



S.F. EHRLICH  
ASSOCIATES, INC.

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## Managing Your Money

### STAN'S WORLD—A FINAL GIFT

As many long-time clients will attest, I tend to share lessons I learn in life through this column. Some lessons may apply to more readers than others, but I always hope there is some value to at least a few of you. In this instance, I think I learned something that has the potential to benefit everyone. While that may be a bold statement, hear me out.

A few weeks ago, my mom passed away. At 98+ years, she lived a very full life, and we were grateful, in this COVID environment, to have been able to visit with her before she died. Yes, it's sad when a parent dies, but having so many years of memories helps to fill the void.

Knowing that the end was near, I pulled out a folder containing information on burial plans that my parents had made more than 25 years ago. Lots of paper; lots of forms; and lots of phone numbers. I picked one and dialed.

When I got connected to the appropriate contact, I was given a number that could be called 24 hours a day. The representative instructed me to provide that number to the skilled nursing floor where my mother was staying and that there was nothing more for me to do. Suffice it to say, I was somewhat skeptical, but I did as I was instructed. By the way, the cemetery is in Florida; my mother was in New Jersey.

My mother died at approximately 6 am on a Saturday morning. A little after 7 am, I received the first call from the funeral home in Florida, and they just kept coming. A funeral home in New Jersey would pick up my mother from the nursing facility and arrange for transit to Florida. The funeral home in Florida knew which casket to select. They would arrange for the rabbi to officiate the funeral. They would arrange for a video broadcast so the family could watch. They would make sure I received ample death certificates. They would call Social Security so benefits would cease. Throughout Saturday and Sunday, every question I had was promptly answered, though they typically told me before I even asked. In the end, all I had to do was answer a few of their questions.



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The day someone dies is not the optimal time to plan a funeral for obvious reasons. Family members are often emotional and grieving. But in that moment, I realized the wonderful gift that my parents had given to their family, and especially to their two sons: the gift of a pre-planned funeral. (If you were looking for something more exciting, forgive me for letting you down.)

Believe it or not, this is huge, and it's advice that you should seriously consider because it lifts an incredible burden that would otherwise have been placed on my family. Can you imagine the stress, and potential intra-family conflict, from trying to figure out the state, city, and cemetery where a loved one should be buried while emotions are running wild? (Or, whether or not the loved one should be buried, as opposed to cremation? Talk about creating a scene among the family!) What about casket selection? Flowers? For anyone who has been through this, I can't imagine the stress you were under.

But that was all done for my family. All I had to do was relay to my brother what was going on because the tough decisions had already been made. No one would be mad by any of the decisions that were made, because we didn't have to make any of them. In fact, all decisions were made by the person who was to be buried.

Morbid as this discussion may sound, think about doing something about this, long before the need to do something ever arises. Even if it takes a while to formalize your decisions, commit your wishes to paper and tell your family where to find the document. And as sensitive a topic as this is, if you have an elderly parent(s), attempt to start a conversation.

Shortly after my mom's funeral, I sent an email to the funeral director in Florida. If they do marketing, all they have to do is put my email on their website, and business should boom. At a time in my life where my thinking may have been a bit fuzzy, my parents came through for me. In fact, if I can ever get back to Boca Raton post-COVID, I plan on thanking them in person.



## HOW COVID-19 WILL AFFECT RETIREMENT AND AGING

The Wall Street Journal published a Journal Report titled *Encore*, and it included an article<sup>1</sup> on how COVID will impact us all in retirement. Even if you're not a retiree or close to it, it's worth it to pay attention. As Kenny Chesney sings: "Don't blink...a hundred years goes faster than you think."

- **Aging at home:** Aside from the negative impression that still lingers after senior living centers were locked down during COVID and the elderly therein were unable to be visited by family members, there was also the disproportionate number of elderly who died from COVID while living there. That won't be soon forgotten. Age segregation may not be a future goal for as many retirees. (Considering how many times we've written about the benefits of age-restricted housing, this has the potential to be transformative.)
- **Technology boom:** There is "a wave of innovation aimed at older adults." One example; the growth of telemedicine. In addition, "wearable devices and diagnostic tests for home use will provide doctors with key information, including patients' blood pressure and weight, and pave the way for better remote patient monitoring..." In addition, virtual travel is already in place for those who are unable to get up and go.
- **Healthier lifestyles:** "The pandemic is helping raise awareness of the concept of biological age, or the internal pace of aging." Knowing that underlying health problems lead to higher death rates from the coronavirus (not to mention other severe consequences unrelated to COVID), more senior citizens are taking steps toward living a healthier lifestyle.
- **A better handle on what to do with our time:** Isolation and the inability to travel locally, domestically, and internationally, is causing many of us to reassess how we want to live our lives. "The virus has enhanced the feeling that life is short...What matters is finding meaning and doing what really matters to us..."
- **We will plan for death:** Regardless of age, but especially for the more vulnerable senior population, the pandemic has caused many of us to start discussing end-of-life care. "As difficult as it is to plan for death, experts say it is crucial that people prepare. It can improve not only how we live our last days, but how our loved ones deal with our deaths."
- **We need to save more to retire:** The disruption in our economy due to COVID has caused interest rates to hover near zero. For decades, retirees have counted on income from CDs and bonds to help finance their retirement. In a low interest-rate environment that will probably stay with us for a while, retirees will have to learn to save more, work longer, or spend less. While most of us aren't spending much now because we can't go anywhere, getting back to 'normal' with minimal earned interest will be disruptive to many seniors.



## A FEW TIPS FOR THESE WANING DAYS OF 2020

- **End-of-year-gift giving:** If you're going to make a directed donation before year-end or simply add to a donor advised fund, consider the use of appreciated securities. If you have an investment in a taxable account that has appreciated in value, donating that security can typically provide: (1) a tax deduction and (2) the avoidance of taxes on the capital gains that were generated in the position. Of course, best to talk to your tax adviser before making any decisions.
- **Before you make that end-of-year gift, check out the charity:** Many well-known charities spend a lot of money – too much money – on marketing rather than curing, treating, or helping. If you have a favorite charity, confirm what it's actually doing with your hard-earned dollars by going to Charity Navigator ([www.charitynavigator.org](http://www.charitynavigator.org)), Charity Watch ([www.charitywatch.org](http://www.charitywatch.org)), and/or the Better Business Bureau's Wise Giving Alliance ([www.give.org](http://www.give.org))<sup>2</sup>.
- **Still paying large annual fees on little-used credit cards?** One client reported that rather than cancel his United card since he wasn't traveling and using their airport lounges, he discovered that credit card companies have a Program Change option. Rather than take the hit to his credit score (which happens when a credit card is canceled), he changed from one United-sponsored Chase credit card to another. Rather than pay the \$450 annual fee, he had a choice of either paying zero or getting some benefits and paying \$95/year.

On a related note, some credit card companies have changed how they reward their cardholders in 2020. Rather than giving cardholders up to \$300/year in travel credits, for example, Chase Sapphire offered up to \$300 in supermarket credits. It may be worth heading over to their website to see what perks you might be missing. (You can also call your credit card company and ask for a fee credit for 2020.)

- **Have a AAA card?** Did you know that you can use it at the UPS store for up to 15% off certain shipping supplies?
- **Cut the cord for \$24 a month:** *Consumer Reports*<sup>3</sup> has a plan to help you reduce those high monthly cable bills. Consider the following combination of services as a lower-cost alternative to your cable provider: CBS All Access (\$6/mo): includes "tons of sports," Comedy Central, and more; Disney+ (\$13/mo): Lucasfilm, Marvel Studios, Pixar, 20th Century Studios, National Geographic, Hulu, ESPN+, and more; Peacock, from NBC Universal (\$5/mo): NBC, Universal movies, sports, Bravo, USA Network, and more.



S.F. EHRLICH  
ASSOCIATES, INC.

S.F. Ehrlich Associates, Inc. has been providing financial advice on a fee-only, independent basis for over 25 years.

*Managing Your Money* is compiled entirely by Stanley F. Ehrlich and John Zeltmann.

Questions or comments are always welcome (and encouraged!).

**Did we mention?** If you have a friend or family member who you think might benefit from a discussion with us about financial planning and asset management, please pass along our phone number and email address. Long-term growth is not only crucial to portfolios, it's also critical to a business.

If you have a friend, co-worker, or relative who's in need of financial advice due to a pending or actual job loss, please give them our contact information. We're always glad to speak **pro bono** with people who need a hand.

**CLIENTS:** Please remember to contact S.F. Ehrlich if a) there are any changes in your financial situation or investment objectives, b) you wish to impose, add or modify any reasonable restrictions to our investment management services, or c) you've changed your permanent residence.

### S.F. Ehrlich Associates, Inc.

15 Alden Street, Suite 12

Cranford, NJ 07016

Fax: (908) 789-1115

Stanley F. Ehrlich  
Phone: (908) 789-1100  
stan@sfehrlich.com

John Zeltmann, CFP®, CFA  
Phone: (908) 789-1944  
jzeltmann@sfehrlich.com



<sup>1</sup> "How COVID-19 Will Affect Retirement and Aging." *The Wall Street Journal*, 16 Nov. 2020, p. R4.

<sup>2</sup> "How to Check Out a Charity." *Kiplinger's Personal Finance*, Dec. 2019, p. 72.

<sup>3</sup> "Cut the Cord for \$25 a Month." *Consumer Reports*, Dec. 2020, p. 35.

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