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Losing a spouse, no matter the exact timing or reason, disrupts the lives of those who continue on. In addition to the swirl of emotions and changes in all manner of daily life come financial changes. Piton Wealth Advisors have experienced the blessing and heartbreak of having walked beside many clients before and after they have lost spouses. From these experiences, the Fresh Advice team offers this perspective on what financial planning practices can help provide some stability and protection through the difficult times that follow losing a partner. There is also a companion check sheet that can be a simplified tool for this process. The goal is that, in the middle of grief, to have clarity and calm about finances, as a result of having a plan in place — one that balances financial security with emotional healing.

Over time, the Piton team has found that the planning related to the loss of a spouse can helpfully be structured in three phases:

1. The **“For When”** Phase – preparing in advance, before loss occurs.
2. The **“What Now”** Phase – managing immediate financial needs after a spouse’s passing.
3. The **“What Next”** Phase – building a new financial roadmap for the years ahead.

Each stage requires a different kind of focus — and the right balance of planning, organization, and compassionate guidance.

THE “FOR WHEN” PHASE: PLANNING FOR THE FUTURE

The most effective time to plan for a spouse’s passing is before it happens. Planning at this stage can involve some uncomfortable conversations, but thoughtful pre-planning can ensure that when the time comes, the surviving spouse is financially secure and emotionally supported.

KEY PRIORITIES:

1. Create a full financial inventory.

Have a list of all assets, income sources, insurance policies, debts, and estate documents — and update the list annually.

2. Plan for replacement income for surviving spouse.

When planning income for a surviving spouse, the Piton team aims to ensure they have at least 80% of the household income that was available before their spouse’s passing. This level of income—assuming major debts are paid off—helps provide financial stability and a sense of reassurance.

3. Address potential shortfalls.

If income replacement goals aren’t possible in the plan, ensure there’s enough life insurance or liquid assets available to bridge the gap and preserve financial independence.

4. Build trusted relationships early.

Establish connections with adult children, attorneys, accountants, and financial professionals. These relationships can be invaluable when it comes time to make difficult decisions.

FINANCIAL PLANNING FOR THE LOSS OF A SPOUSE: THE WHEN AND HOW



FRESH ADVICE FROM THE PITON WEALTH TEAM

THE “WHAT NOW” PHASE: THE FIRST YEAR AFTER LOSS

The first year after losing a spouse is often a blur for those in grief, ranging from deeply emotional to completely overwhelming. The focus during this phase is stabilization – getting organized, addressing immediate financial tasks, and creating space to grieve without financial pressure.

KEY PRIORITIES:

1. Contact your advisory team.

Reach out to your attorney, CPA, and financial planner to start essential legal and tax steps.

2. Review and update estate documents.

Determine whether a trust needs funding or if probate applies.

3. Reassess income and expenses.

Recalculate income sources such as Social Security survivor benefits or pensions, and update your budget accordingly.

4. Address cost basis and valuations.

Record cost basis step-ups for taxable accounts and consider real estate appraisals.

5. Make strategic tax decisions.

Take advantage of the final “married filing jointly” tax year to consider IRA withdrawals or Roth conversions that could reduce future taxes.

6. Review healthcare and Medicare implications.

Ensure your coverage and premiums align with new income levels.

7. Stay organized.

Your advisory team should help coordinate paperwork, beneficiary updates, and institutional notifications so you don't have to face it all alone.



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THE “WHAT NEXT” PHASE: REDEFINING THE PATH FORWARD

After the first year, many widows begin to feel ready – not to move on, but to move forward. This phase is about rediscovering purpose, revisiting goals, and designing a financial plan that supports a fulfilling next chapter.

KEY PRIORITIES:

1. Renew the planning process.

Piton Wealth advisors can work with the surviving spouse to update goals, values, and visions for the future through the Navigated Journey Process, using tools like the Values Discovery and Wheel of Wellness to bring clarity to what matters most.

2. Discuss remarriage implications.

Sensitive but important conversations about the financial and estate impacts of remarriage help protect a family's legacy and intentions.

3. Update financial projections.

This time can be especially important for planning based on new income needs, lifestyle choices, and long-term goals.

4. Reassess investments.

In line with fresh goals and projections, a Piton Wealth Advisor can help adjust an investment strategy to reflect an updated risk tolerance and income requirements.

5. Explore gifting or legacy strategies.

If finances in this phase show a surplus, consider family gifting or charitable giving through tax-efficient strategies.

Final Thoughts

Every widows or widower's journey is unique. These three phases are not rigid timelines, but rather a compassionate framework for helping ensure that financial decisions are made in the right order, at the right time.

By combining preparation, structure, and understanding, the Piton Wealth team can help ensure that financial stability supports emotional healing – so that each client can move forward with confidence, peace, and purpose.

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