The 7 MOST IMPORTANT Financial Planning Questions

1. Have you clarified your financial and investing goals?
   - Having a clear understanding of your objectives, priorities and goals will help to clarify choices about doing the best with what you’ve got. You’ll have greater insight and control over your financial future.
   - A solid financial plan starts not with your means or assets or liabilities, but with your goals and values.
   - What’s most important to you in your life - in retirement and over the long-term? Your financial plan and investment strategy should be built to help you reach your goals and express your true values.

2. Are you planning for your wants and your needs?
   - Needs are your required expenses such as housing, healthcare, children’s activities, insurance premiums, fuel and auto expenses, and food.
   - Wants are non-essential but contribute to your quality of life. These may include a vacation home, travel, and funding important causes.
   - Explore a strategy that allows you to pay for your needs and wants throughout retirement, with a combination of income streams and income from assets.

3. Are you addressing common risks?
   - Americans are living longer than ever before. That means you need to plan for a long life, retirement, and the challenges of aging.
   - Inflation will impact your purchasing power and ability to support your wants, needs, and quality of care. Even a low rate of inflation –say 3% per year– compounds to 50% in less than 14 years.
   - The budget deficit along with escalating demand for resources from a growing world population and developing countries will have an impact. Fixed investments like cash, treasury bonds, and annuities may not keep up.

4. Do you have an investment strategy?
   - Study after study shows that the average investor cannot beat the market.
   - On average, investors without a disciplined process will significantly under-perform the stock market. They are more likely to jump in and out of the market at the wrong time, damaging their returns and jeopardizing their retirement goals.
   - The management of downside risk is critical in today’s volatile markets and should also be a key philosophy deployed on your behalf.

5. Do you have a plan for healthcare?
   - Healthcare expenses can rise with longer life, which is a big concern when planning for retirement.
   - According to Fidelity’s recent health care cost estimate, a 65 year old couple retiring in 2014 would need approximately $200,000 to cover medical expenses in retirement, even with Medicare.
   - Many people are concerned that the medical costs of their spouse may use most of their savings for care and support at the end of their life.

6. Are you working with an advisor, or are you a DIY’er?
   - Many investors are skeptical, suspecting conflicts of interest. Trust takes time to build, and it can easily be broken.
   - What to look for:
     - Has an independent voice and provides objective, unbiased advice
     - A fiduciary standard - they act in your best interests
     - No mystery about fees, with a full disclosure of costs

7. Do you have a financial plan?
   - Performing a basic projection far ahead of your expected retirement date is ideal. The numbers may reveal that you can fund everything you want today and through retirement, or they may show that you can make simple adjustments today that will put your mind at ease.
   - But more needs to be done. Your financial planner should understand the complexities of putting together the pieces of the puzzle of creating and managing your financial and investment plan.

Are you ready to create a plan for living the life you’ve always dreamed about?
As your fee-only fiduciary advisors, we work for you, not a commission. Your goals and values are the primary focus.
Contact us today to schedule your complimentary Discovery Meeting to get started.