

Dear Clients, Family and Friends:

In this month's spotlight, we are focusing our education efforts on family transitions. At Costanzo Financial Group, one of our daily efforts is working with families who are experiencing significant life changes. These life events often cause our clients to realign their Investment and Retirement objectives and make changes to their long-term plans.

The tragic loss of a loved one is one of the most difficult family transitions. Anyone that has experienced this type of event understands that it is extremely challenging and brings about many unforeseen matters that can take significant time and energy to sort out. While we cannot lessen the tremendous grief associated with these losses, certain elements of preparation can help to ease the process.

In this month's education topic, we will outline four specific areas that you can begin to assess now to better understand your family's readiness and how you can be proactive in the event of a loss. Additionally, we have included resources/checklists to help guide you through each of these steps as you begin to navigate your planning efforts.

Making Preparations and Estate Planning

Contract with an attorney who will help you design the necessary trust or will that will carry out your wishes for your estate and help to avoid the costly efforts associated with probate and litigation.

Prepare a checklist of all your documents, bank accounts, investment accounts and life insurance policies, and make sure the person responsible for handling your affairs knows where he/she can find this information. All too often, we see one spouse is responsible for handling financial matters and the other spouse or adult children are not fully aware of the accounts or even where to locate the estate planning information. Sharing this information with the appropriate person(s) will go a long way in eliminating some of the stress in handling the death claim process.

Costanzo Financial Group is working diligently to build an e-locker system that will provide secure online access for our clients, their family members and other loved ones to access this information. It is similar to a safe deposit box, but is accessible through a secure site and can be accessed at any time. Our pilot of this solution will start in the fall with a full rollout to our clients in the beginning of 2018.

Enclosed are two helpful articles. The first is about what you need to consider when evaluating your options for an estate plan and the second is a great piece that covers the more emotional side associated with these tragic life events.

[Understanding the Basics of Estate Planning](#)

[Navigating Personal and Financial Affairs](#)

Reviewing Beneficiaries

Talk to your Investment and Retirement Planner about your assets and how you should designate the beneficiaries to align with your estate plan. It is critical that you review the beneficiaries every couple years and after family transitional events such as death, marriage, divorce and the birth of a child. Enclosed is a beneficiary checklist that can be used to organize this information and then review with your family and advisor: [Beneficiary Review Checklist](#).

Income and Estate Tax Planning

A critical, but often overlooked, aspect of the estate planning process is positioning assets for transition and understanding favorable tax treatment should a death in the family occur. The major areas you want to be conscious of as you discuss these strategies with your tax professional, estate planning attorney or advisor are:

- Allocating assets by tax status
- Generating tax-free income through the use of bonds
- Positioning retirement contributions to hedge against future tax liability
- Impact of tax treatment on certain types of trusts

Enclosed is an article that further illustrates these income and estate planning strategies for 2017 and how we can incorporate them into your Investment and Retirement Plan: [Ten Income and Estate Tax Planning Strategies for 2017](#).

Executor

Serving as an executor of a will can be a daunting process, but if you stay organized, it can be a very empowering experience. It is both an honor and a significant responsibility to protect and distribute someone's legacy, so the more knowledge you have going into the process, the more efficient you will be as you navigate this challenging family transition. Enclosed is a checklist that an executor of an estate or will can use to ensure they are asking for the right documents and are following a structured process: [Executor Checklist](#).

Looking Forward

We hope you found this resource helpful as you continue to evaluate your Investment and Retirement Plan for 2017.

As we move towards wrapping up the first quarter of 2017, it is important to understand how the Federal Reserve is being more active with raising interest rates to keep pace with inflation. Our research partner,

Tower Square, released the following piece on these moves and the potential impact on the markets: [Back to Back: Fed Raises Rates for Second Quarter in a Row.](#)

If you have any questions regarding the points covered in this article or anything related to your Investment and Retirement Planning efforts, please contact us or click on the following link to schedule a review using our new online booking tool: [Book Review Today.](#)

We look forward to the next opportunity to assist you in financially preparing for your future.

Thank You,

Gerry Bakaj