



Should Children Be Kept in the Loop?

During estate or financial planning, the topic often comes up regarding how much to involve children. The question, “Should I share this information with my children?” is an important matter to consider and discuss. There is perhaps no better time to address this than during times of short and/or long-range financial planning. This is when it is most fresh and pertinent in your mind.

How this is handled is different for each family. You are the best one to make this call because of the unique relationship you have with your child(ren). You probably have a good understanding of each of their strengths and weaknesses. You are most familiar with how your children interact with each other and are aware of other dynamics impacting how they may or may not get along. Often during times of health crises or the death of a parent, differences among children are more strongly expressed. For example, if one or both parents’ care requires moving them to an assisted living facility, what to do with the existing home can become a tense issue. If children are spread out geographically, these conversations can become even more complicated.

As much as is possible, we have found it helpful to have the child(ren) informed regarding their parents’ estate and financial planning decisions and directives. Being proactive and intentional about communicating your wishes and desires to them and sharing relevant information about your plan not only helps them to be as prepared as possible should you need their help in the future, it can also help reduce misunderstanding and potential conflict in a stressful time.

We encourage arranging family meetings from time to time to share and/or update parents’ wishes for both the present and future. These meetings are important opportunities for all involved to raise questions, express concerns, and exchange ideas. It is best to have these conversations when a child or children can hear you express your desires. This can help avoid speculation later, especially when emotions may be running ahead of the facts. In an ideal world, this all sounds good, however, there are situations where it is best not to share too much if any information with children. It bears repeating, we believe these decisions ultimately belong to you.

This article is brought to you by the local Financial Services Representatives of the Northwest Conference. Got financial questions? Need help with your financial plan? Give one of them a call and they will be happy to discuss your financial needs and see how Covenant Trust can help you manage your money during retirement.

Steve Allison
Financial Services Rep
847-583-3264

srallison@covenanttrust.com

Erik Carlson
Financial Services Rep
847-583-3280

ewcarlson@covenanttrust.com

Karlene Crabtree
Client Services Rep
847-583-3277

kmcraintree@covenanttrust.com

This example is general in nature and intended for purposes of information and education only. It is not a substitute for individual, professional investment, tax, or legal advice. Covenant Trust Company is not responsible for losses sustained by anyone relying on this information as personal counsel.