Good afternoon and thanks for joining us I'm Judy Simpson. Our focus is afternoon is on money and memory. Money is often more difficult to manage as we age in fact research shows that one of the warning signs of dementia is an inability to understand money. As well as related issues like credit and contracts. The good news is that there are things that we can do as we age to ensure that we manage our money well. Family members can also help by learning about the warning signs that may signal financial trouble be related to aging and memory. This afternoon we called on a certified financial planner to help us better understand the issues of money and memory. Christine Moriarty is a financial educator with more than 20 years of experience. She's taught at the University of Vermont and Boston University. She's now based in Bristol where she counsels individuals couples and businesses on to their personal finances. Welcome.

Christine.: Thank you for having me Judy.

Judy.: This is such a huge issue and we all need to take note of money and memory. Why is that?

Christine.: It's extremely important because what I've only learned in the past few years is that money is an executive function. It's one of the first that can go if someone has a stroke or traumatic brain injury. It also is just when you're under stress money and memory and details can fall out so we need to be prepared for whatever comes along the way for us.

Judy.: What are the current and future trends around aging and how do those trends play out for money?

Christine.: One of the things is that baby boomers are just getting ready for retirement. As you can see in the grass it's increasing and increasing group of our demographics is having people over the age of 65. Even more important to money and memory is you can see that lower line goes up to 21,000,000 sometime around 2050 those people typically one of the things of aging is anyone over the age of 80 has some type of memory loss. That's just routine and it's a matter of fact so if that's the case and we have a growing population in that area then we need to be prepared. Both as aging people and those who are related to aging people.

Judy.: Because we were talking before we started taping this program and my parents always thought they were pretty well prepared in that department but my father died and my mother is months later trying to find all the documents as she needs to change everything over to her name and it has been a nightmare.
Christine.: Just let her know that that is not unique. First of all because often there are loose ends but one of the best ways people can be prepared is by organizing everything ahead of time and I've actually suggested to single clients of mine that you get all your information whether it's in an envelope in a spreadsheet on a disk and have a second copy to give to someone. So in your case it would be give to your daughter so she can look at it the head of time. If you don't feel comfortable with her looking at it at a time then handed two are and say don't open it until I Pass away but at least everything is in one place. You and that means you Judy and me we are the only two who really know about our full financial picture.

Judy.: Right. So how do you council your baby boomer clients and what helpful hints to you have to give because obviously it sounds like the sooner you get started down this road the better off you're going to be.

Christine.: Absolutely. Always no matter what age any client is I've talked about the cornerstones of financial planning. Those are making sure you have your ducks in order and making sure you have a durable power of Atty. Which means that if you ended up and fletcher Allen in a coma unable to advocate for yourself someone else can go and get money out of the bank for you. Someone else can go and sell your car. Someone else can take care of those things that are really important. Most people don't like to think about it hello that if you don't have a durable power of Atty. In place then someone near and dear to you hast to petition the court to go and do that well you're already laid up to the hospital in order to keep things functioning.

Judy.: So it's really not only doing the steps for yourself it's also for the ones that you love?

Christine.: Absolutely you really are doing it for the ones that you love because if you are laid up in the hospital you have other things to deal with. But the people who love you are the ones who need to make some decisions. Same thing with the healthcare proxy or it is called a living will is well. That allows someone else to make our decisions for you. Again that is for someone in their family or your friends to be able to make that decision for you rather than having to go petition the court find out or have in fighting in a group of those you love.

Judy.: A straightforward way of letting people know I do not want any extraordinary measures taken or I do.

Christine.: Absolutely. Then the final thing that every one of every age should have is a will. A lot of people say I don't have any assets or my father's favorite line was all the dead I don't need to take care of this and I use to get a laugh out of him but I always say have a will in place and leisure wishes be known so in my mind that's what the testament is but a last will says okay I leave my son Sam in charge to make everything runs move and I leave my money to all my children divided equally. It can be really easily said it doesn't have to be a long and convoluted...

Judy.: Leave this share this one and this table.

Christine.: Exactly. If you want to get into that detail there something called a cot a sale that you can put in easily and write down as you go along Oh I want this antique to go to my niece or nephew but the basic will is just really basic and so many people. I have one set of clients right now that are like we have a will and I said you don't have a well because they had it drawn up by a lawyer but they haven't signed and notarized it yet. People think well we might want to change it so my suggestion is just to get the will signed in place ready to roll you can always change the well after it's been signed.

Judy.: The big thing is just to get it done.

Christine.: Get done because as not done until it's done.
Judy.: As we age what are some of the issues or factors that we need to consider surrounding finances?

Christine.: There's two different pieces. One is the technical side like okay have you applied for Social Security do you have the new Medicare part D do you have all the services you need from the government or the other places and what's your new financial needs and what kind of risk are your investments at. They need to be adjusted all the time. Then there's the day to day writing the checks managing the checkbooks how are you paying your bills what has to be updated for your needs. As we age we might not need a car but we might need a driver we might need someone to clean the house we might need someone to cook the meals so there's two different pieces and host part of aging. Is nothing either to be embarrassed about or to panic about.

Judy.: I've said this to other guests and I've had we plan for everything our lives. We plan for our children the plan for college we plan for weddings we don't plan for the obvious.

Christine.: The obvious write it's going to happen to all of us. That's the best case scenario that it's going to happen to us.

Judy.: And the odds are pretty darn good that we're going to have to face this is some point so.

Christine.: The big huge change of that has been happening the in life is that longevity. The longer we live because people might reflect back on their grandmothers that well cheese they lived by themselves all of their lives but they may have only lived till 80.

Judy.: Or lived right next door to a child.

Christine.: Absolutely well said. The changing demographics and family's and how people are scattered in the nuclear family a really ties into this issue.

Judy.: Exactly. So as a certified financial planner you see people in a wide variety of situations. Overall how well do we take care of our money throughout our life? Do we do a pretty good job?

Christine.: It depends. It depends on people and usually what I find we could spend hours on this. Someone who is really good at investments but not so good at the day today are war really good because they don't have any debt or credit card debt but they're not so good at managing their 401 K that's just normal this is a huge topic and this is what I've made my life's work in so I don't think anyone should think they have to be perfect at it. One of the things that I suggest is that people think about keeping themselves financially primed or financially well and healthy around their finances. In that case they can follow some simple tips get educated and keep moving forward along that way. If you have good practices for life it will sneak up and get you at age 80.

Judy.: So you have some five tapes you won a share?

Christine.: Absolutely. Number one is keep it simple. So many people say I have this account for this and then I make more interest on that account if I keep that money there and I do that and no one could follow it. If it is and Simple in a routine with one are two or even three banks and one are two investment companies that makes it more manageable for you now for you later in your aging years and for someone else to understand if they had to take care of it. The more convoluted issues become the more difficult you're making it on someone. There's a lot a ways to keep it simple but I highly recommend that one.

Judy.: Okay the next is understand your investments.
Christine.: You want to understand your investments because that case in point most recent history a lot of people were investing in things they did and understand and if they don't understand them then is not a good idea to put your money there. People say yeah but the financial person told me or they knew what they're talking about and I say yeah that's your money so you really want to understand where your investments are and that's a two and piece. It could be too complex to be invested in and therefore future options or whenever or it could be you just need more education but don't put money where you don't need it. On this one one of my peers someone a church said to me one day would you just look at this investment someone wants is to go into and it turns out it was like are really really risky investment and these people were in their eighties. It was not appropriate but they knew something was wrong but they did and understand it so don't be afraid to ask questions.

Judy.: Have cash available.

Christine.: This is beginning to catch on but I've been doing this business for 20 years and having cash available is a number one way to make sure your financially safe. I call it a safety account. So having cash where you need it in the bank in the local bank. A lot of people go Christine Dena tell little that money is making an essay yes I know because it's not about the interest in that money it's about having it available. There's people who go to all extremes you don't need to have hundreds of thousands of dollars in the bank but you need to have enough to live for the next 3 to 6 to eight months in there so you have something to fall back on.

Judy.: Keep get low or nonexistent.

Christine.: This is where we all get tripped up. Especially if we're listening to society's messages. There's commercials and there's things that's a O the debt is good or let's leverage this or a credit card is good. It's OK to use someone else's money. Because of the recent debt crisis.

Judy.: If you haven't learned by now than it's not a good idea.

Christine.: There's people who haven't learned by now so I'm here to remind them that having a mortgage. If you can pay off your mortgage a number one in retirement and it falls and to keep it simple. Now you have fewer bills to pay. If you don't have a lot of credit card debt or you don't have a car loan you can manage your money a lot easier.

Judy.: Also be organized.

Christine.: There's been studies done if you're not intrigued to actually organize your Financial Life just be sure and remember this one fact. People who are most organized around their money have the most money.

Judy.: That makes a lot of sense.

Christine.: Doesn't it? They know where to find it they can take care of it and they can put their hand and what they need and share with others.

Judy.: What are some of the key sources that you suggest for clients or viewers for more information for themselves?

Christine.: There's so much information out there and this follows with our aging population so now there's a lot more services and availability for people of information but it wasn't here 20 years ago. My favor ones were the elder care.gov. What they do is they find out all sorts if key organizations at elder care.gov in your area. There are phone numbers on these is well in case someone is not online. The geriatric care manager which we talked about the that nuclear family. If you have someone who needs
driving or driven to the hospital not the hospital hopefully or the Dr. or to appointments a geriatric care manager can do that or arrange that for you. Kind of the household manager person for the elderly who understands them. Local senior centers and community valley agency on aging. They have a lot of resources whether it's vans information or people you can contact about understanding something like Medicaid are the or Medicaid part D lower Medicare part there so many Medicare parts. Just to fill out those forms is overwhelming and I often wondered as I look at them and how people do them what do people do who do not have someone to help them. And these are the resources they can turn to. The final one that I can recommend is the American Association of daily money managers and that one can actually pay your bills and manager money on a day to day basis. This does not take the money out of your control you can still write the checks sign the checks and get information there just someone else to help you make it. Its like your own personal bookkeeper.

Judy.: We have a minute left before we run out of time can you tell viewers how they can contact you and what services you provide?

Christine.: Absolutely. The name of my company is money peace and I have a website that's money piece.com and that's p e a c e because that's what I want to create in this world money piece or they can call the toll free (888)-449-8081 I have an office in Bristol and I'm often in Burlington and South Burlington meeting with clients but I do now a lot speaking and writing so they can look at Vermont women for an article on money or check of my website and sign up for my free e-mail newsletter.

Judy.: Thank you so much for joining us a lot of really important information.

Christine.: Thank you very much for having me and I hope we get the word out that it's just a normal part of our lives to be organized.

Judy.: Get organized. That's our program for today I'm Judy Simpson will see you again next time on across the fence.

Across the fence is brought to you as a public service by the University of Vermont extension and WCAX TV

Issued in furtherance of Cooperative Extension work, Acts of May 8 and June 30, 1914, in cooperation with the United States Department of Agriculture. University of Vermont Extension, Burlington, Vermont. University of Vermont Extension, and U.S. Department of Agriculture, cooperating, offer education and employment to everyone without regard to race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or familial status.