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## Marc A. Hebert's 'Money \$ense': Times in life when your finances might need some help

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AS LIFE continues on, your financial circumstances can change. Each change may bring with it new challenges that you may not have even thought of. Let's review just a few.



The first step in the chain of financial events usually involves entering the workforce. Your goals at this stage might include renting a first apartment and the purchase of a car. Preparing a budget is always a good step in getting your finances under control. Start by listing the income and expenses you have. This will give you an idea of just how much you can spend on the car, for example. Once you have your initial budget, it can be refined along the way as you gain more experience with your finances.

The next big step often accompanies a serious relationship, such as getting married. Marriage can be a thrilling time filled with change. In the finance area there are now two sets of finances — each of you will bring one to the union. Do you keep these separate or do you merge them? How do you merge them? Communication is key. In addition, each of you probably has some goals you would like to accomplish. It makes sense to discuss them openly and decide which to tackle and how. Using the budget mentioned above can tell you a lot about how. Does the union provide extra money? Which goal is this surplus best applied to?

Marriage changes your estate planning picture as well. You will probably want your spouse to manage your finances if you are incapacitated. Your wishes for the final disposition of your property might have changed. Reviewing your estate plan with an attorney is a must.

After marriage, the next step usually involves purchasing a home. This is a big commitment for most and probably comes with incurring debt. At this time, you will need to carefully consider how much house you can afford. This includes not only the mortgage payment, but the expense of home ownership. Don't forget to include insurance, real estate taxes and maintenance.

If children might be in the picture, it makes sense to review your budget again with the arrival of a new baby. Some expenses will change, such as groceries and health care. You might need to include child care in your budget. This is usually a big expense for most families.

Another area of finance to review when your family situation changes is your insurance coverage. Is it adequate? How has it changed? A discussion with your insurance agent or a certified financial planner can help you decide. With a family, your need for life insurance might change. Life insurance can protect your family's finances if you die. Also, consider disability insurance, which can help protect your finances if you become unable to work.

As your children grow older, you might want to provide for a college education. The key to this is to start saving early and regularly.

Finally, as life goes on, you start to consider retiring. This is another area in which saving early and consistently go a long way to meeting this goal. You will need to get some sense of the retirement lifestyle you want to provide for yourself. When planning for retirement, review the income sources and expenses you will most likely have at this time. Don't forget to account for inflation and taxes. Employer-sponsored retirement plans are great tools to help you save. The earnings in these plans grow tax-free and are only taxed when withdrawn. In the right circumstances, you could consider contributing to an IRA for more retirement savings.

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