



# THE EMPTY NESTER CHECKLIST:

THE BEST WAY  
TO TREAT  
YOURSELF

**RADEMACHER**  
FINANCIAL, INC.

An Independent Registered Investment Advisor

# THE KIDS ARE GROWING UP.



## ARE YOU READY TO MAKE THIS TRANSITION?

Your kids are now out of the house and suddenly you're doing a lot less laundry, no longer cooking for a multitude and you actually have time to take a breather and evaluate what's next for you.

Though you will miss the consistent presence of your children, your time has suddenly become your own and the thought is always to fill it with something daring and adventurous. You may be having flashbacks to those activities or moments over the last twenty-something years where you have had to put your plans on hold because of various commitments and time dedicated to your kids. While you cherish those times creating lifelong memories, you are entering a colossal life transition where you now have options. The world is your oyster!

Though you have much more freedom to give yourself some love, this does not have to be in the form of a massive spending spree. The greatest gift you could give yourself is a plan for financial security throughout the rest of your life.

Work with a trusted financial advisor to develop a solid financial plan, then plan your cruise to the Caribbean!



# UPDATE YOUR FINANCIAL PLAN

Now that your expenses have drastically changed, it's time to go back to the drawing board.

How should you go about this?

1. Clarify your life goals/dreams
2. Assess your living expenses
3. Work with a financial advisor to help make your goals & dreams a reality



# DOWNSIZING

Not downsizing early enough – and no, we are not talking about just the size of your house – is a huge factor in developing your new budget. Look at all of your expenses: internet service, cell phone service, premium TV and streaming services, subscriptions, etc., and conduct a full audit of everything. With fewer people at home, you may not need as much of ... well, everything. After some time, you may decide to downsize the home as well. Many consider downsizing once they become empty nesters, but for those who decide to stay put – do you plan to stay here for many years to come? If so, it may pay to choose wisely. If you are planning on remodeling or taking on any home improvement projects that you have put on the back burner, many remodeling projects do not provide a return on your investment. Seek the advice of the respective professional to see how to efficiently go about these renovations and factor them into your budget.



---

## THE BIG QUESTION

As you start to think about the future and your retirement, ask yourself:

**WILL I HAVE ACCUMULATED ENOUGH WHEN I  
RETIRE SO THAT I CAN LIVE COMFORTABLY FOR  
THE REST OF MY LIFE?**



To answer this question, you must have a full understanding of where you are now and where you need to be at retirement. This is where the financial plan comes into full swing.

Being able to develop and stick to a financial plan before and during retirement is a vital component to ensure you live without jeopardizing your financial security. Just as an architect needs a blueprint to build a home, it will serve you well to have a financial blueprint to help you build the life you desire.

---

## Examine Sources of Income

In retirement, you will have two categories of income: reliable income (such as social security, pension payments, or part-time employment) and your retirement assets (401(k)s, IRAs, Roth IRAs, brokerage and bank accounts, etc.).

Consider alternate sources of income, such as real estate, other interests, and even insurance. Building a clear vision of your income sources can provide you with information that will assist with how your retirement plan is built.



# Identify and Evaluate Gaps

---

Now that you've quantified your sources of income, it's time to determine whether that income is sufficient to fund, at a minimum, expenses you have identified as "needs."



If your reliable income isn't enough to at least cover the needs you've identified, you will need to reevaluate how your assets are allocated and pivot to find a solution to fill the gap. After you determine what will be required to fund your "needs," you can determine what withdrawal rate is sustainable to support your "wants."

If you determine that your expenses are not aligned with the lifestyle you desire, you may have to evaluate some alternative actions such as:

- Reduce goals and/or expenses
- Reduce your current lifestyle so you can contribute more to your retirement portfolio
- Delay retirement or work part-time during retirement
- Increase income from investments
- Rank your priorities

---

# The Approaching Need for Healthcare

As you age, healthcare becomes increasingly important and often more expensive to obtain. Having a clear plan for how you will obtain healthcare and understanding the coverage and associated costs is a crucial step prior to retirement.

The good news is that we are living longer and enjoying longer retirements. The bad news is that we now need to fund a 30 + year-long retirement. Making sure your nest egg lasts while still enjoying your retirement is a constant balancing act. The current low interest rate environment is not helping because putting your money in a FDIC insured CD that generates 5% is no longer an option.

The combination of rising healthcare costs and longer life expectancy means it is essential to include healthcare costs in your retirement planning conversations with your financial advisor. Healthcare costs are the hidden or forgotten expense in retirement.

But you can and should prepare and plan for these expenses in retirement. One way to do this is by taking full advantage of a health savings account (HSA) - the sooner the better!

To qualify for a health savings account, you must be enrolled in a high deductible health plan (HDHP) either through your employer, an individual health plan or a government health plan. A HSA account is a highly tax advantaged savings account that helps mitigate the risk of a high deductible plan.

Its tax advantages are 3-fold:

- Money goes in pre-tax (so the money you deposit reduces your taxable income).
- Money grows tax free.
- When money is withdrawn, for qualified medical expenses, it is tax free.

So, a HSA is like an IRA for your future healthcare expenses. Additionally, there are no income limitations on who can have this type of account (unlike a Roth IRA) and the money not spent this year in the account - remains in the account (unlike a flexible savings account which requires you to use the money each year or you lose it.) Another benefit of a HSA is that once you are over 65, the money can be withdrawn for something other than qualified medical expenses without penalty but you will pay ordinary income tax on it.

Remember, you do not have to do this alone. Let us help assist you with the heavy lifting of all that a thorough financial strategy entails. Our mission is to help guide you toward financial success and enable you to live the life you desire.

---

At Rademacher Financial, our team strives to help people in various stages of their life, navigate their finances and reach their goals. We want to be there with you every step of the way to help you live the life you have always desired. Contact us today to schedule a complimentary 30-minute Initial Meeting.

**Rademacher Financial Inc.**

[www.rademacherfinancial.com](http://www.rademacherfinancial.com)

1505 Kasold Dr, Lawrence, KS. 66047

785.865.5308

[info@rademacherfinancial.com](mailto:info@rademacherfinancial.com)

This is a publication of Rademacher Financial, Inc., a registered investment adviser that only conducts business in jurisdictions where it is properly registered, or is excluded or exempted from registration requirements. Registration as an investment adviser is not an endorsement of the firm by securities regulators and does not mean the adviser has achieved a specific level of skill or ability. The firm is not engaged in the practice of law or accounting.

The information presented is believed to be current. It should not be viewed as personalized investment advice. All expressions of opinion reflect the judgment of the authors on the date of publication and may change in response to market conditions. You should consult with a professional adviser before implementing any strategies discussed. Content should not be viewed as an offer to buy or sell any of the securities mentioned, or as legal or tax advice. You should always consult an attorney or tax professional regarding your specific legal or tax situation. Hyperlinks on this website are provided as a convenience. Different types of investments involve higher and lower levels of risk. There is no guarantee that a specific investment or strategy will be suitable or profitable for an investor's portfolio. There are no assurances that a portfolio will match or exceed specific benchmarks. We cannot be held responsible for information, services, or products found on websites linked to ours.