

A Step-by-Step Guide to Life Planning



Benjamin Franklin famously claimed that death and taxes are life's only certainties. Unfortunately, most people are more conscientious about preparing their tax returns than preparing for their death. But take a moment and consider the impact of NOT planning. How would this impact your loved ones? It's a powerful motivator for completing your "life plan"—a project that's more complicated than ever in today's digital age. Follow this step-by-step approach to capture all the most important details.

Planning 101: The Basic Documents

- **Instructional:** wills and trust
- **Care planning:** advance directive, living will, health care proxy, do not resuscitate
- **Financial:** bank accounts, credit cards, investments, safety deposit box information
- **Insurance:** life, health, homeowners/renters, long-term care, disability
- **Benefits information:** pensions, retirement, Social Security, Veterans Administration
- **Legal documents:** real estate deeds/titles, marriage/birth certificates, divorce decrees
- **Arrangements:** power of attorney, eldercare, funeral, dependents, pets

Planning 201: Next Steps

- **Emergency contacts:** with current email addresses and mobile numbers
- **Medicines:** including notes on how they are taken, who prescribed them, which pharmacy filled them
- **Doctors:** names, locations and specialties
- **Financial/legal service providers:** list all lawyers, bankers, trust officers, financial advisors

Planning 301: Other Personal Information

- **Identification:** copies of your driver's license, medical/insurance cards, original social security card, passport, military ID, discharge papers

- **Employment timeline/resume:** this is important, even for retirees, since it might be used to track down dates of employment and accounts that may not be recorded for benefits. For the same reason, you may want to list places you have lived and dates of residency.
- **Vehicles:** gather information on your cars/trucks/boats/recreational vehicles, including VIN numbers, titles, any financing information, maintenance records, tag/tax information, and related insurance details.
- **Family/friends:** basic information on your parents, children, next of kin, and closest friends. Include full legal name, physical address, cell/home/work numbers, place of employment, and another person who can reach them (a roommate, spouse, friend, co-worker).
- **Pet arrangements:** your veterinarian, any medical issues, pet insurance, care instructions, and guidance on your pet's likes/dislikes.
- **Personal budget:** monthly bills, how they are paid, where income originates and is stored, and related access details.

Planning 401: Conquering the Digital Divide

Organizing your important documents and information has never been simple, but in the digital age, it can be even more complex. Gone are the days of the single file-folder with all the essential details. Now, vital information can become scattered, overlooked or lost.

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Passwords are paramount. Today, we have passwords for just about everything. If you are mostly non-digital, you may only have a few passwords that can be stored manually on paper. But if you have several online accounts, memberships, banking portals, etc., you probably need a program to stay organized.

There are several excellent military-grade encryption programs that can store passwords safely, while making it easy to access them for your own use. Choose one that can be backed up on a thumb drive and store this with your life planning materials, along with the master password to unlock it. Some, like SecureSafe.com even have a “data inheritance” feature that automatically gives your designee access when a triggering event occurs.

Passwords: Don't Use Just One

If you're using a single username/password combination across multiple websites to keep things simple, you are taking a horrible risk. A single breach on any website you use, or have used in the past, could give a hacker access to information that a “bot” program then uses, testing your username/password combination on thousands of other websites and recording all successful logins. These criminals can then access your information any time they like.

Someone trying to handle your affairs will find it incredibly frustrating (and possibly impossible) to access your accounts if you haven't planned accordingly. Consider all the username/password combinations you use in any given week:

Email accounts – Your proxy may need to find statements, proof of online payments, and contact information not available elsewhere.

Social media accounts – It can be quite difficult or impossible to shut these down without login details.

Banking, credit cards and other online finances – Without the logins, your proxy will have to go through an extended, excruciating process of

proving they have access rights. This includes online tax returns, investments, traditional bank accounts, and retirement accounts. Don't overlook online-only payment accounts like PayPal, Google Wallet, Apple Pay, Amazon Payments, and online-only banks like Ally and Simple.

Bills – This may include credit card statements/balances, your cell phone account to change or shut down service, your Internet service provider, utilities, mortgage company, student loan accounts, and subscription services.

Entertainment – Access to digital entertainment may include ebook and audio book accounts, music and movie sites (Google Play Store, iTunes, etc.). These accounts often hold valuable assets and may have pending credits or gift card balances.

Personal storage – Don't forget about documents (stored in Dropbox, Google Drive, iCloud, etc.), photos (Snapfish, Flickr, Photobucket, Shutterfly), and backup drives (Carbonite, Backblaze).

Rewards programs – From credit card cash-back programs to airline miles/points to loyalty rewards, these valuable assets, often overlooked in estate planning, can be worth hundreds or even thousands of dollars.

Devices – Without your passwords, your designee may not be able to access your smartphone, laptop, desktop, tablet, router or even some smart televisions and other devices.

Budgeting and money-management – If you use programs and services like Mint, FreshBooks, and Quickbooks, make sure your family also has this access information.

Business-Building Tip

In addition to organizing your own affairs, encourage clients to do life planning and provide helpful resources. Once their plan is complete, set up a system to send them annual reminders to update their information. It's a nice personal touch and a wonderful opportunity to interact. Plus, it keeps you in mind now and in the future, when your services may be needed again. 