

LIFE SPANS

THE BRIDGE DIVORCE STRATEGIES NEWSLETTER

INTERESTING INFO YOU CAN READ OVER A SINGLE CUP OF COFFEE!

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JULIE KERN, CPA, CFP®, CDFA®

JANE DOE STORY OF THE MONTH

While this is certainly a “Jane Doe story,” I was actually hired as a neutral in this case. It’s one of these stories whose details will make your eyes glaze over. That’s exactly what it did to Jane’s attorney. Which is sad, because it forced Jane and her ex- back into court, a second time, years after their decree was signed. Spoiler alert: If you feel your eyes starting to glaze over from arcane financial details, get me into the conversation, quick. I can help you avoid stories like this one.

Jane worked in the school district. Her husband worked in public safety. They divorced in 2018, after a 15-year marriage. Jane was still working at the time; her husband had recently retired.

For many years, workers in public-safety professions, such as police and firefighters, didn’t pay into Social Security, and thus weren’t able to collect from it later. That provision changed several years ago, and Jane’s husband—you guessed it—had a career which spanned both sides of that divide. I was called in by the QDRO attorney that Jane and her ex- had hired to clear up the unclear divorce decree. (Technically, the QDRO attorney was a “DRO attorney” in this instance, since a government pension was involved.)

I’ll spare you the agonizing details of how I calculated all of this (which should’ve been calculated the first time around), but Jane was supposed to be getting about 28 percent of her ex-’s pension checks for what’s known as her “Van Loan share.” I made this discovery 52 months after the fact... when the lump sum owed to Jane was about \$30,000.

I was on standby to testify in this new trial. That wasn’t necessary. The judge wrote: “The court finds that Ms. Kern’s findings are valid and reliable.”

Jane and her ex-, by the way, refused to go back to their original attorney. Who can blame them? This was a costly, and avoidable, oversight.

FINANCIAL TIP OF THE MONTH

How much do you know about imputed income from investments? Considerations include:

- Age of spouse
- Reasonable rate of return
- Assets to include
- Monte Carlo analysis
- Personal risk tolerance
- Double-dipping

If any of that sounds unfamiliar or intimidating to you, you’re not alone. Your business is the law. My business is helping you to help your clients with arcana like this.

THERE REALLY IS A FREE LUNCH

Given today’s COVID-19 environment, we are now offering online CLE, and will order lunch for the attorneys in your office who would like to participate from their remote locations. What a tasty way to learn things about the financial side of divorce that fly under your radar—and help you earn from one to three hours of CLE credit in the process!

Simply give us a call at (480) 378-2383 (or send an email to carma.hall@bridgefinancialstrategies.com) and say, “Hey! We’d love to take you up on that ingenious remote lunch-and-learn opportunity!” There’s no obligation. Call us today!

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