

TOWERPOINT
WEALTH

YEAR END YOUNG PROFESSIONAL FINANCIAL CHECKLIST



Let's talk! 916.405.9140

THE YEAR-END FINANCIAL PLANNING CHECKLIST FOR YOUNG PROFESSIONALS

There is no denying it, and the [math clearly supports it](#) — the earlier you get your financial affairs in order and leverage the benefits of compounding, the more financial peace of mind and economic opportunity you will have in the future.

While virtually everyone is aware of this truism, many young professionals do not exhibit the discipline to hold themselves accountable and act on it. In the interest of making this simpler for you, we have assembled a checklist highlighting key issues for your focus to help you conduct a straightforward personal year-end financial review.

This checklist is not only intended to provide you a great opportunity to reflect on what you have accomplished financially throughout the year, but also afford you a simplified platform from which to create meaningful and tangible financial goals for the upcoming year.

HERE ARE 5 FINANCIAL PLANNING BASICS FOR YOUNG PROFESSIONALS TO GET THE NUMBERS WORKING IN THEIR FAVOR

❑ Establish Sensible Spending and Saving Habits

Those who master the simple concept of “spending less than you earn and investing the excess” (read: [pay yourself first](#)) have the potential to aggressively build longer-term wealth. We feel that Albert Einstein said it best: “Compound interest is the eighth wonder of the world. He who understands it, earns it; he who doesn’t, pays it.”

❑ Execute Essential Legal Documents

In case of your incapacity or death, make sure you have key estate planning documents in place so a trusted person can make decisions on your behalf and in your best interests. At a minimum, you should have [a last will](#), [a living will](#), a [medical/healthcare power of attorney](#), and a [durable financial power of attorney](#).

❑ Review your life, auto, homeowners, and personal umbrella insurance

Make sure you have enough coverage to adequately help protect yourself, your family, and your assets. Review premiums paid and potential opportunities to save money.



Consult with a financial advisor or insurance professional to [review your various insurance policies](#) to ensure they cover the current value of your assets, as well as reflect any changes that have occurred within your family and your wealth transition plan.

❑ Check Your Credit Report

It is wise to request and [check your credit report](#) at least once a year to track your current creditworthiness, and ensure your creditors and lenders are reporting accurate information about your financial activities. Having a bad credit score can make life difficult in numerous ways, and it can even delay retirement by costing you more money over time.

❑ Develop a Debt Pay-Off Strategy

Prioritize paying off your [student loans](#) and [high-interest credit cards](#) as the long-term rate of return on your savings is likely lower than the long-term cost of carrying high-interest debt. For those with student loans, find out how much you’d save paying off your loans in 10 years versus 20. Inquire if refinancing is available and look into loan repayment assistance for your profession through your school or the Federal or State government.

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