LIFE INSURANCE NEEDS ANALYSIS

	Example		Your Situation
EXPENSES		•	
Immediate			
Funeral	\$6,000		
Final Expenses	\$2,000		
Subtotal		\$8,000	
1-9 Months			
Probate Expenses	\$2,000		
Estate Taxes			
Mortgage Pay-Off	\$50,000		
Subtotal		\$52,000	
Beyond 9 Months			
Emergency Fund	\$10,000		
College Funding	\$100,000		
Subtotal		\$110,000	
Lifetime Living Expenses			
Annual Living Expenses	\$60,000		
(from cash flow worksheet)			
Less Mortgage Payments	-\$12,000		
(if you pay it off)			
Less Spouse's Take-Home Pay	-\$20,000		
Less Social Security Benefits	-\$6,000		
Subtotal	\$22,000		
Multiplied By Number of Years Needed	x 18		x
Subtotal		\$396,000	
TOTAL EXPENSES		\$566,000	
ASSETS (available for support of dependents)			
Cash	\$10,000		
Investments	\$50,000		
Retirement Plans	\$50,000		
Life Insurance Already Owned	\$150,000		
Mortgage Insurance	\$50,000		
TOTAL ASSETS		\$310,000	
INSURANCE NEEDS (expenses minus assets)			
Total Expenses	\$566,000		
Minus Total Assets	-\$310,000		
Total (additional insurance needed)		*\$256,000	

^{*}This is not meant to be an exact number, for the number will change each year. For our worksheet we assumed a family of four, major wage earner was the father and spouse worked part time. They want to send their kids to college and pay off the mortgage if something should happen to one of them. You will need to do this for each individual. To be accurate you will need to find out from Social Security what your survivor benefits will be. www.socialsecurity.gov or 800-772-1213.