

## Mother's Money Matters

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As I was thinking about being a mom and all the ways that moms care for their children, I couldn't help but think of the financial impact of moms. The traditional mother role was the nurturing and physical care of the kids while dad was out hunting and gathering to provide food, clothing, and shelter. We have certainly come a long way from those drag-home-the-kill days for both men and women. Moms are now a big part of the workforce and can be major contributors to the household income, while still managing the household. According to Motherly's 2022 State of Motherhood Survey Report, "47% of moms surveyed in 2022 contribute more than half of the household income. In 2018, 37% of moms were contributing half or more to their household income." It also stated, "Today, almost half (48%) are the family financial planner, meaning moms pay all the bills and manage the household finances."<sup>1</sup>



For every mom, working outside the home or not:

- Do you have a current will, valid in your state of residence, which names a guardian for your children in the event of your death? Even if their dad is still living and you are still married to him, you should name him as the guardian and provide a successor guardian in case you were both involved in a common accident.
  - Does your spouse have a will? Do you know where it is? Do you know what it says?
- Do you have financial and health care powers of attorney so that someone could step in should you be incapacitated? This is normally part of the estate documents package. If you have them, review the information to make sure it is still complying with your wishes and the named agents are appropriate.

<sup>1</sup> Source: <https://www.mother.ly/news/2022-state-of-motherhood-survey/#in-the-past-5-years-mothers-have-proven-their-power-heres-whats-changed>

- Do you have life insurance on yourself which would pay off the family's debt, fund college for your kids, and provide your spouse with money to pay for help in the event of your death? You should at least be able to provide a year or two of extra money for childcare while your spouse gets back on his feet. Of course, if you are providing a large part of the financial support for the family, you will want to replace your income as well. Talk to a financial planner or insurance agent for the right amount for your situation, age, and budget.
  - There are good life insurance calculators online that you can use to get any idea of how much is enough. Term insurance is not very expensive for nonsmokers, so I urge you to investigate this option while you are healthy.
  - If you have had life insurance for a while now, do you know the expiration date of the term? Twenty years can go by fast so make sure you know when those expire so you can plan ahead to replace the policy if needed.
- Does your spouse have life insurance, and if so, do you know with which company, how much, and how you would access it in the event of his death? This is not a fun topic, but it is important for you to be in the know.
  - Be sure you know the policy date and the term so you can track the expiration and get new policies if needed.
- Do you know where the money is? All the accounts, passwords, and balances?
  - With all the two factor authenticators in use, can you access his email or phone to “get the code?”
- Do all the working adults have disability insurance? Anyone contributing money to the support of the household should have disability insurance in case of illness, accident, or other incapacity.
- Do you have a stash of cash at home, locked up, that you could access if needed in an emergency?
  - Consider getting a safe, chaining it in an out-of-sight place and putting all your important documents, cash, and passwords in it. Wills, passports, social security cards, life insurance policies and any other important documents should be in there. The office supply stores have inexpensive safes that are small and have a built-in chain.
- If you are in your late fifties/early sixties, do you have long-term care insurance which would help cover the cost of your care if you had to go into assisted living or a nursing home? This is a huge help to your children when you get to the age of needing such assistance.

If there has been a divorce, have you updated the beneficiaries on all life insurance and employer benefit plans? Sometimes that is missed in the turmoil of divorce. You always need to update estate documents accordingly.

None of these things are fun or seem nurturing or contributing to the care and well-being of your children, but they all are critical aspects of the modern-day protection of our children. As a Mother's Day present to your kids, take action on one or two of these items this week so that you can know that you have done everything possible to protect and provide for your kids.

To your financial (and parental) success!

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To learn more or get help planning your financial goals, please email me at [gildea@homrichberg.com](mailto:gildea@homrichberg.com).

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