Annual Review Checklist

(NOTE: This is a quick review version, not a comprehensive version)

- ❑ Car Insurance Deductibles: $1,000 or as high as possible for you.
- ❑ Home Insurance Deductibles: $1,000, 1% of home value, or as high as possible for you.
- ❑ Documentation: Do you have pictures of your valuables stored off-site or online in case of a loss?
- ❑ Personal Liability Umbrella: $1M minimum or 1x Gross Worth.
- ❑ Medical Insurance: Maximum coverage possible, $1-2M; high deductible.
- ❑ Disability Insurance: Maximum allowable for long-term disability is approximately 60% of income; have as long of a waiting period as possible and use short-term savings or cash to fill the gap.
- ❑ Long-Term Care Insurance: Depends on your level of concern about this area and your cash flow.
- ❑ Wills and Trusts: Make sure they reflect your current wishes, and that Trusts are funded. Additionally go to www.thetorch.com for a letter of instruction and www.agingwithdignity.org for medical power of attorney ideas.
- ❑ Ownership: LLCs and Corporations have tax benefits; speak with a CPA about one for yourself. If you have one already, are you taking full advantage of it?
- ❑ Life Insurance: Human Life Value is 15x income or 1x Gross Worth. Fill with Term Life insurance and then work to convert a portion of it to Whole Life each year or so. Do you have cash value in existing Whole Life insurance policies that could be borrowed against?
- ❑ Cash/Checking/Savings/Money Market Accounts: Store a month or two of expenses here; the rest should be in your life insurance policies doing many more jobs.
- ❑ Mutual Funds, Stocks, and Bonds (non-IRA): Dividends, interest, and capital gains should be paid out in cash to your Prosperity Account so they can be re-deployed.
- ❑ 401(k): Only contribute up to the match; if no match, invest elsewhere.
- ❑ IRA: Should be in a "principal protected growth account" or restructured to provide income now, depending on your age.
- ❑ Primary Residence: Mortgage should be fully amortized at 25-30 years or refinanced. Home equity loans should be available, but used very carefully.
- ❑ Investment Real Estate: Retain to use for cash flow and possibly a Charitable Remainder Trust down the road.
- ❑ Vital Documents: A file with important passwords, photos, videos, and other documents should be kept in a fireproof safe or deposit box at a bank or online, with at least three other people knowing its whereabouts (we can be one of the three). It should have contact information for your CPA, attorney, stockbroker or online accounts, real estate agent, financial planner or advisor, property and casualty insurance agent, life insurance agent, mortgage broker, banker, executor, and other advisors. Consider www.thetorch.com for a solution, or protectmyplans.com for digital assets.