



Writing a Family Love Letter

On this Valentine's Day have you considered writing a Family Love Letter? A family love letter is a document intended to be a thoughtful disclosure of all the information that would be helpful to your family when you die or become incapacitated. I can see a few of you cringe. You just want to pull a "Scarlett O'Hara" and think about that another day. However, we are all too aware of situations where someone died too young, or maybe even suddenly or unexpectedly. In these moments it is hard to breathe let alone make critical decisions. Imagine how stressful it would be if your family can't find or are confused over plans, assets, and your desires.

As a financial advisor, I encourage clients and friends alike to take some time and think about those they would leave behind when they are gone. How could you make life a little easier for them as they learn to navigate a new normal without you? One of the best ways to write a letter to your family and make sure it is quickly accessible.

What should this letter include?

Financial Inventory

Make a list of your trusted professionals and their contact information, including financial advisor, estate planning attorney, insurance agent, and accountant, as well as employer benefit plan contacts. List accounts and include any notes that help your loved ones understand what objectives you were pursuing and why certain accounts are in place. Make note of any auto-pay bills and from which account the funds are paid. This will help loved ones from inadvertently closing an account that is paying for insurances or other bills.

List insurance policies such as life insurance, long-term care, and health insurance policies. If it has been awhile, review your beneficiaries. Remember to list debts/money owed to you by others. Think loans and credit cards. Frequent flier miles and other points programs are often overlooked items and may be transferrable.

If you own a business, make an inventory of business interests, outstanding liabilities, credit cards, personal guarantees, leases, and recurring subscriptions. Provide an overview of core monthly income and expenses (budget) can also be extremely valuable in the event that the incapacitated individual handled much or all of the financial affairs of the family.

Location of Important Documents

Share the specific location and how to access estate planning documents - wills, trusts if applicable, legal business and medical powers of attorney, marriage license, passports, birth certificates, military records, etc. Note if you have a safety deposit box or a personal safe and how is it accessed. Also make a list of important passwords including

passwords to your devices such as your primary computer, laptop, smartphone, cloud accounts, and email passwords (often password recovery utilizes email).

Final Wishes and Personal Thoughts:

Take some time to share information and desires that would not be crystal clear from any of the above. Share what is most important to you, your family and how you want to be remembered. If you have a social media account such as Facebook, Instagram, or Twitter name someone who can take over administration or delete the account. Are there personal possessions which hold special meaning you want to pass on to certain individuals? Write a note. These personal notes will mean a lot to the recipient after you are gone or can't communicate your thoughts. Attorneys have shared that your wishes, spelled out in writing, are critical for settling family disputes and inheritance issues.

Also as mundane as it may seem, think about daily tasks, especially if you have young children at home. Does your spouse know the routine? Consider carpool, babysitter and housekeeping contacts, practice routines, doctor and vet appointments, bill due dates - those things that you are typically in charge of that seem to get done with no one noticing. A simple note on the family calendar can help and alleviate a lot of stress.

This may all seem like a daunting task at first, but remember that your Baird advisor has guided clients like you through this process many times over the years. Lean on our experience - we can help you through this process. **To request a Family Love Letter Template, contact Giovanna Swisher, CFP®, CDFA® at 979-299-3287 / 713-973-3800 or gswisher@rwbaird.com.**

Next in this series I will share a Death of a Spouse checklist.

Giovanna is a CRETIFIED FINANCIAL PLANNER™ with Baird specializing in assisting pre-retirees and retirees prepare for and navigate retirement.

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