

Teaching Children the Value of Money

It's Never Too Soon to Start

By the age of five, most kids have started to develop the cognitive skills necessary to understand basic concepts: identifying coins, counting change, and matching the amount of money they have to the items they want to buy. Unfortunately, few schools teach the basics of money management, much less investing, which are crucial in preparing for future success—that's where you come in.

Teaching kids about money, including how to save, spend wisely, and delay gratification, helps them to develop planning skills that will apply to many crucial aspects of their adult lives.

Here are a few simple ways to introduce fiscal concepts to the children in your life:

Explain how money works. Use a piggy bank or money jar to introduce the idea of savings, and to show that money is a finite commodity that requires making smart spending choices.

Play "store." Help kids learn to make change. Together, put price tags on various items around the house to introduce the idea of relative costs. Let them "buy" items with play money, and then be the shopkeeper.

Provide a weekly allowance. Many experts recommend providing an allowance for discretionary spending, not as a reward for doing certain household chores. (Helping out around the house should be expected, not rewarded.) Provide enough so kids can purchase inexpensive items, but not so much they won't have to save for more expensive ones.

Encourage entrepreneurship. Make a list of jobs your child can do above and beyond normal chores, along with the amount you're willing to pay. However, don't overpay; just because a landscaping company charges \$30 to mow the lawn in no way means you should pay a teenager \$30.

Teaching kids the value of money helps provide a foundation for a variety of other skills: self-discipline, planning, patience, goal setting, etc. When you think of it that way... it's never too soon to start.

How One Word Can Boost Your Mood by 25 Percent

Spoiler Alert: The Word Is "Thanks"

The simple act of expressing gratitude is incredibly powerful. In one study, couples who expressed gratitude in their daily interactions with each other experienced increased relationship connection and satisfaction almost immediately. That applied both to the person expressing thankfulness and (no surprise) the person receiving it. In fact, the authors say gratitude is like a "booster shot" for relationships.

The same is true at work. Express gratitude for an employee's hard work and you'll both feel better about yourselves.

Another easy method of fostering thankfulness? At the end of each day, write down a few things that make you feel grateful. One study shows people who wrote down five things they were thankful for once a week were 25 percent happier after ten weeks.

Happy people focus on what they have, not on what they don't have. It's motivating to want more in your career, relationships, bank account, etc., but thinking about what you already have, and expressing gratitude for it, will provide greater satisfaction in the present, and the long run.

Combating Ageism in the Workplace

An Ongoing Issue Present Today

Retirement is steadily becoming a thing of the past. According to the Bureau of Labor Statistics, approximately 20 percent of Americans over the age of 65 are still working or looking for work. By 2024, nearly one in four will remain in the workforce.

Unfortunately, a recent report published by the Equal Employment Opportunity Commission concluded that “age discrimination remains a significant and costly problem for workers, their families and our economy.” Conclusive with these findings, an AARP survey showed that three out of four workers over the age of 65 see age discrimination as a hurdle to finding a new job, and half were forced out of long-term jobs.

What can you do if you, or someone you know, face age discrimination? First, know your rights. The Age Discrimination in Employment Act (ADEA) protects workers ages 40 and over from discrimination based on age in the processes of hiring, firing, pay, job assignments, promotions, training, benefits, and any other term or condition of em-

ployment. Even so, proving age discrimination can be difficult, so be proactive.

Don't rest on your laurels; stay current with new technologies and trends. Use your experience to your advantage, and not just your hard skills, but “soft” skills too: relationships, connections, teamwork skills, etc. If you're looking for a job, don't answer or voluntarily provide information to illegal questions. Employers can't directly ask about your age or indirectly try to determine your age by asking, for example, if you have grandchildren.

Then, plan for your future by creating an estate plan and a retirement plan (even if you never plan to fully retire) that protects your assets and reduces your dependence on earning a significant salary later in life. The better your financial situation, the more options you will have regarding where you work, and the amount of outside income you will need.

A happy “retirement” is one that allows you to make the choices you want to make.

Do You Have an IRA?

If So, Now Is the Time to Begin Planning for Benefits

An Individual Retirement Account (IRA) can be a great way to save for retirement. The premise is simple: With a traditional IRA, contributions are made with pre-tax dollars, earnings grow tax-free, and contributions and investment gains are subject to income tax at time of withdrawal. With a Roth IRA, contributions are made with post-tax dollars, and investment gains are not subject to tax at the time of withdrawal.

The SECURE Act complicates things further. While the age when minimum required deductions must be made from an IRA increased from 70½ to 72, the SECURE Act also requires most beneficiaries to withdraw everything from an inherited IRA by the end of the year which includes the tenth anniversary of your death. In short, the Act is bad news for those who hoped to maximize the deferral of IRA withdrawals after their death.

First, the basics. Each spouse can still name the other as the beneficiary of the owner's IRA. When the owner spouse dies, the surviving spouse owns the IRA and no estate taxes are imposed due to the “Unlimited Marital Deduction.” A “spousal rollover” allows the surviving spouse to treat those assets as their own. The 10-year withdrawal requirement doesn't apply to the surviving spouse. The surviving spouse could take assets out more gradually, just like assets they contributed to their own IRA.

But what if you have children from a previous marriage and want your IRA to benefit your children as well? Naming your current spouse as the beneficiary could result in those assets passing to their children instead of yours. Leaving the assets in your estate plan to a trust that benefits your spouse and (at their death) your children, ensures they also benefit. In addition, the trust can provide asset management and remarriage protection. However, placing the assets in trust eliminates the spousal rollover and means distributions may need to be taken within the 10-year requirement.

One estate planning strategy that can help minimize the tax burden on your heirs is to name a Charitable Remainder Trust as the beneficiary of your IRA, especially if you have significant retirement assets and are charitably inclined. Another is to convert a traditional IRA (or 401k) to a Roth IRA, which allows your beneficiaries to enjoy the maximum deferral and pay no tax on eventual withdrawals. You could also use IRA distributions to pay the premiums on a life insurance policy. Generally speaking, life insurance proceeds received by a beneficiary are not included in their gross income, and will not be subject to income tax.

Setting up an IRA is simple, but estate planning for an IRA can be very complicated. Call our office to discuss if you should make an appointment to ensure your loved ones receive the maximum benefit possible from your financial legacy.

Can You Guess this Legacy?

With a long list of accolades, this actor, producer, director, and writer earned a number of Lifetime Achievement awards, the Presidential Medal of Freedom, three Academy Award nominations, and even fathered a two-time Academy Award winning actor.

Yet, his philanthropic work is arguably more impressive. Over the years, he and his wife donated nearly \$60 million to Harry's Haven, an Alzheimer's treatment facility, along with millions in charitable contributions to the Children's Hospital of Los Angeles and to the St. Lawrence University scholarship fund.

What few remember, though, is how he stood against the Hollywood blacklist—the practice of denying employment to entertainment industry professionals believed to be or to have been Communists or Communist sympathizers—by making sure his friend Dalton Trumbo received a writing credit for the movie “Spartacus.”

To Kirk Douglas, a man who spent “fifty years as a moral and creative force in the motion picture community,” doing the right thing mattered most of all.

What will your legacy be?

America Needs More Geriatric Doctors

One Solution? Send in the Seniors

As America ages, the American Geriatrics Society estimates the U.S. will need 30,000 geriatricians (primary care physicians who focus on the elderly) by 2030 to serve the 30 percent of older Americans with the most complicated medical problems.

However, there are only about 7,000 geriatricians currently practicing.

One medical school is actively seeking to bridge that gap by inviting people over the age of 90 to speak with second-year medical students. The goal is to nudge students toward choosing geriatric medicine, one of the lowest-paid specialties—and one where patients often have diseases that must be managed, not cured.

This approach has a basis in science—one study found that those in middle age or older who invest in nurturing the next gen-

eration are three times as likely to be happy as those who fail to do so. On the flip side, one of the most famous longitudinal studies shows that younger people who have the support of an older member of the community become much more resilient: able to navigate change, deal with challenges, and overcome adversity.

Gap-bridging efforts, like those at Case Western Reserve School of Medicine, can help introduce relatively healthy older adults to medical students and “show that there are real people with real lives who can benefit from quality health care,” according to Chris Langston, a Program Director at the John A. Hartford Foundation.

Real people. Real lives. Quality health care. That's what every demographic is, and needs. Hats off to Case Western for actively seeking to ensure the next generation of elderly people have access to the care—and quality of life—they deserve.

Compliments of Law Office of Ryan E. Fender

Traditional estate planning consists of one or two meetings with an attorney and then your plan is created. Oftentimes, this approach fails to discover potential issues and leads to plans that inadequately address a client's real needs or concerns.

At the Law Office of Ryan E. Fender, we take pride in our personalized approach to estate planning. We want to spend time with you to learn about your family's unique needs and goals. In our meetings, we look for all potential issues and address them with a comprehensive plan to meet your goals and preserve your legacy. We will also educate you about your estate planning options so together, we can make informed decisions about how to best protect yourself and your family's future. Your loved ones will be relieved of difficult decisions during life's most stressful times and can avoid unnecessary expenses and delays in settling your estate. You will have peace of mind knowing you have provided the best possible protection for yourself and your loved ones. Visit us online at www.fenderlaw.net or call (909) 726-9580 to schedule a complimentary consultation.



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