

Office Calendar

June 9	Bruce out of office in AM
June 17	Bruce out of office
June 28	Bruce out of office
July 5	Independence Day observed
July 29	Bruce out of office



Memorial Day is May 31. *Please Remember.*

Four Elements of Your Risk Profile

A recent article written by Geoff Davey, the founder of Finametrica, the third-party risk tolerance evaluation firm that Heling Associates has used for many years now, did an excellent job of examining the several dimensions of a person's risk profile. As market volatility has recently picked up, I thought it might be useful to digest its content as a way of helping clients better understand the complexity of this highly important issue.

Davey presents four distinct factors contributing to one's risk profile:

1. **Risk tolerance**, a personality characteristic that reflects one's psychological risk-taking predisposition and is relatively stable.
2. **Risk capacity**, the amount of risk one can afford to take as a result of one's financial situation, which can change over time.
3. **Perceived risk**, the amount of risk one sees in any given alternative under consideration (whether accurate or not), which can change with better knowledge and more experience.
4. **Required risk**, the risk associated with the return that is required to achieve one's goals.

Any one of the four can serve as a limiting constraint on the amount of risk that should be assumed when making financial decisions such as deciding on investment policies. For example, even if you have a high risk *tolerance*, your risk *capacity* may be lower due to demands you will be making on your portfolio in the near future. Similarly, a high level of *required risk* may be problematic if your risk *tolerance* is only moderate. In such cases, other factors in your financial plan may need to be altered to make it work.

At Heling Associates, **risk tolerance** is assessed using the Finametrica profiling service followed by a thorough and probing discussion. **Risk capacity** is estimated by analyzing anticipated portfolio cash flows over a five year horizon. **Required risk** is assessed by calculating returns required to make a financial plan work over a long-term horizon. **Perceived risk** is "measured" by discussions centered on proposed investment policies.

Understanding your risk profile is critical, and I strive to be thorough in evaluating it as part of the financial and investment planning process. It's worth the extra time it takes to gain a thorough understanding before important financial decisions are made.

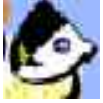
Your risk profile is important when making non-investment decisions as well. For example, how you choose to take your pension benefit (lump-sum or annuity, life-only or survivor annuity, etc.) or when you elect to begin Social Security benefits are decisions that should reflect your financial risk profile. Time spent evaluating, and *re-evaluating* your risk profile is, indeed, time well spent.

Bruce R. Heling, CFP® CPA

Tax Returns, Please

If you haven't done so already, please provide me with a copy of your 2009 income tax returns. If your returns were professionally prepared, ask the preparer to email PDF copies to me at bheling@helingassociates.com.

Better, have them phone me and I'll set them up with limited access to your secure web vault so they can upload them safely. And, of course, you can always mail them.



DIVINE INTERVENTION REQUESTED

It was time for prayer, so the preacher said, "Anyone with 'special needs' who wants to be prayed over, please come forward to the front by the altar."

With that, Leroy got in line, and when it was his turn, the Preacher asked, "Leroy, what do you want me to pray about for you?"

Leroy replied, "Preacher, I need you to pray for help with my hearing."

The preacher put one finger of one hand in Leroy's ear, placed his other hand on top of Leroy's head, and then prayed and prayed and prayed. He prayed a "blue streak" for Leroy, and the whole congregation joined in with great enthusiasm.

After a few minutes, the preacher removed his hands, stood back and asked, "Leroy, how is your hearing now?"

Leroy answered, "I don't know. It ain't 'til next week."

SO CLOSE...

A golfing buddy showed up one morning and sighed, "I lost the pub quiz last night by 1 point. The last question was, "Where do most women have curly hair?"

Apparently the correct answer is Africa.

WHY SOME TEACHERS DRINK...

Quiz Question: "Where was the Declaration of Independence signed?"

Student's answer: "At the bottom"

THIS MONTH'S LIFE LESSON...

...Never tick off a woman who can run a backhoe.



MORE CHURCH BULLETIN BLOOPERS

The sermon this morning: 'Jesus Walks on the Water.'
The sermon tonight: 'Searching for Jesus.'

Don't let worry kill you off - let the Church help.

Next Thursday there will be tryouts for the choir. They need all the help they can get.

Irving Benson and Jessie Carter were married on October 24 in the church. So ends a friendship that began in their school days.

The ladies of the Church have cast off clothing of every kind. They may be seen in the basement on Friday afternoon.

This evening at 7 PM there will be a hymn singing in the park across from the Church. Bring a blanket and come prepared to sin.

Ladies Bible Study will be held Thursday morning at 10 AM. All ladies are invited to lunch in the Fellowship Hall after the B. S. is done.

Low Self Esteem Support Group will meet Thursday at 7 PM. Please use the back door.

The eighth-graders will be presenting Shakespeare's *Hamlet* in the Church basement Friday at 7 PM. The congregation is invited to attend this tragedy.

Weight Watchers will meet at 7 PM at the First Presbyterian Church. Please use the large double door at the side entrance.

The Associate Minister unveiled the church's new campaign slogan last Sunday:

'I Upped My Pledge - Up Yours!'