

Building Me Project

Financial Essentials Checklist

- Get Organized**
 - Do you know where all of your important documents are?
 - List all of your accounts and where they are located
 - Consider consolidating them to make things simpler.
 - Make a list of advisors with names and contact information
 - Put list of dates on calendar (e.g. estimated taxes and property taxes)
- Review your net worth**
 - Add up what you own (your assets) and then subtract what you owe (your liabilities).
 - Are you in the plus or the minus?
 - This will help you with knowing your next steps for saving, debt reduction and budgeting.
 - It also gives you a way to measure future progress.
- Write down your goals**
 - What do you want to accomplish financially this year?
 - What about in five or 10 years?
 - Having realistic goals will help you make smarter saving and spending decisions, balancing current needs and future desires.
- Refine your budget**
 - Add up your income, itemize your expenses (both essential and discretionary) and do the math. If you're coming up short, you'll need to prioritize.
 - Decide where you can cut back if necessary. No matter what, make savings a line item on your list of essential expenses.
- Get on top of debt**
 - An industry rule of thumb is that no more than 28 percent of your pre-tax income should go toward home debt; no more than 36 percent should go toward all debt (home, car, credit cards, etc.).
 - Debt Snowball
- Go automatic**
 - Put as much on auto-pay as possible -- recurring payments as well as contributions to savings.
- Save for retirement**
 - While you're at it, make sure that saving for retirement is also automatic, either through contributions to a company retirement plan or to an IRA. Increase your retirement savings if you can.
- Check your insurance**
 - Review your insurance coverage. Health and auto insurance are both a must. If you have dependents, consider life insurance.
- Review your portfolio**
 - Make sure your investments still reflect your goals and feelings about risk. If not, it's time to reallocate.

Create an Estate Plan

- If you don't have a will, make this a priority, especially if you have children for whom you must designate a guardian. Also, check that the beneficiaries on your retirement accounts and insurance policies are up to date.

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7 Types of Essentials Insurance

- Life Insurance
- Health Insurance
- Homeowner/Renter Insurance
- Auto Insurance
- Disability Insurance
- Identity Theft
- Long-Term Care*
 - Get this on your 60th birthday as a gift to yourself.

Find Insurance endorsed local providers here:

<http://www.daveramsey.com/elp/insurance/ictid/rt.nav>

Disclaimer:

This column and the resources listed are no substitute for an individualized recommendation, tax, legal or personalized investment advice.

“Let’s Build a Better You!”