FAMILY MONEY MATTERS

FAMILY FINANCIAL HARMONY

Tips to Help Bring Generations Together

Most families have texting or email groups, or they may get together over Zoom to decide vacation plans. If a family member has a problem, there might be a family meeting to see how everyone can help out.

But when it comes to money—perhaps the most sensitive topic of all—too many families go silent. This silence often leads to misunderstandings and misplaced priorities.

With a little preparation, you can implement strategies to ensure open, productive, and positive discussions around family finances.

Building Successful Family Money Meetings

Your job in family money meetings is to bring generations together to help everyone understand your client's intentions.

Of course, some families are more "open" when it comes to money. Others hold things closer to their vest. Both approaches are completely fine. Your role is to understand your clients' parameters. Many families would say having even a limited conversation is much better than no conversation at all. Consider these steps to set up successful family money meetings:

1. Pre-Meeting Planning—WHAT TO DO BEFORE THE MEETING

When preparing for family money meetings, both you and your clients have important roles.

For financial professionals, here's how you can prepare:

- ✓ Build a network of experts including estate attorneys, tax professionals, and insurance advisors to provide comprehensive advice.
- ✓ Make sure you understand the following dynamics before the meeting:
  - Do you have buy-in from your client and their family?
  - Does anyone have topics they do not want discussed?
  - Do your clients have concerns regarding the reactions of certain family members?
  - What are the goals and expectations for this meeting?
- ✓ Thoroughly analyze all provided documents to tailor advice effectively.
- ✓ Create a structured agenda covering their financial situation, long-term goals, and new developments.
- ✓ Confirm meeting location or technology setup, then send a confirmation with the agenda beforehand.

For your clients, these steps will help them come prepared and ready to engage in meaningful discussions:

- ✓ Organize their financial documents—like bank statements, investment portfolios, tax returns, and estate planning documents.
- ✓ Encourage clients to think through their financial goals and any concerns they might have ahead of time.
- ✓ Make sure they inform their family members about the meeting and its agenda.

2. Meeting Management—WHAT TO DO DURING THE MEETING

During the meeting, your role is to be an impartial moderator. You can help start conversations by introducing topics, but then you can take a step back to let family members talk. If the discussion veers too far off topic, you can take steps to help everyone get back on course:

- ✓ Consider starting by encouraging the family to outline their values and traditions. This discussion can help the family appreciate the bonds they've already built and provide some guidelines as they move forward.
- ✓ Help the family set goals, such as providing full support of children through high school, setting up funds for college education, or helping each child get started in life. Talk about how potential long-term care situations will be handled, and discuss retirement plans.

- ✓ Encourage an open dialogue where everyone has a voice. Many families have a mix of extroverts and introverts. Ask questions of quieter family members to help ensure the conversation isn't dominated by the extroverts.
- ✓ Keep the family focused on discussions centered on their goals or future situations. A family money meeting is not a time to rehash past situations or previous mistakes a family member may have made.

By meticulously preparing and following an agenda, family money meetings can serve as a powerful tool for planning and achieving long-term family financial success. Here's a sample agenda to get you started:

1. **Introduction and overview:** Welcome everyone and set the stage by outlining the purpose and key objectives to establish a shared vision.
2. **Review of current financial status:** Provide a comprehensive overview of the family's financial standing, including account balances, investment performance, and debt status.
3. **Discussion of financial goals:** Encourage discussion of short-term and long-term goals, facilitating input to understand and align family priorities.
4. **Address specific issues or decisions:** Allocate time for in-depth exploration of topics like estate planning, tax strategies, and insurance coverage.
5. **Open Q&A and discussion:** Engage participants in an open floor for questions and sharing ideas to foster collaboration.
6. **Summary of key outcomes and next steps:** Summarize decisions made, outline next steps, assign responsibilities, and set follow-up deadlines.
7. **Closing remarks:** Conclude with gratitude for participation, emphasizing the importance of regular meetings for alignment and communication.

3. Follow-up—WHAT TO DO AFTER THE MEETING

After you wrap up a family money meeting, it's important to keep the momentum going with effective follow-ups. Here are some practical ways to make sure everyone stays on track and motivated.

- ✓ Set future agendas: Start by sketching out a plan for the next meeting. Remember that life changes, and so might priorities, so keeping the agenda adaptable is key.
- ✓ Comprehensive records: It's always a good idea to jot down everything that was discussed and decided upon. Send these minutes out to everyone who was in the room.
- ✓ Actionable steps and accountability: Assign specific tasks with deadlines and clarify who's responsible. For instance, if someone needs to reach out to an estate attorney, agree on who will do that and by when. This clear allocation prevents any confusion and keeps things moving forward.
- ✓ Utilize shared secure platforms: Store all important documents in a shared, secure space that everyone can access.
- ✓ Leverage technology: Encourage the use of apps or software tools to visualize data and track progress. These tech tools can break down complex information into easy-to-digest formats, making it much easier for everyone to stay involved and informed.
- ✓ Be explicit with next steps: Don't leave room for guesswork—be clear on what's needed next. For example, say, "Before our next get-together, reach out to your estate attorney to update your living will and secure long-term care insurance. Bring those documents the next time we meet." Specific guidance like this ensures things get done when they need to.

By following through with these steps, you'll make sure the great work started in your meetings carries through into actionable changes. This process not only helps achieve financial goals more effectively, but also reinforces the importance and benefits of these family financial gatherings.

How Family Money Meetings Can Help

- ✓ These meetings can help each generation understand how their family plans to create legacies and set up financial plans.
- ✓ They can help family members understand exactly what retirement funds are projected to cover and what plans have been made for possible long-term care needs.
- ✓ They're a smart way to teach younger generations about money.
- ✓ And they can be critical in times of personal crisis—because they show family members where to go for help when things go wrong.

How Often Should You Host?

Many financial professionals set up two approaches for family money meetings. For mid-tier clients, annual or bi-annual meetings can help bring family members together and allow you to introduce yourself to extended family members so they know who to call with questions.

For higher-tier clients, quarterly family meetings can help secure alignment on goals and help family members understand their roles within the evolving family money dynamic.

Regardless of how often you host family money meetings, they're a smart way to help deliver service that goes the extra mile for your valued clients ... and helps them prepare the next generation for their financial future.

Family money meetings are focused on making sure families proactively face their money situation.

Scan to discuss more ideas.

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