

FINANCIAL REPORT

PREPARED FOR

Sam & Sally

2020 Sample Plan - 1/31/2020



PREPARED BY

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HOW TO READ THIS REPORT

The goal of this report is to help you understand your current financial situation and assist in the development of your long term financial strategies. It is designed to quickly give you important information for making financial decisions and achieving your retirement goals. The report is based on the information you provided and represents your situation at one point in time. As your situation changes, the suggestions may also change or need to be updated. The reports use color to help you easily view the parts that make up your financial picture. Income, assets, and positive cash flows are shown in green. Investment items are shown in blue. Expenses, liabilities, and negative cash flow items are shown in red.

Income & Expenses - This page of the report shows your income now and your estimated Social Security and Pension income at retirement. It also calculates your current expenses. It arrives at those expenses by taking your current income from all sources and subtracting the cost of taxes and the money you are regularly putting into savings. If money has not been saved, it must have been spent. It also divides the expenses into two types: 1. Expenses of limited duration such as mortgages and loans; 2. Expenses that continue for your lifetime such as food, utilities, gasoline, insurance, property taxes, travel, and entertainment, etc. This last category represents your current standard of living and, with adjustments for inflation, establishes the estimated amount you will need in retirement to maintain your current standard of living.

Current Assets & Liabilities - This page is simply a snapshot of your current financial situation at the point in time the report was prepared. It subtracts your debts and liabilities from your assets to arrive at your net worth. If you sold everything you own tomorrow and paid off all of your debts, this is approximately how much money you would have. It also shows any regular contributions you are making to particular accounts.

Cash Flow Assumptions - This page of the report shows all of the assumptions used in preparing the report and hypothetical cash flow projections. It is important to review and verify the assumptions used to make sure the calculations and projected numbers are what was intended. A small error in the assumptions used can create bigger errors when projected over many years into the future.

Hypothetical Cash Flow Year-By-Year - This is the heart of the report. It projects your living expenses, adjusted for inflation, over your lifetime. With five years shown on each page, this section of the report compares your income from all sources to your projected expenses in each of those years. The bottom line for each year shows if there is a cash flow surplus in green or a cash flow shortfall in red. It is intended to let you know, in a general way, with your current saving and investment profile, if you will be better off, about the same, or need to do more to maintain your current standard of living.

Hypothetical Cash Flow in a Nutshell - This chart shows all of hypothetical cash flow results on one page. This displays the three primary sources of income during retirement. Non-investment income is the most secure source and includes salary, Social Security, and pensions. The investment income is less secure and subject to portfolio and market fluctuations. The third source is the investment values in the right hand column which would require withdrawals from your principal.

Strategies for Addressing Shortfalls - This is a checklist of options for offsetting cash flow shortfalls. You need to evaluate which ones are viable for you. A combination of approaches may work best.

Hypothetical Shortfall Analysis - This page analyzes how much more you would need to save starting today to address shortfalls and the impact of capturing surpluses and taking shortfalls out of principal.

Options for the Next Generation - For tax deferred assets like IRA's and 401k's, your heirs have the choice of paying income taxes all up front or "stretching" the taxes over time as allowed by law. This page shows the potential impact of those options.

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INCOME & EXPENSES

1/31/2020

CURRENT ANNUAL INCOME		INCOME	EXPENSES
Sam - Gross Income	(less employee pension/SS contributions)	\$87,600	
Sally - Gross Income	(less employee pension/SS contributions)	\$57,000	
Real Estate & Other Income		(\$13,400)	
Total Gross Income		\$131,200	

CALCULATION OF CURRENT ANNUAL LIVING EXPENSES

Gross Income		\$131,200	
Less Income Tax (18.00 % of gross income excluding retirement contributions)			\$20,808
Less Retirement and Savings Contributions			\$15,600
Less Living Expenses/Payments of Limited Duration			
House Payment (Excl. Insurance and Property Tax)			\$20,880
Equity Loan Payments			\$6,000
Other Installment Payments			\$6,000
Net Annual Living Expenses that Continue for Life			\$61,912
Net Monthly Living Expenses			\$5,159

FUTURE ANNUAL INCOME

Age

Sam			
Retirement Plan/Pension (monthly)			\$0
Social Security (monthly)	67	\$2,083 x COLA (2.00 %)	\$2,926
Sally			
Retirement Plan/Pension (monthly)			\$2,917
Social Security (monthly)	67	\$0 x COLA (0.00 %)	\$0

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CURRENT ASSETS & LIABILITIES

1/31/2020

ASSETS		ASSET TYPE	CURRENT MARKET VALUE	MONTHLY ADDITIONS
	Checking	Bank Checking	\$10,000	
	Residence	Residence	\$500,000	
	Savings	Savings	\$25,000	
	Lake Cabin	Vacation Home	\$200,000	
INVESTMENTS		INVESTMENT TYPE		
Sam	Oak Street Rental	Real Estate	\$400,000	
	401k	Tax Deferred - Qualified - 1	\$100,000	\$1,000
	Annuity	Tax Deferred - Non Qualified - 1	\$70,000	
	Municipal Bonds	Tax Free - 1	\$50,000	
Sally	Brokerage Stocks	Taxable - 1	\$25,000	
	403b	Tax Deferred - Qualified - 2	\$100,000	\$300
LIABILITIES		LIABILITY TYPE		
	Residence Loan	Mortgage	\$350,000	
	Equity Loan	Home Equity Loan	\$30,000	
	Credit Card	Credit Card	\$15,000	
	Extra Cost Item	Billy College 529		
	Rental Real Estate	Oak Street Rental	\$300,000	
	Total Monthly Additions			\$1,300
NET WORTH			\$785,000	

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CASH FLOW ASSUMPTIONS

1/31/2020

Asset Category	Asset Owner	Value	Annual Additions	Employer Contrib.	Assumed Growth Rate *	Assumed W/D %/Amt
Tax Deferred - Qualified - 1	Sam	\$100,000	\$12,000	\$3,000	6%	4.00 %
Tax Deferred - Non Qualified - 1	Sam	\$70,000	\$0	\$0	6%	4.00 %
Tax Free - 1	Sam	\$50,000	\$0	\$0	4%	2.00 %
Taxable - 1	Sam	\$25,000	\$0	\$0	7%	5.00 %
Tax Deferred - Qualified - 2	Sally	\$100,000	\$3,600	\$0	6%	4.00 %
Oak Street Rental		\$400,000			3%	-3.35 %
Income Taxes as a % of Net Income			18.00 %			
Inflation Rate			3.00 %			
Years Until Retirement		Sam:	17			
		Sally:	18			

* Hypothetical growth is for illustration purposes only. There is no assurance that these results will be achieved. Actual results will vary. Securities offered through LPL Financial Member FINRA/SIPC

STRATEGIES FOR ADDRESSING SHORTFALLS

If the report shows there are cash flow shortfalls in the future years, don't panic. There are many ways to offset shortfalls and the earlier you identify them, the easier they are to address. Review the following strategies and evaluate which approach or combination is viable for you.

Increase Savings and Investments - Look at the surpluses for each year and any increases in income you may receive and decide how much you can realistically save or invest. Later in the report there is a calculation of how much more you would need to save at a 6% return, considering only the shortfall years, starting today and stopping the year you retire.

Increase the Returns on your Investments - If most of your investments are in conservative accounts or investments, consider diversifying them to potentially increase returns.

Increase Income - Evaluate your current employment. If you do not feel you are earning what you should based on your education and experience, a change of careers or employers may enable you to increase your income. Taking some classes and getting a more advanced degree or professional designation could increase your income. Starting your own business may be an option.

Decrease Expenses - Review your expenses and decide if there are any places you can cut back or reduce spending. A strategy may be to tighten your belt a bit after retirement.

Sell or Reposition Assets – Look at your assets and see if there are any that are generating low or no income that could be repositioned to create a larger income stream.

Withdrawing Shortfalls from Principal – This strategy can be risky. You could run out of principal and the income it generates during your lifetime. It is best to delay withdrawing principal as long as possible.

Work Longer or Part Time - People are living longer and healthier lives. The old concept of totally retiring at age 60 or 65 may not be the most desirable approach for most people. You could work part time for an employer you really like. You have accumulated valuable experience and knowledge that employers may need in order to train replacements for the baby boom retirees. The shortfall line will tell you how much you would need to work in any given year and how much you would need to make after tax to maintain your current standard of living. This is the ultimate solution if the other options are not viable.

Any Combination of the Above – It is often difficult to address a shortfall using just one of the strategies listed above. A combination of the strategies listed above is usually the most realistic approach.

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HYPOTHETICAL CASH FLOW
1/31/2020

	2020	2021	2022	2023	2024
Age - Sam / Sally	50 / 49	51 / 50	52 / 51	53 / 52	54 / 53
ABC Small Business - Sam	\$87,600	\$89,352	\$91,139	\$92,962	\$94,821
School District - Sally	\$57,000	\$58,140	\$59,303	\$60,489	\$61,699
School Pension - Sally					
Social Security - Sam					
Total Non-Investment Income	\$144,600	\$147,492	\$150,442	\$153,451	\$156,520
Oak Street Rental	\$400,000	\$412,000	\$424,360	\$437,091	\$450,204
Income	(\$13,400)	(\$13,010)	(\$12,608)	(\$12,195)	(\$11,768)
Investment Assets - Sam					
Tax Deferred - Qualified - 1	\$100,000	\$121,000	\$143,710	\$168,246	\$194,732
Income					
Tax Deferred - Non Qualified - 1	\$70,000	\$74,200	\$78,652	\$83,371	\$88,373
Income					
Tax Free - 1	\$50,000	\$52,000	\$54,080	\$56,243	\$58,493
Income					
Taxable - 1	\$25,000	\$26,750	\$28,623	\$30,626	\$32,770
Income					
Investment Assets - Sally					
Tax Deferred - Qualified - 2	\$100,000	\$109,600	\$119,884	\$130,896	\$142,684
Income					
Total Investment Values	\$345,000	\$383,550	\$424,949	\$469,383	\$517,052
Total Investment Income	(\$13,400)	(\$13,010)	(\$12,608)	(\$12,195)	(\$11,768)
TOTAL INCOME	\$131,200	\$134,482	\$137,834	\$141,256	\$144,751
Investment Contributions - Sam	\$12,000	\$12,360	\$12,731	\$13,113	\$13,506
Investment Contributions - Sally	\$3,600	\$3,708	\$3,819	\$3,934	\$4,052
Income Taxes	\$20,808	\$21,315	\$21,831	\$22,358	\$22,895
NET INCOME	\$94,792	\$97,099	\$99,452	\$101,852	\$104,299
Mortgage	\$20,880	\$20,880	\$20,880	\$20,880	\$20,880
Home Equity Loan	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Credit Card	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400
Billy College 529	\$3,600	\$3,780	\$3,969	\$4,167	\$4,376
Annual Living Expenses	\$61,912	\$63,769	\$65,682	\$67,653	\$69,683
TOTAL EXPENSES	\$94,792	\$96,829	\$98,931	\$101,100	\$103,338
NET CASH FLOW	\$0	\$270	\$521	\$751	\$960

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HYPOTHETICAL CASH FLOW

1/31/2020

	2025	2026	2027	2028	2029
Age - Sam / Sally	55 / 54	56 / 55	57 / 56	58 / 57	59 / 58
ABC Small Business - Sam	\$96,717	\$98,652	\$100,625	\$102,637	\$104,690
School District - Sally	\$62,933	\$64,191	\$65,475	\$66,785	\$68,120
School Pension - Sally					
Social Security - Sam					
Total Non-Investment Income	\$159,650	\$162,843	\$166,100	\$169,422	\$172,810
Oak Street Rental	\$463,710	\$477,621	\$491,950	\$506,708	\$521,909
Income	(\$11,329)	(\$10,877)	(\$10,412)	(\$9,932)	(\$9,438)
Investment Assets - Sam					
Tax Deferred - Qualified - 1	\$223,298	\$254,085	\$287,241	\$322,924	\$361,301
Income					
Tax Deferred - Non Qualified - 1	\$93,676	\$99,296	\$105,254	\$111,569	\$118,264
Income					
Tax Free - 1	\$60,833	\$63,266	\$65,797	\$68,428	\$71,166
Income					
Taxable - 1	\$35,064	\$37,518	\$40,145	\$42,955	\$45,961
Income					
Investment Assets - Sally					
Tax Deferred - Qualified - 2	\$155,297	\$168,788	\$183,214	\$198,634	\$215,113
Income					
Total Investment Values	\$568,167	\$622,954	\$681,650	\$744,510	\$811,804
Total Investment Income	(\$11,329)	(\$10,877)	(\$10,412)	(\$9,932)	(\$9,438)
TOTAL INCOME	\$148,321	\$151,966	\$155,688	\$159,490	\$163,372
Investment Contributions - Sam	\$13,911	\$14,329	\$14,758	\$15,201	\$15,657
Investment Contributions - Sally	\$4,173	\$4,299	\$4,428	\$4,560	\$4,697
Income Taxes	\$23,442	\$24,001	\$24,570	\$25,151	\$25,743
NET INCOME	\$106,793	\$109,338	\$111,932	\$114,577	\$117,275
Mortgage	\$20,880	\$20,880	\$20,880	\$20,880	\$20,880
Home Equity Loan	\$6,000				
Credit Card	\$2,400				
Billy College 529	\$4,595	\$4,824			
Annual Living Expenses	\$71,773	\$73,926	\$76,144	\$78,428	\$80,781
TOTAL EXPENSES	\$105,648	\$99,631	\$97,024	\$99,308	\$101,661
NET CASH FLOW	\$1,146	\$9,707	\$14,908	\$15,269	\$15,614

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HYPOTHETICAL CASH FLOW
1/31/2020

	2030	2031	2032	2033	2034
Age - Sam / Sally	60 / 59	61 / 60	62 / 61	63 / 62	64 / 63
ABC Small Business - Sam	\$106,784	\$108,920	\$111,098	\$113,320	\$115,586
School District - Sally	\$69,483	\$70,872	\$72,290	\$73,736	\$75,210
School Pension - Sally					
Social Security - Sam					
Total Non-Investment Income	\$176,267	\$179,792	\$183,388	\$187,056	\$190,797
Oak Street Rental	\$537,567	\$553,694	\$570,304	\$587,413	\$605,036
Income	(\$8,929)	(\$8,405)	(\$7,865)	(\$7,309)	(\$6,736)
Investment Assets - Sam					
Tax Deferred - Qualified - 1	\$402,550	\$446,862	\$494,437	\$545,490	\$600,248
Income					
Tax Deferred - Non Qualified - 1	\$125,359	\$132,881	\$140,854	\$149,305	\$158,263
Income					
Tax Free - 1	\$74,012	\$76,973	\$80,052	\$83,254	\$86,584
Income					
Taxable - 1	\$49,179	\$52,621	\$56,305	\$60,246	\$64,463
Income					
Investment Assets - Sally					
Tax Deferred - Qualified - 2	\$232,717	\$251,518	\$271,592	\$293,020	\$315,888
Income					
Total Investment Values	\$883,817	\$960,855	\$1,043,240	\$1,131,315	\$1,225,446
Total Investment Income	(\$8,929)	(\$8,405)	(\$7,865)	(\$7,309)	(\$6,736)
TOTAL INCOME	\$167,338	\$171,387	\$175,523	\$179,746	\$184,060
Investment Contributions - Sam	\$16,127	\$16,611	\$17,109	\$17,622	\$18,151
Investment Contributions - Sally	\$4,838	\$4,983	\$5,133	\$5,287	\$5,445
Income Taxes	\$26,347	\$26,963	\$27,591	\$28,231	\$28,884
NET INCOME	\$120,025	\$122,830	\$125,690	\$128,607	\$131,580
Mortgage	\$20,880	\$20,880	\$20,880	\$20,880	\$20,880
Home Equity Loan					
Credit Card					
Billy College 529					
Annual Living Expenses	\$83,205	\$85,701	\$88,272	\$90,920	\$93,647
TOTAL EXPENSES	\$104,085	\$106,581	\$109,152	\$111,800	\$114,527
NET CASH FLOW	\$15,941	\$16,250	\$16,539	\$16,807	\$17,053

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HYPOTHETICAL CASH FLOW
1/31/2020

	2035	2036	2037	2038	2039
Age - Sam / Sally	65 / 64	66 / 65	67 / 66	68 / 67	69 / 68
ABC Small Business - Sam	\$118,107	\$120,799			
School District - Sally	\$76,714	\$78,249	\$79,814		
School Pension - Sally				\$35,000	\$35,700
Social Security - Sam			\$35,114	\$35,816	\$36,532
Total Non-Investment Income	\$194,822	\$199,048	\$114,928	\$70,816	\$72,232
Oak Street Rental	\$623,187	\$641,883	\$661,139	\$680,973	\$701,402
Income	(\$6,146)	(\$5,539)	(\$4,913)	(\$4,268)	(\$3,604)
Investment Assets - Sam					
Tax Deferred - Qualified - 1	\$658,951	\$721,858	\$789,240	\$803,130	\$817,266
Income			\$31,570	\$32,125	\$32,691
Tax Deferred - Non Qualified - 1	\$167,759	\$177,825	\$188,494	\$191,812	\$195,187
Income			\$7,540	\$7,672	\$7,807
Tax Free - 1	\$90,047	\$93,649	\$97,395	\$99,265	\$101,171
Income			\$1,948	\$1,985	\$2,023
Taxable - 1	\$68,976	\$73,804	\$78,970	\$80,273	\$81,598
Income			\$3,949	\$4,014	\$4,080
Investment Assets - Sally					
Tax Deferred - Qualified - 2	\$340,287	\$366,313	\$394,068	\$423,663	\$431,119
Income				\$16,947	\$17,245
Total Investment Values	\$1,326,020	\$1,433,448	\$1,548,168	\$1,598,143	\$1,626,341
Total Investment Income	(\$6,146)	(\$5,539)	\$40,093	\$58,475	\$60,242
TOTAL INCOME	\$188,675	\$193,509	\$155,020	\$129,291	\$132,474
Investment Contributions - Sam	\$18,696	\$19,256			
Investment Contributions - Sally	\$5,609	\$5,777	\$5,950		
Income Taxes	\$29,587	\$30,326	\$26,482	\$22,915	\$23,481
NET INCOME	\$134,784	\$138,150	\$122,588	\$106,376	\$108,993
Mortgage	\$20,880	\$20,880	\$20,880	\$20,880	\$20,880
Home Equity Loan					
Credit Card					
Billy College 529					
Annual Living Expenses	\$96,457	\$99,351	\$102,331	\$105,401	\$108,563
TOTAL EXPENSES	\$117,337	\$120,231	\$123,211	\$126,281	\$129,443
NET CASH FLOW	\$17,447	\$17,919	(\$623)	(\$19,905)	(\$20,450)

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HYPOTHETICAL CASH FLOW
1/31/2020

	2040	2041	2042	2043	2044
Age - Sam / Sally	70 / 69	71 / 70	72 / 71	73 / 72	74 / 73
ABC Small Business - Sam					
School District - Sally					
School Pension - Sally	\$36,414	\$37,142	\$37,885	\$38,643	\$39,416
Social Security - Sam	\$37,263	\$38,008	\$38,768	\$39,544	\$40,335
Total Non-Investment Income	\$73,677	\$75,151	\$76,654	\$78,187	\$79,750
Oak Street Rental	\$722,444	\$744,118	\$766,441	\$789,435	\$813,118
Income	(\$2,921)	(\$2,216)	(\$1,491)	(\$743)	\$26
Investment Assets - Sam					
Tax Deferred - Qualified - 1	\$831,649	\$846,286	\$861,181	\$876,338	\$891,761
Income	\$33,266	\$33,851	\$34,447	\$35,054	\$35,670
Tax Deferred - Non Qualified - 1	\$198,623	\$202,119	\$205,676	\$209,296	\$212,979
Income	\$7,945	\$8,085	\$8,227	\$8,372	\$8,519
Tax Free - 1	\$103,113	\$105,093	\$107,111	\$109,167	\$111,263
Income	\$2,062	\$2,102	\$2,142	\$2,183	\$2,225
Taxable - 1	\$82,944	\$84,313	\$85,704	\$87,118	\$88,556
Income	\$4,147	\$4,216	\$4,285	\$4,356	\$4,428
Investment Assets - Sally					
Tax Deferred - Qualified - 2	\$438,707	\$446,428	\$454,285	\$462,281	\$470,417
Income	\$17,548	\$17,857	\$18,171	\$18,491	\$18,817
Total Investment Values	\$1,655,037	\$1,684,239	\$1,713,957	\$1,744,200	\$1,774,977
Total Investment Income	\$62,048	\$63,895	\$65,782	\$67,712	\$69,686
TOTAL INCOME	\$135,725	\$139,045	\$142,436	\$145,899	\$149,436
Investment Contributions - Sam					
Investment Contributions - Sally					
Income Taxes	\$24,059	\$24,650	\$25,253	\$25,869	\$26,498
NET INCOME	\$111,666	\$114,395	\$117,183	\$120,030	\$122,938
Mortgage	\$20,880	\$20,880	\$20,880	\$20,880	\$20,880
Home Equity Loan					
Credit Card					
Billy College 529					
Annual Living Expenses	\$111,820	\$115,175	\$118,630	\$122,189	\$125,854
TOTAL EXPENSES	\$132,700	\$136,055	\$139,510	\$143,069	\$146,734
NET CASH FLOW	(\$21,034)	(\$21,659)	(\$22,327)	(\$23,038)	(\$23,796)

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HYPOTHETICAL CASH FLOW
1/31/2020

	2045	2046	2047	2048	2049
Age - Sam / Sally	75 / 74	76 / 75	77 / 76	78 / 77	79 / 78
ABC Small Business - Sam					
School District - Sally					
School Pension - Sally	\$40,204	\$41,008	\$41,828	\$42,665	\$43,518
Social Security - Sam	\$41,141	\$41,964	\$42,803	\$43,660	\$44,533
Total Non-Investment Income	\$81,345	\$82,972	\$84,632	\$86,324	\$88,051
Oak Street Rental	\$837,511	\$862,637	\$888,516	\$915,171	\$942,626
Income	\$819	\$1,636	\$2,477	\$3,343	\$4,235
Investment Assets - Sam					
Tax Deferred - Qualified - 1	\$907,456	\$923,428	\$939,680	\$956,218	\$973,048
Income	\$36,298	\$36,937	\$37,587	\$38,249	\$38,922
Tax Deferred - Non Qualified - 1	\$216,728	\$220,542	\$224,424	\$228,374	\$232,393
Income	\$8,669	\$8,822	\$8,977	\$9,135	\$9,296
Tax Free - 1	\$113,400	\$115,577	\$117,796	\$120,058	\$122,363
Income	\$2,268	\$2,312	\$2,356	\$2,401	\$2,447
Taxable - 1	\$90,017	\$91,502	\$93,012	\$94,546	\$96,107
Income	\$4,501	\$4,575	\$4,651	\$4,727	\$4,805
Investment Assets - Sally					
Tax Deferred - Qualified - 2	\$478,696	\$487,121	\$495,694	\$504,419	\$513,296
Income	\$19,148	\$19,485	\$19,828	\$20,177	\$20,532
Total Investment Values	\$1,806,297	\$1,838,170	\$1,870,606	\$1,903,615	\$1,937,207
Total Investment Income	\$71,703	\$73,766	\$75,875	\$78,032	\$80,237
TOTAL INCOME	\$153,049	\$156,738	\$160,507	\$164,356	\$168,288
Investment Contributions - Sam					
Investment Contributions - Sally					
Income Taxes	\$27,140	\$27,797	\$28,467	\$29,152	\$29,851
NET INCOME	\$125,908	\$128,941	\$132,040	\$135,204	\$138,437
Mortgage	\$20,880	\$20,880	\$20,880		
Home Equity Loan					
Credit Card					
Billy College 529					
Annual Living Expenses	\$129,630	\$133,519	\$137,524	\$141,650	\$145,900
TOTAL EXPENSES	\$150,510	\$154,399	\$158,404	\$141,650	\$145,900
NET CASH FLOW	(\$24,602)	(\$25,457)	(\$26,365)	(\$6,446)	(\$7,463)

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HYPOTHETICAL CASH FLOW

1/31/2020

Age - Sam / Sally	2050 80 / 79	2051 81 / 80	2052 82 / 81	2053 83 / 82	2054 84 / 83
ABC Small Business - Sam					
School District - Sally					
School Pension - Sally	\$44,388	\$45,276	\$46,182	\$47,105	\$48,047
Social Security - Sam	\$45,423	\$46,332	\$47,258	\$48,204	\$49,168
Total Non-Investment Income	\$89,812	\$91,608	\$93,440	\$95,309	\$97,215
Oak Street Rental	\$970,905	\$1,000,032	\$1,030,033	\$1,060,934	\$1,092,762
Income	\$5,154	\$32,501	\$33,476	\$34,480	\$35,515
Investment Assets - Sam					
Tax Deferred - Qualified - 1	\$990,173	\$1,007,601	\$1,025,334	\$1,043,380	\$1,061,744
Income	\$39,607	\$40,304	\$41,013	\$41,735	\$42,470
Tax Deferred - Non Qualified - 1	\$236,483	\$240,645	\$244,881	\$249,190	\$253,576
Income	\$9,459	\$9,626	\$9,795	\$9,968	\$10,143
Tax Free - 1	\$124,712	\$127,107	\$129,547	\$132,034	\$134,570
Income	\$2,494	\$2,542	\$2,591	\$2,641	\$2,691
Taxable - 1	\$97,692	\$99,304	\$100,943	\$102,608	\$104,301
Income	\$4,885	\$4,965	\$5,047	\$5,130	\$5,215
Investment Assets - Sally					
Tax Deferred - Qualified - 2	\$522,330	\$531,523	\$540,878	\$550,398	\$560,085
Income	\$20,893	\$21,261	\$21,635	\$22,016	\$22,403
Total Investment Values	\$1,971,392	\$2,006,180	\$2,041,583	\$2,077,611	\$2,114,275
Total Investment Income	\$82,493	\$111,199	\$113,558	\$115,970	\$118,437
TOTAL INCOME	\$172,305	\$202,807	\$206,998	\$211,279	\$215,653
Investment Contributions - Sam					
Investment Contributions - Sally					
Income Taxes	\$30,566	\$36,048	\$36,793	\$37,555	\$38,333
NET INCOME	\$141,739	\$166,760	\$170,205	\$173,724	\$177,320
Mortgage					
Home Equity Loan					
Credit Card					
Billy College 529					
Annual Living Expenses	\$150,277	\$154,785	\$159,429	\$164,211	\$169,138
TOTAL EXPENSES	\$150,277	\$154,785	\$159,429	\$164,211	\$169,138
NET CASH FLOW	(\$8,538)	\$11,975	\$10,776	\$9,513	\$8,182

Sam & Sally
Prepared by Robert A Young

HYPOTHETICAL CASH FLOW

1/31/2020

	2055	2056	2057	2058	2059
Age - Sam / Sally	85 / 84	86 / 85	87 / 86	88 / 87	89 / 88
ABC Small Business - Sam					
School District - Sally					
School Pension - Sally	\$49,008	\$49,989	\$50,988	\$52,008	\$53,048
Social Security - Sam	\$50,151	\$51,154	\$52,177	\$53,221	\$54,285
Total Non-Investment Income	\$99,160	\$101,143	\$103,166	\$105,229	\$107,333
Oak Street Rental	\$1,125,545	\$1,159,311	\$1,194,091	\$1,229,913	\$1,266,811
Income	\$36,580	\$37,678	\$38,808	\$39,972	\$41,171
Investment Assets - Sam					
Tax Deferred - Qualified - 1	\$1,080,430	\$1,099,446	\$1,118,796	\$1,138,487	\$1,158,524
Income	\$43,217	\$43,978	\$44,752	\$45,539	\$46,341
Tax Deferred - Non Qualified - 1	\$258,039	\$262,581	\$267,202	\$271,905	\$276,690
Income	\$10,322	\$10,503	\$10,688	\$10,876	\$11,068
Tax Free - 1	\$137,153	\$139,787	\$142,471	\$145,206	\$147,994
Income	\$2,743	\$2,796	\$2,849	\$2,904	\$2,960
Taxable - 1	\$106,022	\$107,772	\$109,550	\$111,357	\$113,195
Income	\$5,301	\$5,389	\$5,477	\$5,568	\$5,660
Investment Assets - Sally					
Tax Deferred - Qualified - 2	\$569,942	\$579,973	\$590,181	\$600,568	\$611,138
Income	\$22,798	\$23,199	\$23,607	\$24,023	\$24,446
Total Investment Values	\$2,151,587	\$2,189,558	\$2,228,199	\$2,267,523	\$2,307,541
Total Investment Income	\$120,961	\$123,542	\$126,182	\$128,883	\$131,645
TOTAL INCOME	\$220,120	\$224,685	\$229,348	\$234,111	\$238,979
Investment Contributions - Sam					
Investment Contributions - Sally					
Income Taxes	\$39,128	\$39,940	\$40,770	\$41,617	\$42,483
NET INCOME	\$180,992	\$184,745	\$188,578	\$192,494	\$196,495
Mortgage					
Home Equity Loan					
Credit Card					
Billy College 529					
Annual Living Expenses	\$174,212	\$179,438	\$184,821	\$190,366	\$196,077
TOTAL EXPENSES	\$174,212	\$179,438	\$184,821	\$190,366	\$196,077
NET CASH FLOW	\$6,781	\$5,306	\$3,757	\$2,128	\$418

Sam & Sally
 Prepared by Robert A Young

HYPOTHETICAL CASH FLOW

1/31/2020

	2060	2061
Age - Sam / Sally	90 / 89	91 / 90
ABC Small Business - Sam		
School District - Sally		
School Pension - Sally	\$54,109	\$55,191
Social Security - Sam	\$55,371	\$56,478
Total Non-Investment Income	\$109,480	\$111,670
Oak Street Rental	\$1,304,815	\$1,343,960
Income	\$42,406	\$43,679
Investment Assets - Sam		
Tax Deferred - Qualified - 1	\$1,178,914	\$1,199,663
Income	\$47,157	\$47,987
Tax Deferred - Non Qualified - 1	\$281,560	\$286,515
Income	\$11,262	\$11,461
Tax Free - 1	\$150,835	\$153,731
Income	\$3,017	\$3,075
Taxable - 1	\$115,063	\$116,961
Income	\$5,753	\$5,848
Investment Assets - Sally		
Tax Deferred - Qualified - 2	\$621,894	\$632,839
Income	\$24,876	\$25,314
Total Investment Values	\$2,348,266	\$2,389,711
Total Investment Income	\$134,471	\$137,362
TOTAL INCOME	\$243,951	\$249,032
Investment Contributions - Sam		
Investment Contributions - Sally		
Income Taxes	\$43,368	\$44,272
NET INCOME	\$200,583	\$204,760
Mortgage		
Home Equity Loan		
Credit Card		
Billy College 529		
Annual Living Expenses	\$201,959	\$208,018
TOTAL EXPENSES	\$201,959	\$208,018
NET CASH FLOW	(\$1,376)	(\$3,259)

HYPOTHETICAL CASH FLOW IN A NUTSHELL

Year/Ages	Non-Investment Income	Investment Income	Contributions /Taxes	Total Expenses	Surplus/ Shortfall	Investment Values
2020 - 50/49	\$144,600	\$13,400	\$36,408	\$94,792	\$0	\$345,000
2021 - 51/50	\$147,492	\$13,010	\$37,383	\$96,829	\$270	\$383,550
2022 - 52/51	\$150,442	\$12,608	\$38,381	\$98,931	\$521	\$424,949
2023 - 53/52	\$153,451	\$12,195	\$39,404	\$101,100	\$751	\$469,383
2024 - 54/53	\$156,520	\$11,768	\$40,453	\$103,338	\$960	\$517,052
2025 - 55/54	\$159,650	\$11,329	\$41,527	\$105,648	\$1,146	\$568,167
2026 - 56/55	\$162,843	\$10,877	\$42,628	\$99,631	\$9,707	\$622,954
2027 - 57/56	\$166,100	\$10,412	\$43,756	\$97,024	\$14,908	\$681,650
2028 - 58/57	\$169,422	\$9,932	\$44,913	\$99,308	\$15,269	\$744,510
2029 - 59/58	\$172,810	\$9,438	\$46,098	\$101,661	\$15,614	\$811,804
2030 - 60/59	\$176,267	\$8,929	\$47,312	\$104,085	\$15,941	\$883,817
2031 - 61/60	\$179,792	\$8,405	\$48,557	\$106,581	\$16,250	\$960,855
2032 - 62/61	\$183,388	\$7,865	\$49,832	\$109,152	\$16,539	\$1,043,240
2033 - 63/62	\$187,056	\$7,309	\$51,140	\$111,800	\$16,807	\$1,131,315
2034 - 64/63	\$190,797	\$6,736	\$52,480	\$114,527	\$17,053	\$1,225,446
2035 - 65/64	\$194,622	\$6,146	\$53,891	\$117,337	\$17,447	\$1,326,020
2036 - 66/65	\$199,048	\$5,539	\$55,359	\$120,231	\$17,919	\$1,433,448
2037 - 67/66	\$114,928	\$40,093	\$32,432	\$123,211	\$623	\$1,548,168
2038 - 68/67	\$70,816	\$58,475	\$22,915	\$126,281	\$19,905	\$1,598,143
2039 - 69/68	\$72,232	\$60,242	\$23,481	\$129,443	\$20,450	\$1,626,341
2040 - 70/69	\$73,677	\$62,048	\$24,059	\$132,700	\$21,034	\$1,655,037
2041 - 71/70	\$75,151	\$63,895	\$24,650	\$136,055	\$21,659	\$1,684,239
2042 - 72/71	\$76,654	\$65,782	\$25,253	\$139,510	\$22,327	\$1,713,957
2043 - 73/72	\$78,187	\$67,712	\$25,869	\$143,069	\$23,038	\$1,744,200
2044 - 74/73	\$79,750	\$69,686	\$26,498	\$146,734	\$23,796	\$1,774,977
2045 - 75/74	\$81,345	\$71,703	\$27,140	\$150,510	\$24,602	\$1,806,297
2046 - 76/75	\$82,972	\$73,766	\$27,797	\$154,399	\$25,457	\$1,838,170
2047 - 77/76	\$84,632	\$75,875	\$28,467	\$158,404	\$26,365	\$1,870,606
2048 - 78/77	\$86,324	\$78,032	\$29,152	\$141,650	\$6,446	\$1,903,615
2049 - 79/78	\$88,051	\$80,237	\$29,851	\$145,900	\$7,463	\$1,937,207
2050 - 80/79	\$89,812	\$82,493	\$30,566	\$150,277	\$8,538	\$1,971,392
2051 - 81/80	\$91,608	\$111,199	\$36,048	\$154,785	\$11,975	\$2,006,180
2052 - 82/81	\$93,440	\$113,558	\$36,793	\$159,429	\$10,776	\$2,041,583
2053 - 83/82	\$95,309	\$115,970	\$37,555	\$164,211	\$9,513	\$2,077,611
2054 - 84/83	\$97,215	\$118,437	\$38,333	\$169,138	\$8,182	\$2,114,275
2055 - 85/84	\$99,160	\$120,961	\$39,128	\$174,212	\$6,781	\$2,151,587
2056 - 86/85	\$101,143	\$123,542	\$39,940	\$179,438	\$5,306	\$2,189,558
2057 - 87/86	\$103,166	\$126,182	\$40,770	\$184,821	\$3,757	\$2,228,199
2058 - 88/87	\$105,229	\$128,883	\$41,617	\$190,366	\$2,128	\$2,267,523
2059 - 89/88	\$107,333	\$131,645	\$42,483	\$196,077	\$418	\$2,307,541
2060 - 90/89	\$109,480	\$134,471	\$43,368	\$201,959	\$1,376	\$2,348,266
2061 - 91/90	\$111,670	\$137,362	\$44,272	\$208,018	\$3,259	\$2,389,711

If there are shortfalls, how much more would you need to save?

One way to address future shortfalls is to increase savings. Without considering surpluses, the program has calculated how much more you would need to contribute to savings and investments, using a 6 % hypothetical rate of return, starting today and stopping when you, or a co-retiree, reaches retirement age to have enough to meet future shortfalls in the year funds are needed.

Contributions Needed to Meet Cash Flow Shortfall *

Lump Sum - One Time:	\$66,351
or Annual Contributions:	\$6,333
or Monthly Contributions:	\$506

Use Principal to Offset Shortfalls

Another way to address shortfalls is to capture surpluses and withdraw funds from principal as needed, after you retire. Beginning in the year you retire, the left column below shows the hypothetical investment values calculated using the assumptions entered in this plan. The surplus and shortfall amounts and the principal values adjusted for those surpluses and shortfalls are shown in the right columns. *

YEAR	UNADJUSTED VALUE	SURPLUS/SHORTFALL	ADJUSTED VALUE
2037	\$1,548,168	(\$623)	\$1,547,545
2038	\$1,598,143	(\$19,905)	\$1,576,952
2039	\$1,626,341	(\$20,450)	\$1,583,965
2040	\$1,655,037	(\$21,034)	\$1,590,508
2041	\$1,684,239	(\$21,659)	\$1,596,530
2042	\$1,713,957	(\$22,327)	\$1,601,980
2043	\$1,744,200	(\$23,038)	\$1,606,802
2044	\$1,774,977	(\$23,796)	\$1,610,938
2045	\$1,806,297	(\$24,602)	\$1,614,328
2046	\$1,838,170	(\$25,457)	\$1,616,907
2047	\$1,870,606	(\$26,365)	\$1,618,609
2048	\$1,903,615	(\$6,446)	\$1,640,611
2049	\$1,937,207	(\$7,463)	\$1,661,968
2050	\$1,971,392	(\$8,538)	\$1,682,607
2051	\$2,006,180	\$11,975	\$1,724,485
2052	\$2,041,583	\$10,776	\$1,765,884
2053	\$2,077,611	\$9,513	\$1,806,727
2054	\$2,114,275	\$8,182	\$1,846,937
2055	\$2,151,587	\$6,781	\$1,886,432
2056	\$2,189,558	\$5,306	\$1,925,123
2057	\$2,228,199	\$3,757	\$1,962,920
2058	\$2,267,523	\$2,128	\$1,999,728
2059	\$2,307,541	\$418	\$2,035,446
2060	\$2,348,266	(\$1,376)	\$2,069,968
2061	\$2,389,711	(\$3,259)	\$2,103,185

Sam & Sally
Prepared by Robert A Young

OPTIONS FOR THE NEXT GENERATION

1/31/2020

This report is only intended to illustrate the option of a beneficiary withdrawing from your tax deferred accounts over a 10 year period rather than taking a lump sum up front and paying a large portion to the government off the top. The difference in total withdrawals over the full 10 year period is significant. It is important to fill out beneficiary forms correctly.

	2061	2062	2064	2066	2068	2070
Withdraw 100% Upfront:						
Lump Sum	\$2,389,711					
Taxes 40%	\$955,884					
Net Lump Sum Invested @ 6%						
Taxable (5% After Taxes) *	\$1,433,826	\$1,350,983	\$1,138,473	\$852,792	\$479,099	\$0
Annual W/D over 10 Yrs.	\$143,383	\$151,986	\$170,771	\$191,878	\$215,594	\$242,242
Total Withdrawals						\$1,889,897
Withdraw 25% Upfront:						
Lump Sum	\$2,389,711					
Withdrawal of 25%	\$597,428					
Taxes 40%	\$238,971					
Net after Tax	\$358,457					
Bal. Invested @ 6% Tax Deferred *	\$1,792,283	\$1,688,729	\$1,423,092	\$1,065,991	\$598,874	\$0
Annual W/D over 10 years	\$179,228	\$189,982	\$213,464	\$239,848	\$269,493	\$302,802
Total Withdrawals						\$2,362,371
Full 10 Year Withdrawals:						
Withdrawals over 10 Years	\$2,389,711					
Bal. Invested @ 6% Tax Deferred *	\$2,389,711	\$2,251,638	\$1,897,456	\$1,421,321	\$798,498	\$0
Annual W/D over entire 10 years	\$238,971	\$253,309	\$284,618	\$319,797	\$359,324	\$403,737
Total Withdrawals						\$3,149,829

Multi-generational withdrawal strategy may not be appropriate for investors who will rely upon investments for retirement income. Furthermore, changes in tax rates may make the scenario portrayed less favorable.

* Hypothetical growth is for illustration purposes only. There is no assurance that these results will be achieved. Actual results will vary. Securities offered through LPL Financial Member FINRA/SIPC

DISCLOSURES

This statement has been prepared by Robert Young for informational purposes only and does not replace the statement(s) you should receive directly from your investment sponsor(s).

The goal of this cash flow analysis is to assist in the development of your current and long-term financial strategy. These strategies are presented to assist you with important decisions regarding savings to meet intended retirement goals. Cash flow needs are based on the information you provided, which represents your situation at one point in time. As your situation changes, suggestions may change.

The program is meant to provide representatives and their clients with a quick, yet detailed report of the client's current financial situation and hypothetical cash flow up until whatever age that is desired to be displayed. It is not meant to provide specific investment recommendations or advice.

This report is not intended to provide legal or tax advice. For legal and tax matters, it is important that you consult with your legal and tax advisors regarding the affect on your personal situation.

Hypothetical returns are for illustrative purposes only based on assumed growth rates for assets over the time period referenced. Assumed growth rates should not be considered indicative of future results. The assumed growth cannot be predicted nor is it guaranteed.

This hypothetical illustration of mathematical principles is designed to model and evaluate alternative strategies for addressing your future cash flow needs.

Note that the amounts are not intended to be exact. These are assumed figures and should only be used as guidelines and not as guaranteed projections. Projections throughout the report are intended to help you determine amounts you need to save to meet your various financial needs, but they are not a projection of the expected return of any specific assets that you own or purchase. Tax rates and rates of return are used for illustrative purposes only and do not represent a guarantee of actual federal tax rates or the performance of any specific investment. These calculations reflect federal and state income tax only and do not consider the effect of alternative minimum tax.

This report has been prepared from data believed to be reliable but no representation is being made as to its accuracy or completeness. The figures presented should not be relied upon for tax purposes.

International investing involves special risks such as currency fluctuation and political instability and may not be suitable for all investors.

Selling bonds prior to maturity may make the actual yield differ from their advertised yield and may involve a loss or gain. Bond values will decline as interest rates rise and are subject to availability and change in price.

Investing in real estate/REITS involves special risks such as potential illiquidity and may not be suitable for all investors. There is no assurance that the investment objectives of this program will be attained.

Past performance is no guarantee of future results. The market for all securities is subject to fluctuation such that upon sale an investor may lose principal.

CD's are FDIC Insured and offer a fixed rate of return if held to maturity.