

Do You Need a Family Financial Summit?

By Mike Hanna

A Family Financial Summit might be a new concept for many of you, so let's start by defining it before delving into whether or not you need it. Essentially, it's a family meeting that allows for the sharing of financial values and goals.

It can be helpful in aligning expectations about inheritance, responsibilities, and the legacy the family wishes to build. By discussing these topics in advance, families can ensure that everyone is informed, prepared, and in agreement with the strategies and plans in place.

Few families have these types of meetings, and if they do, the conversations can be complex and emotional. Why not involve your financial professional? We can help make this a productive experience that benefits everyone involved. A little bit of structure and neutrality can go a long way.

In determining whether or not you need a Family Financial Summit, it might be helpful to consider the wide range of topics that could be addressed. The following list is likely too long for one meeting, but it should help in creating your own unique agenda:

- **Inheritance and Wealth Distribution:** Delve into how assets will be distributed, including conditions or guiding philosophies behind these decisions, to manage expectations and ensure fairness.
- **Financial Responsibilities:** Clearly outline what financial contributions or support are expected within the family, whether for elder care, education expenses, or funding business ventures, to help foster a sense of shared responsibility.

- Estate Planning Details: Discuss the essentials of wills, trusts that were created by their attorney, and the overall estate plan structure to help make sure everyone understands their role and the procedural aspects, ensuring a smooth transition when the time comes.
- Family Legacy and Philanthropy: Articulate the family's vision for its legacy, including philanthropic pursuits or values to be upheld, to instill a sense of purpose and continuity.
- Investment Strategies and Management: Explore the family's approach to investments, including risk tolerance, asset allocation, and long-term goals, to help align financial strategies with family objectives.
- Education Funding Strategies: Address plans for funding education for younger family members, including savings plans like 529s, scholarships, and grants, to prioritize educational aspirations.
- Budgeting and Living Within Means: Stress the importance of creating and adhering to a budget, highlighting how living within or below one's means is crucial for long-term financial stability.
- Insurance Planning: Review insurance needs, including life, health, and property insurance, to help protect against potential financial losses and provide the peace of mind of knowing that they are financially prepared for the future.
- Tax Planning and Efficiency: Explore strategies for minimizing tax liabilities through charitable giving, investment choices, and other tax-efficient planning techniques.
- Succession Planning for Family Businesses: If applicable, discuss the future of any family-owned businesses, including leadership transitions and maintaining the business's legacy.

- Financial Education for Younger Generations: Emphasize the importance of financial literacy, discussing ways to educate younger family members about wealth management, investing, and saving.

Preparation is key to a successful discussion. This involves setting clear objectives to guide the conversation, choosing the right location, and drafting an agenda in collaboration with your financial professional. This groundwork helps in creating an environment that's suited for open and productive dialogue.

Is this concept for you? That's for you to decide, but we're happy to help. For many, the benefits are too great to be ignored. These conversations are an investment in your family's financial health and harmony, helping ensure that wealth serves as a tool for unity rather than a source of division.

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