

MULTI-GENERATIONAL FINANCIAL PLANNING



Assisting an individual through the steps of a comprehensive financial plan can be a rewarding experience. Although the financial plan is unique to the individual, it is important to acknowledge that an individual's financial goals and overall wealth are greatly influenced by the surrounding generations. For example, as generation 1 transfers their wealth, generation 2's net worth increases, which could change not only their savings or retirement goals but also the potential financial outcome of their children (generation 3). Looking at both ends of an individual's life is a unique way of finding new planning opportunities with different generations, while also simplifying the individual's financial pathway.

Identifying these relationships and helping an individual organize their goals for the next generation could help preserve assets for years to come. An optimal time for planning occurs during the phases of life listed below as they, in general, occur within the same time span.

GENERATION 1:

Wealth Transfer, (approx. age 75+)

Example: Grandparents – Concerned with efficiently transferring wealth to their beneficiaries.

GENERATION 2:

Retirement Ramp Up, (approx. age 50–60)

Example: Parents – Focused on increased retirement savings, now that they are done funding their children's college.

GENERATION 3:

Financial Foundation, (approx. age 20–35)

Example: Children – Out of college and looking to consolidate debt, enroll in employer benefits, and establish a savings plan.

