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Your Money | Talking turkey about financial planning

By DAN MATHEWS

Tomorrow, families across the country will be gathering to celebrate Thanksgiving, but this yearly tradition can be about more than just enjoying a home-cooked meal. Americans should use the holiday to discuss important financial issues with family members we see infrequently.

Use this time to engage your family members in a chat about financial planning - yours and theirs. No matter who has plans to visit this year, there are relevant topics for everyone in the family.

I suggest discussing the following with:

- Aging parents - Ask your parents what their wishes are for their later years, when they may have physical or mental limitations. Do they want to continue to live in their home? Are there sufficient financial resources for this? Who would be best suited to help them with financial decisions? Have they updated their estate planning documents to incorporate their wishes?
- College kids - When children are home over Thanksgiving break, take the opportunity to talk about the financial implications of the important decisions they will be making in the next few years. Do they want to travel? Should they get a job and their own place, or go back to school for a graduate degree? How will they manage student loan debt? Make it clear how you will or will not financially support those decisions.
- Siblings - If your brothers or sisters play a part in your vision of the future – perhaps as guardians for your children or helping you to take care of elderly parents – discuss your hopes and expectations with them, and their willingness and capacity to take on these responsibilities. People's lives change and this once-a-year check-in can be a great opportunity to make sure you and your siblings understand each other's wishes.
- Younger children - Get your kids involved in a family financial plan for enjoying the festivities without breaking the budget. Ask for their ideas on how the family can avoid overspending on gifts or special events. Have them think about what they would like to give to other family members or charity, rather than just focusing on what they hope to get during the holidays.

Dishing out a little financial planning with the pecan pie can go a long way to avoiding future family arguments on the topic and ensure holidays stay merry.

Sharing financial and life goals with those most likely to be affected by those plans can avoid confusion or division among family members when important financial decisions need to be made. Take the time to 'talk turkey' with your family about the important financial issues this year and you'll have one more thing to be thankful for - a sound family financial plan.

The Money Matters column is written by members of the Financial Planning Association of Greater Kansas City. This week: Dan Mathews, a CFP Board Ambassador with Stepp & Rothwell Inc., Overland Park.