

PLEASE PASS GRANDMA'S WILL: DISCUSSING ESTATE PLANS OVER THANKSGIVING

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Thanksgiving is an occasion when family members of all generations come together, share a meal, and reminisce about fond memories. With busy lives, it is rare to find everyone gathered in one place, making Thanksgiving the perfect opportunity to talk to parents and grandparents about family matters.

The conversation around estate planning is rarely easy, especially with aging family members. Discussing one's mortality, decades-old emotional baggage, and financial support of beneficiaries is something people tend to avoid, especially at the Thanksgiving table. However, for younger individuals who are interested in family legacy, these conversations may be an important part of personal financial and estate planning.

Breaking the Ice

Unfortunately, there is not a one-size-fits-all method for starting the discussion about estate planning. A strategy that may work for a single woman in her twenties will probably not resonate with a grandparent in his or her eighties. Many older family members have cultivated attitudes around succession planning and wealth management over decades of lived experience. These attitudes can be further complicated by shifting perspectives on wealth transfer and legacy.

Given the sensitivity of this topic, we do not recommend bringing up Grandma's will at the Thanksgiving table. Instead, try broaching the subject on a walk or over coffee, preferably at a low-stress time. It is unlikely that anyone wants to discuss the contents of their will (or lack thereof) while making a pumpkin pie.

Further, it is wise to be intentional in how you begin the conversation. Asking your parent or grandparent, "How much money am I getting?," "May I see a copy of your will?," or "Tell me you didn't leave the house to Cousin Joe," is not anyone's idea of a pleasant afternoon. In fact, this approach could be counterproductive, alienating you from your loved ones. Instead, consider thoughtful ways to broach the subject.

Framing the Discussion

When initiating the estate planning discussion, it is helpful to frame the conversation in an approachable and relatable manner. Let's be honest, talking about wills, trusts, and intestate succession can be a dry and somewhat confrontational topic. To ease the tension and liven up the conversation, consider bringing up healthcare topics first, and then transitioning into the importance of an estate plan.

One of our favorite methods of framing the estate planning conversation is by introducing a Family Fire Drill Exercise. After gathering the family together (hint: at a low stress time), pose the following questions: What would we do if parent/grandparent was in the hospital? What would we do if parent/grandparent was incapacitated? What would we do if parent/grandparent died unexpectedly? To get the most out of the Family Fire Drill Exercise, consider tailoring these questions to the unique situations your family may encounter.

Although asking these questions may seem morbid, it is a great opportunity for your family to start thinking about planning for incapacity or death. We recommend opening the conversation and allowing it to flow in a very collaborative and nonjudgmental manner. If feasible, encourage your family to brainstorm ideas of how everyone should proceed in the above hypotheticals. While these are undoubtedly difficult and painful conversations, it is much wiser to have them before tragedy strikes.

The Family Fire Drill Plan

The overarching goal of the Family Fire Drill Exercise is to make sure there is a plan in place during situations of extreme stress, such as a loved one becoming incapacitated or dying. Ideally, the Family Fire Drill Plan should have three distinct components: The Who, The Where, and The How.

The Who is a list of individuals who would be involved in a family emergency. Examples of key people include family members, attorneys, doctors, powers of attorney, financial advisors, accountants, and neighbors. It is helpful to include detailed contact information for each person, so they can be reached at a moment's notice. Furthermore, consider detailing everyone's role in the Family Fire Drill plan.

The Where is the physical location of specific items that may be needed in the event of a family member's incapacity or death. While it is not necessary to know the location of every single item grandma has ever owned, it is worth knowing the location of account numbers, insurance policies, lists of tangible assets, deeds, and passwords. Due to our ever-increasing reliance on technology, knowing the location of passwords is especially crucial in locating digital assets and online account information.

The How is a set of instructions outlining how your family member's assets should be handled after their death. Typically, this comes in the form of a will or trust, but could also include miscellaneous business documents or letters of wishes. This information is crucial to ensuring your family member's intentions are properly carried out.

If there is not an executed will or trust, this is the perfect opportunity to suggest they speak to an experienced estate planning attorney.

Once everyone feels comfortable with the plan and their respective roles, consider documenting the Family Fire Drill Plan in a notebook or secure computer file. If feasible, distribute copies to family members and other involved parties. Having the plan available at a moment's notice avoids unnecessary stress and confusion. Additionally, planning a family session where you review the Family Fire Drill Plan can be a bonding experience. Just like fire drills in school, practicing the plan brings peace of mind that everyone is prepared if/when tragedy strikes. We recommend listening to concerns and wishes of family members and paying close attention to what works and what may not work in order to adjust the plan.

Continuing the Conversation

For many individuals, the most difficult part of the estate planning discussion is finding a good way to initiate the conversation with parents and grandparents. Developing and practicing a Family Fire Drill Plan allows our loved ones to become comfortable with the idea of planning for incapacity or death. Thanksgiving weekend may be a good time for these conversations if the entire family is gathered to celebrate family and show gratitude.

Pendleton Square Trust Company, LLC, understands that talking about estate planning is sometimes uncomfortable. We welcome the opportunity to provide helpful ideas and best practices to meet your family's legacy planning goals.



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