

EVOLUTION OF FINANCIAL PLANNING



Comprehensive financial planning is meant to eliminate confusion by identifying how assets and goals complement each other during the different stages of life. However, large financial plans may leave a person overwhelmed, potentially leading to a greater risk that key parts of the plan will remain unimplemented. Although the accuracy and thoroughness of a financial plan is important, prioritizing a plan into manageable steps can be just as valuable. The stages detailed below offer some examples of how to navigate a comprehensive financial plan from setting a foundation to transferring assets to the next generation.



1

Financial Foundation *(approx. age: 20–35)*

- a. Earnings vs. Expenses
- b. Debt Management
- c. Employer Benefit Elections
 - i. Low Deductible Plan vs. Health Savings Account
 - ii. Group Life and Disability
- d. Initial Retirement Savings
- e. Basic Estate Documents
 - i. Last Will and Testament
 - ii. Advanced Medical Directive
 - iii. Beneficiary Designations

2

Family Planning *(approx. age: 35–50)*

- a. Survivor Needs
 - i. Debt Payoff
 - ii. Income Replacement
- b. Education Planning
 - i. Public vs. Private Elementary and High School
 - ii. College Savings

3

Retirement Ramp Up *(approx. age: 50–60)*

- a. Increased Retirement Savings
 - i. Employer Sponsored Plans
 - ii. Supplement Retirement Savings
- b. Long Term Care Introduction
 - i. Insurance Solutions
 - ii. Self-Insure
- c. Setting Retirement Spending Expectations

4

Retirement Red Zone *(approx. age: 60–75)*

- a. Transitioning Assets to Income Streams
- b. Social Security Considerations
- c. Pension Election Analysis
- d. Detailed Estate Planning
 - i. Health Care Power of Attorney
 - ii. Financial Power of Attorney
 - iii. Revocable and Irrevocable Trusts

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Wealth Transfer *(approx. age: 75+)*

- a. Annual Gifting
- b. Charitable Giving
- c. Life Settlements