



## MAKING CENTS

### THINKING ABOUT THE UNTHINKABLE

-John P. Napolitano, CFP®, CPA, PFS, MST, RLP®



**T**here are nearly 13 million one-parent families in this country, creating a real dilemma for single parents when it comes to protecting their children from financial fears. You may be young, in top health and not giving a second thought about the possibility of an early death or disability, but let's face it, stuff happens and as a single parent you must be prepared.

Perhaps the most important step is to have an updated will. If it's not up-to-date to reflect how you want your estate distributed, these deci-

sions will be made by a probate judge and may be available for your child to do as they please upon turning 18.

Your will should include the name of a guardian for minor children. You may feel an obligation to "leave" your children to a favorite sister, uncle or family friend, but unless you have absolute faith that person will be willing and capable of the enormous responsibility of raising your children, choose someone else. Far too often, not enough thought is given to guardianship, either by the parent or the guardian. It's much more than an honor - it could be an obligation that spans many years.

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Directions on how you want your assets managed and used to benefit your children should also be spelled out. These instructions will serve as the foundation for your children's future and act as a guide for their guardian.

Maintaining a solid life insurance program will prepare you for those large ticket financial items. Make sure that you account for

your children's basic needs and living expenses in your life insurance calculation; it isn't fair to anyone to assume that your guardian can foot the entire bill to

raise your children.

Do not name your minor children as beneficiaries of the policy. Instead, talk to a professional about setting up a trust for the benefit of your children. Choose a reliable trustee, ensuring that your assets are managed and distributed according to your wishes.

As a single parent, you may not be able to shield your children from all of the negative consequences from your premature death. But with a plan and the proper advice in place, their financial future can be one you can cross off your worry list.

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