

# Nate & Stephanie

## FINANCIAL OBJECTIVES

- 1) Stephanie retires with \$5,000 per month net income by 06/30/2039.
- 2) Nate retires with \$4,000 per month net income by 01/01/2047.
- 3) Pay 100% of Sierra's College Expenses starting 08/01/2032
- 4) Pay 100% of Crystal's College Expenses starting 08/01/2034
- 5) Pay Off all Debt except the mortgage by 08/01/27
- 6) \$5,000 per year Travel Fund starting 04/01/2023
- 7) \$5,000 per year Home Improvement Fund starting 06/01/2023.
- 8) Pay \$30,000 towards Sierra's Wedding by 01/01/2042.
- 9) Pay \$30,000 towards Crystal's Wedding by 01/01/2044.

## FINANCIAL PLAN

### 1) Retirement

- Nate contributes up to the matching contribution each year to his JP Morgan Chase 401k, until he retires.
- Nate contributes the maximum amount allowable each year to a Roth IRA until he retires
- Stephanie contributes the maximum amount allowable each year to a Roth IRA until she retires
- Stephanie contributes \$300 per pay each year to her 403B through the Pickerington Local School District until she retires
- After Stephanie retires, we will roll over her Pickerington Local School District 403B to a Rollover IRA
- When Stephanie retires, she takes the 100% Joint & Survivor STRS pension benefit
- Stephanie rolls over all her unpaid sick and vacation time to her 403B and possibly into a 457 retirement plan
- After Stephanie retires, she gets a part time job earning \$2,000 per month gross income until Nate retires
- After Nate retires, we will roll over his JP Morgan Chase 401K to a Rollover IRA
- When Nate retires, we will rebalance his Rollover IRA as follows:
  - At least one year of supplemental income in the money market fund.
  - At least five years of supplemental income in bond funds.
  - The remainder of your portfolio in diversified mutual funds.
- We will use our income distribution strategy to supplement your income as follows:
  - Each month your supplemental income will come from the money market fund and each year the money market fund will be replenished based on your income needs or required minimum distributions.

- Each year the money market fund will be replenished from either the conservative investments (bond funds) or growth investments (stock funds) based on market performance.
- If over the previous year the growth investments increased by at least 10% in value then they will replenish the money market fund, and if the growth investments increased by less than 10% in value, the conservative investments will replenish the money market fund.
- After Nate's Rollover IRA is depleted, we will then implement our income distribution strategy using Stephanie's Rollover IRA.
- Nate begins collecting his social security benefits at his full retirement age of 67.
- When Nate begins collecting his social security benefits, we will adjust your Rollover IRA distributions accordingly.
- At age 72, when you begin collecting your Required Minimum Distributions, we will adjust your Rollover IRA distributions accordingly.

## **2) College Expenses**

- Contribute \$600 per month into a 529 plan for Sierra until she goes to college
- Contribute \$550 per month into a 529 plan for Crystal until she goes to college
- Use the after-tax investment account to supplement any shortfall to this goal.

## **3) Pay Off Debt / Travel Fund / Home Improvement Fund / Weddings**

- Use Nate's annual bonuses to build up the emergency savings to \$30,000
- Once the emergency savings goal is met, invest Nate's bonus each year into an after-tax investment account until Nate retires
- Invest \$1,000 per month into an after-tax investment account until Nate retires
- When you are no longer eligible to contribute to a Roth IRA divert these contributions to the after-tax investment account
- After Stephanie retires, she invests her after tax income from her part time job into the after-tax investment account until Nate retires
- Use the after-tax investment account to fund these goals

## RECOMMENDATIONS

- 1) Nate contributes up to the matching contribution each year to his JP Morgan Chase 401k.

\_\_\_\_\_ Accept      \_\_\_\_\_ Reject      \_\_\_\_\_ Postpone until \_\_\_\_\_  
Targeted Completion Date \_\_\_\_\_

- 2) Nate opens a Roth IRA account contributing \$500 per month investing as follows:

- a) Buy 100% of ABC Fund (ABCXX)

\_\_\_\_\_ Accept      \_\_\_\_\_ Reject      \_\_\_\_\_ Postpone until \_\_\_\_\_  
Targeted Completion Date \_\_\_\_\_

- 3) Stephanie opens a Roth IRA account contributing \$500 per month investing as follows:

- a) Buy 100% of DEF Fund (DEFXX)

\_\_\_\_\_ Accept      \_\_\_\_\_ Reject      \_\_\_\_\_ Postpone until \_\_\_\_\_  
Targeted Completion Date \_\_\_\_\_

- 4) Stephanie opens a 403B account contributing \$300 per pay investing as follows:

- a) Buy 100% of GHI Fund (GHIXX)

\_\_\_\_\_ Accept      \_\_\_\_\_ Reject      \_\_\_\_\_ Postpone until \_\_\_\_\_  
Targeted Completion Date \_\_\_\_\_

- 5) You should open a Ohio College Advantage 529 plan for Sierra and invest \$600 per month investing as follows:

- a) 100% Vanguard Aggressive Age Based Option

\_\_\_\_\_ Accept      \_\_\_\_\_ Reject      \_\_\_\_\_ Postpone until \_\_\_\_\_  
Targeted Completion Date \_\_\_\_\_

- 6) You should open a Ohio College Advantage 529 plan for Crystal and invest \$600 per month investing as follows:

- a) 100% Vanguard Aggressive Age Based Option

\_\_\_\_\_ Accept      \_\_\_\_\_ Reject      \_\_\_\_\_ Postpone until \_\_\_\_\_  
Targeted Completion Date \_\_\_\_\_

- 7) You should contribute Nate's annual bonus to an emergency savings account until the balance is \$30,000.

\_\_\_\_\_ Accept \_\_\_\_\_ Reject \_\_\_\_\_ Postpone until \_\_\_\_\_  
Targeted Completion Date \_\_\_\_\_

- 8) You should invest \$1,000 per month into an after-tax investment account and invest as follows:

a) 100% JKL Fund (JKLXX)

\_\_\_\_\_ Accept \_\_\_\_\_ Reject \_\_\_\_\_ Postpone until \_\_\_\_\_  
Targeted Completion Date \_\_\_\_\_

- 9) Nate should rebalance his JP Morgan Chase as follows:

a) 50% MNO Fund (MNOXX)

b) 50% PQR Fund (QUSOX)

All future contributions should be allocated as above.

\_\_\_\_\_ Accept \_\_\_\_\_ Reject \_\_\_\_\_ Postpone until \_\_\_\_\_  
Targeted Completion Date \_\_\_\_\_

- 10) Nate should get a \$1,000,000 30 year level term life insurance policy.

\_\_\_\_\_ Accept \_\_\_\_\_ Reject \_\_\_\_\_ Postpone until \_\_\_\_\_  
Targeted Completion Date \_\_\_\_\_

- 11) Stephanie should get a \$750,000 30 year level term life insurance policy.

\_\_\_\_\_ Accept \_\_\_\_\_ Reject \_\_\_\_\_ Postpone until \_\_\_\_\_  
Targeted Completion Date \_\_\_\_\_

- 12) You should review your automobile and homeowner policies with your agent once a year. It would also be prudent for you to purchase a \$1,000,000 umbrella liability policy in conjunction with your home and auto insurance and complete a digital imaging inventory of house valuables such as jewelry, appliances, furniture, electronics, etc. If you are interested in comparing your current rates, call our property and casualty specialist, Mark Matthews, at 614-833-3222.

\_\_\_\_\_ Accept \_\_\_\_\_ Reject \_\_\_\_\_ Postpone until \_\_\_\_\_  
Targeted Completion Date \_\_\_\_\_

- 13) Contact our estate planning specialist Jim Hardgrove at 614-868-8618 so he can get your legal affairs in order, such as having a durable power of attorney, a durable power of attorney for health purposes, a living will, a trust, and/or a basic will, as well as a guardian for your children.

\_\_\_\_\_ Accept      \_\_\_\_\_ Reject      \_\_\_\_\_ Postpone until \_\_\_\_\_  
Targeted Completion Date \_\_\_\_\_

- 14) You should get a safe deposit box to store important items such as: birth certificates, passports, social security cards, marriage certificate and/or divorce decree(s), mortgage(s), deeds, auto titles, digital imaging inventory of house, and any valuables.

\_\_\_\_\_ Accept      \_\_\_\_\_ Reject      \_\_\_\_\_ Postpone until \_\_\_\_\_  
Targeted Completion Date \_\_\_\_\_

- 15) For each of your social security numbers, check your credit report from a different credit bureau: Equifax, Experian, and TransUnion every 4 months for any errors by going to [www.annualcreditreport.com](http://www.annualcreditreport.com) **OR** by calling 877-322-8228.

\_\_\_\_\_ Accept      \_\_\_\_\_ Reject      \_\_\_\_\_ Postpone until \_\_\_\_\_  
Targeted Completion Date \_\_\_\_\_

- 16) For each of your social security numbers, you should get a credit freeze by contacting each of the credit bureaus:

- a. Equifax @ 888-298-0045      <https://www.equifax.com/personal/credit-report-services/credit-freeze/>
- a. Experian @ 888-397-3742      [www.experian.com/help](http://www.experian.com/help)
- a. TransUnion @ 888-909-8872      [www.transunion.com/credit-freeze](http://www.transunion.com/credit-freeze)

\_\_\_\_\_ Accept      \_\_\_\_\_ Reject      \_\_\_\_\_ Postpone until \_\_\_\_\_  
Targeted Completion Date \_\_\_\_\_

