



3.3 Having a Conversation About Money: What To Cover

Topic 3: The Money Conversation

Once you have discussed how you want to spend the rest of your life, you need to determine if you can afford it. You need to obtain an overall grasp of your current financial situation and your future financial needs. You may wish to discuss what assets you currently have and where those assets are.

- Sources of income (OAS, CPP, pensions)
- Savings (RRSP, TFSA)
- Investments (Mutual funds, GICs, stocks)

Property:

You may have accumulated a significant amount of property in your lifetime, and the purpose of this conversation may be to determine how you would like that property to be managed and/or distributed both in the years you have left and after you are gone. This discussion will also help you decide what possessions you want to keep and what you may no longer need. When it comes to your property, you basically have 3 choices:

- 1. Make a will or create a trust,
- 2. Start giving away stuff now, or
- 3. Do nothing.

Regardless of what option you choose, remember that it is your decision! Don't let others tell you what you can and cannot keep. After all, it is your stuff!

Liabilities:

Over the years you may have accumulated debts, which you continue to pay. It is important that you have a record of who you owe and how much, and also if there are insurances on those debts. This will make it much easier for your family or friends to clear those debts should you be unable to do so, and should they be required.

Your Home:

The objective is to discuss how you feel about your ability to keep living where you are now. This may not only include your physical ability, but also your financial ability. Under what circumstances (if any) would you consider living elsewhere? This may be one of the toughest decisions you will ever have to make. The purpose of discussing it is to help you transform these challenges into a set of realistic possibilities, which will make any necessary transition as easy as possible.

Professional Care:

What type of care may you need in the future? Where can you get that care? How much will it cost? Whether you receive care in your home, or in a facility, the options available vary widely. How will you select the right care which meets your physical and financial needs? Typically, when a person reaches the point where professional care is required, what they need the most is the three C's: connection, community and conversation. How can your family and friends help with these three things?

Your Legacy:

How do you want to be remembered by family, friends and others? This conversation lays the groundwork for creating and preserving your legacy through declaration of assets, gifts and other bequests. This conversation will help to ensure that you are remembered in a way that aligns with your personal morals and values.

Executing Essential Legal Documents and Strategies:

To properly fulfill your wishes, you need to make sure they are documented and implemented. Critical legal documents include a will and powers of attorney. Numerous other documents may also be necessary based on your wishes. The Community Legal Information Association of PEI can help you obtain necessary documents.

It is important to make certain that everyone who should be involved in the documenting phase is involved. Equally important is to go through a checklist to make certain you have all the documents you need and to be sure the documents are stored where people can find them.

Support:

The decisions and discussions we are proposing here can be quite emotional and challenging. Sometimes you might want someone to be a sounding board of sorts, someone who has no vested interest in your decisions, but who can help you think things through. This could be a professional – such as a therapist – who can support you through the process of preparing to have these conversations with others who are close to you.