

WORKING PROFESSIONAL – CASE STUDY

Brittany is 47 and has two kids who are 20 and 18. Brittany is a nurse practitioner for a local walk in medical clinic. She previously worked for 13 years at a large regional hospital. She is recently remarried and her husband Brian works for a construction company. They want to work until they are 60 but don't know if they are saving enough for retirement while putting two kids through college.

Brittany's employer at the medical clinic offers a 401k, but Brian's does not. They have plenty of extra income; they just need to know how best to address what they are doing.

We sat down with Brittany and Brian and discussed how they manage their finances and talked through what it would like to be able to retire at 60. Brittany had not looked at her old 401k since she left the hospital so we helped find out what she had and what her options are. We recommended she max out her 401k at her new job. We then built a financial plan based on their assets and liabilities and current and future expenses compared to their current income. We determined that they probably would have a difficult time retiring by 60 sticking with what they are doing now.

To help them accomplish retiring early, we did provide a few options to consider. One option was to change the investments used in their current retirement accounts since they have several years prior to retiring. We found that Brittany had a large portion in cash that was not growing in her 401k. Another option was to increase the amount they were saving each month so we recommended they fund IRAs as well. Lastly, we found that they were paying too much for several insurance policies that no longer met their needs. We found she could save a significant amount each month by consolidating those. When we put all three of those strategies together we felt much more comfortable with the plan of them retiring at 60 and still being able to maintain the lifestyle they wanted.

This is a hypothetical example and is not representative of any specific investment. Your results may vary.