

RETIREMENT CONSIDERATIONS

Cindy has had a long career in banking and is reaching the point where she dreams of slowing down. Although her career has involved finance, she has never given much thought to her own financial situation, except for maximizing her retirement contributions each year. However, as she dreams of the future, she begins to worry if she is really prepared for retirement.

THE CLIENT'S DILEMMA

- Cindy has never kept a budget and is worried that retirement may severely restrict her spending.
- Although her career involved finance, she feels ill-equipped and uninterested in managing her money on her own once retired.
- Cindy isn't sure what other issues need to be taken into consideration before retiring and wants to have an advocate to help her as she approaches this next phase.



IMPORTANT CONSIDERATIONS

- Cindy needed a comprehensive plan that addressed all her goals and potential risks.
- The sources of income Cindy could expect in retirement needed to be carefully coordinated to maximize their long-term benefit in order to meet her needs.
- Cindy had no savings accumulated outside of her employer's 401(k) and deferred compensation plan. This situation would ultimately cause her to remain in higher tax brackets in retirement because of the income tax treatment of her tax-deferred assets.
- Cindy's employer plan assets were very concentrated in employer stock. We discussed the additional risk she was taking in this regard and recommended reallocating her investments to provide higher levels of diversification.
- Consideration was given to the employer benefits she would be losing once retired to ensure that these were evaluated for continued need and expected costs.

THE OUTCOME

- Clearview Wealth Management's detailed planning illustrated that Cindy's current assets would likely be insufficient due to inflationary effects and her desired spending levels. She committed to carefully monitor her spending to find a balance that could be sustainable long-term.
- As a result of our discussions, Cindy decided to postpone retirement in order to accumulate additional assets. She diversified her holdings and continued deferrals to her employer plan in order to earn the full employer match. Additionally, she saved aggressively to an individual brokerage account to provide more flexibility in retirement regarding overall taxation.
- Cindy realized the benefit of having an unbiased advisor on her side as she considered the future and all its possibilities. She also appreciated our approach to proactively address upcoming events in her life ahead of problems developing.



WEALTH MANAGEMENT

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