

00;00;04;13 - 00;00;30;03

Speaker 1

Hi, I'm Peter McGraw. I'm a bachelor, behavioral economist and business school professor at the University of Colorado Boulder. We're here today to talk about the financial lives of single people. I host a podcast solo. The Single Person's Guide to a Remarkable Life, and recently published the book Solo Building a Remarkable Life of Your Own. And I've turned my attention to a very challenging topic for a lot of single people.

00;00;30;10 - 00;00;45;25

Speaker 1

And that is how do they save, spend and earn their money? And so I've invited Kirsten here to talk a little bit about that, and in particular, the questions that financial advisors should be asking their unmarried clients.

00;00;45;28 - 00;00;59;24

Speaker 2

Thank you Peter. I have been a certified financial planner for over 20 years, and I've been with my current firm, Schaefer Financial Management, for most of that time. I have a passion for helping solo clients achieve their financial goals.

00;00;59;27 - 00;01;24;19

Speaker 1

Indeed, and it's one that is sort of surprisingly overlooked, I think in a lot of domains and a lot of businesses in particular. There's been this striking rise singles, not just in the United States, but globally. So half of American adults are single. That's about 129 million people, and half of them are not even looking for a relationship at the moment.

00;01;24;21 - 00;01;52;28

Speaker 1

Some of the other statistics I find to be equally striking. So while there's about 11% of boomers have never married, projections have 25% of millennials and 33% of Zoomers as never married. We're seeing this striking rise of one person households in the United States, 29% of households for one person. It's actually the most common household, followed by Dean's dual income, their kids.

00;01;53;00 - 00;02;02;06

Speaker 1

And then third is the nuclear family, which is dropped from number one in the 60s. I just have to ask you, are you seeing this in your day to day work?

00;02;02;13 - 00;02;14;14

Speaker 2

We've seen an increase in our single clients over the past several years for sure. In addition to their excitement to do some planning so that they can look forward and be able to handle their futures to the best of their abilities.

00;02;14;16 - 00;02;38;20

Speaker 1

And I think one of the things about it is that they're not all in lockstep like they were in the 1960s. In 1960, the average age of first marriage was about 21.22. So people weren't even single for very long. Now it's approaching 30. It's around, I think, 29, in the United States right now. So people are delaying marriage, but they also have different goals.

00;02;38;22 - 00;02;43;27

Speaker 1

And are you seeing these different goals play out as you're meeting with your single clients?

00;02;44;00 - 00;03;04;13

Speaker 2

For sure. I think that you've got the kind of most common age of, of singles being in that 30 year old bracket, and as they're getting started or getting settled into their careers, they're looking for ways to begin to build their wealth. They have they started as what we call Henry's high earners. Not rich yet.

00;03;04;15 - 00;03;04;29

Speaker 1

Okay.

00;03;05;00 - 00;03;26;29

Speaker 2

And they have continued to kind of save. And now they're looking for advice to create a financial plan so they can move forward. I think at the opposite end of the spectrum, we have lots of older clients who are single, whether they were widowed or divorced, and they have a whole different set of challenges and planning ideas and topics that we need to consider.

00;03;27;01 - 00;03;57;03

Speaker 1

Yes. I mean, single hits not evenly distributed across the population. So young men tend to be disproportionately single. Older women tend to be disproportionately single. We find that, the LGBTQ community, more likely to be single African-Americans, also the disabled and, as well as lower income people. And so it's not the case that you can just know what someone situation is.

00;03;57;06 - 00;04;20;19

Speaker 1

Because they're single. I actually one of the things that I've done as part of my research is I've created psychographic categories to understand what single people's goals are, and I want to get your reaction to those. Sure. So the first category I call data singles, and they are the types of singles that we think about traditionally that's sort of 1960s, someday I'll find my person.

00;04;20;22 - 00;04;35;10

Speaker 1

It's not a matter of if, it's just a matter of when. And so thinking perhaps about their financial lives is knowing that I'm going to someday find someone, get married, get the house white picket fence, probably have kids.

00;04;35;15 - 00;04;36;01

Speaker 2

Hate.

00;04;36;04 - 00;04;55;20

Speaker 1

The just me singles, have that as a goal or as a possibility, but they're not certain it's going to happen and they're certainly not waiting hopelessly for their person. They're going out and living their lives. I just need to find my person. I've already alluded to one of the groups earlier, and that is the no way.

00;04;55;25 - 00;04;56;06

Speaker 2

If it's.

00;04;56;06 - 00;05;19;21

Speaker 1

Singles, right? I'm sure you see, these people really do. They, They don't have plans to find someone. Maybe they've been widowed, maybe they've been divorced. Maybe they're a lifelong single and they like their life. They like living alone. They often have very rich social lives, yet they're not lonely. They have. They're involved in their community.

00;05;19;21 - 00;05;39;24

Speaker 1

They have friends, but they're not looking for their person. And then the last group, sort of the smallest group, but kind of the spiciest. I call them new way singles. Sure. And these are folks who welcome relationships in their lives, but it's not going to be traditional. Sure. So they may have some sort of partner. It may be a platonic partner.

00;05;40;01 - 00;05;55;10

Speaker 1

It may be living apart together. It may be even something spicier than that other world which has its own set of implications, because the world is built for a particular type of connection, charge and so on.

00;05;55;12 - 00;06;14;00

Speaker 2

I think my the two most interesting groups for me as my advisor are the no way singles. Yes, because the no way singles actually know what they want and they've actually started to to formulate a plan for what they want their lives to look like, and they just need a little more guidance from the financial aspect or the insurance aspect.

00;06;14;06 - 00;06;42;29

Speaker 2

What can we do to help those new way singles so that they can live their most confident financial life? I think the other group that is really interesting is this the someday singles, okay. I worry that they're stuck in the someday and they're not ever going to make a plan. So if I get a chance to run across a someday single, I would do my best as an advisor to start encouraging them to think about putting together a financial plan and all of those components as well.

00;06;43;02 - 00;06;46;08

Speaker 2

I think that's a little bit of a harder sell to.

00;06;46;08 - 00;06;47;14

Speaker 1

Me, I see, because.

00;06;47;14 - 00;06;52;08

Speaker 2

They are convinced that one day they'll do the planning with their spouse or their partner.

00;06;52;08 - 00;06;52;26

Speaker 1

Right.

00;06;52;26 - 00;06;55;13

Speaker 2

And but I think the time to start planning is today.

00;06;55;20 - 00;07;10;07

Speaker 1

Yeah, that's really interesting. That makes good sense in part because as we know, if you're going to partner up and settle down, you need to get someone to agree with you. And that may take some time. Might be difficult to do. A lot of life can happen in the meantime.

00;07;10;11 - 00;07;26;17

Speaker 2

Peter. So the other group, the Some day singles who are stuck in a holding pattern, maybe waiting to see what the future brings. And I think the sooner they can start planning, it's, you know, the best time to put that plan in place was yesterday, right? But it's often difficult to get them to realize they need to make a plan.

00;07;26;22 - 00;07;37;20

Speaker 2

So as an advisor, anything you can do to get them to take baby steps, to creating a financial plan for their own financial confidence down the road would be the best bet.

00;07;37;23 - 00;08;06;15

Speaker 1

Yeah, I could see that right? Takes two to tango so as I speak. And so you might be waiting to partner up and settle down for a long time. So there's a lot of financial activity happening during that space. So I think the takeaway here is we have this huge group of people, some who will transition into married life, some who transition to married life and then back into our married life, and some who will stay single forever.

00;08;06;17 - 00;08;17;18

Speaker 1

And you can look at two people. They look exactly the same, but they have very different goals. Correct. And so the only way to figure out what are people's goals for them? Correct? Yes. You start.

00;08;17;18 - 00;08;18;17

Speaker 2

The conversation.

00;08;18;19 - 00;08;44;09

Speaker 1

Yeah. I think one of the things that when you first look at this topic, things seem rather bleak for singles. There's over a thousand laws that benefit married people. There's tax breaks that you can get, you can share Social Security benefits, etc.. As well as this idea of, having a second income, being able to share expenses, you know, sharing a car, sharing hotels, etc..

00;08;44;12 - 00;09;05;27

Speaker 1

But one of the advantages the singles have is they're often mobile. Yes. Right. So you lose your job and you can move to another city. Right, right. And so that actually allows a little bit of flexibility that you might not have. If you have a spouse who has a job that it's not transportable. So another question that's this is the immediate questions.

00;09;05;27 - 00;09;26;29

Speaker 1

And then there's these long term right goals that people have. So what are your long term financial goals. Do you have a desire to, pass on money short to others? Or do you want to die with zero work? Your last day is your last dollars.

00;09;27;01 - 00;10;07;17

Speaker 2

I think starting with the baby steps on that emergency fund should be your first stage. Then building up those longer term savings or investment accounts, such as retirement accounts should be the next factor to consider. And I think singles need to realize that it doesn't happen overnight, that you need to build on that. This could take a year or two to get rolling on your savings, and be able to build that emergency fund, I think building up the retirement funds or maybe it's, it's a fund for a vacation home, or it's a fund for a new car and working together with a team of advisors to to specifically set aside funds in the

00;10;07;17 - 00;10;10;23

Speaker 2

right investments for those goals is very important.

00;10;11;00 - 00;10;37;21

Speaker 1

As you go on in life and you start to see a retirement horizon correct happening, there's a lot of conversations about, do I have enough money? Will it last me? When can I retire? What will retirement look like? And I think some of this is kind of mediated by are you kind of investing in a way that is in line with your sort of personal beliefs, your values?

00;10;37;23 - 00;10;43;28

Speaker 1

Sure. As well as balancing them with the goal of hopefully financial freedom at some point.

00;10;43;28 - 00;10;50;20

Speaker 2

I think most, most individuals, when you sit down to work on a financial plan, the goal is financial independence.

00;10;50;21 - 00;10;51;01

Speaker 1

Okay, the.

00;10;51;04 - 00;11;12;22

Speaker 2

Term I like to use, but that could be different for everybody. It can mean different things and it's often hard to look ahead ten, 20, 30 years and forecast what you're going to want. So looking at what your life is like today and being able to plan for being able to cover those living expenses you have today, in the future is the first step.

00;11;12;24 - 00;11;13;10

Speaker 1

In.

00;11;13;13 - 00;11;35;14

Speaker 2

Making sure that you're investing for those goals are aligned with your personal beliefs, but also making sure they generate the right rate of return so you can reach those goals. That are two things that are easily combined, okay. And we can easily we're working with a professional or sitting down and spending some time doing your research on the investments makes it very easy to do so.

00;11;35;16 - 00;11;51;04

Speaker 1

One of the levers seems to be, where you put the money. Sure. Another lever. When you put the money, another lever. How much money you put in there? Again, in vehicles that reflect your values, reflect your risk tolerance.

00;11;51;04 - 00;11;52;05

Speaker 2

Yeah.

00;11;52;08 - 00;12;27;25

Speaker 1

One of the things I can note is that, it may seem at first that the singles should have a lower risk tolerance. Right? Because they don't have that hedge, right? They have less money going into these accounts. They can share these expenses. But there's a flip side to that, right? Which is can you take on more risk because of this flexibility that comes from especially if you're one of these no way singles, you know, that you're going to not have a partner if not have a spouse, at least in that traditional short way that you can think about retirement differently.

00;12;27;27 - 00;12;33;12

Speaker 1

One of the questions I have is what is your plan for retirement? How flexible is it?

00;12;33;14 - 00;12;57;23

Speaker 2

I think we've seen a lot of the singles that I'm working with now, you know, so married couples generating a lot of flexibility around retirement. Okay. I think if we look back to previous generations, they worked hard for the same company for 30, 40 years and retired and never looked back. You and we see a lot more of our clients today moving around in their careers.



00;12;57;25 - 00;13;22;19

Speaker 2

So building up different types of retirement accounts, but then also having a hard time transitioning to not working. So we recommend maybe looking at a pre-retirement strategy. Is there some sort of part time job or some sort of career, or maybe a low paying job you can get that fills your passions? Is there something else you'd like to do before you step fully into retirement?

00;13;22;22 - 00;13;51;14

Speaker 2

And that allows you to continue to earn and maybe draw less on the portfolio that you've built up and be able to slowly step into retirement. Yes, those retirement accounts that you started building when you were younger, you mentioned, typically have different levels of rates. And I think working with an advisor to make sure your investments in those retirement vehicles are different from the investments you might need in shorter term or intermediate term goals as well.

00;13;51;17 - 00;14;17;06

Speaker 1

Yes. Yeah, I like this sort of lever. We're thinking about. One is it doesn't have to be from 100 to 0. Right. You don't have to the classic here's your gold watch you know. And now here's a rocking chair. But but also, you know, so so it's the markets, you know, a little bit bearish. You can put off retirement a little bit or you can transition to a semi retirement.

00;14;17;06 - 00;14;17;23

Speaker 2

Exactly.

00;14;18;00 - 00;14;42;05

Speaker 1

The other thing that I like is that, you can perhaps relocate right to a lower income city or even country. There's a lot of things that you can do assuming your health holds up right. You know, you can find new communities. I think people overlook that, that, possibility that the, the freedom that can go with, single living can be an asset.

00;14;42;07 - 00;14;54;09

Speaker 2

There's two things that we have under our control as we're entering into retirement or even really when we're working, but it's how much we make and how much we spend the rest of it we don't have under our control.

00;14;54;09 - 00;14;54;16

Speaker 1

Right.

00;14;54;20 - 00;15;14;13

Speaker 2

As you've mentioned, this world is set up for more for couples when it comes to taxes and employer benefits. But as a single person, you have all the control over your income and how you spend it. So not only could you relocate or change your lifestyle, you can also decrease your expenses. You know, obviously that's not an ideal goal, right?

00;15;14;17 - 00;15;34;23

Speaker 2

But that is an option. I think the years the phrase we use for the years you're talking about there, the go go years. So you are done working, okay. You want to get out there and you want to live and you want to experience life. And and maybe that's volunteering in your community, going back to teach because you want to help, demographic or children because that's your passion.

00;15;34;26 - 00;15;54;01

Speaker 2

Or maybe it's travel. Those years are expensive. So having that part time job and not relying solely on your investments can be a good situation. Doesn't have to work for everybody, but the go go years tend to be more expensive than maybe the next phase of your life. Yes, which tends to be the slow go years.

00;15;54;02 - 00;15;56;12

Speaker 1

I said I'm going, go, go.

00;15;56;16 - 00;16;00;21

Speaker 2

So I'm going, I'm right there with you. I'm going to start them today.

00;16;00;23 - 00;16;22;11

Speaker 1

So I, one of the things that is true about singles, too, to your point, is that they are more involved in their community, agree, they donate more of their time. They donate more of their money. And so a lot of their retirement is just going to continue what they're already doing, in that way, you had mentioned, you know, these advantages that, that married people.

00;16;22;12 - 00;16;48;03

Speaker 1

I one of the biggest advantages they have is they're able to share housing costs. Correct. And housing costs are the biggest expense that people experience in singles pay more in housing than their married couples. And in a world built for two one person living souls and living is still a luxury. You're living in a world where there are not enough apartment buildings and condos being built.

00;16;48;03 - 00;17;05;09

Speaker 1

There's still a focus on, big homes, homes with lots of bedrooms, etc. that drives prices up higher. So, next question, what kind of housing supports your lifestyle both now and in the future? Sure.

00;17;05;11 - 00;17;23;28

Speaker 2

I think that that's a big question. And it also comes down to, you know, personal preferences. And, I have a I had a client years ago that all they wanted to do was own their own home because that was their goal, that was their comfort zone. There's a lot of clients today that don't feel the need to own their own home, and they would rather rent.

00;17;24;01 - 00;17;41;03

Speaker 2

So as you mentioned, they could be more mobile or be able to pick up and move. So much of work today is remote as well, so they have the ability to do that. But I think when you're looking at whether you're buying a home or renting a home, know that that's going to change over your lifestyle as well.

00;17;41;03 - 00;17;55;22

Speaker 2

I think one of the trends we've seen is that you're not staying in the same house for 30 to 50 years, maybe like your parents or grandparents did. Right. And so there's a lot of opportunity to make changes and be flexible in your needs and wants down the road as well.

00;17;55;24 - 00;18;13;14

Speaker 1

Yeah, it's really interesting to go back to our, four types of singles, right? So you can think about like the Just Me single, right? Who's like, I'm not going to wait. I'm going to buy the condo. I want now. Correct. Right. I'm not waiting for Mr. or Mrs. Right kind of thing or that sort of new way.

00;18;13;14 - 00;18;35;28

Speaker 1

Singles are often kind of post materialistic, so they're not subscribing to the American dream in the way that that we think that. So you find lots of people who are part of a fireman, right. Financial independence, retire early. Right. So they're like trying to make a living, a minimal kind of lifestyle there. I personally, I love apartment living.

00;18;36;00 - 00;18;52;12

Speaker 1

I love my box in the sky. I like the fact there's someone do accept packages for me. I like that there's not a lawn to mow or gutters that need to be cleaned out. I don't want my go go years spent on a ladder right?

00;18;52;15 - 00;18;55;14

Speaker 2

Like cleaning windows and gutters. Exactly.

00;18;55;14 - 00;19;09;14

Speaker 1

You know what I mean. Or spending the money to pay someone to do that work. And so having communal space, sharing amenities is, is really, really appealing and a nice way to try to, to reduce some of my housing costs.

00;19;09;16 - 00;19;28;08

Speaker 2

I think that I agree with you. I think that those singles that are maybe in the no way right or new way singles are definitely looking at that, but I think we need to jump to the other end of the spectrum as well, and consider what happens if you're single because you're widowed. Yes, a lot of those single clients also want that.

00;19;28;10 - 00;19;55;19

Speaker 2

Yes, they're done mowing the lawn, right? They're done making dinner, meaning they want to be in a retirement community that actually has a restaurant, and they can go down every night as a single person and join a table of other singles and be able to have a dinner with their friends. So I think not only does it that

though, that condo or apartment living fit well for some of the singles in their early years, we see a lot more people transitioning to it in their later years.

00;19;55;22 - 00;20;13;27

Speaker 1

Yeah, I mean, we have to mention The Golden Girls. We are not too. I have members of my solar community actively planning a Golden Girls scenario now, it's not by a big house in Miami Beach, but it's more like we're all going to buy condos in the same complex, and we're going to take care of each other as we get older.

00;20;13;29 - 00;20;19;26

Speaker 1

That has to have implications for conversations that you're having with that. Your clients.

00;20;20;01 - 00;20;24;27

Speaker 2

Agree, because I think what you've just explained or what you're planning to do, you.

00;20;24;27 - 00;20;26;19

Speaker 1

Know, the old guys, the.

00;20;26;19 - 00;20;48;02

Speaker 2

Golden guys, sure. But you just put together your team. And I think it's really important for singles to have a team, and it's a team of support around them, whether it's an advisor, a friend, an accountant. Yeah, lawyer, an investment manager. All of those people are part of the team that you're going to use as a single person to rely on.

00;20;48;04 - 00;20;50;26

Speaker 2

As you move through the different phases of your life.

00;20;50;27 - 00;20;51;12

Speaker 1

Yes.

00;20;51;12 - 00;21;13;04

Speaker 2

You're very fortunate. Not everybody has a team of advisors or even friends and family to rely on. And so we've actually started seeing a lot of single people turning to professional services to have somebody look in on them or somebody help them with their grocery shopping or take them to doctor's appointments. So there's a whole new crop of services out there.

00;21;13;10 - 00;21;16;21

Speaker 2

If you don't have your golden guys or golden girls, right?

00;21;16;23 - 00;21;19;22

Speaker 1

I want Golden Girls in super fun, you know.

00;21;19;27 - 00;21;23;11

Speaker 2

That you can use to support yourself later in life as well.

00;21;23;13 - 00;21;47;11

Speaker 1

Yeah, that's really well said. I think we have to, talk about health care and country decision making. Right. So in a world built for two, this is easy. I become incapacitated. I have a spouse to people look to correct and has the legal authority to make decisions, can write checks, can do all these kinds of things for your single clients, especially ones who are getting older.

00;21;47;11 - 00;21;51;24

Speaker 1

You know, have you legally documented your health care and financial decision makers?

00;21;52;01 - 00;22;12;07

Speaker 2

It's very important to do. And in more so, even more so today with a lot of the cognitive issues that we've seen develop as people age. Just start with you've already mentioned a couple of them. We need somebody to help us make health care decisions, okay. And we're going to need somebody to help us with our financial decisions should we not be able to do it.

00;22;12;09 - 00;22;25;14

Speaker 2

And those are two legal documents that you can draft to give somebody that is not a family member, that you're not married to, the power to be your agent in both of those worlds. Yes, very important as well.

00;22;25;16 - 00;22;49;00

Speaker 1

Yeah. So I've really talked a lot with, members of my community about having a team. But what you're highlighting is, there are specific roles within the team that are kind of the default. Like, you need a doctor, right? You often need a lawyer. But but you're saying you're prompting people early and often to decide whom do you trust?

00;22;49;03 - 00;22;55;05

Speaker 1

Like who do you ask to do these? So, these tasks where these are incredibly important and so.

00;22;55;08 - 00;23;21;29

Speaker 2

And, and I just read something that, you know, recently that was talking about building this team. And it's important to designate your team captain. And often that team captain is going to be the executor of your will, right? In your nuclear family. It's your spouse or partner that you can give that ability to when you're married. But when you're a single person, that team captain needs to have all the right legal documents in place so that they can be, they assist you.

00;23;22;02 - 00;23;41;04

Speaker 1

You know, I actually just discovered something on my iPhone. I actually, if I, I, I now have given a good friend access to my phone number. His first question was, what do I need to delete right. But you can see how you need that for authentication, passwords and so on. In this.

00;23;41;04 - 00;24;01;18

Speaker 2

Well, there's actually a whole document that you can draft that gives somebody power of attorney over your digital assets. Right. So that's what you're referring to right. So it's not just your phone. It's all of your social media accounts. It's your email accounts. It's pictures you have stored on the web. Right. Or up in the cloud there is a whole separate document.

00;24;01;21 - 00;24;10;22

Speaker 2

Most people don't have this. This is a relatively new document, but you can give you have somebody be your agent to manage your digital assets when you're gone as well. And that's very.

00;24;10;22 - 00;24;19;11

Speaker 1

Important. And with 33% of Gen Zers who are not going to marry, right, those folks have a treasure trove of digital documents that.

00;24;19;17 - 00;24;20;00

Speaker 2

My guest.

00;24;20;00 - 00;24;20;23

Speaker 1

Is so stupid.

00;24;20;24 - 00;24;27;20

Speaker 2

My guess is there's going to be a lot of data in the cloud, unclaimed in the decades to come, because people don't have these documents in place.

00;24;27;20 - 00;24;59;04

Speaker 1

Yes. So, final question. You know, you have a client, single client who's taking care of business, has been listening to you, has been funding their 401 K's, have IRAs, have, you know, are going to be able to retire or semi retire. They may they have a kind of a question I think to answer. And it goes back to our last data lifestyle thing, which is, do you have clear plans for your legacy business even if you don't have traditional heirs?

00;24;59;09 - 00;25;16;26



Speaker 1

Correct. If so, you know, in a world built for two, especially many people who do couple up, do you have children? We have legal systems to pass things on and also cultural norms. So who gets your access if you're fortunate enough to have some left over to?

00;25;16;29 - 00;25;27;16

Speaker 2

I think in the world of, solos, if you've done the right job and built the network so that you can kind of live your financially independent life, this.

00;25;27;17 - 00;25;28;11

Speaker 1

Is.

00;25;28;14 - 00;25;54;21

Speaker 2

The last all or last day scenario is ideal. Personally, if you were my client, I prefer you leave a little reserve just in case there's something like that. But there's lots of ways that you can designate beneficiaries for all sorts of accounts. You can even have a beneficiary designation on your house now in some states. Okay. And so it doesn't have to go through probate or process like that.

00;25;54;21 - 00;26;17;00

Speaker 2

You can literally name somebody who house to be transferred to when you're gone. Right. You can do this on bank accounts, investment accounts. Your traditional retirement accounts will have beneficiaries as well. Now, if you're a true solo, a, you don't have family and friends, but you want to maybe leave your net worth or what's left of it to a charity or have charitable intentions.

00;26;17;07 - 00;26;41;21

Speaker 2

There's a lot of different ways to do that as well. You can name the beneficiary directly as the charity, or you might investigate a donor advised. Yes, donor advised funds or amazing vehicles and you can name them as your beneficiary. So the donor advised fund can collect all the assets at the end of your life and then designate charities to be the remainder beneficiary as well.

00;26;41;23 - 00;27;01;15

Speaker 1

Yeah. I think of this a little bit like the way I think about prenuptial, which. Right. So if you don't have a prenuptial agreement, you actually do. And that's what the government of correct is going to do. Should you get divorce if you don't have the last will and testament, if you haven't done the work to decide what it what is my legacy?

00;27;01;15 - 00;27;26;23

Speaker 1

Where will the money go? Then it'll get sorted out by way of the government, correct? Anyways. And so you can think about for example, a lot of soldiers or property owners. Right. And so, you know who gets my pet? How much of my net worth goes to support that pet or goes to plant trees? And in the case of me goes to my sister, she goes to my community and so on.

00;27;26;23 - 00;27;37;13

Speaker 1

And these are big questions that I don't think people spontaneously think about, in part because it forces you to consider your finitude.

00;27;37;16 - 00;28;01;19

Speaker 2

Of course. And I think thinking about those long term end of life goals or end of life wishes are difficult. We start with having a conversation of who gets what, when, right, and if you can put that in your mind today to think about, okay, if there's something left at the end of the day, who gets it and what, that's an easy way to start thinking about what's going to happen when I'm gone.

00;28;01;24 - 00;28;24;03

Speaker 2

Yes. The other thing we encourage our clients to do. These tasks seem like a mountain to climb. Start by writing a letter. Write a letter to yourself. Write a letter to a family member or your team captain about what you want to see happen and using that letter. Then we can become the basis or the outline for all of these legal documents that we're talking about.

00;28;24;06 - 00;28;32;00

Speaker 2

I think going back to the beneficiaries that I mentioned, yes, a really nice thing about beneficiaries you can change at any time, as long as you're better still.

00;28;32;00 - 00;28;32;14

Speaker 1

Am I good?

00;28;32;15 - 00;28;46;28

Speaker 2

So exactly right. It doesn't take a lawyer. It's a form that you fill out inside. Okay. So as long as you have capacity, you can make the changes to any beneficiary designation on an account during your life. And there's no cost to do.

00;28;47;00 - 00;29;04;29

Speaker 1

Yeah. So wrapping this up, one of the interesting thing about these questions are there many of them are the same questions you would ask a married client. The difference is that the answers and the implications end up being different depending on, that single person's goal.

00;29;04;29 - 00;29;05;10

Speaker 2

Sure.

00;29;05;13 - 00;29;24;14

Speaker 1

Here, for the financial advisors who are watching this right now, is there one sort of takeaway that you would have for them and sort of where did they start in terms of considering their single clients, in terms of getting more single clients and serving them better? Sure.

00;29;24;17 - 00;29;32;19

Speaker 2

I think single clients are looking for if they've reached out to you as an advisor, if they're looking for somebody to trust.

00;29;32;21 - 00;29;32;29

Speaker 1

Okay.

00;29;33;00 - 00;30;04;15

Speaker 2

They're looking for somebody to communicate with. We have I think those singles can be on a a spectrum. As we talked about some of them. They just need somebody to validate what they're doing is correct. Some of them want you to do it all for them. But I think starting the conversation and communicating with them and listening to them and understanding why they want plant trees in their memory when they're gone or why, if there aren't, you know, is their favorite person in their life or why they don't want their family to get anything.

00;30;04;18 - 00;30;19;25

Speaker 2

Yeah, those are all important questions to ask. It doesn't happen usually in the first meeting. So I would recommend to the advisors to take the time to get to know your client and slowly start to work in the advice that best fits their needs.

00;30;19;25 - 00;30;22;20

Speaker 1

Yes. Questions first, answer second.

00;30;22;23 - 00;30;24;09

Speaker 2

Correct? Correct.

00;30;24;11 - 00;30;28;17

Speaker 1

Well, Pearson, thank you so much for your time. This has been a really useful and wonderful conversation.

00;30;28;17 - 00;30;31;02

Speaker 2

Wonderful. Well, thank you Peter. I've enjoyed it.

00;30;31;05 - 00;30;45;04

Speaker 1

Thank you for joining us. If you found this conversation useful, you can go to the Shelton Capital Management website and download a document with these ten questions. And in your own conversation with your solo clients, you.