

Building Foundations for Financial Wellness

INSURANCE FOR YOUR LIFE STAGES

Investor Series Worksheet

Life insurance may play an important role in your financial plans, but it's not always easy to determine how much coverage you need. This worksheet should give you a general idea. If you'd like an estimate that includes more specific calculations related to your circumstances or goals, you may want to seek guidance from a financial professional.

To discuss your personal financial needs, please contact:

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I: INCOME AND EXPENSES

Investor Series Worksheet

Future income calculation table

Years	Factor
10	6.7
15	8.5
20	9.8
25	10.7
30	11.3
35	11.7
40	11.9

Income		Your Estimate	Example
1	What total annual income (before taxes) would your family need if you died today? (Generally, this is 70%-75% of current income.)		\$60,000
2	What annual income would your family receive from other sources? (Examples include interest income, dividends, Social Security, spouse's income, etc.)		\$30,000
3	Calculate the income shortfall by subtracting line 2 from line 1.		\$30,000
4	Calculate what is needed to fund the income shortfall by multiplying line 3 with the applicable factor in the table on the right. (The example reflects 25 years, for a factor of 10.7.)		\$321,000
Expenses		Your Estimate	Example
5	What do you estimate funeral and other final expenses will cost your loved ones? (Average funeral costs range from \$8,000 to \$10,000.* Other final expenses include unpaid medical and hospital bills, probate costs, attorney fees, etc.)		\$15,000
6	Estimate any outstanding debt, including mortgages.		\$225,000
7	Estimate college costs (in today's dollars) for each child. (For 2019-2020, the College Board reported four-year costs average \$106,360 for public colleges, and \$215,920 for private colleges.)**		\$100,000
8	Estimate any credit card debt.		0
9	Add lines 4, 5, 6, 7, and 8 for the total capital required.		\$661,000

*Source: Policygenius: How much does a funeral cost? 2020

**Source: College Board: Trends in College Pricing 2020

2: ASSETS AND ADDITIONAL EXPENSES

Investor Series Worksheet

Future income calculation table

Years	Factor
Income Need	
10	6.7
15	8.5
20	9.8
25	10.7
30	11.3
35	11.7
40	11.9

Assets		Your Estimate	Example
10	Estimate the value of your total savings and investments. This includes any bank or money market accounts, CDs, bonds, stocks, mutual funds, IRAs, retirement plan accounts, etc.		\$75,000
11	How much life insurance do you currently have? (Include only the death benefit, and any group coverage.)		\$175,000
12	Add lines 10 and 11 for the total of your income-producing assets.		\$250,000
Additional Life Expense Needs		Your Estimate	Example
13	Calculate your additional life insurance needs by subtracting line 12 from line 9.		\$411,000

The examples above are hypothetical and used for illustrative purposes only. The information and calculating factors provided here are designed to be used as self-help tools, and are not intended to provide investment advice. We do not guarantee their accuracy or applicability for individual circumstances.