

Restructuring Your Finances

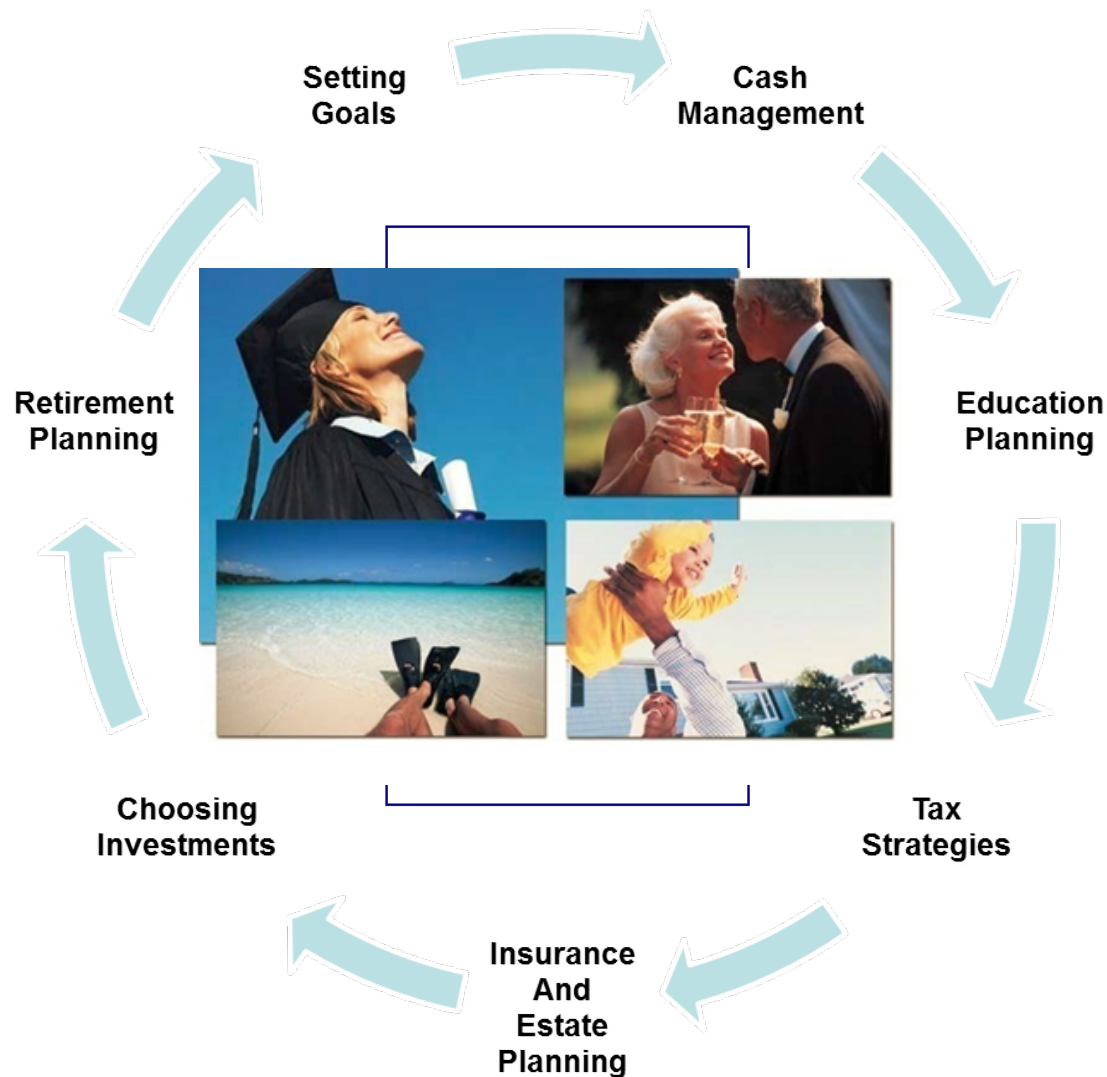


Mid Career Financial Planning

- We are here to help you make better financial decisions and work towards your goals.
- Use our services to work towards a comfortable retirement, get out of debt, buy your dream home or send your children to college.



What Is Financial Planning?



Step 1

Setting Your Financial Goals

- Establish your goals
- Prioritize the order of importance
- Calculate how much you will need



Plan Around the Obstacles

- Procrastination
- Rising cost of college education
- Inflation
- Taxes
- Living longer



Step 2

Cash Management

- **Live below your means**
- **Establish an emergency fund**
- **Avoid credit card debt**



Budgeting and Debt Control

| The Cost of Credit | The Savings Advantage |
|--|--|
| <ul style="list-style-type: none">• \$9,600 average household balance• \$330 average monthly payment• 16.15% average APR | <ul style="list-style-type: none">• \$330 saved per month for 30 years in 401(k)• 8% average rate of return |
| <i>(\$118,000)</i> | <i>\$491,819</i> |

*This is a hypothetical example and is not representative of any specific situation. Your results will vary. The hypothetical rates of return used do not reflect the deduction of fees and charges inherent to investing.

*More recent date may alter this assessment.

Source:<https://www.creditcards.com/press-releases/CreditCards-Weekly-Credit-Card-Rate-Report-November-21-2017.php>

Step 3

Planning for Retirement

- **Target at least 80% income replacement**
- **Consider all income sources available:**
<https://www.nflplayerbenefits.com/login>
- **Make use of tax-advantaged savings options**



401(k) Plan

- Contribute up to the 2018 IRS limit of \$18,500 with an additional catch up of \$6,000 at age 50+
- Some plans offer a choice of either traditional *pre-tax* or Roth *after-tax* contributions
- If currently contributing to a plan be sure to take advantage of the match



What's an IRA?

- An investment vehicle
- Special tax treatment
- Allows for yearly contributions



Step 4

Planning for Education

Tax-Free Savings Options

- Section 529 Plan
- Coverdell Education Savings Account

Additional Options

- UGMA/UTMA Accounts
 - U.S. Savings Bonds
 - Student Loans
 - Financial Aid/Scholarships
- (If you are interested in returning to school scholarships are available)*



Step 5

Choosing Investments

Short-term goal (less than 5 years)

Conservative: Loss of principal not an option

Intermediate-term goal (5-10 years)

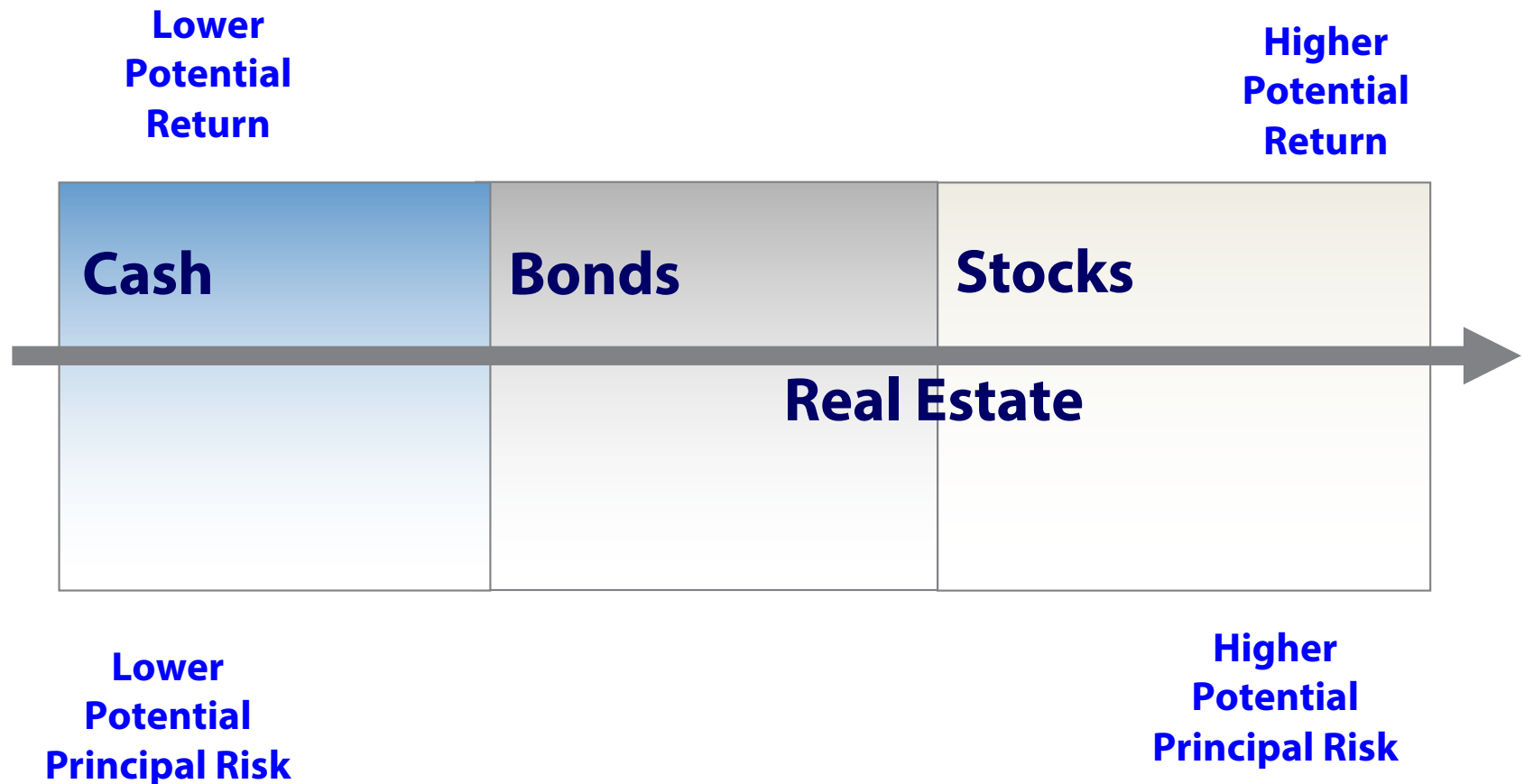
Moderate: Accept some risk for higher return potential

Long-term goal (Over 10 years)

Aggressive: Risk is potentially worth taking



Investment Guidelines



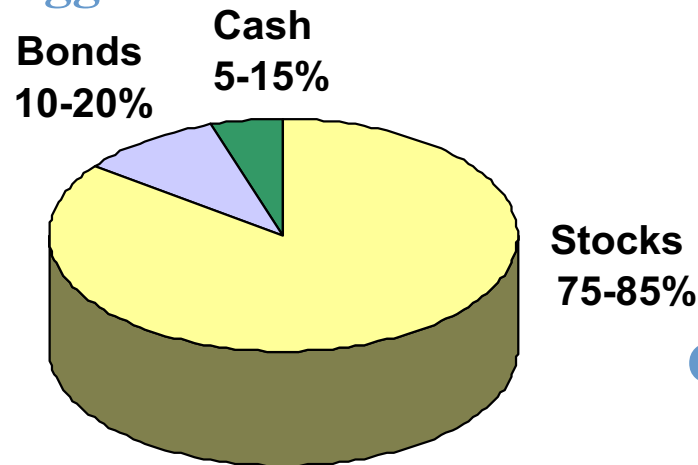
What Type of Investor Are You?

- Aggressive
- Moderate
- Conservative

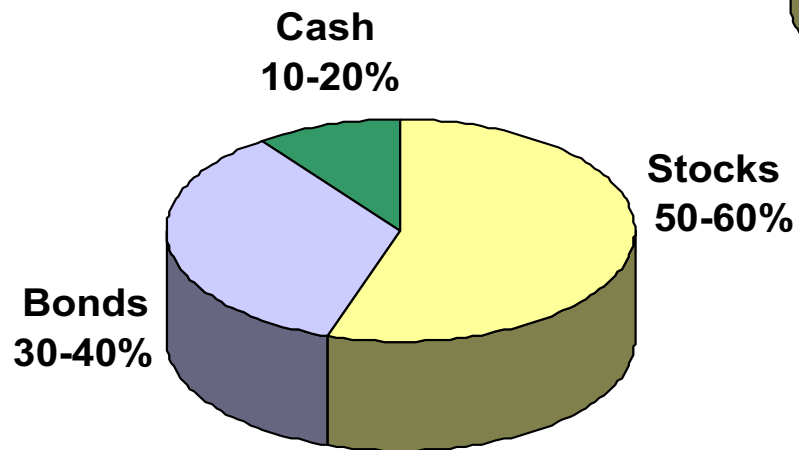


Asset Allocation Examples: Long-term Time Horizon

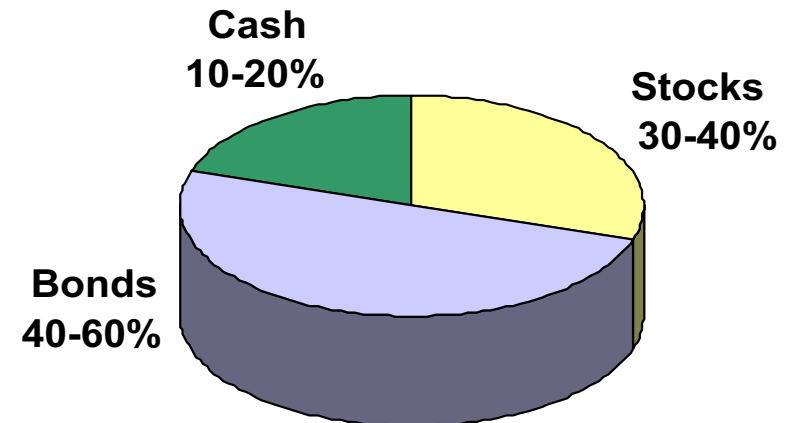
Aggressive Risk Profile



Moderate Risk Profile



Conservative Risk Profile



For informational purposes only. This is not a recommendation.

*Stock investing involves risk including loss of principal. Bonds are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise and bonds are subject to availability and change in price.

Hands On vs. Hands Off Investing

| Hands-on Investor | Hands-off Investor |
|---|---|
| Regularly reviews account | Infrequent review of account |
| Confident in making your own investment decisions | Not comfortable making your own investment decisions |
| Prefers to customize allocations | Prefers a pre-mixed portfolio |
| Regularly researches fund details | Unfamiliar with fund strategy |
| Routinely rebalances account | Rarely makes allocation changes or rebalances account |

Deciding to Refinance Your Home

- **Do you have at least 20% equity?**
- **You have reviewed your credit (and score)**
- **Try to match existing term with term of new loan**



When Should You Consider Selling Your Home?

- Are you looking to downsize?
- You are currently “underwater” on your mortgage?
- Looking to move and not rent out your home?



Step 6

Protecting Your Wealth

- **Insurance**
- **Estate Planning**
- **Tax Strategies**



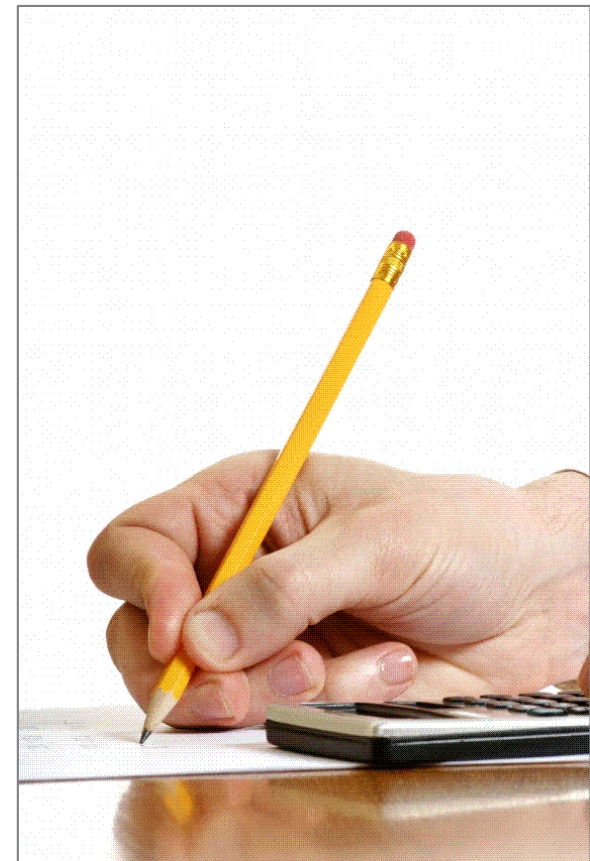
Protecting Your Wealth With Insurance

- **Homeowner's / Auto**
- **Health / Medicare**
- **Life**
- **Disability**
- **Long Term Care**



Protecting Your Wealth With Estate Planning

- **Allows you to maintain control**
- **Seeks to minimize estate taxes and other expenses**
- **Helps maximize heirs' inheritance**
- **Plans for contingencies**



Crucial Documents

- Healthcare directive, or “living will”
- Durable Power of Attorney
- Last Will and Testament
- Trusts
- Beneficiary designations



Tax Strategies

- Max out tax-deferred accounts
- Take full advantage of all exemptions, credits, and deductions
- Match capital gains and losses and hold taxable investments for over twelve months



Next Steps

- **Set your financial goals**
- **Choose the right investments**
- **Protect your nest egg**
- **Work with a professional**



Resources

Market information:

Morningstar: www.morningstar.com

Value Line: www.valueline.com

The Wall Street Journal

Yahoo Finance: <http://finance.yahoo.com>

Tax information

IRS: www.irs.gov or 1-800-829-1040

Probate information by state:

www.law.cornell.edu/uniform/probate.html

Legal documents: www.nolo.com

CFP Board's Consumer Guide to Financial Self-Defense:

<http://www.cfp.net/learn/financialselfdefense/>

Restructuring Your Finances Workshop

Thank you for attending



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