



# 4 Keys To Financial Resilience

## What does wealth mean to you?

It's more than dollars and cents; more than any number in any bank account. It's security from unforeseen troubles. It's confidence in your ability to maintain and enhance your lifestyle. It's a gift—to your family, friends, and the causes you support. It's your legacy—your ability to empower security, confidence, relief, joy, and comfort in those you love.

### It's not just dollars and cents.

Wealth means something slightly different to everyone, which is why everyone's ideal financial plan is slightly different. At Starkey Financial Partners, we work with you individually to crystallize what is most important to you, determine what you want your money to accomplish in your lifetime, and develop a personalized strategy to pursue those goals.

In this guide, we will provide an overview of the four key frameworks that structure the financial plans we craft with our clients. We will examine strategies for:

- **Wealth Enhancement:** How to make your money work as hard as it can by controlling what we can, when we can.
- **Wealth Protection:** How to gain confidence that you, your family, and your legacy can weather any coming storms.
- **Wealth Transfer:** How to facilitate a smooth and tax-efficient transfer of your assets to your family or other beneficiaries—and avoid pitfalls that could undermine your plans.
- **Charitable Giving:** How to fulfill your personal philanthropic mission and ensure your wealth leaves a legacy of good.

With this four-pronged foundation solidly in place, we help individuals and families become financially resilient. By creating a dynamic, comprehensive plan, we help our clients ensure they don't live to work—they work to live.

## The 4 Frameworks of Financial Resilience

When it comes to their wealth and legacy, affluent families have a broad range of concerns that can sometimes feel overwhelming. Can they maintain their lifestyles, even in retirement? Can they protect themselves and their assets from catastrophic loss? Can they provide for their loved ones' educations? Can they afford the costs of unforeseen health problems? Can they give back to the causes they champion? Will they and their loved ones be okay? What are they missing that could hurt them?

Our four-pronged approach to financial resilience creates structure that comprehensively addresses these concerns. Underpinning each framework is an overarching question we ask of each client: Why are we here? What matters most to you?

Understanding a client's ultimate wealth goals enables us to better formulate a plan to help enhance, protect, transfer, and donate that wealth.

### Here's how.

*Most people don't plan to fail; they fail to plan.*

– John L. Beckley

## Your Financial Planning Partner

Tim Starkey, Founder and Managing Partner of Starkey Financial Partners, understands the value of personal relationships.

Throughout his 20-plus-year career as a financial planner, Tim has drawn inspiration from his formative experience within small independent schools. As a student, Tim benefited from teachers who provided him superb individualized support. That focus on developing one-on-one relationships has formed the bedrock of Tim's practice with each and every client.

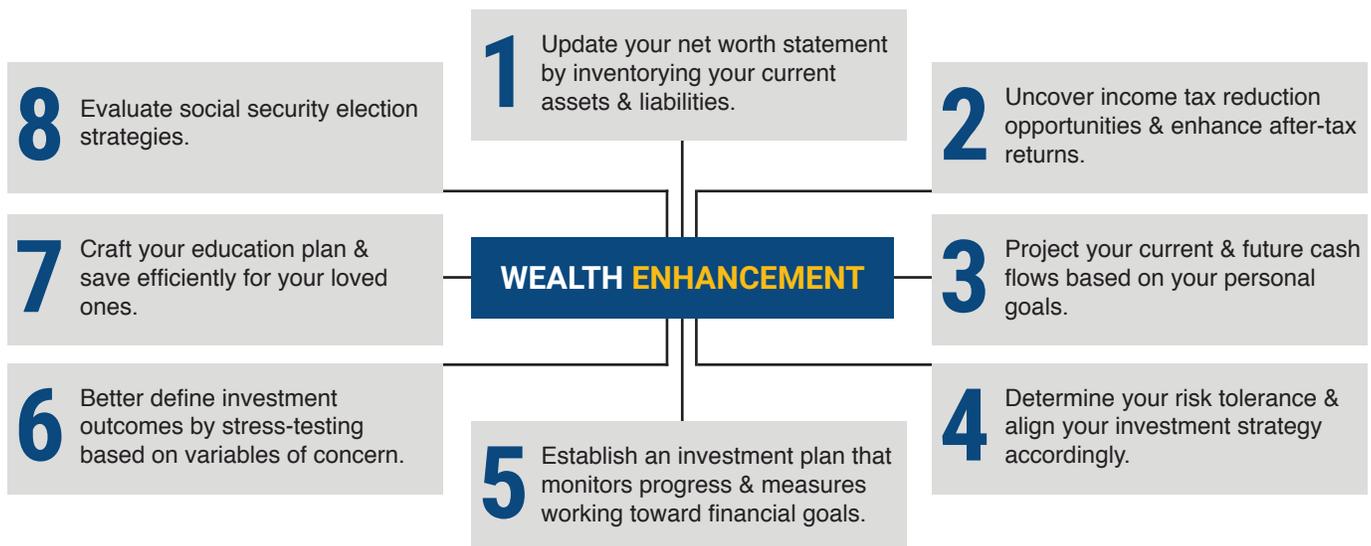
Tim began his career as a financial advisor at Merrill Lynch and then Morgan Stanley, where he developed a reputation for excellence in financial planning. In 2019, Tim founded Starkey Financial Partners to fulfill his passion for delivering individualized service to clients striving to become financially resilient.

Tim earned a B.S. in Business & Economics from Lehigh University and is a Certified Financial Planner (CFP®) and Chartered Financial Consultant (ChFC®). He is on the Leadership Council, Planned Giving Committee, and Bell Society at The Peddie School and is a former Trustee at Chapin School—the very places that inspired his passion for earning clients' trust and developing personalized relationships.

# 1. WEALTH ENHANCEMENT

Often, clients target one framework first and foremost: wealth enhancement. It makes sense: clients want to nurture their respective nest eggs until those eggs become as large and healthy as possible. The goal of the Wealth Enhancement framework is to build a client's wealth while seeking to reduce the tax impact on returns and maintaining the cash flow needed to support their desired lifestyle.

Effective wealth enhancement transcends merely collecting investments over time and hoping for the best outcome. Under our framework, we conduct a thorough inventory of clients' investments, income, and goals to gain a comprehensive understanding of how to help build their current and future financial assets in tandem. We work toward producing competitive returns by controlling the controllables: risk, taxes, and fees. We then tailor our approach based on each client's overarching priorities, risk tolerance, and life stage. Together, we may take actions including:



We create a detailed plan that evolves to better fit each coming life stage and situation, so clients and their families can feel confident that they are better positioned to work toward building their wealth.

## Controlling the Controllables

When you work with Starkey Financial Partners, we'll help you control what you can control in order to manage your risk and work toward maximizing the potential return of your investments. For example, we'll review your asset allocation and determine what, if any, modifications we should make to manage your risk exposure. In so doing, we can help you enact a process that can help you maintain and build your wealth over the long term.

### *Location, Location, Location*

It's not just asset allocation, it's also asset location. You can potentially enhance after-tax returns by holding more tax-favored investments in taxable accounts while holding complementary tax inefficient investments and strategies in other types of accounts.

## 2. WEALTH PROTECTION STRATEGIES

While clients gravitate toward devising strategies that could help enhance their wealth, they often overlook an all-important aspect of financial planning: wealth protection strategies. Why? Ascertaining how to help protect wealth is less exciting than strategizing how to grow it. Moreover, many people don't anticipate that misfortune will befall them, and in turn they leave themselves highly exposed to risk. Finally, strategies with the goal of helping to protect wealth must constantly evolve over time, as the likelihood of various risks ebbs and flows over the course of a lifetime.

But wealth protection strategies are essential to becoming financially resilient. No matter how much a client has enhanced his or her wealth, external forces can always threaten to reduce that wealth—and destroy the client's overarching goals and dreams in the process.

Using our Wealth Protection Strategies, we strive to safeguard clients' wealth against premature death or disability, catastrophic loss, creditors, predators, litigants, potential ex-spouses of beneficiaries, and taxes.

Because every client is different, we begin the process with a detailed assessment of risk exposure, coupled with a fundamental understanding of what a given client deems most important to protect. Our focus areas may include:



Creating a plan to call upon in the face of trouble imbues unparalleled security in our clients. While we hope none of our clients ever experience disaster, we help them control what they can, so they can continue confidently along their life's desired path even amid unforeseen obstacles.

### Do you know how at risk you are?

Many people are not prepared when calamity strikes, largely because they do not understand how at risk they are. For example, let's assume you own more than one home in different parts of the country, and you work with a different local insurance agent for each property. Are you properly insured for each one? Do all of your insurance agents communicate with one another? Do they each understand the risks associated with the other property? If the answer to any of these questions is 'no,' you could have inadvertently positioned yourself to undertake extraordinary personal liability.

At Starkey Financial Partners, we can help you determine your personal levels of liability—and rectify situations that could leave you vulnerable.

### *We have good news and bad news.*

The good news: increased life expectancy means today's and tomorrow's retirees will likely enjoy two decades or more with their loved ones post-retirement. The bad news? A 65-year-old person has a 70% chance of needing some form of long-term care in their lifetime.<sup>ii</sup> You may have a well-thought-out survivorship plan, but have you focused an equal amount on the higher probability of eventual disability or poor health? If healthcare isn't a critical part of your financial plan, you are making a major mistake.

### 3. WEALTH TRANSFER

For all of our clients, wealth is not just personal—it’s a family affair. An important foundational piece of financial resilience for families, wealth transfer finds and facilitates the most tax-efficient ways to pass assets to a spouse, children, or other beneficiaries in a way that works to meet a client’s desires and plans.

Like wealth protection, wealth transfer does not seem exciting or fun on its surface. But it is perhaps the most important tenet in working toward comfort and confidence to help empower future generations.

A client cannot plan for wealth transfer too early. In our decades of experience working with hundreds of families, we have seen an alarming pattern: parents of minors exhibit the greatest shortcomings in establishing a smooth transfer of wealth. It is critical that parents of minors create the correct legal documents—especially guardianship provisions—for their children in the event of their own untimely demise.

Later in life, wealth transfer should continue to be a priority. Often, clients may have appropriate legal documents—such as living wills and powers of attorney—that are filed away and thus inaccessible to the people who need them.

Under our framework, we align clients’ life plans with financial advice. Most of our clients work with a team of advisors, including CPAs, attorneys, and financial planners. Often, these individuals work in silos, and the important work that each does goes uncoordinated.

At Starkey Financial Partners, our goal is to serve as quarterback of every client’s team of advisors. We create solid working relationships with each advisor, so we can ensure collaboration and communication in the service of aiming to help protect our client and his or her family as best as possible. Clients rely on us for our strict attention to detail, which can sometimes mean the difference between the smooth execution of a client’s ultimate plans and their downfall. To ensure a transfer of wealth that aligns with our client’s priorities, we take the following steps, among others:



### The Devil’s in the Details

When it comes to transferring your wealth appropriately, no detail is too small—and the cost of getting even one thing wrong can be extraordinary.

For example, have you double-checked that your titling and beneficiary designations are correctly listed on all of your applicable assets? Sometimes, something as simple and small as an account title change can make a huge impact on fulfilling your wealth transfer wishes. When you work with Starkey Financial Partners, you can rest assured that we will help you with every detail to put your estate plan properly into effect.

#### Did You Know?

Your will or trust will not override what is named in the beneficiary designation on a life insurance policy, annuity, or retirement account. The beneficiary designation trumps the will.

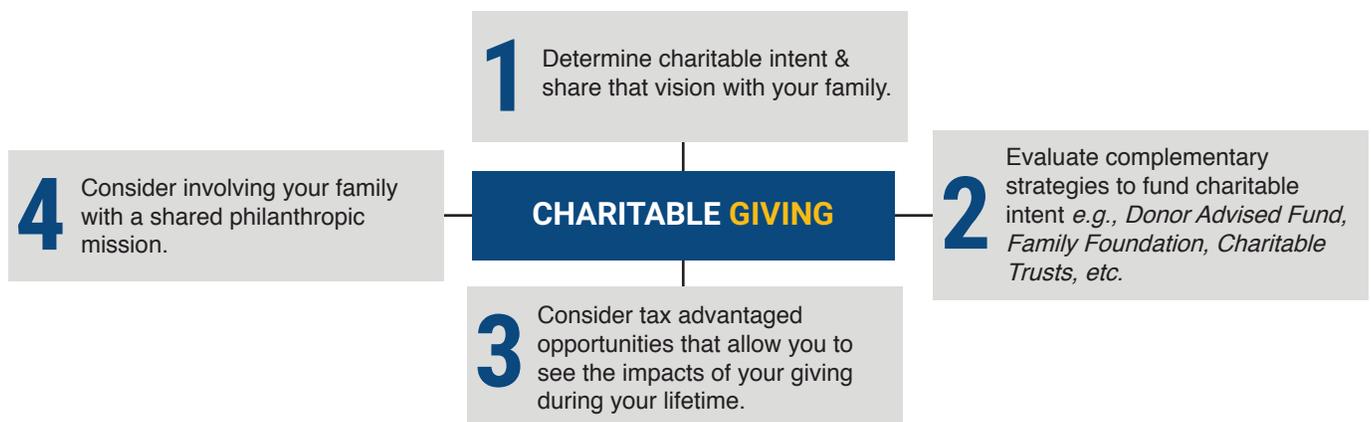
## 4. CHARITABLE GIVING

For many clients, enhancing, protecting, and transferring their wealth for their own benefit and the benefit of their families is not enough. A deeper charitable impulse drives many clients, who make philanthropic giving a central part of their financial planning.

Under this framework, our goal is to spearhead all issues related to fulfilling clients' charitable goals in the most impactful way possible. Often, meeting these goals can complement previously mentioned frameworks, including tax minimization. Thus, by creating a comprehensive plan, we help clients effectively enhance, protect, and transfer their wealth while giving back to causes they support.

Many clients appreciate the myriad character-building and family-unifying benefits that accompany charitable giving. Together with our clients, we help educate the entire family not only on wealth management, but also on philanthropic management.

Our action steps within this framework may include:



### Giving Creatively

When you make charitable donations, do you typically give cash? So do many people. But you can also exercise more creative strategies that can ultimately allow you to meet your charitable goals even more quickly and effectively.

For example: if you have appreciated stock, we can help you consider whether or not to donate that stock. The benefits could be twofold: the charity you select would not have to pay capital gains taxes on your gift, which allows you to give more because of the taxes you would be saving.

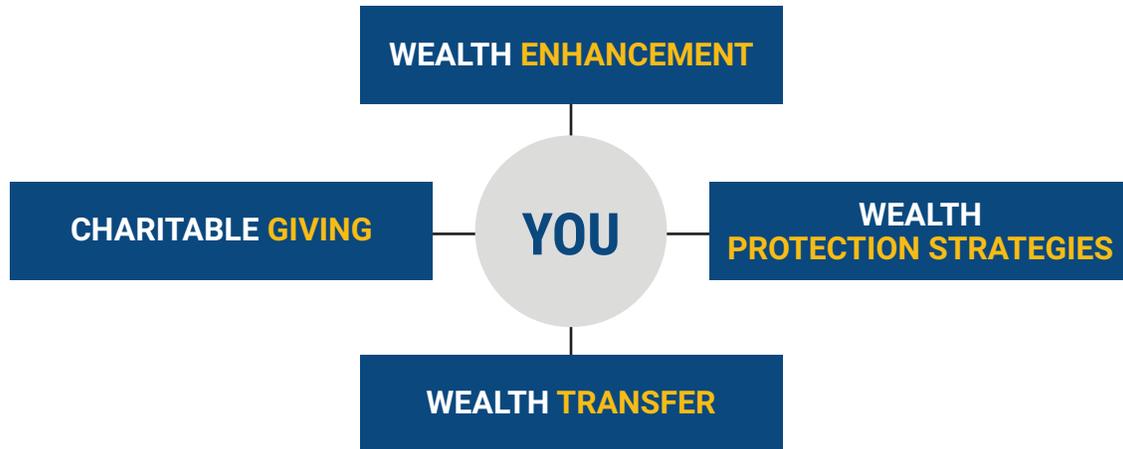
With Starkey Financial Partners, we'll take a creative approach to helping you work toward your financial goals at every step.

*We make a living by what we get, but we make a life by what we give.*

**- Winston Churchill**

# Conclusion

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As people accumulate assets throughout their lives, they compile a commensurate number of associated questions about those assets. *Am I doing it right?* They wonder about their investment approach. *Should I be doing something else?* They think as their net worth balloons to a point that exceeds their own understanding of how to optimize its maintenance. And ultimately, they ask: *Am I okay?* and *Am I missing anything that could hurt us?* They want to ensure they can protect and support their families, even in the face of trouble.

At Starkey Financial Partners, we understand these questions and their underlying spirit. We believe a sound investment strategy is really just a tool to help our clients pursue what is most important to them. In working one-on-one with each client, we develop an understanding of these outstanding priorities and goals. Using that information and leveraging our decades of experience and our incomparable attention to detail, we develop a foundation of financial resilience so our clients and their families can work toward their goals and help protect their loved ones.

If you are ready to craft a plan that makes your money work harder for those things that matter most to you, please don't hesitate to connect with us. Let us be your quarterback in becoming financially resilient. [Reach out today to Founder Tim Starkey](#) to schedule a discovery meeting.

*A goal without a plan is just a wish.*

**- Antoine de Saint-Exupery**

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<sup>i</sup> Breaking Through, Second Edition: Building a World-Class Wealth Management Business 2nd Edition by John J. Bowen, CEG Worldwide.

<sup>ii</sup> "Medicare & You 2016," Centers for Medicare & Medicaid Services

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