

Funeral Arrangements

August 19, 2023

Sharing information today for your future



- TODAY'S PRESENTATION
 - Practical example/sample process
 - Personal and Financial Planning issues defined
 - Questions





What is a Financial Plan?

- A Financial Plan is a roadmap that helps you achieve your goals.
 - Financial Planning can be done on your own or with a professional
 - A Financial Plan paints a comprehensive picture of your current finances, your financial goals and any strategies you've set to achieve those goals.



What is Financial Planning?

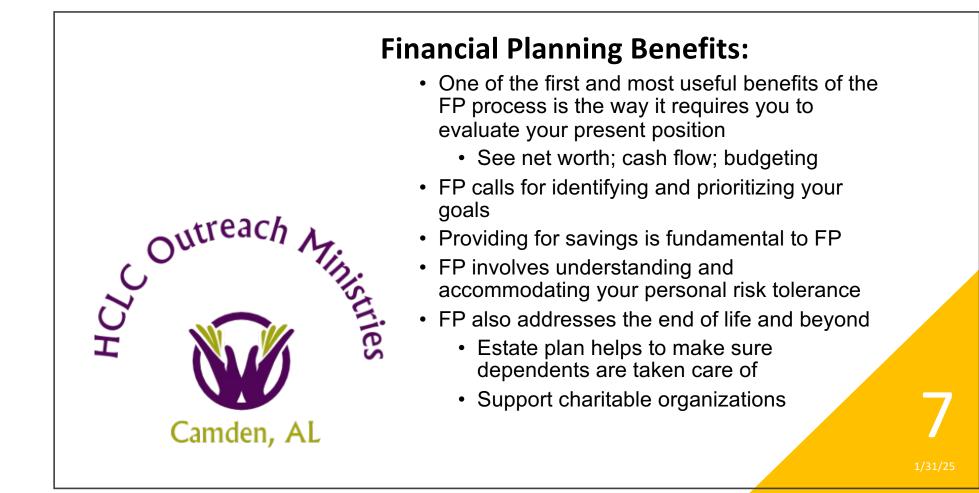
- Financial Planning (FP) is an ongoing process that looks at your entire financial picture in order to create strategies for achieving your short- and long-term goals.
 - It can reduce your stress about money, support your current needs and help you build a nest egg for goals such as retirement.
 - Creating a financial plan is important because it allows you to make the most of your assets and gives you the confidence to weather any bumps along the way.



Financial Planning in 9 steps

- 1. Set financial goals
- 2. Track your money
- 3. Budget for emergencies
- 4. Tackle high-interest debt
- 5. Plan for retirement
 - Optimize your finances with tax planning
 - Invest to build your future goals
 - Grow your financial well-being
 - Estate planning: Protect your financial well-being

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Understanding the Different Types of Financial Planning

- Tax Planning address certain tax issues; maximize tax refunds; minimize tax liability
- Estate Planning seeks to make things easier for loved ones; prepare for estate tax
- Retirement Planning helps you prepare for your retirement; ensures you've saved enough money to live the lifestyle you want in retirement
- Philanthropic Planning giving to people who need it or help a cause close to your heart; ensure you're doing it efficiently
- Education Funding Planning can help make sure you help children/dependents who wish to pursue educational goals

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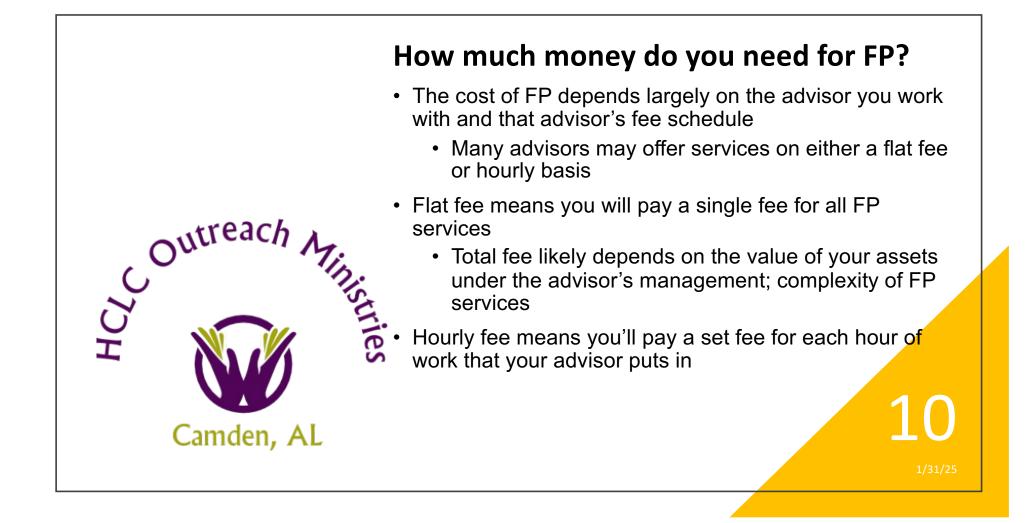
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- **Investment Planning** helps with your investment portfolio by mapping out how much you should be investing and in which types of investments
- Insurance Planning helps evaluate your insurance needs
- Budgeting (cash flow analysis) cornerstone of FP; making sure you are spending the right amount given your income; make sure you are not going into debt
- Debt management

 helps figure out which debts to prioritize paying first; focus on debt management; identify ways to lower interest payments; strategize ways to repay your debts

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How much money do you need for FP? (cont.)

- A financial advisor or financial planner who offers both financial planning and investment advisory services may charge a wrap fee
 - Pay a single rate for the advisor's services, transactional fees and custodial fees

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 Wrap fee rates are generally based on a percentage of the client's overall assets under management (AUM)





Suggested Sources of Information

- <u>https://www.nerdwallet.com/article/investing/what-is-a-financial-plan</u>
- <u>https://www.fidelity.com/learning-center/smart-money/what-is-financial-planning</u>
- <u>https://smartasset.com/financial-advisor/what-is-a-financial-plan</u>
- https://www.investopedia.com/terms/f/financial_plan.asp
- <u>https://www.forbes.com/advisor/investing/how-to-choose-a-financial-advisor/</u>
- <u>https://www.investor.gov/free-financial-planning-tools</u>
- <u>https://www.pcmag.com/picks/the-best-personal-finance-services</u>
- <u>https://money.usnews.com/financial-advisors/articles/how-to-choose-the-best-financial-planning-software</u>
- <u>https://www.kiplinger.com/retirement/financial-planning-balance-the-tale-of-two-fathers</u>
- <u>https://farbergroup.com/services/individual/</u>
- <u>https://www.thebalancemoney.com/financial-planning-basics-personal-finance-101-1289798</u>

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