Case: You Can’t Take It with You

Individual Case Assignment #3

The goal in this individual assignment is to use Excel’s advanced what-if functions (goal seek and data table) to answer the case questions. Use your previously constructed spreadsheet for Marsha (completed in individual case assignment #2), and a spreadsheet for Matt that will be provided as a downloadable file.

Case questions to answer:

1. Using Marsha’s spreadsheet from case assignment #2, how much money can she withdraw on an annual basis to exhaust her savings (balance equals $0) by the age of 90? By the age of 100?
2. Using Marsha’s spreadsheet from case assignment #2, how much money does she need in her portfolio to live her current lifestyle to the age of 90? To the age of 100?
3. Make a table showing Marsha’s ending balance at age 90 by varying her withdrawals. Start with a $40,000 withdrawal that ends at $100,000 using $5,000 increments.
4. Make a table showing Matt’s final accumulated savings at age 60 using various stock returns. Begin with 5% and end at 20% using increments of 1%

Please review your Excel tutorials on what-if functions (goal seek and data table), and feel free to seek clarifications on any aspect of the assignment.