

Divorce can be one of the most significant and impactful changes a person can endure, and divorce almost always impacts lifestyle and living expenses. Many expenses may double with the creation of a second household. Unfortunately, income often remains at the same level. One question to ask yourself is “do you believe your financial situation will change after your divorce is final?” When working with clients I proceed to ask, “would you like to know how your financial future may change before you finalize your separation agreement?” Many people associate divorce resolution with a narrow set of settlement options when in fact Colorado divorce statutes are pliable. They provide a guideline or framework; not rigid rules. Hence, there’s flexibility which allows for creative financial settlements that may better align with a client’s future financial needs and goals.

As a Certified Divorce Financial Analyst® (CDFA®), I use these skills and credentials to model for clients what the financial future is projected to look like based on the financial assumptions of their divorce. We review the areas of marital property division, spousal maintenance, and child support. By determining the potential impact to my clients’ future, their cash flow, and retirement savings, I can help them alter these variables to identify a possible financial settlement based on client needs. It is possible to predetermine, through the divorce financial planning process, if a spouse will experience negative cash flow after the divorce is finalized. In many cases, spousal maintenance and child support may not be sufficient to cover basic living expenses; and cash flow may even get worse after this source of income terminates. This financial analysis tends to facilitate constructive dialog around modeling “what if” scenarios using the financial variables of divorce. The end result may be a better cash flow outcome. For example, we might identify a marital property division and/or spousal maintenance scenario that provides more cash to pay for living expenses and the opportunity to save additional funds for a more confident retirement for the lower wage earner while simultaneously providing sounder financial security for the spouse paying maintenance and child support.



Patrick Janssen is a Financial Advisor with Ameriprise Financial in Denver, Colorado. He works with individuals, couples, family law attorneys, and mediators to help his clients rebuild their financial futures following divorce. Patrick uses a comprehensive approach to financial planning that includes analysis and getting to know his clients and their future financial needs. When working with families, he becomes a member of the resolution team to help map out custom plans that provide sound financial settlement options that are rooted in post-divorce recovery and effective financial planning. Patrick believes that by helping to resolve spouses’ collective goals together, clients can focus on a financial future that builds a new foundation for a healthier parental and ex-spouse relationship.

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