

PERSONAL FINANCIAL PLAN

Your Retirement Readiness Plan

Prepared for Arthur Average

A clear, plain-language look at how your income, savings, and expenses are expected to support you through a long retirement — all the way to age 89.



OVERALL READINESS GRADE

An exceptionally strong plan — and the outcome-based view agrees: it finishes with a very large cushion, giving you genuine room for surprises.

Your Report Card

One overall grade, stress-tested under different futures.

A+**OVERALL GRADE**

Your grade reflects your most-likely outcome — the reserve your plan finishes with. The cards below show how the grade holds up as the future gets tougher.

A+**Most-likely path**

Your income and savings cover your needs across a long retirement.

A+**A longer life**

Even planning to age 100, your money is expected to last the full distance.

B+**High medical & long-term care**

Doubled medical costs plus long-term care strain the plan but don't break it.

A+**Long life + weaker returns**

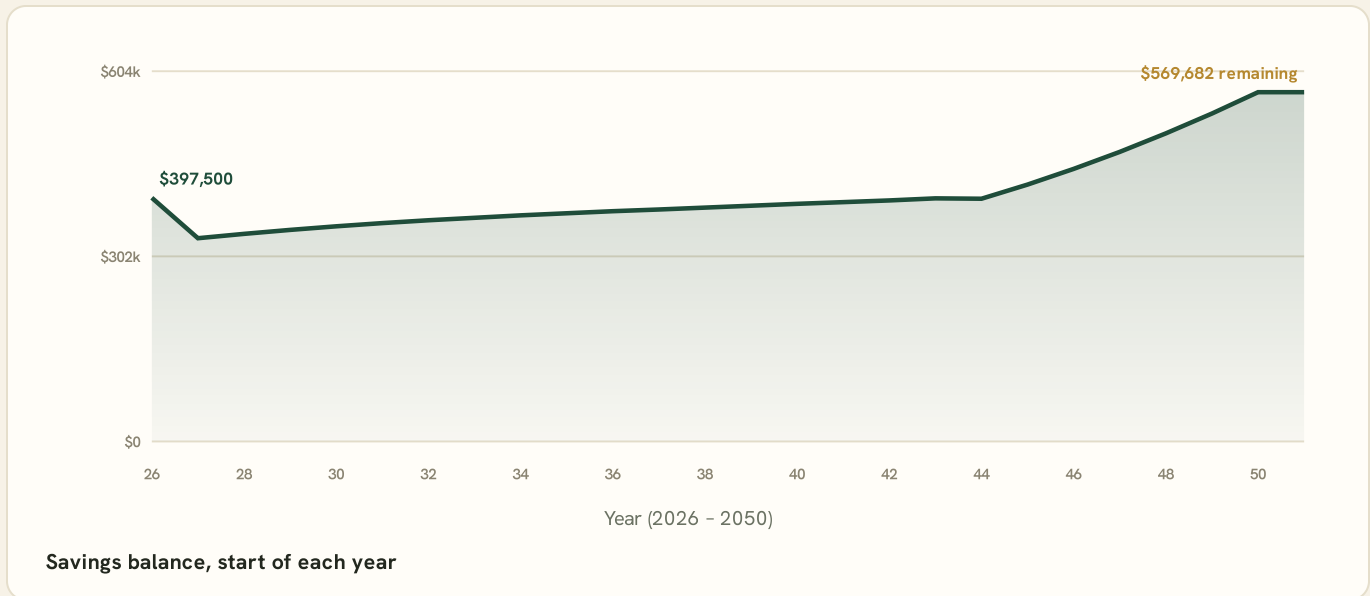
The toughest combination — living to 100 with weaker returns — and the plan is still on track.

How to read the grades. **A** — goals met with room to spare. **B** — goals nearly met. **C** — falls short, but adjustments could fix it. **D** — substantial changes needed. **F** — a serious problem if it occurs.

The Big Picture

How your savings are expected to support you (most-likely scenario).

Your steady income — Social Security, pensions, and annuities — covers about 19% of your spending each year, and your \$397,500 in savings comfortably bridges the rest. The balance is expected to end around \$569,682 — a substantial reserve still standing at age 89.



\$397,500
SAVINGS TODAY (2026)

Age 89
SAVINGS FUNDED THROUGH

~\$21k
STEADY ANNUAL INCOME

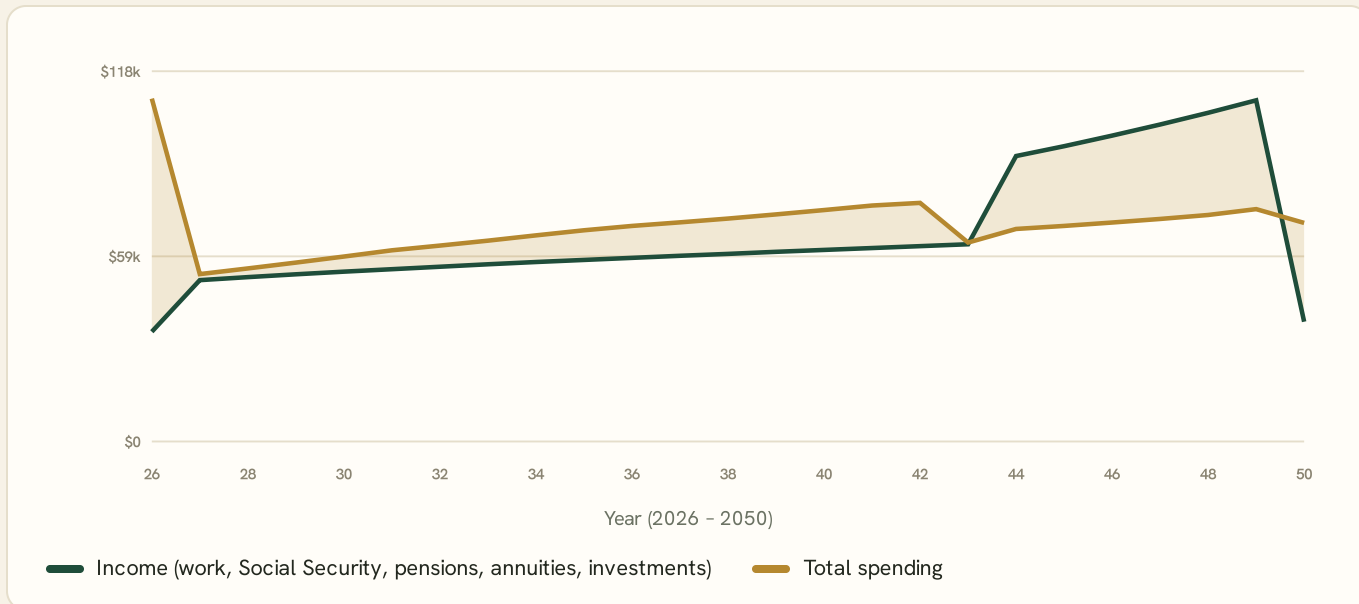
Key milestones in this scenario

- 2050** Taxable savings and investments are expected to end around \$569,682. A reserve remains at the end of the plan.
- 2050** End of the planning horizon (age 89). One-time end-of-life medical and funeral costs are included in this final year.

Income vs. Spending

The shaded band is the yearly gap your savings fill.

Your income climbs gently from about \$34,980 toward \$108,739 a year, while spending shifts from \$109,271 toward \$74,029 — mostly from housing and medical costs. The gap between the two lines is the amount your savings cover each year.



\$109,271
SPENDING IN 2026

\$74,029
SPENDING IN 2049

A+
OVERALL GRADE

What this tells us: the plan holds in every scenario tested and finishes with a reserve of about 7.7 years of spending. The main planning question isn't survival — it's intent: spending more freely, gifting, or legacy.

Year-by-Year Cash Flow

The detail behind your grade — most-likely scenario. Each row is a 12-month period.

Year	Savings (start of yr)	Work	Social Sec., Pensions, Annuities	Investment & Other	Living Expenses (excl. medical)	Medical Costs	Net Cash Flow
2026	\$397,500	\$0	\$20,910	\$14,070	\$106,871	\$2,400	-\$74,291
2027	\$331,647	\$0	\$42,343	\$9,093	\$50,824	\$2,533	-\$1,921
2028	\$338,543	\$0	\$43,401	\$8,964	\$52,491	\$2,665	-\$2,790
2029	\$344,966	\$0	\$44,486	\$8,777	\$54,214	\$2,798	-\$3,749
2030	\$350,846	\$0	\$45,599	\$8,526	\$55,998	\$2,931	-\$4,805
2031	\$356,103	\$0	\$46,738	\$8,204	\$57,844	\$3,064	-\$5,966
2032	\$360,652	\$0	\$47,907	\$7,804	\$59,244	\$3,196	-\$6,729
2033	\$364,911	\$0	\$49,105	\$7,353	\$60,699	\$3,329	-\$7,570
2034	\$368,823	\$0	\$50,332	\$6,846	\$62,213	\$3,462	-\$8,497
2035	\$372,325	\$0	\$51,591	\$6,277	\$63,719	\$3,594	-\$9,445
2036	\$375,419	\$0	\$52,880	\$5,644	\$64,983	\$3,727	-\$10,186
2037	\$378,335	\$0	\$54,202	\$4,961	\$65,952	\$3,895	-\$10,684
2038	\$381,345	\$0	\$55,557	\$4,246	\$66,992	\$4,070	-\$11,259
2039	\$384,394	\$0	\$56,946	\$3,491	\$68,104	\$4,253	-\$11,920
2040	\$387,428	\$0	\$58,370	\$2,693	\$69,293	\$4,445	-\$12,675
2041	\$390,378	\$0	\$59,829	\$1,843	\$70,563	\$4,645	-\$13,536
2042	\$393,172	\$0	\$61,325	\$936	\$71,178	\$4,854	-\$13,771
2043	\$396,464	\$0	\$62,858	\$14	\$58,353	\$5,072	-\$554
2044	\$395,911	\$0	\$64,430	\$26,526	\$62,423	\$5,300	\$23,233
2045	\$419,143	\$0	\$66,040	\$28,083	\$63,151	\$5,539	\$25,433
2046	\$444,576	\$0	\$67,691	\$29,787	\$63,969	\$5,788	\$27,721
2047	\$472,297	\$0	\$69,384	\$31,644	\$64,878	\$6,049	\$30,101
2048	\$502,398	\$0	\$71,118	\$33,661	\$65,883	\$6,321	\$32,574
2049	\$534,972	\$0	\$72,896	\$35,843	\$67,424	\$6,605	\$34,710
2050	\$569,682	\$0	\$0	\$38,169	\$12,173	\$57,520	-\$31,525

Reading the table. "Net cash flow" is income minus expenses for the year; a negative figure is simply the amount drawn from savings.

The final row is a partial year: recurring income and everyday spending end, while one-time end-of-life medical and funeral costs appear. The change in savings from one year to the next won't always equal net cash flow exactly, because savings also reflect underlying growth and other non-cash adjustments. Living Expenses combines necessary, discretionary, debt and tax outflows—the category Retirement Investment Platform

Where the Money Goes

The same expenses, broken out by category — with medical and long-term care shown separately.

Year	Housing & Home	Everyday Basics	Discretionary & Events	Debt & Financial	Income Taxes	End of Life	Medical (excl. LTC)	Long-Term Care	Total
2026	\$18,000	\$15,480	\$14,520	\$50,000	\$8,871	\$0	\$2,400	\$0	\$109,271
2027	\$18,791	\$15,867	\$14,883	\$0	\$1,283	\$0	\$2,533	\$0	\$53,357
2028	\$19,617	\$16,264	\$15,255	\$0	\$1,355	\$0	\$2,665	\$0	\$55,156
2029	\$20,479	\$16,670	\$15,636	\$0	\$1,428	\$0	\$2,798	\$0	\$57,012
2030	\$21,380	\$17,087	\$16,027	\$0	\$1,504	\$0	\$2,931	\$0	\$58,929
2031	\$22,321	\$17,514	\$16,428	\$0	\$1,581	\$0	\$3,064	\$0	\$60,908
2032	\$23,304	\$17,952	\$16,378	\$0	\$1,609	\$0	\$3,196	\$0	\$62,440
2033	\$24,330	\$18,401	\$16,328	\$0	\$1,639	\$0	\$3,329	\$0	\$64,028
2034	\$25,402	\$18,861	\$16,279	\$0	\$1,671	\$0	\$3,462	\$0	\$65,675
2035	\$26,522	\$19,332	\$16,229	\$0	\$1,635	\$0	\$3,594	\$0	\$67,313
2036	\$27,691	\$19,816	\$16,179	\$0	\$1,297	\$0	\$3,727	\$0	\$68,710
2037	\$28,913	\$19,608	\$16,129	\$0	\$1,302	\$0	\$3,895	\$0	\$69,847
2038	\$30,189	\$19,407	\$16,080	\$0	\$1,316	\$0	\$4,070	\$0	\$71,062
2039	\$31,522	\$19,213	\$16,030	\$0	\$1,339	\$0	\$4,253	\$0	\$72,357
2040	\$32,914	\$19,026	\$15,980	\$0	\$1,373	\$0	\$4,445	\$0	\$73,738
2041	\$34,368	\$18,846	\$15,930	\$0	\$1,420	\$0	\$4,645	\$0	\$75,208
2042	\$35,886	\$18,377	\$15,507	\$0	\$1,408	\$0	\$4,854	\$0	\$76,032
2043	\$25,361	\$17,909	\$15,084	\$0	\$0	\$0	\$5,072	\$0	\$63,425
2044	\$26,502	\$17,440	\$14,661	\$0	\$3,820	\$0	\$5,300	\$0	\$67,723
2045	\$27,694	\$16,972	\$14,238	\$0	\$4,248	\$0	\$5,539	\$0	\$68,690
2046	\$28,941	\$16,503	\$13,814	\$0	\$4,710	\$0	\$5,788	\$0	\$69,757
2047	\$30,243	\$16,035	\$13,391	\$0	\$5,209	\$0	\$6,049	\$0	\$70,927
2048	\$31,604	\$15,566	\$12,968	\$0	\$5,745	\$0	\$6,321	\$0	\$72,204
2049	\$33,026	\$15,098	\$12,545	\$0	\$6,755	\$0	\$6,605	\$0	\$74,029
2050	\$0	\$0	\$0	\$0	\$21	\$12,152	\$57,520	\$0	\$69,693

About the Long-Term Care column. It shows an **assumed** elderly-care allowance that grows with age, included because no long-term-care coverage was indicated. Check "I have long-term care coverage" in the app, or enter your actual caregiver costs and insurance reimbursement, to replace this assumption with your real numbers. On the previous page these amounts are inside "Medical Costs."

Assumptions Behind the Plan

The "normal" scenario in plain numbers.

Life expectancy

You live to the expected average age for your age, sex, health, and smoking status: **89**.

Inflation

General prices rise at a moderate **2.5%** per year.

End-of-life medical

An extra **\$20,000** (in today's dollars) of out-of-pocket medical cost in the year of death, plus funeral costs.

Investment return

A conservative pre-tax return of **6.7%** per year on savings and investments.

Medical inflation

Health costs rise about **4.5%** a year, plus roughly 2% more for each year of age.

Long-term care

An assumed care allowance is included in medical costs (no coverage was indicated) — and stress-tested separately in the "high medical" case.

How the stress-tests differ

Longer life

Life expectancy is set to age **100**.

High medical expense

Medical costs **doubled**, plus **5 years** of long-term home health or nursing care (costs based on family arrangements, insurance, and your state).

Inferior returns

Your average return runs about **1% lower** per year, with early bad years hurting most.

Long life + weaker returns

Living to **100** with the lower return — the toughest combination tested.

Good to Know

A few practical topics that shape a plan like yours — to discuss with your advisor.

Social Security timing

The longer you wait to claim, the larger each check — so the best start date trades more checks against bigger checks. The timing reflected in this plan weighs your life expectancy, your work plans (an earnings test can reduce benefits before full retirement age), and how much of your benefit might be taxed given your other income.

Medicare

Part A (hospital) comes automatically at 65; Part B (medical) is worth its modest premium because the program is heavily subsidized. Part C lets you run coverage through an HMO/PPO instead, and Part D covers prescriptions — the right Part D plan depends on your specific medications, so your pharmacist or the official Medicare Plan Finder is the best guide.

Filling Medicare's gaps

For most people over 65, a "Medigap" policy (or a Medicare HMO/PPO) is a prudent way to keep an unexpected medical event from becoming a financial one — unless you're already covered another way. Many varieties exist; your advisor can help you weigh them.

Which savings to spend first

As a rule of thumb, ordinary taxable savings are generally spent before tax-advantaged accounts (while keeping a cash cushion for emergencies), and hard-to-sell property tends to be last. The right order for your specific accounts is worth confirming with your advisor.

Why returns are assumed conservative

In retirement there's little time to recover from a bad market, so the plan assumes a relatively cautious return. Taking more risk can mean higher returns — but only makes sense if you could comfortably absorb a loss. This analysis does not make investment recommendations.

Important Notes & Disclaimer

Please read these alongside the plan.

This is a projection, not a prediction

This plan reflects our best effort given the information provided and the inherent uncertainty of the future. The "normal" scenario is a current best guess and **will not** unfold exactly as shown; reality always varies, sometimes by a little and sometimes by a lot. The adverse scenarios are illustrative and are **not** intended to show the worst possible case. The goal is a prudent plan with a good chance of success — not a forecast. Please update this analysis periodically as your finances and goals change. If these limitations are not acceptable to you, you are advised not to rely on this report in your planning.

Scope & advice

Estimates are for educational purposes and do not constitute investment, tax, or legal advice. The grading methodology has been actuarially reviewed. Estate taxes are only roughly estimated. This analysis does not make specific investment recommendations — please discuss saving, investment, and insurance choices with your financial advisor, and Medicare Part D choices with your pharmacist.

About the analysis

Each 12-month period begins at the effective date. "Savings" is the estimated value of household assets less debts, and may move differently from yearly cash flow because it also captures growth and other non-cash items. The model assumes sensible timing of decisions — for example, spending more-liquid, less tax-advantaged assets first when funds are needed. Income columns combine work, Social Security/pensions/annuities, and investment & other income; "Living Expenses" combines necessary, discretionary, debt and tax outflows (split on the "Where the Money Goes" page); "Medical Costs" includes care, insurance, and long-term-care amounts. The outcome-based grade's dollar thresholds are calibration values ratified in actuarial sign-off.

Analysis driven by software from Still River Retirement Planning Software, Inc., Harvard, Massachusetts (System v4.17BA). Original report effective June 12, 2026.