Running the Business of *You*

Personal Financial Plan

UNIVERSITY

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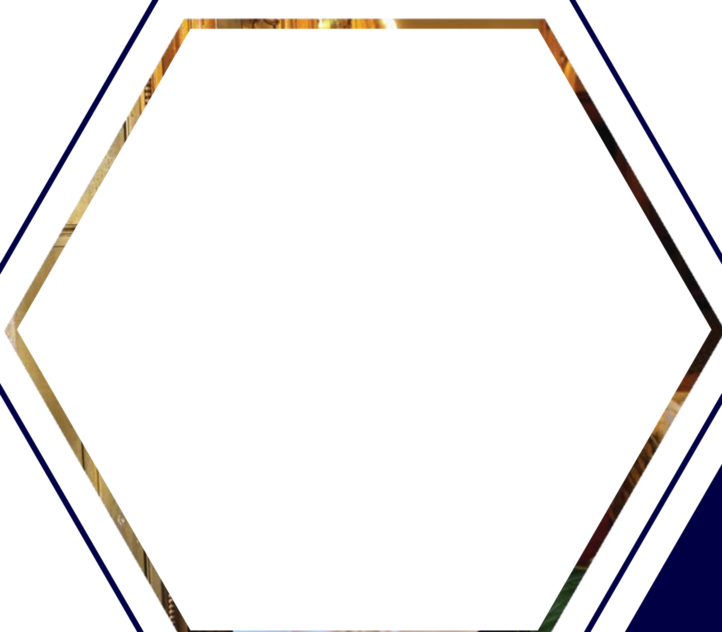
Have you ever thought of yourself as a business?

Whether it is through the pages of financial journals, chatter on the news, or our direct interactions as consumers or employees, we find ourselves consistently engaged in the narratives of corporate entities. We meticulously analyze their strategies, cash flows, earnings, risk management practices, budgets, and overall financial health. We do this not only to understand the businesses themselves but also the broader market dynamics at play.

Amidst our examinations of businesses, do we ever stop to ask: What about the business operations of another fundamental unit of the economy - ourselves? Each of us operates very much like a small-scale corporation. Our financial lives are complex, requiring us to manage short and long-term objectives, navigate income and expenses, weigh risks against opportunities, handle debt and investments, and plan for the long run. Imagine if we all took some of the smart planning that Fortune 500 companies conduct and applied it to our own financials. What if we developed a plan for ourselves that helped us handle daily expenses better and helped us save for big dreams in the future? This means thinking of ourselves as the c-suite of our own finances - deciding how to spend, save, and make our money work for us.

In this personal financial plan, I want to look at financial management in a new light. By becoming the CEO of my own financial life, I have the power to change not just how I live today, but how I thrive tomorrow. While my post-graduation career plans are not set in stone, I have constructed my financial plan under the assumption that I take on a full-time position in June 2024 at my current employer, I have also factored in various assumptions based on the current economic climate, but I still understand their inherent susceptibility to shifts over time. My strategic approach blends optimism and pragmatism, where I hope for favorable outcomes but realize there will always be adversity along the journey. Overall, this personal financial plan is set to begin in June 2024, and will be broken down by short-term, intermediate-term, and long-term goals.



Finance and Marketing Senior

Laying the Foundation: Year 1 Goals

In my financial plan, the first year is shaping up as the most challenging but also the most potentially transformative. It marks a significant shift in my life; transitioning to full-time employment, buying a house, dealing with taxes and insurance, and becoming fully independent. My goals for the first year are all about setting a foundation for stability and growth.

Career Path and Earnings Overview

As stated previously, this financial plan assumes that I take on a full-time position at my current employer, headquartered in Growing to over 300 independent agency partners, provides its agents with a community of like-minded agencies, carriers, industry expertise, and access to specialized products for the agencies and their clients. is ranked third on 2023 list of Top 20 Privately Held Property/Casualty Agency Partnerships.

Since the summer of 2020, I have worked as an intern and in fall of 2022 transitioned to a part time role in the marketing department. My role has been multifaceted; managing our corporate social media accounts, contributing to the creative process through graphic design, and enhancing voice by writing articles and blogs. Additionally, I have been a part of the team working toward marketing automation and marketing as a service.

In a full time capacity, I am positioned to take on the role of Marketing Auditor, where I will primarily focus on customer relationship management and the integration of sophisticated inbound marketing software. This is a unique position within the company, and I expect to earn a salary of $60,000 in my first year. This compensation package is complemented by a generous 401(k) match of up to 4% and healthcare benefits.

An added advantage of this position is that it is remote, which presents numerous savings opportunities. By working remotely, I anticipate a reduction in expenses traditionally associated with in-office employment, such as transportation costs, vehicle wear and tear, expensive business attire, and the frequency of dining out. This not only supports a more sustainable lifestyle but also gives me the ability to allocate resources to other areas.

Balancing the Books: A Look at Debt and Outflows

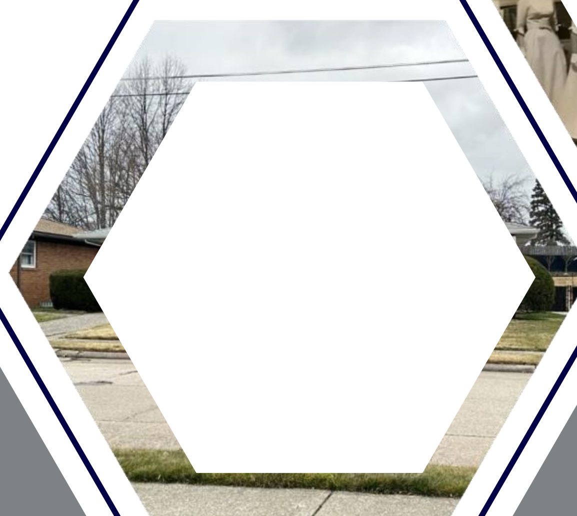
I have been blessed with generous parents and many financial opportunities, most notably attending college on full academic and athletic scholarships. Graduating college in May 2024 free from student loans, car payments, any form of debt, and the money I have saved by living with my parents, will afford me the chance to pursue financial goals typically reserved for those further along in life's journey.

However, this chapter of living without significant financial obligations is set to transition as I take advantage of a golden opportunity of purchasing my first home in . The home, a charming 1,080 square foot brick ranch, currently rests unoccupied within my boyfriend 's family estate. The home has been owned by the family since it was built in 1958, which gives it a special place in 's heart and mine.

Despite its dreamlike promise, the ranch requires some repairs and updates, particularly in the bathroom. Alongside this renovation, there is a series of smaller projects—painting, floor sanding, and upgrades—that will contribute to the expense. 's family is graciously offering us the house at a discounted price of $90,000. However, we will still need to secure a loan to manage the purchase over time. We are considering a 30-year fixed loan term with an estimated 6.13% interest rate after a 20% down payment. Our plan is to start making payments on the house in the summer of 2024, dedicating the subsequent year to these renovations while staying at our parents' houses, and then ultimately transitioning to the completed ranch in the summer of 2025.

Another key expense to consider is the cost of insurance. Despite maintaining a clean driving record, being the primary driver of my vehicle and only 22 years old means I am facing a naturally higher insurance premium. According to a quote from a local Insurance agency, my annual cost is expected to be around $2,086. For homeowner's insurance on the ranch, and I can expect to pay $1,100 annually.

As a lifelong competitor on the golf course, securing a golf membership holds significant importance to me. There is a special joy in strolling along the fairways during those warm summer evenings—it is pure bliss. Golf Club is a place I have called home for years, and I want to continue that sense of belonging into my adult life. Even though I will not be married when the annual dues must be paid in January of 2025, and I can still apply for a joint membership since at that point we will have a shared address. Together we can expect to pay $3,806.



Tax Responsibilities

Upon completing my education, I will be filing my taxes under the “Single” status with the IRS and taking the standard deduction of $13,842. For local taxes, I have a rate of 1%, which translates to $600. On the state level, the tax rate stands at 3.07%, amounting to $1,842. For federal income taxes, I fall into the 12% bracket after contributing to my 401(k). Property taxes on the brick ranch impact my financial planning but are more manageable since and I split the costs. A more detailed breakdown of taxes is available in Appendix D.

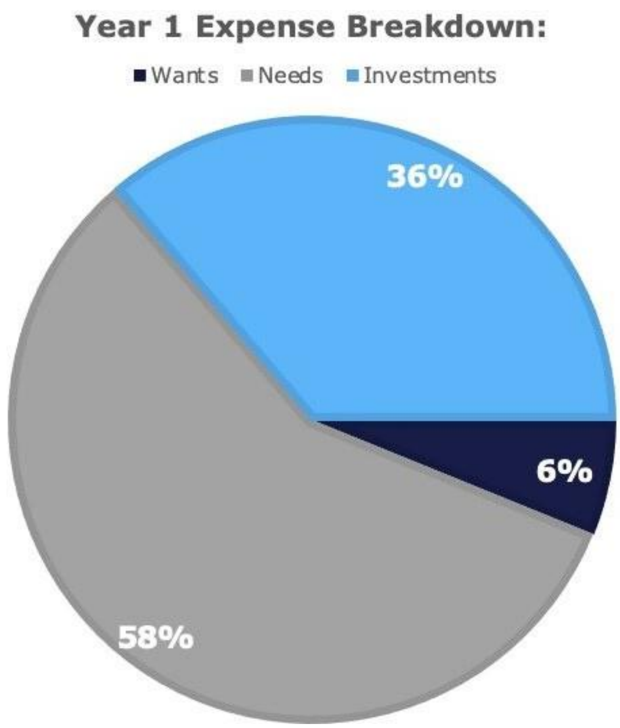
Investments: “Live Like No One Else”

Dave Ramsey’s advice, “Live like no one else, so later you can live like no one else,” has been a guiding principle for me during my university years. I have made it a priority to invest a substantial portion of my earnings into various investment vehicles, such as a Roth IRA and mutual funds. This disciplined approach has allowed me to generate income during a period when many of my peers are burdened by debt. Mindful of the temptations that come with having disposable income, I have implemented automatic monthly transfers from my savings account into these investment funds. My philosophy is that out of sight means out of mind.

As a newer investor, I understand the significance of laying the groundwork for retirement funding at the earliest opportunity. I will begin contributing to my employer’s 401(k) in April of 2024, but my intention when transitioning to full-time status in June is to ramp up my efforts with a more focused and aggressive approach towards these contributions.

Despite the initial hurdles of sizable expenses in the first year, I am committed to maximizing these investment contributions knowing their potential long-term benefits. My strategy is outlined as follows: contribute $3,000 annually to my existing investment portfolios, 10% of my salary to my 401(k), and the maximum allowable amount into my Roth IRA.

In the first year, I would also like to build up a savings account in case of emergency with an additional $2,500 to the existing balance. We never know when something unexpected is going to hit us, like a furnace needing repair or a tire blowing out, so it is key to have liquid assets on hand for these surprises. I will put this emergency fund in a money market account, so it is easy to get to if needed but still working a bit for me in the background. A detailed investment breakdown can be found in Appendix J through O.



Embracing Milestones: Year 3 Goals

By the third year, another round of significant milestones will unfold; I will be married and welcoming our first child into the world. It will already be two years since and I moved into the brick ranch, but already it will need some upgrades like new windows. Just like it is never too early to start investing in retirement, I will be proactively planning for future by opening a 529 savings account for her education. This phase is one of the immediate joy and long-term aspirations for our family of three.

Career Path and Earnings Continued

In year three, I will have firmly established myself as the expert in marketing automation and integration at , significantly enhancing the company's marketing efficiency. It is also an exciting time for our marketing department as we launch our "Marketing As A Service" division, where we will build individual marketing strategies for 's independent agencies. Alongside these professional achievements, I will be a ringer at corporate golf outings, ensuring my swing stays sharp even though I am working full-time. Thanks to my contributions and dedication, I will enjoy a salary increase from $60,000 to $66,000.

Balancing the Books: New Expenses

In year three, we will brace for a mix of significant expenses, but I am optimistic about our financial readiness to manage them all comfortably. A major project on the horizon will be the replacement of the ranch's windows. Even though it is not a cheap update, their age and inefficiency necessitate it. Since the house has standard-sized windows and a modest number of them, our cost is projected at $11,000. Fortunately, due to our prudent budgeting, we will take on this expense without a home improvement loan. In addition to the window project, our commitment to the mortgage will continue, with monthly payments of $442 totaling $5,304 annually. Now that we will fully reside in the ranch, we will also account for utility expenses and a food budget.

In these financial plans, we are preparing for an incredibly joyous event – the arrival of our first child, . While our insurance will cover most hospital and prenatal care expenses, we will prepare for the essential purchases: a car seat, highchair, stroller, crib, clothing, diapers, and baby toys. Following my paid maternity leave, we will be extremely fortunate to have family support for childcare, sparing us from immediate daycare costs.

Despite the demands of new parenthood, maintaining our Golf Club membership will remain a priority. It might mean fewer rounds of golf each summer, but those moments on the course will be mini getaways that refresh us.

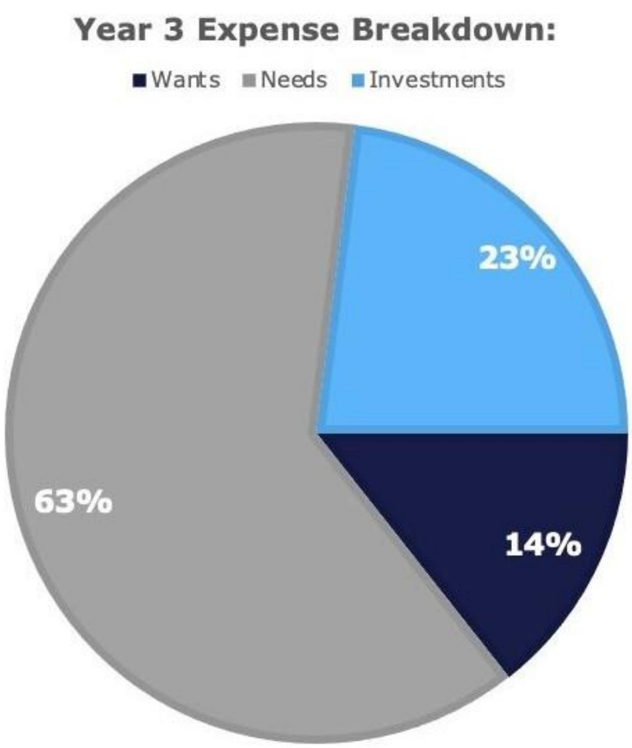
Tax Responsibilites

The landscape for my tax responsibilities will have both familiar and new elements. The constants include FICA taxes consisting of Social Security and Medicare, which are calculated in the plan at the same rate as year one. The change in tax will come from income tax since at this point, I expect to file taxes jointly with . With our combined incomes even after contributing significantly to our 401(k)s, we fall into the 22% tax income bracket. Meanwhile, the property taxes on the brick ranch will remain steady, offering some stability in our evolving financial scenario.

Investments: Family Wealth and Well-Being

Another significant consideration in year three will be our investments. We will set our sights on investing an additional 5% annually, contributing $1,654 to each of my investment portfolios with Fidelity and Thrivent. Simultaneously, we will boost our emergency fund with an added $2,500 annually. This early focus on building a security net will be a deliberate choice to ensure peace of mind down the road.

When it comes to retirement, our approach will be anything but conservative. For my Roth IRA, I will maximize contributions with $7,000 annually. For our individual 401(k)s, we will contribute 10% of our initial year's income plus a 1% increase annually, then layer on the benefit of a 4% match from and a 2% match from employer. By investing in two different types of retirement accounts, we will diversify our retirement portfolios.



Year three will also mark the start of another important investment: a 529 High School and College Savings Fund for and eventually, for her siblings to follow. Starting with an initial contribution of $4,824 and planning for a 5% increase each year, we will make sure we can provide for their education as they grow. By the time steps into college, we will begin to draw from the fund while still maintaining contributions. Even though this will be a big financial commitment, we are convinced it will be well worth it. A further breakdown on the life of the 529 High School and College Savings Fund can be located in Appendix P.

New Things: Year 5 Goals

By year five, our family and home life will have reached new heights of joy and complexity. will already be 3 years old and a second child will be on the way soon. This period will also mark four years since we settled into the brick ranch. We would like to embark on a 'fun' project now: adding a mudroom/laundry room to connect the back door to the garage. This endeavor will be our first experience with a home improvement loan. Amidst these family milestones, we are still deeply committed to our financial growth and stability. and I will be managing a blend of obligations, from continuing mortgage payments to tackling a new car loan that ensures our mobility as a growing family.

A New Career Chapter

By the fifth year, my journey at will take an exciting turn as I step into the role of Marketing as a Service (MaaS) Manager, a promotion earned through my standout performance as a Marketing Auditor. In this new capacity, I will be directing the marketing strategies for independent agencies, which will allow me to blend my dual passions and academic focuses of marketing and finance. This unique skill-set combination will allow me to craft strategies that are not only creative but financially viable, ultimately bridging the gap between imagination and economic reality. Recognized for this specialized expertise, my compensation will reflect the value I bring, with an annual salary of $80,000. An additional perk of this position will be my inclusion in the corporate membership at Ohio. This blend of professional growth, financial reward, and personal benefits will mark an exciting point in my career at

Balancing the Books: Little and Big Additions

As stated in the year five goals, my family will take on an exciting project of turning a simple cement pad at the back of the brick ranch into a functional mudroom/laundry room. This addition will seamlessly link our back door with the garage, enhancing our home's utility and flow. Because this project will require some significant capital, we have opted for a home improvement loan so we can preserve our investments and lifestyle while still being able to afford this highly anticipated project. Our home improvement loan will be a 5-year loan at a 5.4% interest rate and our mortgage will continue with an annual payment of $5,304.

Our family planning will also include welcoming our second child, . Our insurance will again cover most hospital and prenatal care expenses. We will be delighted to repurpose 's baby items for , offering both a sustainable choice and financial saving. Post-maternity leave, the blessing of family watching over our children will save us the expense of daycare. As our family grows to four, we will anticipate adjustments in our household expenses, including utilities and groceries. We will also begin financing a second car, a Mazda SUV. This auto loan will involve a 2.90% interest rate for a $41,945 loan amount. The vehicle will be paid off over 60 months with a monthly payment of $761.

Some things in our plan will remain unchanged, like our Golf Club membership. It will become a family affair, with joining us for evening walks on the course or watching her dad practice on the driving range. These moments will hint at a budding golfer in – it soon might be time to budget for her first set of clubs!

Taxes Responsibilities

The landscape in year five will mirror that of year three, with familiar taxes like FICA and filing joint income taxes and property taxes on the brick ranch. Our combined income will still place us in the 22% income tax bracket.

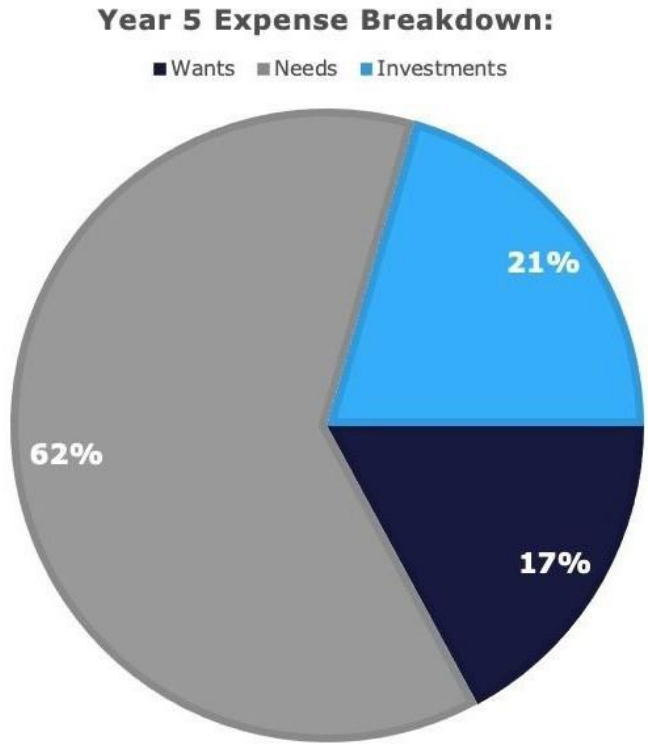
Investments: Looking Ahead

By year five, we will have over $15,000 invested in our emergency fund, assuming we have not needed to tap into it. Under this assumption, we will pause contributions until we reassess the fund the following year.

The 529 account will have a good 12-13 years of building before we need to start withdrawals. Should a third child complete their education, we anticipate depleting the account.

The growth of our investment portfolios will be exciting, benefiting from years of steady, significant contributions with incremental increases. My Roth IRA will continue to thrive as well, with annual contributions of $7,000. About 14% of our salaries will be diligently channeled into our employer-sponsored 401(k) plans, setting us firmly on the road to a secure retirement.

Risks to the Plan



As I navigate this financial plan, I am aware of the various risks that could potentially cause it to veer off course. Life, in its unpredictability, often presents challenges when least expected. While it is easy to think about our strengths and opportunities, recognizing and planning for potential threats is equally important. Facing these risks with a proactive and flexible approach is necessary not just in this plan but as a broader life philosophy.

Emergency Situations: I recognize that having inadequate insurance coverage can leave me vulnerable to the aftermath of unexpected events, leading to significant out-of-pocket expenses.

Catastrophic Injury or Illness: There is always a potential that severe health issues, whether it be my spouse or myself, could interrupt our income stream. Although disability insurance offers a safety net, it replaces only a fraction of our earnings, meaning there is a need for comprehensive planning.

Aggressive Investments: While I am drawn to higher returns on aggressive investments, I also acknowledge the increased volatility and risk of loss they bring. Currently, my portfolio is one of an aggressive investor, yet I am conscious that life's evolving stages will necessitate a gradual shift towards more conservative choices. Over time, I will likely opt for some more conservative investments like adding bonds or real estate. Another important strategy is to diversify my investment portfolio with a mix of assets.

Job Loss: The possibility of losing my job, or my spouse losing his job, is a potential threat. Beyond our emergency fund, I am actively networking and developing niche skills to enhance my employability. My spouse is also considering side hustles to diversify our income sources.

Dramatic Family Situation: Though it is a scenario we wish to never face, life can take unexpected turns such as divorce, caring for a child with special needs, or confronting the loss of a loved one. Any of these circumstances would not only bring emotional turmoil but also necessitate a revision of our financial plan.

Childcare: This plan assumes childcare will be of no cost for our children. In the event our family members were not in good health or move away, we would need to budget for this significant expense. Childcare could cost our family anywhere between $15,000-$30,000 annually, depending on how old the children are and what daycare they would attend.

Appendices

Appendix A – Year 1 Income and Expense Statement

*half of total; other half paid by Mark

INCOME AND EXPENSE STATEMENT Year 1			
Name(s)			
For the	Year	Ended	May 31, 2025
Income			
Wages and salaries	Name:	$	60,000.00
Self-employment income			-
Bonuses and commissions			-
Investment income	Interest received		-
	Dividends received		306.87
	Rents received		-
	Sale of securities		-
	Other		-
Contributions	401K		(6,000.00)
	(I) Total Income	**$**	**54,306.87**
Expenses			
Housing	Mortgage payment*	$	2,651.84
	Repairs, maintenance, improvements*		7,000.00
Utilities	Gas, electric, water		-
	Phone		500.00
	Cable TV and other		72.00
Food	Groceries		200.00
	Dining out		300.00
Transportation	Auto loan payments		-
	License plates, fees, etc.		50.00
	Gas, oil, repairs, tires, maintenance		1,100.00
Medical	Health, major medical, disability insurance		-
	Doctor, dentist, hospital, medicines		-
Clothing	Clothes, shoes, and accessories		300.00
Insurance	Homeowner's*		550.00
	Life (not provided by employer)		-
	Auto		2,086.00
Taxes	Social Security Tax (FICA)		3,612.00
	Medicare Tax (FICA)		870.00
	Income: City of Erie Tax		543.07
	Income: State Tax		1,842.00
	Income: Federal Tax		7,200.00
	Property: City of Erie Tax*		492.00
	Property: County Tax*		223.50
	Property: School Tax*		497.00
Appliances, furniture, and other major purchases	Loan payments		-
	Purchases and repairs		-
Personal care	Laundry, cosmetics, hair care		250.00
Recreation and entertainment	Gym Membership		300.00
	: Membership*		1,903.00
Other items	Emergency Savings Fund		2,500.00
	Roth IRA		7,000.00
	Investment Portfolios		3,000.00
	(II) Total Expenses	**$**	**45,042.41**
	CASH SURPLUS (OR DEFICIT) [(I)-(II)]	**$**	**9,264.46**

Appendix B – Year 3 Income and Expense Statement

INCOME AND EXPENSE STATEMENT Year 3			
Name(s)			
For the	Year	Ended	May 31, 2027
Income			
Wages and salaries	Name:	$	66,000.00
	Name:		85,000.00
Self-employment income			-
Bonuses and commissions			-
Investment income	Interest received		-
	Dividends received		613.74
	Rents received		-
	Sale of securities		-
	Other		-
Contributions	401K Sarah		(6,120.60)
	401 spouse		(8,670.85)
	(I) Total Income	**$**	**136,822.29**
Expenses			
Housing	Mortgage payment	$	$5,303.69
	New Windows for Ranch		11,000.00
Utilities	Gas, electric, water		3,900.00
	Phone		800.00
	Cable TV and other		2,520.00
Food	Groceries		10,400.00
	Dining out		500.00
Transportation	Auto loan payments		-
	License plates, fees, etc.		100.00
	Gas, oil, repairs, tires, maintenance		2,200.00
Medical	Health, major medical, disability insurance		-
	Doctor, dentist, hospital, medicines		-
Clothing	Clothes, shoes, and accessories		900.00
Insurance	Homeowner's		1,100.00
	Life (not provided by employer)		-
	Auto		4,172.00
Taxes	Social Security Tax (FICA)		9,090.20
	Medicare Tax (FICA)		2,160.50
	Income: City of Erie Tax		1,368.22
	Income:State Tax		4,200.44
	Income: Federal Tax		30,100.90
	Property: City of Erie Tax		984.00
	Property: County Tax		447.00
	Property: School Tax		994.00
Children	Child's first year of life		9,000.00
Personal care	Laundry, cosmetics, hair care		500.00
Recreation and entertainment	Gym Membership		600.00
	Membership		3,806.00
Other items	Emergency Savings Fund		2,500.00
	Roth IRA		7,000.00
	Investment Portfolios		3,307.50
	529 Savings Plan		$4,031
	(II) Total Expenses	**$**	**122,985.39**
	CASH SURPLUS (OR DEFICIT) [(I)-(II)]	**$**	**13,836.90**

Appendix C – Year 5 Income and Expense Statement.

INCOME AND EXPENSE STATEMENT Year 5			
Name(s)			
For the	Year	Ended	May 31, 2029
Income			
Wages and salaries	Name:	$	80,000.00
	Name:		95,000.00
Self-employment income			-
Bonuses and commissions			-
Investment income	Interest received		-
	Dividends received		920.61
	Rents received		-
	Sale of securities		-
	Other		-
Contributions	401K Sarah		(6,243.62)
	401K spouse		(8,845.13)
	(I) Total Income	**$**	**160,831.85**
Expenses			
Housing	Mortgage payment	$	$5,303.69
	Repairs, maintenance, improvements		5,716.56
Utilities	Gas, electric, water		4,000.00
	Phone		800.00
	Cable TV and other		2,880.00
Food	Groceries		13,520.00
	Dining out		800.00
Transportation	Auto loan payments - Mazda CX-5		11,375.00
	License plates, fees, etc.		200.00
	Gas, oil, repairs, tires, maintenance		4,400.00
Medical	Health, major medical, disability insurance		-
	Doctor, dentist, hospital, medicines		-
Clothing	Clothes, shoes, and accessories		1,800.00
Insurance	Homeowner's		1,100.00
	Life (not provided by employer)		336.00
	Auto		4,172.00
Taxes	Social Security Tax (FICA)		10,535.00
	Medicare Tax (FICA)		2,160.50
	Income: City of Erie Tax		3,216.64
	Income:State Tax		5,372.50
	Income: Federal Tax		35,383.01
	Property: City of Erie Tax		984.00
	Property: County Tax		447.00
	Property: School Tax		994.00
	Child 1		6,000.00
Children	Second child's first year of life		6,000.00
Personal care	Laundry, cosmetics, hair care		700.00
Recreation and entertainment	Gym Membership		600.00
	: Membership		3,806.00
Other items	Emergency Savings Fund		2,500.00
	Roth IRA		7,000.00
	Mutual Funds		3,646.52
	529 Savings Plan		4,030.93
	(II) Total Expenses	**$**	**149,779.34**
	CASH SURPLUS (OR DEFICIT) [(I)-(II)]	**$**	**11,052.51**

Appendix D – Tax Breakdowns

Year 1 Tax Breakdown

FICA	Social Security	3,612.00
	Medicare	870.00
Income	City of Erie	543.07
	PA State	1,842.00
	Federal	7,200.00
Property	City of Erie	492.00
	County	223.50
	School	497.00
		15,279.57

Year 3 Tax Breakdown

FICA	Social Security	9,090.20
	Medicare	2,160.50
Income	City of Erie	1,368.22
	PA State	4,200.44
	Federal	30,100.90
Property	City of Erie	984.00
	County	447.00
	School	994.00
		49,345.27

Year 5 Tax Breakdown

FICA	Social Security	10,535.00
	Medicare	2,160.50
Income	City of Erie	3,216.64
	PA State	5,372.50
	Federal	35,383.01
Property	City of Erie	984.00
	County	447.00
	School	994.00
		59,092.64

Appendix E – Loans

Mortgage Amortization

Principal	$ 72,000	Number of PMTs	360
Loan Term (years)	30	Monthly Rate	0.51%
Annual Rate	6.13%	Annual PMT	$5,303.69
Initial Date	5/31/24		

Years	Date	Starting	Payment	Interst PMT	Principal PMT	Ending
1	5/31/24	$ 72,000.00	$5,303.69	$ 4,413.60	$890.09	$ 71,109.91
2	5/31/25	$ 71,109.91	$5,303.69	$ 4,359.04	$944.65	$ 70,165.26
3	5/31/26	$ 70,165.26	$5,303.69	$ 4,301.13	$1,002.56	$ 69,162.70
4	5/31/27	$ 69,162.70	$5,303.69	$ 4,239.67	$1,064.01	$ 68,098.69
5	5/31/28	$ 68,098.69	$5,303.69	$ 4,174.45	$1,129.24	$ 66,969.45
6	5/31/29	$ 66,969.45	$5,303.69	$ 4,105.23	$1,198.46	$ 65,770.99
7	5/31/30	$ 65,770.99	$5,303.69	$ 4,031.76	$1,271.93	$ 64,499.06
8	5/31/31	$ 64,499.06	$5,303.69	$ 3,953.79	$1,349.90	$ 63,149.17
9	5/31/32	$ 63,149.17	$5,303.69	$ 3,871.04	$1,432.64	$ 61,716.52
10	5/31/33	$ 61,716.52	$5,303.69	$ 3,783.22	$1,520.47	$ 60,196.06
11	5/31/34	$ 60,196.06	$5,303.69	$ 3,690.02	$1,613.67	$ 58,582.39
12	5/31/35	$ 58,582.39	$5,303.69	$ 3,591.10	$1,712.59	$ 56,869.80
13	5/31/36	$ 56,869.80	$5,303.69	$ 3,486.12	$1,817.57	$ 55,052.23
14	5/31/37	$ 55,052.23	$5,303.69	$ 3,374.70	$1,928.99	$ 53,123.24
15	5/31/38	$ 53,123.24	$5,303.69	$ 3,256.45	$2,047.23	$ 51,076.01
16	5/31/39	$ 51,076.01	$5,303.69	$ 3,130.96	$2,172.73	$ 48,903.28
17	5/31/40	$ 48,903.28	$5,303.69	$ 2,997.77	$2,305.92	$ 46,597.36
18	5/31/41	$ 46,597.36	$5,303.69	$ 2,856.42	$2,447.27	$ 44,150.09
19	5/31/42	$ 44,150.09	$5,303.69	$ 2,706.40	$2,597.29	$ 41,552.81
20	5/31/43	$ 41,552.81	$5,303.69	$ 2,547.19	$2,756.50	$ 38,796.31
21	5/31/44	$ 38,796.31	$5,303.69	$ 2,378.21	$2,925.47	$ 35,870.83
22	5/31/45	$ 35,870.83	$5,303.69	$ 2,198.88	$3,104.81	$ 32,766.02
23	5/31/46	$ 32,766.02	$5,303.69	$ 2,008.56	$3,295.13	$ 29,470.89
24	5/31/47	$ 29,470.89	$5,303.69	$ 1,806.57	$3,497.12	$ 25,973.77
25	5/31/48	$ 25,973.77	$5,303.69	$ 1,592.19	$3,711.50	$ 22,262.28
26	5/31/49	$ 22,262.28	$5,303.69	$ 1,364.68	$3,939.01	$ 18,323.26
27	5/31/50	$ 18,323.26	$5,303.69	$ 1,123.22	$4,180.47	$ 14,142.79
28	5/31/51	$ 14,142.79	$5,303.69	$ 866.95	$4,436.74	$ 9,706.06
29	5/31/52	$ 9,706.06	$5,303.69	$ 594.98	$4,708.71	$ 4,997.35
30	5/31/53	$ 4,997.35	$5,303.69	$ 306.34	$4,997.35	$ 0.00
		SUM:	**$153,806.96**	**$ 87,110.65**	**$67,002.65**	

Home Improvement Loan Amortization

Principal	$ 25,000	Number of PMTs	60
Loan Term (years)	$ 5	Monthly Rate	0.45%
Annual Rate	5.40%	Annual PMT	$5,838.37
Initial Date	5/31/27		

Years	Date	Starting	Payment	Interst PMT	Principal PMT	Ending
1	5/31/27	$ 25,000.00	$5,838.37	$ 1,350.00	$4,488.37	$ 20,511.63
2	5/31/28	$ 20,511.63	$5,838.37	$ 1,107.63	$4,730.74	$ 15,780.90
3	5/31/29	$ 15,780.90	$5,838.37	$ 852.17	$4,986.20	$ 10,794.70
4	5/31/30	$ 10,794.70	$5,838.37	$ 582.91	$5,255.45	$ 5,539.25
5	5/31/31	$ 5,539.25	$5,838.37	$ 299.12	$5,539.25	$ -
		SUM:	**$29,191.83**	**$ 4,191.83**	**$25,000.00**	

Auto Loan Amortization

Principal	$ 41,945	Number of PMTs	$ 60
Loan Term (years)	$ 5	Monthly Rate	0.24%
Annual Rate	2.90%	Annual PMT	$9,132.75
Initial Date	5/31/27		

Years	Date	Starting	Payment	Interst PMT	Principal PMT	Ending
1	5/31/27	$ 41,945.00	$9,132.75	$ 1,216.41	$7,916.34	$ 34,028.66
2	5/31/28	$ 34,028.66	$9,132.75	$ 986.83	$8,145.92	$ 25,882.74
3	5/31/29	$ 25,882.74	$9,132.75	$ 750.60	$8,382.15	$ 17,500.59
4	5/31/30	$ 17,500.59	$9,132.75	$ 507.52	$8,625.23	$ 8,875.36
5	5/31/31	$ 8,875.36	$9,132.75	$ 257.39	$8,875.36	$ -
		SUM:	**$45,663.74**	**$ 3,718.74**	**$41,945.00**	

Appendix F – Time 0 Balance Sheet

BALANCE SHEET Year 0

Name(s) ______________ Date May 31, 2024

ASSETS		
Liquid Assets		
Cash on hand	$ 80.00	
In checking	1,958.36	
Savings accounts	-	
Money market funds and deposits	1,966.93	
Certificates of deposit (<1 yr. to maturity)	-	
Total Liquid Assets		**$ 4,005.29**
Investments		
Stocks	$	
Bonds	300.00	
Certificates of deposit (>1 yr. to maturity)		
Mutual funds	6,903.00	
	23,115.00	
Real estate	-	
Roth IRA	2,351.00	
401k		
Total Investments		**$ 32,669.00**
Real Property		
Primary residence	$ -	
Second home	-	
Other	-	
Total Real Property		**$ -**
Personal Property		
Auto(s):	$ 19,620.00	
Auto(s):	-	
Recreational vehicles	-	
Household furnishing	-	
Jewelry and artwork	2,000.00	
Other	-	
Other	-	
Total Personal Property		**$ 21,620.00**
(I)Total Assets		**$ 58,294.29**

LIABILITIES		
Current Liabilities		
Utilities	$ -	
Rent	-	
Insurance premiums	-	
Taxes	-	
Medical/dental bills	-	
Repair bills	-	
Bank credit card balances	-	
Dept. store credit card balances		
Travel and entertainment card balances	-	
Gas and other credit card balances	-	
Bank line of credit balances	-	
Other current liabilities	-	
Total Current Liabilities		**$ -**
Long-Term Liabilities		
Primary residence mortgage	$ -	
Second home mortgage	-	
Real estate investment mortgage	-	
Auto loans	-	
Appliance/furniture loans	-	
Home improvement loans	-	
Single-payment loans	-	
Education loans	-	
Margin loans	-	
Other long-term loans	-	
Total Long-Term Liabilities		**$ -**
(II) Total Liabilities		**$ -**
Net Worth [(I) - (II)]		**$ 58,294.29**
Total Liabilities and Net Worth		**$ 58,294.29**

Appendix G – Year 1 Balance Sheet

BALANCE SHEET Year 1

Name(s) ! ______________ Date May 31, 2025

ASSETS		
Liquid Assets		
Cash on hand	$ 80.00	
In checking		
Savings accounts	9,264.46	
Money market funds and deposits	15,414.57	
Certificates of deposit (<1 yr. to maturity)	-	
Total Liquid Assets		**$ 24,759.03**
Investments		
Stocks	$	
Bonds	300.00	
Certificates of deposit (>1 yr. to maturity)		
Mutual funds	29,316.80	
	9,678.05	
Real estate		
Roth IRA	9,999.87	
401k	21,670.89	
Total Investments		**$ 70,965.61**
Real Property		
Primary residence	$ 90,000.00	
Second home	-	
Other	-	
Total Real Property		**$ 90,000.00**
Personal Property		
Auto(s):	$ 18,620.00	
Auto(s):	-	
Recreational vehicles	-	
Household furnishing	-	
Jewelry + Engagement Ring	8,000.00	
Other	-	
Other	-	
Total Personal Property		**$ 26,620.00**
(I)Total Assets		**$ 212,344.64**

LIABILITIES		
Current Liabilities		
Utilities	$ -	
Rent	-	
Insurance premiums	2,636.00	
Taxes	15,279.57	
Medical/dental bills	-	
Repair bills	-	
Bank credit card balances	-	
Dept. store credit card balances		
Travel and entertainment card balances	-	
Gas and other credit card balances	-	
Bank line of credit balances	-	
Other current liabilities	1,903.00	
Total Current Liabilities		**$ 19,818.57**
Long-Term Liabilities		
Primary residence mortgage	$ 71,109.91	
Second home mortgage	-	
Real estate investment mortgage	-	
Auto loans	-	
Appliance/furniture loans	-	
Home improvement loans	-	
Single-payment loans	-	
Education loans	-	
Margin loans	-	
Other long-term loans	-	
Total Long-Term Liabilities		**$ 71,109.91**
(II) Total Liabilities		**$ 90,928.48**
Net Worth [(I) - (II)]		**$ 121,416.16**
Total Liabilities and Net Worth		**$ 212,344.64**

Appendix H – Year 3 Balance Sheet

BALANCE SHEET Year 3

Name(s) ______________ Date May 31, 2027

ASSETS		
Liquid Assets		
Cash on hand	$ 80.00	
In checking	1,000.00	
Savings accounts	13,836.90	
Money market funds and deposits	9,881.14	
Certificates of deposit (<1 yr. to maturity)	-	
Total Liquid Assets		**$ 24,798.04**
Investments		
Stocks	$	
Bonds	300.00	
Certificates of deposit (>1 yr. to maturity)		
Mutual funds	38,661.62	
	15,028.18	
529	4,030.93	
Roth IRA	27,666.99	
401k	51,780.92	
Total Investments		**$ 137,468.65**
Real Property		
Primary residence	$ 115,000.00	
Second home	-	
Other	-	
Total Real Property		**$ 115,000.00**
Personal Property		
Auto(s):	$ 15,620.00	
Auto(s):	41,975.00	
Recreational vehicles	-	
Household furnishing	-	
Jewelry and artwork	8,000.00	
Other	-	
Other	-	
Total Personal Property		**$ 65,595.00**
(I)Total Assets		**$ 342,861.69**

LIABILITIES		
Current Liabilities		
Utilities	$ 7,220.00	
Rent	-	
Insurance premiums	5,272.00	
Taxes	49,345.27	
Medical/dental bills	-	
Repair bills	-	
Bank credit card balances	-	
Dept. store credit card balances		
Travel and entertainment card balances	-	
Gas and other credit card balances	-	
Bank line of credit balances	-	
Other current liabilities	1,903.00	
Total Current Liabilities		**$ 63,740.27**
Long-Term Liabilities		
Primary residence mortgage	$ 68,098.69	
Second home mortgage	-	
Real estate investment mortgage	-	
Auto loans	20,511.63	
Appliance/furniture loans	-	
Home improvement loans	34,028.66	
Single-payment loans	-	
Education loans	-	
Margin loans	-	
Other long-term loans	-	
Total Long-Term Liabilities		**$ 122,638.98**
(II) Total Liabilities		**$ 186,379.25**
Net Worth [(I) - (II)]		**$ 156,482.44**
Total Liabilities and Net Worth		**$ 342,861.69**

Appendix I – Year 5 Balance Sheet

BALANCE SHEET Year 5

Name(s) ______________ Date May 31, 2029

ASSETS		
Liquid Assets		
Cash on hand	$ 80.00	
In checking		
Savings accounts	11,052.51	
Money market funds and deposits	-	
Certificates of deposit (<1 yr. to maturity)	-	
Total Liquid Assets		**$ 11,132.51**
Investments		
Stocks	$	
Bonds	300.00	
Certificates of deposit (>1 yr. to maturity)		
Mutual funds	50,253.88	
	21,813.18	
529	$24,894	
Roth IRA	50,210.18	
401k	93,473.18	
Total Investments		**$ 240,944.20**
Real Property		
Primary residence	$ 125,000.00	
Second home	-	
Other	-	
Total Real Property		**$ 125,000.00**
Personal Property		
Auto(s):	$ 10,620.00	
Auto(s):	35,400.00	
Recreational vehicles	-	
Household furnishing	-	
Jewelry and artwork	8,000.00	
Other	-	
Other	-	
Total Personal Property		**$ 54,020.00**
(I)Total Assets		**$ 431,096.71**

LIABILITIES		
Current Liabilities		
Utilities	$ 7,680.00	
Rent	-	
Insurance premiums	5,608.00	
Taxes	49,345.27	
Medical/dental bills	-	
Repair bills	-	
Bank credit card balances	-	
Dept. store credit card balances		
Travel and entertainment card balances	-	
Gas and other credit card balances	-	
Bank line of credit balances	-	
Other current liabilities	1,903.00	
Total Current Liabilities		**$ 64,536.27**
Long-Term Liabilities		
Primary residence mortgage	$ 65,770.99	
Second home mortgage	-	
Real estate investment mortgage	-	
Auto loans	17,500.59	
Appliance/furniture loans	-	
Home improvement loans	10,794.70	
Single-payment loans	-	
Education loans	-	
Margin loans	-	
Other long-term loans	-	
Total Long-Term Liabilities		**$ 94,066.28**
(II) Total Liabilities		**$ 158,602.55**
Net Worth [(I) - (II)]		**$ 272,494.16**
Total Liabilities and Net Worth		**$ 431,096.71**

Appendix J – Thrivent Mutual Fund Value

Assumptions: 9.70% expected return based on the earliest available average returns. Past performance does not guarantee future returns.

Thrivent Mutual Fund				
Earliest Available Average Return:			9.70%	
Year	Year Ended	Starting	Contribution	Final
0	5/31/24	$ 23,115	$ -	$ 25,357
1	5/31/25	$ 25,357	$ 1,500	$ 29,317
2	5/31/26	$ 29,317	$ 1,575	$ 33,736
3	5/31/27	$ 33,736	$ 1,654	$ 38,662
4	5/31/28	$ 38,662	$ 1,736	$ 44,148
5	5/31/29	$ 44,148	$ 1,823	$ 50,254
10	5/31/34	$ 82,255	$ 2,327	$ 92,561
15	5/31/39	$ 146,143	$ 2,970	$ 163,288
20	5/31/44	$ 251,912	$ 3,790	$ 280,137
40	5/31/64	$ 1,904,386	$ 10,057	$ 2,099,168

Appendix K – Fidelity Investment Portfolio Value

Assumptions: 9.05% expected return based on the earliest available average returns. Past performance does not guarantee future returns.

Fidelity Investment Portfolio				
Earliest Available Average Return:			9.05%	
Year	Year Ended	Starting	Contribution	Final
0	5/31/24	$ 6,796	$ -	$ 7,455
1	5/31/25	$ 7,455	$ 1,500	$ 9,678
2	5/31/26	$ 9,678	$ 1,575	$ 12,192
3	5/31/27	$ 12,192	$ 1,654	$ 15,028
4	5/31/28	$ 15,028	$ 1,736	$ 18,222
5	5/31/29	$ 18,222	$ 1,823	$ 21,813
10	5/31/34	$ 41,068	$ 2,327	$ 47,378
15	5/31/39	$ 80,709	$ 2,970	$ 91,508
20	5/31/44	$ 147,960	$ 3,790	$ 166,102
40	5/31/64	$ 1,242,222	$ 10,057	$ 1,372,774

Appendix L – Fidelity Roth IRA Value

Assumptions: 12.96% expected return based on the earliest available average returns. Past performance does not guarantee future returns.

Fidelity Roth IRA				
Earliest Available Average Return:			12.96%	
Year	Year Ended	Starting	Contribution	Final
0	5/31/24	$ 2,351	$ -	$ 2,656
1	5/31/25	$ 2,656	$ 7,000	$ 10,000
2	5/31/26	$ 10,000	$ 7,000	$ 18,296
3	5/31/27	$ 18,296	$ 7,000	$ 27,667
4	5/31/28	$ 27,667	$ 7,000	$ 38,253
5	5/31/29	$ 38,253	$ 7,000	$ 50,210
10	5/31/34	$ 115,679	$ 7,000	$ 137,671
15	5/31/39	$ 258,080	$ 7,000	$ 298,528
20	5/31/44	$ 519,981	$ 7,000	$ 594,371
40	5/31/64	$ 6,513,499	$ 7,000	$ 7,364,648

Appendix M – 401(k) Value

Assumptions: 7.00% expected return and 4.00% company match.

401(k) -					
Estimated Expected Return	7.00%		Company match:		4.00%
Year	Year Ended	Starting	Contribution	Company Match	Final
1	5/31/25	$ -	$ 6,000	$ 6,240	$ 6,677
2	5/31/26	$ 6,677	$ 6,060	$ 6,302	$ 13,888
3	5/31/27	$ 13,888	$ 6,121	$ 6,365	$ 21,671
4	5/31/28	$ 21,671	$ 6,182	$ 6,429	$ 30,067
5	5/31/29	$ 30,067	$ 6,244	$ 6,493	$ 39,120
6	5/31/30	$ 39,120	$ 6,306	$ 6,558	$ 48,875
7	5/31/31	$ 48,875	$ 6,369	$ 6,624	$ 59,384
8	5/31/32	$ 59,384	$ 6,433	$ 6,690	$ 70,699
9	5/31/33	$ 70,699	$ 6,497	$ 6,757	$ 82,878
10	5/31/34	$ 82,878	$ 6,562	$ 6,825	$ 95,982
15	5/31/39	$ 158,235	$ 6,562	$ 6,825	$ 176,614
20	5/31/44	$ 263,927	$ 6,562	$ 6,825	$ 289,704
40	5/31/64	$ 1,320,675	$ 6,562	$ 6,825	$ 1,420,424

Appendix N – 401(k)

Assumptions: 7.00% expected return and 2.00% company match.

401(k) -					
Estimated Expected Return:		7.00%	Company match:		2.00%
Year	Year Ended	Starting	Contribution	Company M	Final
1	5/31/25	$ -	$ 8,500	$ 8,670	$ 9,277
2	5/31/26	$ 9,277	$ 8,585	$ 8,757	$ 19,296
3	5/31/27	$ 19,296	$ 8,671	$ 8,844	$ 30,110
4	5/31/28	$ 30,110	$ 8,758	$ 8,933	$ 41,776
5	5/31/29	$ 41,776	$ 8,845	$ 9,022	$ 54,354
6	5/31/30	$ 54,354	$ 8,934	$ 9,112	$ 67,908
7	5/31/31	$ 67,908	$ 9,023	$ 9,203	$ 82,510
8	5/31/32	$ 82,510	$ 9,113	$ 9,295	$ 98,231
9	5/31/33	$ 98,231	$ 9,204	$ 9,388	$ 115,153
10	5/31/34	$ 115,153	$ 9,296	$ 9,482	$ 133,360
15	5/31/39	$ 219,855	$ 9,296	$ 9,482	$ 245,391
20	5/31/44	$ 366,706	$ 9,296	$ 9,482	$ 402,521
40	5/31/64	$ 1,834,976	$ 9,296	$ 9,482	$ 1,973,570

Appendix O – Money Market Fund (Fidelity) Value

Assumptions: 2.63% expected return based on the earliest available average returns. Past performance does not guarantee future returns.

Emergency Fund - Fidelity				
Earliest Available Average Return:			2.63%	
Year	Year Ended	Starting	Contribution	Final
0	5/31/24	$ 1,967	$ -	$ 2,019
1	5/31/25	$ 2,019	$ 2,500	$ 4,572
2	5/31/26	$ 4,572	$ 2,500	$ 7,192
3	5/31/27	$ 7,192	$ 2,500	$ 9,881
4	5/31/28	$ 9,881	$ 2,500	$ 12,641
5	6/1/28	$ 12,641	$ 2,500	$ 15,473

Appendix P – 529 High School and College Savings Fund

Assumptions: 6.43% constant return.

529 High School and College Savings Fund						
Interest Rate:		0.0643				
Year	Starting	Contribution	Withdrawal for Child 1 University	Withdrawal for Child 2 University	Withdrawal for Child 3 University	Final
3	$0	$4,031	$ -	$ -	$ -	$4,031
4	$4,031	$4,232	$ -	$ -	$ -	$8,523
5	$8,523	$4,402	$ -	$ -	$ -	$13,472
6	$13,472	$4,578	$ -	$ -	$ -	$18,916
7	$18,916	$4,761	$ -	$ -	$ -	$24,894
8	$24,894	$4,951	$ -	$ -	$ -	$31,446
9	$31,446	$5,149	$ -	$ -	$ -	$38,617
10	$38,617	$5,355	$ -	$ -	$ -	$46,456
11	$46,456	$5,570	$ -	$ -	$ -	$55,013
12	$55,013	$5,792	$ -	$ -	$ -	$64,342
13	$64,342	$6,024	$ -	$ -	$ -	$74,504
14	$74,504	$6,265	$ -	$ -	$ -	$85,559
15	$85,559	$6,516	$ -	$ -	$ -	$97,577
16	$97,577	$6,776	$ -	$ -	$ -	$110,627
17	$110,627	$7,047	$ -	$ -	$ -	$124,788
18	$124,788	$7,329	$ -	$ -	$ -	$140,141
19	$140,141	$7,622	$ 20,000	$ -	$ -	$136,774
20	$136,774	$7,927	$ 20,000	$ -	$ -	$133,496
21	$133,496	$8,244	$ 20,000	$ 20,000	$ -	$110,325
22	$110,325	$8,574	$ 20,000	$ 20,000	$ -	$85,993
23	$85,993	$8,917	$ -	$ 20,000	$ -	$60,439
24	$60,439	$9,274	$ -	$ 20,000	$ -	$33,599
25	$33,599	$9,645	$ -	$ -	$ 20,000	$25,405
26	$25,405	$10,031	$ -	$ -	$ 20,000	$17,069
27	$17,069	$10,432	$ -	$ -	$ 20,000	$8,598
28	$8,598	$10,849	$ -	$ -	$ 20,000	$0

Appendix Q – Solvency and Savings Ratios

Solvency Ratio		
net worth	$	58,294.29
total assets	$	58,294.29
Solvency Ratio		100%

Savings Ratio Year 1		
surplus	$	27,764.46
net income	$	45,932.93
Savings Ratio		60%

Savings Ratio Year 3		
surplus	$	33,227.04
net income	$	104,079.73
Savings Ratio		32%

Savings Ratio Year 5		
surplus	$	30,442.65
net income	$	128,079.73
Savings Ratio		24%

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