

## What makes a good financial strategy?

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**When you're going on a journey, there are three essential questions to ensure you have a great trip.** How will I get there? How much will it cost? How will I deal with the unexpected? Answering these questions thoughtfully will allow for a more pleasant trip.

A written financial strategy serves the same purpose in the bigger picture of life. When you have a plan for your financial journey, it's easier to decide how you spend money, stay on track, manage unexpected expenses, and achieve your long term goals. It may also help to safeguard your assets when major life changes like retirement, marriage, children, divorce or job loss come along. So what makes a good financial strategy? Here are some critical components it should include<sup>1</sup>.

1. **Goals** List all of your financial goals. Consider everything that matters to you, from paying off debt, buying a new home, or saving for retirement to ensuring you have enough money to live on in your future. List all assets and liabilities you own, including bank accounts, investments, real estate, and other assets. Consider how you will fund your goals and how you will manage your assets and liabilities.
2. **Investment Strategy** Determine your investment strategy based on your goals, risk tolerance, and time horizon. Consider the types of investments you want to make and how you will manage them.
3. **Retirement Planning** Determine your retirement needs and how you will fund them. Consider the types of retirement accounts you want to use and how you will manage them.
4. **Estate Planning** Determine your estate needs and how you will fund them. Consider the types of estate planning tools you want to use and how you will manage them.
5. **Tax Planning** Determine your tax needs and how you will fund them. Consider the types of tax planning tools you want to use and how you will manage them.
6. **Insurance** Determine your insurance needs and how you will fund them. Consider the types of insurance policies you want to use and how you will manage them.
7. **Emergency Fund** Determine your emergency fund needs and how you will fund them. Consider the types of emergency fund accounts you want to use and how you will manage them.
8. **Components of a Good Financial Plan** [2]

If you have any questions about the components of a complete financial strategy [contact our office](#). [1]  
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