

# FINANCIAL PLANNING PROCESS

## Financial Position

Investing

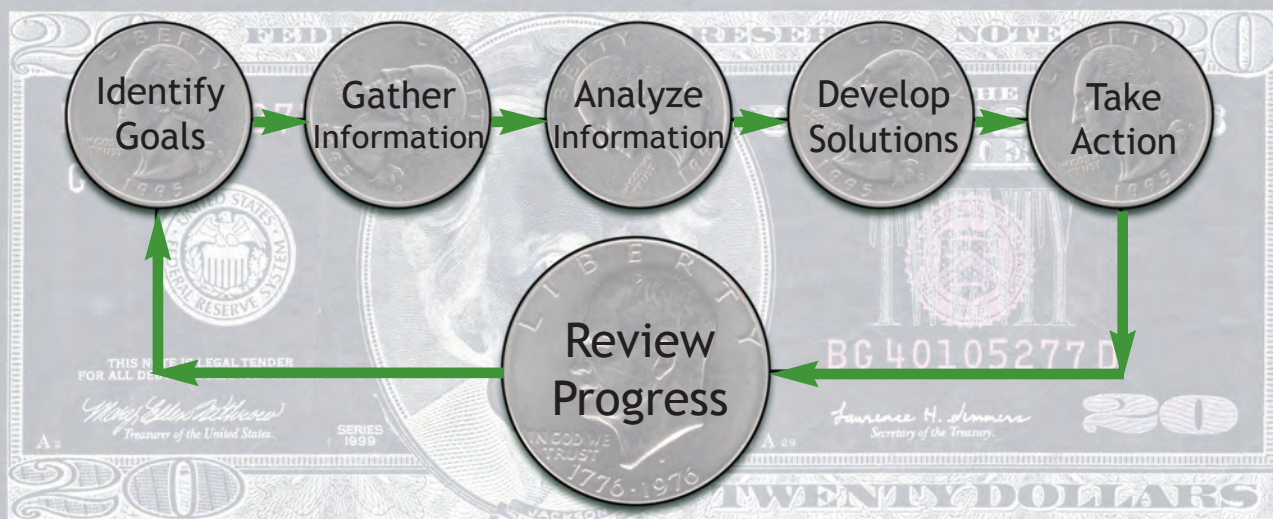
Estate Planning

Managing Risk

Retirement Planning

Taxes

At Deseret Mutual, part of our purpose is **to improve your financial well-being. And that takes a plan.** People who don't set financial goals or follow a process of evaluating and updating those goals lose opportunities to budget wisely and prosper in the long run. Many allow emotions rather than facts to control financial decisions. And without financial direction based on facts, too many end up in debt and retire without the comfort of financial security.



Let's walk through the process, step by step:

### 1) Identify goals.

Financial goals must be **specific, measurable and flexible.** For example, do you know when you'd like to retire? How much money will you need for retirement? Are your goals flexible and attainable?

### 2) Gather information.

To realistically work toward meeting financial goals, it's important to know your finances — **inside and out.** You'll need to know about your assets and liabilities.

For an accurate measure of your finances, consult a recent pay stub, tax returns, bank statements, personal benefits statements, and other documents.

### 3) Analyze information.

Now you're ready to figure out your net worth and cash flow, identify strengths and weaknesses, and plot financial strategies and courses of action.

In the process, you'll consider such factors as your risk tolerance and opportunity cost. This step relies wholly on facts, not emotion.

### 4) Develop solutions.

What kinds of insurance and investments match your objectives and investment timeframes? To meet your retirement goals, consider using a preset mix from your Deseret Mutual Thrift Plan, or choose cash-based investments, stocks, or bonds.

Where will you cut costs to make possible other financial goals? Will you buy long-term or permanent insurance? Are you on the road to freedom from debt? For this step, you might want to consult a financial planner.



## 5) Take action.

**It's up to you. Discipline yourself to stick to solutions.** Your financial goals should take precedence over all non-emergency spending.

## 6) Review progress.

**How have you done after three months? After six months?** Are you implementing solutions with discipline? Were any of your goals unrealistic? If so, adjust them.

Also, status changes involving income level, marriage, birth, a job change and reduced debt, to name a few, will necessitate goal adjustments.

## Present, Future, & Ongoing Goals

To get started on financial goals, separate them by time periods when they'll see desired effects.

Those goals pertinent in the present generally provide insurance and emergency funds:

- Cash Reserve
- Medical Coverage
- Disability Protection
- Life Insurance
- Estate Planning
- Property and Casualty Protection

Other goals lay the groundwork for the future:

- Children's education
- Recreation, vacations
- Accumulation
- Material desires
- Retirement

Some goals, like tax management and investment management, are relevant on an ongoing basis.

## We're Here to Help

To reach a financial planner at Deseret Mutual, simply e-mail or call us. Our contact information is listed below.

### Checklist

- Identify specific and measurable goals.
- Gather information about your assets and your liabilities.
- Analyze information and figure out your net worth and cash flow. Take action.
- Develop solutions to match your goals and timeframes.
- Take action. Discipline yourself.
- Review your progress on a regular, systematic basis.

FINANCIAL PLANNING at DESERET MUTUAL BENEFIT ADMINISTRATORS

60 East South Temple • Salt Lake City, Utah 84111

Telephone 1-801-578-5627 • Toll Free 1-800-777-3622, ext. 5627 • Fax 1-801-578-5933

finplan@dmba.com • www.dmba.com/finplan