

Your life is an ongoing adventure

As changes in your life occur, are you adjusting your financial plan accordingly? We've put together this 10-point checklist of key areas of your financial life. Take a look and see if you are ready for what 2022 may bring.

If any of these apply to you, talk to your Merrill advisor about implications and to help you adapt your plan.

2022 New Year's Financial Checklist

1. Life changes (e.g. retirement, new family members, change of residence, etc.)

- Do you expect changes in your personal life that will significantly impact your financial plan (switching jobs, changing your marital status, moving to another residence, etc.)?
- Are there significant events occurring that will impact your family members, such as children going to college or getting married, parental needs, etc.?

2. Overall financial plan updates

- Do you have a documented financial plan that has been reviewed within the past six months?
- Do you expect significant changes to your income and expenses in the upcoming year?
- Does your budget reflect your values and priorities?
- Have you taken into account long-term compensation (e.g., stock options, restricted shares, etc.) and long-term savings (e.g., retirement plans)?

3. Emergency fund (three to six months of expenses)

- Do you have an emergency fund that would cover three to six months of expenses?
- Is your emergency fund able to be accessed easily if necessary?

4. Insurance policies and coverage

- Homeowners/renters: is it sufficient to cover your home and property against disasters?
- Life insurance: will it replace your income for your dependents?
- Disability insurance: do you have income support if you are injured or disabled?
- Healthcare insurance: do you have suitable healthcare insurance?

5. Outstanding loans and credit

- Are your current loans or credit cards at higher-than-market rates? Should you consider refinancing or consolidating these loans?
 - If you have outstanding loans or credit, do you have a plan for paying back what you owe in a timely manner?
-

6. Gifting to heirs or charities

- Have you considered making gifts to heirs while you are living to reduce the size of your estate?
 - Do you have a charitable giving strategy? Have you considered bunching charitable donations for potential tax benefits?
-

7. Estate plans and associated legal documents

- Do you have an estate plan in place that accurately reflects your intentions?
 - Do you have a living will, healthcare directive, healthcare proxy and durable power of attorney?
 - Have any changes occurred that might require updates to these documents?
-

8. Tax changes that may impact you

- Did any tax law or IRS rule changes occur that will impact your financial planning? These could include the following:
 - Changes in tax rates or deductions
 - Changes in contribution limits to retirement accounts
 - Changes to required mandatory distributions from retirement plans
-

9. Key Retirement dates and milestones

- Should you take advantage of catch-up contributions to your 401K, IRA or HSA?
 - Are you hitting one of the key dates for government benefits this year? (Age 50, 55, 59 ½, 62, 65, 70 ½)
-

10. Retirement income plan (if retired or semi-retired)

- Have you reviewed the status of your income sources (Social Security, pension payments, annuities, etc.)?
 - Have you reviewed your retirement expenses?
 - Do your required minimum distributions (RMDs) cover the balance of these expenses?
 - Is your retirement plan able to weather the key retirement risks (e.g., longevity, healthcare, inflation and poor market returns)?
 - Have you made adequate accommodations for healthcare needs, including appropriate Medicare options?
-