

Are you ready to RETIRE – just kidding!

Life-Plan and Budget Project

Graduation is mere months away, which means you will be closer to becoming “real” adults. This project will help you see how prepared you are to live the rest of your life – NO PRESSURE YALL! You will be creating and turning in your life plan and budget until you retire. Hopefully, by that age, you will be able to retire, live off your savings and retirement funds, and reap the benefits of your career.

The actual format of what you will turn in to me is totally up to you (as long as it has the two components listed below), but creativity does count – and you have to have all necessary elements. This project should be fun, but also taken seriously. It will allow you to start thinking about your future, which you have total control (sort of) right now! Good luck friends!

Your project’s final product must have each of the following sections of your life as well as a detailed explanation of your annual “basic expenditures.” You are not restricted to only these things, but must include everything that is mentioned in each section. Don’t want kids? Too bad! We’re going to see how you’ll deal with the financial strain of them anyways. Single for life? Not here you aren’t. Consider yourself part of a future pair. Planning to mooch off the rents for awhile? I’m evicting you slacker! For each section of your life, you need to show how much money you are earning and how much money you are spending. Also be aware that you’ll receive a few “surprises” that you can’t necessarily plan for along the way. **You decide** how you’ll present this as a final product.

Things to Note

- *Inflation doesn’t exist in this universe. Plan all wages and expenses in 2026 dollars.*
- *Taxes will be treated as follows: a flat 14% will apply to all income. This is to cover basic government expenditures (public goods/services), but won’t include entitlements or health programs. Therefore you will receive no government retirement income and you’ll need to cover the full extent of medical bills at retirement.*
- *Adjust expenses as needed. Food for four shouldn’t be the same as food for one.*
- *Avoid extremely extraordinary circumstances. Few people strike gold in their backyards or marry rich celebrities.*

1) Post high school life (18-22 years old)

- This will be a four-year college (or five!), junior college, work, or a combination of those.
- If your plan is college, some things to consider are the only cost of college is not the tuition. You’ll need to keep in mind: tuition, books, room and board, transportation, entertainment, living on or off campus, part-time job (?), food, entertainment, insurance, cell phone, internet, etc.

Special Consideration: Surprise Situation #1 : _____

2) Young single life (23-28 years old)

- You will be living on your own (or with roommates), working full-time, driving one vehicle, and dating casually. You will also be making a full-time salary in whatever career you choose..
- For some of you who may want to go further in your education (I.E. – medical field, teaching, law, etc.) you may still be in school at this point.

Special Consideration: Surprise Situation #2: _____

3) Single and committed (28-30 years old)

- You will be still living on your own, but you have found Mr. or Ms. RIGHT!!!
- You will be paying for your own wedding, or a large portion of it (Minimum 50%)

4) Post-wedding life (31-32 years old) *the median age of first marriage in the US is 30.8/28.8, but higher educational levels tend to be *much higher* (Also... CA women are higher than average at 30.4)

- You are now living with your spouse (hopefully!), which means double-income if both of you work. There are NO kids yet!!! What type of career will your spouse have?
- You are also living in a bigger place (at least 2 bedrooms) and own two vehicles along with all the other basic necessities and luxuries of newly married life.

Special Consideration: Surprise Situation #3: _____

5) First Child (33-38 years old) *highly educated women tend to have children much later than the national average (~31 for US women with a BA/BS)

- You decide to have your first child and must be able to pay for everything that they need. (You can't just put them in a box!) Use an online baby calculator to help figure out the enormous cost of that diaper-wearing crying machine!
- Purchase a new ride (car – can be used).

6) Second Child (time is decided by you)

- Your second child comes around.
- Both of your kids will be attending 4-year colleges and since you are such a nice parent, you'll be paying for them – so start saving!
- Consider the needs for a growing family. More than two kids? Housing? Family vacations?

7) The Other Days (39-67 years old)

- Consider all the major purchases that you'll be making during these years.
- Live a life that is fun and not just day to day living.
- Stay realistic in your plans! (Not everyone becomes an astronaut!)
- You must purchase at least 5 different cars and two of them must be suited for at least four family members. No rolling to soccer practice in the Vette!
- You must be specific about what you are buying – house (where?), cars (what model?), travels (how long?), etc.
- You must take at least 5 vacations of at least a week in length with the family. More for you and your spouse perhaps?
- Do you want to retire earlier than 67? 62 would be the earliest you could choose to retire.

Special Consideration: Surprise Situation #4: _____

Reminder... Things to complete:

- 1) A detailed summary of each Life Segment above (format is your choice) that encompasses all required expenditures and "Special Considerations."
- 2) For each Life Segment, a budget of "basic expenditures" will be submitted including normal annual costs and the additional costs of each Life Segment. You will add those up, show total costs, and then subtract them from any expected salary – so we can track how much you are saving. Remember – there may be years when you run a deficit! (Especially w/ Schooling)