INTERNAL · PRE-MEETING DRAFT

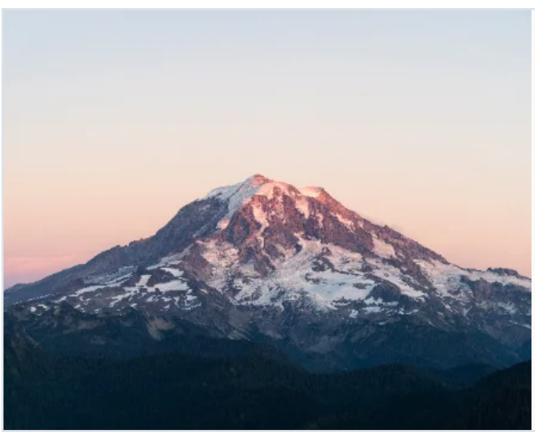
RAINIER WEALTH PARTNERS

PLANNING ANALYSIS & RECOMMENDATION BRIEF

Lumbergh Household Planning Analysis & Recommendation Brief

Internal Pre-Meeting Analysis | William & Grace Lumbergh | 2026

This is the internal working document behind the Lumbergh plan — what we found, what we're recommending, and what still needs to be confirmed before the client meeting.



PURPOSE OF THIS BRIEF

Prepared ahead of the client meeting to document current findings, the working recommendations, and the questions and specialist reviews that remain open before anything is presented as a final plan.

$2.08M	**$1.79M**	**$19.79K**	**81.7%**
Current net worth	Investable assets	Modeled annual surplus	Recommended-plan Monte Carlo success rate

Prepared as part of Aniyah Jordan's wealth-management portfolio project

01 Household Financial Overview

The Lumberghs have strong income ($595,000) with substantial investable assets. The main threat to the current retirement plan is the continuation of major debt obligations and a high-cost lifestyle into retirement.

The baseline model carries approximately $210,186 of annual retirement spending in today's dollars, if things remain unchanged. The recommended plan lowers the modeled requirement to approximately $143,490 by removing the mortgage before retirement and selling the boat.

The recommended changes improve the modeled retirement outlook from 48.8% to 81.7%.

PRIMARY DRIVER OF IMPROVEMENT

48.8% → **81.7%** Monte Carlo success probability

The largest improvement comes from changing the household's future expenses. Eliminating the mortgage by retirement and removing the boat-related costs reduces modeled retirement spending by **$66,696 annually** in today's dollars — not from assuming a higher investment return.

RECOMMENDATION ORDER

1. Eliminate $20,300 of revolving credit-card debt immediately.
2. Establish four months of immediate liquidity using checking plus a designated brokerage money-market sleeve.
3. Continue 401(k), HSA, backdoor Roth, 529, and sabbatical funding, subject to tax review and confirmed cash-flow capacity.
4. Use the $19,790 annual surplus to complete the six-month reserve over approximately 18 months.
5. Sell the boat within 12–24 months, modeled at the end of 2027.
6. Use boat-sale proceeds to eliminate the boat loan, estimated selling costs, and SUV loan before directing remaining proceeds to investments or mortgage principal.
7. Refinance and accelerate the mortgage so it is eliminated before the 2040 retirement year.
8. Transition the portfolio toward a more diversified 45% U.S. equity / 20% international / 25% fixed income / 5% cash / 5% individual-stock target.

02 Household Priorities and Current Position

HOUSEHOLD MEMBER	AGE	EMPLOYMENT / ROLE	PLANNING NOTE
William Lumbergh	48	Amazon Web Services	Target retirement age 62; interested in retaining a limited individual-stock sleeve
Grace Lumbergh	43	Kroger	Plans to retire in the same calendar year as William, approximately age 57
Noah Lumbergh	9	Child	Education funding and legacy beneficiary
Octavia Lumbergh	5	Child	Education funding and legacy beneficiary

CLIENT'S GOALS

- Retire when William reaches age 62 and Grace reaches approximately age 57.
- Determine a sustainable retirement-spending level.
- Fund education for Noah and Octavia.
- Make sure Noah and Octavia get an inheritance.
- Take a two-month European family sabbatical near William's 50th birthday.
- Simplify and consolidate their financial lives.
- Improve retirement readiness and establish an estate plan.

CURRENT FINANCIAL SNAPSHOT

METRIC	CURRENT AMOUNT	PLANNING INTERPRETATION
Total modeled compensation	$595,000	$460,000 base salary plus $135,000 of bonus and estimated RSU vesting
Financial assets	$1,842,900	Includes checking, taxable, retirement accounts, and HSAs
Investable assets	$1,789,900	Excludes Chase checking; includes funded HSAs
Managed AUM	$789,400	Taxable account plus former-employer plans currently marked for transfer/consolidation
Property assets	$1,133,000	Residence, boat, and SUV
Total liabilities	$895,300	Mortgage, boat, SUV, and revolving credit cards
Net worth	$2,080,600	Total assets less liabilities
Modeled annual surplus	$19,790	Remaining after modeled expenses and household-funded savings

03 Pain Points

Retirement spending is the primary constraint

The current plan estimates $210,186 of annual retirement spending in today's dollars, or approximately $296,987 in the first retirement year of 2040 after inflation. The mortgage payment alone is $58,296 annually and continues beyond the target retirement date under the existing term.

Together, the mortgage and boat operating costs represent $66,696 of annual retirement spending that can be removed without touching core family spending like children's activities, education, and travel.

Enough liquidity, but poorly organized

After paying the $20,300 credit-card balances from checking, the household would retain $32,700 in Chase. The six-month reserve target is $90,093, leaving a $57,393 gap if no brokerage liquidity is designated.

The recommended structure designates $27,362 of the taxable account in the Fidelity Joint account money-market holding. Combined with checking, the household would have $60,062 of immediate liquidity (about four months of essential expenses). The remaining $30,031 gap can be completed in approximately 18 months using the annual surplus.

Some of this debt doesn't need to stay

LIABILITY	BALANCE	RATE	WORKING CONCLUSION
Credit cards	$20,300	29.99%	Pay immediately; estimated annual interest avoided is approximately $6,088
Boat loan	$155,000	6.35%	Sell boat within 12–24 months rather than accelerate a loan tied to a non-core lifestyle asset
SUV loan	$48,000	5.31%	Pay off from boat-sale proceeds after required sale costs and boat-loan payoff
Mortgage	$672,000	7.65%	Refinance and accelerate to eliminate the balance before retirement

Portfolio risk is driven by composition, not total equity alone

The current portfolio is approximately 71% equity, while the proposed portfolio is approximately 70% equity. The recommendation changes the composition by reducing individual-stock concentration, increasing international equity exposure, and increasing fixed income.

DATA-QUALITY NOTE

The current allocation is an illustrative planning assumption, not a client-verified holdings analysis. It should be presented as an estimate until custodial statements or position-level data are available.

04 Preliminary Recommendations

4.1 Cash management and portfolio-paycheck structure

- Use the joint brokerage account as the central cash flow hub. Paychecks would enter the account as cash. A periodic distribution plan would send a designated household deposit to Chase on a cadence set by the clients.
- Maintain sufficient cash for the next scheduled distribution and known/surprise short-term disbursements.
- Review cash monthly and raise cash deliberately when projected balances fall below the operating threshold.
- Use remaining deposits for approved goals, reserves, investments, and debt reduction.
- The $27,362 in the joint brokerage account money market counts toward the four-month emergency reserve. It is not a separate operating buffer on top of it.
- Determine the formal operating floor after observing 60–90 days of actual payroll, spending, and distribution patterns.

4.2 Liquidity and reserve funding

COMPONENT	AMOUNT	FUNCTION
Chase checking after card payoff	$32,700	Household operating cash
Brokerage money-market sleeve	$27,362	Periodic-plan support and emergency liquidity
Combined immediate liquidity	$60,062	Four months of essential expenses
Six-month reserve target	$90,093	Long-term reserve objective
Remaining reserve gap	$30,031	Funded from annual surplus over approximately 18 months

4.3 Savings and near-term goals

- Keep maxing out both spouses' 401(k) contributions: $24,500 each.
- Keep funding the HSA at $8,750 combined.
- Keep the two backdoor Roth contributions ($7,500 each), but confirm the tax sequencing first. Rolling old 401(k)s into IRAs at the same time can accidentally make part of the Roth conversion taxable.
- Open both kids' 529 plans and start the $300/month contributions.
- Keep funding the sabbatical at about $2,652/month.
- Treat bonuses and RSU vesting as real income in the plan, but direct that money toward savings, goals, and debt, not everyday spending.

4.4 Boat and SUV

Recommend selling the boat within 12–24 months, modeled at the end of 2027. The boat has about $95,000 of equity before selling costs, and costs roughly $24,444 a year between the loan payment and upkeep.

BOAT-SALE USE	MODELED AMOUNT
Sale price	$250,000
Boat-loan payoff	($155,000)
Estimated selling costs (5% placeholder)	($12,500)
SUV payoff	($48,000)
Remaining proceeds	**$34,500**

The reserve should already be complete by the time the boat sells, so the full $34,500 goes toward investments or extra mortgage principal. If the reserve isn't finished yet by then, use the proceeds to complete it first.

4.5 Mortgage strategy

The plan is to refinance at 6.5%, make regular payments in 2026–2027 while the reserve is being built, then increase payments from 2028 through 2039 to pay off the mortgage before the 2040 retirement date.

MORTGAGE METRIC	MODELED RESULT
Current balance / rate	$672,000 at 7.65%
Modeled refinance rate	6.5%
Estimated refinance payment	$4,247 per month
Estimated closing costs	$20,160 placeholder
Break-even period	Approximately 33 months
Accelerated payment beginning 2028	Approximately $6,658 per month
Required annual payment increase	Approximately $28,922
Available annual cash after boat sale	Approximately $44,234
Modeled payoff	**End of 2039**

Downsizing at retirement should be presented as an alternative for discussion, not as a modeled recommendation. A separate housing analysis would be required before showing a quantified downsizing outcome.

4.6 Portfolio strategy

ASSET CLASS	ESTIMATED CURRENT	PROPOSED TARGET	CHANGE
U.S. diversified equity	48%	45%	-3%
International equity	8%	20%	**+12%**
Fixed income	19%	25%	**+6%**
Cash	8%	5%	-3%
Individual-stock sleeve	15%	5%	-10%
Alternatives	2%	0%	-2%

- Shift the taxable account gradually and tax-consciously.
- Rebalance retirement accounts faster, since trades there don't trigger taxes.
- Use new contributions, dividends, and RSU vesting to move toward the target mix over time, rather than selling everything at once.
- Sell concentrated stock positions deliberately, watching tax lots and available losses.
- Include the funded HSAs in the current portfolio picture. Show the new Roth IRAs and 529s at $0 for now, since they're not open yet.

05 Current Plan vs. Recommended Plan

PLANNING METRIC	CURRENT / BASELINE	RECOMMENDED PLAN	PRIMARY DRIVER
Retirement spending, today's dollars	$210,186	**$143,490**	Mortgage and boat costs removed
First-year retirement spending, 2040 nominal	$296,987	**$202,748**	Lower expense base carried into retirement
Deterministic assets at retirement	Approximately $5.97M	**Approximately $6.14M**	Boat-sale addition and lower retirement withdrawals
Deterministic ending assets, 2078	Approximately $12.44M	**Approximately $34.59M**	Lower retirement withdrawals compound over time
Monte Carlo success probability	48.8%	**81.7%**	Expense restructuring and debt elimination
Mortgage at retirement	Outstanding	**Paid off before 2040**	Refinance and accelerated schedule
Boat at retirement	Retained in baseline lifestyle	**Sold by end of 2027 in modeled plan**	Removes loan and operating costs

The PowerPoint should show a simple current-vs-recommended line chart and explain the change in plain terms. The full Monte Carlo simulation can stay in Power BI as backup detail. The presentation should focus on what changed and why, not the simulation mechanics.

06 Proposed Implementation Sequence

TIMING	ACTION	STATUS / DEPENDENCY
Immediate	Pay $20,300 of revolving credit-card debt from checking	**Working recommendation**
Immediate	Designate $27,362 in the taxable account as a brokerage money-market reserve sleeve	**Working recommendation**
Immediate	Open Roth IRAs and 529 plans; continue modeled contributions	**Tax and account-opening review required**
First 60–90 days	Set up and observe the portfolio-paycheck process	**Monthly cash monitoring; formal operating floor deferred**
Months 1–18	Direct the $19,790 annual surplus to complete the six-month reserve	**Depends on modeled surplus being realized**
2026	Complete the refinance if pricing still works	**Lending review required**
By end of 2027	Sell the boat; pay loan, selling costs, and SUV balance	**Client approval and sale-price verification required**
2028–2039	Accelerate mortgage payments to zero balance	**Depends on reserve completion and freed boat cash flow**
Ongoing	Shift the portfolio toward the target allocation	**Tax-aware implementation and position-level review**
2026	Refer out for estate planning and update beneficiaries	**Attorney review required**

07 Questions for the Client Meeting

DISCUSSION AREA	QUESTION
Cash management	Are you comfortable with paychecks landing in the brokerage account and a set amount transferring to checking each month?
Liquidity	Are you okay counting the brokerage reserve toward the 6-month target instead of keeping all of it in the bank?
Variable compensation	How steady have Grace's bonus and William's RSUs actually been, and how much of that do you currently spend?
Boat	Would selling the boat conflict with anything that matters to the family we haven't heard about?
Housing	Is paying off the mortgage before retirement a must, or are you open to a downsizing option instead?
Sabbatical	Is the 2028 sabbatical date fixed, or flexible if something else needs the money first?
Education	Do you want to fund a set percentage of college costs, or just start with $300/month and revisit later?
Portfolio	How attached is William to keeping individual stock, and is there embedded gain in the Amazon shares specifically?
Estate planning	Do you already have a will, power of attorney, or guardianship plan in place that we haven't seen?

08 Specialist Review and Model Limitations

REQUIRED SPECIALIST REVIEW

- **Tax professional:** backdoor Roth and former-plan rollover sequencing under the pro-rata rule.
- **Estate-planning attorney:** wills, powers of attorney, guardianship, trust needs, and beneficiary coordination.
- **Mortgage or lending specialist:** current refinance pricing, closing costs, break-even, and accelerated-payment mechanics.
- **Custodian / operations team:** payroll deposit, periodic-plan, money-market, cash-monitoring, and account-registration feasibility.

MATERIAL MODEL LIMITATIONS

LIMITATION	IMPLICATION
HSA assets and contributions are excluded from the retirement projection	HSA assets ($35,500) and contributions ($8,750/year) aren't included in the projection — conservative, not a full picture.
Retirement-phase taxes are simplified	Retirement-year taxes are simplified; withdrawals from pre-tax accounts aren't grossed up for the tax owed.
Monte Carlo results remain volatile	The 48.8%/81.7% figures come from one validated run — rerunning the simulation will shift slightly since it uses live random draws.
Boat selling costs are a placeholder	The 5% boat-selling-cost estimate is a placeholder, not a real quote.
Current portfolio allocation is illustrative	Current portfolio allocation is illustrative, not from actual account statements.
Portfolio diversification does not change return assumptions	The model doesn't reduce volatility for the more diversified proposed allocation, even though real diversification likely would.
Downsizing is not modeled	Downsizing isn't modeled with real numbers — it's a discussion topic, not a recommendation.

09 Pre-Meeting Decision Log

TOPIC	CURRENT WORKING POSITION	CLASSIFICATION
Variable compensation	Include in projections; direct primarily toward goals, savings, liquidity, and debt rather than permanent lifestyle costs	**Working recommendation**
Credit cards	Pay $20,300 immediately	**Recommended**
Reserve	Four months immediately; six months within approximately 18 months	**Recommended**
Portfolio paycheck	Brokerage payroll deposits plus periodic distribution to Chase; no separate $40,000 buffer	**Working design**
Backdoor Roths	Continue annually, subject to pro-rata and rollover sequencing review	**Tax review required**
529s	$300 per month per child	**Recommended**
Sabbatical	Fund approximately $2,652 per month toward 2028 goal	**Client priority / modeled**
Boat	Sell within 12–24 months, modeled at end of 2027	**Recommended for discussion**
SUV	Pay off from boat-sale proceeds	**Recommended sequence**
Mortgage	Refinance and accelerate to eliminate before 2040; downsizing is an unmodeled alternative	**Modeled recommendation**
Portfolio	Move from illustrative current allocation to 45/20/25/5/5 target	**Preliminary recommendation**
Monte Carlo	Report as 48.8% to 81.7% (single validated run); note run-to-run variance in limitations	**Presentation convention**

10 Next Deliverable

This brief is the source material for the client-facing PowerPoint. Keep the deck focused on the family’s goals, the key risk, what we’re recommending, and the before-and-after comparison. After the actual meeting, a separate Client Meeting Notes document should capture what they said, what they decided, and who owns what next.

DO NOT TREAT THIS AS THE FINAL CLIENT PLAN

This is an internal pre-meeting planning document. Recommendations remain preliminary until the clients confirm their priorities, account details, holdings, cash-flow behavior, and willingness to implement the proposed debt and lifestyle changes.