

# Do you need to review your financial plan?

Financial planning is an ongoing process. Your plan should be considered a “living document,” which means you need to continually edit and update it to reflect life changes and your standard of living. Even a minor change in cash flow, investment returns, risk management, retirement age, or government regulations can impact your ability to meet your financial planning goals.

So, how often should you review your plan? Generally speaking, once a year is ideal or when a significant life event occurs. It makes sense to do your annual review around tax time, when you’re already going over your finances.

Here’s a checklist of the major planning issues you should keep on your radar.

PLANNING ISSUE	YES	NO
<b>1) Estate Planning</b>		
Have I appointed an individual for my Personal Care and Property Mandates? (Also known as Powers of Attorney.)		
Do I have a will?		
If yes...		
Have I reviewed my will during the last 2 years?		
Do I need to make any changes to my current will?		
<b>2) Risk Management</b>		
Do I have current life insurance coverage?		
Does my spouse or partner have current life insurance coverage?		
Do I know if all coverage is adequate?		
Do I know if any of the coverage is excessive?		
Have I reviewed my residential insurance policy in the last 12 months?		
Have I reviewed my automobile insurance policy in the last 12 months?		
Do I know the difference between critical care insurance and long-term disability insurance?		
<b>3) Tax Planning</b>		
Do I prepare my personal tax return?		
Do I know the benefit of donating stocks or mutual funds to a charitable organization?		
Have I ever been in an over-contribution position within my RRSP?		

PLANNING ISSUE	YES	NO
<b>4) Cash Management</b>		
Do I know what my/our monthly expenses are?		
Do we have a family budget?		
Do I have an emergency fund?		
Do I know what the recommended amount is for an emergency fund?		
<b>5) Retirement Planning</b>		
Do I have a retirement plan?		
Do I know at what age I expect to retire?		
Do I know what level of income I will require in retirement?		
Do I know about pension splitting rules?		
Do I have a defined benefit pension plan?		
Do I know what percentage of my retirement income will have to come from my personal investments?		
<b>6) Investment Planning</b>		
Do I manage my own investments?		
Do I know the annual cost incurred in the management of my portfolio?		
Do I know what MER refers to?		
Do I understand the term asset allocation?		
Do I understand the term diversification?		
Do I know the difference between value and growth management styles?		
Is my personal portfolio diversified using asset allocation?		
Do I know what DSC represents on my investment statement?		

If you answered YES to all of the above, congratulations! You seem to be on track with achieving your financial goals.

If you answered NO to any of these questions, you should review your current financial and investment plan to make sure you’re not missing any opportunities, or putting your goals at risk.

Need a financial plan or want a second opinion on your existing one? Contact us at [info@tewealth.com](mailto:info@tewealth.com) to request a complimentary financial mapping session, and to determine which areas you should focus on to reach your financial goals.