

# THE IMPORTANCE OF MONITORING AND MAINTAINING YOUR WEALTH PLAN



After meeting with a financial advisor and approving a wealth plan, that's not the end of it—that's just the beginning! The wealth plan should set in motion all of the actions you need to take to achieve your wealth objectives with the goal of achieving your life's dreams and ambitions. In fact, even after you follow through with all of the plan's approved recommendations, remember that a wealth plan is dynamic. It must be monitored and reviewed consistently throughout the decades.

## THE FOUR DYNAMICS OF WEALTH MANAGEMENT

1. **Market Dynamics:** Ever-changing market conditions can influence your investments.
2. **Economic Dynamics:** The broader economic environment can affect your wealth.
3. **Legislative Dynamics:** New laws and regulations can require changes to the plan.
4. **Life's Dynamics:** Perhaps the most crucial is the personal life changes that necessitate adjustments to your wealth plan.

## THE IMPORTANCE OF BEING PROACTIVE: EXAMPLES

### • Estate Planning

Your wealth plan will almost always recommend an estate plan. Indeed, you may have an estate plan already in place, but is it up to date? Does it contain provisions for your minor children who now happen to be in their 30s with minor children of their own? Has the person you named as your executor since passed away? Putting off updating your estate plan can leave a messy probate battle for the loved ones you leave behind, and courts will make decisions that may not match what you wanted.

### • Tax Planning

Ongoing annual review of your investments can allow your financial advisor to uncover and pass on tax loss harvesting possibilities to your CPA in any given tax year, which might include the selling of certain securities at a loss to offset the amount of capital gains tax owed from selling profitable assets, or similar strategies inside the portfolio. Another important aspect of ongoing tax planning provided by a financial advisor is looking ahead to find ways to mitigate future taxes, for instance, during retirement.

## • Retirement Planning

If you are considering retiring in the next five to 10 years, there are so many things you must consider. Putting it all together is like assembling a puzzle. You will have to enroll in Medicare at age 65 unless you have health care through an employer, and the premium you pay will be based on your income from two years prior; reducing that income two years before can be part of your strategy. Furthermore, you and your spouse have options about when and how to file for Social Security in order to receive the maximum amount of lifetime benefits. Last but not least, if you have a lot of money in taxable accounts like traditional 401(k)s, there may be strategies like tapping taxable accounts first, or doing a series of Roth IRA conversions that may benefit you as your financial advisor analyzes your overall retirement plan.

## • Business Planning

Entrepreneurs who may have set up a simple LLC at their inception may need to take a serious look at whether or not an S-corp or C-corp might be a better strategy later down the line depending on their tax burden and their need to save for retirement in the most tax-advantaged manner. And with business growth comes the need for succession planning to protect the owner's family members and/or firm's employees and to help ensure that the business you've worked so hard to build continues on as your legacy after you're gone. An experienced financial advisor has the tools and perspective to walk beside you through the years and recommend needed changes, while you spend your time running your business.

## CLEAR PICTURE WEALTH PROGRAM: A COMPREHENSIVE APPROACH

Don't let procrastination or fear of the unknown hold you back from achieving your financial goals. Whether you're planning for retirement, managing a business, or navigating life's transitions, the Clear Picture Wealth Program is here to guide you every step of the way.

- 4. Comprehensive Scoring System:** Clients' financial lives are scored across five major areas, helping to identify areas needing attention and track progress over time.
- 5. Focused Attention on Key Areas:** Whether it's estate planning, tax strategies, or business growth, the program ensures that all aspects of your financial life are proactively managed.
- 6. Personal Accountability:** The program encourages clients to take ownership of their financial decisions while providing expert guidance and support.

## TAKE ACTION: YOUR FINANCIAL FUTURE AWAITS

Monitoring and maintaining your wealth plan is critical to its success and being proactive can help ensure your life's dreams and ambitions are achieved.

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