



Examples of Hourly Cases

Following are brief summaries of recent planning engagements in which hourly services were perceived by the client to be a good fit.

- Recently married young urban professionals each had owned a condo. They wondered whether it was preferable to sell the extra unit and pay off student loans and other debt with the proceeds. They were in a high tax bracket and had no other passive income. The assignment: evaluate the condo as an investment on its own merits and advise on debt management.
- A corporate executive had substantial assets in company retirement plans and even more wealth vested in executive deferred compensation plans. Ten years from retirement and with two college educations still to be funded, he and his wife wondered if they were properly positioned to address these competing goals. The assignment: project the likelihood of achievement of major financial objectives, evaluate the current savings patterns and asset allocation, and make recommendations to optimize their situation given their time horizon and risk tolerance.
- A couple in their early 30's with four children were earning attractive incomes, but large medical expenses for one of the children had left them with substantial credit card debt and almost no accumulated assets. On the verge of buying large VUL policies at the urging of a former co-worker, they wondered if this was the best strategy. The assignment: assess life insurance needs and suggest appropriate coverage, develop a debt reduction plan, and project necessary savings for some level of higher education for the children and eventual retirement security for them. This case involved several phases over many years while balancing competing priorities.
- A successful young technology company sought an hourly financial planner to complement its "Online 401(k)" with seminars and individual planning for the staff. All six employees were under 35 and had modest assets. At the same time, they all enjoyed solid educations, good salaries, a willingness to save for such goals as buying a first home, marriage, and contributing to their 401(k). The assignment: make sure that the pattern of saving inside and outside of qualified accounts was projected to meet near- and long-term goals.
- An 84-year old retired professional was paying \$10,000 in annual premiums on nine whole life policies with over \$300,000 in accumulated cash value. The cash value was approaching the amount of the total death benefit. He wondered if he still needed these policies, whether he should cash them in, how to manage loans he'd taken on some, and whether they were providing a reasonable return. He also sought advice on his investment portfolio, which he had moved to a money market account in 2002. The assignment: evaluate the overall financial situation to determine the need for life insurance, appropriateness of the current policies, and how assets, more broadly, should be allocated.