Life Insurance Needs Analysis

Delta Community® RETIREMENT & INVESTMENT SERVICES

How much life insurance is enough?

Member Name: _____ Date: _____

This worksheet provides a quick and simple method to estimate the amount of life insurance you will need.

Income Needs

1. **Annual income your family would need upon your death**
   (Include all salaries, dividends, and interest) $_____
2. **Funds needed to provide income for_____ years**
   Multiply line 1 by the appropriate factor below[1] $_____

10 Yrs. X 8.9	15 Yrs. X 12.4	20 Yrs. X 15.4	25 Yrs. X 18.1	30 Yrs. X 20.4	35 Yrs. X 22.4
40 Yrs. X 24.1	45 Yrs. X 25.6	50 Yrs. X 26.9	55 Yrs. X 28.1	60 Yrs. X 29.0	

Expenses

3. **Burial and final expenses**
   The average cost of an adult funeral is about $10,000 $_____
4. **Mortgage and other debts**
   Include mortgage balance, credit card debt, car loans, home equity loans, etc. $_____
5. **College costs**[2]
   2010-2011 average annual cost of a four-year education
   (In-State Public College - $17,131; Private College - $38,589)

	Annual Amount		No. of Yrs. In College	
Child 1:		multiplied by		$_____
Child 2:		multiplied by		$_____
Child 3:		multiplied by		$_____
Child 4:		multiplied by		$_____
Child 5:		multiplied by		$_____

   Total College Costs $_____
6. **Total Capital Required** [add lines 2, 3, 4, and 5 (total college costs)] $_____

Assets

7. **Liquid savings and investments**
   Bank accounts, CDs, stocks, bonds, mutual funds, etc. $_____
8. **Retirement savings**
   IRAs, 401(k) plans, SEPs, profit sharing plans, etc. $_____
9. **Present amount of life insurance**
   Personal insurance purchased on your own (Exclude group insurance due to the lack of portability) $_____
10. **Total of assets** (Add lines 7, 8, and 9).
11. **Estimated amount of additional life insurance needed** (Subtract line 10 from line 6). $_____

For a more thorough discussion of your needs, meet with your Delta Community Retirement & Investment Services Professional.

[1]Inflation is assumed to be 3%. College costs indexed at 6%. The rate of return is assumed to be 6 % after tax.
[2]Source: The College Board, Trends in College Pricing 2011. Cost estimates include tuition, fees, room and board. Books, supplies, transportation and other related expenses not included in estimate.