UNFCU | Financial Advisors™

A United Nations Federal Credit Union owned company.

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Retirement Financial Planning

XCEL Federal Credit Union

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Retirement Financial Planning

Overview

1) What is Financial Planning
2) How to set goals
3) How to assess your current financial situation
4) Retirement
5) Insurance
6) Tax Considerations
7) Legacy
8) Action Plan

1) What is Financial Planning?

Who needs "Financial Planning"?

EVERYONE !

Financial planning is a blueprint that helps you and your family reach your goals.

It consists of ***retirement***, ***investment***, ***insurance***, ***estate*** and ***tax*** planning.

The financial planning process involves the following steps:

- Establishing written goals
- Collecting financial and personal data
- Creating and implementing the plan
- Monitoring and reviewing the plan

2) How to set goals

Dreams vs Goals

Examples of goals:

- Buy a home
- Purchase a new car
- Travel or vacation
- Start a new career
- College funding
- Complete your education
- A secure retirement
- Help aging family members

- Goals should be SMART:
  - **S**pecific
  - **M**easurable
  - **A**chievable
  - **R**eachable
  - **T**rackable
- List your financial goals according to cost and projected date of completion
- Prioritize your financial goals in writing

Goals	Cost	Date	Priority
Retirement	600,000	1-Jan-26	#2
House	300,000	30-Jun-15	#3
College Fund	150,000	31-May-11	#1

3) Your current financial situation

Net worth calculation:
Assets – Liabilities = Net Worth

Cash flow calculation:
Income – Expenses = Cash Flow

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Discretionary funds
- or –
Spending more than you bring in

Emergency Fund

- 3 to 6 months of living expenses
- Money should be "liquid" (savings or checking accounts, short term CDs)
- Money should not be taken from retirement accounts or from credit accounts

4) Retirement Planning

Factors influencing retirement:

- Where do you plan to retire?
- Pension Plan distributions
- Renting or owning residence?
- Other family member needs
- Health care
- Transportation
- Cultural and other activities

5) Insurance

What kind of insurance do you need?

- Life Insurance
- Disability Insurance
- Homeowners Insurance
- Car Insurance
- Liability Insurance
- Travel Medical Insurance

6) Tax Considerations

- Tax brackets
- Capital gains (investments, real estate)
- Distributions (pension plan, IRA accounts)
- Estate planning
- Gifts to family members

7) Legacy

Estate Planning is Everyone !

What you should know about estate planning:

- Create a will
- Establish a durable power of attorney
- Make sure that your beneficiaries (pension plan, IRA accounts, life insurance) are in order
- Check how your property is titled
- Consult a professional to make sure your personal circumstances are properly treated

8) Action Plan

- Put your SMART goals in writing
- Set up a budget and emergency fund
- Review **all** insurance policies
- Create a will and keep it up-to-date
- Review beneficiaries (pension plan, IRA accounts, insurance policies)
- Monitor and review your plan every year (especially in case of changes)
- Tax season is a good time for a review

9) Contact Information

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