CASE STUDY D

Doug Wilson is a 55 year old single man whose wife passed away about 10 years ago. He has grown kids
him, and resides in a nice 4 bedroom house in Montana. Doug has been working for 30 years for an agric
There are no real monthly financial problems, except that he can't seem to set much savings aside and is
enough to retire. He is a committed Christian and is very dedicated to his church.

He has been contributing 4% of his income to his company's 401k retirement plan (they match his contri
to a maximum of 4%). His employer does not provide a pension or medical benefits in retirement. He rec
income tax refunds each year, but that money just seems to disappear soon after he gets it. Medical ins
Doug's employer for a small monthly amount, and they provide disability insurance at no cost.

Develop a recommended new budget for Doug, with the goal of getting him better prepared for retireme
- Complete the "% Spending Plan" tab, using appropriate percentages from the "Percentage Guide" tab.
- In the "Spending Plan" tab, complete the "new budget" column, explaining significant changes in the "c

The questions below will be in the Test for Case Study D. They are listed here so you can be thinking a
the forms in this spreadsheet.

1. List at least four questions you might ask to help Doug evaluate having enough money to retire? What
for each question?

2. How would you approach Doug's inability to save for retirement? What "low hanging fruit opportuniti
him?

3. Though Doug does not have sizable debt now, what advice would you give him about paying off his cr
future indebtedness?

4. While referring to the Crown MoneyMap, what changes would you recommend for Doug to make in c
first four destinations? List each destination followed by specific actions he should take in that destinatio
next destination.

5. What steps can Doug take to leave a legacy for his children that will impact eternity, as well as earthly

Assets & Liabilities

Date:	Feb 24 2025	Comments

ASSETS **(Present Market Value)**	**Balance**	
Cash On Hand (both husband and wife if married)	200.00	
Checking Accounts	850.00	
Savings Accounts	1,385.00	Use the 1115 in savings to pay off credit card debt(Immediate)
Investment Assets		Sell stock to pay off debt *Robin Hood stock brokerage(Immediate)
Cash Value of Life Insurance		Cash in life insurance, 10K dwn payment for new car, 10K into savings (Immediate)
Valuable Collections (coins, stamps, etc.)		
Primary Home Value (look up value, e.g., zillow.com)	700,000.00	Sell Home and purchase a smaller home using $50K as down payment (soon, long term benefit)
Other Real Estate		
Mortgages/Notes Receivable		
Automobile 1 - Ford focus used 3 yr old	20,000.00	Selling current truck, and purchasing a used vehicle(Immediate)
Automobile 2 (look up value, e.g., kbb.com)		
Automobile 3 (look up value, e.g., kbb.com)		
Personal Property (Furniture, Jewelry, etc.)	10,000.00	
Retirement Savings (401k, 403b, , IRAs, Pension, etc.)	250,000.00	Would recommend increase of 1,000,000.00 at retirement (long term goal)
Other Assets		Would need to increase % of 401K contribution to 16%
Total Assets	**982,435.00**	

LIABILITIES / DEBT LIST

CREDIT CARDS (only list cards for which you do not pay the full statement balance each month)

Credit Card Issuer	What Was Purchased	Minimum Monthly Payment	Interest Rate	Months Past Due	Balance Due	
Citibank	Various		22.0%		0.00	Advise Doug to review prior statements and evaluate where he spent his money? Can we catergorize these expenditures and apply to monthly budget. This will help him see his spending habits, and hopefully be able to account for this in the future, rather than impulsively spend?
						Short term: Ask Doug how much extra he could apply to pay down his debt. Show Debt Snowball Calculator
Total Credit Cards		**0.00**			**0.00**	

AUTO LOANS

Loan Company	Year, Make, Model	Minimum Monthly Payment	Interest Rate	Months Past Due	Balance Due	
Ford Financing	Ford Focus 3 yr old	181.00	6.0%		10,000.00	He is upside down on what he owes vs what his truck is worth. Encourage him to re-evaluate keeping this vehicle. Could sell and get a less expensive car.
						Advise him that selling his home would allow him to pay off this debt
						Show Debt Snowball Calculator to show how long to pay off
						Use 10K from Robin Hood stock to put dwn payment on car.
Total Auto Loans		**181.00**			**10,000.00**	

HOME MORTGAGES (includes home equity loans or lines of credit)

Mortgage Service Company	Property Address	Minimum Monthly Payment	Interest Rate	Months Past Due	Balance Due	
Nationwide	123 Hummingbird Lane	2,576.00	5.0%		435,000.00	Strongly encourage him to sell the house. This could help him save for retirement, increase his savings for emergencies, less maintenance, decrease utilities, less expensive property tax.
Total Home Mortgages		**2,576.00**			**435,000.00**	

OTHER DEBT (education, medical, personal, business, legal, IRS, etc.)

Who	Type of Debt (medical, education, etc.)	Minimum Monthly Payment	Interest Rate	Months Past Due	Balance Due	
Total Other Debt		**0.00**			**0.00**	

Total Liabilities/Debts		**445,000.00**
NET WORTH (Total Assets minus Total Liabilities/Debts)		**537,435.00**

Form Version Nov 28, 2022

Instructions
1. Find the family situation that most closely represents your family (i.e. Married with 4 children, Single with roommate, etc.).
2. Find the gross income level that most closely represents your family (i.e. $25,000 to $125,000).
3. Taxes include all current actual monthly Federal, Social Security, Medicare, State, and Local Income Tax Taxes.

Suggested Percentage Guidelines For Family Income

(Married with 4 Children)

GROSS HOUSEHOLD INCOME:	**25,000**	**35,000**	**45,000**	**55,000**	**85,000**	**125,000**
1. Tithe/Giving	10%	10%	10%	10%	10%	10%
2. Total Taxes	**Use Current Monthly Taxes**					
Net Spendable Income:(Gross Income - Tithe/Giving - Total Taxes) percentages below add to 100%						
3. Housing	38%	38%	34%	33%	32%	32%
4. Food	15%	15%	14%	14%	14%	14%
5. Transportation	14%	14%	12%	12%	11%	11%
6. Insurance	5%	5%	5%	5%	5%	5%
7. Debts	5%	5%	5%	5%	5%	5%
8. Entertainment/Recreation	3%	4%	4%	5%	5%	5%
9. Clothing	5%	5%	6%	6%	7%	7%
10. Savings	4%	4%	5%	5%	5%	5%
11. Health & Wellness	8%	7%	7%	7%	7%	7%
12. Miscellaneous	3%	3%	5%	5%	5%	5%
13. Investments	0%	0%	3%	3%	4%	4%
Total Net Spendable Income:	100%	100%	100%	100%	100%	100%
14. School/Child Care	no guideline percentages					

Suggested Percentage Guidelines For Family Income

(Married with 2 Children)

GROSS HOUSEHOLD INCOME:	25,000	35,000	45,000	55,000	85,000	125,000
1. Tithe/Giving	10%	10%	10%	10%	10%	10%
2. Total Taxes	Use Current Monthly Taxes					
Net Spendable Income:(Gross Income - Tithe/Giving - Total Taxes) percentages below add to 100%						
3. Housing	39%	36%	32%	30%	30%	29%
4. Food	15%	12%	13%	12%	11%	11%
5. Transportation	15%	12%	13%	14%	13%	13%
6. Insurance	5%	5%	5%	5%	5%	5%
7. Debts	5%	5%	5%	5%	5%	5%
8. Entertainment/Recreation	3%	5%	5%	7%	7%	8%
9. Clothing	4%	5%	5%	6%	7%	7%
10. Savings	5%	5%	5%	5%	5%	5%
11. Health & Wellness	5%	6%	6%	5%	5%	5%
12. Miscellaneous	4%	4%	6%	6%	7%	7%
13. Investments	0%	5%	5%	5%	5%	5%
Total Net Spendable Income:	100%	100%	100%	100%	100%	100%
14. School/Child Care	no guideline percentages					

Suggested Percentage Guidelines For Family Income

(Married with No Children)

GROSS HOUSEHOLD INCOME:	25,000	35,000	45,000	55,000	85,000	125,000
1. Tithe/Giving	10%	10%	10%	10%	10%	10%
2. Total Taxes	Use Current Monthly Taxes					
Net Spendable Income:(Gross Income - Tithe/Giving - Total Taxes) percentages below add to 100%						
3. Housing	40%	36%	34%	32%	31%	30%
4. Food	15%	14%	13%	12%	11%	11%
5. Transportation	15%	14%	14%	13%	13%	13%
6. Insurance	5%	5%	5%	5%	5%	5%
7. Debts	5%	5%	5%	5%	5%	5%
8. Entertainment/Recreation	3%	4%	4%	5%	7%	7%
9. Clothing	4%	4%	5%	6%	6%	7%
10. Savings	4%	4%	4%	5%	5%	5%
11. Health & Wellness	6%	6%	6%	6%	5%	5%
12. Miscellaneous	3%	4%	5%	6%	7%	7%
13. Investments	0%	4%	5%	5%	5%	5%
Total Net Spendable Income:	100%	100%	100%	100%	100%	100%
14. School/Child Care	no guideline percentages					

Suggested Percentage Guidelines For Individual Income

(Single with 1 Child)

GROSS HOUSEHOLD INCOME:	25,000	35,000	45,000	55,000	85,000	125,000
1. Tithe/Giving	10%	10%	10%	10%	10%	10%
2. Total Taxes	Use Current Monthly Taxes					
Net Spendable Income:(Gross Income - Tithe/Giving - Total Taxes) percentages below add to 100%						
3. Housing	40%	39%	39%	36%	34%	30%
4. Food	15%	14%	14%	13%	13%	12%
5. Transportation	15%	14%	14%	13%	13%	12%
6. Insurance	3%	3%	4%	4%	5%	5%
7. Debts	5%	5%	5%	5%	5%	5%
8. Entertainment/Recreation	3%	4%	4%	6%	6%	6%
9. Clothing	5%	5%	5%	6%	7%	7%
10. Savings	5%	5%	5%	5%	5%	5%
11. Health & Wellness	6%	7%	6%	6%	6%	6%
12. Miscellaneous	3%	4%	4%	6%	6%	6%
13. Investments	0%	0%	0%	0%	0%	6%
Total Net Spendable Income:	100%	100%	100%	100%	100%	100%
14. School/Child Care	no guideline percentages					

Suggested Percentage Guidelines For Individual Income

(Single with No Children / Living Alone)

GROSS HOUSEHOLD INCOME:	25,000	35,000	45,000	55,000	85,000	125,000
1. Tithe/Giving	10%	10%	10%	10%	10%	10%
2. Total Taxes	Use Current Monthly Taxes					
Net Spendable Income:(Gross Income - Tithe/Giving - Total Taxes) percentages below add to 100%						
3. Housing	40%	38%	36%	34%	32%	30%
4. Food	6%	6%	7%	7%	7%	7%
5. Transportation	15%	15%	14%	14%	13%	13%
6. Insurance	4%	4%	4%	5%	5%	5%
7. Debts	5%	5%	5%	5%	5%	5%
8. Entertainment/Recreation	6%	6%	7%	7%	8%	9%
9. Clothing	5%	6%	6%	7%	8%	8%
10. Savings	5%	5%	5%	5%	5%	5%
11. Health & Wellness	6%	5%	5%	5%	4%	4%
12. Miscellaneous	5%	6%	6%	6%	7%	7%
13. Investments	3%	4%	5%	5%	6%	7%
Total Net Spendable Income:	100%	100%	100%	100%	100%	100%
14. School/Child Care	no guideline percentages					

Suggested Percentage Guidelines For Individual Income

(Single with No Children / Living with Roommate)

GROSS HOUSEHOLD INCOME:	**25,000**	**35,000**	**45,000**	**55,000**	**85,000**	**125,000**
1. Tithe/Giving	10%	10%	10%	10%	10%	10%
2. Total Taxes	**Use Current Monthly Taxes**					
Net Spendable Income:(Gross Income - Tithe/Giving - Total Taxes) percentages below add to 100%						
3. Housing	25%	24%	23%	22%	21%	20%
4. Food	6%	6%	6%	7%	7%	7%
5. Transportation	20%	19%	18%	16%	15%	13%
6. Insurance	4%	4%	4%	5%	5%	5%
7. Debts	5%	5%	5%	5%	5%	5%
8. Entertainment/Recreation	9%	9%	9%	9%	10%	10%
9. Clothing	7%	7%	7%	7%	7%	8%
10. Savings	8%	8%	9%	10%	10%	10%
11. Health & Wellness	6%	6%	6%	5%	5%	5%
12. Miscellaneous	5%	6%	6%	7%	7%	7%
13. Investments	5%	6%	7%	7%	8%	10%
Total Net Spendable Income:	100%	100%	100%	100%	100%	100%
14. School/Child Care	no guideline percentages					

Revised Oct 29, 2022

Percentage Spending Plan

Gross Monthly Income				***from Current Spending Plan:***	**10,000**	**120,000**
						Annual Income
	Input appropriate % from "Percentage Guide"					
Income Deductions	**Percentage**	x	**Gross Monthly Income**	=	**Guideline Amount**	
1. Tithe/Giving	10%	x	10,000		**1,000**	
2. Total Taxes	***no guideline***		***actual from Current Spending Plan:***		**3,865**	
Net Spendable Income (NSI)					**5,135**	**61,620**
						Annual NSI

Expense Category	**Percentage**	x	**Net Spendable Income**	=	**Guideline Amount**
3. Housing	32%	x	5,135	=	1,643
4. Food	7%	x	5,135	=	359
5. Transportation	13%	x	5,135	=	668
6. Insurance	5%	x	5,135	=	257
7. Debts	5%	x	5,135	=	257
8. Entertainment/Recreation	8%	x	5,135	=	411
9. Clothing	8%	x	5,135	=	411
10. Savings	5%	x	5,135	=	257
11. Health & Wellness	4%	x	5,135	=	205
12. Miscellaneous	7%	x	5,135	=	359
13. Investments	6%	x	5,135	=	308
14. School/Child Care	***no guideline***				
Total Percentages: ***(cannot exceed 100%)***	**100%**				
Total Guideline Expenses: (cannot exceed Net Spendable Income)					**5,135**

OK

Revised Oct 29, 2022

Spending Plan	Current	Guideline	New Budget	Comments
INCOME vs. EXPENSE SUMMARY (calculated)				
Net Spendable Income	**5,135**		**5,135**	
Less Total Expenses	**6,074**		**5,135**	
Surplus or Deficit	**(939)**		**0**	
Monthly Income				
Gross Monthly Income	***10,000***		***10,000***	
Monthly Salary	10,000		10,000	I would encourage Doug to see if there are any other side jobs that he could do in the interim to provide extra income.
Interest Income				
Dividends				
Commissions				
Bonuses/Tips				
Retirement Income				
Net Business Income				$4000 yrly from tax return Short term: Pay off Citibank credit card. Add $1500 to savings account for Emergency Fund.
Other Income				
LESS				
Category 1 - Tithe/Giving (monthly)	***1,000***	***1,000***	***1,000***	
The Local Church	1,000		1,000	
The Poor				
Other Ministries				
Other Giving				
Category 2 - Taxes (monthly)	***3,865***	***3,865***	***3,865***	
Taxes (Fed, State, Medicare, Social Security)	3,865		3,865	
Other				
do not include medical/dental premiums, retirement plans, HSA/FSA contributions, charity contributions that are taken out of the paycheck. Instead, include these deductions as expenses below				
NET SPENDABLE INCOME (monthly)	**5,135**	**5,135**	**5,135**	
Monthly Expenses				
Category 3 - Housing (monthly)	***3,818***	***1,643***	***3,548***	
Mortgage(s) *(from Debt List)*	2,576		2,576	
Extra Mortgage Payment				Short term goal: Reduce monthly mortgage, show him how long to pay off current home align this with his plan to retire? This may help him to evaluate current living situation. Also, point out monthly property tax and can this be reduced? Strongly encourage him to sell the house. This could help him save for retirement,
Rent				increase his savings for emergencies, less maintenance, decrease utilities, less expensive property tax. If he opts to keep his house, it will be paid off March 2025. Show Debt Snowball Calculator
Insurance	250		250	Long Term Outlook/goal:
Property Taxes	432		432	If house sold for 700,000 profit of $265,000. Would advise to pay off truck, and debt = 26,352 + 2500= $28,852. This would leave $236,148. Would leave enough to put 20%($50,000) down on a new home and still leave $186,148 for emergency funds, savings. Use 10K for a different vehicle leaving $176,148

Spending Plan	Current	Guideline	New Budget	Comments
Electricity	170		80	Explaination: Sold home and used $50K for down payment on $250K new home, property tax $3125/yr and Insurance $1500/yr.
Gas	80		60	
Water	40		40	
Sanitation	30		30	
Telephone / Cell phone	80		80	
Maintenance				
Internet / Cable Service	160			Cancel cable/Internet
Other				
Category 4 - Food (monthly)	***600***	***359***	***400***	
Grocery	600		400	Advising him to reduce grocery expenses and share tips for shopping for deals. Freezing meals since he is only cooking for one.
Other				
Category 5 - Transportation (monthly)	***583***	***668***	***428***	
Auto Payment(s) *(from Debt List)*	181		181	
Extra Auto Payment				He is upside down on what he owes vs what his truck is worth. Encourage him to re-evaluate keeping this vehicle. Could sell and get a less expensive car.
Gas & Oil	200		100	Share Snowball Debt Calculator
Auto Insurance	150		95	His truck won't be paid off until Feb 2029. Help him to see Benefit of lesser car payment now, to allow him to work for the next 10 yrs, while allowing money to save for his retirement and to have a reliable vehicle at retirement time. This allows him to save and invest while he's in good health, still working.
Licenses & Taxes	12		12	Explaination: Selling his current F150, using 10 K from sale of life insurance policy to put down on $20000 used more efficient car, with loan of 10K and car payemnt of 181/month. fWill use less gas and lower insurance . Long Term: Once his finances are in control, then make extra payments to pay off.
Maintenance	40		40	
Replacement				Also, Long Term: He could add extra $85/month to car payment and get it paid off
Other - Tolls/Parking/Transit Fares				
Category 6 - Insurance (monthly)	***135***	***257***	***75***	
Life ($30,000 Whole Life)	60			Evaluate cost of Health/Dental insurance when he retires.
Health/Dental	75		75	See if his employer has HSA account to start saving for health care costs at retirement.
Disability				
Other				
Category 7 - Debts (monthly)	***0***	***257***	***0***	
Total Credit Cards *(from Debt List)*	0		0	
Total Other Debt *(from Debt List)*	0		0	
Extra Debt Payments				Currently owes $2500 in credit card debt 1. Have him review his past statements to find out where he is spending his money, are these impulsive buys? Can these expenses be catorgorized into a monthly budget? 2. Ask how much extra he could pay towards paying down his debt. Show snowball calculator . 3. Plan monthly budget with above expenses accounted for and help him to see how to save for these expenses rather than charge for them.

Spending Plan	Current	Guideline	New Budget	Comments
Category 8 - Entertainment & Recreation (monthly)	***210***	***411***	***40***	
Eating Out / Lunches	80		40	Decrease to 1/2 until he gets spending under control.
Baby Sitters				
Activities / Trips	55			Short term: using both activies and vacation savings to apply to emergency fund, then to apply to debt
Vacation	75			
Pets				
Hobbies and Sports				
Other				
Category 9 - Clothing (monthly)	***50***	***411***	***0***	
Clothing	50			Temporarily use clothing budget to help adjust costs until he gets a permanent plan and can sell his home
Other				
Category 10 - Savings (monthly)	***25***	***257***	***100***	
Savings Account	25		100	Even though budget is tight, his savings account is top priority to grow right now.
Credit Union				
Other				
Category 11 - Health & Wellness (monthly)	***70***	***205***	***70***	
Doctor	20		20	
Dentist	20		20	
Prescriptions	10		10	
Eye Glasses / Contacts	20		20	
Other				
Category 12 - Miscellaneous (monthly)	***133***	***359***	***74***	
Toiletries / Cosmetics				
Beauty / Barber	20		20	
Laundry / Cleaning				
Allowances				
Subscriptions	3			cancel subscriptions: Short term
Gifts (including Christmas)	40			Short term: Take this 40 and add to Savings, Long term: Get back on this budget
Cash	70		54	What is he needing cash for? Consider decreasing for short term to get budget in order
Other				
Category 13 - Investments (monthly)	***450***	***308***	***400***	
Employer 401k/403b plans	400		400	Short term: Keep contributing to 401K, Long term: goal to double investments to $800/month for the next 10 yrs to maximize 401K for retirement. Goal would be 1,000,000,000 for retirement.
Retirement IRAs				Share Retirement Calculator with him to show the importance of increasing contributions to prepare for retirement
College Funds				
Non-Retirement Stocks, Bonds, Mutual Funds	50			temporarily hold contributions to increase savings for $1000 emergency fund
Investment Real Estate				Long term: Get back to investing, after his debt is paid and he has emergency savings built up
Other				

Spending Plan	Current	Guideline	New Budget	Comments
Category 14 - School/Child Care (monthly) (1)	***0***		***0***	
School Tuition				
School Books, Supplies, Materials, etc				
Transportation				
Day Care				
Tutoring, Lessons for Music, Dance, etc				
Other				
Total Expenses	**6,074**	**5,135**	**5,135**	

(1) This category does not have a guideline amount.

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