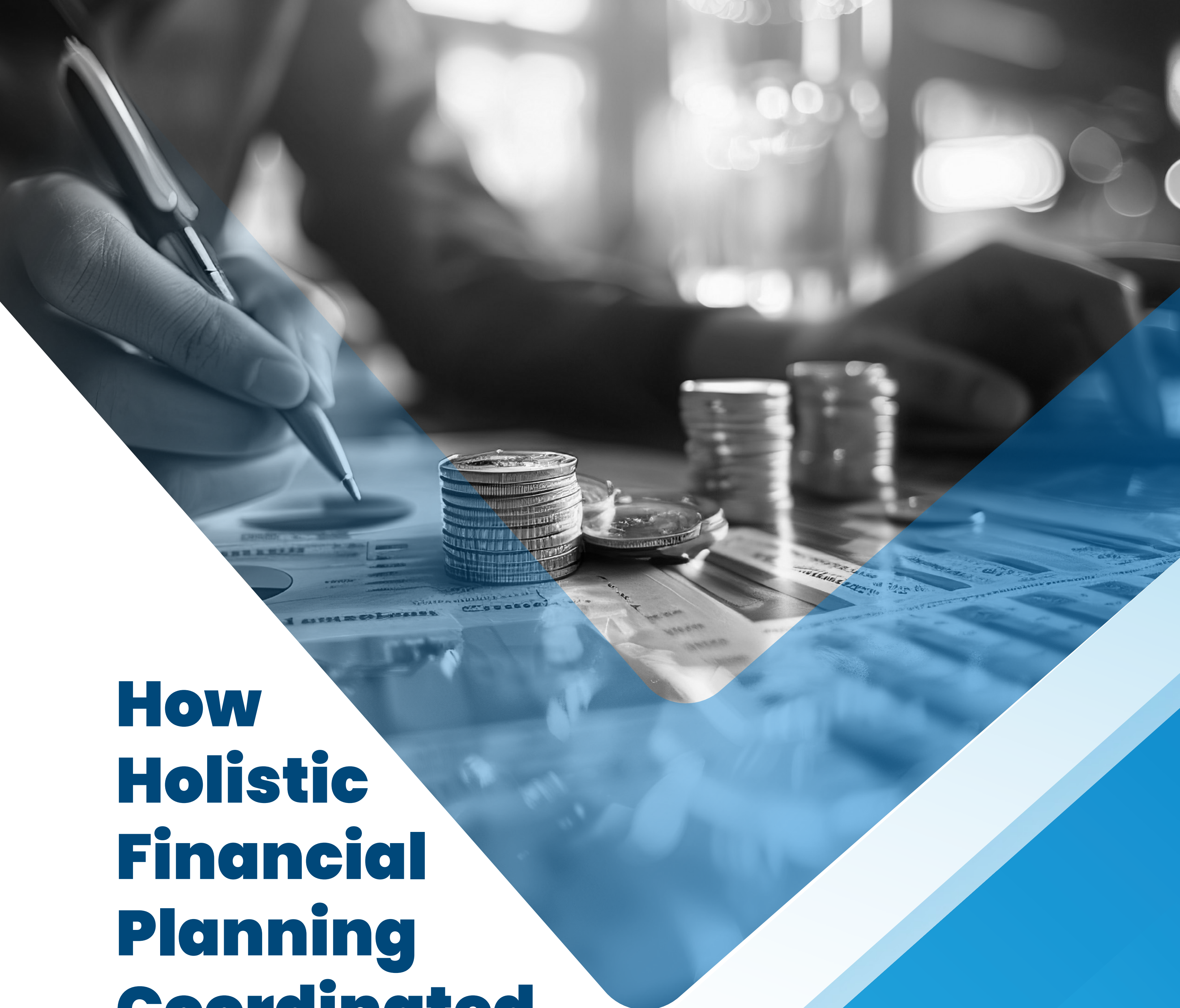

How Holistic Financial Planning Coordinated $567,000 of Spending, Taxes, Care, and Charitable Giving

Franklin|Madison
PRIVATE WEALTH

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Who makes sure all the parts of your financial life work together?

Your investment adviser may manage your portfolio.

Your accountant may prepare your tax return.

Your attorney may update your estate documents.

Meanwhile, you or a family member may still be responsible for paying bills, arranging care, making charitable gifts, tracking deadlines, and deciding which account should fund the next major expense.

Each professional may do good work. However, that doesn’t necessarily mean anyone is evaluating how one decision affects everything else.

That was the challenge facing one of our clients.

He’d accumulated substantial wealth and had more than enough resources to support his lifestyle. Nevertheless, his financial life had become increasingly complex.

His portfolio needed to provide significant annual liquidity. Retirement distributions affected taxes. Charitable gifts needed to come from the appropriate accounts. Caregiving expenses were becoming more important. At the same time, the investment strategy still needed to support his future needs.

The question wasn’t whether he had enough money.

The question was whether every part of his financial life would continue working together as his circumstances changed.

The complexity behind the account balances

An investment statement can tell you how much a portfolio is worth.

However, it can't tell you which account should fund the next expense, how much cash should remain available, whether a withdrawal will create an avoidable tax consequence, or how a change in health may affect the rest of the plan.

For this client, the portfolio had to support several priorities at once:

- Ongoing household and lifestyle expenses
- Federal and state tax payments
- Healthcare and caregiving costs
- Significant charitable gifts
- Irregular purchases and larger cash needs
- Continued long-term investment growth
- The eventual transfer of wealth to beneficiaries

Each priority competed for the same pool of resources.

As a result, a decision that appeared reasonable in isolation could create a problem elsewhere.

An IRA distribution could increase ordinary taxable income.

Selling appreciated investments could create capital gains.

A charitable gift from a checking account could produce a different tax result than a gift made directly from an IRA.

Holding more cash could provide comfort and flexibility. Yet holding too much could reduce the amount invested toward longer-term needs.

How confident are you that your own withdrawals, gifts, tax payments, and investment decisions are being evaluated together rather than one transaction at a time?

When life changes, the financial plan has to change with it

Financial plans often assume that life will unfold in an orderly sequence.

Income arrives. Bills are paid. Investments grow. Estate documents remain ready for some future date.

Real life is rarely that tidy.

For this client, maintaining dependable support at home became increasingly important to his independence and quality of life. When an existing caregiving arrangement stopped working, the issue couldn't be separated from the financial plan.

A replacement caregiver needed to be found.

The household budget needed to absorb the cost.

Cash needed to remain available.

Payments and scheduling needed to stay organized.

Meanwhile, the client and his family were dealing with the personal strain associated with a change in care.

The financial question wasn't simply whether the client could afford the expense.

The larger question was whether the financial system could respond without creating another source of uncertainty for the family.

If your household's needs changed tomorrow, would your family already know where the money should come from and who would coordinate the decisions?

Planning for care requires more than adding a number to a projection

Many financial plans include a projected healthcare or long-term-care expense.

That's useful, but it's only a starting point.

An assumed expense inside a planning report isn't the same as helping a family respond when care becomes immediate and personal.

In this case, the client wanted to remain in familiar surroundings and preserve as much independence as possible. Supporting that preference required more than estimating an annual cost.

It required ongoing decisions about liquidity, cash flow, caregiver payments, household administration, and the sustainability of the arrangement.

The portfolio existed to support the client's life.

The client's life wasn't supposed to conform to a static portfolio model.

How we evaluated the client's needs

We didn't begin by recommending a new investment product or focusing on one isolated planning tactic.

Instead, we evaluated how the client's resources needed to support his actual life.

The analysis considered:

- Recurring and irregular spending
- Near-term liquidity requirements
- Required minimum distributions
- Federal and state estimated taxes
- Realized gains and portfolio income
- Charitable-giving objectives
- Qualified charitable distribution opportunities
- Current and projected caregiving costs
- The balance between cash reserves and long-term investment growth
- The responsibilities that could eventually fall to family members

Most importantly, we didn't treat these as separate planning exercises.

The cash plan affected the investment plan.

The investment plan affected the tax plan.

The tax plan influenced how charitable gifts should be completed.

Meanwhile, changes in care helped determine how much liquidity needed to remain readily accessible.

When one of your professionals recommends a transaction, who evaluates what that decision means for the rest of your financial life?

Creating a more deliberate distribution process

Without a coordinated process, every large expense can become a new project.

Someone has to determine how much cash is available.

Someone has to contact the adviser.

Someone has to decide what should be sold.

Someone has to estimate the tax consequences.

Then, months later, someone may need to explain the transaction to the accountant.

That approach can work. However, it creates more decisions, more interruptions, and more opportunities for something to be overlooked.

For this client, we worked ahead.

We reviewed expected expenses, available cash, required distributions, tax obligations, market conditions, and the role each account played within the broader plan.

The objective wasn't to predict every expense perfectly.

Instead, the goal was to reduce the number of times the client or his family would be forced to make an urgent financial decision.

Coordinating charitable giving with retirement distributions

Charitable giving was important to this client.

During one tax year, he received more than $150,000 from his IRA. Approximately $100,000 was directed to charity through a qualified charitable distribution.

That distinction mattered.

Rather than withdrawing the entire amount personally and then writing charitable checks, a portion of the distribution went directly from the IRA to qualified charitable organizations.

As a result, the client could support causes that mattered to him while coordinating the gift with his required minimum distribution and broader tax plan.

The charitable gift, IRA withdrawal, cash-flow need, and tax consequence weren't treated as four unrelated events.

They were managed as one decision.

When you give to charity, is someone comparing the available strategies before the transaction occurs—or are the tax consequences reviewed after the year has already ended?

Tax planning had to happen before tax preparation

Tax preparation is backward-looking.

By the time an IRA distribution, realized gain, or charitable gift appears on the tax return, the opportunity to change how the transaction occurred may have passed.

An accountant can report the activity accurately. However, accurate reporting isn't the same as proactive planning.

For this client, distributions were reviewed while there was still time to choose the account.

Charitable gifts were coordinated before year-end deadlines.

Estimated-tax needs were anticipated before payment dates arrived.

This allowed the tax return to document an intentional strategy rather than reveal the unintended consequences of decisions made throughout the year.

The measurable result

During 2025, the client received approximately $567,000 in portfolio distributions.

Those funds supported a combination of lifestyle expenses, taxes, charitable giving, caregiving, and other financial commitments.

Despite those distributions, the portfolio ended the year approximately $2.3 million higher than where it began.

Since the relationship started, the portfolio's value has increased by more than $3.5 million.

Market performance contributed to those results, and future returns can't be predicted or guaranteed.

Therefore, the planning value wasn't that an adviser caused the market to rise.

The value was that the client could use a significant portion of his wealth without abandoning the strategy designed to support his future.

Cash was available.

Taxes were anticipated.

Required distributions were coordinated.

Charitable intentions were implemented.

Changes in caregiving were absorbed.

Meanwhile, the portfolio remained positioned to support the client's longer-term needs.

Would your current strategy allow you to use your wealth meaningfully today without leaving you worried that each withdrawal is weakening tomorrow?

The tradeoffs still mattered

A coordinated plan doesn't eliminate tradeoffs.

Maintaining sufficient cash reduced the likelihood that investments would need to be sold unexpectedly. However, cash carried a lower expected return than long-term investments.

Taking retirement-account distributions provided liquidity and satisfied required minimum distributions. Nevertheless, distributions not completed through a qualified charitable distribution could increase taxable income.

Selling appreciated assets could raise needed cash, but it could also create realized capital gains.

Similarly, maintaining care at home could cost more than other living arrangements. Yet cost wasn't the only consideration. Comfort, continuity, independence, and quality of life also mattered.

There wasn't one decision that maximized every outcome.

The strategy required balancing liquidity, taxes, investment growth, personal preferences, and family responsibilities.

That was precisely why each decision couldn't be evaluated in isolation.

What would have happened without coordination?

The client still could have paid his bills.

He still could have taken retirement distributions, sold investments, hired caregivers, paid taxes, and made charitable gifts.

However, each need might have triggered a separate decision.

The investment adviser could have focused on which security to sell.

The accountant could have reviewed the resulting tax consequences months later.

A family member could have managed caregiver payments.

The client could have written charitable checks without considering whether the required distribution offered a more efficient source.

Every task might have been completed correctly while the financial life surrounding those tasks remained disconnected.

The risk wasn't necessarily that one professional would make an obvious mistake.

The risk was that no one would be responsible for the space between the decisions.

Where the value was created

The value didn't come from one recommendation.

It came from determining:

- How much liquidity the client needed before an expense became urgent
- Which accounts should fund different cash requirements
- How distributions would affect taxable income
- When charitable gifts could be coordinated with required minimum distributions
- Whether the investment strategy still supported the client's spending
- How changing care needs affected the cash-flow plan
- Which actions needed to be completed before tax and administrative deadlines
- How much administrative responsibility could be removed from the client and his family

Without that coordination, the client could have continued making reasonable decisions.

However, he may not have known whether those reasonable decisions were creating avoidable friction somewhere else.

What financial problem could be developing in your own life because every individual account or decision still looks acceptable when viewed by itself?

What coordinated wealth could make possible

Imagine knowing that your investment, tax, charitable, cash-flow, and caregiving decisions were being evaluated as parts of one plan.

A major expense wouldn't automatically become an emergency.

A charitable gift could support both your values and your tax strategy.

A change in health wouldn't require your family to begin assembling your financial life while also trying to care for you.

Instead, your wealth could do what it was accumulated to do: provide flexibility, preserve your independence, support the people and organizations that matter to you, and reduce the burden placed on your family.

What would that level of coordination allow you and your family to stop worrying about?

And on the other side, what happens if nothing changes and you remain the only person responsible for making sure every account, adviser, deadline, and financial decision continues to fit together?

The takeaway

Substantial wealth can create security.

It can also create more accounts, more deadlines, more decisions, and more responsibility for the family that owns it.

For this client, holistic planning wasn't about producing a thicker financial plan.

It was about connecting investments, taxes, spending, charitable giving, care, and family responsibilities into one working system.

Ultimately, managing the portfolio wasn't the goal.

The goal was to help the client use his wealth to remain comfortable, give intentionally, preserve his independence, and reduce the number of decisions that would eventually fall to his family.

That's the value of holistic financial planning.

This case study is anonymized, and certain details have been rounded to protect client privacy. Investment performance reflects the client's individual experience and isn't representative of all clients. Portfolio growth was affected by market performance, withdrawals, investment allocation, and other factors. Past performance doesn't guarantee future results. This information is educational and isn't intended as individualized tax, legal, investment, or caregiving advice.

Franklin|Madison
PRIVATE WEALTH

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Franklin Madison Private Wealth

At Franklin Madison Private Wealth, we believe your wealth should work as hard as you do. That's why I created the Premier Wealth Blueprint—to simplify finances, align wealth with your goals, and empower you with confidence for the future.

During my two decades in the wealth management industry, I've seen too many clients overwhelmed by disorganized finances, paying more in taxes than necessary, and lacking the confidence to make informed financial decisions. This stemmed from generic advice that prioritized product sales or investment outcomes over meaningful results.

You've worked hard for your wealth, but without personalized guidance, you're stuck guessing whether your decisions will actually get you closer to your goals.

The Premier Wealth Blueprint is my response to this problem. It's a proven framework that transforms financial chaos into simplicity, providing clarity, confidence, and peace of mind through an end-to-end, professionally curated service.

Because if you're not consistently executing on a clearly defined plan, then every day is a missed opportunity to maximize your wealth and secure your family's future.

Quick Facts

- **Current Role:** Principal at Franklin Madison Private Wealth (2019 – Present).
- **Previous Experience:** Senior Investment Strategy Analyst at Wells Fargo Investment Institute (2001 – 2019).
- **Public Service:** Economic Development Commissioner, Antioch, CA (2015).
- **Education:** MBA in Finance, City University of Seattle; BA in Business, Western Governors University; American College, Certified Financial Planner Education
- **Credentials:** Chartered Financial Consultant®, Accredited Investment Fiduciary®, Series 7 License, Series 65 License
- **Public Speaking & Media:** Bloomberg, Yahoo Finance, PBS Newshour, Nikkei, WSJ, Financial Times
- **Personal Interests:** Marathon, Ultramarathons and Triathlons.

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Diversification, asset allocation, dollar cost averaging, and rebalancing do not protect against loss in declining markets or guarantee profits. Dollar cost averaging involves buying securities regardless of price fluctuations, and risk tolerances should be carefully considered when continuing to purchase during periods of high or low prices.

It is not possible to invest directly in an index. Economic or financial forecasts are inherently limited and should not be relied upon as indicators of future investment performance.

Risks associated with investing in equities include the potential that stock values may fluctuate in response to events specific to a company or markets, including economic, political, or social developments. Investments in international stocks and bonds involve additional risks, including political volatility, foreign currency fluctuations, and other economic developments, which can be magnified in emerging markets.

Investments in certain industries or sectors may involve risks related to sector concentration or allocation. Commodities investing holds additional risks, including regulatory factors, price volatility, changes in interest rates, credit risk, economic fluctuations, and adverse political or financial events.

Fixed-income securities involve risks such as prepayment risk, credit quality declines of issuers, market volatility, and yield fluctuations. Bond prices typically rise when interest rates fall.