Have You Made New Year's Resolutions?

A new year is a great time to start fresh and implement positive changes that will enhance our lives. Many of us want to lose weight, spend more time with friends and family, eat healthier, learn a new skill, or save money. Although we can implement these goals anytime, the beginning of the new year is often a good starting point to help us measure our progress.

There are pros and cons to setting New Year's resolutions, and people have varying opinions about their helpfulness. People who have a favorable attitude towards New Year's resolutions often point out the following benefits:

- Having goals provides people with a sense of purpose and a positive, forward-looking perspective.
- If you do not set goals, it is axiomatic that you will not achieve them!
- Accomplishing a goal—or at least making significant progress—provides a sense of satisfaction.

Others point out the following cons of New Year's resolutions:

- The initial motivation generally wanes over time, making failure likely.
- Not keeping them could lead to a feeling of failure or shame.
- They reflect dissatisfaction with oneself or one's life circumstances.

If you have decided that New Year's resolutions are helpful to you, think about goals that can provide significant security for yourself and your family. Although they may not be the first New Year's resolutions that come to mind, there are several steps that you can take that will benefit your family.

1. Choose a guardian. If you are a parent, create a plan to ensure that your children are cared for if you or the other legal parent are unable to care for them by naming a person you trust to be their guardian. If you do not choose someone to serve as a guardian, a court will appoint someone for you—and it may not be the person you would have chosen. Designate the person you choose in your will or in a separate document, if your state allows for it.

2. Create medical and financial powers of attorney. If you are unable to communicate or make your own medical or financial decisions, your agent under a power of attorney can step in and make decisions on your behalf. Even if you are married, it is still prudent to appoint an agent to act for you because your spouse may not be able to step in for you depending on the situation. If you want your spouse to be your agent, you must have medical and financial powers of attorney prepared. This will help your spouse or other loved one avoid the stress of having to go to court to be appointed as your guardian.

3. Have enough life insurance. If you pass away, will the proceeds of your current life insurance policy provide adequate funds for your loved ones? It is important to regularly evaluate whether your coverage is sufficient, particularly if you have had another child. If you do not have life insurance, one of your New Year's resolutions should be to ensure that this gap in your planning is filled.

4. Establish a plan for your money and property. Have you decided who you would like to inherit your money and property when you pass away? If you do not have a written estate plan, your money and property will go to individuals specified in your state's statute instead of to the beneficiaries you choose. You should create a *will*, which is a document that states how you would like your money and property to be distributed at your death and the individuals (or organizations if you would like to give to a charity) who you would like to receive it. Alternatively, many people create *trusts* to hold their money and property on their behalf and on behalf of their beneficiaries and which specifies when and to whom the money and property should be distributed. Trusts provide privacy because, unlike wills, the trust documents do not become public record during probate proceedings. In addition, a trust can protect your beneficiaries from unwise spending and creditors.

Let Us Help You Keep Your Resolutions

We can help you create a comprehensive estate plan that will fulfill all of your goals and provide you and your loved ones with substantial peace of mind. Please give us a call to discuss how we can assist you in creating the best plan for you as you enter the new year.