



Financial Planning Starter Toolkit

Are you ready to boss up and own your own?
Then you've come to the right place.
Coin Financial created this starter toolkit to give you a head start
toward your journey to financial success.

Financial Planning Basics

Let's say your boss assigns you a task. How would you go about accomplishing it? Would you:

- 1 Determine what goals must be achieved in what time frame, study current conditions, review available resources, plan a sequence of actions to achieve the goals, and then execute the plan; or,
- 2 Move forward with no clear goals or time frame, no idea what the conditions are or what resources are available to you, unsure of what to do next, and just hope that things will be okay?

Now let's say your goal is to pay off your student loans, decrease your debt-to-income ratio or buy a house. How would you go about accomplishing these? Let's face it. Most of us tend to go with option 2. This is where financial planning makes a difference.

Financial planning may sound like something for rich people with a lot of money or for big-time stock and bond investors ... but it's not. Financial planning is about life. It is about determining your goals and figuring out how to use the financial resources you have in order to reach your goals. Financial planning is about more than investing. It is about managing your life!



CONTROLLING SPENDING



MANAGING CREDIT



INCREASING SAVINGS



PAYING FOR COLLEGE



BUYING A HOUSE



REDUCING DEBT



RETIREMENT OPTIONS



RISK AND REWARD

Financial Planning is the process of wisely managing your finances so that you can achieve your goals and dreams – while at the same time helping you negotiate the financial barriers that inevitably arise in every stage of life. It is a process, not a product.

Financial Planning Starter Kit

Everybody is different so every financial plan will be different, but most well-rounded plans will contain some common elements. What are some of the basic building blocks?

HERE IS A SUGGESTED FINANCIAL PLANNING STARTER KIT TO GET YOU GOING IN THE RIGHT DIRECTION.

GETTING ON AND LIVE! (G.O.A.L.S)

Now write down some goals and a specific and realistic action plan with a timeline within which to achieve them, and you will be well on the way to taking control of your financial future! Goals should be Specific, Measurable, Attainable, Realistic, Time bound.

TIP 1: Daily tracking helps you realize all the aspects of missing or achieving your goals.

TIP 2: Personalize your goals, what works for you will not work for your partner or friend.

CALCULATE YOUR NET WORTH

Just like a corporation, you should have a balance sheet that calculates how much you are worth. Do it each year and you'll see where you're headed. List your ASSETS (money in the bank, investments, and real property like your house or your car, etc.), then list your LIABILITIES (money you owe like your 5 credit card balances, mortgage balance, car payments, student loans, bills and taxes due). ASSETS minus LIABILITIES equal NET WORTH.

TIP 1: Don't leave anything out! The money you own Aunt Shelia is a liability.

TIP 2: No assets? It's never too late to start building one.

LORD, JESUS THERE'S A FIRE!

Try to keep on hand enough easily-accessible funds to cover three to six months of essential payments (food, rent or mortgage, insurance premiums, etc.). No one knows what could happen tomorrow – a broken refrigerator, a job loss, a hurricane. An emergency fund could be the difference between whether the emergency is a just a financial headache, inconvenience, temporary set-back, or a major financial crisis.

TIP 1: Make saving a non-negotiable, just like keeping your hair done.

TIP 2: Saving to the weeks of the year incrementally, can result in \$1,378 by the of the year.

AFLACK, BUT SERIOUSLY THAT DUCK KNOWS WHAT HE'S TALKING ABOUT

If you get sick, suffer an accident, suffer property damage or die, you (or your survivors) may take a bad financial hit. The right insurance can soften the blow – health, disability, auto, homeowners' or renters' and life insurance are some of the kinds of insurances that are available to you. That is a lot, so decide which kind of insurance policies are essential for you to protect yourself and your family. Remember if you're single and have no kids, you need to ask yourself, do you really need life insurance, and who needs the benefit of your life insurance?

SNAP YOUR SAVINGS WITH NO FILTERS

Take out your bank statements, check book and credit card bills. List all your income and expenses (yes, bottomless brunches too). Study your expenses – you may be surprised how little things can add up. Now that you know how the money comes and goes, choose where to spend and where not to spend.

TIP 1: Think of savings as a bill you have to pay regularly.

TIP 2: Involve your whole family because everyone has to live with the plan. When you see where your money is going it is easier to save.

MONEY IS A POOR MAN'S CREDIT CARD

Know what you owe. List all of your debts. Include on the list the name of the lender, the outstanding balance, the interest rate, and whether the interest is tax deductible (like a mortgage). How big a chunk of your income goes to debt payments – too much? Now work to reduce your debt – usually it is best to start with the highest-interest-rate loans. You should get a free copy of your credit report (annualcreditreport.com) and check it for errors.

TIP 1: Your credit changes, be sure to monitor both the score and what shows on your report.

TIP 2: Check with your credit card company to see if they have a free monitoring service, most do.

QUESTIONS TO CONSIDER

*Am I driven
by a savings
goal or a
debt goal?*

*If I were to lose
my job tomorrow,
how long would I be able
to maintain my current
lifestyle? Could I change
that answer in 1 month?
6 months?*

*What does
financial
freedom look
like to me?*

HELPFUL SITES AND APPS



MINT.COM



ROBINHOOD.COM



BANKRATE.COM



52 WEEKS
(app available to download)



WILLMAKER.COM

Not everyone needs a planner, but everyone needs a financial plan.

Boss Up.
Own Your Own.



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