to explore other retirement account options so they avoid putting all of their eggs into one basket.

Avoid high-risk investments. Investors trying to catch up on retirement savings may be tempted to invest their money in high-risk funds with the hope of making up ground quickly. But investors typically want to reduce risk as they get older. That approach should still govern late bloomers' investing decisions, as high-risk funds that don't perform well could leave aging investors with little to nothing come retirement. Prospective investors who need help choosing the right funds for themselves should contact a financial advisor.

Cut spending. Men and women getting a late start on retirement saving should examine their monthly expenses, looking for places to cut costs so they can reallocate those funds for retirement savings. Some ways to considerably reduce monthly expenses include cutting the cord with a cable provider, driving a preowned vehicle instead of a new model and downsizing to a smaller home.

Men and women who have delayed saving for retirement should not panic. While it's always best to begin saving for retirement as early as possible, there are ways for late bloomers to catch up and/or create a decent-sized nest egg for their golden years.

4 Ways to Make Extra Money for the Modern Retiree

BY JESSE DARLAND | CTW FEATURES

For today's retiree, technology affords many opportunities for earning extra income that simply wasn't available even two to three years ago. Rather than taking a part-time job, today's retirees are taking things into their own hands and turning extra space, a well-cared-for car and a lifetime of experience into extra cash. In fact, according to a 2015 study by the market research firm PwC, 24 percent of U.S. adults, ages 55 and older, are part of the "sharing economy," compared to 7 percent of all adults age 18 and older.

We rounded up some of the most popular ways used by today's retirees to take part in this new economy.

1. Turning a spare room or second home into a short-term rental

Turn that guest room or second home into an income stream using Airbnb or one of several other online services that make it easy. In a post made to the Airbnb company blog in July 2015, the company noted that about 10 percent of our hosts are over 60. "Fifty-six percent of them are retired and 49 percent live on a fixed retirement income," the company said. "The money they earn from hosting helps them make ends meet and live more financially resilient lives." The company went on to note that:

- 78 percent of hosts said that hosting on Airbnb has helped them stay more physically active than they would otherwise be.
- 83 percent of hosts said that hosting on Airbnb has helped them stay more mentally engaged.
- 82 percent of hosts said that hosting on Airbnb has helped them stay more socially and emotionally connected.
- 31 percent of hosts say that hosting on Airbnb has caused them to trust strangers more.

Getting started is easy. Airbnb hosts need to create a listing for their space – either a single room or a separate apartment or home – on the service's website. You'll need a written description and photographs of your place. The company handles booking and all the rest.

2. Driving a car to let others get around

Ridesharing car service Uber lets anyone with a working car become an on-demand driver. The service is popular with both riders and drivers because all payment and ride selection is handled through a smartphone app. In 2015, Uber issued a major survey of its driver force and found that nearly 9 out 10 Uber drivers surveyed claimed a major reason for working with Uber was "to be my own boss and set my own schedule," while 85 percent touted the ability "to have more flexibility in my schedule and balance my work with my life and family." Notably, 51% of drivers work 15 hours or less a week.

3. Using a love of animals to be a part-time dog sitter

"Nearly 20 percent of our hosts are seniors," says Adria Hash, director of host community at DogVacay. This online tool gives seniors a chance to boost their retirement funds by taking care of dogs. "We've even heard from some retirees that this is the most rewarding job they've ever had and how they wish they had heard of this service earlier," Hash says. Anyone can sign up for free to go through a vetting process. Once they're approved (15-20 percent of hosts are), they can set their own schedule and rates, then get paid to spend time with dogs.

4. Sharing hard-earned skills with the next generation

Many retirees approach retirement age having attained the peak of their careers and developing deep and wide-ranging skills in the business world. An organization called Encore works to connect experienced retirees with nonprofit organizations for year-long, 1,000-hour Encore Fellowships that allow them to share their skills with local nonprofits.

"You go through your primary career building your career and trying to move up the importance of your family your kids your career to rise up and do all that, and your focus has been on that," Mike Mowery, national director of the Encore Fellowships Network, says. "To now be able to step back and investigate other options that may feel more broadly purposeful, I think there's a human instinct of wanting to leave a legacy or feel that there's meaning in your life beyond raising your family and being successful."

There is an application process, and not everyone is approved for a Fellowship. But for those who are, Mowery says that 30 to 40 percent enjoy the experience so much that they choose to stay in the social sector in one form or another. "It's given them a new opportunity to be useful and to give back," he says.

Potential Long-term Expenses to Account for in Retirement

Retirement planning involves more than just investing in a 401(k) and/or IRA. Individuals who hope to live comfortably in retirement must account for various expenses, including those associated with their health.

A 2013 report from the U.S. Senate's Commission on Long-Term Care found that each year an estimated 12 million adults in the United States require some type of long-term care. Planning for the following potential expenses can help men and women ensure they will have enough money to live well in retirement.

Housing

Many individuals would prefer to spend their golden years living in their own homes. However, adults who can no longer take care of themselves and/or their homes may need to move. Homeowners who simply want to downsize may be able to finance their transitions to retirement communities by selling their existing homes. But those who need to move into assisted living facilities may find that even selling their homes might not provide enough capital to pay for such residences. According Genworth's 2016 Cost of Care Survey, the annual cost of assisted living facilities greatly varies by state, with costs as high as $65,550 in Massachusetts and as low as $30,438 in Missouri. Whether they invest in long-term care insurance or develop another plan with their financial advisors, men and women must consider ways to finance potential housing costs in retirement.

Renovations

Home renovations are another potential cost in retirement. Aging men and women who can no longer comfortably navigate staircases but are otherwise healthy may need to renovate their homes to account for their limited mobility. Such renovations might include the installation of a staircase chair lift and/or a ramp connected to the entryway of a home. Some may even need to convert a first-floor den or living area into a bedroom, which may also require adding a full bathroom.

Maintenance

Homeowners who want to stay in their homes in retirement must also factor potential maintenance costs into their retirement plans. Aging men and women may no longer be capable of maintaining their properties in retirement. Consider the potential costs of landscaping, home maintenance and maid services when making a retirement plan.

Transportation

Diminishing vision and slower reaction times compel many retirees to give up driving. But retirees who still enjoy getting out and about will still need a way to get around. Moving to a retirement community with daily shuttle service to and from town centers is one way for seniors who no longer drive to get around. But men and women who do not want to move to such communities will need to find alternative means of transportation, the costs of which can add up quickly.

Financial freedom in retirement is a goal for many working professionals. Attaining such freedom involves planning and saving for all potential expenses in retirement.

Live Comfortably on Less

Many people look toward retirement with mixed feelings. There is the anticipation and excitement of no longer having to stick to a set schedule. However, there may be some trepidation about living without a steady income.

Bloomberg financial experts found the number of Americans aged 65 and older without a disability that weren't in the labor force rose to 800,000 in the fourth quarter of 2016. This has become a long-standing trend of Baby Boomers leaving the workforce and entering retirement. Researchers found the higher the earnings in one's late 40s, the more likely a retiree is to go back to work.

While retirees may need to alter their spending habits, it is possible to live happily on less. Here are some ways to do just that.

Accurately assess home expenses. The National Foundation for Credit Counseling says the cost of home-related expenses accounts for roughly 45 percent of spending for retirees. Individuals can add up exactly how much their homes are costing them and then decide if downsizing is a practical solution. Downsizing has a host of benefits, not the least of which is reducing housing-related expenses.

Invest in health care. Unexpected health care costs can quickly deplete individuals' finances. That's why it is essential to have a solid insurance plan in place. Health care planning also may include thinking ahead to long-term care, such as assisted living and nursing homes. One may have to make concessions elsewhere, but investing in health care can assuage concerns men and women might have about the cost of living in their golden years.

Take advantage of senior discounts. Many restaurants, stores and service centers offer discounts to seniors. The starting age for discounts may vary from store to store, so always ask before cashing out.

Shop for food differently. Bulk buys may have been appropriate for men and women when there were kids running around, but empty-nesters can cut back on food expenses. Shopping sales and making more meals at home can help seniors save money. The market research firm NPD Group found that in-home meals cost roughly one-third of what it costs to eat the same food at a restaurant. Save dining out for special occasions.

Retirees can make changes to save money without negatively affecting their quality of life.

How to Finance Long-term Care Needs

Failing to plan for long-term care expenses may leave aging men and women with little or no assets late in life. AARP says that the cost of long-term care continues to rise and the array of options can make it difficult for families to find the best, most affordable care.

The median monthly costs for a semi-private room in a U.S. nursing facility hovered around $6,800 in 2016, according to The Genworth Cost of Care Survey. That adds up to roughly $82,000 per year. Individuals who only anticipate hiring a home health aide should know that such options cost an average $3,800 per month.

Retirement savings can quickly dry up when long-term care is required. Individuals need to keep in mind that, in 2014, the Social Security Administration said the average month retirement income from Social Security was just $1,294. The National Care Planning Council says that at least 60 percent of all individuals will need extended help during their lifetimes.

Ongoing care can last for many months or years. Long-term care needs, including assisted living and nursing home stays beyond a few months, may not be covered by federal health insurance programs, such as Medicare. As a result, it is up to individuals to find ways to finance their care.

Long-term care insurance

Long-term care insurance is one of the ways to offset costs of care for later in life. But many people are unaware that this type of insurance exists. A survey conducted by Leger Marketing for the Canadian Life and Health Insurance Association found that 74 percent of respondents said they haven't included provisions for long-term care in their retirement plans.

Long-term care insurance is a safety precaution that can be purchased early in life to plan to help pay for expenses aging men and women may incur in their golden years. New York Life Insurance says that policy holders will be reimbursed for qualified long-term care costs up to a maximum daily benefit amount. Coverage varies, but policy premiums generally increase with the age of applicant.

Government aid

Government aid is available for U.S. and Canadian residents but qualifications vary and it is usually limited to those with financial hardships. Medicaid pays for the largest share of long-term care services in the United States, according to the Administration on Aging. But to qualify, one's income must be below a certain level and the person must meet minimum state eligibility requirements.

Canadian provinces will assess one's ability to pay and may subsidize care costs. Also, there may only be a handful facilities supported by the government, so applicants cannot be picky about accommodations.

Financing long-term care is something individuals must consider as they make their plans for the future. It is a large expense that cannot go unaddressed even though the need for care might be in the distant future.

Key Traits of a Good Financial Advisor

Professional financial advice can be a valuable asset for men and women focused on their futures. Effective financial advisors help their clients navigate the sometimes confusing waters of personal finance, helping them to achieve both short- and long-term goals. Financial advisors can help men and women protect their savings, make smart investments and grow their wealth.

What defines the right financial advisor depends on the client. Some financial advisors' strategies may not appeal to all prospective clients, so it's important that men and women vet financial professionals before trusting them with their hard-earned money. The following are a few things adults can look for as they begin searching for someone to help them secure their financial futures.

Credentials

Consumers may benefit by selecting a person who is just a financial planner, and not an accountant or insurance advisor. A financial advisor who is a certified financial planner (CFP) is licensed and regulated, and he or she has taken mandatory classes on the various aspects of financial planning.

Humility and an ability to listen

Financial advisors need to be in-tune with their clients' needs, rather than putting their own best interests first. Northstar Financial Planning notes that good advisors lend support and will ride out the ups and downs of financial decisions.

Recommendations

Advisors who have a reliable track record likely have clients willing to vouch for them. Men and women can ask friends, family or coworkers for recommendations regarding financial advisors.

Wealth of experience

An advisor who has many years' experience under his or her belt has likely worked with clients from all walks of life and men and women whose comfort levels regarding risk have run the gamut. That wealth of experience can prove invaluable to clients.

Continued learning

Advisors who have memberships in financial associations and continue their education are committed to honing their craft and staying on top of changes in their field.

Financial advisors can be assets to people looking to protect their finances. Finding the right one is paramount.

Handling Major Life Changes

In the 1960s, researchers Thomas Holmes and Richard Rahe studied the potential link between stressful life events and illness. After examining the medical records of thousands of patients, Holmes and Rahe discovered that there was a strong correlation between the two, ultimately developing the Holmes and Rahe Stress Scale.

Holmes and Rahe found that the death of a spouse, divorce and imprisonment were among the most stressful life events. But a person need not be widowed, recently divorced or newly imprisoned to be dealing stress sparked by a major life change. In fact, Holmes and Rahe found that marriage and retirement, two things many people would consider positive changes, were among the 10 most stressful life events.

Change can be both exciting and frightening. Men and women facing major life changes like moving, switching careers or retiring can take the following tips to heart to make such transitions go as smoothly as possible.

Embrace the positive

Change has its advantages and disadvantages, but once men and women have decided to make changes, they should shift their focus toward the positive aspects of changing instead of worrying about the potential negatives. For example, if moving, focus on the adventure of living somewhere new and the opportunities to explore new places and make new friends.

Accept your decision

Many people spend ample time mulling the pros and cons of major decisions before ultimately deciding to make major changes. People who decide to change careers may have spent years trying to decide if such a change was the right move. Once they have come to a decision and started the process of changing, whether it's giving a boss two weeks' notice or putting a house on the market, men and women should accept their decision and rest easier knowing they exercised their due diligence before making a final decision.

Commit to your decision

Fully committing to change can increase your chances of making a successful transition. If moving to a new place, look for opportunities to connect with neighbors and other members of your new community. Parents can be active in parent organizations at their children's schools, while professionals can make a concerted effort to connect with coworkers in an effort to build strong relationships that can help their transition go smoothly.

Maintain existing relationships

Professionals who are moving on to new companies and adults moving to new communities don't have to give up their relationships with current coworkers, neighbors and friends. Maintain contact with valued friends, neighbors and coworkers through channels such as social media, email or even the telephone. These people have likely been valuable resources and friends for years, and there's no reason you cannot continue to look to them for support and provide a source of support for them should they make a major change in the years ahead.

Change is rarely easy, but men and women can take several steps to make transitions go smoothly.

NFDA NATIONAL FUNERAL DIRECTORS ASSOCIATION

Bill of Rights for Funeral Preplanning

Preplanning a funeral can offer family members peace of mind, as well as an opportunity to plan a meaningful service that reflects the unique life of the individual. Meeting with a local NFDA-member funeral home is a good way to ensure you have all of the information you need to make informed decisions.

Before making any decisions on preplanning or prefunding funeral goods or services, or signing a preneed funeral contract, we urge you to ask any and all questions you may have regarding the planning process. Please note that laws governing preneed contracts vary by state.

An ethical and reputable NFDA-member funeral home will ensure the following rights and protections:

Give you detailed price lists when you inquire about the overall type of funeral or about funeral goods, services or prices offered by the funeral home.

Provide to you, at the conclusion of the funeral prearrangement conference, a written statement listening all of the goods andservices you have selected and the total price.

Give you a written preneed funeral contract explaining your rights and obligations, in plain language.

Guarantee in the preneed contract that if any of the goods or services you have selected are not available at the time of need, goods and services of equal or greater value will be substituted at no extra cost.

Explain in the contract the funeral home's geographical area of service and under what circumstances you can transfer the preneed contract to another funeral home if you relocate or if the death occurs outside of the service area.

State in the contract where and how much of the funds you pay will be deposited until the funeral is provided.

Explain in the contract who will be responsible for paying taxes on any income or interest generated by the preneed funds that are invested.

Inform you in the contract whether, and to what extent, the funeral home will guarantee the price of goods and services you are purchasing. If the prices are not guaranteed, the contract will explain who is responsible for any additional amounts that may be due at the time of the funeral.

Explain in the contract whether and under what circumstances you may cancel your preneed contract and how much of the funds you paid will be refunded.

What to Do When a Loved One Dies

BY STACY JULIEN, AARP | WWW.AARP.ORG

When a loved one dies, you might face the overwhelming responsibility of closing out the person's life. There are many things to attend to, from providing a proper tribute to closing bank accounts to canceling a gym membership. And many of the tasks require attention to detail – adding stress to what is already a pretty emotional time.

To cope, cut yourself some slack: Don't try to handle everything yourself if you don't have to.

"This burden shouldn't be placed on one individual," says Sally Hurme, an AARP elder law attorney and author of The ABA Checklist for Family Heirs. "When people ask what they can do to help, take advantage of the offer. Delegate."

To do so, you need to have a full, clear picture of what needs to be done. Here's an ordered checklist to make your task easier. As you review what's in store, consider which undertakings you can hand off and who can best handle them.

To Do Immediately

Arrange for organ donation. It may be the last detail you want to think about, but arrangements need to be made "almost immediately at death so the organs can be harvested as promptly as possible," Hurme says. Not certain about the person's wishes? Two sources to check: the driver's license and an advance health care directive, such as a living will or health care proxy. If the answer is "yes," the hospital where the person died will have a coordinator to guide you through the process. If your loved one died outside of a hospital — that includes in hospice or a nursing home — contact the nearest hospital. Staff will be on hand to answer questions about what's next. There is no cost.

Contact immediate family. Of course you want to update key family members. Bringing them together in person, by phone or electronically (via mass email, Skype or Facebook Family page), is an opportunity not only to comfort one another but also to share information about important decisions that must be made — some of them immediately. Do any of you, for example, know of an arrangement for the funeral or other source for burial wishes?

Follow body bequeathal instructions. If the person made arrangements to donate his or her body to a medical school, the family must respect those wishes. An advance directive, living will or health proxy may guide you to a particular institution. If the person hasn't made arrangements, the next of kin can donate the body, but the decision needs to be made as early as possible.

Consider funeral preparations. If possible, bring together key family members for an early conversation. This is especially helpful if the deceased left no advance instructions or possibly made an unreasonable request. Factors to consider:

- What did the deceased want?
- What can you afford?
- What's realistic?
- What will help the family most?

"Ultimately, people need to follow their heart, mind and gut about making these decisions," says Patrick Lynch, past president of the National Funeral Directors Association and co-owner of Lynch and Sons Funeral Directors in Michigan. "You have to know what will make your heart heal as best as it can."

Choose a funeral home. Most people want a funeral home to transport the body from the morgue to its facility. The deceased may have identified which home to use — and even prepaid for funeral services. If there's been no conversation about arrangements, the choice will be up to the family. "Do some research," Lynch says. "Check with people who have had an experience with one."

Notify close friends and extended family. Make a list of as many people as you can. Find contacts through email accounts and personal telephone books. Contact an employer and organizations the deceased belonged to, if necessary.

Secure property. Lock up the person's home and vehicle. Is the car parked in a secure and legal area? Will the home be vacant? If so, you may want to notify the police (dial a non-emergency number), landlord or property manager. Have someone care for pets until a permanent arrangement is made.

Notify the post office. Use the forward mail option. This will prevent accumulating mail from attracting attention. It can also inform you about subscriptions, creditors and other accounts that need to be canceled. "That mail that comes in will be very valuable in tracking down what you may not have thought of. It can be a treasure trove of information," Hurme says.

To Do Before the Funeral

Meet with the director handling the funeral or memorial arrangements. Use instructions your loved one might have left and the earlier family discussion to guide the many decisions to be made.

- Will the body be embalmed or cremated?
- Will there be a casket, and if so, will it be open or closed?
- If body will be cremated, will the ashes be scattered?
- If the ashes are deposited in an urn, will it be placed in a mausoleum?
- Where is the burial site?
- Do religious traditions need to be respected?
- Will there be contributions to charities in lieu of flowers?

For a veteran, inquire about special arrangements. A range of benefits can help tailor a veteran's service. You may be able to get assistance with the funeral, burial plot or other benefits. You can find many details about options at the U.S. Department of Veterans Affairs website (pdf). Or call Veterans Affairs at 1-800-827-1000 or your local veterans agency, often included in local government listings. You can also inquire about veteran's survivor benefits.

Consider whether you need or want other financial assistance for the funeral and burial. Help might be available from a number of sources, including a church, a union or a fraternal organization that the deceased belonged to. Phone or send an email to the local group.

Documents Needed to Complete Checklist

- Death certificates (maybe a dozen)
- Social Security card
- Marriage certificate
- Birth certificate
- Birth certificates for any children
- Insurance policies
- Deeds and titles to property
- Automobile title and registration papers
- Stock certificates
- Bank passbooks
- Honorable discharge papers for a veteran
- VA claim number
- Recent income tax forms and W-2 forms
- Loan and installment payment books and contracts

Enlist help for the funeral. Relatives and friends may be needed to serve as pallbearers, to create or design the funeral program, cook meals (for a repast gathering or simply for the household of the deceased), take care of children or pets, or shop for any items needed for the funeral or household of the deceased.

Arrange for headstone. You can typically purchase a headstone through the cemetery or from an outside vendor of your choice. Consult the cemetery about rules, regulations and specifications such as color and size, particularly if you go with an outside vendor.

Organize a post-funeral gathering. Depending on your tradition, it's called a repast or a wake. It can be held at the church, a banquet hall or someone's house. Enlist the help of friends and relatives to plan.

Spread the word about the service. Once a date and time have been set for the service, share the details with those on your contact list. Include an address to send cards, flowers or donations.

Make a list of well-wishers. Keep track of who sends cards, flowers and donations so that you can acknowledge them later.

Prepare an obituary. The funeral home might offer the service or you might want to write an obituary yourself. If you want to publish it in a newspaper, check on rates, deadlines and submission guidelines. Don't include such details as exact date of birth that an identity thief could use.

Handle the ethical will, if there is one. An ethical will isn't a legal document, but rather a letter of sorts written to your family and friends that shares your values, life lessons and hopes for the future. If the deceased left one, arrange to share it, maybe even have it printed.

To Do After the Funeral

Get duplicate death certificates. You may need a dozen certified death records to complete upcoming tasks, though some will require less expensive copies. Your funeral director may help you handle this or you can order them from the vital statistics office in the state where the death occurred or from the city hall or other local records office. Each certified record will cost in the neighborhood of $10 or $20.

Send thank-you notes. From the contact list that you acquired earlier, send thank-you notes and acknowledgements. Consider delegating this task to a family member.

Notify local Social Security office. Typically the funeral director will notify Social Security of your loved one's death. If not, call 1-800-772-1213 or contact your local office. If your loved one was receiving benefits, they must stop because overpayments will require complicated repayment. Even a payment received for the month of death may need to be returned. If the deceased has a surviving spouse or dependents, ask about their eligibility for increased personal benefits and about a one-time payment of $255 to the survivor.

Handle Medicare. If your loved one received Medicare, Social Security will inform the program of the death. If the deceased had been enrolled in Medicare Prescription Drug Coverage (Part D), Medicare Advantage plan or had a Medigap policy, contact these plans at the phone numbers provided on each plan membership card to cancel the insurance.

Look into employment benefits. If the deceased was working, contact the employer for information about pension plan, credit unions and union death benefits. You will need a death certificate for each claim.

Stop health insurance. Notify the health insurance company or the deceased's employer. End coverage for the deceased, but be sure coverage for any dependents continues if needed.

Notify life insurance companies. If your loved one had life insurance, appropriate claim forms will need to be filed. You will need to provide the policy numbers and a death certificate. If the deceased was listed as a beneficiary on a policy, arrange to have the name removed.

Terminate other insurance policies. Contact the providers. That could include homeowner's, automobile and so forth. Claim forms will require a copy of the death certificate.

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Understanding Pre-planning

Before you can become familiar with estate planning, it's imperative to understand the concept of an estate. Consider everything you own, including your car, home, bank accounts and even personal possessions. Your estate consists of everything that is legally yours.

When you're gone, it is in your family's best interest that you have delegated where it all goes.

Losing a loved one is never easy, but preparing for it by creating a legal will can relieve unnecessary stress experienced by a mourning family. By meeting with a professional lawyer or estate-planning expert, you will eliminate the risk of long legal battles over your property when you're not here to fight for it.

Who Needs a Plan?

It is easy for younger Americans to dismiss the idea that they need legally standing documentation related to their estate.

However, it is important for people entering adulthood to sort their assets and begin forming their plan.

For aging or retired people, it's never too late to talk to a professional and get your estate in shape.

Discussing death is never an easy topic, but the peace of mind that comes with having a properly prepared plan in place can lessen the stress it may cause.

Remember, explaining concise instructions for how your estate should be handled once you're gone is a thoughtful way to express your love for yourself and family.

What it Contains

Creating a solid estate plan requires several decisions and legal documents. It is the only way you can ensure the things you worked for remain in the hands of your loved ones.

This is why working with a professional — in person — is crucial to your legacy.

Before you meet with an expert, become familiar with a few steps in the process.

Make a will: Typically, the first part of pre-planning is creating a will. It will express your wishes for who you want to inherit your property and appoint a guardian for young children in case both parents are demised.

Healthcare directives: This section is to protect your wishes in case you are unable to make medical decisions for yourself. You will appoint a power of attorney for healthcare, who will make the decisions according to the instructions you gave in the document.

Beneficiary forms: Choosing a beneficiary for your bank accounts means they become payable on death. Your loved one will avoid a lengthy probate issue in court once receiving the accounts.

The process is involved yet important. Schedule an appointment with a professional to protect your legacy and family.

Why Consider Life Insurance?

Life insurance is an important policy to have when pre-planning your estate. Chances are, you will have remaining debts and taxes to be paid after death. A qualified policy can help alleviate the financial strain of an emotional family that will already be suffering your loss.

If you're still on the fence about acquiring a life insurance policy, you may change your mind after digesting these important reasons from the Insurance Information Institute.

Income for Your Dependents

If you have loved ones who are dependent on your income, your death may leave them without the support they need to live. This is especially important for those with young children who will be financially backed by a solid policy.

Acquiring insurance to replace your income is a way to continue to provide for those you love even after you're gone.

Create an Inheritance

If you are unable to leave behind an inheritance for your loved ones, a life insurance policy is a simple way to build one.

With your policy, you can choose who to name as a beneficiary and the amount you wish to pass down.

Final Expenses are Covered

Most life insurance policies will pay for a funeral and burial costs, probate, debts and medical expenses not covered by your health insurance.

Source of Savings

The III states some types of life insurance create a cash value that, if not paid out as a death benefit, can be borrowed or withdrawn on the owner's request. This means, when you buy a cash-value-type policy, it also creates a savings plan.

Why It's Important to Preplan

Pre-planning your estate means more than distributing your belongings. It is how you create your legacy and share the benefits you earned with those you love most.

You can purchase several different types of life insurance. When speaking with your local agent, make sure to express your wishes and concerns about death.

These policies can guarantee your child's college education is covered, that your family can continue living in your home and that general financial concerns will be alleviated.

Checklist

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Meet with a probate attorney. The executor should choose the attorney. Getting recommendations from family or friends might be the best approach, but an online search can also be an efficient way to find an attorney. "The advice of counsel can save a lot of frustration and running down dead ends," Hurme says. If there is a will, the executor named in it and the attorney will have the document admitted into probate court. If there isn't a will, the probate court judge will name an administrator in place of an executor. The probate process starts with an inventory of all assets (personal property, bank accounts, house, car, brokerage account, personal property, furniture, jewelry, etc.), which will need to be filed in the probate court.

Make a list of important bills (mortgage payments). Share the list with the executor or estate administrator so that bills can be paid promptly.

Contact financial advisers, stockbrokers, etc. Determine the beneficiary listed on these accounts. Depending on the type of asset, the beneficiary may get access to the account or benefit by simply filling out appropriate forms and providing a copy of the death certificate. If that's the case, the executor wouldn't need to be involved. If there are complications, the executor could be called upon to help out.

Notify mortgage companies and banks. It helps if your loved one left a list of accounts, including online passwords, Hurme says. Otherwise, take a death certificate to the bank for assistance. Change ownership of joint bank accounts. Did the deceased have a safe deposit box? If a password or key isn't available, the executor would most likely need a court order to open and inventory the safe deposit box. Most probate courts have administrative rules about steps to access the box of any decedent.

Close credit card accounts. For each account, call the customer service phone number on the credit card, monthly statement or issuer's website. Let the agent know that you would like to close the account of a deceased relative. Upon request, submit a copy of the death certificate by fax or email. If that's not possible, send the document by registered mail with return receipt requested. Once the company receives the certificate, it will close the account as of the date of death. If an agent doesn't offer to waive interest or fees after that date, be sure to ask. Keep records of the accounts you close and notify the executor of the estate about outstanding debts.

Notify credit reporting agencies. To minimize the chance of identity theft, provide copies of the death certificate to the three major firms — Equifax, Experian and TransUnion — as soon as possible so the account is flagged. Four to six weeks later, check the deceased's credit history to ensure no fraudulent accounts have been opened.

Cancel driver's license. Clearing the driver's license record will remove the deceased's name from the records of the department of motor vehicles and help prevent identity theft. Contact the state department of motor vehicle for exact instructions. You may have to visit a customer-service center or mail documentation. Either way, you'll need a copy of the death certificate.

Cancel email and website accounts. It's a good idea to close social media and other online accounts to avoid fraud or identity theft. The procedures for each website will vary. For instance, Google Mail (Gmail) will ask you to provide a death certificate, a photocopy of your driver's license and other detailed information.

Cancel memberships in organizations. Reach out to sororities, fraternities, professional organizations, etc., the deceased belonged to and find out how to handle his/her membership status. Greek organizations may want to hold a special ceremony for your loved one.

Contact a tax preparer. A return will need to be filed for the individual, as well as for an estate return. Keep monthly bank statements on all individual and joint accounts that show the account balance on the day of death.

Notify the election board. According to a 2012 Pew Center report, almost 2 million people on voter registration rolls are dead.

Discuss Your Plan with Family

When developing your estate plan, it is important to include your loved ones, especially if they will be beneficiaries or trustees. Discussing this sensitive subject can reveal your family's level of comfortability when left in charge of your assets.

Many people are hesitant to begin the conversation about their death. While it can be an uncomfortable discussion, it is necessary to have a plan in place.

Consider the Timing

Sometimes, family tragedies or emergencies can spike your interest in estate planning. However, when your family's emotions are heightened while dealing with loss, it might be best to hold off on a conversation until later.

Don't be surprised if your family is caught off guard and questions your health if you choose to bring up the subject of your estate. Especially the first time you discuss your legacy, family members might get the wrong idea.

Explain that you are simply concerned with developing a plan to lessen the responsibility they have once you're gone. It can also be a good idea to present your plan in a comfortable setting that offers privacy and encourages engaging conversation.

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A second meeting can be necessary if you or your family discover concerns while discussing your estate plan. Consider contacting your attorney to schedule a meeting between everyone involved. A professional will stand behind your decisions and keep emotions out of the equation.

Defining Your Legacy

Planning your estate now allows you to define the life you lived by determining the legacy you leave behind. You can take the stress of difficult decisions off your family's shoulders by instructing exactly how your estate should be handled. Schedule an appointment with a professional attorney or estate planner to customize your legacy when you're gone.

Donating to Charity

Do you have a cause about which you are passionate? Consider donating a portion of your assets to an organization so its operation can continue growing with your financial gift.

When preparing your will with your attorney, stress your interest in making a lasting impression on a charity in which you believe.

Leaving behind a gift to a cause is a way to show thanks and remind people of something that was important to you. It also is a great example for your loved ones of how important supporting charitable organizations is to the future of our country and citizens.

Don't be afraid to share your intentions for a donation with your family members involved in your estate planning.

They may choose to become volunteers or find they share the same passion as you. Bonding over charitable causes is a great way to build a stronger relationship.

Getting Started?

If you are taking the first steps in creating your estate plan and will, the process of adding a charity as a beneficiary is simple. A qualified attorney can help find the necessary information required to include them in your plan.

According to the Protective Life Insurance Company, here are a few facts about the charity you will need to know.

- The official name of the charity;
- Its current address; and
- The organization's registered charity number.

These requisites are important to ensure your donation will find its way into the right hands.

Updating an Existing Will

Making changes to your will is easy with the help of a professional. Some experts recommend creating a new will to include your chosen charity.

When a new document is developed, a previous will becomes null and void.

A codicil is a legal instrument made to modify an earlier will. Adding a charity by utilizing a codicil is typically a simple process.

However, when you make major adjustments such as altering a power of attorney or renaming a living trust, it can be more economical to simply redraft a will with the new information. Your legal advisor will guide you toward the best move for your changes.

A Living Trust or Will?

When estate pre-planning, most Americans are familiar with the importance of having a last will and testament.

Did you know that without naming a revocable living trust, your family may experience the dreaded-probate process?

According to the American Association of Retired Persons, probate is the legal process to determine whether a will is valid. It is a situation that includes locating and determining the value of the decedent's assets and paying remaining bills and taxes before distributing the remainder to those noted in the document.

So how does having a revocable living trust streamline the process when you're gone?

Revocable Living Trust

The AARP defines a revocable living trust as a written agreement designating someone to be responsible for managing your property.

It's considered a "living trust" because you established it while you are alive and "revocable" because if you're mentally competent, you have the right to dissolve the trust at your own discretion.

This document is unique because property left through the trust doesn't require probate in court. Instead, the person you appoint to handle the trust after death, easily transfers ownership to beneficiaries according to your instructions.

Another positive to this type of trust is that it is typically near the same price as a last will and testament. Whichever route you decide to take, it is important to have the knowledge of a professional to give you peace of mind that everything is legally binding.

Who to Appoint

When considering who will oversee your belongings, you should only appoint someone you truly trust. It can be an overwhelming decision and an even more stressful to the person in charge of distribution.

Before choosing someone, make sure you discuss it with your loved ones, and that the chosen one is comfortable and confident with his responsibility.

If you believe all your beneficiaries should be left out of the equation, you can name the trust department of a bank or trust company as the one in charge.

Name Yourself a Trustee

The AARP suggests naming yourself and spouse as trustees in the document. This way, you will remain in full control of your properties while you're alive. Be sure to discuss these and other issues with your local attorney or pre-planning professional. She will help put your mind at ease regarding the complex topic of estate planning.

Pre-Planning Tips and Advice

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Pre-Planning with Disabled Children

A solid estate plan is necessary for everyone, but parents with disabled children should consider it even more crucial. Do you have a plan in place regarding how your child will be cared for?

Without proper planning, a child who is unable to live independently may be at serious risk for injury or left vulnerable.

The American Bar Association suggests developing a special-needs trust to ensure parents that their child will be provided with care and resources for his lifetime. Now is a great time to put the plan in motion to protect your child.

Special-Needs Trust

A special-needs trust is basically a way for parents to leave an inheritance to their children without disqualifying them from receiving helpful benefits from Supplemental Security Income, Medicaid and other government benefits.

Since most of these programs are resource-dependent, it means a recipient of benefits may only have a limited amount of assets and income. According to the ABA, parents should name the special needs trust as a beneficiary in their will instead of naming the disabled child.

The trust also can be named to receive IRAs, retirement plans and life insurance policies. Your lawyer can point you in the right direction to protect your child and leave behind an inheritance she can depend on.

Selecting a Caretaker

Aside from the financial decision you must make regarding your disabled child, a more important consideration to make concerns his caretaker. If your child has a disability that requires assistance from a guardian, you should carefully plan a series of successors to be in charge.

A professional attorney will execute documents which will protect your child in the event of your passing.

It's important to work with an expert who specializes in estate planning because each state might have different laws and circumstances regarding the qualifications of legal guardians.

This is not a decision you want to entrust to an online program that can create obstacles when your child needs help.

Discuss Your Plan with Family

When developing your estate plan, it is important to include your loved ones, especially if they will be beneficiaries or trustees. Discussing this sensitive subject can reveal your family's level of comfortability when left in charge of your assets.

Many people are hesitant to begin the conversation about their death. While it can be an uncomfortable discussion, it is necessary to have a plan in place.

Consider the Timing

Sometimes, family tragedies or emergencies can spike your interest in estate planning. However, when your family's emotions are heightened while dealing with loss, it might be best to hold off on a conversation until later.

Don't be surprised if your family is caught off guard and questions your health if you choose to bring up the subject of your estate. Especially the first time you discuss your legacy, family members might get the wrong idea.

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Why Consider Life Insurance?

Life insurance is an important policy to have when pre-planning your estate. Chances are, you will have remaining debts and taxes to be paid after death. A qualified policy can help alleviate the financial strain of an emotional family that will already be suffering your loss.

If you're still on the fence about acquiring a life insurance policy, you may change your mind after digesting these important reasons from the Insurance Information Institute.

Income for Your Dependents

If you have loved ones who are dependent on your income, your death may leave them without the support they need to live. This is especially important for those with young children who will be financially backed by a solid policy.

Acquiring insurance to replace your income is a way to continue to provide for those you love even after you're gone.

Create an Inheritance

If you are unable to leave behind an inheritance for your loved ones, a life insurance policy is a simple way to build one.

With your policy, you can choose who to name as a beneficiary and the amount you wish to pass down.

Final Expenses are Covered

Most life insurance policies will pay for a funeral and burial costs, probate, debts and medical expenses not covered by your health insurance.

Source of Savings

The III states some types of life insurance create a cash value that, if not paid out as a death benefit, can be borrowed or withdrawn on the owner's request. This means, when you buy a cash-value-type policy, it also creates a savings plan.

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Why It's Important to Preplan

Pre-planning your estate means more than distributing your belongings. It is how you create your legacy and share the benefits you earned with those you love most.

You can purchase several different types of life insurance. When speaking with your local agent, make sure to express your wishes and concerns about death.

These policies can guarantee your child's college education is covered, that your family can continue living in your home and that general financial concerns will be alleviated.

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Understanding Pre-planning

Before you can become familiar with estate planning, it's imperative to understand the concept of an estate.

Consider everything you own, including your car, home, bank accounts and even personal possessions. Your estate consists of everything that is legally yours.

When you're gone, it is in your family's best interest that you have delegated where it all goes.

Losing a loved one is never easy, but preparing for it by creating a legal will can relieve unnecessary stress experienced by a mourning family. By meeting with a professional lawyer or estate-planning expert, you will eliminate the risk of long legal battles over your property when you're not here to fight for it.

Who Needs a Plan?

It is easy for younger Americans to dismiss the idea that they need legally standing documentation related to their estate.

However, it is important for people entering adulthood to sort their assets and begin forming their plan.

For aging or retired people, it's never too late to talk to a professional and get your estate in shape.

Discussing death is never an easy topic, but the peace of mind that comes with having a properly prepared plan in place can lessen the stress it may cause.

Remember, explaining concise instructions for how your estate should be handled once you're gone is a thoughtful way to express your love for yourself and family.

What it Contains

Creating a solid estate plan requires several decisions and legal documents. It is the only way you can ensure the things you worked for remain in the hands of your loved ones.

This is why working with a professional — in person — is crucial to your legacy.

Before you meet with an expert, become familiar with a few steps in the process.

Make a will: Typically, the first part of pre-planning is creating a will. It will express your wishes for who you want to inherit your property and appoint a guardian for young children in case both parents are demised.

Healthcare directives: This section is to protect your wishes in case you are unable to make medical decisions for yourself. You will appoint a power of attorney for healthcare, who will make the decisions according to the instructions you gave in the document.

Beneficiary forms: Choosing a beneficiary for your bank accounts means they become payable on death. Your loved one will avoid a lengthy probate issue in court once receiving the accounts.

The process is involved yet important. Schedule an appointment with a professional to protect your legacy and family.

Review Your Plan Regularly

You might think your job ends once you prepare a solid plan for your estate. General reviews are as crucial as updating your plan when major life events occur. Don't forget to periodically review your legal documentation to reflect these happenings.

A General Review

Even if you don't experience a life-changing moment, there is still plenty of cause to review your plan. One of the big reasons is due to changes in laws, regarding estate and gift-tax codes. These expensive alterations can have serious consequences on the recipients of your estate.

Your local government could also shuffle its probate code, trust law and laws of descent and distribution, affecting your plan.

Life Events that Require Review

Once you have a legally binding estate plan, life events can occur which require mediation and updates to your plan. These are a few reasons your documents could need a tune-up:

- A marriage or divorce;
- The birth or adoption of a new child or grandchild;
- Borrowing a significant amount of money or large increases or decreases in the value of your assets; or
- Alterations in federal or state laws regarding taxes and investments.

It can be difficult to realize which local and state laws are impacting your legacy. That's why hiring the help of a professional to manage your estate plan is key. They can easily spot red flags that negatively impact their clients' wishes and offer valuable advice accordingly.

How Often You Should Review

Since each estate plan is different and largely depends on your wishes and local government, reviews should be done at the recommendation of your legal team.

For those who have a large investment portfolio or acquire assets regularly, special care is recommended to keep a close eye on your value.

Check with your local financial and estate professionals to ensure your plan is in order. Under certain circumstances, they may recommend reviewing your legal documents on a more regular basis.