

BEING PREPARED: Stress Reduction & Estate Planning

Decision making can be stressful and few times in life need more decisions than the time of a death. We may experience intense emotions, feel disoriented, stress can be heightened. A lot of new information to process and tasks to be done. A little planning goes a long way to lighten the load.

Who Needs a Will?

Many retirees live on pensions and savings put away for these years. Some may ask why I need a will if I don't have many assets. Small estates actually benefit most from proper planning. Large estates have funds enough to get legal help, while smaller do not. Without a will, the amount of work involved is so much more. With a will an executor can readily deal with banks, promptly transfer vehicles, cancel power/phone bills, deal with cemetery etc.

Make a Plan

The first thing asked at the time of death is information about the deceased. When planned ahead, all this is noted saving searches through boxes, files or clothing for id or documents. A funeral prearrangement also documents instructions for disposition. A choice of cremation or burial is made. If cemetery is desired, which one? Is there is an existing plot or will a new plot be used? Are there cultural/religious customs to observe? If not cemetery, who will be receiving cremated remains, what will be done with them? Sometimes relationships can be complicated. By having a will and plan, conflict and blame can be avoided.

Visit a funeral home, ask questions, look at options. You may find that things you assumed complicated are simple while other things not as straightforward as you imagined.

Financial Considerations

Some prepay funeral expenses so they know ahead how much the costs will be. Funds are held in trust until time of need and funeral home fees are guaranteed. If life insurance is expected

to cover expenses, make sure the policy being relied on is still active.

If someone has paid into Canada Pension the estate will be eligible for the CPP Death Benefit. A lump sum of 6 months worth of the deceased's CPP up to \$2500. Someone who pays a funeral bill can apply for this. Be aware: it's taxable so if received in your name rather than the estate's you may owe extra at the end of the tax year. As executor, you apply for it on behalf of the estate. Another great reason to have a will!

The province funds funerals if no other options exist. A funeral director submits a referral, then a Ministry worker interviews next of kin. If approved, basics to carry out disposition, services and cemetery are covered. They won't fund cemetery markers, obituaries, or receptions. They collect the CPP death benefit, if there is one. Even when province funded, they consult with executor or next of kin on the plan.

Lighten the Load

If you are averse to talking about death or preparing, I urge you to make life easier for those you rely on. You save a lot of worry and stress by taking care of this. Without some planning, what could have been quick and relatively painless becomes drawn out and burdensome.

Communication

People who've made plans for the time of their death say getting this organized was a huge relief and families and executors who handle things at the time of need express appreciation for how simple things are when preplanned.

Communication is your greatest asset. Taking time to talk about our mortality can bring us closer and help us appreciate the relationships in our lives both before and after a loss.

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