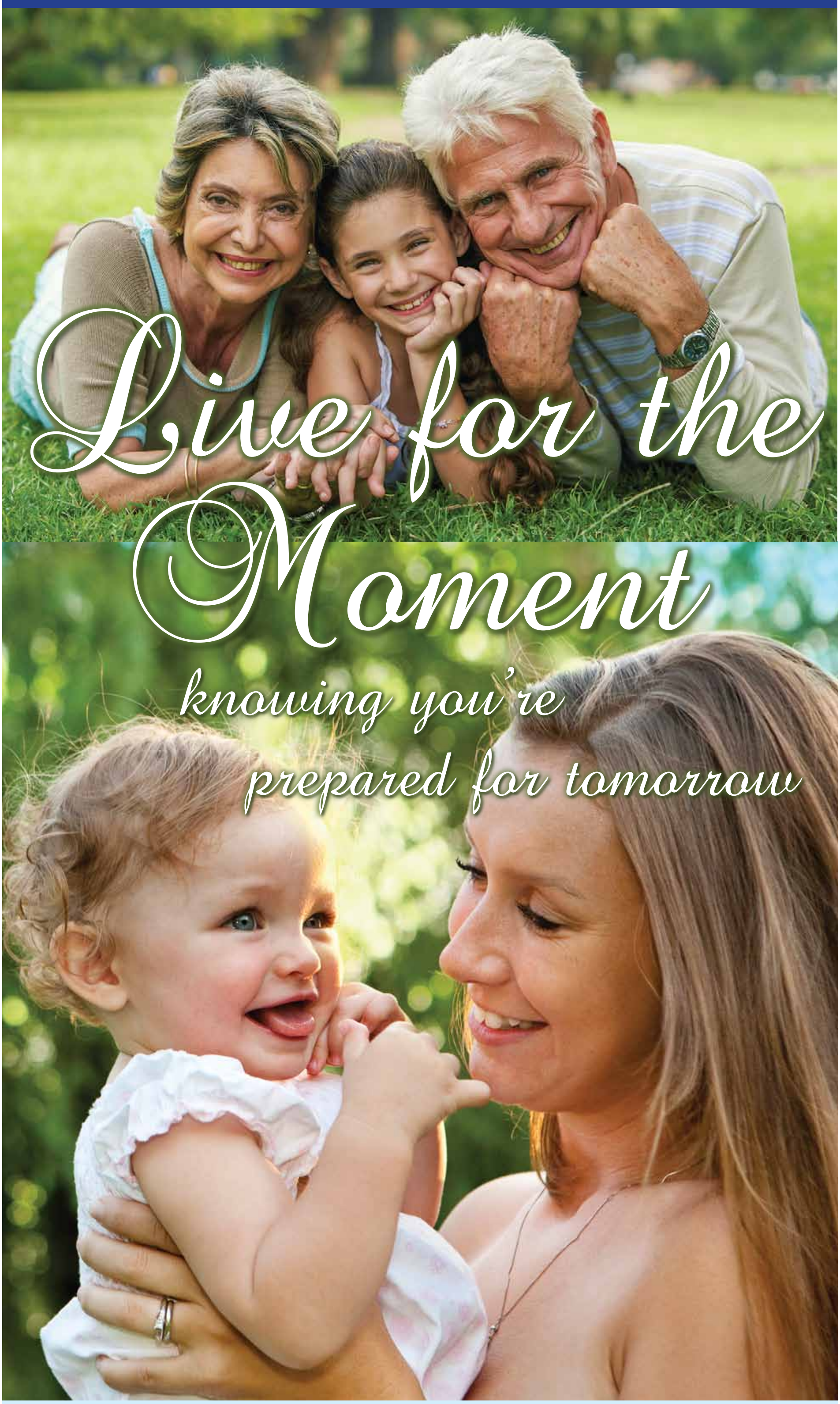
A Guide to Wills, Estates and Financial Planning



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TIMES LEADER

Sunday, April 16, 2017

Glossary of Estate Planning Terms

The Collins Firm

A-B Trusts:
The two "sub-trusts" created when a person dies, one of which – the "A" Trust – will be maintained for the benefit of the surviving spouse – and the other of which – the "B" Trust – will contain assets of a value equal to the deceased spouse's remaining estate tax exclusion amount. The B-Trust, sometimes referred to as the "By-Pass Trust" or the "Credit Shelter Trust", will also be held for the benefit of the surviving spouse during his or her lifetime, but upon the death of the surviving spouse, will pass to the children (or other beneficiaries) without any additional estate tax, irrespective of the value of the B-Trust at that point.

Administrator:
The one appointed by the Probate Court to manage the probate estate where no executor has been designated, or where the designated executor is unable or unwilling to serve.

Advance Medical Directive:
The legal instrument in which a person nominates another to make medical decisions when one is unable to do so, and also expresses the person's wishes as to the extent of "extraordinary" medical care desired in case of imminent death from an irreversible condition, or in the case of a persistent vegetative state. The Advance Medical Directive includes both a "living will" and a "durable power of attorney for health care decisions".

Attorney-In-Fact:
The person appointed under a Power of Attorney to conduct the affairs and deal with the property of another. The attorney-in-fact need not be a lawyer; any competent adult individual may serve. Under many recent state statutes, the term "Attorney-In-Fact" has been replaced by the term "Agent" under the Uniform Powers of Attorney Act.

Beneficiary:
The person named in a Will or Trust to receive property from the maker of the Will or Trust. The beneficiary has "equitable title" to the Trust property.

By-Pass Trust:
The Trust created to hold assets of a value equal to the decedent's estate tax exclusion amount on such terms that those assets will "by-pass" further estate taxes when the initial beneficiary of the Trust dies. (Same as "Credit Shelter Trust" and "B-Trust".)

Capacity:
The legal competence to effectively perform a given act (e.g. to write a Will or Trust, to enter into a binding contract).

Conservatorship:
Probate proceeding initiated to supervise management of the property of an incapacitated or incompetent person.(Also see Guardianship below)

Credit Shelter Trust:
Synonym for "By-Pass Trust". (See above.)

Crummey Trust:
An irrevocable Trust established to qualify contributions for the annual federal gift tax exclusion (currently $13,000) for gifts of a present interest. So-called because the Trust contains "Crummey Powers", enabling a beneficiary to withdraw assets contributed to the Trust for a limited period of time.

Decedent:
Person who has died.

Designated Beneficiary:
An individual beneficiary of a retirement account (IRA, 401(k), 403(b), etc.) who qualifies as a person whose life expectancy may be used for determining required minimum annual distributions. The term "designated beneficiary" is a term of art under the I.R.S. regulations, one of which requires that to qualify as such the beneficiary must be an individual with an ascertainable life expectancy. Thus, for example, a charitable organization cannot qualify as a "designated beneficiary".

Disclaimer:
Election by donee of gift or beneficiary of bequest to decline acceptance. To be a "qualified disclaimer" for transfer tax purposes, a disclaimer must be exercised within nine months of death or gift, and must comply with other Internal Revenue Code requirements.

Disclaimer Trust:
A trust (set of instructions) established to receive, then manage and distribute, assets that would otherwise have been distributed to a prior beneficiary had that prior beneficiary not declined to accept (disclaimed) such assets.

Equitable Title:
Beneficial ownership of an asset; the right to use, spend, consume and/or enjoy an asset or its income.

Estate Planning:
The process of arranging one's property and affairs so as to insure their current management and ultimate disposition in the most efficient, effective, economical, and private manner, taking into consideration the effect of state and federal tax and administrative laws and regulations.

Estate Tax:
Tax imposed by U.S. government and some states on the transfer of property from a decedent to his or her heirs or beneficiaries. The estate tax is levied on and measured by the size of the decedent's estate, rather than on the amount received by any particular beneficiary.

Exclusion Amount:
The new term -"applicable exclusion amount"- used by the Internal Revenue Code to identify the value of assets owned by a decedent effectively exempt from the federal estate tax. For deaths occurring in 2011 and 2012, the applicable exclusion amount is $5,120,000.

Exemption Equivalent:
Old term for applicable exclusion amount. (See above.)

Executor (male)/Executrix (female):
The one nominated in a Will and thereafter appointed by the Probate Court to manage and distribute a decedent's estate in accordance with the terms of the Will. May also be referred to as a Personal Representative.

Family Trust:
A Trust established to benefit one's spouse, children and/or other family members. Often used in reference to the By-Pass Trust discussed above.

Fiduciary Responsibility:
A serious responsibility of trust imposed upon one by the law, requiring the utmost degree of integrity and prudence in dealing with the property entrusted to the fiduciary (e.g. Trustee, Administrator, Executor, Guardian, Conservator, Agent).

Fractional Interest:
The less than 100% share of ownership held by a co-owner of an asset.

Funding A Trust:
Re-registering legal title to one's assets in the name of the Trustee of the Trust.

Generation Skipping Transfer (GST) Tax:
A federal tax imposed on certain transfers, either by gift or at death, between a donor/decedent and a person more than one generation removed (e.g., a grandchild).

Gift Tax:
Federal tax on completed gifts from one person to another. There is currently an annual exclusion of $13,000 applying to each gift of a present interest from a donor to each donee. Each U.S. resident also has a $5,000,000 lifetime Gift Tax Exclusion for gifts made in calendar years 2011 and 2012. Neither Virginia, Maryland nor the District of Columbia currently impose a gift tax.

Gift Trust:
An Irrevocable Trust established to act as the repository of gifts to its beneficiaries, drafted such that the gifts to the Trust will be excluded from the donor's taxable estate at death. (See "Crummey Trust".)

Grantor:
The person who establishes a Trust. Also referred to as the "Trustor", and sometimes referred to as the "Settlor" of the Trust.

Gross Estate:
The total value, for estate tax purposes, of everything in which one has an ownership interest at the time of death.

Guardianship:
Court proceeding initiated to supervise management of the personal affairs (e.g. living accommodations, nursing home selection) of a minor or an incapacitated person. In some states the term "guardianship" also refers to the procedure used to manage property and legal affairs of such a person. (Referred to in some states, e.g. Virginia, as a "Conservatorship.")

Heir:
The person entitled to distribution of an asset or property interest under applicable state law, in the absence of a Will or Trust. (Note that "heir" and "beneficiary" are not synonymous, though they may refer to the same individual in a particular case.) Your heirs are the ones who will inherit your property if you die with no valid Will or Trust in effect.

Inheritance Tax:
Tax imposed by some states on the amount received by a particular heir or beneficiary. Maryland has an inheritance tax; Virginia and the District of Columbia do not.

Insurance Trust:
An irrevocable Trust established to own life insurance on a person, so designed as to exclude the proceeds of the policy – the death benefit – from the insured person's taxable estate at death.

Intestate/Intestacy:
Dying without leaving a valid Will or Trust in effect, such that the decedent's estate is distributed in accordance with state law. (See "Heir" above.)

IRA:
Individual Retirement Account (see "Retirement Accounts).

Irrevocable Trust:
A Trust that cannot be revoked, modified or amended (except to a very limited extent) once it has been established. Irrevocable Trusts are often used in tax planning to get property "out" of a person's taxable estate so that it will not be subject to estate tax upon his or her death.

Joint Ownership:
Any arrangement through which title to an asset is shared by more than one owner. (See "Joint Tenancy", "Tenancy-by-the-Entirety", "Tenancy-in-Common".)

Joint Tenancy:
A form of joint ownership of property that carries an automatic right of survivorship, such that title to the interest of a deceased joint owner automatically vests in the surviving joint tenant(s) by operation of law upon the death of one joint tenant. (Contrast with "Tenants-in-Common".)

Legal Title:
"Registered ownership" of an asset. Refers to the person(s) whose name is on the deed, signature card, registration certificate, etc.

Living Will:
The instrument used to express one's wishes for treatment in the event of irreversible terminal condition or persistent vegetative state. Now often replaced by Advance Medical Directive. (See above.)

Marital Deduction:
The deduction against gross estate value accorded by the Internal Revenue Code for transfers by gift or upon death to one's spouse. Under current law the marital deduction is unlimited, e.g. there is no estate or gift tax on qualifying transfers of any amount to a U.S. citizen spouse. (See QDOT below with respect to non-U.S. citizen spouses.)

Marital Trust:
Trust established to hold the surviving spouse's share of property upon the death of first spouse to die (see "A-B Trust" above). Distributions to this Trust by a deceased spouse qualify for the marital deduction. (See above.) In the A-B Trust configuration, the A Trust will be the Marital Trust.

Payable-on-Death Account (POD):
A bank account titled in the name of the original owner, but directing distribution to a named beneficiary upon the owner's death. POD accounts avoid probate administration.

Personal Representative:
An executor or administrator (see above). In Maryland both executors and administrators are referred to as the Personal Representative (often abbreviated "P.R.").

Pour-Over Will:
A Will used in conjunction with a Revocable Living Trust to dispose of any property owned by the decedent at time of death which was not transferred to the Trust during the Trustor's lifetime. The Pour-Over Will also revokes all prior Wills, but unlike traditional Wills it does not contain detailed dispositive provisions; rather it directs distribution of all individually owned property of the Testator to the Trustee of his/her Trust. The Trust instrument contains detailed instructions relating to the distribution of the property. Like all Wills, a Pour-Over Will is subject to probate administration.

Power-of-Attorney:
A legal instrument whereby one appoints and empowers another person as agent to deal with one's property and affairs. (See Attorney-in-Fact above). A General Power of Attorney is one which gives the Attorney-in-Fact broad, plenary powers; a Special Power-of-Attorney limits the Attorney-in-Fact's authority to a particular property or transaction. A Durable Power-of-Attorney is one which remains effective even after the maker becomes incapacitated. Most comprehensive estate plans include a General Durable Power-of-Attorney.

Present Interest:
To be eligible for the annual $13,000 exclusion from the Federal Gift Tax, the gift must be of a "present interest". In other words, the gift must belong to the donee with "no strings attached." (However, see "Crummey Trust" above.)

Probate:
The process, usually administered by a probate court or an official subject to the court's authority, established in all fifty states to supervise the transfer of legal title to property from a decedent to his heirs or beneficiaries, or to supervise the management of the property and affairs of one incapable of handling his or her own affairs.

Procrastination:
"Putting off doing something until later." [Webster definition] Most common reason people neglect to establish basic estate plan while alive, often resulting in unnecessary expense, delay, taxes and family friction after death of procrastinator.

Qualified Domestic Trust (QDOT):
A marital Trust used for the benefit of a non-U.S. citizen spouse containing special provisions specified by the Internal Revenue Code such that transfers to the QDOT qualify for a limited estate tax marital deduction, until they are actually withdrawn from the Trust.

Qualified Personal Residence Trust (QPRT):
An Irrevocable Trust established to hold title to residential property. The owner transfers ownership of the house to the Trust, retaining the right to reside in the home rent-free for a period of years. Used to reduce the transfer tax cost of leaving a residence to one's beneficiaries.

Qualified Terminable Interest Trust (Q-TIP):
A Trust established for the benefit of a surviving spouse, qualifying for the estate tax marital deduction, but distributing any remaining balance at the survivor's death to beneficiaries chosen by the deceased spouse-Trustor. Often used in second marriage situations to assure benefits for children of prior marriages.

Reservoir Trust ®:
A Trust drafted by the Collins Firm as part of your Revocable Living Trust to provide financial support for its beneficiaries, while affording "spendthrift" protection from creditors, ex-spouses or adversaries.

Retirement Accounts:
Any of the various accounts, funds or plans established to provide retirement benefits for an individual, created pursuant to federal law and regulations and providing for tax-deferred accumulation during the life of the account, including IRAs, 401(k)s, 403(b)s, Pension and Profit Sharing Plans, etc. These accounts, with the exception of "Roth IRA's," are subject to income tax upon withdrawal. They (including Roth IRA's) are also includable in the estate of the owner for Estate Tax purposes.

Revocable Living Trust:
A Trust established by an individual, or a married couple, that becomes effective immediately upon establishment while the Trustor is still alive (thus "Living"), remains revocable and amendable during the lifetime of the Trustor (thus "Revocable"), and is used to (1) avoid probate; (2) facilitate some tax planning; (3) provide for management during periods of incapacity without need for guardianship or conservatorship; (4) address family circumstances; and (5) provide for ultimate distribution of the estate. The Trust is a comprehensive set of instructions for the management and ultimate distribution of the property, accounts and other assets you own.

Roth IRA:
A special form of IRA for which the owner receives no income tax deduction for contributions, but the account does accumulate tax-deferred. Most significantly, withdrawals from the Roth IRA are not subject to income taxation.

Settlor:
Trustor; Grantor. Alternate term for one who establishes a Trust.

Special Needs Trust/Supplemental Needs Trust:
A Trust established for a disabled person to provide supplemental support without disqualifying the beneficiary from eligibility for governmental assistance programs.

Spousal Option Trust:
A Disclaimer Trust established to receive assets distributable to a surviving spouse but disclaimed by such spouse. Often used in estate plan of married couple where need for "by-pass trust" distributions cannot be determined until death of first spouse to die.

Successor Trustee/Substitute Trustee:
The Trustee who "takes over" upon the death, disability or resignation of the original Trustee or a prior Trustee.

Tangible Personal Property:
Personal property which ordinarily has no registered ownership attached to it, e.g. furniture, clothing, jewelry, antiques, collections, etc., but not cash or other financial assets.

Tenancy-by-the-Entirety:
A form of co-ownership of property available only to married couples, very similar to Joint Tenancy in that title to the property automatically vests in the surviving spouse tenant-by-the-entirety. T-by-E ownership provides some creditor protection in some states.

Tenancy-in-Common:
A form of co-ownership in which a deceased tenant's share passes to his/her heirs or beneficiaries through his/her estate under the terms of a Will, or in accordance with the laws of intestate succession in the absence of a Will. (Contrast with Joint Tenancy.)

Testamentary Trust:
A Trust established in a person's Will. A Testamentary Trust only comes into operation after the Will has been probated and the assets have been distributed in accordance with the probate court order. In many states, Testamentary Trusts remain subject to the jurisdiction of the probate court.

Testator (male)/Testatrix (female):
Person who makes a Will.

Transfer Tax:
A tax levied when ownership of an asset is given, bequeathed or transferred to another. Includes the Estate Tax (federal and state), Inheritance Tax, Gift Tax and Generation Skipping Transfer Tax.

Trust:
A legal arrangement in which "legal title" (registered ownership) to assets is transferred to a "Trustee", who thereafter has a fiduciary duty to manage and distribute the Trust assets for the benefit of the beneficiaries of the Trust, all in accordance with the instructions contained in the Trust document ("Declaration of Trust"). The beneficiaries hold "equitable title" (right to use and enjoy) to those assets. Trusts of various types are frequently used in estate planning to achieve tax, financial, and personal objectives. It is helpful to remember that every Trust is simply a set of your instructions.

Trustee:
One who holds legal title to Trust assets, managing and distributing those assets in accordance with the terms and conditions specified in the Declaration of Trust. A Trustee may be an individual or a bank or trust company licensed to serve as a Trustee. A Trust may have one or more Trustees (Co-Trustees) who act together.

Trustor:
One who establishes a Trust. The terms "Grantor" and "Settlor" are synonyms for "Trustor".

Trust Estate (Trust Property):
The assets transferred to the Trustee by re-registering their legal titles in the name of the Trustee. The Trust Estate can include real estate, bank accounts, stocks, bonds, brokerage accounts, partnership interests, tangible personal property, and many other types of financial and legal interests.

Will:
The legal instrument traditionally used to direct disposition of one's property after death.

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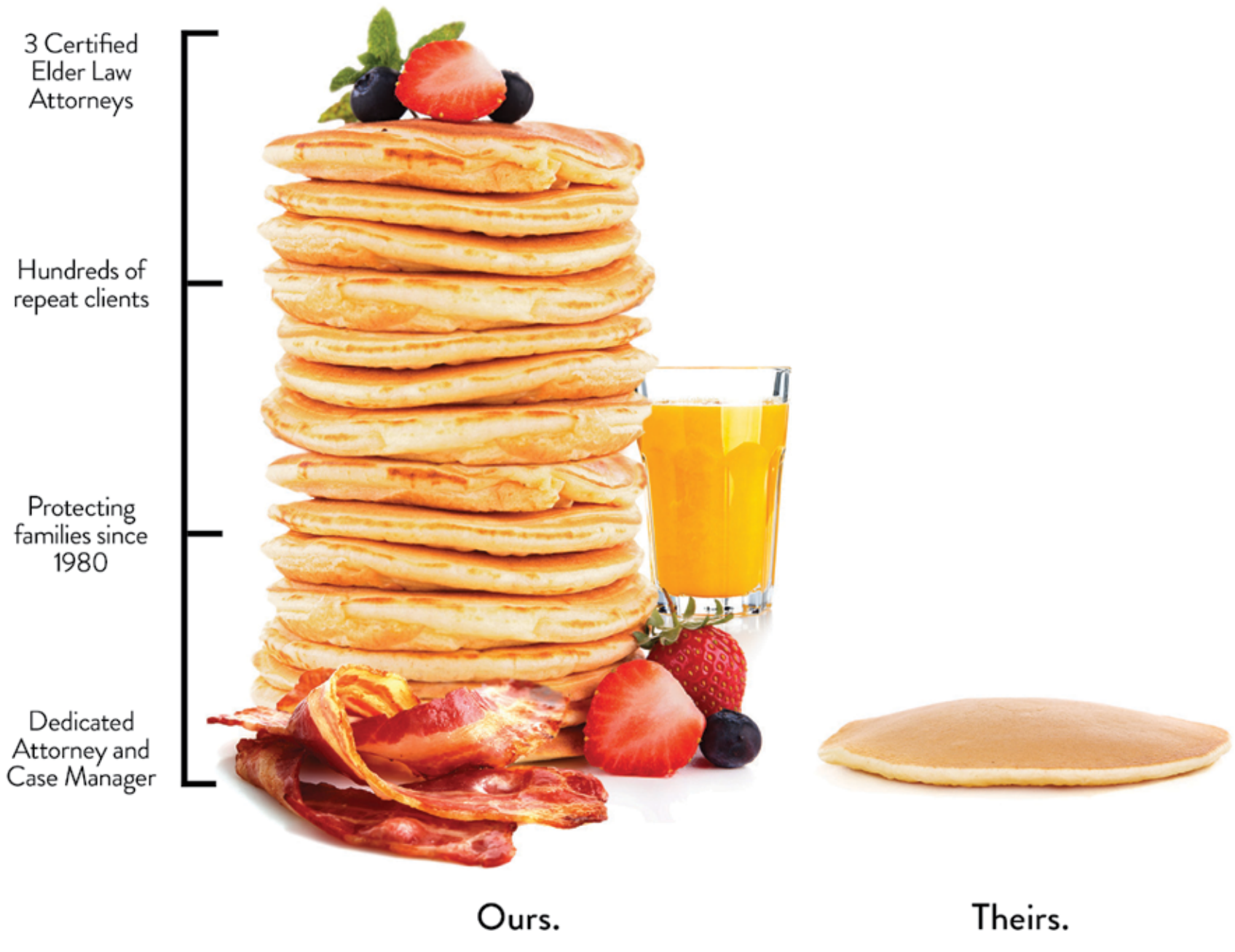

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12 simple steps to an estate plan

By Mary Randolph, J.D.

A checklist to help you take care of your family by making a will, power of attorney, living will, funeral arrangements, and more.

1. Make a will.
In a will, you state who you want to inherit your property and name a guardian to care for your young children should something happen to you and the other parent.

2. Consider a trust.
If you hold your property in a living trust, your survivors won't have to go through probate court, a time-consuming and expensive process.

3. Make health care directives.
Writing out your wishes for health care can protect you if you become unable to make medical decisions for yourself. Health care directives include a health care declaration ("living will") and a power of attorney for health care, which gives someone you choose the power to make decisions if you can't. (In some states, these documents are combined into one, called an advance health care directive.)

4. Make a financial power of attorney.
With a durable power of attorney for finances,you can give a trusted person authority to handle your finances and property if you become incapacitated and unable to handle your own affairs. The person you name to handle your finances is called your agent or attorney-in-fact (but doesn't have to be an attorney).

5. Protect your children's property.
You should name an adult to manage any money and property your minor children may inherit from you. This can be the same person as the personal guardian you name in your will.

6. File beneficiary forms.
Naming a beneficiary for bank accounts and retirement plans makes the account automatically "payable on death" to your beneficiary and allows the funds to skip the probate process. Likewise, in almost all states, you can register your stocks, bonds, or brokerage accounts to transfer to your beneficiary upon your death.

7. Consider life insurance.
If you have young children or own a house, or you may owe significant debts or estate tax when you die, life insurance may be a good idea.

8. Understand estate taxes.
Most estates -- more than 99.7% – won't owe federal estate taxes. For deaths in 2016, the federal government will impose estate tax at your death only if your taxable estate is worth more than $5.45 million. (This exemption amount rises each year to adjust for inflation.) Also, married couples can transfer up to twice the exempt amount tax-free, and all assets left to a spouse (as long as the spouse is a U.S. citizen) or tax-exempt charity are exempt from the tax.

9. Cover funeral expenses.
Rather than a funeral prepayment plan, which may be unreliable, you can set up a payable-on-death account at your bank and deposit funds into it to pay for your funeral and related expenses.

10. Make final arrangements.
Make your wishes known regarding organ and body donation and disposition of your body -- burial or cremation.

11. Protect your business.
If you're the sole owner of a business, you should have a succession plan. If you own a business with others, you should have a buyout agreement.

12. Store your documents.
Your attorney-in-fact and/or your executor (the person you choose in your will to administer your property after you die) may need access to the following documents:

- will
- trusts
- insurance policies
- real estate deeds
- certificates for stocks, bonds, annuities
- information on bank accounts, mutual funds, and safe deposit boxes
- information on retirement plans, 401(k) accounts, or IRAs
- information on debts: credit cards, mortgages and loans, utilities, and unpaid taxes
- information on funeral prepayment plans, and any final arrangements instructions you have made.

You're Turning 65: A Must-Do Checklist

By Joseph L. Matthews
Caring.com Expert
Last updated: Mar 23, 2017

If you're about to turn age 65 (or know someone who is) it's time to consider some things that can greatly affect your finances and healthcare. In the months leading up to -- or in the months immediately following, if you've been a little slow -- your 65th birthday, do the following:

Health-Related Matters

- *Enroll in Medicare Part A and Part B.* Almost everyone age 65 and older is eligible to enroll in Medicare Part A (inpatient care) and Medicare Part B (outpatient care). You may sign up as early as three months before your 65th birthday to ensure that your coverage begins on the day you turn 65.
- *Consider a Medicare Part C managed care plan.* Many people age 65 and older enroll in a Medicare Part C Medicare Advantage HMO or other managed care plan. These plans replace and provide broader coverage than traditional Medicare Parts A and B. They are somewhat cheaper than the combination of regular Medicare plus a private Medigap supplemental insurance policy, but they limit the health providers you may use. Some Part C plans include prescription drug coverage.
- *Consider a Medicare Part D prescription drug plan.* The high cost of prescription drugs leads the majority of people age 65 and over to enroll in a Medicare Part D prescription drug plan , which provides some reduction in yearly drug costs.
- *Shop for a Medigap insurance policy to supplement Medicare.* Medicare leaves unpaid a large portion of most people's medical bills. To fill in the gaps in Medicare payments, many people buy a private Medigap supplemental insurance policy . Your right to buy the policy of your choice only lasts until six months after you enroll in Medicare Part B.

Legal and Money Matters

- *Consider long-term care insurance.* A private long-term care insurance policy can help pay for long-term home care or residence in an assisted-living facility or nursing home -- things that Medicare doesn't cover. The policies can be expensive, however, and are something of a financial gamble. If you haven't bought long-term care insurance but think you might be interested, now -- when you're in your mid-60s -- is the last age at which buying a new policy is affordable for most people.
- *Plan your Social Security benefits claim.* Age 66 is now Social Security's "full retirement age" -- when you can claim your full Social Security retirement benefits without any penalty for continuing to earn an income. But some people claim reduced benefits as early as age 62, while others wait until after full retirement age (up to age 70) to claim higher benefits. Deciding when it's best for you to claim Social Security benefits for yourself, your dependents, and your survivors takes a little planning.
- *Find out about extra help if you have low income and few assets .* There is both full medical coverage and direct financial help available to people 65 and over who have low income and few assets other than their homes. Medicaid can pay the full cost not only for medical care but also for long-term home care and nursing home residence. Supplemental Security Income can provide small monthly cash assistance in addition to Social Security benefits.
- *Get your legal documents in order.* Although most 65-year-olds still have many years to live, a sudden illness or accident could make decision making difficult if not impossible. Getting legal documents in order can make sure your wishes are f ollowed with regard to healthcare, including end-of-life care, your ongoing finances, and your estate. These documents include a will, a power of attorney for finances, and an advance medical directive (also called a living will).

Information for young parents to include in their wills

A will is a legal document that contains instructions as to what should be done with a person's money and property upon that person's death. While no young parent wants to think of their own mortality, parents must have wills to ensure their families are taken care of how they see fit in the wake of their deaths. When devising a will, young parents should consult a legal professional to ensure they have covered all the bases. But the following is some of the basic information young parents should include in their wills.

Guardianship:
Young parents should include instructions regarding guardianship of their children should they pass away while the children are under the age of 18. Parents should not assume that their wishes regarding guardianship, even if those wishes had been expressed often, will be followed should they pass away without a will. If no will has been written, laws may dictate that children go to a spouse or the deceased's closest relative. Even if parents' wishes regarding guardianship align with the law, they should still spell those wishes out in writing in their wills.

Assets: Young parents should use their wills to assign their assets so their money and property is distributed to their heirs in accordance with their wishes. Parents should be as specific as possible when dictating their wishes regarding their assets. Doing so will prevent disputes and ensure their assets are assigned exactly how they intended them to be. For example, parents who have invested in real estate and own more than one home should list the address of each property when assigning the homes to their heirs.

Executor: This person ensures the deceased's wishes are met and works with the deceased's attorney to ensure assets are allocated in adherence to the will. Before naming an executor, parents should first speak with the person to determine if they are willing to do so. The responsibility of serving as an executor is an enormous one, and parents' initial choice may already be serving as executor of another estate and not want the additional responsibility. When choosing an executor, parents should choose a trustworthy person who has agreed to serve as an executor and understands all of the responsibility that comes with that task.

Trustee: Young parents who desire to establish a trust for their children in the wake of their death also must name a trustee to oversee the assets left to their children if their children are too young to do so themselves. The responsibilities of a trustee are similar to those of an executor, but overseeing a trust can last considerably longer than executing a will. For example, trustees may be asked to manage investments and periodically disburse funds for children of the deceased, and such responsibilities can last decades.

Could you survive 6 months without income?

Be it death, illness, or job loss, could your family weather a financial or personal storm? Learn how to prepare for whatever life throws at you.

By Marla Miller
CTW Features

Pay yourself first.

It's a simple concept, but surveys show many Americans are living without a budget and not saving for emergencies, much less retirement.

Be it death, illness or job loss, could your family weather a financial or personal storm or survive sixth months without income?

For those living paycheck-to-paycheck, it may seem difficult to find ways to save money but there is always a way. And it's critical to monitor frivolous spending because you never know when a personal or financial crisis may happen.

"It's very important that you have an emergency fund because life gets in the way, whether it's job loss, medical issues, the car breaking down, or your brother-in-law needing a loan," says Ric Edelman, chairman and CEO of Edelman Financial Services and author of "The Truth About Money" (HarperBusiness; 4th Ed, 2010) and other money-management books.

"Treat yourself like a bill you have to pay," Edelman says. "When most people get a paycheck, they pay their bills and at the end of the month they are broke. Write yourself a check before you pay any of your bills and put that into a bank account separate from your checking account. You'll still be broke, but now you'll be broke with $100 saved."

Seventy percent of U.S. households with children under age 18 would have trouble meeting everyday living expenses within a few months if a primary wage earner were to die today. Worse still, 4 in 10 households would feel financial hardship within a month of losing a job, according to a 2014 Gallup poll.

Similarly, only 2 in 5 U.S. adults say they have a budget and keep close track of their spending, according to a 2015 Consumer Financial Survey conducted by Harris Poll for National Foundation for Credit Counseling. Nearly 3 in 10 people surveyed don't save any portion of their income for retirement.

One third of Americans don't have a discretionary savings for short-term and mid-range goals, says Bruce McClary, spokesperson for National Foundation for Credit Counseling, the nation's largest and longest-serving nonprofit financial counseling organization.

See SURVIVE | 9

70% of U.S. households with children under 18 would have trouble meeting everyday living expenses within a few months if a primary wage earner were to die today.

40% of households with children under 18 say they would immediately have trouble meeting everyday living expenses.

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Strategies to repay student loans as quickly as possible

Millions of people fund their college educations with student loans. Such loans can make it possible for students to attend the very best universities in the world, but they also can be burdensome when students graduate and face the unenviable task of repayment.

Student loan debt figures are staggering. According to Debt.org, student loan debt in the United States is roughly $1.2 trillion, while the Canadian Federation of Students reports that education-related debt in Canada is more than $19 billion, a figure that reflects the cost of college tuition rising more than 137 percent in the last quarter century. The college resource website Cappex.com estimates that the average student debt for members of the class of 2016 is $37,173, a jaw dropping 6 percent increase from the average debt held by members of the class of 2015 upon graduation.

Paying down that debt can seem like a daunting task, but recent grads need not fret that they will still be paying off student loans when their own children are ready to enroll in college or university. The following are a few strategies college grads may want to consider as they look for ways to pay off their student loans as quickly as possible.

Create a monthly budget before the repayment period begins. Monthly budgets are an essential element of sound financial planning, but grads should not wait until their repayment period begins to develop their budgets. Even if the repayment grace period has just begun, grads should build at least the minimum required payment into their monthly budgets. Simply put the money into a savings account until the repayment period begins. Adjusting to repaying loans as early as possible can soften the blow once the repayment period actually begins.

Pay more than the minimum. Grads will have a relatively brief grace period to start repaying their loans after graduating. For those who are not going on to graduate or professional school, that grace period may be six months. As the due date for that first payment draws near, grads will receive a letter from their lenders indicating their overall debt and their minimum monthly payment. Paying more than that minimum monthly payment can help borrowers pay off their student loans far faster than simply paying the minimum each month. Many homeowners employ this strategy with their mortgages, and grads can do the same when repaying their student loans.

Establish short-term financial goals. Short-term financial goals can motivate borrowers to maintain their financial discipline, especially in those initial years after college when many new graduates struggle with money management. Be specific about goals, making sure to pick a target date to repay student loans in full. Grads who want to become homeowners can work to achieve that goal before age 30. Once that goal has been set, grads can research average home costs in their desired areas. Such information can motivate grads to pay off their student loans as quickly as possible so they can be on track to achieve their larger goal of buying a home in accordance to their preestablished goal.

Live with a roommate or roommates. Recent graduates who landed their first professional job may feel living alone is the ultimate illustration of their financial independence. But living with a roommate or roommates can free up more money for borrowers to put toward repaying their student loans. Roommates share utility and cable/internet bills, and room shares are often much less expensive than studio or one-bedroom apartments. Many young professionals, especially those moving to a new city for their first job, find living with roommates after college is also a great way to develop or expand a social network.

Repaying student loans takes discipline, but that discipline is rewarded when loans are repaid long before reaching their maturity date.

STUDENT LOAN EXPERT

Jan Miller, president of Miller Student Loan Consulting, LLC, Ashland, Oregon

Q: Can you dispel a common misconception about student loan debt?

A: I can guarantee you that there's no one size fits all solution. It's different for each person. You can even have the same type of loans in the same amount and the same type of career and still have completely different answers. There's a different solution for everybody. If there's one constant, it's that.

Q: What do you think about the default rate – 11.8 percent?

A: No one should default on student loans. There's always an answer. There's always a way to prevent that no matter what your income is, no matter how big your debt is, what kind of loans you have. The reason people default is because it's overwhelming. It's overwhelming and they just push it under the rug and pretend it's not there and eventually it defaults.

Q: How should borrowers approach repayments?

A: Get a plan. Even if it's done by you, organize your debt, look at it and create your own plan. Obviously if you can hire someone like me that's a great a idea, but if you can't afford to do that or if you think you can tackle it on your own make sure at least you face it.

Q: Do you have any other advice for borrowers?

A: Probably the biggest advice I have for all student borrowers is to stay away from debt relief agencies. These companies will charge you money and slam you into consolidation and income-based repayments without any other considerations.

Survive

From page 6

"Those figures are troubling," he says. "It's a situation where people are keeping their head above water. The urgency of the matter diminishes because everything seems to be OK. Beneath the surface is where the trouble lies. When we think about dealing with an emergency or job loss, a lot of people are going to find themselves up against a wall."

McClary previously worked for a nonprofit credit-counseling agency for 16 years and recommends people have at least sixth months of net income saved. When times are good and income is steady, people need to develop healthy financial habits that help them grow their savings, he says.

"Pay yourself first," he says. "That's a tired, tired phrase, but it bears repeating. The benefits are long lasting. All you have to do is start the habit. It doesn't have to be a lot of money at first and it probably won't be."

With every paycheck, take some portion – whether it's $25, $50 or $100 – and put that into a separate savings account, Edelman says. An emergency fund can vary based on individual situations such as job stability and income. He recommends having two years of expenses in cash reserves so you don't have to sell investments or go into debt.

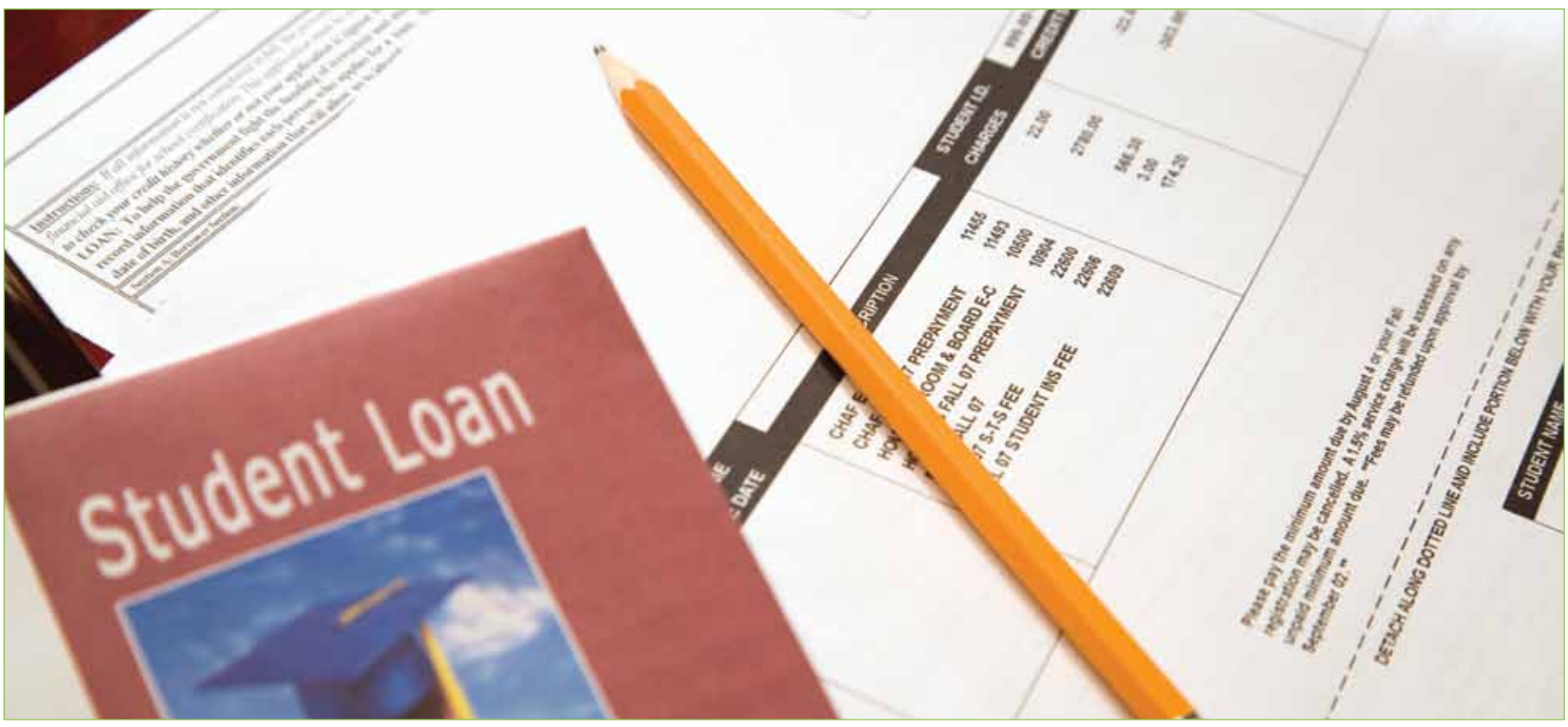
"You don't need 100 percent of your income to sustain yourself," he says. "Take a look at your expenses and which ones are absolutely essential."

Saving can involve some sacrifice, but the rewards are worth it, especially when you realize how much money you were just wasting.

"People don't give it the long-term thought, it's just a café latte or a bag of chips at lunch," Edelman says. "They've never done the arithmetic to demonstrate how much they are spending over 30 or 40 years on nothing."

Using cash instead of credit and debit cards is one way to reduce and track spending.

"Studies show us people overspend when they use plastic because it doesn't feel like real money," Edelman says.



Who makes house calls?

As of October 2015, I will only meet clients at their home, or at a location they choose and no longer require clients to meet at my office. I have decided that I would change the way I meet with people so it will be as easy and as convenient as possible for the client.

Based on my practice, which consists of estate planning and administration along with elder law, I find that clients are more comfortable discussing such matters in familiar surroundings. While I know this may seem unconventional to some, I believe I will be able to serve clients much better in this fashion. If anyone is uncomfortable with home visits, I have a few locations where I can meet in an office setting. I look forward to meeting with my existing clients and especially meeting new clients that are looking for any assistance in estate or elder law matters.

Elder Law

- Guardianships
- Asset Protection Planning
- Medicaid Application Assistance

Estate Administration

Probate:
Settle all estate matters and distribute inheritances.

Inheritance Tax:
Utilize all discounts and proper deductions. Meet all requirements and deadlines.

Estate Planning

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Be Debt-Free in half the time

By Laura Depta
CTW Features

Everyone wants to be debt-free, and there are ways to achieve that goal more quickly. But there also are different types of debt, and efficient repayment can require more sophisticated strategies than simply paying everything off as swiftly as possible. It takes a plan.

For instance, consumers generally can save the most money by taking a more aggressive approach with debt carrying high interest rates. Rates are usually highest with credit cards, moderate with student and car loans and lowest with mortgages.

Credit Card Debt

After analyzing data from sources including the New York Federal Reserve and U.S. Census Bureau and conducting a proprietary survey, financial site Nerd Wallet found that the average amount of credit card debt per household is $15,355, and the average consumer spends $2,630 on credit card interest per year.

Balance transfers can help lower interest rates, but the key to accelerated credit card repayment is not simply lowering rates or making larger payments. It's about budgeting and tempering payment with savings, according to Kathryn Bossler, a financial counselor with GreenPath Debt Solutions in Detroit.

"There's a reason you're in debt in the first place," Bossler says. "Maybe part of the reason is because you don't have enough regularly going into a savings account for when stuff happens, like you blow a tire or the washing machine breaks."

Car Loans

According to Bossler, the terms are what to watch out for with car loans – they can range from three to even eight years. The way to efficiently handle a car loan is to choose a term that makes sense based on your plans for use.

"In general, cars depreciate faster than you pay them back," she says. "If you are someone that's going to want to turn it in quickly, and you're going to owe more than it's worth, you might want to work on paying that one off faster."

Student Loans

Based on data from the Institute for College Access & Success, debt-carrying graduates from public and non-profit colleges owed an average of $28,950 in 2014. Most students are automatically put into a 10-year repayment plan, according to Kayla Talbert, program manager with the Office of Financial Education at Montana State University, Bozeman.

If graduates can afford to make the standard payments, eliminating student debt in half the time is fairly straightforward and can save quite a bit in interest dollars. Talbert used the loan repayment calculator at studentaid.ed.gov to provide an example based on a hypothetical $29,000 loan with a 5 percent interest rate at 120 payments.

"The payments would be at $308 per month, but [students] actually pay $7,911 in interest over the life of the loan," Talbert says. "But if you cut that in half and pay it off in five years instead of 10 years, your payments are $547 and you only pay $3,836 in interest." Talbert also suggests honing in on specific loans. "Find the loan that has the largest balance with the highest interest rate and put any money besides the minimum [toward that]."

Mortgages

Of all types of debt, Bossler calls mortgage debt the healthiest, and she doesn't necessarily recommend trying to pay it off in half the time.

Interest payments are the enemy of any household budget. Consider these strategies for tackling your debt quicker

"There are advantages to having a mortgage," she says. "I'm not a tax expert, but usually homes do grow in value, so it becomes an asset, and also there are the tax deductions to consider for a mortgage and home ownership."

According to Bossler, a 30-year mortgage is the most common. For those looking to shorten that time frame, rate-and-term refinancing is an option, but it might not be ideal depending on each unique financial situation.

"Really, the strategy if you're going to pay your mortgage off is just to make sure you're paying it off as efficiently as possible so you've got the best loan that you're able to get."

"There's a reason you're in debt in the first place ... You don't have enough regularly going into savings."

—Kathryn Bossler,
financial counselor with GreenPath debt solutions

Power of attorney protects loved ones

Life is full of the unexpected. But just because the future is unpredictable does not mean adults cannot prepare for what lies ahead. Estate planning is important, and establishing power of attorney can be essential for men and women looking to protect their financial resources and other assets.

What is power of attorney?

A power of attorney, or POA, is a document that enables an individual to appoint a person or organization to manage his or her affairs should this individual become unable to do so. According to the National Caregivers Library, POA is granted to an "attorney-in-fact" or "agent" to give a person the legal authority to make decisions for an incapacitated "principal." The laws for creating a power of attorney vary depending on where a person lives, but there are some general similarities regardless of geography.

Power of attorney is a key document to include in an estate plan.

Why is power of attorney needed?

Many people believe their families will be able to step in if an event occurs that leaves them incapacitated and unable to make decisions for themselves. Unfortunately, this is not always true. If a person is not named as an agent or granted legal access to financial, medical and other pertinent information, family members' hands may be tied. In addition, the government may appoint someone to make certain decisions for an individual if no POA is named.

Just about everyone can benefit from establishing an attorney-in-fact. Doing so does not mean men and women cannot live independently, but it will remove the legal barriers involved should a person no longer be physically or mentally capable of managing certain tasks.

Power of attorney varies

Power of attorney is a broad term that covers various aspects of decision-making. According to the legal resource 'Lectric Law Library, the main types of POA include general power of attorney, health care power of attorney, durable power of attorney, and special power of attorney. Many of the responsibilities overlap, but there are some subtle legal differences. Durable power of attorney, for example, relates to all the appointments involved in general, special and health care powers of attorney being made "durable." This means the document will remain in effect or take effect if a person becomes mentally incompetent. Certain powers of attorney may fall within a certain time period.

What is covered?

An agent appointed through POA may be able to handle the following, or more, depending on the verbiage of the document:

- banking transactions
- buying/selling property
- settling claims
- filing tax returns
- managing government-supplied benefits
- maintaining business interests
- making estate-planning decisions
- deciding on medical treatments
- selling personal property
- fulfilling advanced health care directives

Although a power of attorney document can be filled out and an agent appointed on one's own, working with an estate planning attorney to better understand the intricacies of this vital document is advised.

Only 40% of U.S. households have individual life insurance – a 50-year low. Here's how to determine what you need, what types you need and how to adjust it as your life changes

Mind the INSURANCE GAP

85% of consumers agree that life insurance is important

40% of people who have life insurance don't think they have enough

15.3 Million the amount of dollars in unmet life insurance needs in the U.S.

By Madhusmita Bora
CTW Features

Got life insurance? Probably not. While most Americans diligently insure their homes and their cars, they are less likely to buy into a life insurance policy.

In fact, Americans are at their lowest rate of life insurance in half a century. And it's not because they suddenly feel immortal or feel confident about safety nets for their loved ones.

"There is a significant overestimation by consumers on the cost of life insurance, and more recently we're seeing confusion as to what factors determine the cost for life insurance," says Marv Feldman, CEO of Life Happens, a nonprofit organization that educates people about insurance planning. "As an industry, we need to educate the public about how affordable life insurance can be in order to reverse the trend of declining ownership."

According to research firm LIMRA, 85 percent of consumers agree that life insurance is important, but only 40 percent of U.S. households have individual life insurance. That has created a nationwide life insurance coverage gap, which equates to an estimated $15.3 million in unmet life insurance needs. Of those that have it, 40 percent don't think they have enough.

That's because most often people get thrown down rabbit holes while in the buying process, says Tony Steuer, founder of the Insurance Literacy Institute.

"It gets confusing, and it gets away from the notion that life insurance should be 'just pure insurance,'" Steuer says. "By pure, I mean either term life insurance or guaranteed universal life insurance that is structured to act as a lifelong term policy that won't run out, a policy that has no cash value component."

Steuer says consumers should conduct their research well, compare different companies and their policies, look at company ratings and evaluate their insurance needs frequently.

So when's a good time to insure your life? Feldman said it always is.

"Whether you are married, single, retired or a stay-at-home parent, life insurance can provide essential assistance to your loved ones when you are no longer able to provide for them," Feldman says. "My rule of thumb is if you love someone, someone loves you or you owe someone money, you need life insurance."

There's no one-size-fits-all rule for buying a policy, but educating yourself on your needs is a good first step, he says, noting that the two most important questions anyone thinking about purchasing life insurance should be asking are:

- How much will be needed at death to meet immediate obligations?
- How much future income is needed to sustain the household?"

Here, Feldman and Steuer offer guidance on how to determine what you need, what types you need and how to adjust it as life changes:

In a relationship

Many people mistakenly believe that they don't need to think about life insurance until they have children. Not true. It's important to ensure that your spouse or signifi cant other could manage the mortgage or rent, ongoing bills and debt if something were to happen to you. If you're planning to have children, you'll want to buy life insurance now instead of waiting until pregnancy – some companies won't issue policies to pregnant women. Also take into account the economic value that a person adds to the household that would need to be replaced, such as cooking food and doing laundry.

Married with children

Most families depend on two incomes. If one member suddenly dies, the family could find it hard to meet their financial obligations such as paying rent, mortgage, tuition or daily living expenses. Life insurance makes sure that your plans for the future don't die when you do. Take into account how many years it would take for your children to be financial independent.

Retired

Many people think their need for life insurance ends once they retire. But sometimes there are dependent members at home. It's important to ensure that other family members would be OK financially, especially if you have a pension with no survivorship option, or installment debt, or there are no savings for end-of-life bills and funeral costs. Leaving a legacy also is important for many people, for which life insurance can help.

"As an industry, we need to educate the public about how affordable life insurance can be in order to reverse the trend of declining ownership."

—Marv Feldman,
CEO of Life Happens, a nonprofit organization that educates people about insurance planning

Safety measures can help reduce bathroom injuries

Falls cause many injuries inside a home. Seniors are especially susceptible to harmful falls in the bathroom, where slippery tiles can prove too difficult for older men and women to navigate.

A 2011 study from the Centers for Disease Control and Prevention found that nearly 234,000 Americans ages 15 and older were treated in an emergency department for nonfatal bathroom-related injuries in 2008. That adds up to roughly 640 people per day. More than 80 percent of bathroom-related injuries were caused by slips and falls, mostly while getting in and out of the tub or shower, and about 30 percent of those injuries included cuts, scrapes and bruises.

Bathrooms can be more dangerous than other rooms of the house for a variety of reasons. The bathroom is generally comprised of hard surfaces that can become slippery when wet or exposed to high humidity. A bathroom may become hotter than other rooms because of the steam that accompanies a hot shower. Heat may dilate peripheral veins and lower blood pressure in some people. This may lead to dizziness that can result in falls. Furthermore, people tend to rush in the bathroom as they get ready for work or school. Rushing around can lead to slips and injuries on wet surfaces.

Installing safety features in the bathroom is a key way to reduce the risk of accidents. Many manufacturers have even designed these features so they blend with bathroom decor.

When renovating bathrooms for safety, consider the following options.

* Anti-scald features: Burns can be serious business. Few people have been spared the momentary burst of hot water that occurs in the shower or at the faucet when another household member flushes a toilet or uses a large amount of cold water elsewhere in the house. Anti-scald showerheads and faucets prevent sudden bursts of hot water. Use in conjunction with turning down the temperature of the hot water heater to eliminate burns.

* Nonslip mats: Bathroom injuries often occur when people are getting in and out of the shower. Having a non-slip mat on the inside of the shower or tub as well as one with a grippable surface and plush top layer on which to step after exiting the shower can reduce falls. Don't step out of the shower onto a flimsy towel that can slip out from underneath your feet.

Anti-scald showerheads help reduce burn injuries in bathrooms.

* Bath bench: The elderly or those prone to lightheadedness in the shower may want to invest in a bench or seat to put into the shower. This enables sitting while washing.

* Safety bars: It can be tempting to grab onto towel racks or faucets to get in and out of the shower, but these items cannot provide the necessary leverage to safely move in and out of the shower or bathtub. Safety bars with a brushed surface for traction are more secure. Grab bars need to be securely attached to a wood stud in the wall and not into drywall or the tub enclosure.

* Raised toilet seat: A raised toilet seat reduces the amount of squatting and the distance that has to be covered to sit on the commode. Grab bars on the raised seat itself will provide added safety.

* Telephone: The bathroom may seem an odd place to install a telephone, but having one nearby in the event of injury can ensure help gets to the injured party much more quickly.

* Regular cleaning: Routinely ridding showers and tubs of soap scum and mildew can reduce the slippery coating that forms as a result of these substances. Also, be sure to keep clutter in the bathroom to a minimum to stop trips and falls over errant items in the area.

Bathrooms can present many dangers, but certain safety tools and renovations can help reduce the risk of injury.

Shopping for an assisted living facility

The decision to move yourself or a family member to an assisted living facility can be difficult. When men and women begin to experience difficulty with everyday activities, such as bathing, dressing or getting around, families may need to explore assisted living facilities.

Millions of people in North America reside in assisted living facilities. The majority of residents in senior living are those who may need assistance with one or two daily activities, but who are otherwise mobile and self-sufficient. Families faced with moving relatives into assisted living facilities can consider the following pointers to find facilities their loved ones will enjoy.

Consider the arrangements and services offered. Some facilities offer single rooms, while others provide apartment-style living. Most assisted living facilities provide a variety of services, such as housekeeping, laundry, exercise and wellness classes, and social activities, for their residents. Investigate the offerings at each home you visit, looking for a facility that best suits your loved one's needs.

Inquire about staff and their schedules. It is important to know how many staff members a facility has and how many people are working at any given time. Do staffing schedules differ at night? If a resident has a particular rapport with one staff member, can he or she be requested? Look for a facility that is well-staffed and adept at dealing with elderly men and women.

Learn about individual service plans. Many assisted living facilities create individual service plans, or ISPs, for their residents to ensure individualized care is given. These plans are important for the safety and comfort of residents and also can help maximize a person's independence. Some communities offer memory care programs for those with Alzheimer's disease or other cognitive disorders.

Consider the security in place. A good assisted living facility has a 24-hour support system in place and immediate access to care. Rooms may be equipped with emergency phones that can be accessed day or night. Many homes have check-in desks so that residents are accounted for when going on outings and for announcing guests.

Check on licensing. In the United States, each state has its own licensing requirements for assisted living facilities. Confirm a facility is licensed and that it meets the expectations of the local regulatory agency. In addition, check with the Better Business Bureau to see if any complaints have been filed against the home.

Assisted living facilities can meet the needs of people who cannot live independently but do not require the around-the-clock care of a nursing home.

Caring is preparing

Most of us prepare for the possible fire, theft or accident. Yet the chance of using hazard insurance is one in 1500. The change of mortality is one in one. So, if death is so natural, why not prepare for the inevitable?

By planning now, you ensure that someone you love will not have to make funeral arrangements alone. To help you with this process, we have developed a Personal Planning Guide that provides information about wills, social security benefits, veterans benefits and forms of information that will be needed by your loved ones. This planning guide, when properly completed, is of tremendous value to your family at the time of need.

Chapel Lawn Memorial Park and Elan Memorial Park offer traditional burial, cremation and mausoleum entombment.

Call today for your free Personal Planning Guide and consultation. Call 1-800-578-9547 x 6021.

"See our ad on the bottomo this page"

5 smart strategies to reduce estate taxes

By Maryalene LaPonsie

If you die this year and have more than $5.49 million in assets, the federal government could tax the excess to the tune of 40 percent. Depending where you live, your state government might take a share too.

"Some people don't care about estate taxes," says Erin Durkin, director of financial planning for EP Wealth Advisors. "They think, I'm out of here. My kids can pay."

However, some financial experts say that might be the wrong attitude. Minimizing estate taxes is about ensuring the money you worked hard to earn and save will be used for purposes that are important to you. "At the end of the day, you're trying to maximize the estate, not minimize the amount the kids have to pay," says Ash Toumayants, owner of Strong Tower Associates in State College, Pennsylvania.

Here's how to protect your legacy and keep your cash out of government coffers.

Know whether your estate will be taxed.

Estate taxes may seem like a problem for only the ultra-wealthy, but even middle class families can find themselves hit with a bill. Bank accounts, investments, property, businesses and life insurance are among the assets added to determine the size of an estate. Even those who don't hit $5.49 million may be on the hook for state estate taxes, which typically have a lower threshold. "The surprises come from real estate and businesses," Durkin says. A couple of pieces of rental or vacation property can quickly push the value of an estate skyward, particularly in states like California, where real estate is pricey.

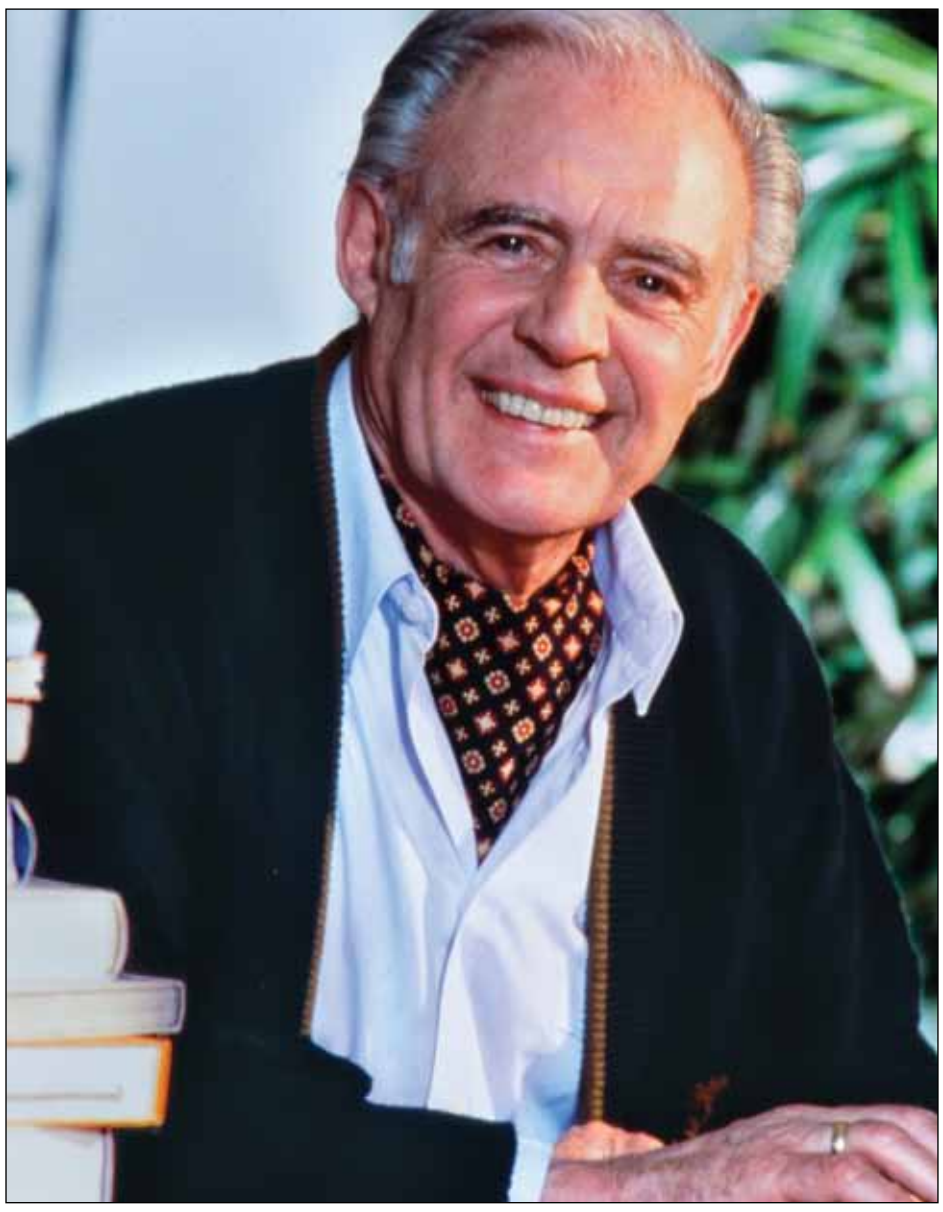
If you own a business, its value will also be added to your estate. "Business owners are notoriously bad at valuing their businesses and net worth," Toumayants says. In some cases, heirs may find themselves blindsided by a significant tax bill because the value of the business is much more than the owner thought. Toumayants says farm families, in particular, may run into this problem because of the value of their land.

Start giving away your wealth now.

One way to avoid or minimize estate taxes is to reduce the value of your estate. "An easy way [to do that] is to give annual gifts to your children, grandchildren or others," says Andy Schwartz, principal of Bleakley Financial Group in Fairfield, New Jersey. "Each individual is allowed to give away $14,000 annually to as many people as he or she chooses." Donating to charitable organizations is another way to give away money and reduce the size of an estate. Those donations may be tax deductible, too.

Use your exemption early for appreciating assets. The government grants each individual a $5.49 million lifetime exemption from estate taxes. While this exemption is usually claimed at the time of a person's death, Schwartz says it can be used at any time. In some cases, it may make sense to use the exemption to give away an asset now in order to avoid estate taxes later.

"Let's say I have a highly appreciating asset," Schwartz says. This could be anything that is expected to grow in value significantly in the coming years, although a business is the most likely candidate for this scenario. "I can use my lifetime exemption now to give it to the kids with the idea that my [current] $5.49 million asset will be worth $20 million [when I die]." By gifting the asset while it's at or below the lifetime exemption limit, heirs can avoid a costly tax bill later.



Put your assets in a trust.

"The only real way to avoid taxes is to create trusts," Toumayants says. Some people balk at the idea because it hands control of their money over to someone else, but Toumayants notes this person can be a family member.

There are several types of trusts available, and a financial planner can help you determine how best to use a trust to shield assets from estate taxes. Durkin notes a qualified personal residence trust can exclude real estate from an estate, while Schwartz recommends a credit shelter trust for assets after one partner in a marriage dies. "The [surviving] spouse has complete access to that, but on her death, it's excluded from her estate," Schwartz says.

Buy extra life insurance to cover the cost.

High-net-worth people who know they can't entirely avoid estate taxes may want to buy a life insurance policy to foot the bill after they're gone. "It doesn't go through probate, and it goes directly to beneficiaries," Toumayants says. The key is to set up an irrevocable life insurance trust to buy the policy. Otherwise, the value of the policy may be added to the estate and push the tax bill even higher.

Two things are said to be certain in life: death and taxes. If you use these strategies, you won't escape death, but you could say goodbye to some taxes.

Managing the costs of assisted living

Consider the different options available to help pay for assisted living services

As individuals age, various circumstances have to be reassessed. A current living situation may not be meeting the needs of a senior who may be having difficulty caring properly for himself or herself. Families often consider senior residences to provide welcoming and safe environments for their loved ones during the golden years of their lives. These facilities may range from independent living homes with minimal care offered to nursing homes that provide more intensive care when needed. Somewhere in the middle lies assisted living homes, which blend the independence of personal residences with other amenities, such as the housekeeping, medication reminders or meal services.

Assisted living can be a viable option when a person can no longer live alone, but such facilities come with a price. According to a Market Survey of Long-Term Care Costs conducted by MetLife, the national average for assisted living base rates was $3,550 per month in 2012. In the 2015 Cost of Care Survey conducted by Genworth Financial, the assisted living, national-median monthly rate was now $3,600 — and it's only expected to grow. Affording these homes and apartments can be challenging for those with fixed incomes, but there are some strategies that can help.

The payment method that serves you best will depend on your unique circumstances, but there are options available.

Long-term care insurance:

Long-term care insurance is specialized insurance that is paid into and may cover the cost of assisted living facilities and other medical care, depending on the policy. The American Association for Long-Term Care Insurance says that only roughly 3 percent of Americans have this type of insurance, but it is something to consider during working years.

Personal savings:

Some people have the means to pay for assisted living with their own savings and retirement nest eggs. However, it's easy for savings to become depleted when facing a $40,000+ per year bill.

Life insurance:

A financial advisor may advocate to pay for assisted living with a life insurance policy. Some companies enable you to cash out for "accelerated" or "living" benefits, which usually is a buy-back of the policy for 50 to 75 percent of the face value. Other third parties may purchase the policy for a settlement of a lump sum, again roughly 50 to 75 percent of the policy's face value, according to Caring.com, an online source for support and information about the needs of aging people.

Location:

Costs of assisted living facilities vary depending on location. It's possible to get a lower monthly rate simply by choosing a facility in a different state.

Negotiation:

Not all prices are set in stone. Speak with a manager at the facility and see if there is any price flexibility or move-in incentives. You also may be able to get a lower rate by negotiating certain a-la-carte costs against all-inclusive pricing. Perhaps you do not need laundry or shopping services, and family members can fill in the gaps, reducing your bill.

Veteran's benefits:

Many veterans are eligible for care benefits that can offset the cost of assisted living care.

Rooms:

Opting for a smaller room or sharing a space can keep costs down as well. See if shared rooms are a possibility.

Assisted living is a necessity for thousands of people. Explore the ways to finance this purchase.

Understand and avoid elder financial fraud

Elder fraud is a financial crime that targets older men and women who are often unable to recognize they are being victimized. Elder financial fraud is a broad term that can be applied to a host of crimes, from stealing money or property directly from an individual to using an older person's property or possessions without permission.

Many seniors are targeted through telemarketing scams in which elders are scared into giving money out of fear of losing their homes. Some are exploited by people closer to home who forge signatures or get an older person to sign over deeds or power of attorney. Criminals often see elderly men and women as easy targets. Seniors may be suffering from declining physical and/or mental health, which compromises their ability to defend themselves or even recognize they are being taken advantage of. Seniors also may be embarrassed that they were duped and not share their experiences with others as a result. But elder fraud also can be perpetrated by family members who aim to acquire an elderly relative's assets.

Recognizing scenarios where fraud may be committed can help men and women protect their elderly relatives from being victimized by elder fraud.

- Confirm professionals are who they say they are. More than 170 designations and certifications are used within the financial industry to identify professionals. Some of them do not necessarily mean a person is qualified or can be trusted to handle an individual's assets. Always ask a financial advisor if he is overseen by a government agency or is authorized to provide advice under the "fiduciary standard of care." Be especially careful when dealing with advisors who try to push certain products or those who suggest shortcuts and blending services. Such professionals are not necessarily criminals, but they may have ulterior motives in mind and not be overly concerned about you or your loved one's financial well-being.
- Pay attention to your accounts. Unusually large withdrawals from automated teller machines or cashed checks with signatures that do not match the signature on the account are both indicative of fraud. If you are monitoring a loved one's accounts, question any surges of activity in accounts that are normally somewhat inactive.
- Ask a loved one to keep you abreast of changes in their will. Abrupt changes in a will or other financial documents should also cause concern. Family members caring for a senior should be aware of any major changes to important documents.
- Monitor a loved one's purchases. Sudden purchases, whether it's an updated insurance policy or unnecessary home repairs, may be indicative of elder fraud.

Seniors in declining health are vulnerable to elder fraud.

Elder financial fraud targets an often vulnerable segment of the population, and it's often up to loved ones to protect their elderly relatives from being victimized by such crimes.

Benefits of Pre-Planning

by Rynell VanLuvender
Funeral Director at Kniffen O'Malley Leffler Funeral & Cremation Services, Inc.

Over the course of your lifetime, you probably have planned for something important. It could have been what college you would attend, where you should get married, or maybe what you should invest in for your retirement.

These life-altering decisions are ones you often plan down to the last detail to make sure you will be getting what you want, how you want it. Death is one life event that everyone needs to plan for, but unfortunately, most people brush it aside until it is too late.

Being in the funeral industry, we hear "That's morbid to pick out my own funeral arrangements" or "I'll let my family handle it." From experience, waiting until a loved one has passed away to start the arrangement process is a lot more stressful on family members than having a plan in place. The burden falls to them, likely on one of the worst days of their lives, to make decisions like cremation or burial, religious or celebrant service, did mom have life insurance or do we need to pay for this. ... These decisions can become even more difficult if everyone in the family is not in agreement.

If the thought of coming in to a funeral home and sitting down to go over your final arrangements gives you the chills, take it one step at a time. Pre-planning can happen in the comfort of your home, or some of it can be done through mail/email.

You can start by giving the funeral home some basic biographical/vital information to keep on file for you and outline what type of arrangements you are looking to have. The arrangements can be as detailed as you would like, and the funeral home will assist you with other information you might not know you needed. Personalization will allow you to select what type of service would honor and reflect your life. Music, poems, readings, or where your service will take place are all customizable. If you are a veteran, maybe having a military service and burial would be important to you.

Payment options also can be dis cussed to make sure you are within the budget you would like and understand where your money is being securely funded. Pre-paying also allows you to lock in today's prices for funeral home services and merchandise. Maybe you have considered pre-planning but are concerned you might move or be in a different location when you pass away. There are travel protection plans that cover you if you are away from home when you pass away, and if you did decide to move, your pre-arrangements are transferable to another funeral home.

Pre-arranging also gives you the option to help protect your assets should you ever need to become Medicaid/SSI eligible. An irrevocable contract with a funeral home will keep your money from being counted as an asset by Medicaid, whose limits vary by state/county.

Obituary writing simplified

By Patrick Kernan
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Losing a loved one is always a painful experience.

One important part of the end of life process, writing an obituary, requires a great deal of care in order to properly memorialize the deceased.

Follow these tips in order to craft something befitting your loved one without adding extra grief to the process.

Most obituaries follow a format, usually beginning with the deceased's name, the date on which they passed, where they were from and the place in which they were when they passed, such as a hospital or a hospice.

From there, most obituaries begin to talk about the person as they were when they were alive. Usually starting with the person's date of birth, they then mention their parents, where they grew up and where they went to school.

Next, begin to develop a snapshot of the person, focusing on what made them unique. Were they involved in the military? Were they married, and if so, to whom and when? Did they have any accomplishments of which they were particularly proud?

It might be helpful to discuss these things with other family members. That way, more details about the person can be captured. Try to think of the things that made them who they were, besides just details. Things like this would include their hobbies, their sense of humor or if they had funny nicknames for friends.

In this way, you will be able to create an image of what the person was like before they passed.

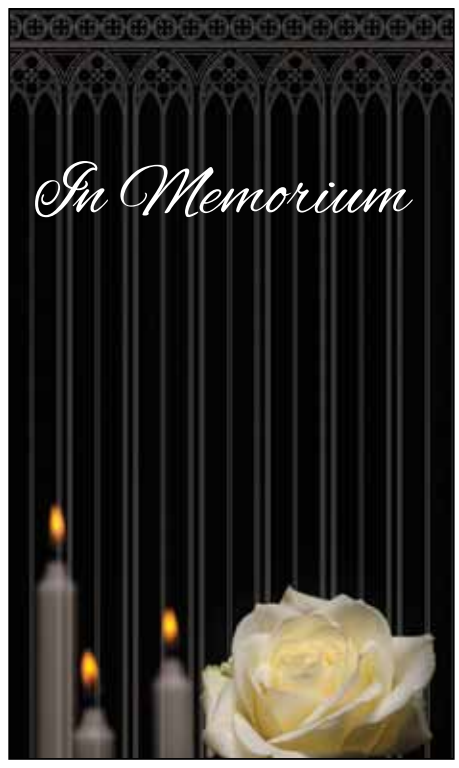
Another thing to consider for this snapshot is an image to go along with the obituary. In much the same way as the text, the picture might capture a time in the person's life. Perhaps consider using a photo from the loved one's time in the military or a professionally taken portrait if one is available.

Another important element frequently mentioned in obituaries is including those who survive the deceased in addition to any people that have already been mentioned in the obituary.

Finally, most obituaries end with information regarding funeral services and the funeral company providing them, along with a charity to send memorial contributions to.

While losing someone is never easy, following these steps will make it simpler to memorialize your loved one.

Reach Patrick Kernan at 570-991-6119



Preserve family memories for years to come

Families enjoy many moments together throughout the years. However, in today's digital world, quite often those experiences fail to see the light of day past an initial tweet or Instagram post. Too often file upon file remains in a digital graveyard on a mobile phone or external hard drive.

Instead of letting photos, videos, drawings, and memorabilia from vacations and other family experiences linger unappreciated, families can preserve these memories. Explore the various ways to share occasions with others.

Photo books

Don't procrastinate and let photo files pile up. Promptly upload them to your favorite photo printing site or bring them to a retailer that has photo machines, such as a nearby pharmacy. Such businesses routinely offer coupons and steep discounts on photo books. The software is user-friendly, and, in a week or two, you can have a photo book ready to go. This is less time-consuming than making photo albums, printing photos and then placing them behind plastic-lined pages. The photo book software also may include background designs and funny captions to help customize pages even further.

Photo collage

If you are a purist and like to have photo prints in hand, then have several of a particular occasion made and then attach them to a decorative piece of wood. Using a decoupage product or a shellac, coat the collage so that it can be preserved. Hang your collage as a piece of handmade artwork on display.

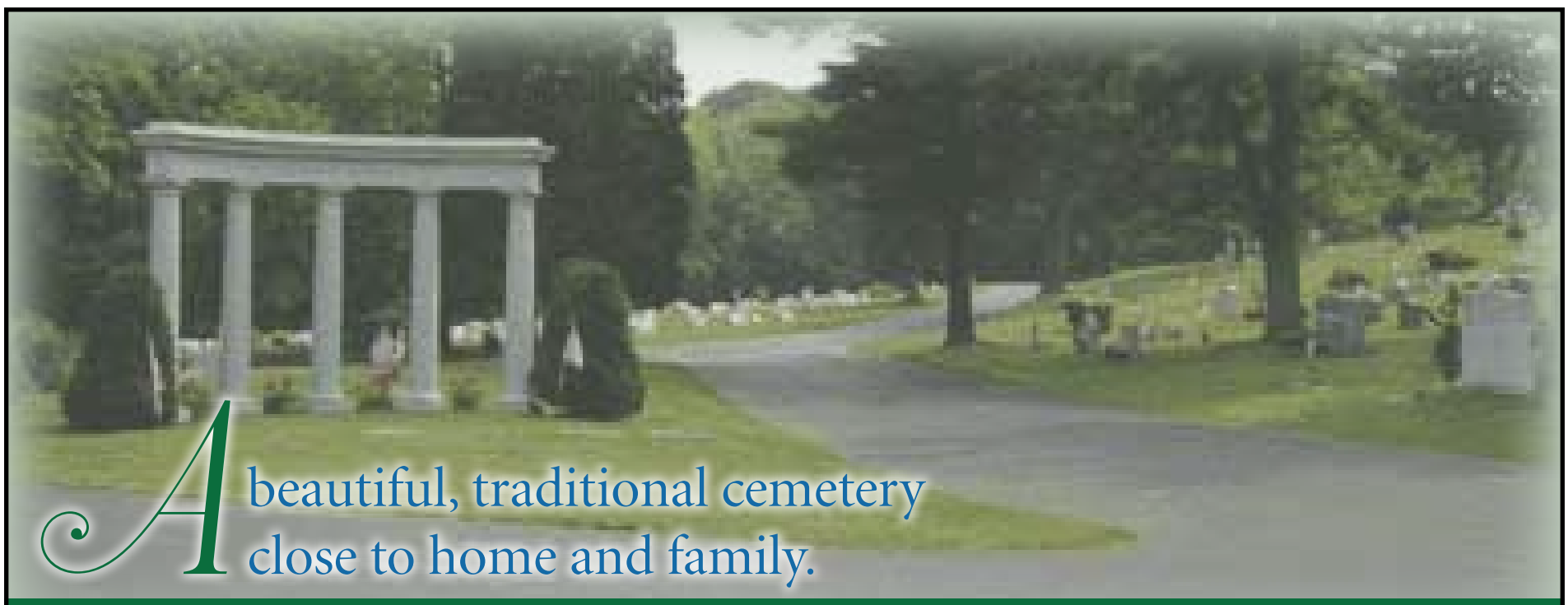
Artwork gallery

Children routinely bring home artwork they made in school, daycare and other organized classes. Sometimes these items get stashed in plastic containers that are ultimately stored in attics or basements, only to be "discovered" years later. Rather than relegating them to storage, invest in frames of various sizes and hang the pictures as if they were in an art gallery. Make sure the frames are easy to access so that the artwork can be swapped out periodically. Kids will take pride in sharing their creations with family and visitors.

Keep a journal

Another way to preserve memories is to write down experiences. Each member of the family can fill out a page with a special recollection of a trip or another momentous day. Keep the journal on a coffee table so it can be reviewed every so often. Save it and gift it to future generations.

Family memories are worth keeping and sharing. There are many ways to display photos, thoughts and other sentiments from special events.



Oak Lawn cemetery

established 1898

Serving all faiths.

Rest Easy.

"A cemetery is a history of people...
A perpetual record of yesterday...
A sanctuary of peace and quiet today.
A cemetery exists because every life is
worth loving and remembering--
always."
-Unknown

Pre-Need Planning

We recommend pre-need planning as it provides benefits to both you and your family.

· Pre-need planning allows you the time necessary to carefully evaluate funeral service providers and area cemeteries, thus insuring you select the funeral director and cemetery that best suit your needs.
· Pre-need planning permits you to establish and work within financial parameters which meet your needs and desires.
· Pre-need planning relieves the surviving family members of the burdensome task of making heartfelt decisions while under the strain of bereavement.

Internal Finance Program

The Oak Lawn Cemetery provides an internal 'interest-free' finance program. The program is designed to help you to plan and budget your personal finances, while saving the added expenses of interest or finance charges.

Cremation Garden

We are pleased to announce the completion of the first phase of our newly created "Cremation Garden" which presents a unique upscale approach in both layout and design. Initially, the Garden will feature two Columbarium Units offering a total of 96 Cremation Niche spaces with future plans of expanding that number to as many as six units. The interior niche dimensions measures 12 x 12 x 12 inches.

The initial phase will also provide 100 Earthen Cremation spaces. The dimensions of each Earthern Inurnment space measures 3 x 3 feet.

When completed the "Cremation Garden" will provide some 300 Cremation Niche spaces and about 500 Earthern Cremation spaces.

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