Having a financial plan at each stage of life can guide you in making wise money decisions.

Whether you’re just leaving home to start your career or are planning for retirement, having a financial plan at every stage of life provides you with a road map for the future. Financial wellness is more than having a savings account or retirement plan. It’s budgeting, managing debt, saving for big-ticket items, tax planning, understanding investments and insurance, and working toward financial security.

Leaving Home and Starting Out
It’s never too early to develop good financial habits. People in their 20s who are leaving home and beginning their careers have the advantage of time on their side. Start contributing toward a retirement fund early and you’ll have the benefit of years of compounding. Consider paying off debt and set funds aside for emergencies.

The Young Family
Becoming parents brings a new set of financial considerations. Home ownership, health care and child care expenses, life and disability insurance, college planning, and estate planning are common concerns. Consider setting up a 529 college savings account, take advantage of tax savings offered by FSAs, and pay down debt as much as possible. Track your spending and budget for “needs” versus “wants” if finances are tight.

Mid-Career Issues
People in their late thirties and forties may enjoy higher income levels, but this is also a critical time to correct earlier financial mistakes. Are you taking full advantage of employer-provided benefits? Do you have an investment plan that is in line with your tolerance for risk? Do you have an emergency fund and is your family protected if you can no longer work or you die prematurely?

Planning for Retirement
The keys to a successful retirement include a sound financial plan and preparing emotionally for the transition. Many people choose to consult with a financial planner to address common questions such as when to take Social Security and when and how much to withdraw from savings. Pre-retirement counseling can help people decide where they want to live and what they want to do when they’re no longer working full-time.