

THE FAMILY MEETING

A family meeting? Why would we need such a thing? Well, I am here to tell you that one day there will be a meeting with members of your family and the question is who you want in control of it. Will you or someone else be making the decisions?

Full disclosure, I did not come up with this idea. I read a blog with a similar theme written by a good friend of mine and was inspired. When I approached my wife with the idea of a "family meeting" she was reluctant at first, but as we talked through some of the topics I had in mind, she agreed that it was probably a good idea. When we tossed the subject out to our children and their spouses, they were intrigued and on board.

Let me explain what the nature of this kind of "meeting" is and why I believe it is so important. A substantial amount of my commercial real estate business, mostly farmland, comes from families that have experienced the loss of a parent and don't know what to do with what was left behind. They never had a "family meeting" to get the family assets in order, decide what will happen after mom or dad passes away, and who gets what. It sounds insensitive, but I would say it's absolutely necessary. You would be amazed how many people want to even up old family scores or suddenly get greedy at the closing table. It's an ugly, but avoidable, situation.

We set a date for our own family meeting, wrote an agenda and brief description of assets that my wife and I hold. No figures or liabilities were listed, only a percentage of different asset classes. It's important to decide with your husband/wife what you are comfortable sharing beforehand. We determined that this meeting would not take over an hour and that it would not be the last. We thought of it more as a kick-off meeting. Here is what our meeting agenda looked like:

1. Opening Prayer... it seemed very appropriate to invite the good Lord into our meeting for guidance.
2. Scripture reading 1st Timothy 6:10 this is the verse that talks about the love of money being the root of all evil, emphasizing that it is the love of money, not money itself, that is the root of all evil.
3. Why meet? I (a commercial real estate broker) and our daughter (an attorney) have many stories of families that go astray because no one ever talked about the next generation's inheritance of assets.
4. What do your mom and dad have? This is where the asset listing page was helpful.
5. What will that look like in 10 years? Obviously with growth of assets hopefully in 10 years the picture would look a bit different than it does now, but one never knows.
6. What do mom and dad hope will happen to our assets when we are gone? We teasing tell our kids that there may be nothing left because we're going to spend it all on horses and airplanes.
7. Our wish was, and is, that all assets are divided equally in four ways among our four children but that there are mechanisms in place for one or more to buy each other out or maybe just be sold and turned into cash within a reasonable period of time.
8. Who gets the airplane and the horses?
9. Questions from the gallery: no questions are off limits, but we may choose not to answer a question if it is too personal or intrusive...This is where we were surprised by the well thought out questions from our kids and their spouses that we had not thought of!

The meeting lasted a little more than an hour and when we were done, we all felt really good about what we had talked about.

I would strongly encourage you, no matter the size of your estate or number of assets, have a family meeting. Talk through things opening and honestly while you can!