



"From Where I Sit ..."

"Spring Planning"

As you read this article, Spring is finally here! Although I am writing this article even before Winter has officially begun, I know that in March we will all rejoice that Spring is finally here.

But with Spring comes some additional responsibilities. One of which is what we call Spring Cleaning. I would take you a step further and suggest that we also engage in Spring Planning. Many people intend to start their planning with the New Year but like exercising and other well intentioned commitments, these often fall by the wayside. But Spring Planning gives us another opportunity to address this important task.

Since my work is primarily with insurance, a first step in Spring Planning is to review your insurance documents. However, insurance is only a part of a Life Plan.



Everyone should have a Life Plan that projects what their circumstances will be when they retire, or what their family will need to do when they die, or should a financial emergency arise and they become seriously injured or totally disabled. We don't like to think of these things, but if we love our family members we must do our best to prepare for our future and to likewise help them prepare.

By March many of us have filed our taxes and therefore have a good idea of our income. How does your proposed life insurance proceeds measure up to your annual income? Will it support your family for a year? Two years? Or three? If you are the primary breadwinner for your family, they could experience a severe hardship if your insurance is not adequate. And the same applies to your retirement benefits.

Another important Spring Planning task is to review your beneficiaries. A lot can happen in a year such as the death of a spouse, a divorce, a remarriage, or children who have come of age (i.e. 18). With such occurrences in life, changes of beneficiaries also may not only be appropriate but necessary (as in a divorce). While you are alive, you have the opportunity to determine who should inherit or receive your life insurance or retirement benefits.



Also, about beneficiaries it is good to review or include secondary beneficiaries. A primary beneficiary is the person you have chosen to receive all your benefits in a certain plan. If you have multiple primary beneficiaries, they will jointly receive your benefits per the schedule you have chosen, if they are still alive at the time of your death. Using multiple primary beneficiaries gives you additional protection that some of the persons you have chosen will receive your benefits. However, the need for a secondary beneficiary increases if your only primary beneficiary is a spouse or someone who may travel with you frequently. If while traveling together (or even at home), you and your primary beneficiary should both die at the same time and you have not named a secondary beneficiary, your benefits may be tied up for quite some time in a probate court. Such a situation could also hinder your family's efforts to have your funeral.

Finally, it is equally important to have some savings for an emergency where life insurance or retirement benefits will not be available. Some would call such a savings, "a rainy-day fund". If you need to establish such a fund and you qualify, you should consider the CME Church's 403(b) fund as referenced in earlier articles found in the June 2015 and June 2016 issues of The Christian Index or on the CME Church's webpage for the General Board of Personnel Services.

In any case, it is wise to take advantage of the opportunity for Spring Planning to make sure that all your final wishes are reflected in your insurance and retirement documents and supported by your personal savings plans. *Or at least that's the way it looks to me...*

"From Where I Sit"

Tyrone T. Davis, D.Min, is the General Secretary of the Board of Personnel Services
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Personnel Services Webpage of the CME Website at www.thecmechurch.org)