

BIG milestones plans

Life moves pretty fast. One minute you're graduating; the next you're managing a team of five (some older and more experienced), unsure if your master's degree truly prepared you for what comes next. Fast forward 10 years, and you find you're not only prepared, but thriving. You've got financial decisions to make about healthcare premiums, retirement savings, life insurance and whether you should move into a better school district.

Twenty years later, you're wondering if it's a good idea for dad to move in with your family or your brother's, or perhaps a specialized facility is in order. You're thinking of your own retirement and need for care and what

that looks like. Perhaps, just as important, what that could cost and who will be the one to hold your hand when you need support (physically, emotionally and/or financially).

The point is, life rarely happens in an orderly fashion, but each milestone, each game-changing event comes with its own set of decisions and you may face more than one event at a time. First comes the wedding, then comes the new house, then perhaps a baby. New wealth from selling your business may mean retiring earlier than originally planned. You get the picture.

The good news is none of these decisions needs to lay solely on your shoulders. You'll have your trusted family and knowledgeable advisors

to help guide you as you cross these bridges, thinking through the emotional and financial challenges as well as the opportunities at each major life stage. In other words, while no one's life quite mirrors another, some aspects are universal.

If you've begun planning already, you're likely off to a good start. But if not, don't wait any longer. The goal is to be prepared, not panicked, when you find yourself experiencing yet another life change. With that in mind, here are some scenes from a well-lived life and their accompanying financial and lifestyle considerations. Your advisor likely has helped many others work through these and can help you navigate this stretch of road.



The New Job

Career change can be stressful. Bringing in less money has ripple effects on your budget and expenses, especially if you are seeking new employment. In either case, once you land a new job, it's a good idea to understand and maximize any employer-sponsored benefits.

Conversation starters

What happens if I leave my job? How can I make the most of my benefits? Are any of my benefits portable?

NEW JOB?

Enroll in the retirement plan ASAP.

Contribute whatever amount maxes out your employer match.

Consider supplemental insurance to help protect your family.

Update beneficiaries on your benefits plans and insurance policies, if applicable.

Consider your options for retirement plans from previous employers.

Evaluate your new employer's benefits (e.g., health, life, short- and or long-term disability and LTC).

IN-BETWEEN JOBS?

Network, seek education and update your resume.

Limit debt.

Research open-market or COBRA healthcare coverage.

Reduce spending.

Revisit your budget (and investments, if necessary).



The Retirement Party

You've spent your adult life dreaming of what retirement could look like – and saving for it. Your partner may have, too. Now it's time to put that money to work now that you no longer have to. Are you on the same page when it comes to your future retirement lifestyle? What about your retirement income? The goal here is to save enough to cover your

must-haves, your would-be-nices, your what-ifs and your if-onlys for the next two, three or more decades. The transition from a 40-plus-year career may be overwhelming; that's to be expected. However, you have more options than you may realize in terms of structuring a stable income stream and filling your days with meaning and purpose.

Conversation starters

What kind of lifestyle do I want? Where do I want to live? Should we upsize, downsize, retire at sea? Should I work? Do I want to? How will we pay for our needs? Wants? What legacy do we want to create? How can we maximize our household Social Security benefits? Am I financially and emotionally ready? What risks do I face? What do I want an extended care event to look like?

NEW directions

As we go through life, forks in the road may lead us in new directions – some expected, some not. Either way, you have an opportunity to define what the change means to your lifestyle and finances. Like with any major life event, you'll want to assess the impact on your family, beneficiaries and long-term plans.



The Windfall

Sudden wealth, whether from the sale of a business, the lottery or an inheritance, requires a whole new mindset – goals may shift or become easier to fulfill – and you'll have to deal with the emotions that come with a life-changing amount of money.

Conversation starters

Is our family prepared to competently manage this level of wealth? Are trusts in order to help heirs become good financial stewards? Does this change in wealth also change our philanthropic plan?

- Acknowledge that significant money comes with significant emotions, running the gamut from giddiness to possibly guilt.
- Don't spend it all at once.
- Take some time – a few months to a year – to contemplate how the money can help you achieve your goals.
- Talk to your advisor about managing newfound wealth BEFORE taking action.

- Structure a retirement income stream that accounts for inflation and market fluctuations. Ask your advisor to stress-test your plan so that you can feel confident you'll have a financially independent future.
- Develop a budget and spending strategy that leaves you confident that your money will last as long as you need it to – in any market environment.
- Think through rising costs of living and potential healthcare expenses, including long-term care.
- Review all your planning documents, wills, trusts, power of attorney and personal representative.
- Don't neglect your social life. Cultivate new friends and hobbies, and most of all, enjoy!
- Turning 50? Play catch-up with your savings if you can.

FAMILY FOCUS

Little things can mark big changes when it comes to financial planning for your family. Rings, new keys, pacifiers, diplomas all mark major changes for the people you love most. So how do you prepare and protect your immediate and extended family today, tomorrow and in the days to come? How do you go about merging your lives and facing the future? You do so together. With a little help from your professional advisors.



The Wedding

It doesn't have to be a wedding, but deciding – as a couple – to take the plunge and build a future together is exciting. And it comes with a lot to do – personally and financially – before and after making it “official” as a couple. Living together brings a mix of emotions as well. You'll have to figure out budgets, expenses, responsibilities, your joint financial goals and more. Start with a conversation.

Conversation starters

How will we split financial and living responsibilities? How should we prioritize our short- and long-term goals? What are the implications of marriage on Social Security? What's our best filing status from a tax perspective? How can we best resolve financial, estate and child-rearing issues as a blended family?

Have the money talk. Are you on the same page about spending, saving and future goals? Talk regularly about your financial philosophies. To minimize conflict, come from a place of trust, respect and partnership.

Develop a joint financial plan with the help of your advisor. You should both be aware of how your finances work.

Review and update beneficiaries in retirement accounts and insurance policies.

Update important paperwork, including property titles and estate documents. At minimum, you both need wills.



The New Addition

Fierce pride – a drive to protect and provide – instinctively takes over as you welcome a new bundle of joy into the family. As new parents or grandparents, you'll be both exhausted and exhilarated as you adjust to your growing family, new priorities and new expenses.

Conversation starters

How can we protect our family? What estate documents do we need? Can we help pay for college? What kind of maternity/paternity benefits do our companies offer?

Revise your financial plans, wills, trusts and life insurance policies.

Budget for childcare, diapers and other expenses of child-rearing.

Designate a guardian (you do not want to leave this up to the courts) and set up a trust to help preserve assets for the next generation.

Set aside a cash cushion for the unexpected.

Think ahead to college funding, but not at the expense of your own retirement.



The Mortgage

Buying your first home, your second or your last involves a lot of paperwork, financial records and deadlines. Organization is key, but so is patience, after all, this is where you'll likely live for years to come.

Conversation starters

What are the tax implications of moving to another state? Will we need to make aging-in-place modifications before moving in? Is our new home close to things that enhance our life, like friends, family, quality healthcare, educational and job opportunities?

As you pack up, think through how you'll protect not just valuable possessions, but documents as well. Where will you store your will, tax returns, passports and birth certificates, for example?

Find a secure way to protect important items from fire and theft.

Be realistic about what you can afford.

Title your new property in a way that ensures your wishes.

Plan to build your savings back up after the down payment.

CHALLENGING CHANGES

Life, of course, is never static, and no amount of planning can quite ease the shock that comes with some of the more challenging events that are likely to come our way.



Suddenly Single

Ending a marriage is fraught with legal, financial and emotional complexities. A divorce can change your identity, your financial situation, your residence, your future. Even when you know it's coming, it's rarely easy. Managing money on your own might be uncomfortable at first, but your advisor can help you create a sense of order out of chaos and find the best way forward.

Conversation starters

Do I fully understand our marital assets and finances? Is there a valid prenuptial agreement? Any business entanglements? How will/should we divide assets (including retirement savings) and property? What will custody look like?

Open your own checking account and establish your own credit.

Take inventory of marital assets, including bank accounts, liabilities, property and insurance policies and update your beneficiaries.

Get objective guidance to help you make pragmatic – and less emotional – decisions.

Review your insurance needs. Will your health insurance policy still cover you after the divorce? Do you need to add life insurance on your ex to protect child support or alimony?

Think through how you'll divide major assets like retirement accounts and your home.



The Surprise

You've heard it before. Sock away at least six months' cash in a rainy day fund that can be quickly and easily accessed. For the expenses you don't see coming or the opportunities that knock. It helps to have a handy source of liquidity for unexpected repairs, for example.

Conversation starters

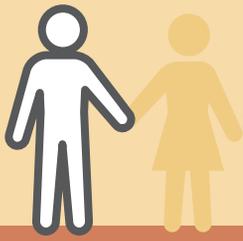
Does it make sense to have a line of credit on standby? How can I access liquidity without derailing my investment plan?

Discuss with your advisor whether a line of credit makes sense for you.

Understand the differences between cash and cash equivalents in your brokerage account and readily accessible cash for everyday living expenses.

"Life is either a daring adventure, or nothing."

– Helen Keller



The Last Goodbye

Surviving may be all you're capable of after losing your spouse. The toll can be emotionally and physically exhausting, from planning a funeral to finalizing your beloved's estate. You'll also have to adjust to a new level of income (losses affect Social Security and pension income, for example) and may need access to liquidity while you wait for the estate to settle. Life insurance might be able to help you sustain your lifestyle until you adjust to whatever your new normal will be.

Conversation starters

Am I ready to be in control and make important decisions? Do I know enough about my finances? Can I cover my expenses? How can I leave my mark on this world? Will my family be taken care of? Have my wishes been properly documented?

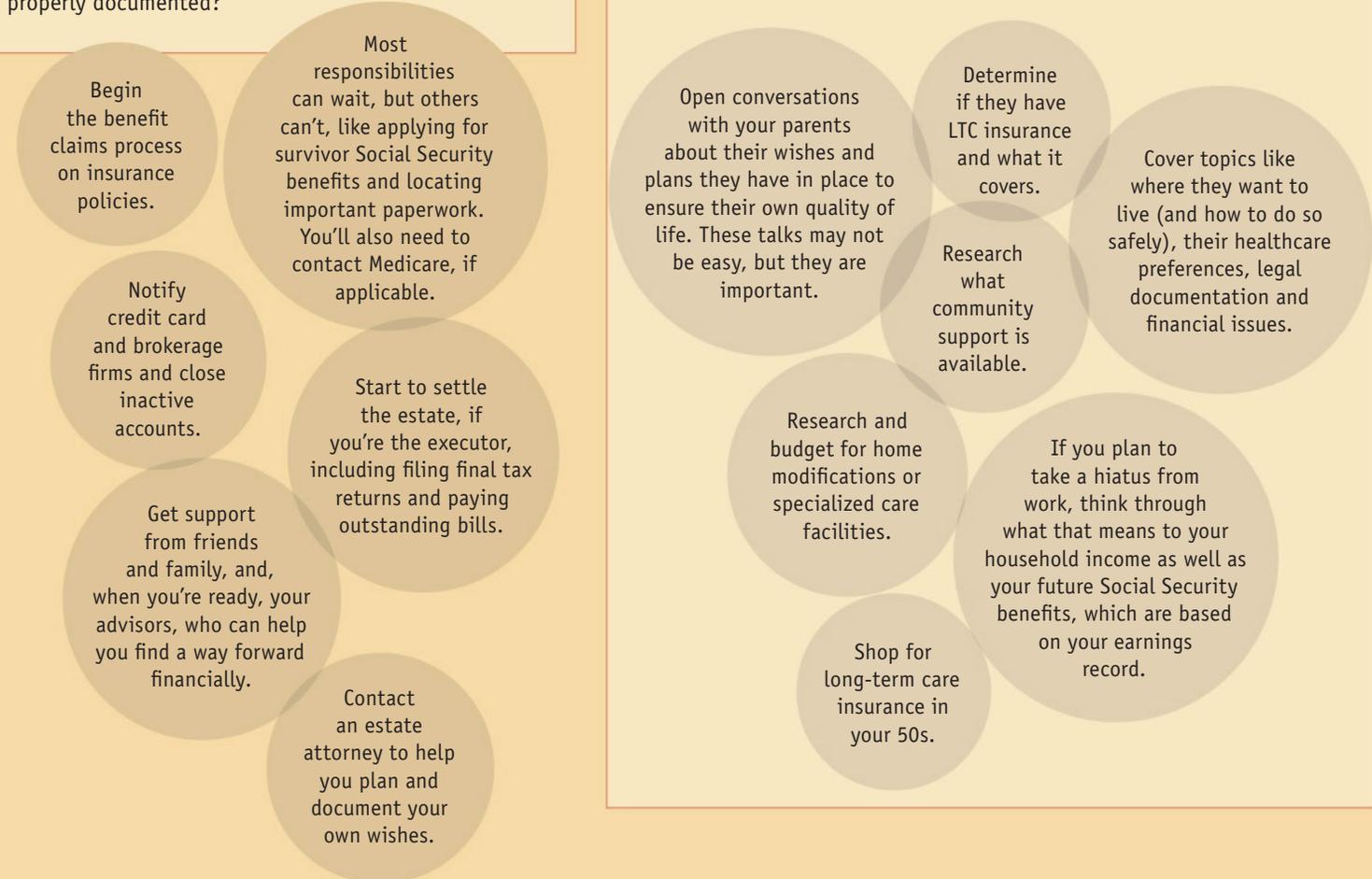


The Middle

Most of us will find ourselves in the middle of raising our own children while caring – in some capacity – for our parents. Until that day – in fact, well before that day – have a gentle, honest conversation about your parents' future needs and wishes and how you may be able to help. You'll have a lot on your plate, and chances are good that your expenses will go up, so you'll need a plan for that – one that hopefully doesn't increase your debt or jeopardize progress toward your own goals.

Conversation starters

Can we afford help or long-term care? Do we understand their end-of-life needs/wishes? Are all the legal documents in place and current? Are our wishes thoughtfully and thoroughly documented? Who should have power of attorney over health and financial decisions?



Sources: [Fidelity.com](https://www.fidelity.com); [New York Life](https://www.nytimes.com); [Discover.com](https://www.discover.com)