Your Transitional Wealth Planner

Selecting the Best Financial Advisor for You

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Introduction

We all face transitions during our lives. They range from insignificant to life-altering, but they all cause some degree of disruption to our normal routines, as well as varying levels of stress. We believe most consumers can benefit from working with a financial advisor—specifically, a Transitional Wealth Planner—who understands how these transitions can impact an individual or couple's financial future.

I wrote this book to help guide you in interviewing various planners and selecting one who will be a good fit for you and your situation.

What Is Transitional Wealth Planning?

Transitional Wealth Planning is a mastered discipline in the general category of financial planning. It focuses on guiding clients through major life transitions with more ease and confidence.

Whether a life transition involves retirement, relocation, debt, divorce, the loss of a loved one, the purchase or sale of a business, receiving an inheritance, or anything else, the one common thread among all of them, for 99 percent of the population, is the worry and fear of making a mistake or running out of money after a transitional event. Most adults have an underlying fear of being poor, additionally relying on government assistance, or relying on friends or family for money in retirement. This is the undercurrent that drives most people to seek guidance as they navigate these transitions.

The Transitional Wealth Planning discipline is practiced by Transitional Wealth Planners, who guide, advise, and counsel clients facing major life transitions. Our planners focus on client goals, gather and synthesize client data, and then develop customized strategies to support our clients in creating a track for Preferred Outcomes®.

Our highly qualified planners will guide you through most of life's imaginable transitions, making the most of technology, experience, the support of teams, and industry licenses and designations. The AmeriFlex Group® is equipped and committed to helping individuals, couples, and families prepare financially as they face all types of life transitions.

A simple example of a transition is that when a couple or individual reaches retirement age, they are interested in understanding—based on our "What if?" models—whether their money will outlive them after turning on Social Security and other income sources from retirement accounts. A more complex example is that when a spouse dies, in addition to navigating grief and a sense of loss, the surviving spouse often has to relocate, begin working again, or retire from his or her job. As the stress scales show, the more life transitions you face, the more stress you endure. During these difficult times, we guide you in making decisions for you and your family. The impact of a correct or incorrect decision can have life-altering impacts on your wealth and freedom.

Being prepared for, and supported through, the financial ramifications of such changes enables you to devote your time and energy to coping with the emotional and logistical challenges common to transitions.

Well-Organized Finances = More Confidence and Happiness

I am a planner by nature. That's partly because I came from humble beginnings. Also, as a young person, I was curious about how people can accumulate, keep, and preserve wealth.

If you are a planner, too, and an organized person, you will no doubt enjoy learning how a Transitional Wealth Planner can help you prepare for the future. And even if you're not organized and not a planner, it is likely that you will enjoy becoming more organized and better educated about how to make the most of your financial future.

Northwestern Mutual's 2019 Planning & Progress Study—its tenth annual study—revealed that nothing makes Americans happier than having their finances organized. In fact, 92 percent of US adults said they were happiest and most confident when their "financial house is in order."[1]

I hope this book inspires you to call on a Transitional Wealth Planner to get organized, start planning, and prepare for those transitions you expect to come—and those you don't. As you begin this important and exciting journey toward Transitional Wealth Planning for your future, we invite you to review our Ten Financial-Planning Tips in the appendix of this book. To make sure you have the latest version, we recommend downloading it from https://ameriflex.com/.

How This Book Is Organized

We have organized this book in two parts. Part 1 introduces you to Transitional Wealth Planning and how Transitional Wealth Planners differ from other financial advisors. Part 2 describes the steps in the Transitional Wealth Planning process.

To create the most impactful learning experience for you in your process of selecting your Transitional Wealth Planner, we have included the insights of four highly respected, well-recognized Transitional Wealth Planners who work with clients like you on a daily basis.

All four of these Transitional Wealth Planners hold the CERTIFIED FINANCIAL PLANNER™ (CFP®) certification—the gold standard for financial planning in the financial services industry. You can read more about them in the section toward the back of this book titled "About the Contributors."

How to Work with Us

My partners and I started The AmeriFlex Group to develop and maintain a group of Transitional Wealth Planners. These planners support a diverse base of clients and their families throughout the country.

If you want to explore working with one of our highly qualified

1. "Planning & Progress Study 2019," Northwestern Mutual, https://news.northwesternmutual.com/planning-and-progress-2019.

Transitional Wealth Planners, we invite you to connect with us by calling our corporate office at (702) 987-9730 or emailing Jesse Kurrasch at jesse@theameriflexgroup.com. We will ask you some questions to determine your most pressing needs and your long-term objectives and then match you with a planner.

Because COVID has changed the boundaries of the world and of financial planning, geography is not as limiting as it once was. Many of our planners work remotely and with clients in other states. We are licensed and registered with the Securities Exchange Commission (SEC) to provide financial advice services in all 50 states. So, even if there are no AmeriFlex advisors in your geographic location, we can connect you with a highly skilled and experienced planner who can work with you.

Welcome to The AmeriFlex Group! We look forward to working with you.

Now, let's look at why Transitional Wealth Planning is so important in helping you make the most of your financial situation—now and in the future—as you navigate life's myriad of transitions.

PART 1

The Value of Transitional Wealth Planning

Chapters 1–6

If you have never engaged a Transitional Wealth Planner to guide you to your financial future as you navigate life's many transitions, you probably have a lot of questions.

For example, you might want to know how Transitional Wealth Planners are paid, how they will work with you, and what you can expect as you build your relationship with them. This first part of the book provides an overview that will answer many of those questions.

If you were going to run a marathon and you asked me for advice on how to get started, I would tell you what you need to know to help you prepare for it. I would give you some practical preparation tips, such as how to train and what types of foods to eat. I would also give you some mindset tips, such as how to prepare mentally for your race.

Transitional Wealth Planning is part practical, part psychological.

Transitional Wealth Planning is similar—it's part practical, part psychological. In this first part of the book, you will learn how to select a Transitional Wealth Planner and work with him or her to be in the best "financial shape" of your life, regardless of the twists and turns it presents you.

CHAPTER 1

We All Need Help with Life's Transitions

Research shows that we do not make the wisest decisions when we are under stress.

For example, a 2020 study from Stanford University found that stress can hinder our ability to develop informed plans by preventing us from being able to make decisions based on memory. Stanford psychologist Anthony Wagner, who is the senior author of the paper detailing this work, wrote, "We draw on memory, not just to project ourselves backward into the past, but to project ourselves forward, to plan. Stress can rob you of the ability to draw on cognitive systems underlying memory and goal-directed behavior that enable you to solve problems more quickly, more efficiently, and more effectively."[2]

Wagner calls being able to draw on memory to make a decision without the burden of stress "a form of neurocognitive privilege." He adds that dealing with a stressful situation related to health, economics, or something else reduces that privilege.[3]

You might have heard the term *decision fatigue*. It is a psychological phenomenon surrounding a person's ability or capacity to make decisions.

The theory surrounding decision fatigue is that people's ability to make decisions can get worse after making many decisions because their brains become more fatigued. This fatigue applies to all decisions, not simply the larger or more difficult ones. More complex decisions may deplete energy levels faster. The theory is that, as the day goes on and a person has to make more and more decisions, his or her ability to choose wisely decreases.[4]

Although researchers say this is a difficult concept to study, some have observed the phenomenon. A study in *Health Psychology* found that nurses tended to make less efficient and more expensive clinical

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2. "Stress Thwarts Our Ability to Plan Ahead by Disrupting How We Use Memory," *ScienceDaily*, April 3, 2020, https://www.sciencedaily.com/releases/2020/04/200403115103.htm.
3. Ibid.
4. "What Is Decision Fatigue?" Jon Johnson, *MedicalNewsToday*, July 6, 2020, https://www.medicalnewstoday.com/articles/decision-fatigue.

decisions about patient care the longer they went without a break. Also, the more people feel or believe that decision fatigue affects them, the more it actually does.

You might have noticed this happening in your own life—the more stressed you are, the more difficulty you have making wise decisions. And then an unwise decision causes more stress. It's a vicious cycle, and at some point, each of us needs to make the proactive decision to stop the cycle and get help.

The more people feel or believe that decision fatigue affects them, the more it actually does.

We all can use help navigating important decisions, such as those related to finances, especially when we are facing major life transitions.

Stress Can Cause Physical Breakdown

Some stress is good; it triggers our natural "fight or flight" instincts, which can protect us from danger. But prolonged stress can cause serious health problems, including digestive issues, depression or anxiety, forgetfulness, frequent aches and pains, headaches, lack of energy or focus, a stiff jaw or neck, fatigue, sleep issues, weight loss or gain, and many more.

Constant stress can cause physical breakdown. Through the years, researchers and psychologists have developed many different methods of assessing the impact of stress on a person's life.

One of these more classic methods, developed in 1967, is called the Holmes–Rahe Stress Inventory; it lists the forty-three most stressful life transitions. Each life event is assigned a number that corresponds with how stressful it is—the higher the number, the more stressful the event is, with 100 being the highest number on the scale. The twelve most stressful life events on the list of forty-three are as follows:[5]

5. "The Holmes–Rahe Stress Inventory," The American Institute of Stress, https://www.stress.org/holmes-rahe-stress-inventory. You can see the full list of forty-three

Ranking	Life Event	Stress Value
1	Death of spouse	100
2	Divorce	75
3	Marital separation from mate	65
4	Detention in jail or other institution	63
5	Death of a close family member	63
6	Major personal injury or illness	53
7	Marriage	50
8	Being fired at work	47
9	Marital reconciliation with mate	45
10	Retirement from work	45
11	Major change in the health or behavior of a family member	44
12	Pregnancy	40

More recently, wearable technology devices can detect various markers of stress.

For example, researchers at Keck School of Medicine at the University of Southern California and PM Pediatrics, a specialized urgent-care company, studied stress levels of health-care workers as they performed resuscitations on patients. Throughout their work shifts, selected doctors wore a wireless vest called a Hexoskin that monitored their heart rates using Bluetooth under their work clothes. Oral swabs were used to measure changes in their cortisol levels.[6]

As technology continues to advance, noninvasive strategies like this

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stressful life events on this website. Once you identify which events you have or are experiencing, you can add up the numbers and refer to the key provided on that site to determine the health risks these life transitions are causing you. According to the Holmes–Rahe statistical prediction model, a total of 150 points or less indicates a relatively low amount of life change and a low susceptibility to stress-induced health breakdown. A total of 150 to 300 points indicates a 50 percent chance of health breakdown in the next two years. A total of 300 points or more indicates an 80 percent chance of health breakdown in the next two years.

6. “Stress in the ER: How Researchers Are Using Wearable Tech to Study Doctors in Action,” Samantha Devapiriam, Southern California Clinical and Translational Science Institute (CTSI), October 23, 2020, https://sc-ctsi.org/news/stress-in-the-er-how-researchers-are-using-wearable-tech-to-study-doctors-in-action.

will enable us to measure our stress—and work to relieve it—more easily. Being in great "financial shape" is one way to manage stress.

The Pandemic Accelerated and Increased Life Transitions

Not surprisingly, stress levels increased during the COVID-19 pandemic that began in 2020.

In 2021, The Harris Poll conducted a survey on behalf of the American Psychological Association titled "Stress in America™: January 2021 Stress Snapshot." The survey found that the average reported stress level during the prior month was 5.6 (on a scale from 1 to 10, where 1 means "little to no stress" and 10 means "a great deal of stress"). This was higher than the stress level reported in 2020 "Stress in America"™ surveys. The 2021 survey revealed that 84 percent of adults reported feeling at least one emotion associated with prolonged stress in the prior two weeks.[7]

The pandemic accelerated the onset of many types of major life changes related to serious illness, death, the loss of jobs and homes, increased demands on parents having to work from home while also home-schooling their children, and strained relationships.

A Pew Research Center poll found that, as of June 2020, 22 percent of American adults had either moved because of the pandemic or knew someone who did. That trend apparently continued into the fall because about 20 percent more houses sold in November 2020 than in November 2019, according to US Census Bureau data. Meanwhile, about a quarter of US adults said they were considering a career shift because of the pandemic.[8]

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7. "APA: US Adults Report Highest Stress Level Since Early Days of the COVID-19 Pandemic," American Psychological Association, February 2, 2021, https://www.apa.org/news/press/releases/2021/02/adults-stress-pandemic.
8. "Why the COVID-19 Pandemic Has Caused a Widespread Existential Crisis," Jamie Ducharme, *TIME*, December 29, 2020, https://time.com/5925218/covid-19-pandemic-life-decisions/.

Yet Many People Resist Seeking Help

Despite the stressful situations people endure constantly, many of them attempt to navigate these situations by themselves, without the assistance of a skilled, experienced professional.

Why is that true? One reason is denial. In many cases, people view major transitional events like retirement negatively because they are often associated with a loss of one's identity. If you excel in your field, who will you be once you're retired? What's next for you? What will *define* you in retirement, once you are no longer working?

What will define you in retirement, once you are no longer working?

It's important to work with your Transitional Wealth Planner to clarify what retirement might look like for you, how you will spend your time, and what you want to do and pursue. A lack of identity beyond work accounts for many divorces and premature deaths after people retire. People lose their way when they attempt to enter this different phase of life with no planning or forethought.

Going it alone generally doesn't make sense to me. Usually, the stakes are too high. Why take the risk of making a costly and potentially irreversible financial decision when you can simply hire a professional to guide you through major life transitions?

In addition to denial, fear or pride can cause some people to be reluctant to ask for help, even when they know they need to.

It's important to do what we can to minimize our stress levels. One way to do that is to get help in the areas where you need it. This could mean hiring help at home, with your children, in your business, and certainly in managing your finances.

We all have blind spots, so we don't know what and where they are. A Transitional Wealth Planner can see your situation from a different vantage point than you and provide a different perspective. Once we see your blind spots, we can discover the questions you're not asking that should be asked. We don't know what we don't know.

A Transitional Wealth Planner will assist you in planning for your future and then adjust your plan in light of challenges when they arise. Once you have a financial plan in place, it's much easier for your Transitional Wealth Planner to make adjustments as life transitions change your circumstances and cause you to revisit your goals.

New Types of Transitions Have Emerged

Today, there are more types of life transitions than there were in the past. For example, same-sex couples face a multitude of legal issues regarding the ownership of property and other assets, and state and federal laws in this realm continue to change.

People who are remarrying also need to ensure that their financial houses are "in order" so their assets transition in the way they prefer, in the event of an emergency or death. Also, marriages in which one spouse is ten or more years older or younger than the other spouse can experience unique challenges.

You will learn how the Transitional Wealth Planners I mentioned earlier approach various types of situations in guiding their clients to financial confidence.

CHAPTER 2

From Accumulators to Decumulators: Baby Boomers Are Retiring

Decades ago, things were simpler: wealth management was reserved for the wealthy. The liftoff into a full-blown investment industry occurred when individuals—primarily baby boomers, those born between 1946 and 1964—started to accumulate wealth. Their needs were simple and predictable as they started to form families, buy homes, and save for their children's college education costs or retirement.

Many were employed by large corporations and were the beneficiaries of defined benefit plans. (Employers made retirement contributions for employees, which provided an annuity—monthly guaranteed income during the employee's retirement in the form of a guaranteed payment.) They needed help deciding where to keep, and how to preserve, the wealth they had accumulated for themselves and their families.

As the "middle" class in the United States started to grow, a new era of ever-expanding investment products and services emerged. Although this book is not about investing, it is important to understand the past as it relates to the role that Transitional Wealth Planners now play in serving the needs of maturing baby boomers in the United States.

When baby boomers began to accumulate wealth, beyond the purchase of homes and cars, they started saving money. As that was occurring, more independent advisors came on the scene, moving from insurance companies and wirehouses/brokerages. Then the baby boomers began to get older and more sophisticated in their investments, so investment products began to change. They morphed from high-commission mutual funds and other investments, for example, to low-expense exchange traded funds (ETFs).[9]

During that time, pensions, which had been ubiquitous with employment in corporate America, began to disappear. Retirement plans such as 401(k) plans emerged to fill that gap in retirement savings; 401(k)

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9. Mutual Funds and Exchange Traded Funds (ETF's) are sold by prospectus. Please consider the investment objectives, risks, charges, and expenses carefully before investing. The prospectus, which contains this and other information about the investment company, can be obtained from the Fund Company or your financial professional. Be sure to read the prospectus carefully before deciding whether to invest.

plans generally transfer the burden of contributions to the retirement plan. Some, but not all, offer employees an employer matching contribution. They were a boon for the investment world because money was coming out of workers' paychecks before they could get a chance to spend it.

So really, the financial services industry was built on asset accumulation.

The financial services industry was built on asset accumulation.

From Accumulation to Distribution

Most books on the topic of retirement focus on the *accumulation* phase, when you are saving money to live on during retirement. Fewer focus on the *distribution* phase, when you are living off those savings or other financial resources once you've retired.

These two important phases of retirement require different mindsets, competencies, and resources. I compare it to climbing a mountain and then descending it.

When you climb a mountain, you need energy, fortitude, and strength to get to the top. Once you've made it to the top, you're ready to come back down. For that part of the trip, you need breaks. You need focus so you don't lose your footing and tumble down the mountain. You need a team working with you in case you get hurt, run out of water or food, or something happens to your hiking equipment.

Your Transitional Wealth Planner and his or her team have extensive experience helping clients navigate both phases of retirement—as well as the phases of other major life transitions.

The "Gray Tsunami" Is Coming

There are approximately 73 million baby boomers in the United States, and by 2030, all boomers will be at least age 65.[10]

10. "2020 Census Will Help Policymakers Prepare for the Incoming Wave of Aging Boomers," US Census Bureau, December 10, 2019, https://www.census.gov/library/stories/2019/12/by-2030-all-baby-boomers-will-be-age-65-or-older.html.

We are in the midst of a tsunami—some call it the "gray tsunami"—of retirees leaving the workforce and entering retirement. Baby boomers are going through major life transitions—retiring, selling their homes, selling businesses, and sometimes getting divorced. Others are starting new businesses and getting remarried, all while getting accustomed to new lifestyles once they have retired.

Today, baby boomers are retiring and selling their homes at unprecedented rates. This generation is in the throes of major life transitions.

According to a November 2020 report from the Pew Research Center, the pandemic caused unprecedented spikes in unemployment, prompting many baby boomers to retire. In Q3 2020, 28.6 million boomers reported being retired—3.2 million more than in Q3 2019. It is the highest number of boomers to retire in a single year so far. The 2020 increase brought the total share of retired boomers to 40 percent.[11]

Baby boomers aged 65 to 73, the older segment of that generation, sold their homes at a higher rate than any other age group in 2020. They were also the group most likely to move the longest distance after selling, with the median distance being around 40 miles. Many moved to be closer to children and grandchildren.[12]

This is a critical juncture in millions of people's lives, and many are not prepared for it. In my experience as a Transitional Wealth Planner for more than three decades, many people I've met are good people but are not great planners. There are a few who are, but in general, the tendency is for someone to turn 65 and then realize, "Oh, goodness. I'm going to need to retire soon! I need someone to help me." People tend to spend more time planning their vacations than they do planning for their retirement.

11. "More Boomers Retired in 2020 than Any Other Year," *Insider Intelligence*, January 7, 2021, https://www.emarketer.com/content/more-boomers-retired-2020-than-any-other-year.

12. "Baby Boomers Retired at a Record Pace In 2020. Here's Where They're Looking to Move," Natalie Campisi, *Forbes* Advisor, updated February 23, 2021, https://www.forbes.com/advisor/mortgages/where-baby-boomers-are-moving/.

The three most prevalent worries for baby boomers in retirement revolve around running out of money, figuring out how to pay for health care, and paying too much in taxes.

This is one of many life transitions in which a typical financial planner may not be the ideal choice to help you. A banker may not cover all the bases, either, nor will a typical insurance agent or investment broker. In other words, if you do not have a planner who is working on a financial plan to assist you in getting where you want to go, you may not get there!

Planning must always come first, and investments come second.

When you transition from a focus on accumulating to decumulating, you need an advisor who specializes in this type of transition—a Transitional Wealth Planner. You need to engage a Transitional Wealth Planner who will prepare a written plan for you, based on your unique situation and goals, and then review and adjust it as needed. Then the insurance, investing, and all the other pieces will come together in that plan. For Transitional Wealth Planners, planning must always come first, and investments come second.

HANNAH BUSCHBOM, CFP®, CDFA™, CFF®, CPWA®
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YOUR SITUATION IS UNIQUE

As a Transitional Wealth Planner, my biggest piece of advice about financial planning is this: don't take advice from a friend, a neighbor, your cousin's brother, or anyone else who is not a financial specialist and does not know the specific details about your situation.

People handle transitions during major life events differently. For example, millions of people have retired, and more baby boomers than ever are retiring now. So there are similarities among people's situations, but retirement is much more complex today than it was in the past.

Gone are the days when just about everyone retired from a big company with a pension. All people had to do back then was figure out when to retire and start drawing money from that pension. But today, most of us are responsible for saving for our own retirement, with 401(k)s plans, investments, and other avenues. There is no one-size-fits-all Transitional Wealth Plan.

I strongly recommend that you align yourself with a Transitional Wealth Planner, as well as a tax attorney, CPA, and other advisors who can address your unique situation and needs and build a customized plan for you. This will make all the difference when it comes to your financial confidence for the future.

What's the Significance of Age 65?

If you are near the age of 65, you have most likely been an "accumulator." You have been accumulating wealth, with the goal of retiring comfortably someday, for the past 35 to 45 years. Once you enter retirement, you become a "decumulator." At that point, you may not be building up your retirement savings any longer; instead, you are in the distribution phase, paying yourself from the retirement savings and other assets you have accumulated.

Please understand that, under certain circumstances, a decumulator may be in retirement and still be able to accumulate, too. The general trend that runs currently with accumulation/decumulation is *save/spend*.

What's the significance of the age of 65? That's the point in your life span when you can typically receive Medicare. When you get ready to leave the work force, you will wonder, and maybe worry, about two things: whether you have enough money to last you through retirement and whether you have sufficient assets and coverages to pay your medical expenses.

Age 65 isn't actually the "official" retirement age for Americans, however. According to the Social Security Administration, *full retirement age*, or FRA, is the age when you can start receiving your full retirement benefit amount. The full retirement age is 66 if you were born from 1943 to 1954. The full retirement age increases gradually if you were born from 1955 to 1960, until it reaches 67. For anyone born 1960 or later, full retirement benefits are payable at age 67.[13]

Let's say you are age 65 now, and your full retirement age (FRA) is 66.5. To maintain your current lifestyle, you and your Transitional Wealth Planner calculate that you will need an income of $10,000 per month in retirement. The two of you can determine how your current assets can weave together the income you will need. Then you can make decisions about how to generate the remaining amount of income you need to reach $10,000 per month.

13. "How Retirement Benefits Work," Social Security Administration, https://www.ssa.gov/benefits/retirement/learn.html.

Now, computer modeling is helpful in figuring out the numbers, but it is just one part of a multifaceted process of planning that you need to guide you through this major life transition. You need a living, breathing, feeling, thinking Transitional Wealth Planner to guide you.

Computers Will Never Replace Compassionate, Competent Planners

With the advent of robo-advisors, many people have wondered if individuals, couples, and families would no longer need the guidance of financial advisors. But that will never be the case. People will *always* need and appreciate the face-to-face interactions they get from compassionate, empathetic, experienced, competent financial advisors who understand the importance of their clients' goals, dreams, concerns, and challenges. Computers have never purchased a house, retired, sold a business, divorced, or lost a loved one.

Technology gives us the tools we need to quickly, efficiently, and inexpensively analyze all the "What if?" scenarios you could face. Computers, algorithms, and formulas certainly streamline calculations related to investments, but they will never completely take the place of Transitional Wealth Planners who have devoted their careers to helping clients like you glide through the twists and turns of life.

Many people are attracted to the efficiency offered by these high-tech options. But can a robo-advisor hold the hands of a couple who has just lost a loved one? No. Can a robo-advisor counsel someone who wants to sell a business? No. When it comes to financial planning, robo-advisors can only do so much. And it is even getting more difficult to find qualified people who are tuned in to your individual needs.

When we combine the power of technology with the intellect, compassion, and experience of a Transitional Wealth Planner, you get the best of all worlds. Planners who leverage technology such as harnessed artificial intelligence (AI) will become more prevalent in the financial services sector.

VICKIE GARCIA, CFP®, CFF®
CHANDLER, ARIZONA

WRITE A JOB DESCRIPTION FOR YOUR MONEY

I encourage you to write a job description for your money, just like you would write a job description for a position you want to apply for or fill. What do you want your money to do for you?

Sometimes, people ask me, "If I were to work with you, how would you invest my money?"

My answer is, "I have no idea until I understand what your money needs to do for you."

It's impossible for me to even talk about investments until I know the job description for your money. Any funds you will need to access soon will have a different "job description" than money you will need later, in retirement.

Money you invest for the short term shouldn't be subject to as much market volatility, so it probably isn't a good idea to put that money in stocks. But money you won't need for 20 or 30 years is likely to experience more growth if we put it in higher-volatility investments.

CHAPTER 3

Who Does What in the Financial Services Industry, and How to Do Your Research

There are approximately 300,000 financial advisors in the United States, from independent financial advisors who have their own practices to those who work for large firms. Finding an advisor who can meet your needs effectively is much easier if you know who does what in the industry and how to compare competencies.

Understanding Financial Services Can Lead to Better Financial Decisions

Optimizing your financial situation is critical to ensuring a more comfortable lifestyle before and during retirement. But understanding the financial services industry can be a challenge.

One source of confusion is that many advisors and firms use jargon that's meaningful only to those in the industry and to people who work with advisors on a regular basis. As a profession, we all can do better. I believe Transitional Wealth Planners are generally positioned to excel in simplifying industry concepts so consumers can understand their options and make the best decisions possible.

When consumers don't understand concepts, or when they are overwhelmed by choices they don't understand, it can cause them to do nothing or to potentially make poor decisions.

A 2020 report from Hearts & Wallets revealed that most Americans failed a financial fluency quiz of key investment selection terms. Most Americans (81 percent) lacked financial fluency; only 19 percent achieved a passing grade in the survey. The report also states that confusion about terms like "passive investing" can translate into saving less and lower use of investment products.[14]

Not understanding basic financial principles can lead to inaction,

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14. "Consumers Confused Over 'Passive Investing' Save Less, Study Says," *Insurance-NewsNet* press release, November 17, 2020, https://insurancenewsnet.com/innarticle/consumers-confused-over-passive-investing-save-less-study-says. Hearts & Wallets is a research and benchmarking firm that specializes in how consumers save, invest, and seek financial advice. The report referred to here is titled *Financial Fluency: What Consumer Understanding of the Language of Finance Means for Advice, Retirement and Asset Management*.

which in turn can result in missed opportunities to accumulate savings for the future. We believe one critical role of a Transitional Wealth Planner is to ensure that our clients understand their options and how they might affect their situations.

The products and services in our industry continue to increase in number and grow in complexity. Plus, tax laws and other regulations are constantly changing. It can be difficult to keep up.

What Do All the Designations Mean?

Another factor that leads to consumer confusion is the fact that there are so many titles, designations, licenses, types of financial institutions, and specialties in this industry.

Just about anybody can call themselves a financial planner today, whether they are investment managers, bankers, brokers, or insurance agents. Finding a financial advisor who is a good fit with you and your needs may seem overwhelming. We hope this chapter in the book brings clarity to the very broad field of financial planning and how to choose an advisor.

There are more than 200 professional designations in the financial services industry. Although someone could be an outstanding financial advisor without having any designations, these credentials indicate two things. First, they show that the individual cares enough about a particular area of financial advising that he or she devoted extra time, money, and effort to complete a training program in that area. Second, designations show that advisors have specialized training in, and understanding of, the complexities and nuances of a specialized area of financial planning. They are specialists.

> **There are more than 200 professional designations in the financial services industry.**

There are designations to indicate specialized training in every area imaginable. The following chart describes some of the designations and what they qualify advisors to do.

Abbreviation of Industry Designation	Name of Designation	About the Designation
AAI	Accredited Adviser in Insurance	Earned by insurance producers who demonstrate superior knowledge of their field compared to average agents. Insurance professionals earn the title by passing a series of three tests administered by the Insurance Institute of America.
AAMS®	Accredited Asset Management Specialist™	Provides advisors with a strong fundamental financial knowledge with a specific focus on asset management and investments.
ADPA®	Accredited Domestic Partnership Advisor™	Encompasses wealth transfers, federal taxation, retirement planning, and planning for financial and medical end-of-life needs for domestic partners. Individuals must pass an end-of-course examination that tests their ability to synthesize complex concepts and apply theoretical concepts to real-life situations.
AEP®	Accredited Estate Planner	A graduate-level specialization in estate planning, obtained in addition to already recognized professional credentials within the various disciplines of estate planning.
AFA®	Accredited Financial Analyst	Focuses on the global markets and analysis and prepares the professional to understand financial statements and to analyze financial, legal, and economic data.
AFC®	Accredited Financial Counselor®	Indicates that a professional can educate clients on financial principles, assist them with paying off debt, help identify and change poor money-management habits, and support them as they work through financial challenges.

Abbreviation of Industry Designation	Name of Designation	About the Designation
AIF®	Accredited Investment Fiduciary®	Focuses on ethical behavior, fiduciary services, and improving client service. Advisors with this designation have learned to balance their business interests against a client-first (or fiduciary) approach.
CAIA	Chartered Alternative Investment Analyst	Indicates professionals who have met an educational standard for specialists in the area of alternative investments, including hedge funds, venture capital, private equity, funds of funds, derivatives, and real estate investments.
CASL©	Chartered Advisor for Senior Living	This designation is for individuals whose advice helps older clients achieve financial security. A CASL certification is often held by financial advisors who have demonstrated a commitment to helping clients who are middle-aged and older to achieve and preserve financial security through wealth management, wealth preservation, and wealth-transfer planning. The designation is no longer offered to new students but is still recognized by the issuing organization, The American College of Financial Services.
CEBS®	Certified Employee Benefit Specialist®	Indicates a financial professional specializing in employer-sponsored retirement plans.
CDFA®	Certified Divorce Financial Analyst®	The role of a CDFA® professional is to address the special financial issues of divorce with data to help achieve equitable settlements.

Abbreviation of Industry Designation	Name of Designation	About the Designation
CFF®	Certified Financial Fiduciary®	The Certified Financial Fiduciary® is the only designation that focuses solely on training financial professionals to be true fiduciaries. It is reserved for financial professionals who have successfully completed a rigorous certification and training process and who agree to uphold the highest moral, ethical, and fiduciary standards of service when providing advice to potential or existing clients.
CFA®	Chartered Financial Analyst®	A post-graduate professional qualification offered internationally by the American-based CFA Institute to investment and financial professionals. It has the highest level of global legal and regulatory recognition of finance-related qualifications.
CFP®	Certified Financial Planner™	Provides extensive training and experience and requires professionals to commit to the CFP Board's ethical standards that require them to put their clients' interests first (i.e., to be fiduciaries).
ChFC®	Chartered Financial Consultant®	Covers a must-have list of requirements for financial advisors, from knowledge of tax and retirement planning to special-needs advising, wealth management, insurance, and more.
CIC	Chartered Investment Counselor	Provides agents/advisors with practical and real-world education that will help them become successful. The program is for full-time agents, brokers, underwriters, etc., who have at least two years of full-time experience in the insurance industry.

Abbreviation of Industry Designation	Name of Designation	About the Designation
CLU®	Chartered Life Underwriter®	Gives advisors in-depth knowledge of life insurance underwriting concepts and life insurance law within the context of overall risk management, the necessary knowledge to help clients address their estate-planning needs, and an understanding of solutions addressing the life insurance underwriting needs of business owners and professionals.
CMA	Certified Management Accountant	Qualifies those who hold it to work in corporate financial-accounting and strategic-management settings. Professionals often choose this pathway because it covers topics not included in the CPA certification, such as management and executive-level duties.
CPA	Certified Public Accountant	The respected mark of excellence for public accountants. Requirements for the CPA are set by each state board of accountancy. The requirements include completing a program of accounting study at a college or university, passing the Uniform CPA Exam, and meeting experience requirements. Most states require at least a bachelor's degree to become a CPA.
CPCU®	Chartered Property Casualty Underwriter	Earned by individuals who specialize in risk management and property & casualty insurance. Provides professionals with in-depth information on risk-management principles, as well as complex policy and coverage analysis.

Abbreviation of Industry Designation	Name of Designation	About the Designation
CPWA®	Certified Private Wealth Advisor®	Certified Private Wealth Advisor® (CPWA®) is an advanced professional certification for advisors who serve high-net-worth clients. It's designed for seasoned professionals who seek the latest, most advanced knowledge and techniques to address the sophisticated needs of clients with a minimum net worth of $5 million.
FRM®	Financial Risk Manager	Viewed as the globally recognized gold standard for risk professionals, the FRM® teaches advisors how to better identify and allocate potential risks, mitigate them, provide recommendations for better decisions with regard to all risks, and make a risk-management plan. Helps professionals improve how to prioritize risks, ensure they are aggressively and cost-effectively managed, and provide directions and recommendations on issues that are critical for success.
LIFA	Licensed International Financial Analyst	Designed for investment professionals worldwide to help them attain higher levels of professionalism and ethics in the global industry of investment management and analysis. The examinations require an in-depth knowledge of investment principles, along with an understanding of global capital markets.
LUTCF®	Life Underwriter Training Council Fellow	Often considered the first designation any insurance professional should earn. Integrates four practice specialties: life insurance and annuities, health and employee benefits, multiline, and financial advising and investments.

We recommend that you conduct ample research to identify the types of specialties that are relevant to your financial situation and future goals. Then make a list of advisors in your area who might be a good fit for you, narrow down the list, interview several, and conduct research on them. Then compare your notes and choose your planner. In the next chapter, we provide 10 of our top tips for interviewing and selecting a Transitional Wealth Planner, as well as an interview checklist for selecting your Transitional Wealth Planner.

My team and I believe Transitional Wealth Planners are the future of the financial services industry. Because life is a series of transitions, our financial situations and needs are always changing. We believe it is highly beneficial for you to work with a planner who focuses on ensuring that your financial plan evolves and adjusts with you.

My team and I believe Transitional Wealth Planners are the future of the financial services industry.

We believe there will be a bifurcation, going forward, whereby the financial services industry will have many professionals, but they will be either generalists or specialists. We are here to help you locate your Transitional Wealth Planner who specializes in designing effective financial-management solutions for each individual's unique situation.

Financial Planning Encompasses Six Key Subjects

Financial planning is the process of establishing an overall strategy to follow in meeting your future goals and lifestyle expectations, based on your current financial situation. Approaching the future with a financial plan is an important guide for optimizing your financial well-being while navigating various life stages and transitions.

In general, financial planning encompasses six major areas:

1. Investment planning
2. Retirement savings and income planning
3. Tax and estate planning
4. Risk management and insurance planning
5. Education planning
6. Estate and generational transfer

The Transitional Wealth Planner you choose to work with will assess your situation and determine appropriate strategies for managing all six aspects of your financial health.

The next chapter provides tips and a checklist for you to use while interviewing planners and choosing the Transitional Wealth Planner who is right for you.

CHAPTER 4

How to Interview and Select a Transitional Wealth Planner

Once you decide to start interviewing and considering financial planners or advisors, you might ask your family members, friends, coworkers, or neighbors to refer you to their planners. That may seem like a good idea, but really, it may not be. Your situation can be vastly different from that of the person who is referring you to his or her advisor.

You could search online to find a planner. But when you enter a search on a web browser, the results that come up are typically those advisors who are willing to pay for ads and for search engine optimization (SEO). They may not necessarily be the best in the business—or ideal specialists for your unique situation.

We recommend that you schedule consultations with several advisors you think might be a good fit for you. Think of those introductory meetings almost like first dates. Do you like the planner, and does he or she seem to like you? Does the planner have the type of background, credentials, expertise, and experience that are relevant to your situation? Do you feel comfortable in the planner's presence, and does he or she attempt to make you feel at ease? Ask questions to determine the planners' values, communication style, approach, etc. And be willing to answer the questions they ask you.

Choose Your Advisor Based on Experience, Not Just on Commonalities with You

Remember Bernie Madoff? He was an investment advisor and financier who defrauded thousands of investors out of tens of billions of dollars over the course of at least 17 years, and possibly longer. He pleaded guilty at the end of 2008 to offenses related to the largest private Ponzi scheme in history.[15]

According to Investopedia, investors put their trust in Madoff because he created a front of respectability, his returns were high but not outlandish, and he claimed to use a legitimate strategy. He also had

15. "Who Is Bernie Madoff?" Adam Hayes, Investopedia, updated September 24, 2020, https://www.investopedia.com/terms/b/bernard-madoff.asp.

a lot of credibility because he was a pioneer in electronic trading and was a chairman of the Nasdaq in the early 1990s. In 2009, Madoff was sentenced to 150 years in prison and forced to disgorge billions of dollars. As of December 2018, the Madoff Victims Fund had distributed more than $2.7 billion of the $64.8 billion that disappeared to 37,011 victimized investors in the United States and around the world.[16]

Madoff had a huge influence in the Jewish community in New York. They embraced him. Most of the people who lost money in his scheme lived in Florida, Colorado, and New York, as well as other locations in the United States and around the world. In a tightly linked Jewish community, people trusted Madoff because they considered him to be part of their community. They felt like he had something in common with them. But in hindsight, that trust was obviously misplaced.

Introducing the Concept of "Affinity Blindness"

Over the years, I have watched the Madoff Ponzi scheme and others like it with interest. In fact, I have coined a term to describe a psychological, subconscious explanation for why some people fall prey to Ponzi schemes: "affinity blindness." I will explain.

An "affinity group" is a group of people who share a common interest, characteristic, or goal and connect with one another either formally or informally around those commonalities. In the Madoff scheme, the affinity group was composed of primarily a Jewish community of investors.

I have observed that when an insider—someone who appears to share the goals, characteristics, or interests of a group—pitches

I have coined a term to describe a psychological, subconscious explanation for why some people fall prey to Ponzi schemes: "affinity blindness."

16. Ibid.

offers, the people in the group are often blind to any potential irregularities or concerns because they feel connected to that person. They trust the person. As a result, they skip the stringent vetting process they might use to check the credentials of a similar person whom they don't consider an "insider."

It can be dangerous to trust someone just because he or she seems to have something in common with you.

Whether it's a bowling league, a nonprofit charity, a sports team, or some other group, *affinity blindness* is alive and well in our society. It can be dangerous to trust someone just because he or she seems to have something in common with you.

This is why we strongly recommend that you choose your own Transitional Wealth Planner based on your unique situation and needs. Getting referrals to financial advisors who work with people you know can be a good beginning point. But do your own due diligence. Interview several potential planners before choosing one to guide your financial future.

The consequences of choosing the wrong planner can be devastating, costly, and often permanent—as Madoff's victims can attest. Let's say you go to an advisor to get help investing the $1 million you just inherited. If that advisor only puts you in an annuity[17] with a big surrender charge and a big commission you can't get out of, you may have made a costly decision with a potentially dangerous outcome to your financial well-being.

But if you go to a planner who provides a written financial plan with forecasting models, he or she might discover that you have no liquidity in your financial situation and additionally that inflation can outpace your

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17. Fixed annuities are long term insurance contacts, and there is a surrender charge imposed generally during the first five to seven years that you own the annuity contract. Withdrawals prior to age 59½ may result in a 10 percent IRS tax penalty, in addition to any ordinary income tax. Any guarantees of the annuity are backed by the financial strength of the underlying insurance company.

investment's guaranteed income stream. That's why we plan first and then invest! Your financial plan, prepared by your Transitional Wealth Planner, will dictate which investment strategies are best for you.

In my practice and in the practices of the planners I know and respect, we listen carefully as our clients discuss their current situations—what's going on with their families, businesses, careers, and everything else important to them. It is rare for money or assets to dominate the meetings, except during asset-review sessions.

HANNAH BUSCHBOM, CFP®, CDFA™, CFF®, CPWA®
SANTA BARBARA, CALIFORNIA

WHAT TO ASK A POTENTIAL FINANCIAL ADVISOR

To find a Transitional Wealth Planner who is a great fit for you, two of the questions I recommend asking are, "What is your typical client base?" and "Do you work with people like me?"

Ask this question even before you describe who you are and what you are looking for. If, during this conversation, you find out that an advisor seems to have a one-size-fits-all approach—"I work with everybody from zero to ninety"—then that is an indication that this person does not specialize in working with people who are in a situation similar to yours.

If you have a complex medical issue, you probably seek out a medical specialist instead of consulting a generalist. For example, if you need to have back surgery, you will probably want to choose a surgeon who specializes in back surgery—specifically in the type of back surgery you need. It's a similar concept with financial planners.

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10 Tips for Selecting a Transitional Wealth Planner

When you are looking to hire any type of professional, whether it's an auto mechanic, a home rebuilder, a physician, or a Transitional Wealth Planner, it's important to consider candidates' professional capabilities and reputation, as well as how comfortable you feel in their presence.

The quantitative part of your selection process will involve researching candidates' credentials, assessing their competence, reviewing their results, and determining their ability to address your situation.

Some people refer to this process of reviewing potential professionals as "due diligence." When selecting a financial advisor, the goal of this due diligence is to determine if you can—or should—trust your and your family's financial safety and security to the planner, his or her team, or their backup support group.

Here are 10 of our top tips for interviewing and selecting a Transitional Wealth Planner.

1. Check the Advisor's FINRA and SEC status.

First, check the advisor's regulatory status with FINRA, the Financial Industry Regulatory Authority. FINRA is a private American corporation that acts as a self-regulatory organization (SRO) that regulates member brokerage firms and exchange markets.

Using FINRA's BrokerCheck tool, you can find out if an advisor is registered with FINRA; review the list of brokers whom FINRA has barred; use the SEC Action Lookup tool for formal actions the SEC has brought against individuals, including those who are not brokers; and check your state securities regulator website to do additional research on brokers and investment advisors.[18]

All registered representatives are required to have a BrokerCheck

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18. FINRA's BrokerCheck is a free tool to research the background and experience of financial brokers, advisors, and firms; it is available at https://brokercheck.finra.org/. Please note that Registrants of Broker/Dealers are Registered Representatives (not IARs) and are not allowed to call themselves "advisors" unless they are dually registered as Registered Reps and IARs.

access portal on their websites. This portal will take you to the appropriate regulator to do a background check among other information provided about the advisor.

> **All registered representatives are required to have a BrokerCheck access portal on their websites.**

2. Determine how qualified each planner is to address your particular situation.

When you sit down with advisors to interview them, tell them the general nature of your situation and your goals. Ask each advisor to describe the type of experience and credentials he or she has in that specific area. Ask all the advisors to describe, in general, how they might approach a specific situation—for example, managing the tax consequences of leaving money to your children or managing the risks associated with passing your business to successors as you get ready to retire.

From this meeting, you can get a good idea of how each advisor might work with you to help optimize your situation. Ask a lot of questions. Ask for names of clients in similar situations whom you can talk with about the advisor and his or her services. Ask them to explain anything you don't understand, and gauge how patient they are with you. Do they seem condescending or impatient when you ask a question, or are they helpful and respectful?

Here is one thing you need to realize about advisors who provide referrals of clients for you to talk with: they will provide names or contacts only of happy clients!

You can find out pretty quickly, based on their responses, the extent to which the advisors appear to have the competence or interest to help you achieve your goals while navigating major life events.

3. Know how each planner gets paid.

Financial planners come in all styles—from low cost to high cost and from low touch/involvement to high-touch/involvement. You will most likely encounter a wide variety of pricing, based on each advisor's expertise, firm structure, location, specialty, clientele served, and other factors The one you choose depends on your needs and budget.

Regardless of the compensation structure planners use, their fees need to be transparent.

Planners are typically paid in three main ways: fee-based, according to a percentage of assets, or on commission. Make sure you understand these differences, and determine how that pay structure aligns with your goals. Regardless of the compensation structure planners use, their fees need to be transparent. Here is a pro tip. Nobody works for free, so if something isn't disclosed or is considered "included," its cost is being covered from somewhere else and you could, in fact, be overpaying. Ask a lot of questions!

4. Examine each planner's credentials.

As mentioned in chapter 3, the world of finance is full of credentials; there are more than 200 professional designations in the financial services profession.

Again, we consider the "gold standard" for financial planners to be the CFP® (CERTIFIED FINANCIAL PLANNER™) professional designation, but there are a host of others that designate true professionals. Examples include the ChFC®, CPWA®, RICP®, and more specific designations such as the CDFA® or CFF®.

Ask each professional you interview what the designations mean and how they will benefit you, the client.

5. Look for a fiduciary planner.

Investment Advisor Representatives[19] fall under the category of

19. An Investment Advisor Representative (IAR) is an employee of a Registered Investment Advisor (RIA) who advises high-net-worth individuals on investments and

fiduciary planners. Not only do these planners have your best interests in mind; they are obligated to put your interests ahead of your own. Don't settle for any less than this—the "gold standard" of financial planning. Pro tip: all CFPs must adhere to the fiduciary standard when providing financial-planning advice.

6. Determine the deliverables/value you will receive.

What are you receiving for your money? You should be taking home far more than investment advice. A true Transitional Wealth Planner will specialize in your space. You wouldn't go to a brain surgeon for a knee replacement, even if the brain surgeon was highly qualified in the arena of brain surgery! Financial planners specialize in various areas, too. It's important to find one whose expertise, approach, and experience align with your situation and goals.

7. Assess each planner's computing power for forecasting.

One of the most valuable roles of a Transitional Wealth Planner is to explore various "What if?" scenarios to assess how your outcome might differ based on different approaches to a financial situation. We call this the "What if?" process.

Our software programs make this a dynamic, quick, and informative process. Our Transitional Wealth Planners are skilled in analyzing various outcomes, based on their experience, training, and knowledge of your situation, and they are committed to helping you achieve the optimum outcome.

You want to work with a planner who has the computing power, via consumer-friendly software, to compare different scenarios quickly and accurately. This is not a task that someone can achieve effectively using manual methods, such as with a calculator.

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manages their portfolios. IARs have a *fiduciary* duty to their clients. This means they are obligated to provide investment advice that is always in their clients' best interests. RIAs are required to register either with the Securities and Exchange Commission (SEC) or with state securities administrators.

When you go through a major transitional event in your life, it's likely you will have several different options, several potential ways to navigate the situation. Comparing various scenarios gives you strong evidence that one approach will benefit you more than another one will. It also gives you more confidence that you are making the right decision. Without these data, you're really just making a random guess about which path forward is right for you.

Let's say you love to travel, and you had several dream trips planned, but you had to cancel them when the COVID-19 pandemic emerged. You want to make sure you can complete some of these more physically taxing trips, such as hiking excursions, in the next few years, while you are still healthy and ambulatory.

First, we will gather data about the resources you have—your income, savings, investments, assets, etc. Then we will estimate how much each trip might cost.

You can't effectively compute these scenarios on the back of a napkin. You most likely need a software program that is robust enough to assess and compare all the "What if?" scenarios. Let's say you have a budget of $25,000 to devote to travel in the next three years. We need to determine if you can spend $25,000 on travel and still have enough money during retirement to live into your nineties.

If you're worried that you don't have enough money to do both (travel well and retire well), we can run a "What if?" scenario such as, "What if you sell some of your more liquid assets?" We might find that doing that would give you a more comfortable margin to accomplish both of those important goals. Perhaps there's a scenario in which we take money out of your retirement plan, which may have little effect on your net worth, taxes, and cash flow.

Now, with each scenario we explore, we take into account the number of years you plan to work until retirement or, if in retirement, how long you can expect to live—longevity. We also have to account for two facts. First, over time, inflation and taxes may compress the value of your assets. Second, your earnings and perhaps contributions will inflate your assets. Plus, your expenses may fluctuate as you go through life transitions.

Each of these factors adds to the complexity of these calculations. This is why the planner you choose to work with must have powerful but simple-to-control technology that is visually easy to understand.

The planner you choose to work with must have powerful but simple-to-control technology that is visually easy to understand.

During your meeting with potential advisors, ask them to describe what kind of technology they would use to help you do the forecasting for the "What if?" scenarios. Even if you aren't familiar with the programs they name, you can get a good idea of how much of a role technology plays in their daily work with clients.

Who will be doing the planning work? What experience do they have? The ultimate value to you is the deliverable that is provided for you. Is the information easy to understand and manipulate? Is it easy to perform "What if?" scenarios? State-of-the-art technology is also a critical tool in adjusting your financial plan as you reach various life stages and face changing financial needs.

The days of planning with a yellow pad are (or at least should be) behind us. The financial world is full of technology tools that take the guesswork out of planning for your future and eliminate a whole host of human-introduced errors.

When choosing a planner, opt for someone who *leverages* technology. We don't advise replacing human advice with just technology; the best option is capable planners using state-of-the-art tools. Technology can help ensure a reduction in errors, a more efficient and robust range of scenarios, and a lower cost for you as a result of that efficiency. But it will never replace the guidance of a competent, experienced, and compassionate Transitional Wealth Planner.

8. Assess each planner's computing power for communication and service.

Not only does technology enable us to do valuable forecasts for you; it also helps us communicate with you more effectively and keep track of your important information.

Technology helps us remind you of important deadlines, schedule regular follow-up meetings, detail your concerns so that anyone on our team will have them front and center, and monitor your financial progress through various life transitions.

Further, technology assists us in connecting with your other trusted advisors—CPA, estate planning attorney, insurance broker, etc. For example, we can provide your estate planning attorney a Schedule A update each year, as your assets change. And we can efficiently provide your tax professional with your realized capital gains and losses before year end to plan and offset the aforementioned and avoid underpayment and tax penalties.

When you meet with potential advisors and they know a little about your situation, ask them to paint a verbal picture for you. Tell them, "Let's say I am a new client of yours. Describe for me what the next year might look like. I'm interested in your availability, reviews, 'What if?' capabilities, and the way you might engage with my tax and legal professionals."

As each planner responds, listen for indications that he or she will gather your important information, data, and concerns before pitching an approach to you. Also listen for indications that an advisor works with a competent team of professionals who all have different specialties.

During these exploratory meetings, notice how the advisor treats you and interacts with you. Is he or she talking over you or at you? Or is he or she listening to you and really *hearing* what you are saying? Some advisors have been doing this work for so long that they forget how complex, confusing, and intimidating financial services can be for consumers of their services. Watch to see if a potential advisor stops periodically to see if you have any questions or need clarification.

We still hear of scenarios in which advisors meet with a husband and wife and, during their meetings, address only the husband. They make eye contact with him, ask him questions, and ignore the wife. I wish I could say that this is a thing of the past, but unfortunately, it's not. Make sure a potential advisor treats everyone in the meeting with respect and professionalism.

A planner should also pay attention to what you are *not* saying. Often, information that clients seem to be hesitant about bringing up is critical and needs to be addressed, even if it's uncomfortable. We gently try to get to the core issues.

Now, many advisors have software and other technology, but they may not have the technological interface with other programs to streamline all the processes in their practices or firms. The COVID-19 pandemic actually sped up our ability to enhance the plug-and-play environment for technological interface with our advisors. This connectivity ensures that you have 24/7 access to all your accounts and more ways to communicate with us.

9. Assess your comfort level with each advisor.

In addition to evaluating planners' experience, credentials, and technology, it's also important for you to listen to your intuition to determine how well you might work with an advisor. As you interview and assess each candidate, ask yourself, "To what extent am I willing to trust what's extremely important to me if I work with this person?"

Most likely—ideally—the Transitional Wealth Planner you choose will be your long-term partner as you optimize your financial situation all the way to and through retirement. If the advisor is similar in age to you or older than you, he or she should have a succession plan that will make you feel comfortable about seamless service in the event that he or she is no longer able to work with you.

You will be sharing your hopes, dreams, goals, concerns, fears, strengths, weaknesses, and other sensitive details with this person. The client–advisor relationship is built on mutual trust. If you don't trust your planner, you probably will not feel comfortable disclosing any of this information, in which case the planner will be unlikely to help you to the fullest extent possible.

10. Look for a planner who is backed by a team.

Because the financial world is complex, you don't want to rely on just one advisor for all your financial guidance. Make sure you choose a planner who is backed by a team—either in his or her physical office or virtually—whose specialties encompass the vast complexities of your financial situation. These advisor teams often collaborate and pool their expertise for your benefit. Having more specialists working on your behalf can help eliminate errors and uncover opportunities in far greater detail than you could hope for with a single advisor. Also, teams help ensure seamless service, even if someone is unavailable because of travel, vacation time, workload, or illness.

Teams help ensure seamless service.

At the end of this chapter is our "Interview Checklist for Selecting Your Transitional Wealth Planner." It simply summarizes the 10 points we just discussed in a checklist. We recommend that you copy the checklist and complete one for each planner you interview. Then, after your interviews, you can compare all the factors and narrow down your list of potential planners, based on the criteria that are most important to you.

Three Ideal Qualities of a Transitional Wealth Planner

As a Transitional Wealth Planner with decades of experience, I recommend choosing a Transitional Wealth Planner who has the following characteristics.

1. The Ability and Willingness to Hear You

Listening is important, but *hearing* is even more important. Many planners want to wow you with their technical grasp of financial matters. They may talk over you or bellow out jargon that someone who isn't in the industry doesn't understand. Blah, blah, blah! Their desire to *land you* as a client decreases their ability to hear what your concerns are. You want to know you are being heard. A planner's ability to hear you should always trump an attempt to impress you.

Life transitions affect each of us in different ways, and each of us responds to these stressors differently. A Transitional Wealth Planner will hear what you are saying about how such transitions are impacting you. Then he or she will work with you to address them and adjust your financial plan as needed.

2. Empathy

One definition of *empathy* is "the capacity for, or action of, of understanding, being aware of, being sensitive to, and vicariously experiencing the feelings, thoughts, and experience of another."

Empathy is critical in the planning process. An advisor who can sense that you are feeling emotions such as trepidation, fear, or reluctance and then discuss them with you, ask you questions, and ease your concerns is priceless. It can be extremely difficult for some people to share their challenges or fears with someone else. If the advisor shows the slightest inclination to dismiss or ease a client's concerns, it is likely to be a deal breaker and the end of the potential working relationship.

We consider it a strength, not a weakness, when you share your concerns and ask for help.

3. An Understanding of What You Want to Achieve

Beware of any financial advisor who offers to sell you services or products before learning what you want to achieve. A Transitional Wealth Planner is dedicated to understanding who you are, what inspires you, what terrifies you, what you want, what you don't want, and why.

JESSE KURRASCH, CFP®, RICP®, CFF®
LAS VEGAS, NEVADA

WE SUPPORT YOU WHEN YOU NEED IT MOST

As Transitional Wealth Planners, we focus on the impact that life transitions have on people's overall financial situations. We have the resources, training, skills, and experience to set up financial plans for clients, regardless of their situation, and to monitor and adjust those plans as needed.

I am working with a client whose husband died recently. She is trying to sort out everything financially while also dealing with the emotional impact of suddenly losing her life partner. The last thing she needs to be doing is combing through IRS periodicals to determine how a specific retirement plan type is going to be taxed or whether she should take an annuity payout in installments or a lump sum.

If she decides on a lump sum, she will need to know how to invest it wisely and how she needs to amend her trusts. She will also need to know how that payout will affect her taxation on the remainder of the guaranteed payments that come out of her late husband's pensions, which will now be paid out at a reduced rate. My team and I are guiding her through all that so she can focus on adjusting to this upheaval in her life.

We are walking her through how her life is going to look from a financial standpoint going forward. We can't do much about the emotional side of this life transition, beyond offering her our support, but we can at least provide her with some guidance so she understands that she will be OK from a financial standpoint, going forward.

Interview Checklist for Selecting Your Transitional Wealth Planner

We created the checklist on the next page to guide you in interviewing and selecting the Transitional Wealth Planner you will choose to guide you through life's transitions in the future.

We recommend making a copy of this checklist, or downloading a PDF version from https://ameriflex.com and completing it for every planner you interview. Then compare your notes and numerical scores when you are finished interviewing potential planners to see which ones rank highest in the areas that are important to you. Feel free to add attributes to the list.

Ask each planner you interview a lot of questions to get to the heart of each aspect of his or her qualifications, value offered, approach, and alignment with your needs.

Financial Planner Interview Checklist

Planner's Name: ______________________________

Date Interviewed: _________________________

We recommend that you print this page and complete a separate copy for each planner you meet with. Feel free to add your own attributes in the blank lines provided in the left column below.

Planner Attribute	Details	Strength on a 1–10 Scale
FINRA BrokerCheck status SEC ADV (Uniform Application for Investment Adviser Registration)		
Experience working with clients like you/in your situation		
How the planner gets paid (fee-based, according to a percentage of assets, or on commission)		
Credentials (degrees, designations, years of experience, etc.)		
Whether the planner is a fiduciary and how concerned he or she appears to be about acting in your best interest		
The deliverables and value you will receive for your money		
Computing power for forecasting/ability to leverage technology		
Computing power for communication and service		
How comfortable you feel with the planner		
The extent to which the planner works in a team environment		

CHAPTER 5

Hire a Team for Maximum Benefit

In any endeavor, including Transitional Wealth Planning, more professionals are better than one. I often use an example of a brain surgeon to demonstrate the value of a team approach.

Let's say you are scheduled for neurosurgery. Your surgeon comes in for a pre-op consult and says to you, "I will be the only one in the room today performing your surgery." That message probably won't bring you much comfort!

But what if your neurosurgeon began your pre-op consult in a different way, saying, "We believe in a team approach here. In your surgery today, I will be assisted by my scrub nurse, Bob, and your anesthesiologist is Dr. Jane Brennan. I've worked with Jane for years, and she is the best. I also have a backup surgeon, Dr. Pat Girard, just in case I have to go to the little boys' room—hahaa! You will get the best care possible because the members on this team are all the best at what we do. We are here to take the very best care of you before, during, and after your surgery and to back each other up."

Now, the second scenario is probably going to put you more at ease and give you a higher level of confidence that you are in good hands for your surgery. The team has a wide array of expertise and provides ample support and backup for every team member.

Seek out a team composed of specialists whose counsel and skill sets will match your needs.

It's the same way with Transitional Wealth Planning. Because life transitions can be so varied, a wide array of professionals might be needed to offer their expertise at given times. Be very purposeful about picking your team. Seek out a team composed of specialists whose counsel and skill sets will match your needs.

Teams are especially important for younger or less experienced financial advisors. They have not encountered the various scenarios that more experienced advisors have. In a team environment, those newer advisors can work side-by-side with veteran advisors to learn how to assist you.

In one-advisor practices, younger advisors may not have much experience, but they might have fewer clients than more established advisors. As a result, they could devote more time and attention to you as an individual client, and they might be more adept with technology that can streamline your planning.

On the other hand, senior advisors tend to have a lot more life and practice experience, and more exposure to your type of situation. However, they might be so busy with other clients that they just can't devote a lot of time to you. Plus, they might not be as tech-savvy as their younger colleagues. Working with a team is an ideal way to tap into the widest variety of competencies and options.

VICKIE GARCIA, CFP®, CFF®
CHANDLER, ARIZONA

A TEAM EFFORT TO HELP A CLIENT SELL HIS BUSINESS

Steven, who was referred to me by another client, was preparing to sell his multimillion-dollar company. It was a major transition in his life.

I use a team-based approach in my office. A paraplanner sits in all our client meetings so I can focus on my clients without worrying about taking notes. After our meetings, we go through those notes in detail as we build the client's plan. We spend hours in the background looking at our clients' taxes, estate documents—everything that's important to their situations.

When we first met with Steven, it became apparent that he didn't really know how to sell his company—or even if he should sell it. He just knew he wanted to transition out of the company.

I brought in exit-strategy specialists, as well as estate attorneys and CPAs, to provide their expertise in assessing different aspects of Steven's situation. We wanted to make sure the sale facilitated his goals for the future.

As we began to work together, it was important for me to find out why Steven wanted to get out of that business and what was he looking to do next. After building a business from the ground up for 20 or 30 years, business owners get accustomed to living off their companies' cash flow. When they no longer have that regular cash flow, it can be a major adjustment.

Once Steven transitioned out of his company, he would receive a lump-sum buyout. The tax implications (e.g., capital gains) of receiving a lump sum of money can be significant, so we wanted to build a strategy that would manage his tax burden.

Numbers and Much More

During Step 1, data gathering, we went through the normal process of determining the assets he had in all his savings accounts, bank accounts, 401(k) and other retirement accounts, as well as property and other investments. We also looked at his trust. Gathering this information was crucial in building a strategy for him to sell the business.

Next, we looked at Steven's personal and business insurance policies, which included an umbrella policy, health insurance, auto and homeowner's insurance, life insurance, and long-term care insurance.

We also looked at Steven's personal and business expenses. Many times, business owners do not deal with their books on a daily business, so they don't see the expenses their businesses are incurring. Once Steven sold that business, he would no longer have those expenses. We needed to find the best strategy for making his money work for him in the future.

What's Next?

As Transitional Wealth Planners, it is important for us to get a handle on what the client wants to do next, and *why*. If we can get to the bottom of that "why," it will help us build the most appropriate strategy.

Our work with Steven was eye-opening for him because previously, he hadn't been able to picture what that money could provide for him during retirement. With the powerful software we use, we ran many "What if?" scenarios and gauged his reactions to all of them. We also showed him what his financial situation and cash flow could look like at various intervals in the future, including the legacy he would leave to his kids once he was gone.

We looked at detailed cash flows, required minimum distributions during retirement, how inflation could impact Steven's savings, and other issues we think about that our clients often don't consider.

Transitional Wealth Planning is the baseline for everything else.

Once we figured out what Steven's next phase of life might look like, then we talked with him about setting goals, which is Step 2.

Interestingly, Steven did not have a financial plan for himself or his business when he came to us to discuss the possibility of selling his business. He had done a pretty good job of managing his own finances. He had learned to manage his business's cash flow and his personal finances well. But he did not have that same level of confidence about managing his money once his situation changed so drastically.

We talked a lot about what it would look like for him to go from running a successful company to having no cash flow coming in from that company the same way. I always tell clients, "My fear is not markets and monies going up and down and all the things that you think could affect you. It's people running out of money."

As Transitional Wealth Planners, our goal is to make sure our clients never worry about running out of money because we've done such a good job of making sure their money is working for them.

Planning Helps You Avoid Over- or Underestimating Your Retirement Savings

Many people *overestimate* the amount of money they will have in retirement. It is less common for people to *underestimate* the amount they will have, but that's what Steven did.

We are very conservative in our planning with projected rates of return, inflation—everything. We don't want to project large returns because of course we never know what the markets are going to do. We always tell our clients that our estimates are on the conservative side. We would rather see them end up with more money than expected, as opposed to less.

One question Steven had was, "Should I pay my house off once I sell the business?" He and his wife wanted to avoid having any debt in retirement. That was an important goal for them, so we addressed it in his plan.

Supergroups and Hybrid Advisory Firms: The Trend of the Future

A trend I have been witnessing and embracing that perhaps will be the wave of the future is the formation of what I call "supergroups." *Supergroups* are well-balanced networks of advisors with a wide range of education, skills, and experience to serve every client in an optimum way.

Supergroups, if properly designed, can be well positioned to bring all the best talent to the table.

Supergroups, if properly designed, can be well positioned to bring all the best talent to the table. Not only that—they tend to be demographically diverse so that they mirror America's demographics, with diversity in gender, ethnicity, race, religion, and other characteristics. People like to work with people like themselves, and when you have diverse representation on your team, in your group, you have the benefit of serving a wide array of clients in the way that is most comfortable for them.

A supergroup is positioned to collaborate in a collegial way with other advisors. Everyone who joins the group is committed to being collaborative, which strengthens the group's expertise and ultimately benefits clients.

Another Example of a Team in Action

I was working with a couple in California. The husband ran his own business and had a couple of employees. He and his wife bought a winery, and the husband ran his consulting business from this new property. So they had three things going on: their home, the winery they were running as a business, and the husband's business.

They engaged us because they received an offer from an interested party who wanted to buy the winery. But we had to unwind the winery from the husband's other business. Although not associated as business entities, they were located on the same property. So we brought in an agricultural specialist to assess the value of the vineyard. We also brought in an estate-planning specialist and a tax-planning specialist whose expertise went beyond the scope of the couple's current CPA because they were selling a business and completing a real estate transaction.

The typical lone advisor may not have been able to take care of this couple's needs all on his or her own. The value of the team came with our ability to call on many different specialists from our network and assist the clients by providing an optimum, multifaceted level of service.

Not all situations are that complex, but some are more complex than they might seem.

In a divorce, for example, often, there is much more to the situation than meets the eye. We may need to have a forensic accountant find the assets that one of the spouses—sorry, men, but it's typically the husband—has hidden. We also might need to bring in someone who specializes in senior care because maybe the younger spouse does not have medical coverage that is appropriate for his or her needs.

The team approach enables us to observe and diagnose our clients' issues from many different angles, to help ensure that all their needs are met by specialists with extensive experience in each area. What better way to navigate a major life transition than with a group of ultra-qualified specialists, all working together to help optimize your outcome?

JESSE KURRASCH, CFP®, RICP®, CFF®
LAS VEGAS, NEVADA

OUR NETWORK: A VIRTUAL DOOR IN THE WALL

Many of the life transitions that people face are emotionally charged. Some of them are complex situations involving difficult and technical issues that need to be solved in a multifaceted way. Other situations are relatively simple but still require some adjustments and guidance, such as moving to a new city.

The financial services profession, and the rules and laws associated with it, have become increasingly complex. As Transitional Wealth Planners, we are careful to define our scope of engagement with each client and make sure we are sticking to our own areas of expertise.

So I do not give anyone tax advice or legal advice, just as CPAs and tax attorneys we work with do not give anyone investment advice. But we have enough general knowledge in those areas to know what type of expert we need to work with.

Tom and I like to talk about "having a virtual door in the wall." We can open that virtual door, reach through it, and talk to folks in Denver, Phoenix, and many other places who specialize in fields related to taxes, estates, wills and trusts, buy-sell agreements, business valuations, and many more.

Some of these specialists are within The AmeriFlex Group "family," and others are external to our company. But they are all valuable because they expand our collective expertise and knowledge.

These Transitional Wealth Planners guide us on how best to navigate each situation, what questions to ask, and blind spots to watch out for. Also, we can tap into their network of "centers of influence"—additional professionals they work with whom we can engage with.

Let's say you have to move to a new city, but you have no infrastructure on the other side. Having your entire life in flux is difficult enough; you certainly don't want to have to figure out how the move will impact the taxation of your income or your retirement plans. We will guide you in every aspect of the financial impacts of your move.

Not only that, we also will guide you in areas that aren't even germane to financial planning. We are here to make your life easier in whatever way we can. So, if you plan to move to a new city, we will work with our planners nationwide to refer you to real estate agents or appraisers for a home you want to purchase, mortgage lenders, doctors, dentists, mechanics, landscapers, hairstylists, dog walkers—you name it. We can even get recommendations from people we know in your new city for some restaurants to try.

Recently, we even dispatched some AmeriFlex Group team members to video and photograph all the belongings of a client's house for insurance purposes.

We are here to make your life easier in whatever way we can.

The typical financial advisor does not build, or have access to, such a vast network of support to help you navigate all these different facets of life. When you work with a lone advisor, he or she isn't going to have resources like that or such a deep bench to draw from. Even those advisors who work on teams do not typically have the resources we offer at The AmeriFlex Group.

Everybody benefits from our "virtual door in the wall." Our planners have better resources and more options to present to our clients, so our clients win. And, as we get to know other experts in our network, we begin to get more referrals from them and their centers of influence. So that's a win for us, the Transitional Wealth Planners.

It's an incredibly positive cycle that builds on itself.

SCOTT CHELBERG, CFP®
CARLSBAD, CALIFORNIA

A NETWORK OF SPECIALISTS FOR BUSINESS OWNERS

As my colleagues discuss in this book, a major strength of The AmeriFlex Group is our vast network of trusted and experienced specialists, both inside and outside our company.

About fifteen years ago, I was a founder of The Business Advisory Council in Carlsbad, California. I was also one of the original members of ProVisors in San Diego, which is a networking group of trusted advisors. Today, I am a group leader with about thirty-five professionals in various service professions. Our group includes multiple attorneys, all with different specialties, as well as multiple bankers, CPAs, wealth planners, and insurance specialists.

When my clients need specialized expertise, they come to me—whether or not their need is related to what I do for them. They know I'm connected with the best of the best.

Many times, the clients who come to us don't have all the necessary specialists in place. For example, I have worked with well-established business owners who are getting ready to retire and have never had a valuation done on their business to discover its current worth. A valuation is important for a business owner, especially if he or she is looking to sell the business to someone other than the key employee group (KEG). When selling to an equity fund or to a competitor, it's important to know the value of your business before you begin negotiating with a buyer. That gives us a better leveraging position when working with commercial real estate agents.

In a situation like this, we also need to work with an experienced transaction attorney on the business sale. Some of our business clients have never had personal or business financial plans developed, so we will start there.

Then, if it looks like the business could benefit from some upgrades to increase its value, we will call in a team of experts to help the owner drive up the value of the business. These experts might be business coaches, culture consultants, human resources specialists, or anyone else. We will work with the entire team, including a CPA, to analyze and then address what drives value in the business. If the business owner's CPA isn't qualified to do that, we will recommend bringing in a specialist who is.

We also work with business owners to build succession plans. We want to be sure they can execute a seamless transition if something happens that makes the business owner unable to perform his or her functions.

In addition, we might work with an experienced attorney to create a buy–sell agreement with the partners, and they can buy the surviving spouse(s) out of the business, for example, possibly using proceeds from an insurance policy.

HANNAH BUSCHBOM, CFP®, CDFA™, CFF®, CPWA®
SANTA BARBARA, CALIFORNIA

THE W SOURCE®: A NETWORK OF WOMEN PROFESSIONALS

Tom Goodson and I cofounded The W Source®, which is a networking organization for the top female professionals in a local community. Each group is led by a female financial advisor and then surrounded by attorneys, CPAs, risk-management specialists, and other professionals who work with clients to optimize their financial situations. Some of these experts are part of our internal AmeriFlex network, and some are valuable partners and collaborators who are external to our network. You can learn more about The W Source® at www.TheWSource.com.

As Transitional Wealth Planners, we are always searching for specific expertise in guiding our clients through unique situations. This network provides a source of female experts who are trusted professionals with all different kinds of specialties. A lot of my clients are female. I cofounded The W Source® specifically to benefit my clients.

Some women prefer to work with female advisors, or to at least discover their opinions. Many of our Transitional Wealth Planners at AmeriFlex turn to The W Source® because they respect the caliber of our professionals and want them to contribute their viewpoints, perspectives, and recommendations to their clients as they navigate major life transitions.

CHAPTER 6

How Advisors Charge for Their Services

The world of advisor fees and commissions can be confusing. It's important to know how planners get paid. You want to be sure they are recommending products and services because they benefit you, not because it will net then the biggest commission or fee.

The engagement process and compensation for services should be crystal clear. If you hire a Certified Public Account (CPA) or an attorney, you know up-front how much it will cost to engage them. It should be no different when you hire a Transitional Wealth Planner. You need to be informed of their hourly fee and/or a "scope of work" estimate.

I recommend that you consider paying a *planning fee*—a fee related to a single project or a big-picture planning assessment. It can be charged on an hourly basis or on a project basis. When you know what you are paying for, and how much, up-front, it will save you a lot of heartburn. If you are engaging an advisor to manage assets also, that should be a separate fee.

There are many ways in which financial advisors and investment advisors charge for their services, and the trends tend to change. As a result, it can be incredibly confusing for consumers to know what type of advisor to work with and what fee structure is fair and ideal for their unique needs. These vast variations in services also make it difficult, if not impossible, to compare various advisors' services and prices because they are so different.

We need more transparency and clarity in our profession about how, and how much, we charge our clients for various services. The consequences to our clients may be costly when we make our fee structures too complex.

First, people who are confused, overwhelmed, or perhaps intimidated about what they need and what they should pay prevents them from working with anyone at all. This is not in their best interest. And second, if they choose the wrong advisor or the wrong types of services and are asked to overpay, this does not serve them well, either.

In this chapter, I offer clarification about how advisors charge for their services to help educate you about this topic.

If an Advisor's Fee Structure Isn't Clear, Move On

When financial advisors are clear and transparent about how they charge for their services, it's a good sign (although not a guarantee) that they are committed to serving clients in the way that best meets their needs.

But if you look at an advisor's website and cannot discover how—or how much—he or she charges, and you can't seem to obtain this information in other ways, that might be a sign that you should move on. Find an advisor who is up-front about fees and commissions.

Find an advisor who is up-front about fees and commissions.

If you went to an auto-repair shop and asked how much they charge for new brakes for your model of car, you would expect to get a specific estimate. If the mechanic seemed cagey and mysterious about the charge, you would probably find another mechanic. It should be no different with an advisor.

Advisors who offer this information up-front often post it on their websites under categories like "Fees," "Advisory fees," or maybe on the "FAQs" page. Another way to find this information is to look for a firm's Form ADV. It is a standard Securities and Exchange Commission (SEC) form that investment advisors use to register with the SEC. This is a helpful way to find fees and do an investment fees comparison between financial advisors.[20]

AdvisoryHQ offers an extremely helpful analysis that makes it easy for you to see the breakdown of financial advisor fees. The company analyzes financial advisor fees from multiple firms around the United States and breaks down all the different types of costs. This information

20. "Form ADV," US Securities & Exchange Commission, https://www.investor.gov/introduction-investing/investing-basics/glossary/form-adv.

helps you compare fees and know what to expect.[21]

Every two years, AdvisoryHQ reports the average advisory fees for financial planning and investment management fees for those two years. Knowing this information can help you negotiate investment advisory fees and financial advisory fees with firms so you don't end up paying more than you should.

About Advisor Fees

The following is very important to consider regarding fees, and it is a dirty little secret that annoys the heck out of me. Regardless of where you live in the United States, if you have placed your faith and funds with an advisor, you are typically paying approximately 1 percent for that advisor's fee to manage up to $1 million. My simple questions are "Why?" and "What?" *Why* are you paying 1 percent, and *what* are you paying for, in terms of services? There is no requirement to pay 1 percent at $1 million under advisory!

Also, if you have a fabulous Transitional Wealth Planner who has the CFP® designation and/or a credentialed planner on his or her team who provides planning and "What if?" scenarios, the aforementioned has a pretty straightforward value proposition—an individual or accredited team who provides "What if?" planning services and provides investment solutions or strategies at 1 percent, who should you do business with? It's your choice, but I would go with the value-rich option—planning and investment at or near 1 percent.

You don't have to accept the 1 percent fee; you can negotiate it with the advisor.

By the way, you don't have to accept the 1

21. "What Are the Average Financial Advisor Fees & Investment Fees Being Charged in 2020–2021?" AdvisoryHQ, https://www.advisoryhq.com/articles/financial-advisor-fees-wealth-managers-planners-and-fee-only-advisors/. AdvisoryHQ News Corp is a global news media and publishing institution that distributes content for major news media companies and prints independent reviews of top firms across different industries and sectors.

percent fee; you can negotiate it with the advisor.

Be careful of the "financial babysitters." If you are considering a business relationship with an advisor who spends more time on the golf course than working with clients and just babysits your hard-earned money, it's possible that his or her handicaps are going down while your fees are staying the same or going up. There may be more options out there for you to consider!

Another thing to consider is the amount you are paying in terms of conversions from percentages into dollars. For example, 1 percent of $2 million is $20,000. You want to make sure you are paying within the range of a generally acceptable national benchmark for your fees. Where and when appropriate, negotiate the fees to be lower, if possible.

Many people ask me, "How do you secure lower advisory fees?"

It's simple—you ask for them.

HANNAH BUSCHBOM, CFP®, CDFA™, CFF®, CPWA®
SANTA BARBARA, CALIFORNIA

OFFERING HOURLY WORK GIVES CLIENTS FLEXIBILITY

In terms of the way we are paid at The AmeriFlex Group, we generally choose to be advisory-focused. In other words, we charge for our advice and for creating financial plans separately. This is in comparison to many advisors who build their financial plans into the fees or commissions they get for managing their clients' money. We prefer to separate the two so you know exactly what you're paying for.

I do a lot of hourly work, which not a lot of advisors, or even Transitional Wealth Planners at AmeriFlex, do. This is partly because of the types of planning I offer. I'm a Certified Divorce Financial Analyst—a CDFA®—as well as a Certified Financial Planner™, or

CFP®. Often, clients hire me during the middle of a crisis, such as a divorce or the loss of a loved one. In the case of divorce, I help do the forensic work of identifying what assets are part of a marriage and then work with the attorneys and the court system to make sure everyone is speaking the same language and nothing's being forgotten or missed.

When it comes to commissions or getting paid for my advice, if clients aren't ready to place a product or a solution at that time, I can instead do work for them on an hourly basis. Typically, about 90 percent of my hourly clients eventually become long-term advice clients, once their situations stabilize. Then, as I get to know their concerns, needs, and dreams, I can work with them on their insurance, investments, and other solutions.

Offering the flexibility of hourly work has been a great way for me to address clients' immediate needs, without them feeling like they have to open an account with me right away while they are dealing with major life transitions. This works out extremely well for everyone involved.

Does Everyone Need a Financial Plan Customized to Their Own Needs?

The decision to engage a planner to devise a comprehensive plan is debatable, based on the particulars of your situation. If you are facing a number of transitional wealth-planning events and don't have a strong background in finance, accounting, or investments, you may want to work with a planner.

Another decision to make is whether it will be a one-time engagement or an ongoing engagement, similar to an annual physical with your doctor. Typically, ongoing checkups should be much easier and less expensive if you are paying an hourly planning fee after your initial planning work is completed. Whatever the circumstances may be, I rarely see a set of Transitional Wealth Planning events that don't require a comprehensive plan and at least a modicum of ongoing "checkup" meetings.

Modular Planning Can Enhance the Service You Receive

With *comprehensive* transitional wealth planning, advisors may charge a fee to handle many different types of planning, such as children's education planning, credit management, estate planning, insurance planning, investment management, and retirement planning. Many people may feel overwhelmed by this type of all-inclusive service, in many cases because of the time required on their part to build the plan.

Also, many people resist this type of planning because they don't want to pay a fee that includes types of planning they don't need. For this reason, *modular* planning—focusing on one type of financial management at a time—appeals to many people.

Modular planning—focusing on one type of financial management at a time—appeals to many people.

This is why there is a growing trend toward advisors charging a fee for service planning that is separate from the fees they charge for asset management and other services. This not only benefits clients; it also benefits advisors.

The Kitces Report, published in February 2021, found a correlation between the time advisors spent on creating financial plans and the types of fees their clients paid them. The report notes, "Financial planners have a 'clear tendency' to spend more time on plans when they're paid by the hour or on a retainer, compared to planners who get paid on commission or as a percentage of assets under management."[22]

The study also found that IARs who work for RIAs that are

22. "Breakdown of Asset Level, Standalone, Hourly Fees of FAs: Kitces Report," Alex Padalka, F*inancial Advisor IQ*, February 18, 2021, https://modules.financialadvisoriq.com/c/3067803/382044/breakdown_asset_level_standalone_hourly_fees_kitces_report?referrer_module=issueHeadline&module_order=1.

registered with the SEC or their state tend to spend more time on financial plans than registered representatives at broker-dealers. It also revealed that advisors appear to be moving away from lumping many services into one fee and moving toward charging separate fees for separate services.[23]

Compensation via the "implementation model" increased from 31.3 percent in 2018 to 36.6 percent in 2020. With this fee model, advisors charge asset under management (AUM)-only fees for a portfolio, commissions on product sales, or a combination of the two. The fee-for-advice model also increased among advisors. This fee structure accounted for 36.6 percent of total advisor compensation in 2020, up from 31.3 percent in 2018. Meanwhile, the "blended model" decreased among advisors, from 38.2 percent in 2018 to 37.3 percent in 2020. Under this model, advisors charge various combinations of AUM and planning fees, commissions and planning fees, and AUM fees and commissions.[24]

We Advise Paying Separate Fees for Planning and Asset Management

There is a dizzying range of choices out there. It's possible that you could consult with ten different advisors and get ten different approaches and fee structures. So, what is reasonable? What is a fair fee for planning services?

My opinion is that the ideal model is for advisors to separate their fee-for-service planning from asset-management fees so consumers pay separate fees for separate services.

In my experience, this fee structure creates transparency, reduces conflicts, and allows clients who are managing their own funds to build trust and rapport with their financial advisors. They can start the professional relationship by hiring an advisor for planning work and then, eventually, have the advisor do the investment management,

23. Ibid.
24. Ibid.

too—or vice versa.

Now, there are advisors out there who use only a fee-for-service model. They do not manage assets; their firms or practices typically have no investment arm. They basically prepare a financial plan for you, and then you are typically on your own to execute it. There may be no additional engagement between the client and the advisor. This model may be appropriate when significant life transitions occur, and no one is there to help you adjust that plan. Left to our own devices, few of us will actually execute a plan without some accountability and support. Accountability and continued monitoring from your planner are the fuel that maintains the ongoing value of your plan.

Accountability and continued monitoring from your planner are the fuel that maintains the ongoing value of your plan.

What's interesting is that many clients don't want to pay to have a financial plan created for them; they would prefer to pay just the commission or recurring fee—the 1 percent for assets under management (AUM). They see more value in having someone manage their assets than in having an expert tailor a financial plan for them. In most cases, they are leaving value on the table with this strategy.

For example, let's say I tell Cynthia and John that I will create a customized financial plan for them for a fee of $2,500, and I will manage their assets for $5,000, for a total of $7,500.

They might tell me, "No, I would rather pay you just the one percent for managing our assets." They would rather pay the 1 percent management fee of $10,000 instead of getting both a financial plan and asset management for only $7,500.[25]

Why is this? Why don't people want to pay for a valuable, customized financial plan that will guide their financial decisions as they move into retirement?

25. This example assumes $1,000,000 AUM @ 1 percent, or $10,000.

It is a strange phenomenon, and it doesn't make sense to me. Part of the reason this happens is that many consumers are not educated or informed about the significant value of a customized financial plan. Also, many consumers don't know how fees and commissions work in our industry. That is not surprising. Many, many companies, firms, and advisors, whether intentionally or not, create confusion among consumers because they are not transparent or clear about the way they charge for their services.

Research shows that many advisors are moving away from bundling a financial plan into an asset-based fee and charging a separate fee. This will enable them to interest more investors in planning.

In September 2020, Envestnet MoneyGuide conducted a study of more than 1,600 financial advisors to discover how they charged clients. The study revealed that 72 percent used a fee-for-planning model, but only 38 percent were charging a *separate* fee for planning services.[26]

Among the advisors who charge a separate fee for planning, most charge a flat fee (65 percent), followed by hourly (18 percent) and subscription (8 percent). All three types of fees have increased since 2015, which shows that consumers are becoming more likely to see the value in financial planning. From 2015 to 2020, the average flat fee increased from $1,696 to $2,482, and the average hourly rate increased from $208 to $257. Another 2020 study, conducted by Kitces, found that advisors charged an average flat fee of $2,400 for a financial plan.[27]

26. Ibid.

27. Ibid.

VICKIE GARCIA, CFP®, CFF®
CHANDLER, ARIZONA

WHY WE CHARGE A FEE TO CREATE YOUR FINANCIAL PLAN

We charge for our financial plans and have never had pushback from clients about that. They have access to all their information digitally and can access it 24/7. We are with them during every step in the process and adjust their plans as needed.

What you are paying for is our time and expertise. We do a lot of work in the background that you won't see. Some financial advisors charge clients to manage their investments and build their financial-plan design into those fees. We separate the two types of fees because we want you to be able to see clearly what you are paying for.

Why We Think Separate Fees for Separate Services Makes Sense

Again, I am a firm believer in separating the cost of planning from the planning fee the advisor may charge. Frankly, many in the financial services profession hasn't completely embraced this train of thought, but I believe they will.

PART 2

The Transitional Wealth Planning Process: Steps 1–5

Now that we have explained the value that Transitional Wealth Planners provide to you on your journey toward financial security, we will look at the five-step Transitional Wealth Planning process we use to help optimize your financial situation through every life transition:

Step 1: Data gathering
Step 2: Goal setting
Step 3: Presentation
Step 4: Implementation
Step 5: Monitoring

The four experienced Transitional Wealth Planners whose insights are featured in this book explain why each step is critical to optimizing your financial situation throughout life's transitions. They describe how they approach each step when working with clients. Hopefully, this information will make it easier for you to prepare for your meetings with the Transitional Wealth Planner you choose to work with so you will know what to expect.

JESSE KURRASCH, CFP®, RICP®, CFF®
LAS VEGAS, NEVADA

OUR FIVE-STEP PROCESS HELPS YOU DISCOVER WHAT YOU WANT

I have a client who is quite wealthy, and he has the classic profile of being risk-averse. Let's call him Bob.

Bob does not like to take any risks he doesn't have to, but he wants to get all the upside benefits of taking risks. He wants to get all the gains. He also has a lot of time to think.

One day, Bob sent me three pages of questions about his financial plan in tightly spaced, small type. As I read through them, I quickly came to the realization that he was fearful. He was going through a life transition that was creating a lot of uncertainty in his life—around his job, his living situation, and his future. He didn't know which direction he wanted to go. He had no idea if he was going to be working in a year or even living in the same state. So he was just throwing everything against the wall to see what might stick.

To bring Bob back to center, I took him back through the five-step Transitional Wealth Planning process—in order, from Step 1 to Step 5.

When we talked, I told him, "Bob, I've been reading through your questions, and I can tell that a lot of different themes are playing against each other here. Let's talk about what you really want. What do you want your life to look like?"

He said, "Well, I don't really know."

We ended up talking about everything from his being an expatriate in Central America to moving back to his home state to continuing to work for another five years—or not working anymore. We talked through all the pros and cons. By the end of that conversation, we had narrowed his situation down to two different outcomes: that he would continue to work or that he would not continue to work.

If Bob continued to work, we would continue to do the things we had been doing to implement his plan, which was already in place. He would continue with the investment strategy we had agreed on, and we would continue to monitor those results.

If Bob decided he would quit working, we now had a plan in place for that outcome as well. He would potentially move to either Location A or Location B. The location he decided on would impact how much he would pay for housing and other living expenses. With each life change he makes, the tree branch of decisions continues to expand. But because we narrowed down his outcomes based on our process, we knew which issues to tackle first. I built ample resources into Bob's plan to cover whatever might come up.

I told him, "Bob, you don't need to worry about answering every single question on your list today. All you need to know is that, depending on which decision you make—continue to work or quit working—the process allows you to get to where you want to be and to answer those questions in a satisfactory way. And you will be able to have the lifestyle you want, whatever you decide."

Bob is very driven by procedures. Because of this process, he was able to see that all the uncertainty he was feeling was the result of not knowing how he wanted his life to look in the future.

He took a copy of the plan home with him and looked it over. About a week later, he came to me and said, "Hey, I feel great. I'm still waiting to see about a couple of things." But his whole tone and demeanor had changed. He went from being really nervous, like he was about to jump off a cliff, to enjoying the ride and seeing what came up next.

There is a misconception that everyone who has money knows what they want out of life. That's not always the case. It's easy for any of us to lose our way and get lost in the weeds. The Transitional Wealth Planning process helps us clarify what we really want.

Bob's story demonstrates how powerful the Transitional Wealth Planning process is in leading you to your best possible life.

Every company, firm, practice, and financial advisor has slightly different approaches to, and processes for, determining your unique financial situation, needs, and goals. However, the overall steps in every process are quite similar. In general, competent, experienced financial professionals will meet with you to discuss your financial situation and goals and then design a customized plan that will guide you toward your next stage in life.

Our Transitional Wealth Planners follow these five steps to determine your financial situation, needs, and goals; design your financial plan; work with you to implement it; and then monitor that plan and adjust it appropriately as you navigate major life transitions.

This is a logical and generally accepted process for working with clients, although the way these steps play out differs with each client. As Transitional Wealth Planners, we apply to each client meeting our vast experience in working with our other clients.

JESSE KURRASCH, CFP®, RICP®, CFF®
LAS VEGAS, NEVADA

WE USE INTUITION TO TAILOR THE FIVE-STEP PROCESS FOR EACH CLIENT

Transitional Wealth Planning requires a personalized approach because everyone expresses their goals and concerns a little differently. We can't follow the same formula or the exact process with everyone. We are building a professional relationship that, hopefully, will last a lifetime, and into the next generation. So we build those relationships in an organic way.

When we first begin working with new clients, we tend to approach each of these steps in the order they are shown here. But as our clients navigate new life transitions, the steps are not necessarily linear.

For example, when we work with two spouses who have been clients of ours for a while, we will establish their Transitional Wealth Plan—and then, of course, adjust it as needed. Then, if they face a major life transition—maybe they have twins or buy a business—we don't necessarily have to start all over at Step 1, data gathering. We might go back and revisit Step 4, implementation. These steps all complement one another.

This is another area in which Transitional Wealth Planners are different from other financial advisors. Deciding how and when to implement these steps, and in what order, requires that we use our artistic expression, intuition, and knowledge to proceed appropriately.

You've probably heard a lot about robo-advisors or have seen TV commercials about them. They provide investment and/or financial advice digitally, based on mathematical algorithms, with little to no contact with humans. Robo-advisors can crunch numbers, but they cannot use intuition to discover your concerns and hopes. They cannot enhance the process using creativity, authentic encouragement, and compassion.

We will not begin making recommendations until these five steps are completed. Some financial advisors, in their first meeting with clients, jump right in and begin recommending investments or other products, before they even know what their clients want or need. This is not serving clients' best interests.

Some clients come in with a clearer idea of what they want to accomplish than others do, and that's OK. Having our framework in place is always helpful, especially for clients who are a little bit scattered.

As Transitional Wealth Planners, we listen closely to what you are saying and try to discover what is in your heart. Sometimes, this means listening for what you *don't* say, as well as what you *do* say. When we meet with you, we want to extract from your mind and imagination what you hope for and dream about. Then we capture your dreams on paper and convert them into numbers.

The concrete financial plan we build for you will serve as your road map as you move forward on your journey through life. We convert your feelings and emotions—which is what goals really are—into practical plans.

If you fill out a questionnaire with your date of birth on it, the amount of money in all your accounts, and the amount you owe on your mortgage, those details are considered data, but they are only a fraction of the story. Alone, they are not very useful to us. We need to talk with you to identify what you want to build, experience, and do in your life—and *why*.

I love having the five-step Transitional Wealth Planning process as a guide. I love to orient clients about how it's going to go. And then I like to ask them questions and listen. Usually, these questions—such as "What keeps you up at night?" or "What do you want to help your children achieve?"—evoke emotional responses that reveal a lot about who they are and what's important to them.

Now let's look at each of the steps more closely, beginning with Step 1, data gathering.

STEP 1

Data Gathering

Data gathering is the first step we take in working with you. Your Transitional Wealth Planner will talk with you to discover what your immediate concerns are, as well as what you need and want from life in the longer term—and what you expect from your relationship with your planner. Some advisors call this the "fact-finding process" or "discovery process."

We gather information about your assets and debts, goals, and concerns to determine your financial situation. This gives us a solid foundation to work from. Here are just a few examples of the types of information we will ask you to provide when we begin working together:

1. Asset, investments, and loan statements
2. Real estate equity and debt
3. Retirement account statements (i.e., 401(k), pension, Roth IRA)
4. Budget or cash-flow information
5. Insurance (life, long-term care, disability, personal insurance, homeowner's etc., umbrella)
6. Estate plan (wills, trusts, powers of attorney)
7. Most recent tax returns

But again, Transitional Wealth Planning is about much more than just the numbers.

Beginning with our first meeting with you, we want to get to know you and find out what keeps you up at night. We want to know what led you to us—what your concerns are *right now*—and we will address those first. We also want to know what you hope for and dream about for the future, so we can build your long-term financial plan.

Often, people meet with financial advisors, have their financial plans developed, and rarely or never look at them again. In our view, that is largely a waste of time, money, and effort because while the initial plan may have a short-term positive effect, we will *always* need to work with you to adjust your financial plan as you face new life transitions. As Transitional Wealth specialists, this is our focus.

Our lives are always in transition, always changing—people experience life transitions such as birth or adoption, the death of a loved one, the purchase or sale of a home or business, the beginning or end of a career, and retirement. Each transition requires that we adjust your financial plan, whether slightly or significantly.

Our lives are always in transition, always changing.

Data gathering is an extremely important part of the financial-planning process, as it is with any service you receive from a professional service provider. If professionals don't explain *why* they need you to provide certain types of information, it can be confusing and make you wonder if you're working with the right advisor. Just as planners' fees need to be transparent and clear, their processes should be as well.

We Want You to Know What Information We Need and Where You Can Find It

For example, consumers who work with CPAs on a regular basis often receive a five- or six-page questionnaire every year, right before tax time. It contains questions like, "Have you completed any qualified opportunity zone sales transactions?" Many people don't even know what that means, much less where to find that information. When the data-gathering process is intimidating, it deters many people from working with professionals.

One characteristic that characterizes AmeriFlex is that our planners work closely with you to make sure you understand what information we need, where you can find it, and why it's important for planning. We explain this information in a way that makes sense to you. We also customize the process in a way that's comfortable for you.

Some people enjoy completing long questionnaires online. If that describes you, then we're happy to send you one electronically, and you can fill it out on your own. When we gather data electronically, the questions are easy to follow—for example, "Do you own a home?" If you click “Yes,” then the system will prompt you to provide details. If you respond with “No,” then the system will skip to the next section.

If you prefer to fill out this information on handwritten forms, that’s OK, too. Our planners will walk through the questions with you and ask clarifying questions to gather the details we need. And if you prefer that we walk you through the questionnaire, we are more than happy to do so.

When you are interviewing planners, ask how they handle the data-gathering process. Determine to what extent they seem to make it easy for their clients to understand.

You Already Have Many of the Details We Need

Some of the details we need to gather to determine your financial situation are available on documents you probably already have, such as tax returns. Planners can learn a lot about your financial life from tax returns, such as what your annual income is, whether you pay interest on dividend income or capital gains, and whether you have dependents.

Also, if you have refinanced your mortgage recently, a lot of the documents you prepared during that process can help us gather data. Many homeowners refinanced in the past couple of years, as interest rates decreased. Even if that information is a couple of years old, it’s still a great place to start.

We can gather additional information from your brokerage statements, bank statements, and other documents. We will ask you for any information we aren’t able to gather from your existing documents. It doesn’t need to be an unpleasant, drawn-out process.

We Focus on Your Concerns

Matt Jones, one of our colleagues in Tempe, Arizona, is a Certified Financial Fiduciary® (CFF®). He believes that for us to serve our clients effectively, we need to make it easy for our clients to engage with us. That means getting to the heart of your concerns and then tailoring our interactions with you based on those concerns.

Matt acknowledges that people are busy and don't want to answer 100 questions when only 30 of them apply to their own situations. It also means communicating well, confirming details, and minimizing the amount of time you spend in meetings. And finally, it means being as transparent as possible about what you can expect as you work with us.

In Matt's office, your first point of contact will be with a team member who will reach out to find out what Matt can help you with. She will schedule a time for you to visit his office, confirm the appointment, and send you directions. She will also send you information about his firm and strategic partners that you can review if you like.

During your first meeting with Matt, he will gather the data that will enable him and his team to create a financial plan that will address your immediate concerns. Using the information his team member collected from you on the phone initially, Matt will tailor the conversation to those concerns. Then he and his team will create your financial plan, follow up with an email summarizing key points and recommendations, and answer your questions. If you want to move forward, he will create your executive summary.

The more engaged you are in the process, the more smoothly the planning will go.

The following is an example of an email you might receive from Matt or another planner in our office:

Good afternoon,

Thank you for letting me know you would like to move forward. Next steps include scheduling a time to review my analysis and sharing the following information:

- Asset and loan statements
- 401(k) statements
- Budget or cash-flow information (no worries if you don't have this)
- Insurance (life, long-term care, disability) policy declaration pages
- Estate plan (trust, will)
- Your most recent tax return

I look forward to talking with you further. Please let me know if you have any questions! Thank you for your trust and confidence.

Sincerely,
Matt

Your Financial Plan: A Starting Point and a Road Map to Guide Future Decisions

Because our team is well aware that life is a series of life events, stages, and transitions, we use the data-gathering process as the foundation for our work with you, and we build on it as we go. The financial plan we design for you initially is almost certainly going to need adjustment over time, as you navigate those transitions. People's plans change. Unexpected situations arise (case in point: the COVID-19 pandemic). The economy and markets fluctuate.

All these factors make it necessary for us to review your financial plan and goals regularly to ensure that we are optimizing your financial potential.

Often, clients engage us because they have a pressing decision to make. Maybe they are going through a divorce, getting ready to retire, or selling a business. They need guidance that is specific to that decision, in terms of options and tax implications. In those cases, as mentioned, we want to solve those pressing issues first. And then we will create an *action plan* so we can address your bigger-picture, longer-term issues, as time allows.

Data gathering is a critical step because it gives us a starting point and a road map to guide you in reaching your financial goals. Your financial plan will make it easier for you to establish and focus on your priorities, which, in turn, will help you determine spending and saving patterns that will support your goals. Your financial plan will serve as the basis for every financial decision you make.

Your financial plan will serve as the basis for every financial decision you make.

Transmit Financial Documents Safely and Securely

Technology has come a long way in the past few years. This makes it easier to share information electronically. Unfortunately, technology has also made it easier for cyberthieves to intercept important financial and personal information.

That's why it is important to always transmit financial information and documents in a secure manner. At AmeriFlex, we maintain a personal financial website for each of our clients featuring government-grade online security so you can upload, link, and digitally store and share your documents securely.

On the site, you can link all your financial accounts (bank, investment, and other accounts, and even insurance policies) in one place instead of providing us with statements or having to access multiple websites. You can export QuickBooks data to the site, as well as online profiles you maintain with banks. This way, we can gather your essential, current balances and update them daily using our technology.

Not only does this service add a critical layer of cybersecurity to your documents; it also makes it easier for you and your planner to access the most up-to-date data available at any given time. This enables us to collect a more accurate financial picture of your situation digitally, at any time.

Please keep cybersecurity in mind as you interview planners to work with for the long term. Seek out those who use technology to make your life easier, and your information more secure, during every step of the financial-planning process.

Next, we will explore Step 2 in the financial-planning process: goal setting.

STEP 2

Goal Setting

Financial goals give us a road map to follow for the future. Our Transitional Wealth Planners want to know what you hope to achieve in the future, what you dream of doing before and during retirement, the lifestyle you envision for yourself and your family, and again, what your concerns are.

We want you to set ambitious goals, but they should not be so ambitious that they are unachievable. When people set goals that are unrealistic, they feel discouraged when they are not able to make progress toward them. That can be devastating to your morale and mindset, and it can discourage you from continuing to work toward your plan.

Sometimes, it can be difficult to prioritize your goals. As you'll read next, Scott Chelberg suggests prioritizing what you cannot delegate.

SCOTT CHELBERG, CFP®
CARLSBAD, CALIFORNIA

SET GOALS IN AREAS YOU CAN'T DELEGATE

Once we have gathered data about what you have and what you want, and we have developed your financial plan, then we work with you on goal setting. We want you to set specific goals that you can work on to reach your long-term objectives.

We want you to envision what your lifestyle might look like after you retire. What do you want to do that you never had time to do because you were working? Many people have never really thought about this before, so we brainstorm with them. It's a fun process of discovery.

We will do a lifestyle assessment with you to discover what your priorities are likely to be in the future. Someone who has been running a business for his or her entire career isn't likely to be happy sitting at home, watching TV. This will get old fast. Plus, it can put a strain on a marriage that has been much different from that in the past.

One partner who has been working for decades can't suddenly come home and try to take over running the household. The spouse who *has* been running the household for decades might not be OK with that.

People who are "married" to a business really need to find some hobbies—before they retire. Begin exploring your interests and passions *before* you retire. If you're having a difficult time figuring out what your life might look like once you stop working, one question I might ask you is, "What can you *not* delegate to someone else?"

Well, you can't delegate your health. So how would you like to improve your health? Do you want to work out? Do you want to get a dietitian? Do you want to join a racquet or tennis club or start golfing regularly?

Also, you can't delegate your relationships. Maybe you need to improve your relationships with your children and your grandchildren, or your siblings, or your parents, if you are fortunate enough to still have them. Or maybe you would like to reconnect with friends from college or from other jobs you've had in the past. You can't delegate your spiritual life, either. Maybe you want to become involved in a local church or synagogue.

One extremely rewarding activity that many people discover once they retire is getting involved with charitable organizations they can benefit—not just with their money, but with their time and advice, too. Many retired business executives serve on multiple boards of major organizations, offering valuable leadership and guidance.

What are you passionate about? Who would you love to help? Your goals will follow your passions. I am a past president of the Boys & Girls Club of Carlsbad, California. I've been on the board for more than fifteen years, and I helped establish their foundation. I have a passion for children because I have five children of my own. I have a lot in common with the people in this organization, so it is rewarding for me to offer my time, money, and effort to help kids. It's likely that when I retire, I will get even more involved with this organization, and maybe others.

Now let's discuss Step 3: presentation. Once we know what you want and need to accomplish, this is the point in the process where your planner presents recommendations and options to you.

STEP 3

Presentation

In Step 3, presentation, we present our recommended solutions to you. We tailor our presentation to your unique situation, needs, goals, and concerns. This step is all about you and guiding you to figure out what your best future looks like. We want you to ask a lot of questions, request revisions, and dream up other "What if?" scenarios—"What if I go this direction instead of that direction? What if I buy a $750,000 house versus a multimillion-dollar house?" Using state-of-the-art technology allows us to live-time review changes to your portfolio and goals based on those scenarios.

This is where the fun can begin, both for you and for us. However, it's not about waving a magic wand, and all of a sudden, all your problems go away, your goals are achieved, and everything is working. At this point, we have gained a great deal of clarity about where you stand now and where you want to go. We've reviewed and understood your data. We've talked with you about what's really important to you and how your money can actually work for you.

This is where the discovery can really happen and where the real planning-related issues emerge. At this point, we are beginning to understand your relationship with money and whether that was developed as you were growing up or whether it has been shaped by your current set of circumstances.

And then we get to present various ideas to you, often in the form of an action plan. We will address the situations you need urgent solutions for and then address those that can wait until the medium term and those we can chip away at over time.

This step, presentation, is where your and our hard work in setting goals, establishing priorities, and crunching numbers all come together. In this step, you can begin to see the best that lies ahead of you.

HANNAH BUSCHBOM, CFP®, CDFA™, CFF®, CPWA®
SANTA BARBARA, CALIFORNIA

WE NEVER LEAD WITH SOLUTIONS: A CHEF ANALOGY

I believe it is never appropriate to walk into a meeting with clients and begin offering solutions before discussing their concerns and situations with them. To demonstrate why that is not a good idea, I like to use the analogy of a chef.

Let's say I am a chef, and I want to create the best dish I can for each client, customized for his or her unique taste. Well, each client has different ingredients, or assets.

Before I can make unique dishes for all my clients, I have to meet with them to find out what assets they have; what's important to them; their "hot buttons"; and what they hope to accomplish in the short, medium, and long term. I cannot begin making their dishes—or building their financial plans—until I have gathered all that information.

Everyone's situation is different, so a one-size-fits-all plan doesn't work. For example, if one of my chef specialties is a wonderful recipe for scallops, what if I make that recipe for a client before finding out that she is deathly allergic to scallops?

This is what sets us apart at The AmeriFlex Group—we lead with the plan, and then the plan dictates the rates of return necessary to hit the client's goals. And then those rates of returns and the time clients have to achieve them will dictate the solutions we recommend and implement.

Step 4 comes next: implementation.

STEP 4

Implementation

Once we have presented our recommendations to you, then we move to Step 4, implementation. At this point in the process, we have a general direction for how to plan for your future.

Depending on the age at which clients come to us, we may be forecasting 10 to 50 years into the future. We have combined our collective expertise, experience, knowledge, insight, and understanding of your situation and goals, and we have leveraged our state-of-the-art technology to get to this point. We have made a variety of assumptions, explored multiple "What if?" scenarios, and recommended solutions. Now it's time to take a step forward and implement those solutions.

Implementation involves a delicate balance of the art and the science of planning. Again, we address your most pressing, concerning, or time-sensitive issues first. For example, you may be executing your estate-planning document so that, if something happens to you or your spouse, your children have a named guardian and their lives are as minimally disrupted as possible. Or maybe our first step is as simple as getting term life insurance placed on you to cover the home you recently purchased; you want to protect that large debt in case something happens to you. Our first step could even be as simple as adjusting your 401(k) contributions or asset allocation to make sure it is in line with your risk tolerance.

All those actions—and so many more—fall into the implementation step, and this is an ongoing, long-term process.

We will continue to implement your plan as you continue to navigate life's transitions—a change in marital status, a relocation, a change in your job. It is important that we coordinate this implementation step carefully. The tangible portion of that coordination effort is an action plan or an executive summary in which we document all our recommendations in a bullet-point checklist and then help you prioritize them and check them off, over time.

We meet with our clients as often as quarterly. In some cases, two or three months can go by, and our clients have their next meeting with one of our specialists before they've had a chance to complete an action item. That's OK. We are keeping track of what's next on the list and what needs to be completed. Again, we consider ourselves to be your accountability partners, and we will take the lead in keeping you on track.

SCOTT CHELBERG, CFP®
CARLSBAD, CALIFORNIA

IMPLEMENTATION: YOUR STEP-BY-STEP GUIDE

Once we have talked with you to discover what you want and what you have, and then analyzed your situation and developed solutions you agree with, it's time to implement your financial plan.

Implementation comes in the form of an action plan that guides you on what to do next, step by step.

Maybe you need to save more money in your 401(k) plan, change your allocation of investments in your 401(k), or move your investments into better professional management with us. You might need to update your will and trusts. You might have property & casualty insurance for your home and automobiles that is not coordinated with your umbrella policy, leaving you with a potential liability gap. We will ensure everything is correct and up-to-date.

We assess and solve all these issues during the implementation step.

Next, we discuss the final step in the process—Step 5, monitoring.

STEP 5

Monitoring

Once we have moved from data gathering through implementation in our process, we reach Step 5—monitoring. This final step ensures that we revisit your plan regularly and adjust it as needed, based on any transitions you are experiencing.

We will continue meeting with you to determine how your life and priorities are changing over time. Then we will adjust your plan as needed.

Often, when people think about planning, they picture one or two meetings with a planner. They may look at the process as getting their ducks in a row and then forget about financial planning for one or two years. But a lot can happen during that time. This is why we check in with you regularly to determine how well our plan still meets your needs, given any changes in your situation. We will constantly make adjustments and tweaks along the way.

The commentary shown next from Hannah Buschbom demonstrates why it is important to work with a planner who is committed to reviewing your financial plan constantly and adjusting it to accommodate the inevitable changes that come up in your life.

HANNAH BUSCHBOM, CFP®, CDFA™, CFF®, CPWA®
SANTA BARBARA, CALIFORNIA

WHEN YOUR RETIREMENT DATE KEEPS CHANGING

One of my longer-term clients whom I have worked with for more than 20 years has always joked that he was going to retire in six months, and then eight months—his timeline kept changing. Each time he talked with senior management at his company about retiring, they would offer him a new retirement package with a new level of security.

He would come back to me each time, and we would discuss those changes and how they would impact his pension, his overall assets, and his retirement date.

That's all part of the data-gathering process and we continue to gather data as your situation changes.

It's not uncommon at all for people to change their minds about retirement. When they get closer to that milestone, they might say, "I want to work for six more months" or "This project is still really entertaining to me" or "Instead of retiring altogether, I'm just going to take Fridays off."

Every time this client moved the goalpost, we went through the planning process again and adjusted his plan as needed. For example, years earlier, he had said he wanted to take a big trip after he retired, so we set aside $20,000 for that. When he decided to just take Fridays off, then we reworked his plan to earmark money for a lot of weekend trips, as opposed to $20,000 for one big trip.

Then he decided he needed a car that would be ideal for taking weekend trips. The vehicle he had his eye on cost about $40,000, but he didn't want to finance it and accrue further debt. So we looked at the tax implications of several different scenarios. This required more data gathering. We finally decided on an option that would not add to his debt and would enable him to purchase a vehicle for $45,000, with all the bells and whistles he wanted.

Planning for Your Future Is an Ongoing, Long-Term Process

As Transitional Wealth Planners, we look for longer-term relationships with our clients. We hope we're not just meeting with you one time or once every three years. If you've gone through a major life change, it can take six months just for your budget to settle down. If you change jobs, retire, change your marital status, add a family member, or go through any other major transition, it has taken three or more months just to lead up to this major change. Then, once the change has come about, there is a long process of emotional, financial, and sometimes physical adjustment. It is a process.

Let's say you have worked for the same company for 40 years and are getting ready to retire. That will be a huge psychological and financial adjustment for you, to get accustomed to having no paycheck after being paid regularly for four decades. Also, during your career, you have enjoyed complete control over your work—the number of hours you've worked, how much you have saved and spent, the quality of your work, the feedback you've gotten from those around you, etc.

Then, all of a sudden, poof! You stop working. You now have a different identity—you're now a retiree. And instead of accumulating wealth, you will be living off the money you've accumulated, moving from the *accumulation* phase of retirement to the *decumulation* phase. At this point, your financial-advice team will inform you about how much money you can spend per month or year to stay within your long-term plan objectives.

Now, that's the way it typically goes, but we believe that is completely the wrong way to approach retirement. Instead, we want you to participate actively in the discussions about this major transition. We listen to you to determine your concerns and goals. We explore all different types of scenarios. Then we show you visually, on spreadsheets, where your money is coming from. And we show you how to tap into that bucket so it's a similar process to the one you grew so accustomed to while you were earning a paycheck.

In retirement, the only difference is that now, your income is coming from your portfolio, not an employer. We also make sure you know how your money is getting deposited into your bank account for you to live on—whether through a check, an electronic Automated Clearing House (ACH) deposit, or some other means, and how often.

Because we understand the significant impact a major life transition like retirement has on all aspects of your life, we work to help you feel prepared—both psychologically and financially. This is why long-term pre-planning is important. If your retirement date is July 1st, we want to make sure your first installment of retirement money is in your checking account by July 2nd. This is enough of a life-altering transition without your having to worry about whether or not you will have access to your money once you're retired. So we need to prepare in advance.

The monitoring step is really about that six-month period leading up to your big transition, as well as the six months or more after the transition. Especially with our clients who are going through retirement or a divorce, it takes about six months of constant monitoring and meeting before the dust settles down.

The monitoring step is really about that six-month period leading up to your big transition, as well as the six months or more after the transition.

Once we get all the pieces in place, though, our meetings will become less frequent, and everything will seem to run on autopilot.

Often, our clients who are preparing to retire rush into our office for a quick lunch meeting. They're all dressed up in their office attire. Then they retire, and when they come to our office, they are not in such a hurry anymore, and they are still dressed well, but not in a full suit. They're wearing khakis and Polo shirts, Then, six months later, they come in to see us wearing flip-flops and Hawaiian shirts!

That is a powerful visual to us that shows the impact of people's lives when they make such a huge transition in their lives. It's so much more than just leaving a job. It involves accepting a new identity that is unrelated to the role you had in your career. It involves becoming comfortable with your new lifestyle and being confident that you will be OK financially.

This is why we believe so strongly in our five-step process. Navigating life transitions successfully requires a well-thought-out, step-by-step preparation and planning process that prepares you well for every aspect of your changing situation.

In our experience, many financial advisors and planners operate more from a reactive approach rather than a proactive process. Not only is this approach inefficient; it also tends to be unsettling for clients. With our process, you know what we're going to discuss in a meeting and what will happen next. We prepare you every step of the way.

Now, as mentioned earlier, we don't always move straight from Step 1 to Step 2 to Step 3. Depending on your situation, we might combine some data gathering (Step 1) with some goal setting (Step 2). But we are methodical in making sure we cover all the bases we need to cover to help optimize your current and future financial situation.

SCOTT CHELBERG, CFP®
CARLSBAD, CALIFORNIA

WE ARE YOUR ACCOUNTABILITY PARTNERS

After implementing your financial plan, we will monitor it regularly. Too often, we learn that other financial planners prepare financial plans for their clients and then say, "Here's your plan…good luck."

That's kind of like going to a dietitian and an athletic trainer on January 1st to begin a plan for getting healthier, and they hand you a list of diet and exercise guidelines and say, "Good luck." It will be close to impossible for you to reach your goals with that approach. You need ongoing guidance, encouragement, and monitoring of your progress.

We serve as your accountability partners as you work to build positive financial habits and work toward achieving your goals. And when a major life transition threatens to derail your progress, we will work with you to regroup and adjust your plan.

Avoid Letting Other Situations Derail Your Plan

Often, our clients get their financial plans in order and set out to achieve their retirement goals, but then something comes up that threatens to throw that plan off track. One common scenario is that their adult children will ask for financial help—to buy a house, to fund their children's education, to pay off debt, or something else.

This is another important life transition. Be sure to meet with your planner. You want to find out to what extent you can offer your help, if at all, and what the tax implications and other ramifications might be. Be careful about putting your own future at risk for the sake of someone else, no matter how much they mean to you. Once you reach the distribution phase of retirement, it will be more difficult for you to rebuild your assets.

VICKIE GARCIA, CFP®, CFF®
CHANDLER, ARIZONA

SET BOUNDARIES FOR HELPING OTHERS FINANCIALLY

Many people want to help their adult children out, but sometimes, it can be a detriment to their financial situations.

If one of your goals is to help your adult children buy a home or business, for example, we need to build that goal into your financial plan. We also need to monitor your plan regularly to find out how gifts to others are impacting your own financial health.

I often have this discussion with my clients. I ask them, "If your adult children asked you for five thousand dollars, would you give it to them?"

Most of them say yes, so then I ask, “How often would you give that amount to them? When would you draw the line?”

Setting boundaries is just as important as setting goals. Failing to set and adhere to boundaries with other people can make it harder for you to reach your own goals.

By monitoring your financial plan regularly, we help ensure you’re still on track to retire when you want to—and as comfortably as you want to. If expenses are coming up that are eroding your retirement savings, we need to discuss what is going on there and what you can do to get back on track.

Conclusion

"It is when we are in transition that we are most completely alive."

—William Bridges,
Expert and Author on Change

Life is a series of continuous transitions. Those transitions lead to our growth and our most meaningful life experiences. Transitions transform us. And, as the quote above states, we are most completely alive when we are riding the waves of transition.

Transitions typically impact our financial well-being. The priorities we have in our twenties and thirties are often much different than those we have in our forties, fifties, and beyond. For this reason, financial plans have little value if clients and their advisors establish financial plans and then set them aside, without monitoring and adjusting them regularly.

I founded The AmeriFlex Group® to guide individuals and couples to financial well-being as they navigate every twist and turn of life. Our team and network of highly competent, knowledgeable, and compassionate Transitional Wealth Planners are committed to optimizing our clients' financial situations at every stage of their lives.

Our five-step process—data gathering, goal setting, presentation, implementation, and monitoring—is integral as we design, monitor, and update our clients' financial plans continuously.

It is my hope that this overview of Transitional Wealth Planning and Transitional Wealth Planners has been helpful. Again, we believe a focus on ongoing advice through life transitions is the future of the financial services profession. We are proud and honored to be a part of it. Please contact us if you would like to be connected with a Transitional Wealth Planner.

APPENDIX

10 Financial Planning Tips

The following list of tips summarizes what we consider 10 of the most important actions you can take to help optimize your financial situation.

To make sure you have the latest version of these tips, we recommend downloading the list from https://ameriflex.com/.

1. Think big.

This doesn't mean *spend* big; it means beginning with your biggest goals in mind. Are you on the cusp of retirement? Looking to purchase your first home? Planning to send two kids to college? Those goals need to take priority in your financial-planning process because they will require the most planning to accomplish.

Sometimes, the solution is as simple as selling some investments; other times, it's more complicated. In either case, big plans will have big impacts on your resources years from now, so taking a holistic approach to accomplishing these goals is an absolute must.

2. Know that those who fail to plan, plan to fail.

You wouldn't set off on a cross-country road trip without a map or GPS, would you? Embarking on something as important as your financial future blindly is setting yourself up for failure. You need a financial road map to avoid the dead ends. Your Transitional Wealth Plan is that road map.

3. Understand that investments are tools, not goals in themselves.

There is no such thing as the "best investment." Over a given period, one investment may outperform another, but what is much more important to your personal financial confidence is the ability of that investment vehicle to help you reach your goals.

4. Act holistically; many decisions have legs.

How would your portfolio handle an emergency medical bill, a downturn in equities, or a sudden leak in your roof? What about all three at once? The impact of each of these situations on you can be affected by many factors—how much case you have access to, the risk level of your portfolio, your insurance coverages, and your ability to cover your needs without having to postpone other important expenditures. Planning will keep you prepared for the expected as well as the unexpected.

5. Keep one eye on taxes.

Tax laws are in a constant state of flux and therefore present opportunities for savvy financial planners to create savings. These savings rarely amount to a life-changing sum of money, so they shouldn't be priority number one. However, anyone performing financial planning for you should make sure they're optimizing your situation to a basic level of tax efficiency, once all other considerations are made.

6. Manage risk to your "personal or family index."

People often ask us, "Should I buy this stock?"

Our answer is nearly always, "It depends." We're not trying to dodge the question. Before we can answer this question, we need to determine a specific investor's "personal or family index"—his or her unique accumulation of assets, investment risk, goals, and the return needed to reach those goals.

7. Save, save, save.

Saving money is critically important. Though this point is basic and easy to understand, it's hard to implement. Yet it cuts to the core of wise financial decisions. Even though planning is critical, *behavior* trumps planning every time. Even the best-laid plans or largest portfolio can be overspent, so saving is a key behavior to adopt as a habit. If you are net saving each year, your financial future will be bright.

8. Keep your estate plan up-to-date.

It is important to update account beneficiaries, trust documents, wills, Powers of Attorney, and other components of your estate plan in case the unthinkable happens. Don't leave a mess for your loved ones to sort through.

9. Track your net worth.

It's no secret—the financial world can be complicated. Between budgets, investment returns, tax qualifications, and property ownership, your financial world may seem a little overwhelming. Keeping everything in one place is one of the best things you can do to be sure all your finances are lined up and working together.

In recent years, paper filing systems have been replaced by technological resources that can display your whole financial world under one view. The best systems will interface directly with your financial professionals to give them a holistic look at your financial picture, so that they can provide the best advice possible based on current data.

To track your net worth more accurately, make sure all your assets are in one place. You might be surprised at how many people forget they have money stashed away in a former employer's 401(k) plan, for example.

A company called Capitalize, launched in September 2020, offers a free platform to help Americans consolidate their assets. *TIME* named the company one of its "Best Inventions of 2021."[28]

In 2021, Capitalize performed the most comprehensive analysis to date of how many 401(k) accounts have been left behind by job-changers and just how much these "forgotten 401(k)s" could be costing

28. "The Best Inventions of 2021," *TIME*, November 10, 2021, https://time.com/collection/best-inventions-2021/6112697/capitalize-online-401k-rollover-platform/. Our mention of this platform does not constitute an endorsement.

Americans. As of May 2021, the company estimated that there were 24.3 million forgotten 401(k) accounts holding approximately $1.35 trillion in assets, with another $2.8 million left behind annually. Their researchers note that leaving behind a forgotten 401(k) account has the potential to cost an individual almost $700,000 in foregone retirement savings over a lifetime. In aggregate, this means savers could be missing out on $116 billion of additional retirement savings growth each year.[29]

10. Work with a professional Transitional Wealth Planner.

Working with a professional financial advisor adds actual value to your portfolio.

Vanguard, the company made famous for producing low-cost investment vehicles, first quantified the value of working with a professional in 2001, and this number is called "Vanguard Advisor's Alpha® concept." The company estimates this value to be around 3 percent in added portfolio returns. It reflects how professional advisors can add value, or alpha, through relationship-oriented services such as providing cogent wealth management through financial planning, discipline, and guidance, rather than by trying to outperform the market.[30]

What that number doesn't include is the benefit of having professional advice available to you at all times to answer the more complex questions that life throws at you along the way. We live in a world overrun by data, and often distilling all that information down to something actionable can be difficult.

Find, and work with, a financial professional who has the appropriate designations—such as a CERTIFIED FINANCIAL PLANNER™ professional—to assist you on your financial journey. Work with a Transitional Wealth Planner who will guide you through all your life transitions.

29. "The True Cost of Forgotten 401(k) Accounts," Capitalize.com, October 18, 2021, https://www.hicapitalize.com/resources/the-true-cost-of-forgotten-401ks/.
30. "Putting Value on Your Value: Quantifying Vanguard Advisor's Alpha®," Francis M. Kinniry, Jr., CFA; Colleen M. Jaconetti, CPA, CFP®; et al., Vanguard Research, February 2019, https://www.vanguard.com/pdf/ISGQVAA.pdf.

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Tom Goodson is the founder and president of The AmeriFlex Group®.

An early adopter of financial planning, Tom has been providing his knowledge and expertise in financial planning and wealth management for more than thirty years to businesses, nonprofit organizations, families, and individuals. He is dedicated to supporting a corporate culture at The AmeriFlex Group that emphasizes community outreach and sustainable philanthropy to help those who are less fortunate.

He holds the Chartered Life Underwriter (CLU®) and Chartered Advisor for Senior Living (CASL®) designations, as well as FINRA Series 6, 7, 22, 24, 26, and 63 securities licenses.

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Hannah Buschbom, CFP®, CPWA®, CDFA®, CFF®, is a Wealth Advisor at The AmeriFlex Group. She has more than a decade of experience working in the financial services industry. Her specialty is working with people, especially women, during significant life transitions, such as retirement, sale of a business or real estate, change in marital status, or loss of a loved one.

She enjoys engaging clients cooperatively, to develop creative solutions to their often-complex scenarios together. This method, she says, leads to their preferred outcome. Her ultimate goal is to enable clients to be better educated, and in turn to make confident and informed decisions.

Hannah is a cofounder of The W Source®. In her search for connections to educate and serve her clients better, Hannah noticed a lack of a centralized way for women to establish and strengthen powerful relationships with other women business leaders in their communities. By cofounding The W Source, she helps female professionals tackle this challenge by providing a way for them to connect, engage, and grow their professional networks.

Hannah holds the CERTIFIED FINANCIAL PLANNER™ (CFP®) certification—the gold standard for financial planning in the financial services industry. Early in her career, Hannah noticed that those grappling with the complexities of divorce settlements could benefit from the help of a specialized, trusted advisor. Wanting to fill this void, she pursued and obtained her Certified Divorce Financial Analyst® designation. In addition, she holds the Certified Financial Fiduciary (CFF®) designation, demonstrating her commitment to provide the highest standard of care for clients. Finally, her Certified Private Wealth Advisor (CPWA®) designation demonstrates that she is a seasoned professional who seeks the latest, most advanced knowledge and techniques to address the sophisticated needs of high-net-worth clients.

As a featured speaker, Hannah frequently shares her expertise with other female professionals. She has contributed to *Barron's* magazine, *Financial Advisor* magazine, *InvestmentNews*, *Financial Planning* magazine, and WealthManagement.com.

In 2019, the Financial Services Institute (FSI) named Hannah "Grassroots Champion of the Year." FSI advocates for a more business-friendly regulatory environment for independent financial services firms and independent financial advisors in Washington, DC.[31]

31. The FSI award is given at the discretion of FSI. Third-party rankings and recognitions are no guarantee of future investment success and do not ensure that a client or prospective client will experience a higher level of performance or results. These ratings should not be construed as an endorsement of the advisor by any client, nor are they representative of any one client's evaluation.

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Scott Chelberg, CFP®, is the president and CEO of Retirement Solutions Inc. He is a Transitional Wealth Planner, Wealth Manager, and CERTIFIED FINANCIAL PLANNER™ practitioner with more 35 years of experience.

He is highly regarded in his areas of specialty, which include retirement planning, retirement income distribution planning, financial and estate planning, investment management, and wealth-management strategies for business owners, top-performing professionals, widows, and retired and nearly retired people.

Scott and his Transitional Wealth Planning team specialize in providing services to individuals, families, and business owners with assets who are experiencing life transitions such as retirement, a change in marital status, inheritance, real estate sales, and job/career transitions. They guide their clients through these transitional periods with knowledge, experience, and integrity.

As a Registered Representative of SagePoint Financial, Inc. Scott holds Series 7, 24, 63, 65, and 51 registrations. He is also an Investment Advisor Representative with The AmeriFlex Group, an Independent Registered Investment Advisor.

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Vickie Garcia, CFP®, CFF®, entered the financial services space in 1993. She immediately found her passion for helping clients, specifically in determining the paths they need to take on their own unique financial journey. Vickie believes in open, honest communication with her clients to build lasting, lifelong relationships. She takes great pride in helping her clients make difficult decisions that ultimately shape their future, and she considers it a privilege.

Currently, Vickie leads the Scottsdale/Arcadia chapter of The W Source®, a female-centric networking group providing women a place to collaborate and help one another grow professionally by providing quality resources for clients and connections to local businesses and professionals. She was featured in the 2018 and 2019 KNOW Phoenix, "100-Plus Women You Want to Know and Do Business With."[32]

Vickie holds the CERTIFIED FINANCIAL PLANNER™ (CFP®) certification—the gold standard for financial planning in the financial services industry. She also holds the Certified Financial Fiduciary® (CFF®) designation, demonstrating her commitment to provide the highest standard of care for clients. She holds FINRA Securities Registrations Series 7, 6 and 66.

32. Third-party rankings and recognitions are no guarantee of future investment success and do not ensure that a client or prospective client will experience a higher level of performance or results. These ratings should not be construed as an endorsement of the advisor by any client, nor are they representative of any one client's evaluation.

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As a member of the AmeriFlex Transitional Wealth Planning team, Jesse Kurrasch, CFP®, RICP®, CFF®, works directly with clients to help them answer some of their most challenging financial questions. To better address his clients' needs, Jesse pursued and earned his CFP® (CERTIFIED FINANCIAL PLANNER™) professional designation; the RICP® (Retirement Income Certified Professional® designation, which provides him with extensive background knowledge about retirement planning; and the Certified Financial Fiduciary® (CFF®) designation, which indicates his commitment to his clients' best interests.

What brings Jesse the most satisfaction is finding solutions for his clients as they face life's wealth planning events on an ongoing basis.

Jesse earned his bachelor's degree in the History of Public Policy from the University of California, Santa Barbara, where he cultivated a curiosity about and enthusiasm for finance. He holds FINRA Series 7 and 66 securities licenses and has his California Life & Health Insurance License.

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The AmeriFlex Group is a planner-owned firm—the Transitional Wealth Planners who serve our clients own the firm. We have experienced tremendous growth in the past four years because of our synergy in this space. Because of our focus on guiding clients through major life transitions, we have attracted hundreds of top-performing planners—like-minded, independent advisors who have been operating somewhat as siloes, longing to find a network of like-minded people connected by a large-scale network of resources, support, and expertise.

Each one of us owns our own practice, but we all choose to work together toward a common goal. As a result, you will receive highly capable, thoughtful, valuable guidance and advice that is tailored and individualized to your situation. Meanwhile, you also will benefit from our vast network of specialists, our collective expertise, and the best financial products from every possible source. Because we are independent, we are not limited to only a certain company's products. This helps ensure that we are designing your individual solutions based on a vast array of options in the market, with competitive pricing.

For further information and access to The AmeriFlex Group Transitional Wealth Planners, please visit www.AmeriFlex.com.