

Category	Potential Planning Action Items	Potential Impact
Debt Management	<ul style="list-style-type: none"> Debt vs. Savings Home Refinancing Credit Cards Student Loans 	\$63,200
Insurance	<ul style="list-style-type: none"> Health Auto Homeowners Umbrella Disability Long-term Care Life 	\$40,500
Retirement	<ul style="list-style-type: none"> Retirement Savings Social Security and Pension Optimization Retirement Income and Distribution 	\$134,400
Saving and Budgeting	<ul style="list-style-type: none"> Emergency Fund Cash Flow Design and Management Higher Interest Savings Tax-Advantages 	\$106,300
Wealth Management	<ul style="list-style-type: none"> Investor Behavior Asset Allocation Risk vs. Volatility Eliminate Unnecessary Fees Sequence of Returns 	\$136,100
Miscellaneous	<ul style="list-style-type: none"> Estate Planning Asset Titling Tax Planning and Accounting Real Estate and Mortgage 	\$39,200
		\$519,700

Planning Preview Experience; Potential Value Methodology

Note: "Potential Value" amounts are illustrative--they vary based on the information provided by the user



Category	Potential Planning Action Items	Potential Impact	Potential Value Estimate Method Explained
Debt Management	Improve your credit score to lower your rates	\$30,000	If homeowner, with credit score below "Excellent", take their Current mortgage multiplied by 0.50% interest savings over 30 yrs; If not a homeowner, assume 0.50% savings on a \$200k mortgage.
Debt Management	Prioritize when to make debt payments vs. contribute to savings	\$9,000	Multiply existing debt balances outstanding, by the difference between the average interest paid on loan, and average expected investment return, over the weighted avg. duration of the loan.
Debt Management	Refinance your mortgage to pay off debt	\$21,000	[Only applies if a homeowner], take outstanding Student Loans and & Credit Card debt, multiply by the difference in typical interest rate b/w those loans and mortgage over 10 years.
Debt Management	Design a student loan pay-off strategy	\$4,000	Assume 1.5 fewer years of interest payments for their Student Debt. (Student Debt * Annual Interest Rate * 1.5 Years).
Insurance	Choose the right life insurance type	\$0	If they have term insurance, assume \$100/yr in savings through pre-retirement period. if Whole, assume \$250/yr.
Insurance	Choose the right health insurance plan	\$2,000	Assume \$100/yr in premiums saving through pre-retirement period, doubled if they have dependents.
Insurance	Comparison shop your home and auto insurance	\$6,000	Assume \$250/yr premium savings through pre-retirement period.
Retirement	Protect against long-term care costs	\$20,000	5 yrs of \$150/day costs* 70% probability minus 20 yrs of \$8000/yr premia for UP TO \$300/day of coverage. Divide by a "retirement discount factor" in order to reduce impact if user is far from retirement. Discount factor equal to inflation compounded over pre-retirement period.
Retirement	Get Lifetime Income to Cover Essentials	\$12,000	Savings at retirement, multiplied by an extra 0.1% of "GammaEquivalent Alpha" per Morningstar, multiplied by full retirement period. Also add 3 extra years of income to reflect payments lasting past typical life expectancy. Divide by discount factor.
Retirement	Maximize your Social Security benefits	\$32,000	Difference in monthly Social Security benefits between claiming at 67 and 70, multiplied by the expected duration of retirement. Divide by retirement discount factor.
Retirement	Ensure surviving spouse doesn't run out	\$45,000	Assume spouse lives an extra 5 years beyond the primary. Calculate cost of those 5 years of living expenses (reduced by 40% to reflect smaller household), minus the value of Soc. Sec value payments, which persist. Divide by retirement discount factor.
Retirement	Design a retirement income strategy	\$14,000	Savings at retirement, multiplied 4% withdrawal rate, multiplied by gamma of dynamic withdrawal and asset location, multiplied by retirement period. Divide by retirement discount factor.
Retirement	Start saving for retirement earlier	\$1,000	The total value of 5 years of incremental compounded returns from making 25% higher contributions now, versus making all those contributions in a lump-sum 5 years from now.
Saving and Budgeting	Compare your budget to people like you	\$26,000	Assume user achieves an extra \$100/month in savings, throughout the pre-retirement period. No incremental value from compounding/
Saving and Budgeting	Maximize tax-advantaged savings accounts	\$0	Tax advantaged savings calculator, for a 40-yr old with \$500/mo in contributions and \$100K in existing savings.
Saving and Budgeting	Set up emergency savings fund	\$3,000	If user doesn't have at least 0.3x gross income in regular accounts, \$5000 emergency expense * 40% APR * 0.3 years, once every 4 years.
Saving and Budgeting	Save on 2-3 expenses per week	\$36,000	\$30 savings (one restaurant meal) per week, through pre-retirement period.
Saving and Budgeting	Earn higher interest on your savings account	\$4,000	Estimate current user savings balance in savings account: the lesser of HALF of all their savings in "Regular Accounts" or 33% of Gross Annual Income Calculate total compounded interest earned over pre-retirement period at a 1.5% rate, and subtract total interest compounded at a 0.1% rate.
Wealth Management	Make sure your investment portfolio is appropriate	\$22,000	Take current savings, and assume basic investment return (eg. 6%) over the full pre-retirement period. Calculate the difference in final value versus if the user was earning 0.75% lower return over that same period.
Wealth Management	Check your mutual fund expenses	\$15,000	Take current savings, and assume basic investment return (eg. 6%) over the full pre-retirement period. Calculate the difference in final value versus if the user was earning 0.50% (typical fee difference between top quartile and bottom quartile fund expenses) over that same period.
Wealth Management	Have a strategy for financial volatility	\$10,000	Assume the user's savings "crash" to 68% of current value. Assume the the market fully recovers, but user sold half of their portfolio at the "bottom" of the market. Half of the portfolio retains its value, but half does not benefit from the recovery, and remains permanently lower at 68% of current value. Calculate the difference between this value, and if the user had held onto their portfolio through the crash and recovery.