

# Meet the future with a will, financial plan

A man dies and his loved ones are left grieving. Adding to this hurtful time is that the man failed to prepare a will, leaving his money and estate in the hands of the courts.

“I have noticed that people do not have their affairs in order. We see it every day, and this causes additional stress for your family members during an already stressful time,” said Ralph Bochinski, family service consultant with Foster & McGarvey funeral home and crematoriums.

Connelly-McKinley Funeral Homes presented the seminar, Don't Be Caught Unprepared, for about 125 people at the Mayfield Inn. The event was aimed at planning ahead in order to reduce the stress on loved ones left behind. The message is that preparation spares a family unnecessary emotional burden on one of the worst days of their lives.

A will outlines how money and property should be distributed after one's death. It allows one to appoint an executor and an alternate, and allows for the appointment of a guardian for one's children.



**Brad Cody**

Power of attorney is a document that outlines how one would like his finances taken care of while he is still alive, but not in a condition to make those decisions.

Personal directives, also known as living wills, are legal documents that allow a person to name a decision-maker with instructions to be followed when, due to illness or injury, no longer has the capacity to make those decisions – such as where he will live, the medical treatment he will receive and possibly the termination of life support.

“The trustee of a personal directive is the toughest job anyone will ever have.

If you think it was hard raising two or three or four kids – that’s a piece of cake. This is way tougher,” said Brad Cody, a lawyer with Cody Law Office in St. Albert.

A personal directive allows family and friends to feel confident that the decisions they make are what that person wanted. Personal directives can ease stress in difficult times.

“All of these documents are voluntary. There is nothing compulsory about any of them,” said Cody.

“The problem with not doing them ahead of time is that the courts and legislation will decide who is going to look after you, who will make decisions, and that might not be consistent with what you really want.”

Ryan Jewell, a financial planner with Advico Professional Investment Services, said proper financial planning is also necessary for anyone who intends on leaving money behind for loved ones.

#### **SENIORS’ POVERTY**

This is especially important, given the high number of seniors living on fixed incomes. About 72 per cent of Canadians over age 65 have an annual household income under \$30,000.

“Ninety-four per cent of the older population have less than \$60,000 a year in income. That is not overly exciting to me. This indicates that the people in my industry have failed to do their jobs properly,” said Jewell.

Setting specific goals, establishing a time frame to achieve those goals, and reviewing those goals regularly are the basics of successful financial planning. People try to complicate money matters, but Jewell emphasized that there’s nothing complex about net worth.

“Net worth is what you will retire on. Net worth is everything you own minus everything you owe. It’s a pretty straightforward concept,” said Jewell.

Seven risks to net worth include inflation, taxes, fear, timing, procrastination, lack of diversification and low rate of return on investments.