

Monetary Action Plan (“MAP”)

1. Basic Emergency Fund

- a. Accumulate the greater of \$1,000 or your highest insurance deductible.
- b. Complete this step as fast as possible.

2. Employer Match

- a. Don't leave free money on the table.

3. Consumer Debt (Autos, Education, Credit Cards, etc.)

- a. Focus on high interest debt.
- b. (6% for 20s; 5% for 30s; 4% for 40s.)
- c. Be aggressive with this step.

4. Advanced Emergency Fund

- a. 3-6 months during accumulation phase
- b. Potentially 12-24 months during retirement

5. Tax-Advantaged Investing

- a. Tax-free (Roth/HSA); Pre-tax; and After-tax
- b. Consider marginal tax bracket
- c. Consider three-bucket strategy
- d. **Level 1: 15% (not including match)**
- e. **Level 2: 20% (including match)**
- f. **Level 3: 25% (including match)**

6. Lifestyle and Luxury

- a. Kid's college; vehicle upgrade; vacation; etc.
- b. Investment Real Estate

7. Low Interest Debt (Mortgage)

- a. Pay down mortgage if:
 - i. Step 5 is Level 3 or
 - ii. Over age 45
- b. Otherwise, go back to Step 5 and increase Level