

# FINANCIAL SECURITY CHECKLIST 2024



Financial planning isn't a one-and-done exercise. To keep your financial house in order, it's important to review your finances on a regular basis, particularly as your needs change over time. This annual Financial Security Checklist guides you through the process to make sure you're well-placed to reach both your short- and long-term financial goals.

## Review Your Financial Goals:

Revisit your short-term and long-term financial goals to assess whether they are still relevant.

Readjust your financial plan to account for any changes in your life circumstances or priorities, such as changes to your marital status, childbirth, switching jobs, moving, inheritance, etc.

Document your financial plan if you have not yet done so.

## Assess Your Emergency Fund:

Confirm that your emergency fund is adequate to cover unexpected expenses, such as medical emergencies or job loss.

Aim to have three to six months' worth of living expenses saved in a liquid account.

## Evaluate Your Budget:

Review your income and expenses from the previous year to understand your spending patterns.

Create a realistic budget for the upcoming year that aligns with your financial goals.

Decide how much money you can allocate each month to pay off high-interest debt (e.g., credit cards) and save for shorter-term goals (e.g., a vacation or home, home renovations).

Find ways to reduce your expenses (e.g., by canceling outdated subscriptions).

## Plan for Major Expenses:

Anticipate longer-term expenses, like a mortgage, and start setting aside funds in advance.

If you are saving for education, consider if a 529 college savings plan makes sense for you, and start funding it as soon as you can.

Track your health care spending so you can choose the best insurance plan for your needs.

Consider setting up a Health Savings Account to cover health care expenses that may not be covered by insurance.

## Check Your Insurance Coverage:

Make sure you have the insurance policies you need, such as health, life, disability, auto, and homeowner's insurance.

Ensure your coverage is sufficient to protect you and your family in the event of an unforeseen circumstance.

Consider the benefits of long-term care insurance to cover future health care costs.



### Rebalance Your Investment Portfolio:

Review your investment portfolio to ensure that it remains aligned with your risk tolerance and financial objectives.

Rebalance as necessary to maintain diversification and optimize returns.

### Review Tax Strategies:

Evaluate tax-efficient investment strategies, such as maximizing contributions to tax-advantaged accounts and harvesting investment losses to offset gains.

Tax-diversify your investments by allocating funds to accounts with different tax treatment.

Assess how your Required Minimum Distributions (RMDs) may affect your tax status.

Consult with a tax professional and your financial advisor to explore additional tax saving opportunities, such as Qualified Charitable Distributions (QCDs) and Roth conversions.

Think through your charitable giving plan to maximize tax efficiency by considering vehicles such as a Donor Advised Fund (DAF) or QCDs.

### Maximize Retirement Contributions:

Take advantage of employer-sponsored retirement plans, such as 401(k) and 403(b) plans, by contributing the maximum amount allowed.

Consider contributing to an individual retirement account (IRA) to further bolster your retirement savings.

If you're self-employed, review the annual contribution limits for a Simplified Employee Pension (SEP) IRA, a Savings Incentive Match Plan for Employees (SIMPLE) IRA, or a solo 401(k) and contribute as much as you can.

### Consider Estate Planning:

If you have not yet done so, prepare a will and speak to your financial advisor about setting up an estate plan.

If you have one, review your estate plan, including your wills, trusts, and powers of attorney to make sure they accurately reflect your wishes regarding the distribution of your assets and the care of your dependents.

Ensure that your beneficiary designations are up to date.

### Update Documents and Passwords

Put all your relevant documents in a secure place and make sure someone you trust knows how to access them.

Consider changing your passwords or using a password organizer to keep your accounts secure.

## Get the Advice You Need

To enhance your financial well-being and achieve your financial goals, it's important to periodically revisit and adjust your financial plan as your life circumstances evolve. Schedule a [complimentary review with your financial advisor](#) to get started today.