FINANCIAL PLANNING COMPONENTS

CASH FLOW MANAGEMENT

Planning for cash inflows and outflows is an essential skill in ensuring future goals are attainable. This also involves planning for potential and unforeseeable changes in cash flow including a disability or loss of a job.

INVESTMENT MANAGEMENT

The ongoing management of securities and assets is a vital part of ensuring one's investments are adequate to fulfill future goals. Risk tolerance and time horizon are necessary to establish the proper asset allocation.

CHARITABLE STRATEGIES

Many find it a priority to contribute to an organization they feel strongly about. These are typically made in cash, highly appreciated securities, real estate, and other assets. A charitable donation also provides you with an income tax deduction.

DEBT MANAGEMENT

This focuses on goals such as buying a home, starting a business, or buying an investment property as these often could not be done without some form of financing. Taking debt into account is important as comes at a price.

INCOME TAX PLANNING

Tax planning includes the timing income, purchases, and other expenditures, the selection of investments and types of retirement plans, as well as filing status and common deductions. Any funds used to pay taxes will not be available to meet future goals.

RETIREMENT PLANNING

This refers to the planning one needs to do in order to be prepare for retirement, not just financially but in all aspects of life. The non-financial aspects include such lifestyle choices as how to spend time in retirement, where to live, when to completely quit working, etc.

INSURANCE ANALYSIS

Risk management is a two-step process that involves determining what risks exist in a financial plan and then handling those risks in a way best-suited to your situation. These risks may include death, disability, or a catastrophic event.

EDUCATION FUNDING

With education costs rising at a rate higher than inflation, it is important to establish an investment strategy early to fund these costs. This entails estimating future costs, assessing current resources available for these goals, and establishing a savings strategy to meet in potential shortfall.

ESTATE PLANNING

It is crucial to think about what will happen to your assets and who should receive the things you own after you pass away. This can be as simple as having a will and naming a beneficiary for retirement accounts, or as complicated as having several trusts in addition to a will.

Clarity WEALTH ADVISORS

WWW.CLARITYWEALTHADVISORS.COM