

# Tony Steuer

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## SUMMARY KEYWORDS

financial, tony, insurance, deductible, expenses, life insurance, review, life, important, insurance policies, documents, insurance company, investment, information, ready, question, life insurance policy, includes, people, organize



00:01

Thank you for joining us today for the Career Speaker Series. This series brings to you the nation's top career authors who will provide tips, tools and best practices you can use to create a successful career strategy. Hello, my name is Don Fela bomb and I'll be your host. With me today is Tony ster author, speaker, and a leader in the life and disability insurance industry. Tony has to share with us insights today from his experiences, his expertise that he has documented in many of his books, including get ready a step by step planner for maintaining your financial first aid kit. So in the next hour, you're going to learn inside tips and strategies to organize your financial life. Now, have your pen and paper or electronic device ready to take notes check the download option to gain access to resources. And then keep in mind you can contact us to help influence this program. send emails to Sandy at Career Speaker series.com now I am really excited to welcome Tony again today to our featured program. Tony is an author and advocate for financial preparedness. Tony has helped people prepare for any financial emergency, Tony created the Get ready initiative for consumers and professionals, which provides resources and best practices on financial preparedness along with spotlighting and leading financial literacy advocates. Tony's books include get ready insurance made easy and questions and answers on life insurance. Both have won enormous numerous awards. Tony is the founder of the Get ready initiative which includes the Get ready financial calendar. It provides a monthly action item to maintain financial preparedness and you may want to look more into that. Also the Get ready financial organization system to get ready podcast getting ready to cast get ready newsletter, get ready financial resources directory that get ready principles and get ready financial standards and best practices playbook for the financial services industry. As you can see, he's got a lot of resources available for you to get your finances in order. Tony served as a long term member of the California Department of Insurance

curriculum board. Tony is a regularly featured speaker in media including New York Times The Washington Post, Fast Company and other media organization he's appeared as a guest on shows like ABC seven on your side. So although you get Tony firsthand today, visit Tony at Tony store. s t e u e are calm. Now welcome me. Welcome. And Tony store. Tony. Thanks for joining us today.



03:02

Don, thank you so much for having me. It's a pleasure to be back again this year.



03:07

Fantastic. And I'm stopping sharing on my side and opening up for your side.



03:12

Okay, fantastic. I am going to switch over to start the presentation.



03:21

Great. We are starting to see your screen in a beautiful island in the middle of the ocean and get ready. So we're good to go.



03:29

All right, fantastic. So um, I guess I will get ready and launch right in. There. Thank you everybody for tuning into the presentation. Welcome to get ready. Get ready as a system simple system for financial preparedness. Get ready, we'll help you organize your financial documents and help you maintain all areas of your financial life. Get ready as for all stages of life, whether you're retired, just starting out, or somewhere in the middle of your working career. As with any financial discussion, there'll be some areas that you already have covered, while other areas may need attention, as you may either have not gotten to them yet, or you haven't reviewed them in a while. Even if you have a financial planner, insurance agent, attorney and accountant, they're most likely gaps in your overall financial life. Get ready. It's about finding those gaps in your financial life and providing you with the action item necessary to address that gap. This presentation will provide you with the option of completing specific tasks on your own, or providing questions to ask your advisors. Please note that this presentation does not provide specific financial, legal

insurance or accounting advice



04:51

so



04:58

my apologies Here we go the second side getting started. As Benjamin Franklin said, by failing to prepare, you're preparing to fail. your financial life works in the same way, you have to plan ahead and have the right financial products and services in place before they are needed, along with continuing to monitor them. So how do we get started, we get started with what I call the Get ready principles, which can be applied to all facets of your financial life. The principles are designed to provide guidance, which results in education and efficiency in managing your financial life. Here's what get ready stands for GS four goals. It's important to have financial goals so that you can be in charge of your financial future. Taking time to make a plan now will allow you to be prepared rather than having to scramble to gather information when it's needed. Educate yourself, become financially literate. Take the time to understand your financial life. Money is an important part of your life. So it's worth your time to understand all the different components of your financial life. Most people spend more time researching a new television than making their financial decisions. So do your research on all aspects of your financial life. Never make a financial decision that you don't understand. Instead, keep it simple track. It's important to keep an eye on all areas of your financial life in order to stay on the path to achieving your goals. review for accuracy and fit. After determining that a financial product will fit your goals determine which product configuration is right for you. Make sure to evaluate all of your options. Monitor your financial products to ensure that they continue to fit your financial life. If you need help seek a qualified advisor expenses you know what you're paying for, what your expenses and costs. It's common to think only about the primary cost of an asset or an investment along with the expected return. However, there are often hidden costs and high expenses that increase the amount of money you pay for something and this can eat into the return on your investment. You may be able may not be able to make significant adjustments to your income. However, you can make adjustments to your expenses. Assemble information, most of us have our financial life scattered in many places. Take the time to bring it all together by documenting it in the Get ready planner and adding a tear financial first aid kit, which we'll be discussing shortly. Details take the time to review the details of financial products and services make smart and realistic financial decisions. A good rule of thumb is if it sounds too good to be true, then it probably is. And remember that the details include

protecting your financial life by having appropriate insurance, yearly review, life is full of changes. It's important to monitor all aspects of your financial life to see if changes should be made. And if you're maximizing value. During this presentation, we'll cover setting up a financial calendar which will help you stay on track. Here's how to get ready financial calendar and we'll go through each month. The get ready financial calendar provides you with guided financial direction. It's a monthly step by step guide that will show you how to get everything in order. So you can be sure that you're regularly monitoring what needs to be reviewed, allowing you to maximize your finances and minimize your expenses. This helps you stay on track for an overall healthier financial life. So you can stay accountable and without consuming your life with financial administration. Once you've accomplished your main financial goal for the month, you can expect your financial calendar to remind you about other items that occur annually. Add your own items where you feel they work best.



09:14

January, January is about being financially organized. And being financially organized will help you prepare for any financial emergency whether it's a natural disaster, disability, or death. It's important to be financially prepared at all stages of your life. Whether you're just starting out in the middle of your working life, or in retirement. being financially organized can also help you discover ways to reduce your expenses through cost reductions and discounts. So how do you organize your bills and finances? You should organize your bills and finances by creating a financial first aid kit, which includes all of your financial documents such as bank statements, insurance policies, and account statements, loan documents and tax forms. Your financial first aid kit can be a combination of paper documents and digital documents, whichever works best for you. You can use the Get ready system to organize your documents whether they are physical, digital, or combination. As I mentioned, for physical documents, you'll want to think about having a binder with tab dividers for each of the sections as shown on the slide. In on your computer, you can set up a folder called financial first aid kit, and then sub folders for each of the sections shown here, or whatever organization system works best for you. The key is to get organized in a way that will help you access the information you need. Preparing now it's easier than making other sorts of files and piles of paper later on. In February, you want to keep track of your finances. And you do so by monitoring your financial dashboard, which includes reviewing your cash flow, budget, and your net worth. This allows you to understand where you are financially. Understanding your cash flow is an important part of organizing your financial life and getting ready for the future. It's important to know how much money is coming in your income, and how much you are spending your expenses. documenting your income and expenses will also allow you and your spouse and domestic partner to easily see how your money is flowing. A key to

positive cash flows to be mindful of expenses. This includes being a fully informed buyer and extends to the even more important task of monitoring existing expenses to search for the most favorable pricing. This is at the core of the Get ready principles. Be informed, ask questions, and trim expenses. Knowing your net worth will help you determine whether you're financially solvent, and on track for healthy financial life and retirement years. If you are not, you can make adjustments to your cash flow now so that you can get on track. your net worth is the total value of everything that you own assets, less what you owe liabilities. So in March, you want to take a look at your loans and expenses and see if you can improve your cash flow. While there are some ways to increase income, it is easier for most of us to find ways to reduce our expenses. And here are some ways to reduce your expenses. One, prioritize your expenses. Do this in a way that works for you. Consider three basic categories one is essential mandatory things such as housing, food, insurance, those things that absolutely need to be paid to necessary and can be delayed, such as clothing is a good example. You definitely need new clothing but you might not need it today. And three can be eliminated surfaces that you either no longer use, or use infrequently such as a gym membership, or subscription to some cable channel. It's up to you to decide which category an expense falls into. So if you like your daily Starbucks frappuccino, then you can count it as unnecessary expense. This is really up to you what you consider essential, necessary and can be limited to you want to ask your service providers for a better deal. Many consumer companies such as cable companies and phone companies will offer you a better package at a lower rate when you tell them that you're considering other options. prices in these industries have a lot of flexibility, so pays to shop around and ask your current company if they will make you a better deal. Next, you want to prioritize all of your debts by interest rate and amount. pay off your highest cost debt as quickly as possible and then work your way to paying off your lowest cost debt.



14:16

Now, this is what I mean by highest cost and lowest cost is whichever loan has a higher interest rate is the one that you want to pay off first, always pay more than the minimum balance due on a credit card or similar debt. If you pay only the minimum balance, do you it will take you many years to pay off that loan. You can also ask for a better rate from your current credit card company or look at alternatives. Although you want to be careful about balance transfer fees because that can negate a lower interest rates. Next, you want to review the terms of all of your loans periodically, you may be able to reduce your interest rate or guarantee it for a longer period of time. In April, taxes, keep in mind that tax planning is really for everyone, not just the wealthy. By reviewing and planning your tax strategy you can met minimize your taxes. Here are a couple things to think about. What you always want to file your taxes on time. tax returns are typically due on April 15.

If you do apply for an extension, be sure to follow the IRS guidelines. If you file for an extension, you still have to pay your taxes. You're just extending the time for filing, so be sure that you're clear on what that is. And your state taxes may have different rules, so be sure to check with your state tax authority, fines and penalties can be assessed for missing deadlines. You want to maximize your deductions, be sure to review your tax return carefully to ensure that you're maximizing all of your deductions. This includes using tax advantaged retirement accounts and college savings accounts. In May, you want to review your emergency planning. And right now we're seeing the reason for that I'm in California. And right now, at the time we're recording this presentation there wildfires everywhere. There's Tony tornadoes across the US, there's floods. And as we know these disasters can happen quickly and come in many forms. When a disaster hits, you may have to leave your home temporarily or permanently. And you'll have limited time to gather what's important to you. You'll need to make choices about what's important, and what's critical. Why your family photos may be important. Having a copy of your financial records is critical. So what can you do to prepare for a disaster, I recommend creating a critical emergency action list of what needs to be done, including important steps. Each of us leads a unique life. And as our own specific considerations. Take the time to carefully consider what steps are essential for you and your family. An important starting point is if someone in your family has a significant medical issue. For example, My son has type one diabetes. And it's critical for us to have all this medical supplies, including his insulin, which he cannot live without, along with ways to deliver that insulin to him. So for us, that is a critical need. You have to assess what's critical for you and your family. You want to keep a copy of this critical emergency action list. In your emergency kit. You also may want to consider giving a copy or partial copy to a trusted relative friend or neighbor so that they know what your plan is. You also want to communicate with your family about the list to make sure that they are familiar with it, and so that they can add their valuable input case you've missed something in case or something they think is critical.



18:10

Next, we have June. In June, you want to hold a family financial meeting. It's important to set your goals and priorities with members of your family. Setting goals and priorities provides you with a concrete target. Priorities help you break down your goals by what's most important to you. Communication is key to managing your family finances. Think of your family finances like you're running a small business, you have income coming in. You have to save money for future expenses while also managing ongoing expenses. businesses make plans, and you should have a plan for your family business. Parents with adult children should discuss health care preferences, final wishes, and what happens

when they are stepping into their parents financial life. It's also important to have an idea of what the parents assets and liabilities are in a general sense. This allows assets to be claimed and bills to be paid. There are billions of dollars in unclaimed assets in the US. You also want to talk about your health care preferences, such as having your advanced directive in place. If you don't communicate about your health care wishes, your family won't be able to follow them. And last, you want to think about elder financial abuse. It's a major issue. And adult children can also help protect their parents from becoming victims of financial predators. The key is that parents need to be willing to open up about their financial life and understand this is for everyone's benefit. In July, you want to review the beneficiaries and estate planning documents you have to ensure that they are current. What happens to your money when you die will depend on the planning that you do while you're alive. It's important to review the beneficiaries on your life insurance policies, retirement plans, and other accounts every year, or whenever you have a life changing event. By reviewing and designating beneficiaries, you can ensure that when the time comes, your assets will go exactly to where you specify. If you don't have designated beneficiaries on file with your financial institutions, the court will make that decision for you. It's also a good idea to name at least one primary beneficiary and one contingent beneficiary on all your financial accounts. Remember, also that it's your beneficiary designation, and not your will and trust that dictates how proceeds will be distributed for life insurance policies, retirement accounts in certain other types of accounts. As mentioned, you also want to document your healthcare preferences. Within advanced healthcare directive. You want to be sure to discuss your health care proxy with your family, a friend and or a trusted advisor so they can be familiar with your wishes. Be sure to let them know that you have an advanced healthcare directive. If nobody knows that exists, it can't be used. You should also review all of your estate planning documents to make sure they are current. This includes your wills, trusts, and advanced directives. Consider if any changes are needed. In August, you want to think about your investment strategy. I recommend creating a personal investment policy statement to help you organize your investments, integrate a strategy and meet your financial goals. The investment policy statement is a roadmap for managing your investment portfolio. Your simple overview of your goals, objectives, asset allocation, risk tolerance, and investment philosophy. Following it is an overview of the seven steps to creating your investment policy statement and how each piece fits together. First, you want to define your objectives and goals. Identify your short term and long term financial goals such as paying off debt, saving for college, starting a business saving for retirement, retirement income distributions, and leaving an inheritance to you want to outline your investment strategy and philosophy. You want to set clear principles for your investment policy statement. This will keep you on course with your personal investment philosophy. When times get tough, like right now.



22:53

There's a lot of things that may cause us to question the investment decisions that we've made. So if you have your philosophy written down in your strategy, you're more likely to stick with it. Three, you want to identify your risk tolerance. Investing involves a relationship between risk and reward. All investments include some level of risk, it's important to determine what your level of risk tolerances for you want to set up your asset allocation limits. asset allocation is about how much of your money is invested in a specific category of investment, such as stocks, bonds, cash and other asset classes. diversifying your assets will lower the volatility of your investment portfolio. Basically, don't put all your eggs in one basket. Five investment selection criteria, determine the criteria you will apply to each investment. Apply this criteria test to every investment. This will help you stay focused on your longer term strategy. Six, you want to document your current investments. It's important to have all of your investment information in one place so you can have an overview. This will help you quickly review investments and make adjustments to fit your investment policy statement. Seven, this is most important. And this is why it's an annual calendar item you want to review process and how you're going to rebounds during your review process. assess whether your investments meet your IPS criteria. Adjust your investments as necessary. It's important to set a schedule to review your investments, which you should do at least annually. September is about reviewing insurance policies. cherts is often overlooked in its role as the base of a sound financial plan. insurance premiums can be a households large expenses when you add up the premiums of all your different insurance policies. When You think about your auto insurance, your home insurance, your health insurance, when you add all those premiums up, they can even exceed your house and costs. So insurance is a big part of your financial life, and you should review your policies annually. Insurance is a way to protect yourself against this specific risk. If you're faced with a devastating loss of life, health, income, home or auto, having the right insurance in place can make a huge difference. You want to educate yourself on the type of coverage you're considering. insurance products will differ in terms of what's covered definitions of how claims are paid. premiums are impacted by the level of risk. And by components such as deductibles, co pays, and waiting elimination periods. Each insurance company assesses risk differently. So something that's an issue with one company may not be an issue with another company. So you may want to check with different insurance companies. When you're looking for new insurance, you want to review all your existing insurance policies and compare your coverage to what your risks are. You want to take into account of these factors, you have a risk it's not covered. For example, earthquakes and floods are not covered by most homeowners insurance policies, and require separate policies. Do you have coverage, it's no longer needed, perhaps a life insurance policy that's been maintained for years that you can get rid of? Have you asked your insurance company about discounts. Insurance



companies offer many different discounts depending on the type of insurance. However, sometimes you have to ask. The financial strength of an insurance company is also important. Because an insurance policy is a long term commitment. You may be buying a policy and keeping it enforced for 20 or 30 years. So you want to make sure that your insurance company is going to be around in 20 or 30 years. You want to also be prepared for your employer's open enrollment by making sure that the coverage you have still meets your needs and preparing to adjust accordingly. Consider whether you can make changes that will lower your premiums such as applying for discount points and coverage, or covering uninsured risks.



27:16

In October, we have open enrollment for group employee benefits, and individual health insurance. Open enrollment for insurance is a period during which you can make changes to your coverage, you can purchase your health insurance on the individual health insurance exchange, you can make changes with your employer. So this is the time of year to do that whether you have individual health insurance, or group employer health insurance. This also applies to Medicare. There are special enrollment periods for health insurance, Medicare and group employer insurance during the year where you can enroll or make changes if you have a major qualifying event, such as marriage, birth, adoption, divorce, death, starting or leaving a job. However, for the most part, the only time you can make a change to any of these plans are during open enrollment. So you want to make sure that you're carefully reviewing your options and making changes. In November, you want to take a look at what information is floating around out there about you. It's important in today's environment of information freedom that you monitor, and protect your identity. There are numerous numerous credit reporting agencies that collect information about all aspects of your life. The most well known are the credit information bureaus. However, there are many others and monitor your medical history, insurance claims rental history, utilities, gaming, employment history, and more. You want to order your credit reports. credit reports are compiled by credit reporting agencies, which are companies to collect information about where you live and work, how you pay your bills, and whether or not you've been sued or arrested or filed for bankruptcy. These companies sell your credit reports to creditors, employers, insurers and other. These companies will use these reports to make decisions about extending credit, jobs, and insurance policies to you and how much you pay for each of those. You're entitled to order a free copy of your credit report from each of the three major credit reporting agencies every 12 months. You want to make sure you do it at the official site. [annualcreditreport.com](https://annualcreditreport.com) this website is the only one that is authorized by the government to provide you with free copies of your credit report. You want to be careful because there are many sites with similar URLs that whether attempt to charge you or steal your personal information. You don't need to pay

for your annual credit reports. They're free once a year when you receive the report. You want to review them carefully to ensure that they are accurate and to spot any unauthorized activity. On my website, I have a ready credit report monitoring worksheet, which will guide you through your credit report. You also want to make sure that all your accounts and other information listed for you on these reports is accurate and complete. Be sure to also review account status reporting, because you're the only one who can spot these things, so you need to take a look at them. You want to make sure that you fix these errors on your credit reports as soon as possible. And you do so by contacting the credit agencies directly to their website. If you need to dispute information in your report, place your fraud, alert or security freeze on your credit file, you do that directly with a credit agency. If you have a dispute, you want to explain what you think is wrong, and why, along with any documentation to support your case. You can even go deeper in order to get Consumer Reports. There are many special consumer reporting agencies that collect and share information about your employment history, transaction history with business, or your repayment history for a specific product or service. So you may want to look into that and go deeper. And in December, you want to wrap up any loose ends that are outstanding. If you missed a monthly action step, this is a great time to complete it. Here are some things to keep in mind. At the end of the year, you want to keep an eye on your holiday budget. While using credit cards is a great way to earn cashback or rewards, you'll need to make sure that you can pay off the balance of your next statement. So you can avoid high interest charges. You want to use any gift cards. If you're not going to use a gift card, you may want to consider re-gifting it to family or friends. It doesn't do you any good sitting in a drawer. You can also sell your gift cards, you may get less than face value, however, you'll definitely get something



32:05

Medicare open enrollment deadline is in December along with the individual health insurance deadline. In December, for most states, a few states that have a longer deadline. So you want to make sure you get that wrapped up if you're going to make any changes to your Medicare or health insurance. You want to make any last-minute charitable donations to support your favorite nonprofits. You want to complete any gifts to people or trust to take advantage of the annual gift tax exclusion. The annual gift tax solution limits increased each year. So each year you may be able to give away a little more than you did the year before. And if you are, you do have your retirement plans, which you very well should have retirement plans, you want to review your IRA and 401k contributions and distributions. If you've taken a required minimum distribution from your retirement plan by April 1, you have to take your second RMD by December 31. And last, this is a positive, you want to conduct an unclaimed property search and find missing money. There are many free and easy ways to search to see if you have unclaimed money. All of

these services can be accessed directly. And at no cost. There is almost never a good reason to pay a service or somebody to locate money for you. As I mentioned, there are billions of dollars of unclaimed property in the US, you can download a worksheet from my website that has a list of all the places where you can look for missing money. It's and now I'll turn it over to Don, for any questions.



33:54

Thanks so much that it's really good information and valuable for all of us to be able to take a look at what we're doing and how we need to organize it. Maybe we can talk a little bit about insurance and what we could do to save on insurance. And in particular, I'm thinking car insurance looks to me like we now have some car insurance companies that now will reduce our car insurance based on the fact that we don't drive a lot or that we include some kind of device that will track our speed and how long we stop and and things like that. So what are you hearing with that and what what do you think we should be doing with our car insurance?



34:41

Well, I think with every other facet of your financial life is you should be reviewing and seeing what options are out there. As you mentioned, there are some companies that are coming out with some very innovative solutions and discounts. Most companies do offer a discount if you're not driving very many miles. Sometimes it is something where you need to ask your insurance company about it, because they may not be asking the question, however most of them do offer a discount for that, in terms of devices, is that can't get into one of the questions as well as about how comfortable you feel about giving up that information. And is it worth the discount to you? The other thing to keep in mind is some of these companies that are offering these policies that more rely heavily on technology is that they can be newer companies. And so you have the question of how are they going to handle claims? You know, while a state farm or an all state or farmers, you know, may not be a very exciting company or offering exciting incentives, is they do have a process for paying claims, and they have a long claims paying history. So that's something you want to balance out, you know, are you willing to be part of something that's innovative? Or do you want to go with something that's a little more solid?



36:06

Good advice, along with car insurance, all of us struggle with? How much should we have this deductible. So 250 might be a more expensive deductible to have. But it's certainly

nice to have when you've got \$1,000 repair bill, and \$1,000 deductible is not good to have when you got \$1,000 deductible. What do you see from experience on others who have found themselves in this situation? what's what's the best angle and how to manage them?



36:42

Well, I think there's two parts of that question is one in terms of deductible that goes towards the conversation about having an emergency fund, if you have sufficient funds in your emergency fund, you can take care of a higher deductible. Generally, the higher your deductible, the lower the premium, however, there does reach a point where the reduction in premium is not worth that trade off towards having the higher emergency fund. Also, the insurance companies sometimes will incentivize customers to have a certain deductible, the premium can be cheaper, on a cost per 1000 basis, at sur deductible levels. I put together an optimal deductible calculator on my website where people can input what the deductible is, their different options in the premiums, and it will help them be able to choose what their optimal deductible should be. Because it is a challenging question, because, you know, most of us, you know, have a hard time making that kind of calculation.



37:54

Yeah, it certainly makes a lot of sense. I went through that not too long ago, where I looked at my car insurance, and it was at \$1,000. But took it down to 250. And I found that we're paying about \$40 more per month, well, \$40 more per month in a year is about what \$500 So essentially, in two years, I'd be spending about \$1,000 more than I had been before, to have that extra cushion. So you'd have to look at that as \$1,000 worth it. Are you anticipating having a lot of travel that you might have accidents and, and things like that?



38:36

Definitely, I think that all factors into it, you know, and that that also goes again to the thing about an emergency fund, you know, where you're best served with your money. And that's where having an overall view of how these different components of your financial life having a financial dashboard with your cash flow, and net worth and emergency fund all in one place can help you make these decisions. Because if you're not going to have \$1,000 available, you're going to have to go with a \$250 deductible.



39:10

Yeah, it's insurance companies have it figured out right? Pay me now or pay me later. Stan on that insurance, discussion, life insurance looks like it's changing now where term insurance is coming out with some innovative ways to reward healthy people. So as an avid bike rider, I was so received information from a company out probably your neighborhood in San Francisco, and they were looking for people that were runners, bike riders who were active because they knew that was a healthier individual that more than likely would not be collecting on their life insurance. What what are you seeing in the marketplace and what should we be Looking at in terms of our insurance to be able to take advantage of that?



40:05

Well, I think that's a great question that's similar to the question about the cars. And the technology is, with life insurance special, you have to always go back to the first question of how much life insurance do you need? Do you even need it and for how long it is, before you start talking about the features of a life insurance policy, you always want to start with the basics of what you actually need. And then if you find that you have a need for type of life insurance, and there's a company that offers those incentives, you still have the same consideration of one, if you're willing to have that trade off, where you're supplying that information to the life insurance company, what they're going to do with that information, how easy is it? Is it to transmit that information to them? For some people, their privacy comes into play. And then the second part of that equation is, if it's a new insurance company that's offering this is you have to look at their financial stability and track history. Some insurance companies have been around for 100 years. So they've got a long track history of paying claims, where some of these newer companies may not have that track history. So you have to factor in, you know, it's not just always about the premium. It's, it's about more than that it's about satisfying your needs, and making sure that your claims are going to be paid.



41:42

Yeah, I didn't think about the fact that if I'm going with a discount kind of a new insurance firm, that is offering a lower rate that they may be using some of my health data, maybe there's an app on my phone or something that is tracking my activity, they may be using that information to resell to someone else. That's why they're given me a better rate. So never thought about that. Yeah, yeah. You know, there's no free lunch, right? So true. So true. Coming back to your point, in terms of maybe I don't even need term insurance, or

whole life, which is a whole nother subject. What are the variables? I would ask myself in terms of, do I need insurance? And about how much life insurance would I need?



42:32

Well, as you mentioned, that would fill up the whole speaker series. You know, the basic question really is, is there somebody who is financially dependent upon your income, and is you have other assets that could fill that need, for example, when you're 25 years old, and you get married, and you have a child 2530 years old, you may not have a lot of other assets, by the time you're 50, you're probably going to hopefully have saved some money in a 401k, or an IRA or combination thereof, you've got some retirement assets put aside. So that offsets the need for life insurance. So let's say you feel that you need a million dollars of life insurance for your significant other, but you've accumulated a million dollars in assets that are going to pass to that significant other than that offsets the need for life insurance. So you have that. And then the other thing is, some of your needs are just extinguished over time, for example, your kids go out there, hopefully have left the nest are working on their own making their own income. So there's no need to provide life insurance for them. So you have to revisit, you know, as I mentioned, whether you continue to have that need for life insurance



44:01

makes a lot of sense. And that's it's never thought about that in terms of a extinguishing your liabilities. So the older you get, and one needs to kind of take a look at that life insurance and say, Do I really need to be spending that three to \$500 a month when my assets have equal that and all of my loved ones will be taken care of?



44:27

Exactly. And then you answer the other part of your question about calculating the amount of life insurance here are countless ways to do that. The way that I recommend for people to think about is to think about how much income your significant other and your kids may need to take care of their needs. So for example, if they're going to need \$40,000 a year you can work backwards and say okay, if they got a lump sum, death benefit From the insurance company, and they were able to invest it, would that be enough to provide them with that level of income. So for example, if you received a million dollar death benefit, and it were invested at 4% a year, it would yield an annual income stream of \$40,000 a year is that \$40,000 a year enough to pay the mortgage, school expenses, whatever their expenses, there will be. And that's the way I take a look at is just

to really think about, you know, what needs to be taken care of, and how much death benefit which you need to take care of those needs.



45:41

So speaking of insurance, we've noticed on TV ads with with stars, who will talk about reverse mortgage mortgages on one's life insurance, that may not be your bailiwick or area of interest. But what do you know of that? And what do we need to be thinking about if we're looking to move in to a reverse mortgage kind of opportunity?



46:10

Well, that's a great question. reverse mortgages are fairly new. It's an industry that's had a lot of issues. For the most part, it's becoming more heavily regulated. It's an area that you want to approach with caution, and make sure that you fully understand the ramifications. You want to work with an established financial firm. Make sure that you get all the disclosure documents that you carefully read through them, and understand the repercussions. You know, as we've talked about, there's no free lunch in the financial world. And its financial institutions have worked out financial products that are advantages to them. Now, that's not to say that there's not advantages to consumers. However, you have to figure out, what you're giving up, in order to get a certain benefit in reverse mortgages can be quite complex. So it's an area where you want to do some research, take your time, the Consumer Financial Protection Bureau has a lot of good information on their website, about reverse mortgages, I would go to a non biased resource like them to read up on it and see what questions you want to make sure you answer to your satisfaction.



47:36

Yeah, it makes a lot of sense. It's, it's also probably something like shopping for a car, we should shop around, we may trust Tom Selleck, because of seeing him on on TV shows all his life. But there could be other companies that are out there that are given a better value. So if you've got that as an asset, and you're going to take advantage of it, why not shop among different companies?



48:05

Exactly. And that's where you want to have a non biased resource. And I come back to the

Consumer Financial Protection Bureau, because that's one area where they've put out a lot of really good information and worksheets to help you go through that process. But as you mentioned, she definitely want to take a look at different options, because you're talking about quite a bit of money. And it's a decision that you can't change once you've gotten into it. You can't decide, like car insurance to move to a different company next year.



48:36

Yeah, really good advice. Tony. We've got maybe about 10 minutes to ask a few more questions and, and drill into more information. Can you tell us? What are the most difficult steps you've seen your customers, your colleagues, the folks that you work with? struggle with within your formula?



48:59

I think the basic one, even that I've struggled with, is getting off your documents organized. And getting that overview look at them, is we all have the files and statements and we get all this stuff incoming throughout the year. We're paying our utility bill, we have our mortgage, you know, did we refinance our mortgage just here, you know, do I have the right retirement account? Did my you know 401k? Did they change some of the investment accounts. So you have all the pieces and you know, that's why I created the Get ready planner, which is the core of the Get ready system is to help people organize that. And because I found that that was a tough issue for me. I took a look at all the different organizational systems out there and there are some very good ones out there, but I wanted to create one that spoke to people a little bit More conversationally and give them a little bit more background, say, okay, you have a checking account, here's the information you need from your checking account statement. And then take them through every single piece of their financial life, so that they don't miss something, you know, some people are going to have a coin collection, and that coin collection may actually be a very big part of their total net worth. So it's, you know, it's getting together all those pieces, and putting them together and cataloging them. That I think is the most challenging part for people. And, you know, I've worked with a variety of financial planners and attorneys and accountants over the years. And I know, that's always one of the most challenging thing for them, with their customers, with their clients, is having their clients get all their financial documents together. And all of a sense, Hey, you know what, I forgot to have this whole 401k, you know, with this employer I was with 10 years ago, what should I do with it? So that That, to me is the hardest part is just getting organized.





51:08

Yeah, when you start a business, you create your little black book that includes the if you're Incorporated, meeting notes, board, meeting notes, and you may be the only board member in that three ring binder. So I love the idea of your get ready system, because it really gives us the documents, a home where they can sit. And then if it's sitting on the shelf, and we're not touching it, it'll call out to us periodically. So it's a neat idea to be able to force us to do something to work on our financial planning.



51:48

Yeah, and that's what the financial calendar is about. It's about once you get organized, that our financial lives are not static life changes, you know, we may have a new insurance policy we have may have a change or investment account. So the financial calendar helps you to figure out, Okay, how am I going to keep up with this? instead of like, picking up that huge binder and looking through it every once a while, go? Okay, what do I need to look at that, you know, I've tried to create a way for people to systematically review their financial lives in a way that's hopefully not going to overwhelm them that you know, takes out, you know, small chunks that we can each achieve at one time.



52:30

Tony, some of us are digitally oriented, and we love to scan and save documents and information, are there some tips and ideas on how to create on our hard drives either files or folders, where we can begin to save the same information, so that it may be available to our executors and others that we trust?



52:56

Definitely. So there's two parts to that. So if you're going to save it on your computer, it gets back to the thing about final wishes or advanced healthcare directives, you have to tell somebody about it, and how you've set it up. And then the second part is, in terms of the system itself, as I mentioned, is, you know, what I have done is I've created a folder called financial first aid kit. And then I've created subfolders. For each of the sections that I mentioned in a planner, you have your assets, you have your retirement plans, you have your debts, insurance, estate planning, and then when you've scanned your documents, if you put them into the sub folders, and that's an easy way to keep it organized. And it matches, what you want to do is you want to make sure that your sub folders match

sections in your binder. So because most of us have a combination of paper and digital documents, I know I've tried to go digital as much as possible, but I still have a pile of paper documents and file. So you want to make sure that your two systems match. So when you're going back and forth between the two, and especially for somebody else's, they'll be able to piece everything together. Because there's a similar system, you know, and again, you know, what I'm suggesting is just that it's a suggestion. If there's a system that works logically better for you, then that's that's the best system. There's no hard and fast rules. It's whatever you think works for you.



54:37

Good idea, a Tony. Let's take an individual who has three children. The person has not identified an executor yet, but should he or she share with the three children the location of that financial first aid kit and or explain it to each of them What do you see trending among parents and this kind of system?



55:06

Well, what I see is that people don't communicate anything about their financial lives. And that adult kids are left scrambling, you know, to figure out, okay, where did mom keep her, you know, my mother passed away two years ago, we went through this with her, which was part of the inspiration for Get ready, as you know, she had a big file box full of financial documents. And so trying to make heads or tails of it was not easy. And I hear from other people, you know, my wife's father passed away a few years ago, and it was the same thing. Nobody knew how he documented things. There were some files, you know, but it took us a while to piece everything together to figure out what all his retirement accounts were, what expenses that were coming in, that needed to be paid what his insurance policies were. So, you know, it's a lot of work to get that information together. So yet, and then you have to be able to communicate it, which is why I urge having a family financial meeting. As you know, most spouses don't get together and talk about their finances, usually, there's one person in the couple who takes care of financial matters, and the other person doesn't. And if that person who handles financial matters passes away, they don't know if nobody's communicated with them. So that's why I urge the family financial meeting. And, you know, in your example, where you do sit down with your three adult children, and you just give them the very basics, you don't need to go into the dollar amount of each of your accounts, but you should say, Okay, my financial advisor has a list of all my accounts. Or if you go to this drawer, this is where I have, you know, my files on all my financial accounts. So it's all about communication.



57:09

Yeah, I like that idea. A lot. We, we have one last question coming in. And that question relates to being able Tony to find lost money you had mentioned before, that we should be looking for, through State Systems online lost money. And there is programs out there, and I've seen this happen with our family, where you'll get letters that will say, hey, there's x 1000s of dollars available for so and so how do you manage that process of getting that information?



57:48

Well, you know, I have put together a checklist on my site, where people can download it, that has a list of all the places where you can look for the money. You know, as I mentioned in the presentation, you should never have to pay for that. Because all of these places you can look for your own self. The first place to always start is with your state. Each state has an Unclaimed Property Office to check with them. That's usually the place where the majority of missing money will be. There are some smaller places like if you had a relative who worked for the railroad, for whatever reason, railroad pension benefits, go to their own separate little government agency that maintains that lost property. And that won't show up in estates, unclaimed property. But starting with your state Unclaimed Property Office is a good way you can go to former employer. So there's lots of different ways but with a lot of different accounts. At some point, the money eventually will go to the States. For hoarding. One big exception is life insurance companies. You know, at some point, I think now they have to transfer the money to states but you know, the National Association of insurance commissioners has a last life insurance policy locator system, which is what they call it. It's a really long name. But basically you put in, in request information if a relative had a life insurance policy, and they can help you get in touch with the insurance company. But it's something you should never ever have to pay for. To get access to money, that money.



59:33

Good advice, Tony. Unfortunately, we have run out of time we have Thank you for taking time out of your busy schedule and for writing all your books and for sharing this information. So generously. Thank you for joining us today. How do we reach out to get more information to get access to the Get ready system?



59:54

Well, you can go to my website, Tony Stewart calm. I'm trying to get this slide up right now. There we go. And on my website, you can access what I call the Get ready toolkit. It's free. And it has all the resources that I mentioned today, the missing money worksheet. You can find the optimal insurance deductible calculator all the different things that we talked about. And that's how you get in touch with me, reach out to me, send me an email, connect with me on LinkedIn. And, Don, it's been a real pleasure to join you again this year.



1:00:31

Fantastic. We've loved having you and look forward to bringing you back again, to share your expertise and your knowledge and to our audience. Thank you for taking the time out of your busy schedule. To join us your continued investment in your career will not only give you greater control over your career, but your personal happiness too. So we do encourage you to stop back to the career community and watch on demand lectures by additional authors like Tony, who will share tips and strategies to help you advance your career. Thank you all.