Gmail

Bert Mahoney <bert.mahoney@gmail.com>

MSA

4 messages

Elizabeth Reynolds <ereynolds@thacher.org> Thu, May 8, 2025 at 4:55 PM
To: Bert Mahoney <bert.mahoney@gmail.com>

Bert,

Thanks for your effort to clarify things, though I have to be honest — the revised breakdown has made the situation feel more complex, not less.

Here's a simplified summary of the retirement assets:

- **$476,904** – Respondent's retirement assets (as of 7/4/2021)
- **$19,980** – Petitioner's retirement assets (as of 7/4/2021)
- **$496,884** – Total retirement assets to be divided
- **$248,442** – Each party's share

It's important to be clear that these are *retirement* assets — funds that are not liquid and cannot be used to pay current expenses without penalty or legal process. Without liquidation, these assets offer no immediate relief for the financial responsibilities we both face right now:

- **$100,000+** – Darragh's college costs (I've already paid $25,000; we agreed to split this)
- **$48,692** – Community debt (still unverified as to pre- or post-separation, which would require resolution through a QDRO if we take that route)

You've suggested covering your portion of joint debt by offsetting against your share of retirement assets. On paper, that may seem equitable, but in practice, it raises a serious concern: **since retirement assets are inaccessible and you are currently unemployed, the debt remains unpaid in real terms**. That leaves me in a position where, despite equal "offsets" on paper, **I am still the only one actually covering those joint obligations out of pocket**.

This leads to the following adjusted scenario:

- **$148,962 / 2 = $74,481** – Each party's agreed portion of current debt

You offset your share from your retirement assets:

- Retirement: **$248,442 – $74,481 = $173,961**
- Current assets: **$0**
- Joint debt: **$32,142 still outstanding**

I pay my share using liquid assets:

- Retirement: **$248,442 + $74,481 = $322,923**
- Current assets: **–$74,481**
- Joint debt: **Paid**

In addition, your earlier withdrawal of **$13,280** from your retirement account reduced your half of the total and effectively transferred **$3,290** of value back onto my side. This further skews the division.

After adjusting for that:

- Your revised retirement total: **$170,761**
- Mine: **$326,213**

The larger concern is this: **because the assets you're using to "pay" your share are inaccessible, and you say that won't liquidate them, those debts still effectively exist — and I am the one positioned to absorb them**. That's not a balanced outcome.

This is why I believe a **cash settlement** is not only more equitable but also more practical. It ensures the joint debt is *actually* settled, not just accounted for on paper. It provides both of us with financial clarity and the ability to move forward.

My previous cash offer which I increased to **$80,000**, included a provision for the additional debt. In addition, I remain committed to:

- Paying **$24,346** of the joint debt (inclusive of this increased offer)
- Fully covering **Darragh's college costs**: **$2,500/month for 40 months**, plus books, flights, and related expenses

If you are not intending to liquidate retirement assets, please explain your reasons for not accepting a cash settlement and how you plan to dispose of your portion of the joint debt. I believe that is the conversation we need to be having — how to fairly resolve real, immediate obligations — rather than continuing to restructure inaccessible accounts that can't assist either of us in the present.

Thanks,

Liz

Bert Mahoney <bert.mahoney@gmail.com> Tue, Jun 3, 2025 at 2:52 PM
To: Elizabeth Reynolds <ereynolds@thacher.org>

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Hi,
I'm aware that I owe you a reply on this.

I've dealing with multiple, time-intensive, and physically exhausting  ongoing medical issues.

I'll get you a reply as soon as I am able.
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Thanks and be well,
Bert
[Quoted text hidden]

Bert Mahoney <bert.mahoney@gmail.com>
To: Elizabeth Reynolds <ereynolds@thacher.org>
Fri, Jun 20, 2025 at 8:22 PM

Hi Elizabeth,

Thank you for your reply and updated breakdown.

I've reviewed your most recent proposal, and I'm aligned with your retirement asset values and your estimate for Darragh's education expenses.

Here's a consolidated view of the core retirement asset figures for clarity:

Retirement Assets (as of 7/4/2021):

- $476,904 – Your retirement accounts
- $19,980 – My retirement accounts
- $496,884 – Total to divide
- $248,442 – Each party's 50% share

Darragh's College:

- Estimated total: $100,000
- Shared obligation: $50,000 each (I have already contributed $25,000)

Up to this point, I agree with the numbers as presented.

Regarding Community Debt

Community debt remains a point of discrepancy. My review, based on the documentation exchanged during financial disclosures, reflects the following:

Community Debt (total): $48,692

- My share: $32,142 (66%)
- Your share: $16,550 (34%)

These figures are based on verified account statements and have been consistent in prior disclosures. The debt is not split evenly, and that distinction materially affects the offset against retirement assets.

In your calculations, the community debt was treated as an equal split. Adjusting your model to reflect the actual distribution results in:

Revised Debt Responsibility:

- Your share: $50,000 (education) + $16,550 (debt) = $66,550
- My share: $50,000 (education) + $32,142 (debt) = $82,142

Resulting Retirement Distribution:

- You: $248,442 – $66,550 = **$181,892**
- Me: $248,442 – $82,142 = **$166,300**
    - After debt settlement
        - $166,300 - $32,142 (debts)
        - Bert's Net **$112,858**

This revised distribution aligns more accurately with the actual debt responsibilities.

On Liquidation and Practical Implications

I do not intend to liquidate retirement assets. Therefore, the tax and penalty deductions you proposed are **moot**, and I suggest they be removed from any future calculations.

You also inquired why I have not accepted a cash settlement. My position is based on two factors:

1. A cash offer must reflect a correct accounting of debt distribution.

2. A lump sum must offer practical equity in comparison to the value of an undisturbed retirement asset.

In asset settlements of this nature, I researched and it’s typical to apply a discount in the range of **5–15%** when offering cash-in-lieu of retirement funds, due to the immediate liquidity benefit and potential tax implications.

Given that standard, a cash settlement of **$145,000** would represent an equitable figure. It offers a reasonable offset for retaining the full value of your retirement account, while still reflecting the actual distribution of community debt and education obligations outlined earlier.

After taking time to review and reflect on what I propose in this email, let me know your reply.

I will then make updates to my original document that agree with us and share with you for final review before we proceed to the next step in the process..

For convenience, I’ve attached a summary table reflecting the figures discussed above.
The file is named: Retirement-Debt-Distribution-Summary_June2025.pdf

Please let me know if you have any questions.

Be well,
Bert

On Thu, May 8, 2025 at 3:36 PM Elizabeth Reynolds <ereynolds@thacher.org> wrote:
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Retirement-Debt-Distribution-Summary_June2025.pdf
50K

Bert Mahoney <bert.mahoney@gmail.com> Fri, Jun 20, 2025 at 8:28 PM
To: Darrell Ritchie <fdrboulder@hotmail.com>

Here's what I sent in reply.
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Retirement-Debt-Distribution-Summary_June2025.pdf
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