Plan Well. Live Well. Have an Organized Household.

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Operating your household is similar to running a business since both have a financial motive as well as others, and there are several similar concepts. Think of savings as retained earnings for example and spouses/partners as a management team.

Business or personal, there is are central goals or purposes for the organization. For a business the main goal might be satisfying the market for the latest widget or delivering the ultimate spa massage. Households have a range of goals such as funding: retirement, a contingency for emergencies, housing, food, clothing, healthcare, education, and entertainment or recreation. Both may have goals to give back to the community through volunteering or charitable giving.

To achieve goals of any kind effectively, you need to plan and make the process a habit. For households, those plans can include: developing a governance structure for your household, reviewing staffing needs and whether to outsource (e.g. child care and cleaning services), as well as financial, tax and estate plans.

Not a romantic view of life, but a practical one. How to find fulfillment and balance amongst the mundane, is an individual exercise I leave to philosophers and other personal advisors, but it is an important part of the estate planning process and similarly for business succession. Knowing who you are and where you are in life can be a beacon to guide you, provided you are mindful of the final destination.

Similar to a business organization, your household has key governing documents such as title to your home, or a lease, as well as insurance policies, warranties, user guides, Wills, powers of attorney, domestic agreements, etc. You also have advisors on which you rely such as your accountant, financial and insurance advisors, as well as lawyers. There may also be emergency contacts.

Being able to put your hands on this information, personally, or your attorneys for property/care or executors, in a timely manner can save a lot of aggravation. It also makes keeping it up to date easier.

How to Organize Household Information – The first step is to make a list of what you need to track. On the next page is a list of suggested tabs for your "Household Minute Book". You can customize it to suit your individual needs.

Related Planning – Estate planning is a companion piece to comprehensive financial planning, both of which share much of the same core information and goal-setting exercise to help clients understand where they are and where they are going. When both types of planning are done together, the result is an even stronger foundation to live well and leave an organized estate.

As you go through the estate and financial planning process for the first time, it will help inform how you want to organize your household to achieve your goals. After that, you will be in maintenance mode, absent a substantial change, and your plans and materials can act as a guide to facilitate easier, faster and better decisions.

Household Minute Book Tabs:

a. List of key contacts and their coordinates (e.g. lawyer, accountant, financial and insurance advisors, valuators and appraisers, etc.)

b. Copy of POA Care

c. Copy of POA Property

d. Copy of Wills

e. Copy of trusts

f. Copy of domestic agreements

g. Copy of shareholder, partnership, buy-sell agreements

h. Copy of business or corporate organization chart

i. Financial summary with account ownership, account numbers and beneficiary designations

j. Copy of house and car insurance

k. Copy of documents related to household operation such as warranties and manuals

l. Copy of life, disability and long term care insurance

m. Copy of letter of wishes to executors and trustees, if applicable

n. Copy of letter of wishes to attorneys for property and care, if applicable (may wish to explain what quality of life means to you and financial resources you are willing to devote to personal care)

o. List of intellectual property

p. Information regarding how to access digital accounts and wishes for management of those accounts in case of incapacity or death

q. Record of family meetings

r. Record of business succession meetings

s. Record of meetings with executors, trustees or substitute decisions makers

t. Review log to confirm plans are regularly reviewed and updated

Once you decide on what you need to track, the next step is to collect it together and determine whether you want to manage it digitally or in hardcopy. I recommend doing both. Regardless of the option chosen, you need to ensure that key people authorized by you have access in a timely manner.

When to Review – Whenever there is a change in circumstance or an update to any related documentation.

Reminder: Maintaining an organized estate (and household) during your lifetime is a gift you give yourself and those about whom you care.

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