

SENIOR

Citizen's Guide

To Northeast New Jersey

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AS FEATURED IN
THE FINANCE SECTION

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ORGANIZING IMPORTANT FINANCIAL DOCUMENTS

One File/Six Lists For Protecting Yourself And Your Heirs

Aside from preparing a will, a living will, a health proxy and a durable power of attorney, it is critical to compile a guide to your finances, documents, other important valuables and papers for your heirs. All it takes are 6 lists in 1 key folder. This folder should be in your home or with someone you trust. It should be someplace that is easy to find and it should be clearly marked. If you lock the folder in a safe or a safety deposit box, your heirs may not find it in a timely manner. Someone you trust should know where it is and must be able to access it quickly.

These lists are critical in the event you become incapable of taking care of yourself, or if you have passed away.

Here is a brief summary of what is important:

- 1. Your Financial Accounts:** prepare a list of all bank accounts, brokerage/investment accounts and credit/debit cards. This list should include account numbers, names and addresses of institutions, contact person and phone number, pass word if any and the location of a key if you have a safety deposit box. Your heirs may need your most current statements so indicate where you file these in your home.
- 2. Your Professionals:** prepare a list of everyone who has been involved in preparing important documents such as your accountant, attorney, financial advisor, and insurance brokers (home, auto, life, long term care). This list should include the function of each person, contact information and where in your home you file your documents.
- 3. Your Recurring Bills:** prepare a list of all bills that come in on a regular basis. You may want to look back through your check register for a 12 month period to make sure that you have included everything. These bills can be monthly such as loans, mortgage payments, telephone and electric; quarterly such as some insurance premiums; or annually such as home alarm premiums. Your heirs need this list to continue certain payments in order to avoid penalties or to cancel services.
- 4. Your Sources of Money:** prepare a list of sources of income that you receive or that your heirs will receive after your death. This list should include items such as annuities, social security, pensions, annual distributions from retirement accounts*, VA benefits, any loans you have made to anyone, as well as disability, long term care and life insurance policies. In all cases include where you have filed these documents, and all contact information etc.

**It is important, if you are incapable of taking care of yourself or in the year of your death, that minimum annual withdrawals from retirement accounts be made to avoid needless penalties.*

5. Important Documents and Hidden Valuables: (some of these have been mentioned above) prepare a list of important documents and note where you keep them. These documents include items such as automobile ownership papers or lease agreements, home ownership papers (deeds and titles) and mortgage documents for any and all real estate holdings, any loans given by you or owing by you, wills, living wills, health proxies, tax returns, brokerage statements, insurance policies (home, auto, health, long term care, life), passports, birth certificates, original invoices or other paperwork showing provenance for any important works of art you own, partnership documents and other investments that you may have outside of a traditional investment portfolio, marriage and divorce papers, cemetery plot ownership papers and preplanned burial papers if any. Some people plan for their deaths and have a vision of their burial services but neglect to leave a written detail. If you have made such preparation, do not forget to include this in the list of important documents. If you have a coin collection or jewelry, note where you keep it. And, if you have a safe, leave the combination number and directions.

6. Computerized Information: prepare a list of all of your email accounts and their passwords as well as the password for your computer if it is password protected. If you can, include any services which have online billing and automatic payments such as cloud computer storage, etc. This list will give your heirs rapid access to your contacts for notification purposes as well as a way to access any online recurring charges for services you may have forgotten.

If you decide to prepare all of the above lists on your computer, be sure to print out copies and place them in a file. After all, if your computer is password protected no one will be able to access the information.

I empty estates for executors and have found many of the items listed above because the heirs had no idea where important papers and valuables were stored or hidden. We tend to misplace and/or forget that we own items not frequently used. A file with the above information is essential in assisting your spouse or family members in the event you become incapacitated or pass away. The government has lists of assets that remain unclaimed. Even if you discover that your family has unclaimed assets, recovering them is extremely difficult. Preparation, as time consuming as you think it might be, is by far the easier road to take.

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