

NASH NASH BEAN & FORD, LLP *SINCE 1857*

NEWSLETTER

April 2017

Estate Planning for Young Adults

Make sure you are ready to cover all the events of your graduate's life!



As a parent, you know there are no limitations in worrying about your children. Your interest in your child's health does not end once they reach adulthood. You may not realize that when your child turns 18, you won't automatically have the ability to take care of them. You will also be unable to access their financial accounts or get information about student loans and financial obligations if your child becomes incapacitated since they are now considered an adult in the eyes of the law. We will help you avoid the practical problems this can present and show you how to plan around them. Don't delay on having the proper documents in place. Call our office today to schedule the appointment!



In this Issue

- Estate Planning for Young Adults
- Will Baby Boomers Have Anything to Pass Down?
- Upcoming Estate Planning Seminars
- Recipe of the Month
- Scammer Calls
- Importance of Keeping Your Information Updated

Will Baby Boomers Have Anything Left to Pass Down?



The Baby Boomer generation – the largest generation in American history to date – is heading into retirement, but are they prepared? More importantly for their children and grandchildren – and possibly the economy as a whole – will there be anything left to bequeath when they pass away? It appears some Baby Boomers have planned for their retirement, however, estate planning is not a priority for many. As a result, this may be the first generation where the transfer of wealth cannot be predicted.

Boomers Begin to Retire

The oldest of the Baby Boomer generation began to retire just a few years ago, in 2011. It is estimated that just over 65 million Baby Boomers are currently in or heading for retirement. How they will fare during their “Golden Years” remains to be seen based on evidence that indicates many failed to plan ahead for their retirement years. Worse still, those who did plan for their retirement years may not have estate planning in place.

Why Didn't Boomers Plan for Retirement?

The obvious question is why didn't Baby Boomers focus as much on retirement planning as generations before them did? Several factors appear to have caused this lack of planning phenomenon, the first of which is the Boomers' spending habits. The generation that gave birth to the Boomers, lived through the Great Depression, World War II, and the Korean War. Not only was the economy far from stable, but the entire world was frequently unstable for that generation. Consequently, they learned to be frugal, plan ahead, and depend only on themselves. By contrast, the Baby Boomers grew up during the Cold War, which was a time of relative peace and a more predictable economy. The result was what is often referred to as the “Me-Generation.” Boomers embraced the idea of spending on credit and, consequently, racked up mountains of debt that many are bringing with them into retirement. Instead of saving every dollar that wasn't absolutely needed for necessities like the previous generation, the Boomers are notorious for spending now and worrying about saving later. The problem is that later, is now.

Another reason why many Baby Boomers did not save for retirement is they are counting on a sizeable inheritance that will create the cushion they need for their retirement years. Over 20 years ago, a study compiled by Robert Avery and Michael Rendall for Cornell University, concluded the generation that gave birth to the Boomers will pass on to their children and grandchildren an inheritance worth more than \$10.4 trillion. That's a sizeable amount, however, what if that inheritance doesn't come through as expected? Poor estate planning, long-term care costs, or simply living longer than expected could all cause a long-awaited inheritance to dwindle to almost nothing by the time it gets passed down.

Why Is Estate Planning So Important for Baby Boomers?

One of the biggest factors affecting Baby Boomers and the transfer of their wealth, is the double-edged sword of longevity. Americans are living, on average, almost twice as long at the beginning of the 21st century as they did at the beginning of the 20th century. While a longer life is certainly something to look forward to, it also raises practical and financial concerns. Baby Boomers are expected to spend considerably more time and money in long-term care before they pass. Nationwide, the average cost of a month in long-term care is over \$6,800 and the average length of stay is 2.5 years. Without a plan to pay for that care, a substantial portion of a retiree's nest egg can be lost to nursing home costs. Boomers will also waste a considerable amount of money on probate if they continue to shrug off the need for comprehensive estate planning. The end result is that unless Boomers start to pay attention to the need for estate planning, the Great Wealth Transfer might not be so “Great” after all.

The Good News – It Isn't Too Late for Baby Boomers to Focus on Estate Planning

Although it is always best to start estate planning early on in life, it is never too late to benefit from a well-thought-out estate plan. For Baby Boomers heading into retirement, there are several important ways in which estate planning can help them hold onto their wealth. Incorporating Medicaid planning into an estate plan is imperative for anyone who is close to, or in, retirement. When added into an estate plan far enough ahead of time, Medicaid planning can protect estate assets and ensure eligibility for Medicaid benefits that will help cover the cost of long-term care. Probate avoidance strategies can also save an estate both time and money. Using a Trust instead of a Will to transfer major assets can save fees and costs associated with probate and ensure that beneficiaries have access to assets immediately after death. A Trust is also a great way to prepare for incapacity, which affects most Americans during their lifetime.

Nash Nash Bean & Ford Happenings

Estate Planning Workshops

If you are a client, you know the peace of mind that comes from having a plan in place for your estate and knowing your loved ones will be taken care of. We invite you to tell a friend about our estate planning workshops!

Tuesday, May 9th

Stoney Creek Inn

101 18th Street • Moline, IL

Wednesday, May 10th

Wisdom Financial

1043 S Oakwood Ave • Geneseo, IL

Thursday May 11th

Lavender Crest Winery

5401 U.S. Highway 6 • Colona, IL

All workshops begin at 6:30 p.m.

Make your reservation today at

www.nashbeanford.com or call 800-644-5345

CONTINUING LEGAL EDUCATION

For Team NNBF

As a part of their Membership in the American Academy of Estate Planning Attorneys (AAEPA), all of our attorneys are required to complete 36 hours of continuing legal education.

- **Mary Ann Brown** attended the live Spring NAELA UnProgram that focused on VA planning in 2017 and proposed rule changes, Estate Planning for the Community Spouse, Medicaid Applications, Legal Remedies for POA Abuse and Special Needs Trust Fairness Act & Able Act.
- **Robert Nash, Ben Young and Mallory Hoyt** participated in the "How to Draft IRA Beneficiary 'See Through' Trust Provisions".
- **James Nash and Robert Nash** attended the "Trustee Liability for Investments - A Review of the Current State of the Prudent Investor Rule; Delegation; and Direction".

Recipe of the Month

One Pan Honey Garlic Chicken & Veggies

By Tonya Adams

3 tablespoons olive oil, divided

2 tablespoons unsalted butter, melted

2 tablespoons honey

2 tablespoons brown sugar

1 tablespoon Dijon mustard

3 cloves garlic, minced

1/2 teaspoon dried oregano

1/2 teaspoon dried basil

Salt & pepper to taste

16 ounces baby red potatoes, halved

4 boneless, skinless chicken breasts

24 ounces broccoli florets*

Preheat oven to 400 degrees F. Lightly oil a baking sheet or coat with nonstick spray.

In a small bowl, whisk together 2 tablespoons olive oil, butter, honey, brown sugar, Dijon, garlic, oregano and basil; season with salt and pepper, to taste. Set aside.

Place potatoes in a single layer onto the prepared baking sheet. Drizzle with remaining 1 tablespoon olive oil and season with salt and pepper, to taste. Add chicken in a single layer and brush each chicken breast with honey mixture.

Place into oven and roast until the chicken is completely cooked through, reaching an internal temperature of 165 degrees, about 25-30 minutes.

* Stir in broccoli during the last 10 minutes of cooking time.



Attorney Ben Young presenting at our Estate Planning Workshop in April 2017 at the Kickapoo Creek Winery.

Do you have any changes to your current lifestyle that would affect your will or trust?

This could include a death, marriage, divorce or difficult life circumstances that could change your will or trust. Please contact our office immediately so we can review your documents. We will let you know if there are any changes that need to be made or reviewed with you.

It is also important for your family to know what life insurance you have in the event of an unexpected death. If you receive notification from your life insurance company do not ignore it. It is your responsibility to update names and addresses of named beneficiaries of a policy. It will help your loved ones in the long run!

Scammer Calls

Every year, thousands of people lose money to telephone scams—from a few dollars to their life savings. Scammers will say anything to cheat people out of money. Some seem very friendly and may claim to work for a company that you trust. If you receive a call from someone you don't know who is trying to sell you something that you had not planned to buy say "no thanks" and hang up the phone—it is most likely a scam.

Our firm was recently contacted by a client who asked if our office was sending documents that would need identification and to be signed for. The client had received an automated phone call that told her to call a phone number to verify her information because there were legal documents that needed to be delivered to her. When she contacted the call-back number, a message stated that the number was no longer in service or disconnected. We told our client not to give any information to anyone who may call because it would not be a call from our office as we would not leave an automated message. Please be careful when contacted by phone, especially with requests being made to share important information regarding your identification or your accounts. We receive troubling calls from clients or their families every month about scams directed at them or sometimes discovered too late.

Speaker Connection

Does your organization need a speaker? We regularly work with professional organizations, churches, non-profit organizations, clubs, and other groups to educate their clients and members on the principles of Estate, Tax, and Business Planning as well as immediate and long-term charitable giving options. We also speak to senior citizen organizations, assisted-living facilities, and elder organizations on topics such as Medicare planning, care giving, and retirement planning.

Please call our office at 309.944.2188, 309.762.9368 or 800.644.5345 to arrange for a speaker at your next meeting.

Contact Us

Give us a call for more information about estate planning services.

Nash Nash Bean & Ford, LLP

445 US Highway 6 East
Geneseo, IL 61254

309.944.2188

5030 38th Avenue, Suite 2
Moline, IL 61265

309.762.9368

800.644.5345

Visit us on the web at
www.nashbeanford.com

If your address or phone number has changed, please call our office to update your contact information.

New Email Address?

If you recently had to change your email address due to a provider discontinuing service, please let us know so you continue to receive email from us.

Referrals

If you have friends or family members who could benefit from the estate planning process, please refer them to our firm. Don't worry, we won't bother them. We will simply send them an invitation to one of our estate planning seminars. If you would like to refer a friend or family member, fill out the enclosed referral card or email their contact information to info@nashbeanford.com.