

In Search of Gay Money: Millionaires in the Making

Posted by **Nina** on June 03, 2008

As gays and lesbians writing about money, we've grown weary of reading all the personal finance content that's written from the perspective of straight marriages. So at Queercents, we've turned the tables on money and relationship advice by asking: What if all of our favorite money columnists were gay? Would their advice be more relevant to our lives?

We think the answer is yes! And as such, this is our weekly series called **In Search of Gay Money** where we *reprint their advice* by swapping out pronouns and a few other words to make it seem like everyone is queer!

Millionaires in the Making: Jerry Lynn and Frank Moser

By **David Ellis** and Queercents

Age: Jerry 47, Frank 46
Occupation: Regional sales manager and assistant to VP
Salary: \$106,000 combined
Investment accounts: \$225K
Checking: \$3,000
Home equity: \$90,000

Achieving financial security, let alone becoming a millionaire, was a distant dream for Jerry Lynn and Frank Moser 14 years ago. At the time, the South Dakota partners had battered credit ratings and virtually no savings. Frank was working two jobs trying to pay down a high credit card balance, while Jerry, recovering from a drug and alcohol addiction, was earning just \$6 an hour working in an appliance store warehouse.

Recognizing how dire their financial situation was, the partners, neither of whom earned college degrees, began studying up on money management, learning the fundamentals of personal finance. While Frank juggled his job and a small side business, Jerry logged 60- and 70-hour weeks, working his way up to his current regional sales manager position.

Now the Jerry and Frank boast a combined salary of \$106,000 and a combined net worth of over \$300,000, and they say that their individual credit ratings are in tip-top shape. "We went from disaster to success in a relatively short time," says Jerry.

What's their saving secret? Nothing fancy, explains Jerry. The partners contribute 15 percent of their pre-tax income into their respective 401(k) accounts and \$2,000 each into their individual Roth IRAs every year. They carry very little outstanding debt (other than the mortgage on their home), rely on coupons and research long and hard before making any big-ticket buys.

Jerry and Frank are confident they will reach millionaire status by the time they reach their mid-sixties. "The process is in motion," said Jerry. "All we need is time for our money to compound."

That goal is well within their reach, and that's not even including the equity in their home, says Lisa Kirchenbauer, a certified financial planner and president of the Arlington, Virginia-based Kirchenbauer Financial Management & Consulting.

In fact, Kirchenbauer recommends they could even scale back some of the aggressiveness in their portfolio - which has large doses of international stocks as well as energy and real estate funds. A more diversified portfolio would better position them to weather a downturn.

In addition, says Kirchenbauer, they should set a more ambitious goal. "I think to be able to have the comfortable retirement, especially with money to travel, they will need to shoot for something more like \$2 million," says Kirchenbauer.

To do that she recommends that the Mosers increase their retirement account contributions closer to the Federal max - \$15,500 for 401(k) and \$4,000 each for their individual Roth IRAs. Living in a relatively inexpensive part of the country, they have a lot of time to earn and save even more, says Kirchenbauer.

She also notes that the partners should also build up their cash reserves for an emergency fund. In addition, they should ensure that they have a reasonable amount of life insurance and a strategy to cover their health care expenses during retirement.