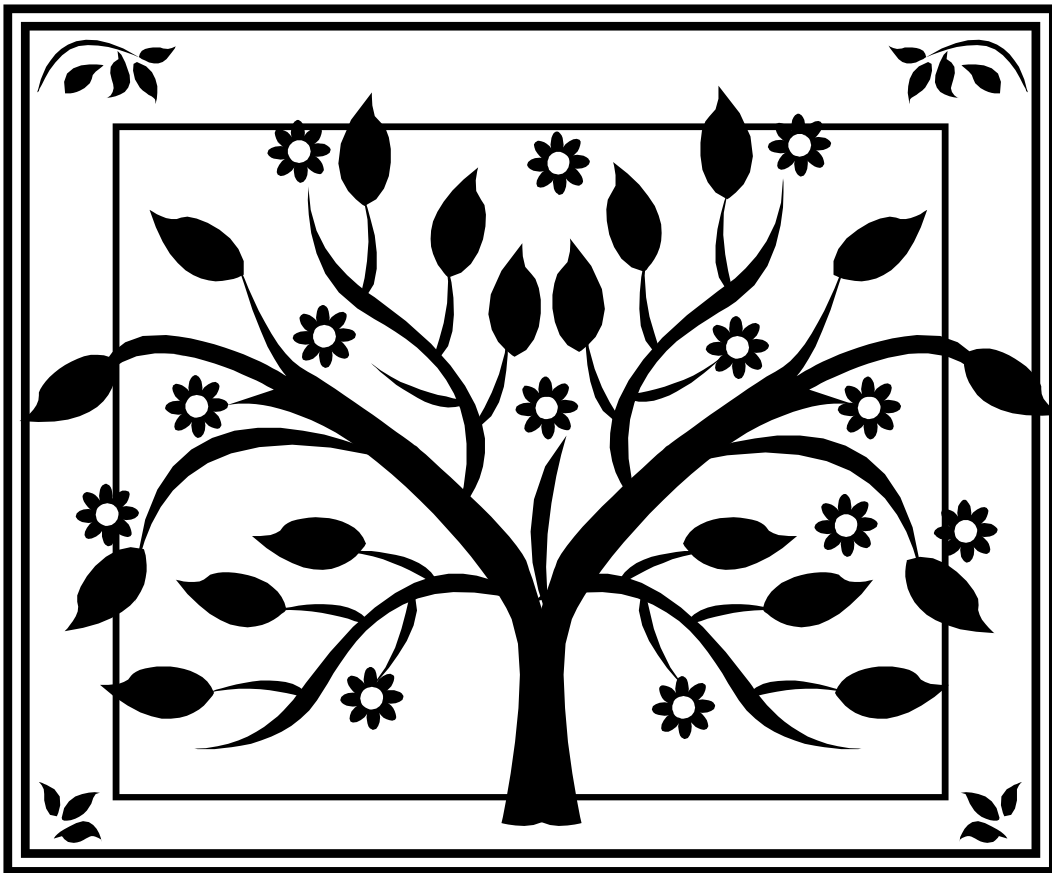


# My Life Book

A collection of important information for my family that will help me  
maintain control through the course of my life.



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# Creating a Life Book,

How to Avoid a Family Disaster

By Sherri Goss, CFP®

In our culture, the only thing we avoid talking about more than death, is money.

I've heard countless stories from clients about what happened when one of their parents died. In many cases, no pre-planning had been done, so the client was left to take care of everything; from calling family and friends, arranging the funeral and selecting the casket. The next job they had to take on was sorting through the household finances; locating documents, tracking down insurance policies and filing claims, getting into the safe deposit box, and settling the estate.

Not only can these experiences be traumatic and emotionally draining, but family members usually have to place their own lives on hold, sometimes for over a year, just to complete the process. And what if the executor of the estate is also in charge of distributing the property? And what if there are disagreements as to *who* should get *what*? I have seen family relationships destroyed by this experience.

None of the parents of these adult children did this to their children intentionally—it just happened.

I want your family to avoid these problems, which is why I have created **My Life Book**. Here's what can happen if you don't work through these issues in advance:

- I. **Your wishes won't be carried out because nobody will know what YOU want.**
- II. **Benefits will be lost because nobody will know what YOU'RE eligible to receive.**
- III. **Your family will fight over who does what and who GETS what.**
- IV. **Everything YOU wanted to have happen, will NOT happen.**

The solution: **Begin the process of creating a Life Book.** The purpose of creating a **Life Book** is to help you organize your personal information, desires and wishes in a way that is most useful to your loved ones. Each section contains case stories, explanations and/or examples of why that particular segment is important. Thank you for taking the time to do this for your family. They will appreciate it.

You can either print this book and fill in the spaces, or save it to your computer and fill in the blanks directly. Once you're done either print the pages and insert them into a binder, or save them on your computer and send a copy to your loved ones. You may also want to add copies of account statements or other documents you think your heirs may need.

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# The Conversation

*“The best portion of a good man’s life.  
His little, nameless, unremembered acts of kindness and of love.”*

**-William Wordsworth**

Once you’ve completed your **Life Book**, you’ll need to share the contents with your family, or at least with the individual who will carry out your wishes. So, how do you go about sharing this information? I meet with a lot of adult children who have aging parents and one of the biggest issues they face is “the conversation.” They are afraid to ask their parents questions about their final plans for fear of it being offensive.

On the other hand, I meet with seniors who say that when they mention these topics, their children won’t discuss them as they are “depressing” or “morbid.” So, how do you begin the difficult conversations about long-term care, incapacity, and death? Here are some suggestions:

## **The Fire Drill**

After pre-arranging conversation time with your family, say, “Suppose I died late last night and this meeting was being held right now, but you had the advantage of being able to ask me questions. What questions would you like to ask me?”

## **The Assumptions**

Ask your family what they assume will happen if you need long-term care, are incapacitated, or die. They may have never thought of these scenarios, and will be relieved that you have, and that you have a plan.

## **The Love Letter**

Once your **Life Book** is completed, craft a letter to your family explaining the basics of your plans. You can mention who is your executor and that this person has the information necessary to fulfill your final wishes and handle your estate. You may even enclose a copy of your will, if you feel it would be helpful.

## **Treat it Like a Business**

Anyone who runs a business has some sort of strategic plan for the future, just as you are making plans for your future. Approaching your plans from the perspective of your personal and financial goals may make this an easier conversation.

## **One Piece at a Time**

For families who are not used to talking about these subjects, you may find it easier to approach each chapter with a separate conversation. Letting everyone know your legal affairs are in order could be one subject. Bringing up the topic of your funeral and final expense plans could be another.

The bottom line is this; once you’ve done all the organizing and planning, the ones you love need to know so they can carry out those plans.

# My Personal Information

***“Efficiency is intelligent laziness.”***  
***-Anonymous***

When I ask people where they keep important documents, many give me a smirk, and then say something like, “In my underwear drawer”, or “In a brown paper sack in the back of my closet”. The reason, as you know, for maintaining documents this way is so they cannot be found or stolen.

The problem lies in someone needing to find these documents due to a crisis event. Good luck. I encourage all clients to have a safe deposit box at a bank, and/or a fireproof, waterproof safe at home.

Now, if you put all your important papers in one of these places and don’t tell anyone what you’ve done, you really haven’t eliminated the problem. Next, you need to write down the location of these documents on the following page. When the time comes for someone to find this information, they will have a guide. They will be able to find your Social Security card, military discharge paperwork, and whatever else they need.

You say you lost your Social Security card? All you need to do is apply at your local Social Security office for a replacement. You will need proof of identification (U.S. driver’s license, U.S. State-issued non-driver ID card, or a U.S. passport), and proof of citizenship (U.S. birth certificate, U.S. passport, or certification of naturalization or citizenship). Take these items to your local Social Security office to apply for a replacement card. Or, you can do this through the mail. Visit the following site for instructions: <http://www.socialsecurity.gov/ssnumber/>

What about lost Marriage Licenses, and/or Birth Certificates? You can do the same with these. Contact your local courthouse or visit <https://www.USA.gov/replace-vital-documents> to learn how to apply for replacement marriage, birth, and death certificates.

If you are missing a form DD-214, which verifies military service, you may contact your local VA representative to apply for a copy. You can also visit the National Archives website, and request a copy, <http://www.archives.gov/veterans>.

Some of these items are necessary to apply for death or survivor benefits, so they need to be maintained in a secure place. I recommend a fire-proof safe or safe deposit box.

# My Personal Information

My personal information can be found in the following locations:

Document	Location	Notes
Birth Certificate		
Social Security Card		
Marriage License		
Military Discharge Paperwork (DD-214)		
Organ Donor Card		
Citizenship Papers		
Passport		
Adoption Agreement		
Divorce Decree		
Key to Safe Deposit Box		
Will		
Power of Attorney		
Advance Directive		



## How Long Should I Keep Certain Documents?

I find that people generally fall into two categories when it comes to financial records. Some people save every piece of paper they may ever need, while the other half put papers aside (sometimes in a trash can), with no way of finding them later.

Getting financial information organized will help you now and your beneficiaries later. Here's what I suggest:

1. If you don't already have one, get a file cabinet and some hanging file folders.
2. Organize your paperwork into three categories:
  - a. **Current** - bills you pay, then file, which eventually are sorted and moved to the next category,
  - b. **Historical** - documents such as tax records that can be stored in the attic or a closet for 10 years, and
  - c. **Critical** - information that needs to go into a safe or safe deposit box.

In your **current** file, you will maintain the following folders:

- Tax records for next year's tax filing, such as bank statements, medical expenses, charitable contributions, IRA contributions, etc.
- Investment account statements. This can be very important, especially in taxable accounts where basis is impacted by taxes paid on dividends.
- Home-related records, such as repairs and proof of purchases and/or warranty brochures.
- Insurance files for homeowners, auto, health and home warranties.
- Immunization records for your children.
- Pet files for shot records and vet visits.
- Auto repair records, accident records and repairs
- Homeowners Association covenants and restrictions as well as contact numbers
- Invoice/Bill stubs as you pay your monthly expenses. If you write the date paid, amount paid and the check number, researching a discrepancy is very easy.

Once you have this system in place, and it is easy to access, adding more folders as you need them will be a breeze. You'll be amazed at how much time you save when you need to find something!

## A Financial Records Timeline

<b>Taxes</b>	<p><b>Seven Years</b></p> <p>The IRS has 3 years from your filing date to audit your return if it suspects good faith errors. The 3-year deadline also applies if you discover a mistake in your return and decide to file an amended return. They have 6 years to challenge your return if it thinks you underreported your gross income by 25 percent or more. There is no time limit if you failed to file your return or filed a fraudulent return.</p>
<b>IRA Contributions</b>	<p><b>Permanently</b></p> <p>If you made a <u>nondeductible contribution</u> to an IRA, keep the records indefinitely to prove that you already paid tax on this money when the time comes to withdraw.</p>
<b>Retirement/ Savings Plan Statements</b>	<p><b>From One Year to Permanently</b></p> <p>Keep the quarterly statements from your 401(k) or other plans until you receive the annual summary; if everything matches up, then shred the quarterlies. Keep the annual summaries and shred year to year.</p>
<b>Bank Records</b>	<p><b>From One Year to Permanently</b></p> <p>Go through your checks each year and keep those related to your taxes, business expenses, home improvements and mortgage payments. Shred those that have no long-term importance.</p>
<b>Brokerage Statements</b>	<p><b>Until You Sell the Securities</b></p> <p>You need the purchase/sales slips from your brokerage or mutual fund custodian to prove whether you have capital gains or losses at tax time. Talk to your broker and see how they can help you with this. Some statements show the cost basis, and some do not.</p>
<b>Bills</b>	<p><b>From One Year to Permanently</b></p> <p>In most cases, when the cancelled check from a paid bill has been returned, you can shred the bill. Bills for big purchases, such as jewelry, should be kept in an insurance file for proof of their value in the event of loss or damage.</p>
<b>Credit Card Receipts and Statements</b>	<p><b>From 45 days to Seven Years</b></p> <p>Keep your original receipts until you get your monthly statement, then shred the receipts if the two match. Keep the statements for 7 years if tax-related expenses are documented.</p>
<b>Paycheck Stubs</b>	<p><b>One Year</b></p> <p>When you receive your W-2 from your employer, make sure the information matches the stubs. If it does, shred the stubs. If it doesn't, request a corrected form, known as a W-2c.</p>
<b>House/Condo Records</b>	<p><b>From Six Years to Permanently</b></p> <p>Keep all records documenting the purchase price and any permanent improvements. Keep records of all expenses incurred when selling your home, such as legal fees and realtor commissions.</p>

Source: Marquette National Bank and CCCS of Greater Chicago

## Legal Documents

***“Knowing is not enough; we must apply.  
Willing is not enough; we must do.”  
--Johann von Goethe***

### Three Legal Documents You Need to Help Protect Your Wealth

You have spent your life building a home and a life for your family. Consider what it would feel like to have it all taken away because you didn't have the right documents prepared. This kind of situation does occur, and it is always an unfortunate event for all those involved.

Here's the bottom line, **preparing an estate plan that contains the necessary documents to help protect you and your family's interest is totally up to you.** You can do it now, you can put it off for a while, or you can avoid it forever. It is totally, 100%, up to you.

Let's face it—we are all going to die. The big question is whether you are going to choose to plan properly for the inevitable. Will you choose to save your family time, money, and aggravation? Or, will you leave everything to chance? Consider the following true story:

*Robert and his wife Sara were both retired. Unfortunately, they both found out they had terminal cancer at about the same time. The house they lived in was Sara's from a previous marriage and she had promised it to Robert should she pass away. Sara had made her wishes known to her children from a previous marriage. As fate would have it, Sara died first while Robert lived on for several more years.*

*For Robert, the story gets even more unfortunate, not only did he lose his wife whom he loved dearly; he lost the house as well. That's right; Sara's children didn't honor their mother's wishes and evicted Robert from the house. As it turned out, Sara had left the home to her three children in her will. Robert's name was never mentioned in the will and wasn't on the deed to the house. The deed was in Sara's name only.*

*Needless to say, Robert was devastated. His own children ended up taking him in, but the financial hardship took its toll as Robert had no money, virtually no assets, and was terminally ill with cancer.*

The good news is that you can avoid the problems Robert and his family faced in the above example by taking the time now to prepare an estate plan that contains the needed documents to help protect your family in the event of unforeseen tragedy.

The following report gives you general information on four important documents that can help you protect your family's wealth. I am not an attorney and this research is **not legal advice. For that you need to see an attorney.** I do strongly recommend that you consult with an attorney when putting these documents together as the rules and regulations concerning estate planning can be extremely complex.

## Legal Document #1: Your Will

We all know that wills are necessary, but only a small percent of the population has one. According to LexisNexis, 45% of people die “intestate,” which means they die without the benefit of a will. But there is no need to worry. Even if you die intestate, the state you live in will help you out. Here is the kind of help you will get, in my own words:

*“I, being of questionable mind, hereby instruct the legislature of whatever state I am living in at the time, in its infinite wisdom, to determine where my assets should go upon my death. I fully understand that this will occur because I have chosen not to make that decision myself.”*

The good news is that you don’t have to do anything—your state will do it for you. The bad news is that this is probably not the best option for you. The intestate laws of virtually every state provide that the spouse and children get shares of the estate. The makeup of that split depends upon the state and number of children.

*A woman who attended one of my seminars relayed to me that she frequently asked her husband about his will, and he always responded, “I’ve handled it”. He passed away before she did, and she learned that his will was in their computer (it took her a while to even find it there), and once she found it, she learned it had never been printed and signed. What impact did this have on her life? He died intestate (without a will) and the court had to decide how his assets would be divided. The outcome was that instead of receiving 100% of his assets (including the home she lived in), these assets were divided with his children from a previous marriage, and she received 1/3. This was emotionally and financially devastating to her.*

In the state of Georgia, if you die intestate, the surviving spouse is generally considered first when distributing assets from an intestate estate. The amount a surviving spouse is entitled to, however, varies as follows:

- If there is no surviving child or other descendant of the decedent, the surviving spouse gets the entire intestate estate.
- If the decedent is survived by a child or other descendant, the surviving spouse is entitled to a minimum of one-third of the intestate estate. Otherwise, the surviving spouse is entitled to an equal share with the decedent’s children, with the descendants of any child that predeceases the decedent (such as surviving grandkids) splitting the predeceased child’s share.

Any part of the intestate estate not passing to the surviving spouse as indicated above, or the entire intestate estate if there is no surviving spouse, passes by the law. If there is no heir under any of the legal provisions, the intestate estate reverts to the state of Georgia.<sup>1</sup>

As long as you’re alive and as long as you are in good health, both mentally and physically, everything will probably be fine. But the fact is, at some point *something* will happen to you or someone in your family. And, that *something* is going to allow a problem to surface. But by then, it will most likely be too late for you to do anything about it.

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<sup>1</sup> <https://www.thebalance.com/dying-without-a-will-in-georgia-3505047>

One of the purposes of estate planning is to ensure that your assets are distributed the way you want, not in some arbitrary manner. Specifically, it is to make sure your family is cared for and to make certain everything you worked for will not be wiped out.

Hopefully we agree that dying intestate is not a good idea. The good news is that options are readily available. The first solution is your will. **A will is a written document in which you express exactly how you want your property to pass.** You also name an executor or executrix. It is that person's job to make sure that your wishes are followed, and your property is disposed of in the manner you desire.

Like everything else, wills have advantages and disadvantages. Let's look at each.

### **Advantages:**

- **Provides a vehicle for passing property.** A will allows you to pass your property to the people you desire. You can leave your assets to a spouse, your children, or a charity—anyone you want.
- **Can provide interim funds.** In some states, a will can provide for interim funds for your family during probate. This can, to a limited extent, ensure the family has money with which to pay its living expenses while the estate is in probate.
- **Ensures care for minor children.** By including a trust within your will (*called a testamentary trust*), you can care for your minor children or provide a stream of income for family members. Because minor children cannot own property, the trust will name an individual or individuals (*known as the trustee*) to handle the funds for the children's benefit. The remaining funds will be distributed to the children either at the age of majority or at the ages specified in the trust.
- **Nominates guardians.** A will allows you to name guardians to care for your minor children. If you have minor or disabled children, you need to ensure the person of your choice will raise them. Without a will, this choice is in the hands of the court. Note, however, that while the court considers your preference, it is possible you may be overruled. The courts give custody to the natural parent whenever possible.
- **They're inexpensive to prepare.** As a rule, wills are inexpensive to prepare. In some cases, you can get them done for as little as \$175. The cost will depend on the state in which you live and how complicated your affairs are. Clark Howard's website suggests a number of inexpensive options: <https://clark.com/family-lifestyle/wills-funerals/best-online-wills/>.

### **Disadvantages:**

A will, however, also has disadvantages. These are not disadvantages compared to dying intestate; these are disadvantages relative to other types of planning.

- **Doesn't help in case you are incapacitated.** It's very possible that you will become incapacitated at some point in your lifetime. In other words, you won't be able to handle your own financial affairs. Many people think their will can help them. This is not true. Since a will takes effect only upon your death, it can't take care of you during a period of disability.
- **Guarantees probate.** As a financial advisor, I have observed that most people would like to avoid probate. Many people think a will helps them avoid probate. That is not

true. In fact, your will guarantees probate. However, probate in Georgia is very inexpensive.

- **Doesn't control all your property.** One of the biggest problems is that people think that once they have a will, everything is taken care of. Unfortunately, a will doesn't necessarily control all your assets. Certain holdings pass outside your will. Let's look at a few examples of these holdings:
  1. **Jointly owned property**, depending on your state of residence, may automatically pass to the other tenant, no matter what your will says.
  2. **Life insurance** automatically passes to the named beneficiary. The only way your will controls your life insurance proceeds is if you name your estate as the beneficiary of your life insurance, and that's not usually a good idea.
  3. **Retirement plans** automatically pass to the named beneficiary. As with insurance, only retirement benefits payable to your estate would pass according to your will.
  4. **Trust assets** pass according to the instructions in the trust.
  5. **Payable on death** and **transfer on death** assets pass directly to the named beneficiary and avoid your will. You can attach a Pay on Death form to bank accounts, and a Transfer on Death form to individual (non-retirement) investment accounts.
- **Takes your family public.** Wills are public documents. If you have any doubt, go to your local courthouse and review the wills on file. They are available to the media, the curious, or anyone who might want to take advantage of circumstances.
- **They're easy to contest.** Wills can easily be contested. The three D's: death, disability, and divorce, seem to bring out the worst in people. We have all heard the horror stories of family members who have successfully contested a will. When a will is probated, the executor or executrix notifies potential heirs. This opens the door for a will to be contested.

**Making your will more effective:** There are several steps you can take to make sure your will doesn't come up against one of these problems.

- **Add a no contest clause.** You might consider a "no contest" clause, which effectively eliminates an heir's inheritance if he or she contests the will. Despite this clause, however, a probate judge can still allow the contest by ruling the "no contest" clause is "contrary to public policy."
- **Keep your will current.** Throughout our lives, changes occur. In most cases, people don't think to update their wills. But there are changes that need to be reflected in your will. Let's look at a few such circumstances:
  1. You become divorced. In some states a divorce invalidates a will. In others, it has no effect. In either case, the result is bad. In the first, property passes according to intestate laws. In the second, property goes to the ex-spouse.
  2. A grown child becomes disabled. This can make it impossible for him or her to handle property.
  3. A child or other heir dies. In some states, this death can invalidate the will. At a minimum, it can result in changes in the distribution provisions.
  4. You may move to a different state. Whereas your will is valid in virtually every state, the interpretation may differ from place to place. This can create tremendous problems.
  5. You might have more children. Again, this can require changes in distribution plans.

6. The size and makeup of your assets will change. You may be able to include more people in your will, or you may have estate taxes to worry about.
7. Executors and guardians may die. This will leave important decisions up to the court.

You can handle these changes one of two ways: either by drawing up a new will or by adding a “codicil” which amends your current will. Discuss this with your attorney to determine the best route for you.

Don’t leave it up to chance. Take the opportunity to make sure your wishes are carried out. Take this first step and make sure you at least have a will.

### **What is Not Covered in a Will?**

The following items should not be covered in your will:

- Instruction for the disposal of your remains (*this is not the same thing as arranging for funeral expenses to be paid out of the estate*).
- Powers of Attorney. Powers of Attorney are only good while you are alive.
- Items that contradict any of your other estate planning actions or documents. Avoid anything that could cast doubt on the validity of your will or anything that could be taken to court and used to challenge your will.

## **Legal Document #2: Advance Directive—Helping with Difficult Choices**

In Georgia, we use an Advance Directive, which is a combination of your living will and healthcare power of attorney or proxy. Your living will is the document in which you indicate your desire *not* to be kept alive by life support equipment. I don’t need to tell you that medical technology has increased life expectancy. Living longer, however, doesn’t necessarily mean the quality of life has improved. It can also mean that we can be kept alive in a vegetative state.

The Supreme Court has ruled that if you want “live or not live” decisions made for you they must be clearly expressed. A living will is the tool for that expression but like most planning methods available, this one is rarely used.

The purpose of the living will is to allow you to let your desires be known concerning life support equipment. In other words, a living will indicates that you do not wish to be kept alive only by a machine. It effectively says, “If I am only being kept alive by a machine, unplug it.” Understand the laws vary from state to state and many states have their own living will form that must be followed. Check with your attorney to make sure your living will conforms to your state guidelines. If you spend time in other states, you might also want to check on their requirements. This is an extremely important issue and well worth the time and effort on your behalf.

While a living will makes a lot of sense, it does have some drawbacks. It does not address the issue of medical decisions that may or may not prolong your life. As a result, most states have adopted some form of an additional document—it’s called different names in different states—health care power of attorney, durable power of attorney for health care, health care proxy, etc.

With this document you appoint someone to make medical decisions for you. This person has the authority to turn down medical procedures that are of questionable value. While it is your doctor's duty to keep you alive, many procedures don't have a great success rate. The health care power addresses this issue. You will also want to appoint a successor agent, because you never know when a person can't or won't be able to make the necessary decisions on your behalf.

The third thing your Advance Directive can do is assign an individual to be responsible for your burial/cremation. This may be important to you if you have family members who disagree with your final wishes and you want to be sure your wishes will be carried out as instructed.

The National Hospice and Palliative Care Organization has made state-specific advance directives available on their website: [www.caringinfo.org](http://www.caringinfo.org). You may also call them at 1-800-658-8898 for additional information.

### **Vial of Life:**

The Vial of Life program helps individuals make important health information available to emergency personnel. Important information and documents such as your Advance Directives are placed in a baggie that is then taped to your refrigerator door. A matching printout, or sticker, is then placed on your front door, so that if emergency personnel come to your home, they know immediately that your important health information is readily available to them. You can learn more about the Vial of Life program by visiting their website, [www.vialoflife.com](http://www.vialoflife.com).

### **Legal Document #3: Durable Power of Attorney—For Finances**

*A durable power of attorney for finances* gives someone of your choice the authority to act regarding your finances should you become mentally incapacitated. The document becomes effective as soon as it's established and is good until you die.

The durable power of attorney helps to avoid public court proceedings to make decisions on private matters. Who do you want to manage your personal financial affairs or run your business if for some reason you are no longer able due to a mental impairment or incapacitation? Without a durable power of attorney, your relatives would have to go to court to have a guardian appointed which may be someone may or may not want to make decisions about your finances.

In the wrong hands a durable power of attorney is a dangerous legal document, so you need to be very cautious when establishing one. You should totally trust the person to whom you are potentially giving a great deal of financial authority.

A durable power of attorney is not difficult to revoke. As long as you are mentally competent, a durable power of attorney can be revoked at any time. The revocation should be in writing and it should be delivered to the person you gave the power to and to any third parties being dealt with (*for example, your bank, investment firm, etc.*).

Here are some examples of potential problems that we've run across with durable powers of attorney:

- Some institutions may not accept them. Clients have told us that some financial institutions require you use their forms. So, when you have completed this document, carry copies to your financial institutions and advisors so they can determine if additional paperwork is necessary.
- If the purpose of the Durable Power of Attorney is to deal with government agencies, such as the Social Security Administration, the Veterans Administration, or the Internal Revenue Service, you must either use the agency's special Power of Attorney form, or make sure that the Durable Power of Attorney presented to the agency contains the special wording required by each agency's particular form. Social Security, specifically, does not honor Powers of Attorney. They have their own paperwork that enables someone to become your personal representative. You can find this document and instructions for completing it at [www.ssa.gov](http://www.ssa.gov).
- Attorneys may choose not to accept one for real estate closings. Most closing attorneys require the power contain specific language pursuant to that specific piece of property.
- Brokerage firms may refuse the power. Most brokerage firms require specific language relative to their holding; some firms will accept only their own forms.
- Banks may use them to add names to accounts that should not be there, resulting in gift and tax issues.
- Our company, for example, now require a Letter of Instruction, verifying which accounts the POA is attached.

**A Special Note About Georgia Powers of Attorney: On July 1, 2017, the Georgia Assembly changed the wording in Financial and General Powers of Attorney to prevent elder abuse and fraud. The new form can be found on our website, free, at [www.retirerelax.com](http://www.retirerelax.com). If you already have a Power of Attorney, please take a copy to the financial institutions you deal with and make sure they can accept it and attach it to your accounts.**

## Trusts

A trust is a legal arrangement through which one person (or an institution, such as a bank or law firm), called a “trustee,” holds legal title to property for another person, called a “beneficiary.” The rules or instructions under which the trustee operates are set out in the trust instrument.

Trusts fall into two basic categories: testamentary and inter-vivos. A testamentary trust is one created by your will and it does not come into existence until you die. An inter-vivos trust starts during your lifetime.

There are two types of inter-vivos trusts: revocable and irrevocable. Revocable trusts are often referred to as “living” trusts. With a revocable trust, the donor maintains complete control over the trust and may amend, revoke or terminate the trust at any time. Revocable trusts are generally used for asset management, probate avoidance and tax planning. An irrevocable trust cannot be changed or amended by the donor.<sup>2</sup>

There are many uses for trusts and you will need to consult with an attorney to determine if a trust is the right estate planning tool for you.

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<sup>2</sup> [www.elderlawanswers.com](http://www.elderlawanswers.com), Estate Planning, Trusts

## **Gifts:**

For 2025, you can give any individual \$19,000 without reporting this gift to the IRS. You do not pay any gift tax and neither does the recipient of the gift. And, you can give this amount to any number of people. Therefore, you and a spouse can duplicate this gift, giving any one person \$38,000 per year. More than \$19,000 can be gifted to a person in one year. See the rules for filing a gift tax return at [www.irs.gov](http://www.irs.gov).

If you want to make a gift to a child or grandchild via a 529 plan, the law allows you to make a one-time contribution that's effectively treated as if it's made over five years for gift tax purposes. For instance, if your grandson plans to attend college next year, you and your spouse may transfer up to \$150,000 to a 529 plan (this can vary by state), naming him as beneficiary. The entire transfer would be exempt from gift tax. The amount that you "gift" each year is deducted from your lifetime estate and gift tax exemption. Starting in 2024, if there is money left over in the 529 plan and the money was in the plan account was open for 15 years, \$35,000 can be transferred into a Roth IRA, tax free, but you must follow the annual contribution rules.

## **Lifetime Estate and Gift Tax Exemption:**

For 2025, the gift and estate tax are unified, and excluded from tax up to \$13,990,000 (Double this amount for couples). Spouses can leave any amount of property to each other, if the spouses are U.S. citizens, free of federal estate tax.

## **Estate Administration:**

The following general instructions for estate administration are from [www.elderlawanswers.com](http://www.elderlawanswers.com). The exact rules of estate administration differ from state to state. In general, they include the following steps:

1. Filing the will and petition at the probate court in order to be appointed executor or personal representative. In the absence of a will, heirs must petition the court to be appointed "administrator" of the estate.
2. Marshaling, or collecting, the assets. This means that you must find out everything the deceased owned. You need to file a list, known as an "inventory," with the probate court. It's generally best to consolidate all the estate funds to the extent possible. Bills and bequests should be paid from a single checking account, either one you establish, or one set up by your attorney, so that you can keep track of all expenditures.
3. Paying bills and taxes. If an estate tax return is needed, generally it must be filed within nine months of the date of death. If you miss this deadline and the estate is taxable, severe penalties and interest may apply. If you do not have all the information available in time, you can file for an extension and pay your best estimate of the tax due.
4. Filing tax returns. You must also file a final income tax return for the decedent and, if the estate holds any assets and earns interest or dividends, an income tax return for the estate. If the estate does earn income during the administration process, it will have to obtain its own tax identification number in order to keep track of such earnings.
5. Distributing property to the heirs and legatees. Generally, executors do not pay all the estate assets until the period runs out for creditors to make claims, which can be as long as a year after the date of death. But once the executor understands the estate and the likely claims, he or she can distribute most of the assets, retaining a reserve for unanticipated claims and the costs of closing out the estate.

6. Filing a final account. The executor must file an account with the probate court listing any income to the estate since the date of death and all expenses and estate distributions. Once the court approves this final account, the executor can distribute whatever is left in the reserve and finish his or her work.

Some of these steps can be eliminated by avoiding probate through joint ownership or trusts. But whomever is left in charge still must pay all debts, file tax returns, and distribute the property to the rightful heirs. You can make it easier for your heirs by keeping good records of your assets and liabilities. This will shorten the process and reduce the legal bill.<sup>3</sup>

**Conclusion: Don't leave it to Chance**

Don't let a tragedy destroy the life you worked so hard to build. Don't leave it up to chance. Take advantage of this opportunity and make the time to ensure your wishes are carried out.

Resource: [www.caringinfo.org](http://www.caringinfo.org)

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<sup>3</sup> [http://www.elderlawanswers.com/elder\\_info/elder\\_article.asp?id=703](http://www.elderlawanswers.com/elder_info/elder_article.asp?id=703)

## My Legal Documents

I have completed the following documents and have noted where they are located.

My lawyer is: \_\_\_\_\_

\_\_\_\_\_

Document	Where Located	Notes
Will		
Trust(s)		
Living Will		
Advance Directive		
Power of Attorney		
Divorce Agreement		
Durable Power of Attorney		
Prenuptial Agreement		
Property Disposal List		
Spouse Death Certificates		

## Financial Information

***“Before anything else, preparation is the key to success.”  
--Alexander Graham Bell***

Did you know that currently over one billion dollars of life insurance benefits are sitting unclaimed because claims have not been filed on the policies? This problem has become so common that in 2016, the Georgia Insurance Commissioner’s Office established a policy locator service. It is free and you can learn more by visiting [www.oci.ga.gov](http://www.oci.ga.gov) or by calling 800-656-2298. In order to search for lost life insurance policies and lost annuities, you must enter your name and personal identifying information so they can find out if you are a listed beneficiary.

Where should you keep your insurance policies? I suggest keeping them in a safe deposit box or a locked fireproof, waterproof safe. If they are too large, place a copy of the next page in your safe. The list should include the company name, 800# for claims, policy #, beneficiary, and benefit for each individual policy.

Who is the beneficiary? I hope it’s not your ex-spouse. How about this one—you bought the policy a long time ago and at that time you only had one child. Now you have three, but all the money will go to the listed beneficiary. If one person gets more money than you intended, do you think they will be willing to split the funds, give away the money, and file a gift tax return? Make sure you have accurate beneficiaries and contingent beneficiaries listed for all policies. The same goes for your retirement accounts.

**Do not list “estate” as your beneficiary** on any policy or account. Why? Because that will cause the policy or account to go through probate in order to be distributed to the beneficiaries. What if the policy or account must go through probate and there is no valid will to instruct the court? Don’t let this happen. Make sure to assign beneficiaries and contingent beneficiaries immediately to all policies and accounts. You can even set up your bank, credit union and brokerage accounts (it is called “pay on death”) to transfer directly to a beneficiary upon your death. If you have individual investment accounts, attach a “transfer on death” form. Your bank or financial advisor will help you with these. The less property that passes through probate, the easier it will be for your executor/executrix to take care of your affairs and fulfill your desires.

**It is very important to list accurate beneficiaries on all retirement accounts.** The reason is because the beneficiaries listed will benefit from the ability to “stretch” the IRA. Here’s how this works. You have an IRA and your three children are listed as equal, primary beneficiaries. You pass and the financial advisor is notified of your death. Once the advisor receives the necessary paperwork, they will split your IRA into three beneficiary IRA’s. They will be titled, your name, date of death, FBO primary beneficiary name. FBO means: For the Benefit Of. Once these accounts are open, the beneficiaries can move the beneficiary IRA account to their financial advisor or leave it where it is. They will need to take the Required Minimum Distributions annually, based on their life expectancy. So, the balance of the account can continue to grow for their retirement. They name beneficiaries on this account and the same process can happen upon their death, if there is still money in the account.

You never want to name your Estate as beneficiary on a retirement account for this reason. This includes Traditional IRA's, SEP's, Simple's, 401k's, 403b's, 529 plans or a TSP. Each of these accounts hold pre-tax money.

If the Estate is named as beneficiary, the account is added to the estate and must be liquidated in five years and taxes paid. This means the "stretch" option is eliminated. Which also means these assets are subject to probate and since the cost to probate a will are usually a percentage of the of the will assets, probate costs will increase.

What if you make your Estate the beneficiary on your retirement accounts and you don't have a will? This situation is even worse. The account will be distributed by the laws of your state. In the state of Georgia, according to [www.nolo.com](http://www.nolo.com), this is where your retirement money will go:

- If you die with children but no spouse, the children inherit everything equally.
- If you die with a spouse but no descendants, the spouse inherits everything.
- If you die with a spouse and descendants, the spouse and descendants equally share the intestate property, but the spouse's share may not be less than 1/3.
- If you die with parents but no spouse or children, your parents inherit everything.
- If you die with siblings but no spouse, descendants or parents, the siblings inherit everything.

Keep in mind that because the accounts are not passing by beneficiary designation, these funds will have to be distributed within five years, taxes must be paid upon distribution, the stretch option is lost, and the wrong people could end up inheriting this money.

## My Financial Information

I have the following types of policies and accounts and have noted where they are located. My agent/broker/advisors are:

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Policy/Account Type	Where Located	Company	Phone #	Beneficiary
Disability Insurance				
Long Term Care Insurance				
Life Insurance				
Life Insurance				
Health Insurance				
Auto Insurance				
Homeowners Insurance				
Annuity				
Savings Account				
Checking Account				
CD				
CD				
Retirement Account				
Pension				

## Tax Returns

The individual/company who prepares my taxes is:

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and you can find copies of my returns:

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## My Debts

Type of Loan	Amount Owed	Name of Institution	Account Number
Mortgage			
Car Loan			
Credit Card			
Personal Loan			

## Who Is Responsible for Debts When Someone Dies?

When a person dies, a probate court distributes his or her assets, including paying outstanding debts. Although not all assets go through probate, the ones that do are distributed in accordance with the wishes expressed in the deceased's will. If the person has no will, the assets pass to the decedent's relatives in accordance with the laws in the jurisdiction where the will is probated (and in some cases, where certain property is located.)

If a deceased person had put assets into a trust, those assets do not go through the probate court and continue to be distributed in accordance with the terms of the trust. Also, money and assets held in joint tenancy with rights of survivorship will automatically pass at the time of the person's death to the survivor on the account. The probate process is also an opportunity for creditors to come to court and request payments for any money owed to them. If there are no assets, the creditors will receive no money. In most cases, the court will make a final accounting of all assets distributed and all creditors paid and then close the probate estate.

Once the estate is closed, the court will make a final accounting of all assets distributed and all creditors paid. Once the estate is closed, creditors that did not appear in court after receiving notice of the probate process might be barred from collecting a debt against the decedent's estate.

You may want to consult with a lawyer who specializes in probate issues about any specific aspects of your situation. In general terms, the debts of the deceased are his or her debts and not the debts of relatives once the estate goes through probate. But in the unlikely event that assets are discovered after the probate process ends, the deceased's family might have to use that newly found money to pay off debts. Although the laws and the timing differ from state to state, the intent of the probate process is the same: to distribute assets and pay off the debts of the decedent.

You should know, however, that in some cases the debts of a deceased person can be collected against a spouse or other family member. For example, if you are a secondary user on a deceased person's credit card, the credit card company might try to collect from you. The same holds true in some cases with medical bills. A spouse or a child, for example, could find that a hospital wants them to pay the medical bills of their deceased family member. In some states, the spouse or the child are considered a beneficiary of the medical service and can become responsible for the debt in certain circumstances.<sup>4</sup>

According to the Federal Trade Commission, collection agents can only contact the family to find out who oversees the paying off the deceased's bills. They are not supposed to harass or threaten family members. If you are receiving threatening calls from creditors, over accounts that are not yours, you can send a Cease and Desist letter to these creditors, and by law they must stop contacting you. Visit the Federal Trade Commission's website by going to [www.ftc.gov](http://www.ftc.gov), and search for Fair Debt Collection Practices Act to learn more.

## Helpful Resources

### **Social Security Administration:**

Phone #: 1-800-772-1213, website: [www.ssa.gov](http://www.ssa.gov)

### **Medical Information Bureau:**

Phone #: 1-866-692-6901, website: [www.mib.com](http://www.mib.com)

They can search for lost insurance policies.

### **GreenPath, formerly Consumer Credit Counseling Service:**

Phone #: 1-866-419-5147, <https://www.greenpath.com>

They provide credit counseling and help individuals avoid bankruptcy and foreclosure through debt repayment plans. They also provide financial counseling regarding student loans and mortgages. They have an office in Macon to serve middle Georgia.

### **[www.bankrate.com](http://www.bankrate.com):**

Helpful, free web site with lots of great financial calculators to help you make decisions about saving money and paying off debt. Includes calculators to estimate mortgage re-finance savings, and the impact of additional payments on debt, plus much more.

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<sup>4</sup> [www.consumerfinance.gov](http://www.consumerfinance.gov)

## Your Personal Property

*“For what are our faculties but the extension of our individuality? And what is property but an extension of our faculties?”*

*--Frederic Bastiat*

Your deed and title paperwork should be kept in a safe place. Do you have mortgage insurance that will pay off the mortgage if you become disabled or die? Who knows about this so a claim can be filed? Have you promised your house or car will go to a specific person when you die?

### **A note about property from the Georgia Probate Court:**

If there is no property to pass under the Will, probate is not necessary. However, the Will of the decedent must be filed with the Probate Court. Real estate, unlike joint bank accounts, may not automatically pass to a surviving co-owner. If the only property in the estate is an automobile, title may be transferable through the Tag Agent without probate being necessary. There is no cost to file a Will not for probate.

### **A note about safe deposit boxes from the Georgia Probate Court:**

A petition to enter a safe deposit box proceeding is usually filed when the Will is thought to be in a safe deposit box. It permits the bank to open and examine the contents of the box in the presence of the petitioner. If a Will is found, the bank must deliver it directly to the Probate Court. Insurance policies may be delivered directly to the named beneficiaries. The petitioner may receive only burial instructions and any deed to a burial plot. Other property must remain in the box until an Executor or Administrator is appointed.

Do not place your original will, final instructions, burial plans, etc. in your safe deposit box if nobody will be able to get to these documents when you die. You can file your original will, at no cost, at the courthouse. Some people find this the easiest way to make it available to an executor, while keeping it safe.

**If you do not live in Georgia**, please contact your local probate office and ask about these processes.

**A note about stock certificates.** One of my clients was helping her mother move into Assisted Living, so they were going through all of her belongings. She called me, overwhelmed with everything she was finding. She asked if she could bring a box full of these items so we could go through them together. We met and piece by piece we worked through the contents. At the very bottom we found some very old stock certificates. My client said, “I’m sure these are worthless, since they are so old.” I told her I’d research them and called her later that week to let her know not only were they valid, but altogether they were worth \$660,000! Don’t assume that just because a stock certificate is old, that it is no longer valid or worthless.

## My Personal Property

Deeds, titles, stock and bond certificates and burial plot information may be found:

Property	Location of Paperwork	Credit Insurance?

### Safe Deposit Boxes:

The following person is listed on my safe deposit box, and has a key:

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Location	Box Number	Key Code or Location

Safe Deposit Box Contents:

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## Personal Property and Property Distribution

Leaving a legacy is important to all of us, as we want our time here on this earth to have mattered. Some of us do this by leaving personal property to heirs in hopes that it benefits them. Leaving clear instructions for property distribution is essential and you need to think about the type of property you are leaving.

**Is it land?** How will the heirs use the land? Will they be able to agree on how it will be used or sold? Will the outstanding taxes cause hardship on any of the heirs? What if one of the heirs dies before you do? Does the Will specify how this will be handled?

**Is it a house?** Is anyone already living in the house? Who wants the house? Who needs the house? Will giving the house to multiple individuals cause a hardship? For example—will the person who wants the house, qualify for the mortgage to buy out the other heirs?

**Is it furniture or other household items?** Are there specific items that you would like to go to specific individuals? Why? It's a good idea to write down these thoughts and place this document in with your will so these requests are known. Also, letting family members know why one person is getting this and another is getting that will eliminate disagreements over property distribution—to a point.

**What if you want to disinherit someone?** Be specific in your will that you do not want this person to get anything, or that you want them to get less, and explain why. If there is not an explanation, the door is open for dispute. Or, you could make your will incontestable, meaning that anyone who contests the will is removed as a beneficiary.

**Should you give away items while you are alive?** Some people do this to avoid conflict, and to ensure that certain items go to specific persons. However, there may be tax consequences when giving away property. If you give property or stock that has appreciated in value to another person, and they sell it, they pay capital gains tax on the difference between what you paid for the item, and what they sell the item for. Another thing to consider is that you may need the income the property could generate in the future. I have met clients who gave away property to children (who immediately sold it and spent the money) only to find that they lived much longer than they expected and could have used that money themselves.

## My Property Distribution List

Over my lifetime, I have accumulated some things that are important to me. I would like these specific things to pass to the following persons, for the reasons listed.

What	To Whom	Why

## Planning for Long Term Care

*“Independence? That’s middle-class blasphemy.  
We are all dependent on one another, every soul of us on earth.”  
--George Bernard Shaw*

Today, Americans are more likely than ever to reach age 90. Most people would agree that we are living longer today than ever before and that when you live a long life you stand a greater chance of getting sick and needing care. Where we disagree is how to prepare for these later years.

The problem is none of us know for certain how long we will live, whether we will need care, and if we do, how much it will cost. According to a 2024 survey published by Genworth Financial, the average cost of home care in Georgia is \$5,900 per month. Georgia residents who live in Assisted Living facilities will pay on average, \$6,482 per month. And skilled nursing care costs, on average, \$9,277 per month for a private room. In some cases, these expenses can be covered by pension income, social security income, annuity income and investment income. In most cases, there is a risk of running out of money. So, what are the options?

**One approach is to save more money.** Most people would prefer this option but may already be on a fixed income and unable to increase their savings.

**One approach is to purchase Long Term Care Insurance.** Insurance policies can be written with varying daily benefits and benefit periods, but you must still qualify for the coverage. If you want this type of insurance, you will likely save money by purchasing early, when you are younger (and possibly healthier) than you will ever be again. The best prices will be found through your employer benefits program, if they offer Long Term Care insurance.

**One approach is to use your home to pay for care.** If you want to remain in the home, you could apply for a reverse mortgage and use the equity in your home to pay for care. Or, a better option may be to sell your home when you move to a facility and use the proceeds to pay your expenses there.

**One approach is to depend on others to provide care.** Twenty-five percent of families in America are already caregiver families, caring for aging parents, handicapped children and disabled spouses.

**One approach is to apply for VA Aid and Attendance benefits.** If the person needing care actively served in the military or was married to an individual who served, they may qualify for a benefit from the Veteran's Administration to help pay for this care. The veteran did not have to retire from the military to be eligible for this benefit. Go to [www.veterans.georgia.gov](http://www.veterans.georgia.gov) to find a VA Field Office near you to learn more. Research this early as the rules recently changed and there is now an asset and income test, as well as a 3-year look-back period for this benefit.

**What about Medicare and Medicaid?** Medicare will only pay for long term care if you are first hospitalized for at least three days, then moved to a skilled nursing facility for rehab purposes. In

these circumstances, Medicare will pay for the first 20 days of care and a portion of the expenses for days 21-100.

Medicaid is available to individuals who have limited income and assets. Medicaid is primarily used to pay for skilled nursing care in a facility, but the program is moving toward providing more home care. You cannot give away your assets and qualify for Medicaid, as there is a 5-year look-back period which will disqualify you for benefits. And, if you use Medicaid, the state will work to recover assets for repayment, known as Estate Recovery.

Estate Recovery is how states are reimbursed for the long-term care that is provided by Medicaid. By accepting Medicaid benefits, a debt is created on part of the beneficiary that must be paid from the beneficiary's estate. Funds are recovered from the member's estate after death.

In Georgia, estates valued under \$25,000 are exempt from Medicaid estate recovery. What is an estate? The definition is "all real and personal property under the probate code." The estate also includes real property passing by joint tenancy, right of survivorship, life estate, survivorship, trust, annuity or any other arrangement. The estate additionally includes excess funds from a burial trust or contract, promissory notes, cash and personal property.

Recovery is delayed, if:

- The deceased recipient's spouse is still living.
- The deceased recipient has a living child under the age of 21.
- The deceased recipient has a living child of any age that is blind or permanently and totally disabled.
- If an undue hardship exists.

If the personal representative of an estate makes a distribution either in whole or in part of the property of an estate without having reimbursed the Medicaid agency, the personal representative may be held personally liable. You can visit [www.dch.georgia.gov](http://www.dch.georgia.gov) for more information (source: US Dept. of Health and Human Services).

**Special Note About Medicaid Planning: I am seeing a trend of people and attorneys working to create a Medicaid Plan, basically encouraging individuals to give away their assets so they can qualify for Medicaid in the future. Please be careful, as this could be a financial disaster.**

## Helpful Contact Information

### Medicare

Phone #: 1-800-medicare, web site: [www.medicare.gov](http://www.medicare.gov)

### Medicaid

For phone #, contact your state health department. Web site: [www.cms.hhs.gov](http://www.cms.hhs.gov)

### Estate Recovery

In Georgia, 770-916-0328 or [www.dch.georgia.gov](http://www.dch.georgia.gov)

All other states, contact your Department of Community Health  
**Veteran's Affairs**

Phone #: 1-800-827-1000, web site: [www.va.gov](http://www.va.gov)

**Area Agency on Aging**

Phone #: 1-800-552-4464, web site: [www.georgia.gov](http://www.georgia.gov). For other states, visit your state's web site

## Let's Look at Long Term Care Insurance

Most clients who ask me about Long Term Care insurance (LTCi) have similar questions:

- How does it work?
- When does it pay, who does it pay and how much does it pay?
- How long will it pay?
- How long do I have to pay premiums?
- Can I get my money back if I don't use it?

There is a lot of marketing being addressed to “baby boomers” about why they should consider Long Term Care insurance, but very little education about how the plans work.

Today's LTCi policies are not the same as they were 10-20 years ago. The National Association of Insurance Commissioners has worked to level the playing field so consumers can more easily compare policies and understand benefits.

Here's how this type of insurance works. Once you are covered, your ability to NOT perform certain Activities of Daily Living (ADL's), or proof of a cognitive impairment, triggers a claim. These ADL's are typically: eating, bathing, dressing, toileting or incontinence, and transferring. Your doctor verifies that you are no longer able to do two of these five things, or that you are cognitively impaired, and your claim begins.

Next, benefits are paid based on the construction of your policy:

**Elimination Period:** The amount of time between when you are approved for claim and when your benefits begin.

**Type of Coverage:** Whether the benefit will pay if you are in the home receiving home care, in an assisted living facility, or in a skilled nursing facility. Comprehensive policies typically pay for care in any of these settings.

**Daily Benefit Amount:** How much the insurer will pay per day for care. Some policies have a monthly benefit.

**Benefit Period:** How many days the insurer will pay the benefit.

**Inflation Rider:** This rider increases the daily benefit annually, each year you own the policy. The younger you are, the better this rider will be for you, as you will have many years to “grow” a larger daily benefit.

There are many other riders (options) that can be added to your policy but carefully watch the cost of the premium. You want to purchase a policy that you can continue to pay for through retirement, unless you are going to pay off the policy more quickly, which may be an option.

**Hybrid Long-Term Care:** Many people do not want to pay for a type of coverage they hope they never use, so insurance companies have developed two types of “hybrid” policies. One type

blends life insurance with long-term care insurance. Another type blends an annuity with long-term care insurance. Some of these hybrid products can even be funded with an existing life insurance policy (that has cash value) or an existing annuity. We recommend this option over straight LTCi so that if you never file a claim, your family inherits the life or annuity proceeds.

## Helpful Contact Information

### US Department of Health and Human Services

[www.longtermcare.gov](http://www.longtermcare.gov)

A helpful website that explains how Medicare and Medicaid work regarding long-term care.

You may also find information about carriers who are selling long term care insurance in your state by visiting your state’s insurance department web site.

## My Long-Term Care Plans

If I need care in the future, here are my options:

	I have talked with my children/family and they have a plan to take care of me.
	I plan to pay for care with my Long-Term Care insurance policy. The policy location is listed on the Financial page.
	I plan to use my current assets to pay for care.
	I will sell my home or use a reverse mortgage to pay for care.
	I do not know how I will handle my long-term care and need to talk with my family.

If I need care in the future, these are the things that are very important to me:

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## Advice for the Caregiver

*“There are only four kinds of people in the world, those who have been caregivers, those who are currently caregivers, those who will be caregivers, and those who will need caregivers.”*

*--Rosalyn Carter*

### Advice for the Caregiver

Caregivers are in uncharted territory. Many are in the new “sandwich” generation, caring for aging parents while putting children through college. Typically, when I meet with one of these caregivers, they say they have added their name to a parent’s bank account so they can pay their bills but need to know what to do next. If you are a caregiver and are working through this book with your loved one, you are doing a great thing.

If you are managing the finances for a person who is incapacitated or handling the estate of a person who has passed, you may need to deal with several financial issues. Here are just a few:

#### **In Case of Incapacity:**

Take the Durable Power of Attorney to the financial institutions where the individual you are caring for has accounts. These institutions need to have this document on file so they can deal directly with you. As you do this, make sure the institutions do not add your name to the account. I have seen many cases of this. If your name is added to the account of the person you are caring for, this is now a joint account. And, upon their death, the account will now be in your name, whether you were supposed to inherit the assets or not. This means you would have to correct the inheritance by “gifting” these funds to the rightful beneficiaries as directed by the will.

If you are responsible for investment accounts and are expected to make decisions about their management, be sure to review them frequently and document any changes you make. You may want to enlist the help of a fee-only financial planner or asset manager.

Family members may want to periodically review the income and expenses of the individual you are caring for. Keep good records of all transactions.

#### **In Case of Death:**

- Re-title bank, credit union and investment accounts.
- Re-title stock certificates and move the stock into an account, for security.
- Roll over retirement accounts—understand all the options available to you.
- File claims on insurance policies.
- Make decisions about how each fund should be used/invested.

## If You Are the Surviving Spouse:

Do not let anyone pressure you into making a large financial decision at this time. In addition to the list above here are some things to accomplish in priority order:

- Beware of anyone who is trying to “sell” you something. Take your time when making decisions. Seek support and be patient with yourself.
- Allow people to help you.
- Be wary of anyone who contacts you because they saw your family member’s obituary. This is a source of scams, according to the Better Business Bureau.
- Write things down. This could be a very overwhelming time.
- Make sure the bills are paid on time.
- If you’re not sure what it costs to run your household every month, track your expenses for 30 days to get an idea. This will help you determine whether you’ll need to take income from investments or other sources.
- Claim life insurance benefits. Most insurers will send you a checkbook instead of a check. Many people leave this money in the insurance company checkbook due to the interest it pays, but these accounts are not necessarily FDIC insured.
- Apply for benefits: pension, union, military.
- Review whether you should switch from your Social Security benefit (if you are receiving benefits) to your survivor benefit. You can receive Social Security survivor benefits at age 60 (age 50 if you are permanently disabled).
- Delegate duties (like filling out claims paperwork).
- Claim retirement accounts and roll over. If you have an IRA, you can roll 401k, 457 and 403b accounts from your spouse directly into your IRA. However, if you are under age 59 ½, you may want to leave some money in those accounts if you think you will need it. Otherwise, if you roll over the IRA into your name, and are under 59 ½, and need to take a distribution, you will pay a 10% penalty on top of ordinary income taxes.
- Cancel or transfer accounts, memberships and subscriptions. Notify Medicare and Social Security, if applicable.
- Call the credit card companies to change/close the account, but ensure you continue to have access to credit. In order to retain the credit history of an existing account, you need to keep that account open.
- Transfer the power, electricity and water bills into your name.
- Transfer property to your name: home, savings bonds, car, etc.
- If you think there may be lost insurance policies, you can go to [www.oci.ga.gov](http://www.oci.ga.gov). This site is free and for Georgia residents. Outside of Georgia you can use [www.mib.com](http://www.mib.com).
- .Review your will to ensure it is accurate.
- Review your beneficiary designations as well, as they override the will. Look at who you have designated as beneficiary on insurance policies, retirement accounts and annuities.
- If your spouse was your health care proxy in your Advance Directive, designate a new agent.
- Make appointments with your Financial Advisor(s) and review your financial plans with them. Share any concerns you have about your financial future and ask questions.
- If you are uncomfortable meeting with advisors, and not sure what questions to ask, bring a friend with you. It is understandable to be overwhelmed by all that you are having to deal with.

## Pre-Planning Your Burial or Cremation

*“Ancient Egyptians believed that upon death they would be asked two questions and their answers would determine whether they could continue their journey in the afterlife. The first question was, "Did you bring joy?" The second was, "Did you find joy?"*  
*--Leo Buscaglia*

As with all these other things, you need to plan the events that will take place at the end of your life. Pre-planning is a wonderful gift to give your family, as they will be able to grieve your passing without the distraction of having to select a funeral home, burial products and create your memorial. You’ve probably attended numerous funerals during your lifetime, and you know what you like and what you don’t like.

To illustrate how easy this task really is, mark the boxes below whether you like the following or dislike the following funeral-related items.

Like	Dislike	Funeral-Related Process
		Donation of organs or whole body
		Burial
		Cremation
		Viewing with open casket
		Memorial in a Funeral Home
		Memorial in a Church or other location
		Reception after the viewing or memorial
		Lots of flowers and photographs of the deceased
		Funeral program with humorous stories
		Funeral with a spiritual program
		Graveside memorial
		Donations to charity in lieu of flowers

See how easy that was? The following page gives you space to make notes about what you want and do not want, regarding burial plans and final wishes.

If you’d like to take it a step further, interview the funeral directors and take a tour of the funeral homes in your area. After selecting the one you prefer, complete pre-planning paperwork with them. They will keep it on file, and you will always have the option of changing your mind.

If you pay for your funeral in advance, make sure you ask them which prices you are locking in. For example, if you pre-pay for a \$1,500 casket, but die in 15 years and the same casket costs \$6,000—how are they going to handle that? Make sure you have any promises made in writing and that you completely understand what is included in your pre-payment.

Nationwide, about 50% of the population is requesting cremation for several reasons. I want to mention a word about cremation societies. Make sure you really understand what you are pre-paying for and how any agreement with a society will work. You may be better off to make arrangements locally.

Also note, that if you want your ashes to be sprinkled on your favorite beach or in your favorite golf bunker (I am meeting more people who want this sort of thing), there are strict laws about sprinkling ashes in public places. Check in advance to make sure that what you want is possible.

### **A Note About Body and Organ Donation:**

If you are interested in donating your body to a medical school or university, you must pre-register. Contact the school, complete the registration packet and sign the consent form. A copy of this information should be in this book and your family and executor should know of these wishes. By law, schools are not allowed to purchase bodies, so your estate will not receive payment for this donation. Realize also, that it is possible to be rejected due to health reasons. If your Plan A is body donation, make sure you also have a Plan B.

Maybe you are not interested in body donation but are interested in organ donation. You can learn all about organ donation at the web site of the United Network for Organ Sharing. There are many myths about organ donation, so visit this web site and learn the facts: [www.unos.org](http://www.unos.org) or [www.donatelife.net](http://www.donatelife.net).

Here are a few myths and responses from the Donate Life America organization:

**Myth:** Doctors may let me die so they can transplant organs to their other patients.

**Fact:** Every effort is made to save the patient's life before donation can be considered. Doctors who treat patients at the time of death have nothing to do with donation or transplantation of their eyes, organs and tissues.

**Myth:** Donation disfigures the body and delays the funeral.

**Fact:** Donation does not disfigure the body or change the way a person looks in a casket. Most donations take place within 24 hours after death and therefore wouldn't delay funeral arrangements.

**Myth:** Signing a donor card is pointless.

**Fact:** Signing a donor card, and discussing your decision with your family members, is the best way to assure that your personal wishes will be carried out.

**Myth:** Transplants don't really work. They are experimental.

**Fact:** Americans receive more than 30,000 solid organ transplants and over one million tissue transplants annually. Transplantation is a standard medical procedure, and survival and success rates are extremely high. And, did you know that one donor can potentially save eight lives?

## My Burial Plans and Final Wishes

If you have pre-paid arrangements, note funeral home and contact information here:

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What are your desires regarding?

Organ Donation	
Burial/Cremation	
Viewing	
Wake	
Funeral	
Celebration	
Flowers or Donations	
Speaker(s)	
Music	
Psalms or Passages	
Readings	
Clothing	
Military Honors	
Obituary	
Other Specifics	

It will be helpful to complete the following for your family. You may even want to write your own obituary, as my father did.

I was born in \_\_\_\_\_ on \_\_\_\_\_, 19\_\_\_\_\_. My parents were \_\_\_\_\_ and \_\_\_\_\_. My maternal grandparents were \_\_\_\_\_ and \_\_\_\_\_, and my paternal grandparents were \_\_\_\_\_ and \_\_\_\_\_.

My children are: \_\_\_\_\_, born \_\_\_\_\_,  
\_\_\_\_\_, born \_\_\_\_\_,  
\_\_\_\_\_, born \_\_\_\_\_,  
\_\_\_\_\_, born \_\_\_\_\_.

Other information about my family:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I attended the following schools:  
\_\_\_\_\_

I belonged to the following Church or Synagogue, Clubs, Fraternities, Associations or Honor Societies:  
\_\_\_\_\_

I served in the military:  
\_\_\_\_\_

Other important information about me for my obituary:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### **VA Burial Benefits:**

The VA website, [www.va.gov](http://www.va.gov), contains information about burial benefits and much more. However, requests for burial in a Department of Veterans Affairs (VA) national cemetery cannot be made via the Internet. Also, the VA does not make funeral arrangements or perform cremations. Families should make these arrangements with a funeral provider or cremation office. Contact your local VA specialist for information on potential burial benefits.

### **For Burial in a National Cemetery:**

Burial benefits available include a gravesite in any of our 135 national cemeteries with available space, opening and closing of the grave, perpetual care, a Government headstone or marker, a burial flag, and a Presidential Memorial Certificate, at no cost to the family. Some Veterans may also be eligible for Burial Allowances. Cremated remains are buried or inurned in national cemeteries in the same manner and with the same honors as casketed remains. Burial benefits available for spouses and dependents buried in a national cemetery include burial with the Veteran, perpetual care, and the spouse or dependents name and date of birth and death will be inscribed on the Veteran's headstone, at no cost to the family. Eligible spouses and dependents may be buried in the national cemetery even if they predecease the Veteran.

### **Preparing in Advance:**

Gravesites in Department of Veterans Affairs (VA) national cemeteries cannot be reserved. You should advise your family of your wishes and where your discharge papers are kept. These papers are very important in establishing your eligibility. You may wish to make pre-need arrangements with a funeral home. At the time of need your family would contact a funeral home who will assist them with making burial arrangements at the national cemetery. To schedule a burial, fax all discharge documentation to the National Cemetery Scheduling Office at 1-866-900-6417 and follow-up with a phone call to 1-800-535-1117.

The Andersonville National Cemetery is not listed under the VA, as it is managed by the National Parks Service. Spaces cannot be reserved as arrangements are made after death. Their phone number is 229-924-0343 and you can learn more by visiting: <https://www.nps.gov>, then search for Andersonville.

State Veteran's Cemeteries include locations in Milledgeville and Glennville. You can learn more at: <http://veterans.georgia.gov/cemeteries>.

## Survivor's Checklist

Here is a list to guide you as you take care of final expenses and paperwork for a deceased loved one.

Immediately:

- Notify relatives and friends
- Locate instructions and make funeral arrangements. The funeral director can help you file for some benefits (social security and veterans) and will probably also provide you with a similar checklist.
- Decide where to print obituary notices.
- Get death certificates from the funeral home (one for each bank or investment account, and for each property)
- Keep records of all money spent.

Next:

- Locate the will. File it with the probate court. They will also give you instructions based on what property is passing by the will. You need to file the will even if there is no property to pass under the will.
- Set up a separate bank account to handle money from the estate (funds that are not passing by beneficiary).
- Go through the safe deposit box.
- Review homeowner and vehicle insurance policies, as well as credit account policies. Some persons pay for credit insurance, which pays off a debt when they pass.
- File claims with life insurance companies.
- Review annuity contracts for death benefits.
- Check with the former employer for benefits that may be due, such as life insurance, and retirement accounts.
- Transfer ownership of the home, vehicles, and other real estate.

Then:

- Collect all debts that need to be repaid and pay out of estate account. Cancel credit cards and notify all banks and credit unions.
- Re-register investment accounts in the correct name.
- Change the name on utility bills, as well as the telephone listing.
- Arrange for final income tax return, and estate tax return, as necessary.

**Of course, each situation is different. Consult your advisor for guidance.**

## My Story Paragraphs

I grew up on a farm in Northern Idaho, and my Father was a wheat and pea farmer. We always had about 80 head of cattle, a few pigs, some chickens, and a huge garden. My Mother, who died when I was in the third grade, sewed all our clothes (for five children), tended to the garden and flower beds, kept the house, fed the farm hands, and everything else that she needed to do. I recall her wearing dresses all the time—even when she worked in the yard.

I recall my Father leaving the house early in the morning to work, and coming in from the fields at dusk, covered in dirt from head to toe. After my Mother died, I especially appreciated time with Dad, which was rare as he worked so much and so hard. I would look forward to the time of day when he would come in from the field, get a metal bucket, and head to the barn to milk the cow. Even though I was allergic to dust and found it hard to breathe in that barn, I treasured the time I had alone with him while he milked Bessie, or whichever milk cow we had at the time. I would pull up a small stool and listen, as my Dad would tell me stories about his childhood. His Father died when he was very young, and he had to take over running the farm (with the help of neighbors) when he was in the third grade. He also helped take care of his little brother. He talked about using a hand plow that was tied to a mule, making snow skis so he could ski the three miles to school in the wintertime, and all the things that kids did back then. These stories were fascinating to me. He told stories about the Great Depression, and how the family survived (he said they ate so many plums from the plum tree in their yard that he can't look at a plum to this day).

Over the years, I would ask him over and over to tell these stories—especially the funny ones. Like the time his little brother caught the pig barn on fire by accident, or the time his parents were gone (he was very young) and he drove his Dad's car around the yard when he could hardly see out the window. It seems that some things never change.

When I had children of my own, I asked Dad to recant these stories again, and in 1989, he sat down at an old typewriter and typed 30 pages of family history for his children. He explained our family heritage, and where our last name came from. He explained how my grandparents came to America, and how they settled in Idaho and became farmers. He told the stories of his childhood, and of his family. I treasure these stories more than you can imagine—more so than any physical object he could pass along to me. So, I encourage you to take the time to write your story. To help you get started I've provided some pages with lines, and questions. If you decide to do this on the computer instead, please make sure you print out a copy, and save a back-up copy. You may be thinking, "I don't have much of a story", or "My kids wouldn't be interested in this", but I'm here to tell you you're wrong.

Your life matters, and your story matters, and you're the only one who can tell it the way it really was.

There is a groundswell of interest in writing a life story today, and there may even be classes at your local community college that will help you get started. Small publishing firms can even help you combine your stories with photographs and recipes (or whatever else you want to add) and create hard-back books for family members.

I recently met a woman whose Mother created a quilt, and each large square was a picture that represented a family member. What a treasure. Some families even create websites or use video cameras to capture living history. You can make this as big or small as you want, and you are only limited by your own imagination.

Here are some pages to get you started.











## My Story, Part 7

When we were kids, what we did to entertain ourselves was.....

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## How to Leave a Legacy

*"The only thing you take with you when you're gone  
is what you leave behind."*

--John Allston

What is a legacy, really? According to the dictionary, the word legacy means either “a gift by will especially of money or other personal property, or something transmitted by or received from an ancestor or predecessor or from the past”. So, a legacy can be a material item such as a family heirloom, or it can be an immaterial thing such as knowledge or a family name.

If you ask your children which type of legacy they would rather receive, cash or knowledge, I bet you can guess the response. It's our job to create balance. I know most people would like to leave something or make a difference somehow when they pass from this place. So, besides leaving the physical objects, what can you do? Here are some ideas:

### **Life insurance:**

This option is the most obvious, but there are details I need to talk about. Yes, you can purchase life insurance on yourself and name beneficiaries. But did you know that if the life insurance policy is in your name when you die, the policy value can be included in your estate and potentially trigger estate taxes? The solution is to move ownership of the policy to someone else, but make sure you select the right person. This new owner can change the beneficiaries, or cash in the policy.

You can also use life insurance to benefit a charity. Let's say you would like to fund a special need or provide enough money that the interest earned each year could support an ongoing program. You can purchase life insurance on yourself, then transfer ownership of the policy to the charity. They would also be the beneficiary. You would then make charitable contributions each year to cover the policy premiums.

### **Annuities:**

I meet many retired persons who purchased annuities years ago and they have no intention of spending this asset. A common feature of annuities is a guaranteed minimum death benefit to the beneficiaries when an annuity owner dies. Guarantees are subject to the claims-paying ability of the insurance company. Generally, this benefit pays beneficiaries the greater of contributions (less withdrawals) paid into the annuity or the annuity value at date of death.

Another option that may be available to the beneficiary of an annuity, is to take withdrawals based on the beneficiary's life expectancy.

### **IRA's:**

In 2020, the law that allowed non-spouse beneficiaries to “stretch” the money they inherited into lifetime payments was changed. A non-spouse who inherits an IRA must now use that money (and pay taxes on the distributions) within ten years. Non-spouse beneficiaries must also take required minimum distributions (annual payments based on their life expectancy) annually. Spouses can simply turn an inherited IRA into their own and treat distributions accordingly.

**Stock Certificates:**

I am frequently visited by adult children who have become caregivers for their parents and responsible for organizing their parent's finances. Many of them bring me original stock certificates that they have found in safety deposit boxes. While the parent is living, these stock shares can be moved into a brokerage account and held there.

A benefit of moving the stock from a certificate to an account, is once the shares are in an account, a Transfer on Death form can be completed, naming beneficiaries.

This move is not a taxable event, as there is no taxable gain until the stock is sold. A power of attorney or durable power of attorney will be necessary if the adult child plans to move stock shares for the parent.

Selling these shares is usually not an option, because the original cost of the stock (basis) is usually far less than the current value, creating a capital gain at sale (taxable event). When the owner of these certificates, or shares of stock, passes away, these shares receive a "step up" in basis. This means that the new basis is the stock value upon the date of death, so the beneficiary receives these shares at that value, and there is no capital gain if sold at that price.

**Physical Property:**

Did you know that charities will accept physical property, such as land or a house? In some cases, property can even be donated while you are living so you get the tax deduction for the donation, and the charity sells the property to fund their work. This option works well if individuals have a charitable intent, and they do not need the money that selling this property could generate.

I have seen cases where land or homes were left to family members, and the family members didn't really want to keep the property, or deal with selling it. This may be hard to believe, but imagine a home in one state, left to multiple beneficiaries living in another state, who must prepare a home for sale, hire a realtor and pay expenses while waiting for the sale. Or, imagine undivided land left to multiple beneficiaries, who cannot agree on whether to keep or sell the land, and cannot afford the tax bill that comes due each year.

Think carefully about what you will leave others, and the beneficiaries' ability to benefit from your gift. Talk to your heirs about what they want, and what they don't want. One child may want the house, and the other child may prefer life insurance proceeds. Once you know what you want to do, and what others wish to receive, you can plan accordingly.

In any event, I cannot stress communication enough. You must name beneficiaries whenever you can and make a will to list where you want property to go. Once you've created a property distribution list, it is usually beneficial to give a copy to all parties. The more aware people are of your wishes, the better the chance that your wishes will be carried out.

These are only a few examples of leaving a legacy—there are many, many more. Think about what you would like to leave behind when you pass from this place and consult with a professional that can help you make these plans.

As you work through the pages, and create your Life Book, enjoy the process. I think the following quote summarizes my advice to you:

*“Time is a companion that goes with us on a journey. It reminds us to cherish each moment, because it will never come again. What we leave behind is not as important as how we have lived.”* Anon.

Enjoy the process and enjoy the journey. I hope that this Life Book is a blessing to you and your family.

## **Appendix A: Your Personal Information and Identity Theft**

The Federal Trade Commission (FTC) defines Identity theft as, “Someone using your personal information, like your name, Social Security number, or credit card number, without your permission, to commit fraud or other crimes.” They estimate that as many as 17.6 million Americans have their identities stolen each year.

Many people don’t realize they’ve been a victim until they apply for a mortgage or other credit, only to notice charges they didn’t make, or until a debt collector contacts them. How do these people get your personal information? Here are examples:

1. **Dumpster Diving.** They rummage through trash looking for bills or other paper with your personal information on it.
2. **Skimming.** They steal credit/debit card numbers by using a special storage device when processing your card.
3. **Phishing.** They pretend to be financial institutions or companies and send spam or pop-up messages to get you to reveal your personal information.
4. **Changing Your Address.** They divert your billing statements to another location by completing a change of address form.
5. **Old-Fashioned Stealing.** They steal wallets and purses; mail, including bank and credit card statements; pre-approved credit offers; and new checks or tax information. They steal personnel records, or bribe employees who have access.
6. **Pretexting.** They use false pretenses to obtain your personal information from financial institutions, telephone companies, and other sources. They then use this information to appear legitimate and call you to request additional information that they “need” to help you.
7. **“Updating” or “Verifying” Your Information.** If you receive a phone call from someone claiming to be with Social Security, the IRS, or a service provider such as a cellular company, asking to verify your personal information, don’t do it. The caller may even say, “All I need are the last four digits of your Social Security number.” The caller is hoping you will provide them the information they need to steal your identity. Con artists can figure out the first five digits of your Social Security number by researching where you were born, so all they need are the last four to steal your identity. If you think the phone call might be valid, just ask for their name and phone number, and tell them you’ll call them right back. Chances are they will hang up on you.

**Once they have your personal information, identity thieves use it in a variety of ways:**

### **Credit card fraud:**

- They may open new credit card accounts in your name. When they use the cards and don't pay the bills, the delinquent accounts appear on your credit report.
- They may change the billing address on your credit card so that you no longer receive bills, and then run up charges on your account. Because your bills are now sent to a different address, it may be some time before you realize there's a problem.

**Phone or utilities fraud:**

- They may open a new phone or wireless account in your name or run up charges on your existing account.
- They may use your name to get utility services like electricity, heating, or cable TV.

**Bank/finance fraud:**

- They may create counterfeit checks using your name or account number.
- They may open a bank account in your name and write bad checks.
- They may clone your ATM or debit card and make electronic withdrawals in your name, draining your accounts.
- They may take out a loan in your name.

**Government documents fraud:**

- They may get a driver's license or official ID card issued in your name but with their picture.
- They may use your name and Social Security number to get government benefits.
- They may file a fraudulent tax return using your information.

**Other fraud:**

- They may get a job using your Social Security number.
- They may rent a house or get medical services using your name.
- They may give your personal information to police during an arrest. If they don't show up for their court date, a warrant for arrest is issued in your name.

**How can you find out if your identity was stolen?**

The best way to find out is to monitor your accounts and bank statements each month and check your credit report on a regular basis. If you check your credit report regularly, you may be able to limit the damage caused by identity theft. Unfortunately, many consumers learn that their identity has been stolen after some damage has been done.

**What should you do if your identity is stolen?**

Filing a police report, checking your credit reports, notifying creditors, and disputing any unauthorized transactions are some of the steps you must take immediately to restore your good name.

**Should you file a police report if your identity is stolen?**

A police report that provides specific details of the identity theft is considered an Identity Theft Report, which entitles you to certain legal rights when it is provided to the three major credit-reporting agencies or to companies where the thief misused your information. An Identity Theft Report can be used to permanently block fraudulent information that results from identity theft, such as accounts or addresses, from appearing on your credit report. It will also make sure these debts do not reappear on your credit reports.

Identity Theft Reports can prevent a company from continuing to collect debts that result from identity theft or selling them to others for collection. An Identity Theft Report is also needed to place an extended fraud alert on your credit report.

You may not need an Identity Theft Report if the thief made charges on an existing account and you have been able to work with the company to resolve the dispute. When an identity thief has opened new accounts in your name, or when fraudulent charges have been reported to the consumer reporting agencies, you should obtain an Identity Theft Report so that you can take advantage of the protections you are entitled to.

In order for a police report to entitle you to the legal rights mentioned above, it must contain specific details about the identity theft. You should file an ID Theft Complaint with the FTC and bring your printed ID Theft Complaint with you to the police station when you file your police report. The printed ID Theft Complaint can be used to support your local police report to ensure that it includes the details required.

A police report is also needed to get copies of the thief's application, as well as transaction information from companies that dealt with the thief. To get this information, you must submit a request in writing, accompanied by the police report, to the address specified by the company for this purpose.

How long can the effects of identity theft last?

It's difficult to predict how long the effects of identity theft may linger. That's because it depends on many factors including the type of theft, whether the thief sold or passed your information on to other thieves, whether the thief is caught, and problems related to correcting your credit report.

Victims of identity theft should monitor financial records for several months after they discover the crime. Victims should review their credit reports once every three months in the first year of the theft, and once a year thereafter. Stay alert for other signs of identity theft. Don't delay in correcting your records and contacting all companies that opened fraudulent accounts. Make the initial contact by phone, even though you will normally need to follow up in writing. The longer the inaccurate information goes uncorrected, the longer it will take to resolve the problem.

Resource: Federal Trade Commission, [www.ftc.gov](http://www.ftc.gov)

If you shop online, or use online banking, please set up two-factor authentication. Let's say you want to make online banking more secure. Log into your bank account, then go to Settings. Click on two-factor authentication and choose whether you want a code texted to your phone or delivered via e-mail. Once this is set up, when you log into the site in the future you will have to enter this code to get into your account.

One of the best ways to prevent identity theft is to freeze your credit. Once your credit is frozen with the credit bureaus, nobody can apply for credit in your name. Not even you. And, if you are a Georgia resident and over age 65, freezing your credit is free. The following information is from [www.georgia.gov](http://www.georgia.gov).

## Appendix B: Placing A Credit Freeze on Your Credit Report:

Georgia consumers can place a freeze on their credit, at no cost, at each of the three major credit-reporting agencies: Equifax, Experian and TransUnion. Each temporary lift of the freeze - commonly called a thaw - to allow access to the consumer's credit file is also free. When a consumer requests such a thaw, it should be available electronically within 15 minutes of request by the consumer, keeping on-the-spot credit an option for shoppers.

When a freeze is in place, credit reporting agencies may not release the consumer's credit file unless the consumer first removes the freeze by providing the consumer's password to the credit agency used by the merchant. Most lenders and creditors rely on access to a consumer's credit file to determine a consumer's credit worthiness. By denying such access, a credit freeze makes it very difficult for an identity thief to open a credit account or loan in a victim's name.

Insurance companies, existing creditors and law enforcement agencies retain the ability to access credit reports in certain instances.

To place a credit freeze on your file, consumers must contact the credit reporting agencies at the addresses below:

Equifax Security Freeze, P.O. Box 105788 Atlanta, GA 30348

Or by going to: [https://www.freeze.equifax.com/Freeze/jsp/SFF\\_PersonalIDInfo.jsp](https://www.freeze.equifax.com/Freeze/jsp/SFF_PersonalIDInfo.jsp)

Or by calling 1-800-349-9960

Experian Security Freeze, P.O. Box 9554 Allen, TX 75013

Or by going to: <https://www.experian.com/freeze>

Or by calling 1-888-397-3742

TransUnion Security Freeze, P.O. Box 6790 Fullerton, CA 92834-6790

Or by going to: <https://annualcreditreport.transunion.com/fa/securityFreeze/landing>

Or by calling 1-888-909-8872

Written requests must contain the following:

- Full name (and former name if applicable).
- Current Address and former address if it changed in the last 5 years.
- Social Security number.
- Date of birth.
- Photocopy of a driver's license, state ID card or other government-issued identification.
- Proof of current residence, such as a copy of a phone or utility bill.
- If you are a victim of identity theft, include a copy of either the police report; investigative report, or complaint to a law enforcement agency concerning identity theft.
- If you are not 65 years of age or older or a victim of identity theft, include payment by check, money order or credit card (Visa, Master Card, American Express, or Discover cards only). Do not send cash in the mail.

Clark Howard has created a "Credit Freeze and Thaw Guide" on his website, that contains the web links to the credit bureaus. You can find this by visiting his website, [www.clarkhoward.com](http://www.clarkhoward.com), and searching for "credit freeze guide."

## **Appendix C: Georgia Advance Directive:**

The following document is from Caring Connections. Caring Connections, a program of the National Hospice and Palliative Care Organization (NHPCO), is a national consumer engagement initiative to improve care at the end of life, supported by a grant from The Robert Wood Johnson Foundation. You can print the Georgia Advance Directive from their website, [www.caringinfo.org](http://www.caringinfo.org). A copy is included in the appendix of this book.

Caring Connections tracks and monitors all state and federal legislation and significant court cases related to end-of-life care to ensure that our advance directives are up to date.

Caring Connections  
1700 Diagonal Road, Suite 625, Alexandria, VA 22314  
[www.caringinfo.org](http://www.caringinfo.org)  
800/658-8898

### **It's About How You LIVE**

This is another initiative of [www.caringinfo.org](http://www.caringinfo.org). It's About How You LIVE is a national community engagement campaign encouraging individuals to make informed decisions about end-of-life care and services. The campaign encourages people to:

- Learn about options for end-of-life services and care
- Implement plans to ensure wishes are honored
- Voice decisions to family, friends and healthcare providers
- Engage in personal or community efforts to improve end-of-life care

## Appendix D: Tracking Spending and Creating a Budget:

Most people I meet resist the idea of creating a budget, and with good reason. They have no idea where their money is going, and they really don't want to know. I completely understand this thinking. However, what you don't know can hurt you. About fifteen years ago, our family began using the following process and I can attest that it has helped us plan for the future, avoid conflict, and make progress toward our goals.

And, if you are suddenly responsible for all the financial decisions, knowing where your money goes, and knowing that your income can support your lifestyle will give you peace of mind.

Here are some suggestions for managing your money:

1. Before you create a budget, you need goals. Take some time and write down financial goals for 1, 3 and 5 years. Here's a fun exercise that a couple or family can do. Each person takes 15 minutes or so and writes down their individual goals. Next, go out for coffee or dessert and give each person time to share what they have written down. I suggest you do this about the same time each year, and I guarantee you'll learn something new about each other every time. Try to pick one goal that you and your partner, or family, will commit to working toward together.
2. Now that you have a goal, track spending for 30 days (see following guide). Track every penny, and no cheating. Don't worry about trying to change spending habits at this point—just write down what you spend every day.
3. After 30 days, total the columns on the tracking form, and decide if these amounts are reasonable. There's usually at least one column that will surprise you, and you'll want to make an adjustment to your spending in this area.
4. Look at the columns again and ask yourself, "Is spending my/our money this way getting me/us closer to my/our financial goals, or further away?" Make adjustments as necessary and add a new column for your financial goal.
5. The budget is created from this tracking form (all forms follow).

When things start feeling out of balance, make another copy of the spending diary and track spending again for 30 days. This exercise, to me, is one of the best things you can do for your financial life. It will make you consciously aware of every dollar you spend, so in the spending moment, your brain will remind you that you have a choice. And in making choices, you will change habits and behavior over time.

If you are doing this as a family, you are also teaching your children an important life skill, and an important fact: there is only so much money here and we must make decisions in order to spend it wisely. Think of it this way. Imagine you have tracked spending for 30 days and created a budget. Next, imagine (this will be difficult) that your teenage son wants a new pair of expensive athletic shoes. I know, this is hard, but try to stick with this. What is your response? "Son, I know you really want these shoes, but you can see by looking at this budget that there is only \$ \_\_\_ allotted for clothing, and we can't take from these other categories. Since \$ \_\_\_ is allotted for your clothing needs, maybe you can earn the other \$ \_\_\_ to pay for these shoes, as they are very expensive. It's much easier to communicate about money when there is a plan and a system in place. It removes the emotion from the decision.

Another benefit of having a budget is you will talk about money more frequently as a couple, or a family. “Honey, I just found this great deal on golf clubs, but it’s not in the budget, what do you think?” Marriage counselors report that money is the number one cause of disagreement for couples. I think much of this stems from a lack of goals and a lack of communication.

## **My Goals**

In one year, I would like to accomplish:

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By five years from now, I would like to have accomplished:

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In ten years, I want my financial situation to be as follows:

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## Monthly Cash Flow Statement

Groceries	\$	\$
Meals Out	\$	\$
Snacks	\$	\$
Gas	\$	\$
Day Care	\$	\$
Mortgage/Rent	\$	\$
Utilities	\$	\$
Medical	\$	\$
School Supplies	\$	\$
Clothing	\$	\$
Home Repair	\$	\$
Car Maintenance	\$	\$
Entertainment	\$	\$
Savings	\$	\$
Investments	\$	\$
Dry Cleaning	\$	\$
Credit Cards	\$	\$
Loan Payments	\$	\$
Allowance	\$	\$
Gifts	\$	\$
Total Expenses	\$	\$



**Sherri Goss, CFP®**  
**President**  
**Lifespan Wealth Management, Inc.**

I realize that the number one concern of most retirees is that they don't want to run out of money. Our Retire...Relax® portfolio is our firm's flagship asset management program. This program is actively managed with a focus on risk mitigation. If we feel risk is too high, we have the option to go to cash in order to protect principal if necessary.

Additionally, we offer portfolio options which are designed for those who are still in the accumulation phase of life. Many of my clients are caregiver families, and my experience with these clients led me to write this book. You may also be interested in the many free reports available on our website, [www.retirerelax.com](http://www.retirerelax.com).

In addition to myself, our team at Lifespan Wealth Management, Inc. includes Jonathan Eisner, CFP® who has been working in the financial services arena for 12 years. Randy Goss, MBA, provides technical analysis and portfolio management. Our executive support staff team is Tia Albrecht, Cathy Fortson and Cory Albrecht.

I am a certified Financial Planner Professional and hold a B.S. from the University of Idaho, a M.Ed. from Boston University, Insurance Licenses in Life, Health and Variable products, and Series 7, 66 and 24 securities registrations. You will see me on WMAZ's evening news show, as well as hear me on Saturday mornings on AM940's *Your Money* program which runs from 9-10:00 am. I have worked in the financial services industry since 1999, and previously served as Vice President of Consumer Credit Counseling Service of Atlanta. My ten years with that organization shaped my personal money management style, with a preference for being debt free. I have been married to my husband Randy, who retired from the Air Force after 31 years of service, for 39 years and we have two married children and two grandchildren.

I am available to speak to groups on a number of topics and appreciate the opportunity to provide education to the public, free of charge. Education is a big priority for us, and we look forward to serving you.

Securities and investment advisory services offered through Osaic Wealth, Inc. member FINRA/SIPC. Osaic Wealth is separately owned and other entities and/or marketing names, products or services referenced here are independent of Osaic Wealth.

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