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For Adult Children of Aging Parents - *Take Inventory*

Estate plans and advance directives typically help families cope with the uncertainty that follows a parent's death. But these documents generally don't come into play when a debilitating but not fatal illness or health event occurs, such as a heart attack, stroke or the onset of mental impairments.

When an older person becomes incapacitated, unable to communicate or make sound decisions on their own, it's often up to a spouse or children to take over their financial and medical affairs. For any adult children who step up to care for their aging parents, especially those who may not live close or don't have much awareness into their parents' daily lives, they may not have everything they need to make informed decisions.

That's why it's important for adult children to take inventory of their aging parents' financial and medical information. Here are some guidelines to follow when gathering this data.

TAKE INVENTORY NOW

You may never know how suddenly you may need this information. Heart attacks and strokes often happen without much warning, and a parent who's recovering from a debilitating event may not be able to communicate or remember important details, either temporarily or permanently.

BE THOROUGH

Financial records such as investment and banking accounts are essential to gather, but think beyond these accounts for other aspects of a parent's financial life that are easy to overlook. Know where their income comes from, any outstanding debt such as credit cards, and who is listed on deeds for the primary residence and any other property. Be sure to account for safe deposit boxes too.

Medical records are also important to inventory. Adult children may not know who their parents' doctors or specialists are, or



what medications they are taking or have been prescribed. These are some of the first questions medical professionals ask family members when a person is admitted for critical or emergency care.

REVISIT YOUR INVENTORY

Here's what typically happens in a family: the adult children gather all of their parents' financial and medical information, then they file it away for safe keeping. As the years pass, the parents' financial and medical conditions change, but the kids are left in the dark.

Revisiting the inventory is an important step. You don't have to do it often—five-year intervals should be enough or when a major event occurs such as divorce or death of one of the parents.

LEAN ON A FINANCIAL PROFESSIONAL FOR HELP

A financial advisor can assist with checklists and other resources to help you collect and keep this important information. Many families have been through similar situations and an advisor can offer insight from other people's experiences that can help you plan better for your own. ■

Control What You Can Control



It's easy for investors to be impressed when the stock market reaches new heights, as the Nasdaq Composite Index did recently when it closed above its 15-year record peak from the dot-com boom.

As investors, we're told not to pay too much attention to the daily noise of the markets, especially during extended bull run periods. But those days when the market makes headlines is also when noise is the

loudest. That makes it even harder to maintain a focus on fundamentals.

Shrugging off daily market turbulence makes sense for the reason that the market is largely beyond our control as investors.

It's not just short-term performance. Many of the factors that drive the markets in one direction or another—from employment reports, oil prices or interest rates, to legislation, election results or geopolitical events—are also out of our hands.

A sole focus on results or outcomes—for example, where the market will be at the end of today or tomorrow or next year—

can heighten stress and distract us from those steps we can actually take to control our future.

Top-performing athletes understand this idea. According to sports psychologist Dr. Adam Naylor, ignoring results such as the final score and focusing on what we can control helps us hone in on actions that can actually affect performance. "This concept appreciates that winning, losing, placing well, and many other outcomes of sport are not fully under an individual's influence. Opponents get to play. Coaches get to coach. Results happen, sometimes as hoped for and sometimes not... even when a great game was played."¹

To bring this idea back to our financial lives, we should focus our efforts and energy on those aspects of our financial plans that we can actually control—how much we save, how often we save, where we invest and when we make adjustments. And to no surprise at all, these are fundamental concepts of investing.

We know that getting the fundamentals right is key to success as investors. So it makes sense to pay more attention to the levers we can control and ignore the forces we can't really influence, such as the market. Focusing solely on short-term numbers or results can detract from our individual performance as investors and eventually take us out of the game. ■

¹ www.psychologytoday.com/blog/the-sporting-life/201501/crisis-confidence.