

## Financial Guide for New Parents

Welcoming a child is one of life's most rewarding milestones. We are here to help you take thoughtful, proactive steps to protect your growing family and plan for the future.

Here are the key areas where we can provide value and guidance:

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### Update Your Estate Plan and Designate Guardians

- If you haven't already, now is the time to create or update your will to name a legal guardian for your child.
  - We'll coordinate with your estate planning attorney to ensure account titling, beneficiaries, and trusts align with your overall plan.
  - Consider whether a trust may be appropriate for managing assets on behalf of your child.
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### Start Saving for Future Education and Goals

Open a savings or investment account for your child's future needs, such as education. We'll help you evaluate the right account type based on your goals, timeline, and flexibility needs:

- **529 College Savings Plans:** Tax-advantaged growth for qualified education expenses.
- **Coverdell ESAs:** For both K-12 and college costs (subject to contribution limits).
- **UTMA Accounts:** Flexible savings that can be used for a wide range of future needs.

We'll also help you:

- Set monthly contribution targets
  - Automate savings where possible
  - Balance education planning with your own long-term retirement goals
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### Review Adequate Insurance Coverage

- Review your life insurance needs and consider buying or increasing term life insurance to protect your family in case of your death.
- Assess your disability insurance coverage to ensure your family can manage financially if you are unable to work due to illness or injury.



- Update beneficiaries on all insurance policies and retirement accounts.
  - If possible, buy life insurance for your children. If they have insurance at an early age, they can never be denied insurance on that policy. They may increase that policy as they get older.
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## **Review & Update Health Insurance**

- Add your child to your health insurance plan as soon as possible after birth or adoption. This will cover pediatric visits, vaccinations, and unexpected medical costs.
  - Estimate out-of-pocket medical expenses, including prenatal and postnatal care, to plan for immediate costs.
  - Make sure you calculate your out-of-pocket expenses for medical to add to your itemized deductions for taxes.
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## **Maximize Tax Efficiency**

Update your tax forms to claim your child as a dependent, which may qualify you for:

- The Child Tax Credit
- The Dependent Care Credit

Look at other tax-advantaged accounts, such as Dependent Care FSAs or HSAs, to maximize savings like:

- Flexible Spending Accounts (FSAs) or Health Savings Accounts (HSAs)
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## **Strengthen Your Emergency Fund**

- Determine an appropriate savings target (typically 3–6 months of living expenses).
  - We can help you automate savings and identify appropriate accounts to keep these funds accessible and secure.
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## **Let's Build a Plan That Grows with Your Family**

From the first days of parenthood to long-term financial goals, we're here to support you at every stage. If you're a new or expecting parent, schedule time with us—we'll help you make confident, informed decisions for your family's future.

