

## Estate Planning by the Numbers

A will is one of the most basic steps you can take in planning your estate, yet a recent survey reveals key reasons why U.S. adults haven't created one:



Source: Caring.com

## Do You Need an Estate Plan?

A common misconception is that only the wealthy need an estate plan. However, if you have children, or if you have a home, a car, furniture, a bank account, a retirement account, investments, or anything else to pass along to your beneficiaries, you may need one too.

Creating an estate plan is less complicated than you might imagine. You'll need:

- **A will** to provide guidance for those left behind and indicate who should inherit your things, act as guardians for your children, and make provisions for your pets.<sup>1</sup>
- **Up-to-date beneficiary designations** named on retirement plan accounts and insurance policies. These designations take precedence over heirs named in a will, so it's important to make sure the correct person(s) are named as beneficiaries.<sup>1</sup>
- **A living will** in case you are unable to communicate or make decisions. A living will spells out your end of life decisions.<sup>2</sup>
- **Power of Attorney**, which gives another person the right to act on your behalf if you become incapacitated.<sup>3</sup>
- **A trust**, or a fiduciary arrangement that allows a third party to hold assets on behalf of a beneficiary, may be necessary if you have significant savings, valuable property, or complex circumstances such as blended families or a disabled child.<sup>2</sup>

Many Americans don't have a will because they haven't gotten around to it yet.<sup>4</sup> If something happens to them before they do, court-appointed executors will decide what happens to their things and name the guardians for their children and pets.<sup>2</sup> If you prefer to make these decisions, we can help you get started now. ■



<sup>1</sup> Reeves, Jeff. 'The Ultimate Guide To Estate Planning.' AARP.org. January 2017.

<sup>2</sup> RocketLawyer.com. 'Learn More About Living Will.' Cited July 20, 2017.

<sup>3</sup> RocketLawyer.com. 'Learn More About Power of Attorney.' Cited July 20, 2017.

<sup>4</sup> RocketLawyer.com. 'Rocket Lawyer's Annual Make-a-Will-Month Survey Reveals Strong Need to Educate Consumers on Estate Planning.'

## Before They Leave for College, Help Them Build a Budget



The transition from high school to college can be stressful for every member of the family. One way to reduce friction between parents and new college freshmen (and sophomores, juniors, and seniors, too) is to build a detailed college budget.

Typically, this will include the cost of education

(tuition, books, fees, deposits, computer, printer, etc.). It also will include the cost of the college experience (room and board, fraternity or sorority fees, athletic and social club costs, travel expenses, etc.).

If there are gaps in the budget, then you'll need to find additional sources of income or reduce expenses. Having a bit of excess in the budget is helpful because you never know exactly what expenses your student will incur.

Once the budget is in place, review it with your student each semester. It's a good learning experience for the student.

To get started, look for a sample budget worksheet online, such as the one found on [CollegelnColorado.org](http://CollegelnColorado.org)'s website at [www.cicmoney.org/calculators/budget-worksheet/traditional-college-student.aspx](http://www.cicmoney.org/calculators/budget-worksheet/traditional-college-student.aspx).

Or, you can simplify the process by downloading a free app designed to help your student stay on track financially. There is a variety available, such as Mint, Toshl Finance, or Prosper Daily. Let your student choose the app that best fits his or her style. ■

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