

PLANNING FOR THE DEATH OF A SPOUSE

It is probably one of the most traumatic and emotional events that anyone ever has to go through. There really is no way to properly prepare for the death of your spouse. The support of family members and friends will play a critical role in helping you through this ordeal. As soon as you begin to deal with the emotional aspects, the financial issues start to loom all too prominently on the horizon. While these can also be very hard to deal with, advance planning can help to ease this part of the process. Here are some of the steps you can take now, and issues that you can start to discuss with your spouse, to help prepare for an event that is hopefully a long way off:

Children/living expenses - The emotional issues for children after the death of a parent are tremendous. The surviving parent will want to devote as much attention to the children's needs as possible. If you have young children, you should start to think about what you would have to do to maintain some form of a normal lifestyle for your children after the death of a parent. This may mean additional help around the house.

Try to give some thought to the financial aspects of this decision. Would there be sufficient cash flow to cover the new expenses? Look at the amount of life insurance on each of you. Is it sufficient to maintain your family's lifestyle and cover any extra expenses? What income would be coming into the household, including social security benefits that the family might receive?

Estate planning issues - Many people have great intentions when it comes to estate planning, but often don't get all of the pieces in place. Maybe your wills are completed, but

you never got around to changing the beneficiaries of your life insurance and retirement plans. Or maybe you did not finish transferring title of assets to properly fund trusts. Have you updated your personal representative, trustees, and guardians lately? It may only take a little extra time now to get this completed, but the benefits later will be immeasurable.

Administrative details - If you have helped a grieving friend make funeral arrangements and select a burial plot for a spouse, you know that this is not a pleasant experience. Experienced, caring professionals can help to make this easier, but once again, advance planning goes a long way toward making this part of the process as painless as possible. Have you talked with your spouse about purchasing a burial plot or your feelings on funeral services?

Your own estate and financial planning - The death of a spouse has a significant impact on your family's financial planning. You will need to review most aspects of your own situation relatively soon after this happens. Is your life and disability insurance coverage appropriate? Have you saved enough for education expenses for your children? Is your own will updated now? While most of these do not require immediate action, the death of a spouse forces you to take a fresh look at all of these issues.

This is not the kind of topic that most people want to start the new year off discussing. However, for anyone who has been through it, they realize that any advance preparation, especially on the financial side, will help you through the myriad of issues that you will face.