

# Building a future that's true to you

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## TRANSCRIPT

### SPEAKERS:

Eliza Guilbault | Alexandra Roca

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**Eliza Guilbault:** Hi, everyone. Welcome to our webinar today. My name is Eliza Guilbault. My pronouns are she/they, and I work in Fidelity's Workplace Consulting Group, where I help employers create inclusive experiences for their employees through the programs that they offer them.

Personally I live with my wife Katie and our 20-month-old son August, our two dogs and two cats. It's a pretty full and chaotic house these days. In our home and here at Fidelity, we are celebrating Hispanic Heritage Month, LGBTQ+ History Month, and National Coming Out Day, which is coming up a little later on this month.

There's a lot to remember, honor, and celebrate. These are communities that often intersect when talking about personal identity and are near and dear to my heart and my family for a few reasons. One, my son is Hispanic, and it's very important in our household to celebrate and uplift this part of his background. And I've also been on my own journey and recently changed my pronouns to better align to my gender identity, which gave me reason to celebrate another coming out all over again.

But enough about me. I'm super excited to have my peer and friend Alex joining me today.

**Alexandra Roca:** Thank you so much for that introduction, Eliza. I am so excited to be here with you again today. Now I'm Alexandra Roca Saladrigas. Most people call me Alex, and my pronouns are she and her. Now my role at Fidelity is a Workplace Financial Consultant, which basically means that I help our customers with their workplace accounts, things like 401(k)s, pensions, those kinds of things.



Now I moved to the US from Puerto Rico a little over 12 years ago. At home it's just me and my wife and our two fur babies, Reese and Cleo.

And it's hard to believe after so many years, but before I joined the finance industry, I had no idea that there was a right way to manage my money. Now that I know a little better, it is my purpose to help spread that knowledge to as many people as possible, especially those that are in our community.

On that note, we want to mention that this is a safe place, and some of the topics that we're going to be covering today may be triggering for those of us in the LGBTQ+ community. Our goal today at the end of this hour is to have you feeling more confident in your own plan so that you can set yourself and your loved ones up for success.

**ELIZA:** I really appreciate you mentioning that Alex these conversations can be exciting and overwhelming all at the same time. I know you speak with hundreds of people and help them develop their own financial plans every day. So I'd love to take this opportunity to walk through what that looks like, to help our listeners get a little more comfortable with the conversation.

I'd like to use myself as an example, because I made my wife sit down with me last night and we wrote down our goals in preparation for this. So I'm ready to go, and have them right here.

**ALEXANDRA:** That is so beautiful. I love it. Did you make that yourself?

**ELIZA:** Oh I wish I could take credit for this, but no. It's my wife's artistic ability. I just gave her the content.

**ALEXANDRA:** I love it. I love it. I am such a big fan of doing a budget right before bed, and it is probably my wife's biggest nightmare. But even still, you should be so proud, because you did the hardest part, which is to just start that conversation.

You also did the work of starting a plan. So when you think about your financial plan, I want you to think of it almost like a road map with three steps. Step one is to identify your goals, which you've done, and this can be anything you want. Step two is identify what's the right account for your goal. And step three, make sure you make your money work just as hard as you do.

So actually Eliza, I love your idea. I think using you as an example to help bring steps 1, 2, and 3 to life could really benefit our audience today. We can also finish our conversation by going over Fidelity's spending and savings guideline to help our audience figure out what their budget should look like.

We also recognize that some of you joining us today are allies whose friends and families are in the community. So we want to showcase some of the financial factors and considerations that may be unique to people in our community. How does that sound for an agenda for us today?

**ELIZA:** I think that sounds great. So some of the things that are on this list are mostly built around knowing what to anticipate from a medical perspective, what having children means for us, and the fun things that we want to make space for in our life. So I'll go down the list, in no particular order.

One, we are still carrying our own student debt, but now we need to start thinking about saving for our children's future education. Two for me, accessing gender affirming surgeries is top of mind, as well as maintaining my Hormone Replacement Therapy, or HRT, ongoing therapy visits for my mental health. And then my wife also has her own medicine cabinet of prescriptions that we know that she'll need to be on for the rest of her life. So we have to factor that in as well.

Three, we are constantly talking about the potential of outgrowing our home. We've talked about putting on an addition to the house and all the changes that need to happen in the short term while we're growing our family, because we're actually expecting our second child in May of next year, which is crazy, which is going to change the dynamic of our house again.

And then like I said, we like to take family trips once a year, whether that's with our extended chosen family or just our immediate family. We need to make time and space for that. It's super important.

And then last thing that we had on the list was retirement, which feels so far away right now. But we have a certain vision for what we want that to look like, and we want to be set up for success to achieve that. So I know that feels like more than you asked for the next hour, I think, but those are some of the things that made it on our list.

**ALEXANDRA:** No, no, these are fantastic. I just want to repeat that it's awesome that you guys actually sat down and really talked about what's important to you. There is no right or wrong answer.

I just want to say, in our community a priority can be so many different things. It can be saving up to relocate for safety, which is in part what my wife and I had to do recently. It could be to save for something medical, whether it's for transitioning or to start a family. Again, there is no right or wrong answer, because this is your life and you get to decide what's important to you.

Now for your own privacy Eliza, we're going to stay real high level with some of these topics, but here's what I heard are some of your top priorities—college savings for the kiddos; medical care and maintenance, not just for you, but for the whole family; and taking that much-needed family vacation. Did I get that right?

**ELIZA:** I appreciate that, and yes, those priorities sound perfect for today's conversation. And I'm actually glad that you just narrowed that list down for me, because it is a bit overwhelming. And I even noticed that when we sat down and got our list down on paper, it was easier for us to start talking about what was most important to us out of the grand scheme of things that we listed. So thank you for that.

All right, so what's next? Are we done with the first step and on to the next? What do we need to do to start planning my financial roadmap, as you mentioned? Do I need specific accounts to make this plan a reality?

**ALEXANDRA:** Yes, we're on to step two. So let's start with one of the topics that I think most parents can relate to, and that's going to be saving for a child's education. There's going to be a couple of different ways that we can help our children with this. One example is a 529 college savings plan. I'm going to repeat that—a 529 college savings plan.

Now this account is going to help you save after-tax dollars, and you can invest those dollars in a tax deferred basis. Basically all that means is if the money is still in the account, then you don't have to pay taxes on any of the growth. And then if you use those funds to pay for educational expenses, you don't pay taxes on the distribution either.

So let's run an example. Let's say you deposit \$10,000 into a 529 account. You get it invested and it grows to \$20,000. If you use the full \$20,000 to pay for those qualified educational expenses—which can be tuition, room and board, it can be your parking pass for the year—if you use the \$20,000 for those educational expenses, then you don't have to pay taxes on the earnings when you take that money back out.

Now another great thing about the 529 is that anyone can deposit into this account. Come birthdays, graduations, any special occasions, you can share the link with your family members and they can help grow this account. When the child finally goes to college, they're going to be able to see everyone who helped make that dream a reality.

**ELIZA:** I actually really love and appreciate the idea of people contributing for different events. We have far too much stuff in our house right now anyways. I do not need to be adding anything else material. So to translate gifts into the future for them is an awesome idea. I love it.

But there's always something that's in the back of my mind here. So what if my kid gets a scholarship or chooses a different path?

**ALEXANDRA:** Fair question. No doubt that's a situation that you and Katie could find yourselves in. The good thing about the 529 is that the account belongs to you. This means if your first child gets a scholarship or chooses a different path in life, you could pass along those savings to your next child. You could even pass it down to other family members, as well.

**ELIZA:** It's actually great how flexible they are. I didn't even realize that.

That rings a bell for me, because I've had people in my life who started a 529 but then they had to shift, and they rolled it over into an ABLE account, which is a savings account for people with disabilities, because their child ended up needing additional care rather than coverage for educational expenses. I know there are a lot of guardrails around that to follow when it comes to these accounts, but again, it's a great option with plenty of flexibility for families with this goal.

So all right, we've got my kiddo set up for success. Now what about Katie and saving for current and ongoing medical? We've had a lot of life events lately, clearly, and have more coming that have changed our health care needs and have a big impact on our finances, like, again, having a baby, now expecting a second, my gender affirming care, to Katie's prescription maintenance.

**ALEXANDRA:** No, absolutely, and such an important piece of the conversation that we're going to have today. Now I just want to say, I'm so glad that you brought up those ABLE accounts, because they can be such an amazing resource to parents that are already having to navigate so much on their own. If you're somebody that's out there listening to us today and you're hearing about these accounts and you're wondering, wait, what is that, and you want to learn more, feel free to visit us at [ww.fidelity.com/able](http://ww.fidelity.com/able), A-B-L-E, and you'll be able to find all kinds of resources around what that specific account is, what it's used for, absolutely a great resource for you to go to.

Now before we move on to actually planning for health care costs, let's pause here for a moment specifically to your story Eliza, because I think there's a bigger picture here that we still need to talk about. Two of the biggest financial costs that impact the LGBTQ+ community are family building and health care expenses. So let's first talk about some of the unique areas that the LGBTQ+ community faces when it comes to health care.

This is one of the biggest examples of an issue area specific to the transgender and non-binary community. Based on a study done by the UCLA Williams Institute School of Law, there are an estimated 1.3 million adults who identify as transgender in the United States. And it's important to note that not all transgender people want or can access gender affirming surgeries. There's also no singular destination in transition, no singular surgery that can make a transition complete. Rather, there are multiple options, and each person should they desire it should have access to surgeries based on their own individual care plans.

The issue is then that the high costs of gender related surgeries and their exclusion from most health care insurance render these life changing and medically necessary procedures inaccessible to most transgender people. If we look at this next slide, we see that access to surgeries by income is undeniably an economic issue. Disparities in access are due in large part to the complicated maze of insurance coverage. Trans people are less likely to be insured than the general

population. And even when they are insured, their coverage may not cover gender affirming surgeries. Importantly the coverage of surgeries is governed not just by the insurance company, but by the marketplace and oftentimes by the employer.

**ELIZA:** I'm so glad that you brought that up Alex, and it resonates with me in so many ways. It's important for not only our community, but our allies and parents of LGBTQ+ children to be aware of the opportunities and the barriers that exist today. So as you mentioned, and I'll just add that access to surgeries decreases these barriers to make legal changes to one's gender marker on driver's license and birth certificates. And unfortunately 14 states still require surgery in order to change a gender marker on a birth certificate, and 8 states require proof of surgery to amend gender markers on driver's licenses.

And living without identity documents that match the person's gender and name are huge barriers to employment, housing, and other key areas. So it's really important to consider these factors for yourself or for your loved ones who may be going through this journey, not to mention the potential impact on their mental health as well.

**ALEXANDRA:** Yeah. So in other words, we all need identity documents when we get a new job or a new home. For trans people, their identity documents may not match the gender that they live every day. When their documents don't match their outed to the individual and maybe discriminated against. And in order to change those documents many states require surgery.

So increasing access to surgery would increase access to matching identity documents, and therefore access to basic needs like employment and housing.

Now let's be clear, this can be an expensive journey regardless of insurance. So how do you plan for it? Back to step two. Back to you, Eliza, back to the plan.

A great option to help save for those medical costs is a health savings account. Often you'll hear that account be referred to as an HSA account. Now before we dive into the specifics of this type of account, let's make a clarification. Some of you will have employers that offer these accounts as part of your benefits package. For others they won't, and that's OK. You still have the option of opening a private HSA, and you can do this anywhere, including with us here at Fidelity.

So back to the Health Savings account. If you were with us last year, we talked a lot about this account. The HSA helps you save specifically for medical costs. It can be triple tax exempt, which can help put more of your dollars towards your goal.

**ELIZA:** All right, all right, I have to stop you right there, because I know that there was a time when I didn't know what this meant. So for those listeners who may be in the same boat as I was, could you walk us through what triple tax exempt actually means?

**ALEXANDRA:** Absolutely. Fair question again. It means that we get to deposit pre-tax money, so that we don't pay taxes on it when the funds go in. And finally, if you take a distribution at any age to pay for those qualified medical expenses, then the distribution may come out completely tax free, as well. So again, it's triple tax exempt.

Look, of all the slides that we're sharing with you today, this is a great one to take a picture of for future references, or for future reference.

Now, for someone that can pay their medical bills out of pocket, that's usually what we're going to recommend. And that way you can really take advantage of the triple tax exemption. However, to your specific roadmap, Eliza, since you already know that you're going to have specific amounts of bills pertaining to your HRT treatment and your wife's prescription medication, you could save that amount into your HSA on a pre-tax basis, and then use the account to pay those medical bills throughout the year. You'd still be taking advantage of two of the three benefits, which can still add up to a ton in savings.

The beauty of the HSA is that you don't lose it if you don't use it. So if at the end of the year you haven't used the amount that you saved, it's just going to roll over to the next year and you can use it in the future.

I want to say this. Please remember that you do need to be enrolled in a high deductible health care plan in order to actively contribute to an HSA. If you're not sure, ask your benefits team, ask your employer which health care plan you are enrolled into. If we're still within your annual enrollment period, you could even be on time to make adjustments.

**ELIZA:** It's actually perfect timing, Alex, because we are going through annual enrollment right now as we speak. It's on my list of things to do this week, which I will get to.

One thing that I do wish that had been more informed about during my last annual enrollment period was how different transition can look for everyone. So my costs looked one way, but for someone else in transition it can look more, or it can look a lot less. What I had in mind was actually very different from others that I had talked to, and understanding how my choices and my journey differed from those I was learning from could have helped me—sorry for the alarm—could have helped me better prepare in many ways.

But I do want to be clear about something. I'm talking about my experience. Transition isn't the only thing that I'm saving for in my HSA. So like you mentioned, it's for my wife and her ongoing medical care needs. We know that next year we will have to cover costs for that second child. So there's a lot more going on in that conversation about how much I'm going to contribute there. I'm just focusing on the transition because it's, again, my journey and very top of mind for me.

**ALEXANDRA:** Absolutely. And I think it's so true that we may all go through similar journeys, but they're each still unique to us. So I want to thank you for being so honest and transparent with us, for sharing your story with us. I'm sure that there are so many others that can relate to that feeling of wishing they were better prepared before they took action.

Now let's end things on a fun note. Let's talk about the vacation that you've been wanting to take your family on. So where are we going? Cory and I are coming with you, so where are we going?

**ELIZA:** Yes, yes, OK. I love to have a travel buddy. I think you and Cory should actually take us back to Puerto Rico and show us around. What do you think?

**ALEXANDRA:** I think my wife will kill me if our first trip to Puerto Rico is the four of us, but yes, that sounds lovely. For those listening in, remember that we're focusing on Eliza's fun goal, but this goal can be anything that you want it to be, whether it's a vacation, a relocation, a new car, a new home, concert tickets, whatever you want.

A great strategy to implement when you're trying to save for multiple goals—Eliza, you said this earlier. When you really put things in paper, you were able to better articulate which really were your priorities, and you were able to prioritize that list a little bit better.

So once you have that list, then you can start what's called a bucketing strategy. You basically open a separate account for each goal or priority. Now this next part is super important—you have to name the account. If you're starting a family and you're saving for that family, let's name it the Family Starter Pack, or whatever you want to name it. My wife and I have one of these, and we've used it and replenished it as we've needed to.

For you Eliza, we'll call it the vacation fund. And if we're really going to Puerto Rico, then we're going to call it the Puerto Rico Fund. It's much more exciting to fund an account when there is a goal attached to it, right? It's so much easier to put money towards that Puerto Rico vacation fund than just to put money into a regular savings account. The opposite is also true. It's that much harder to take money from that goal once you've named it.

OK, now something I want you to keep in mind is that if you're going to be keeping any amount in cash, you're going to want to make sure that you select a high yield paying account, whether that's a CD, a money market account. You want to make sure that your money is working as hard as you are.

At Fidelity we have something called a cash management account, which allows you to set your funds in a money market if you choose, which may often pay higher rates than a savings account at the bank.



**ELIZA:** That's super helpful, and such a good point. Because I'm a labeler and an organizer, but I've never thought to do that to all my different accounts. So it's such a good idea. I should bring that on over.

I know personally I feel like I work so hard, and I take a ton of pride in that for my family, to support my family. And it's already very expensive to be part of the LGBTQ+ community. Saving has always been a challenge. So how can you help us make sure that the money we're putting away for ourselves is working just as hard as we are?

**ALEXANDRA:** That's a good question. And in fact, it takes us beautifully into step three, making sure that your money works as hard as you do.

And let's make something clear. When we talk about making our money work as hard as we do, and when we talk about investing our money, people are quick to jump into thinking that we're talking about an aggressive strategy. And I want to show you a slide that shows you how a conservative strategy, a conservative investment strategy may still outperform a cash strategy.

As you can see, even when invested conservatively your money can work hard and has more potential to grow when compared to leaving it in basic savings accounts. So what is it that we're looking at? On this slide we're looking at four different examples of people saving throughout their lives. Some people saved a little bit more, some people saved a little bit less. The idea is, it doesn't matter how much you saved. You can tell on one end what happened to their funds when they just left it in cash, and on the other end you can see what happened to that money when they invested it into that conservative investment strategy. Even a conservative investment strategy may lead to higher potential growth.

Now when deciding whether or not to invest your funds a good measure to think about is, how long are the funds going to be in the account before I need them? So anything less than two years, consider keeping it in cash, like a high yield savings account or a money market. If I want to buy a house a year and a half from now, I'm not going to put that money at risk. I'm going to keep it really safe, because my goal is more important than making my money make more money for me in that specific example.

Two to five years, think about an intermediary investment strategy. Five plus years, you may want to contemplate a more aggressive investment strategy, because you have the time to take that risk if you're comfortable with it.

**ELIZA:** OK, so I'm going to play this back for my scenario. If I'm hearing you right, it sounds like for my kids' 529, I should invest it, because our youngest is only a year old and the other one isn't even here yet. So we have time. Thank goodness.

For my family's vacation bucket we should keep it in cash, because we'll need to access that in the next year or two, depending.

**ALEXANDRA:** Puerto Rico, yes.

**ELIZA:** Yes, Puerto Rico. And then I should contribute to my HSA, because I can use it for the expected and unexpected eligible medical expenses as needed, but whatever I don't spend can be invested for growth potential over time.

**ALEXANDRA:** You got it.

**ELIZA:** OK, all right. Got it. All super helpful. Now I know if it's a certain time frame I should be thinking about it by account type, versus having everything in one place or randomly spread out across multiple savings or checking account, because I've been there before.

**ALEXANDRA:** Absolutely. I love that even through the abbreviated conversation that we're having that we were able to capture that. That is exactly how you should be thinking about it.

**ELIZA:** Awesome. Great.

So I know that my personal experience doesn't even come close to representing everyone else's. So I'd like to take a second and talk about what some other realities are that our friends in the community may be thinking about or facing.

**ALEXANDRA:** Yeah, great point. We shared some useful information already, but you may be thinking, oh, that's great, but where am I even going to get those savings? And this is a fair question, and one that has a very frustratingly simple answer—the budget.

Something I've seen time and time again when meeting with customers one on one is the stress of, where is the money going to come from? So I want us to spend a little bit of time here. Let's talk a little bit more about your paycheck. So Fidelity believes in the 50-15-5 spending and saving strategy. Again, that's 50-15-5. Let's break that down.

So 50% of your monthly income should go towards your essential expenses. Think housing, groceries, utilities. It's the stuff we have to pay. 15% of your income should be saved towards retirement, and 5% should go towards your immediate next savings goal. Think about the priorities that you wrote on your list. You got it, that's the one.

Even if you're not good at math, you know that 50-15-5 doesn't quite add up to 100%. That means that you're left with 30%. And that 30% is whatever you want it to be. You can call it your fun money, you can call it your extra savings. You can call it whatever you want, because you get to save it or spend it however you see fit.

**ELIZA:** I actually love the idea of having a quick way to remember things like that. But I know that I've definitely felt like it isn't achievable at certain points in my life. So what would you say to someone who's listening and thinking the same exact thing right now?

**ALEXANDRA:** Completely fair. And first and foremost, I want to just remind everybody on the call that the 50-15-5 is a guideline, and yours may look a little different. For those of you like me that may have had to relocate to a more expensive city, the 50-15-5 may not look exactly like this. What's important is to really take advantage of what's left. Make whatever's left count, even if it's \$10.

**ELIZA:** I like that. I like that, saying it's a guideline, not a hard rule. And that makes me feel a little more comfortable with it, to be honest.

Do you have any other tips you want to share around making the budget work for us?

**ALEXANDRA:** Always, yes. Something I tell my customers to do is print out your statements and highlight everywhere you spent food, whether it's ordering takeout, groceries, dining out, delivery, all of it. And every single one is usually left with their jaws on the floor on how much of their paycheck is going towards food alone.

In fact, I've had people tell me that they have an entire paycheck going to just food. And I know it's hard to believe. But if you don't know if this is you, won't know until you run the exercise.

Another quick thing you can do, if you're thinking to yourself, like, I cook every meal at home. I know that's not me. Another thing you can do is print out your credit card statement, and at the end of the month, highlight two things that you could have lived without. Like, that was an impulse purchase. I didn't need that. What's going to happen is over time, you're going to recognize when those expenses come up, and you're going to be less likely to repeat those purchases. Those unnecessary purchases are going to become harder to make, because that you're going to have to go highlight them later on. I hope those help.

**ELIZA:** Yeah, super, super helpful. I'm definitely going to do the food one. Personally, between the pandemic and after having our son, we started ordering out a ton, way more than we ever did, and everything's so much more accessible now. So I think that exercise would really help us reel it in. But I do love a great treat from time to time, so.

**ALEXANDRA:** Of course! No, and it's not about removing these things from the budget. Once you've created your budget and you have it in place, you can create space for ordering out if that's what brings you joy.

Not ordering out all the time is also going to make it more of a treat. So for me, that's getting my nails done. I do it every two weeks. If times got tough, I'm going to do my own nails. But as long as I've got the room in the budget, I'm going to go get my nails done.

Now you've also already taken some great first steps today to better understand your saving and your spending. To you out there listening today, we hope you're feeling more confident and ready to get started. As you work on creating your budget, keep these things in mind. 50% should go towards essential expenses, 15% towards retirement savings, and 5% towards your emergency savings, or your next savings priority. However that next 30%, or whatever is left you can implement your own strategy. What is it that you're going to put that money towards?

**ELIZA:** Always super helpful to have a guideline, but completely recognize that may be different for everyone, depending on your personal situation. So again, I recognize my situation is different than yours and everyone else's who's listening today.

So I want to take a minute to raise some other things to consider for the community that aren't regularly talked about when we talk about finances and what might be presented to folks. Like the pink tax. So a markup on goods and services marketed to women and for which men pay less for similar products and services. So you talk about your nails, there you go.

This can impact anyone in the community, even when thinking about trans and non-binary folks and the cost of visually maintaining the appearance that most aligns to their true, authentic selves often requires many of these products and services.

There's also a ton of varying and unexpected costs of transitioning. So for example ongoing cost of hormone replacement therapy or HRT, and for the different needles and syringes one could need. And again, not one journey is the same. I can't say it enough. So there's from trans femme to trans masc, one can be more linear than the other. So like Alex mentioned earlier, what may be true for one trans individual may not be true for another. Just as there's a vast diversity within our community itself, there's diversity within each journey, as well. So just keeping that in mind and not comparing yours one to one.

It's also important to call out that if someone is going through a transition, and if they have a partner or a loved one by their side, that they sit down together and discuss the financial impact together. I have seen it too many times, but oftentimes partners can feel left out. So it's important for them to also manage their self-care and identity so that they can be the best version of themselves for you and for everyone.

**ALEXANDRA:** Yeah, oh my gosh. I love that you brought in the support system into the conversation. Because there's also parenting in the LGBTQ+ community, or those that help support us. So being prepared to support from a mental health perspective, whether that's therapy, groups, et cetera. Even just ensuring a safe school environment, which sometimes can include having to relocate, having to go outside of your region and paying not only for gas, but potentially tuition as well.

I would say that part of that responsibility that we have in allyship is being open in any kind of conversation that needs to be had. Even if maybe a child is gender questioning, and what can it look like to save and plan for all medical needs? Definitely a part of the conversation that needs to be had.

**ELIZA:** Such a good point. And again, I like to approach this from the perspective that everyone's coming at it from a different lane, I guess you could say, when we think about that roadmap. So it's going to look different for everybody, and it should be just as unique as you are.

So I feel like you and I could go on and on and talk about this all day. But it's hard to cover everything in the short period of time. I certainly appreciate that. But I do want to make sure that we answer some questions that our listeners might have. So let's take a step back and look at some of those that might have come in before we wrap up. So we can spend about 15 minutes on these.

**ALEXANDRA:** Yes.

**ELIZA:** All right. Let's see. OK, so this one's definitely for you. What if I am in New York and my apartment is 50% of my paycheck? Does that mean I'll never be able to stop living paycheck to paycheck?

**ALEXANDRA:** I'm so glad this question was asked. It usually is, so I'm not surprised that it came up. Because some of us just can't fit into that 50-15-5. No matter what we do, we're just never going to fit into that 50-15-5, so I want you to always think of it as a guideline. I'm working towards getting as close to that 50-15-5 as possible.

But if I'm a little away from it—so for example, my wife and I recently moved to South Florida. Significantly more expensive than where we lived before. And so when I run my budget, I don't fit the 50-15-5 anymore. And so now I'm thinking, what do I need to do? What are the little things that I'm going to need to tweak? Maybe I just get internet, but I don't get cable. Those are the little things that I'm going to start thinking about so that I can tighten up my budget, so that I can try to get myself as close to that 50-15-5 as possible. But I recognize that it's probably never going to be exactly 50-15-5. At least not yet. At least not yet.

So if you're in New York, if you're in San Francisco, LA, if you're in South Florida and you're thinking about that 50-15-5 as, I already failed, because there's no way I'm going to get there—absolutely not. I said it when we were going through the presentation itself.

Even if you've got \$10, and all you have is \$10 left. What are you going to do with those \$10? Are you going to go pick up lunch? Are you going to go pick up a coffee? Or are you going to say to yourself, you know what, of this \$10 I'm going to put \$5 in my savings account. And it may take me

a really, really long time to save what I need for my goals, but I'm going to work at it till I get there. Everybody has the ability to do that. Every single one of us has the ability to do that.

So don't get too hung up on the 50-15-5 and just think, hey, I want to try to clean up my budget as much as possible. And I'll say this—I know I'm going a little over. But streaming services, subscriptions, these are things that we often just let go because, well, it's \$5 here, it's \$10 here. All of those dollars and cents add up, especially if they're monthly subscriptions. So go online and start clearing those out. Start canceling those subscriptions and make sure that what you're paying for is what you want to be paying for so that you can save for the things you really want. I hope that helps.

**ELIZA:** That's great, thank you. I'm going to go do that with all my streaming situations.

**ALEXANDRA:** I'll say this. I'll say this, Eliza. I heard somewhere that it's easier to save \$1 from each one of your utilities than it is to try to save \$100 on just one utility. So going and calling your cable company, and then calling your cell phone company, and then calling your electric, right? It may just be a couple of dollars here and there, but those add up to. I didn't mean to interrupt, sorry.

**ELIZA:** No, no, no. I think that's such a good point. And I think a lot of the times we set ourselves up with these things, and it's a set it and forget it. But we should really be going back and checking and re-engaging with that budget and that conversation over and over again.

OK so let me take a look here. So we have another question that I think I will take if that's OK, but absolutely jump in. The question is, what are some considerations for someone going through a transition or thinking about it? How specific should I get when creating these buckets?

So what immediately comes to mind is, where are you going to access this care? Can you access this care? What's available to you, what's available to you through your employer? And do you need to travel to get to that care? Where will you recover? How will you recover?

And what is your time out of work for recovery look like? So there's things like short term disability. You might have to tack on some personal time off. You may have to take some reduction in pay, you may need to take time off without pay. So what does that look like for you based on your recovery journey and your roadmap? So those are some big questions to start with.

I remember when I personally was going through my first surgery I had to travel across state lines. And so I had to consider that in my day to day. Like how long am I going to be driving for? Do I need to go stay in a hotel room that's closer to that hospital so that I can go back and forth between my doctor, because you do have to go back multiple times after you have a surgery.

And then there's the ongoing maintenance of it all. So if you are on hormones, what does that look like? I know I struggle a lot going to the pharmacy and continuously picking up my prescriptions. And if you have a high deductible plan, or if you don't have coverage over those prescriptions, that's something that you need to consider, and you need to sit down and break it all down.

There's also wardrobe changes. There's a lot about maintaining that physical and visual appearance to make yourself feel who you are in your own body. I most certainly have had a wardrobe shift as well. And so that places a lot on my wallet when it comes to me trying to buy the clothes that work for me. So just some considerations from that perspective.

But I think when it comes to the buckets, get as specific as you possibly can. If you don't know exactly what you're planning on doing, then call it your Transition Bucket or your Real Me Bucket, whatever you want, but make it true to you. And if you know you're getting gender affirming top surgery, call it Top Surgery. And then I think that will, like Alex said, it will encourage you to add in there as much as you possibly can. And you don't want to take anything away from yourself, so you're not going to pull out of it for anything else that isn't as important or a priority for you.

I don't know Alex, if you would add to that.

**ALEXANDRA:** Yeah, I was going to actually say, the exact way that you explained that is exactly how I would explain it to anybody with a goal. So just going back to the way that we originally talked about it with vacation, if you're thinking to yourself, I want to take a really nice vacation three years from now, because three years from now there's a big anniversary or whatever. You can call it your Anniversary Trip, right, because it's far enough away, and you still haven't decided where you're going to go. But as soon as you figure out that you're going to Paris, call it your Paris account.

So when your goals are still a little fuzzy because you're not still 100% sure where you're moving forward with, just keep it nice and very high topic, very high level. But as your goals start becoming more and more definitive, give them definition in the name as well.

**ELIZA:** That's awesome. Yeah, we're definitely starting one a new baby fund for that. And when we name our baby, that will change the name of the account for sure, to make it real.

**ALEXANDRA:** Yes, that's exactly the right—yes. Absolutely.

**ELIZA:** We just don't know the name yet. So we're getting there.

All right let's take a look here. So I think this next question is for you, Alex. So how can I make sense of all the family building options and how my benefits are going to help me or not?

**ALEXANDRA:** I would say first thing you need to do is figure out what your benefits cover. So my wife and I started this journey about three years ago. Still not successful, but we don't know what the future holds, but we've been going through this journey ourselves. And it was quite shocking after a year of paying a lot of money to visit what our benefits covered and to see the kind of support that our company was willing to offer that we didn't even know about, that would have saved us a lot of money, a lot of tears, and a lot of time.

And so I would say before you start looking at other options outside of your benefit package that may be more costly, that may be requiring you to jump through some hoops, start with what you already have. Check your benefits. Check to see not just the top 10 that everybody talks about, but the other 20 that nobody remembers to bring up. Look at every single one of your benefits and see what kind of support your company offers.

After that then start looking at some of the other things. So we talked about the HSA in a very specific way for Eliza's plan, but in reality for me and my wife, we have an HSA so that we can pay for some of these medical expenses that we are going to have to go through while we're doing our family journey. And so a health savings account is also a fantastic option if you're trying to build a family and you know that you're going to be anticipating some of those expenses.

Now I will say—I will say, though, for you, Eliza, you mentioned something about your buckets. I better hear that 529 for baby number 2 is also on its way.

**ELIZA:** Yes. Sorry. It is.

**ALEXANDRA:** That's all I wanted to hear. That's all I wanted to hear.

**ELIZA:** And I appreciate the holding me accountable. Thank you. Thank you.

No, I think that's super important, and I do want to mention as well that the process that you and I may have to go through with our wives is different than someone may have to go through in a different relationship. So there's everything from IUI to IVF to surrogacy to adoption. Yeah, and they all come with very different price tags. And they can range depending on the process and the time frame that you're going through all of this. So I think prioritizing where you're going to start, but also being prepared for where it could go is really important.

**ALEXANDRA:** Absolutely. And again, if you're using a bucketing strategy, maybe it starts as a Family Starter Pack, and then it becomes more and more defined as you define what that journey is going to look like for you and your family.

**ELIZA:** Exactly. Great. All right, so let's see. I think we have time for one more question.



All right this one, my child has been talking to us about gender affirming care. How do I know how much that will cost and what insurance will cover?

So unfortunately—

**ALEXANDRA:** You can do that one. I'm going to let you answer that one.

**ELIZA:** I will, but then you can jump in.

OK, so unfortunately we face a constant uphill battle in this space. A lot of this is dependent on meeting insurance criteria that rules it as medically necessary. So transgender people can seek out a number of gender affirming interventions, including hormone therapy, as we've mentioned multiple times, surgery, facial hair removal, speech modifications, or behavioral adaptations. So there's a lot. There's a spectrum there, and it's again not a one size fits all for anyone. But they all cost different amounts.

So first I would understand the type of care that the child needs or wants, or wants to explore, and the cost associated with that. Second I would research how much of that care is covered by your health insurance plan, or theirs if they have their own.

The best example I can give you that I went through is learning that my top surgery required me to obtain a letter from my PCP and a therapist diagnosing me with gender dysphoria to deem it medically necessary before insurance would approve any coverage. So this is actually not the same for every surgery, however, because a hysterectomy will require one additional letter from a psychologist for me. So I didn't know that going into it, so there was one more step in the process, one more visit to an office that has a bill attached to it. So understanding the requirements and additional appointments, copays, and everything in between is so important to the broader financial picture.

And so lastly, I would just say create a plan and prepare for any of those out-of-pocket costs that you discovered when you were doing your research. And then don't forget to use Alex's bucketing method.

**ALEXANDRA:** Aah. Or your HSA. Or your HSA if you're enrolled in a high deductible health care plan.

I love it. Yeah, and I would say probably the hardest part of that entire conversation is the conversation itself. So just going into it with an open heart and trying to be as understanding of another person's journey is probably the best route to take in having that conversation.

**ELIZA:** Absolutely. Absolutely.

All right, so I know we're at 2:45, so unfortunately we're running out of time. And I do want to wrap us up. So we want to thank you for attending today's session, and a huge thank you to Alex for helping break down these concepts for us and making them super relevant.

But before we say goodbye, I wanted to leave you with some final thoughts to take with you based on what we talked about today. And then Alex, you can jump in because you're the subject matter expert here.

But to make sure was paying attention, first make sure you just get organized. First step, like we did here. I mean, it's fun, it looks pretty, but it really does reduce that stress once you get it down on paper. We all have ideas that have been floating around, and I hope you've been writing them down as you're sitting here and listening, if not on paper, on your phone, whatever. If you took pictures of the slides, that's great. Alex had mentioned that.

But try to quantify, prioritize, recognize that things change. Adjust, be flexible, but create that plan and try your best to stick to it.

And then get more familiar with your company's benefits. As Alex mentioned, there's a lot there that is supporting you as an employee. Go through them all, understand how they can best support you. You might find that things are covered by or your partner's benefits which could help you with those out of pocket expenses.

And then think this one's super important—getting educated and empowered. We at Fidelity have a lot of financial planning resources. Not all of them are LGBTQ+ specific, but the information generally holds true across all human needs. There are some nuances of course, and that's really what we wanted to focus on today. But we recognize that humans are multidimensional and members of many communities, and your financial plan should be as unique as you are.

We have a resource page dedicated to our LGBTQ+ community. And so you can visit that. So you go to [ww.fidelity.com/lgbtqplus](http://ww.fidelity.com/lgbtqplus). Plus is spelled out, so P-L-U-S. You should be able to search that and find for that. So meet us there.

And also there's many other community organizations that are there to support you in a broad spectrum of ways. A few that we partner with are Family Equality, PFLAG, GLAAD, and many, many more. So I would highly suggest reaching out and using those resources.

And last plug for my friend Alex, if you would like to hear more from someone like Alex in a group setting, you can always contact your ERG employee resource leader, who can then work with the Fidelity representative to schedule a custom Ask Fidelity workshop, where someone like Alex would come in and tailor the content to the needs of the community.

So Alex, would you add anything else?

**ALEXANDRA:** No, that was a beautiful summation of what we talked about today. We are having these kinds of workshops, these kinds of webinars all the time. So continue to join us. If there is somebody that you think could have really taken some of this information, even just the messaging around the information that we were sharing today, tell them about us. Tell them about some of the work that we're doing. Because we want to get this information out to every single person that is looking for this information, even the ones that don't know it yet.

**ELIZA:** Exactly. Yes, yes. And that web page again is a great resources that you can just text somebody and shoot off. So again, thank you for being here with us today. We hope you have a great rest of your day.

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