When Shifting Goals Mean Shifting Plans

A financial plan isn't a static document – it shifts over time. Your plan isn't going to look the same when you're 55 as it did when you're 35, and part of that is because you have ever-changing goals. So how do you know if it's time to adjust your financial plan?

Goals Rubik's Cube

There are generally three types of goals: short-term, mid-term and long-term goals:

- **Short-term goals** are those that you hope to achieve in the next 18 months or so. These can include building an emergency fund or paying off debt.
- **Mid-term goals** are those that are anywhere from two to 10 years. These can include purchasing a house within the next five years or paying for your child's college or weddings.
- **Long-term goals** are those that are more than 10 years out. This includes saving enough money for your retirement.

A shift in one type of goal means shifting the other types of goals, the way shifting one row of a Rubik's cube will shift everything else.

For example, if you decide to purchase a second home in the short term, you might have to reduce your expenses or other types of costs for the middle-term goals, or you might also need to work – either part- or full-time – an extra year in retirement.

Adjusting Your Financial Plan: A Checklist

If you check any of the boxes below, it's time to revisit your financial plan:

- [ ] I recently got married.
- [ ] I recently got divorced.
- [ ] I changed jobs.
- [ ] I got a significant raise.
- [ ] My income went down.

- [ ] I had a baby or adopted a child.
- [ ] Someone in my family died.
- [ ] I need/want to make a big purchase, like a car, house or second property.
- [ ] One of my children is going to college within the next three years.
- [ ] One of my children is getting married, and I want to pay for their wedding.
- [ ] I became the primary caregiver for a parent.
- [ ] I have high medical bills or anticipate having high medical bills.
- [ ] I want to retire earlier.

Touch Base With Your Advisor

Your advisor is there to help you when you decide to make a big purchase or set a new goal. Contact your financial advisor today to discuss next steps for your specific situation.

Come to the meeting prepared with your projected expenses, income and budget. Your advisor can then help you determine how shifts in your goals should shift your financial plan in the short-, mid- and long-term.