



A University of Hawai'i Cooperative Extension Service Project

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Course Objectives



- Increase your knowledge about financial planning
- Improve your ability to make informed decisions



Considering Post-Divorce Finances

Presenters



Monica Jennings
Certified Financial Planner®
Jennings Financial Planning



Lisa Jacobs
*Collaborative Attorney &
Mediator*
Better Way Divorce (Pono Divorce)

Skit



"Discussing Post-Divorce Finances" Skit



- Certified Financial Planner: Monica
- Sally, a woman aged 50+ going through a divorce: Lisa

Lesson Objectives



- Understand long-term financial implications of property division decisions
- Gain awareness of how different types of assets affect your future financial sustainability

Asset & Debt Statement: page 1 of 4



STATE OF HAWAII FAMILY COURT FIRST CIRCUIT	ASSET AND DEBT STATEMENT		CASE NUMBER												
<input type="checkbox"/> Plaintiff <input type="checkbox"/> Defendant <input type="checkbox"/> Both Parties		FC-D No.													
<hr/> <div>(Full Name) PLAINTIFF</div> <div>v.</div> <div>(Full Name) DEFENDANT</div>		This document is prepared by:													
		<input type="checkbox"/> Plaintiff <input type="checkbox"/> Defendant <input type="checkbox"/> Atty for Plaintiff <input type="checkbox"/> Atty for Defendant													
		Name													
		Address													
		City, State, Zip Code													
		Telephone Number													
<div>1. CASH (on hand or held by others for me): <input type="checkbox"/> None <input type="checkbox"/> \$ _____.</div> <div>2. CREDIT UNION ACCOUNTS: <input type="checkbox"/> None</div> <table><thead><tr><th><u>Name</u></th><th><u>Title (Plaintiff, Defendant, Joint, Other)</u></th><th><u>Credit Balance</u></th><th><u>Debt Balance</u></th></tr></thead><tbody><tr><td colspan="4"><hr/></td></tr><tr><td colspan="4"><hr/></td></tr></tbody></table>				<u>Name</u>	<u>Title (Plaintiff, Defendant, Joint, Other)</u>	<u>Credit Balance</u>	<u>Debt Balance</u>	<hr/>				<hr/>			
<u>Name</u>	<u>Title (Plaintiff, Defendant, Joint, Other)</u>	<u>Credit Balance</u>	<u>Debt Balance</u>												
<hr/>															
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Assets & Debts



Assets & Debts				
	<u>H</u>		<u>W</u>	<u>Total</u>
Savings	50,000		50,000	100,000
House			500,000	500,000
Mortgage			(200,000)	(200,000)
Home Equity			300,000	300,000
Roth IRA	300,000			300,000
Total	350,000		350,000	700,000

Income & Expense Statement: page 1 of 3



STATE OF HAWAII FAMILY COURT FIRST CIRCUIT	INCOME AND EXPENSE STATEMENT <input type="checkbox"/> Plaintiff <input type="checkbox"/> Defendant		CASE NUMBER
			FC-D No.

<hr/> <div>(Full Name) PLAINTIFF,</div> <div>v.</div> <hr/> <div>(Full Name) DEFENDANT.</div>	This document is prepared by: <input type="checkbox"/> Plaintiff <input type="checkbox"/> Defendant <input type="checkbox"/> Atty for Plaintiff <input type="checkbox"/> Atty for Defendant		
	<hr/> Name		
	<hr/> Address		
	<hr/> City, State, Zip Code		
	<hr/> Telephone No.		

Employer: _____

Occupation (Job Title): _____

Address: _____

Length of Service: _____ months/years. Income Tax Withholding based on: _____ dependents.

INCOME

Gross income paid: ☐ monthly, ☐ 2 times per month, ☐ every 2 weeks, ☐ weekly, ☐ or other: _____

Gross per pay period..... \$ _____ Per month....\$ _____

Payroll deductions per pay period:

Fed. income tax..... \$ _____

State income tax..... \$ _____

FICA (Social Security)..... \$ _____

Union dues..... \$ _____

a) Net per pay period..... \$ _____ Per month....\$ _____

Income & Expense



Income & Expenses				
	Joint		Single	
	<u>Married</u>		<u>After Divorce</u>	
Income, after tax	5,000		2,700	
Mortgage/Rent	2,000		2,000	
Food/Dining out	600		200	
Household /Utilities	600		500	
Savings	1,000		-	
Other Expenses	800		200	
Cash Shortfall	-		(200)	

Assets & Debts Alternative



Assets & Debts				
		<u>H</u>	<u>W</u>	<u>Total</u>
Savings		50,000	50,000	100,000
Home Sale Proceeds				-
Sale Price	500,000			-
Less: Mortgage	(200,000)			
Less: 6% Commission and				
1% misc. selling costs	<u>(35,000)</u>			
Net Proceeds		132,500	132,500	265,000
Roth IRA		150,000	150,000	300,000
Total		332,500	332,500	665,000

Post Divorce Alternatives



Post-Divorce Alternatives

			Sell home
		Keep the	Split
		<u>House</u>	<u>Roth IRA</u>
Income, after tax		2,700	2,550
Mortgage/Rent		2,000	1,600
Food/Dining out		200	200
Household /Utilities		500	400
Savings		-	150
Other Expenses		200	200
Cash Shortfall		(200)	0

Retirement Nest Egg



Retirement Nest Egg

Savings & Investment

Beginning Value	\$50,000
Add Proceeds from Home Sale	\$132,500
Monthly Savings	\$150
Value at end of 10 years	\$261,300

Roth IRA

Beginning Value	\$150,000
Value at end of 10 years	\$211,600

Total Retirement Nest Egg

at end of 10 Years	\$472,900
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Summary



Post-Divorce Finances

- Carefully consider the longer-term implications of property division decisions
- "Crunch the numbers" to objectively evaluate options

Website &
TV Channels



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- TV channels

- 354

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Credits



We would like to thank the following groups for their support:

- University of Hawai'i at Mānoa
 - College of Tropical Agriculture & Human Resources, Cooperative Extension Service, Department of Family & Consumer Sciences
 - Information Technology Services-Academic Technologies
- Jennings Financial Planning
- Better Way Divorce, aka Pono Divorce