

OTHER *Stuff*



SECURING THE FUTURE FOR YOUR LOVED ONES

NAVIGATING OUR **LONG TERM** PLAN

TOOLKIT



OTHER Stuff

Now that you have determined an amount of money that you have left over after monthly expenses, it is prudent to establish a longer term plan for responding to unexpected expenses, coverage in case of income loss, and long term financial desires. Let's begin by understanding the fundamental steps to long term planning and establish some future goals.

LAYING THE FOUNDATION

If you have ever noticed a house being built or even a large building being erected, you may have considered that the structures stability was limited and dependent upon the foundation on which it stood. No matter the height, the ground had to be prepared and a solid base established in order for whatever was being created, to lay steady, have footing and serve to sustain.



Your financial capacity is no different.

There are certain principals that should be established when considering a long term plan for your finances. Whether you have considerable excess in disposal income, or your just barely making ends meet, even “robbing Peter to pay Paul”, creating a vision and establishing a sound foundation, can become a remarkable tool in getting and staying out of debt, and moving forward on firm ground.

BUILDING BLOCKS

There are four fundamental building blocks to establishing a sound financial future.

UP THE INCOME

SAVE FOR FUTURE

TACKLE DEBT

PROTECT WHAT IS IMPORTANT



Procrastinating?

NO MORE... As each day goes by, we often have a list of things we must do. We know they are important, and could affect the quality of our lives, but for whatever reason, they linger and remain undone.

Too often, making decisions regarding our passing remain on the TO DO list. Likely for a variety of reasons, but perhaps in the forefront, the reality of our morbidity, can often be sad and even frightening. We put the inevitable off, until it happens. This often brings peace of mind, or at least re-positions the mental load "for another time".



But in reality, it typically defers the burden from ourselves, to our loved ones, after we have passed from this life.

In prior decades, American society has managed to mold the concept of "Estate Planning" to meet the needs of more affluent citizens. The term itself had seemingly been used among those with significant assets, while middle and lower income households who didn't identify with certain income levels, wouldn't really consider it. The truth is estate planning is for EVERYONE, despite how much money they have (or don't have).

ESTATE PLANNING IS NOTHING MORE THAN DECISION MAKING IN DOCUMENTED FORM.

We all make decisions every single day. If we are parents, we make decisions on where we will live, where our children go to school, who they play with, who is authorized to pick them up and care for them.

If we are an employee, we determine where we desire to work, where we shop, what we are willing to pay for. We establish priorities on how we spend our money, delegating what we have to do, and try to some things we WANT to do.

If we are a business owner, we decide how to manage our products/services, employees, and how we want to treat our customers.



Although we establish some values, and make some initial decisions, our day to day efforts are streamlined into fulfilling the decisions that we have already made.

We do the work upfront, with intent and passion, and then everything else should follow inline. We may have to tweak as we go, but for the most part, decisions become second nature, once we make the initial determination to identify our priorities.



PROTECT WHAT IS IMPORTANT TO YOU

At the foundation of your plan you must take inventory of what is most important. Although we may tend to refer to the physical characteristics of what we have, we often need to look a bit deeper into what these "THINGS" may represent.

First and foremost is our life and the freedom of our decision making. If we look around our home, one should consider that our family, big or small, are worth protecting.

Ask yourself the question...

If I were to become limited in my capacity to earn a living, or due to medical incapacitation make decisions for myself, who would be designated to step in?

We have to be realistic that these are questions EVERYONE should ask themselves REGARDLESS of a medical diagnosis or the absence of one thereof.



Advance Directive

There are two (2) definitive documents that every individual should have prepared.

Your Advance Directives & Your Will

Granted no one enjoys talking about the potential for death. It isn't in our nature to want to speak of things that often bear sadness and grief.

But before you completely ignore this page, consider this.

At the point of severe medical incapacitation or loss of life, your loved ones are already stressed and/or grieving.

The added burden of making decisions, that could have already been established simply adds fuel to the fire.

**YOU HAVE THE ABILITY TO
PROTECT YOURSELF & YOUR
LOVED ONES**

The Who's, What's & Why's of ADVANCED DIRECTIVES

WHAT: Advanced Directives are authoritative declarations that have been recorded in writing and specify your wishes regarding medical treatment in the circumstances where you are incapacitated and unable to make decisions for yourself. The concept of "advanced" is one that signifies to your medical provider that YOU you have made these decisions PRIOR to becoming incapacitated.

The documentation implies that you were of sound mind when making these decisions, and as such should be carried out in the event that you are unable to declare your intent.

The more prepared in individual documents, other times, they can all be stated in the same documents, just broken into specific sections.

If there became a scenario where your life was in an emergent medical state, and you were unable to communicate your wishes regarding medical care to the physician or team attending to your case, it would be critical to have someone with YOUR best interests in mind, to be available to make such decisions.



We would all hope that our loved ones, would know our desires, and follow through with such, but there are occasions where they either don't know, or simply want to follow their own decisions, regardless of your intent.

This is where an Advance Directive can be beneficial. Whether the concern is related to Life Support and rendering a "DO NOT RESUSCITATE" order, donation of specific (or all) organs, acceptance/provision of blood products, or other specific procedures requested as necessary to sustain your life,

this documented declaration, is the tool that the Medical Team will use to fulfill your wishes.

Again, this isn't meant to be morbid, the exact opposite in fact. The time taken to create this document, may be the one that extends your life, or it saves your family members or loved ones from arguments and discord about medical decisions on your behalf.

You have the authority to determine what you desire. You have the ability to protect your life, and keep the decision making drudgery out of the purview of those who are likely already struggling with your emergent state at that time.



Your Will

Important Facts About

YOUR WILL

Your will is a legal document that declares the necessary detail of how you will distribute and who will inherit your property upon your death. It is most formally prepared by an Estate Attorney, however fees associated with will preparation should not be a significant barrier to having one prepared.

The reality that anyone with minor children, or owning any form of asset which they desire to be given to a person or organization after their death, needs a will. And preparation, if need be, can be done via a sound do-it-yourself kit with validation by notarization.

Key

Estate

Everything that you own after the payment of debts, when you pass away. These legal assets are what will be distributed to your beneficiaries. You have the eligibility to designate what percentage goes to whom.

Will

A written declaration of your wishes, stating who is to receive your property, who will be responsible for the distribution or management your estate, who will serve as guardian of your children if applicable upon your death.

Trustee

A person designated to manage/oversee the financial affairs of an individual who is legally incapable of doing so. This may be needed in the instance of your mental or of physiological incapacitation. Age may also be a consideration.

Durable Power of Attorney

A documented declaration designating who has the ability to make health care on your behalf, in the instances where you are not able to do so. This may also include the ability to sign documents and make financial decisions.

Living Will

A written declaration directed to a physician, stating specific medical decisions to be made. May include concerns relating to life support if you become terminally ill or are expected to die within a short period of time, acceptance of blood products, organ donation or other focus.

Probate

As defined by state law, the process of review of a decedent's assets, and determining the distribution / allocation to individuals, pets or organizations, and the management of resources thereof. This process may include guardianship placement of minor children, and the management of any assets left to such children, at the point of death. Depending on the complexity of the estate, the process could be quite lengthy and costly.

**So, what is the urgency....
TO AVOID HANG UP IN PROBATE! BUT, WHAT IS PROBATE?
SHORT & SWEET**

State law allows for the court to determine allocation and disposition of your property, and a judge has the authority to make placement of your minor children with whom THEY see fit upon your death.

This means any say you may have had, someone whom you desired to care for your children, may or may not be the judges choice.

A WILL, documents your wishes, and unless grossly in err, sits as the fundamental declaration to be carried out on your behalf.



Now, lets translate the function of the will. The owner of the will, has certain assets that he or she has inherited, worked for or saved for. As he or she knows that he will eventually pass from this earth, he wants to ensure that what he has is easily transferred to those people, pets or organizations whom he loves and chooses.

The challenge is that when he dies, he will not be able to speak (obviously) or tell anyone how or to whom his resources should go to. The people left behind, particularly if there are more than one, all have their own opinion about who should get what, and where differences arise, frustration, dissent and feud may also arise.

If he has a will, a pre-death prepared document, in place, If he has a will in place, there is reasonable assurance that what he/she has stated as preference will be carried out.

Keep in mind, that there are more significant details pertaining to a will, that are not included in this segment, and this is not to be construed as legal advice.

However, the point to be made, is that we will all die at some point. We likely have long lives ahead of us, and promising goals to achieve.

With new medications, and behavioral interventions the opportunity to have a desirable quality of life is achievable, with great achievements forthcoming.

Yet our reality must include planning for the future, taking care of business now, and saving our loved ones from the torment and frustration of needing to “figure things out” later.

WHAT'S NEXT?



Now that we have the foundations established, lets consider how to get rid of debt.

In our next installment, we will list all of the debts, and make a timed plan to get everything paid off.

It will take a bit of time and great discipline, but you have it in you to live a life free from financial bondage.

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