

Four Questions That Can Transform Your Financial Future

At Wealth Enhancement, we believe the right questions are often more powerful than the right answers. In recent client conversations—from kitchen tables to business boardrooms—we've seen how a few key financial insights can make an immediate, meaningful difference. Here are four real-life questions that sparked big improvements in clarity, confidence and peace of mind.

1. “How much should we keep in the bank, and is it working hard enough?”

One couple realized their “comfort-zone cash” was parked in a traditional savings account earning just 0.04%. When we compared that to a money market fund paying around 4%, the math was clear: shifting the excess could generate more than \$1,500 annually—enough for two round-trip flights to visit family overseas.

This wasn't about chasing yield; it was about aligning their emergency fund with what it's meant to provide: **liquidity, safety, and a fair return**. A small shift in where your rainy-day money lives can mean the difference between dollars sitting idle and dollars supporting your goals.

2. “We're ready to retire, but with two different advisors, are we really coordinated?”

Another couple had healthy balances, a beach house they loved and big travel plans. But with two different advisors making moves independently, the result was surprise tax bills and an investment mix that no longer matched their comfort level.

In one conversation we mapped every IRA, brokerage, and inherited account, then built a single timeline: strategic Roth conversions during their low-income years, a glide path to reduce equity exposure, and liability coverage to protect their growing net worth. Suddenly, the numbers didn't just look good, they **felt good**.

When it comes to retirement, hiring a single advisor can transform “we think we're fine” into **first-class confidence**.

3. “What if my business is thriving, but almost all my wealth is tied up in it?”

A business founder came to us with an exhilarating story: a company growing 30% per year, amazing cash flow, and a \$500,000 checking account balance. The challenges? A 6% condo loan, only modest investments outside the business, and no clear exit strategy.

Together, we designed a plan: conduct a business valuation, channel excess cash into a diversified portfolio, and aggressively pay down high-interest debt. One creative twist—seeding a donor-advised fund— would give them an immediate tax benefit and the chance to build a lasting charitable legacy.

When your company is soaring, don't forget to land some profits safely elsewhere—and let your generosity work as hard as you do.

4. “Why do we have eight different IRAs... and do we really need them?”

In another review, a couple realized they had opened a new IRA nearly every year, not recognizing the costs of fragmentation. Their custodian charged \$100 per account to transfer out, which meant consolidation saved them \$600 right away.

More importantly, combining the accounts gave them a cleaner financial picture and paved the way for **real planning**: tax-smart Roth conversions, risk-aligned portfolios, and simpler withdrawals in retirement.

Sometimes the best financial move isn't chasing performance—it's cleaning house.

The Takeaway

Whether it's optimizing idle cash, coordinating your retirement, balancing business and personal wealth, or simplifying accounts, these questions all point to the same truth: **clarity creates confidence**.

At Wealth Enhancement, we're here to guide you to the summit of your financial life—step by step, question by question—so you can enjoy the view with confidence.



FAQs

Q: How much cash should I keep in my emergency fund?

A: Most people need three to six months of living expenses in a safe, liquid account. The exact amount depends on your job security, lifestyle and comfort level.

Q: What is the best account for emergency savings in 2025?

A: Many traditional savings accounts still pay under 1%. A money market fund or high-yield savings account can offer 4% or more while keeping your money accessible.

Q: How do I know if my retirement plan is coordinated?

A: If you have multiple advisors or accounts but no single, clear strategy for taxes, investments and withdrawals, your plan may not be coordinated. A single financial planner can map all your accounts on one timeline.

Q: What should business owners do if most of their wealth is tied up in their company?

A: It's smart to diversify. That means moving some profits into investments outside



the business, paying down high-interest debt and creating an exit strategy. This protects your personal wealth while the company grows.

Q: Is it a problem to have multiple IRAs?

A: Having several IRAs can create unnecessary fees, paperwork and confusion. Consolidating accounts often lowers costs and makes it easier to plan for taxes and withdrawals in retirement.

Ready to go beyond the numbers?

Let's talk. Call our office today.

Disclosures

Content in this material is for general information only and not intended to provide specific advice or recommendations for any individual. Traditional IRA account owners have considerations to make before performing a Roth IRA conversion. These primarily include income tax consequences on the converted amount in the year of conversion, withdrawal limitations from a Roth IRA, and income limitations for future contributions to a Roth IRA. In addition, if you are required to take a required minimum distribution (RMD) in the year you convert, you must do so before converting to a Roth IRA.