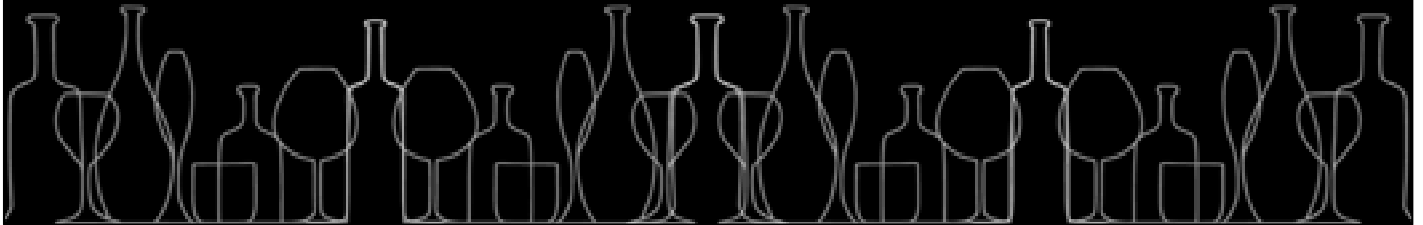




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# SOMM (FOR) LIFE

A new Virtual Series by  
The United Sommeliers Foundation





# Welcome!

**Presented by Cristie Norman Co-  
Founder & President**



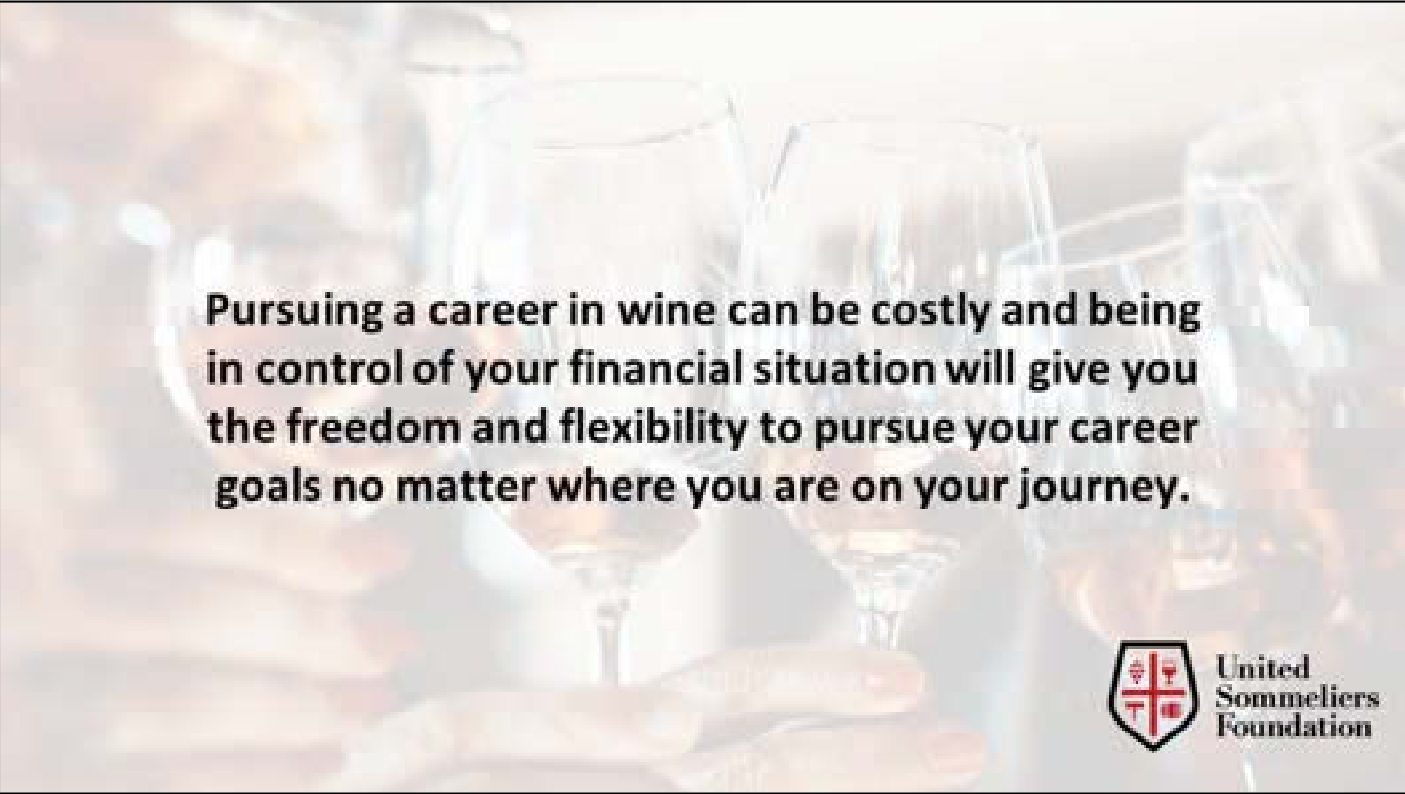
Intro to USF or re-intro, USF updates & current opportunities. Intro to Alpana & Kathy

Today will cover the following areas to help you understand what is going in and what is going out of your personal accounts:

- **Budgeting 101**
- **Income and taxes**
- **Various types of Savings (emergency & retirement)**
- **Allocating for expenses**
- **Saving money on wine education**
- **Monetizing your wine skills**
- **Compensation & Bonus Structure**



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**Pursuing a career in wine can be costly and being in control of your financial situation will give you the freedom and flexibility to pursue your career goals no matter where you are on your journey.**



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**You're not alone. At the USF, we funded over 1,000 requests for emergency grants. Over \$1,000,000. The majority of these grants have been in increments of \$500.**

- Nearly six in 10 Americans don't have enough savings to cover a \$500 or \$1,000 unplanned expense, according to a new report from Bankrate. (January 2023)
- At the end of 2022, the average federal student loan debt in the U.S. was \$37,574.
- The average credit card debt owed by Gen Xers is \$7,000. That compares with \$6,785 for baby boomers, \$5,928 for millennials and \$2,876 for Gen Zers. The average credit card interest rate is above 20%.



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# About Mueller Financial Services, Inc.

Mueller Financial Services is a financial advisory firm that has served clients for over 30 years, expanding its guidance from the regional to the national level through growth and acquisitions. We offer a broad range of services for corporations, business owners, executives, independent professionals, and high-net-worth individuals.



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**Kathleen H. Hosty, CERTIFIED FINANCIAL PLANNER™**  
Wealth Advisor

Kathy Hosty has worked for more than 40 years in professional financial services. Kathy's investment experience is in private and public investment securities and funds, tangible assets, and real estate. During this time, Kathy has advised large institutional investors, corporate executives, business owners, entrepreneurs, and discerning individuals and families. Kathy's experience is centered on the provision of strategic financial advice, the development of personalized financial plans, and on the prudent management of investment portfolios.



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## Why Financial Literacy Matters

- Nearly six in 10 Americans don't have enough savings to cover a \$500 or \$1,000 unplanned expense, according to a new report from Bankrate. (January 2023)
- At the end of 2022, the average federal student loan debt in the U.S. was \$37,574.
- More than 70 percent of millennials have some form of non-mortgage debt, with the average millennial owing \$117,000, according to the report.
- Almost half of millennials, or 48 percent, reported having some form of student loans with the average person owing \$126,993, but the most common type of debt was credit card debt, with 67 percent of millennials having some amount of debt on a credit card.
- The average credit card debt owed by Gen Xers is \$7,004, according to a new report. That compares with \$6,785 for baby boomers, \$5,928 for millennials and \$2,876 for Gen Zers. The average credit card interest rate is above 20%.

Members of the sommelier community are not excluded from these statistics. We have seen the fallout from financial pressures with requests from people who can't afford a \$500 emergency. There is a clear need for information on how to become more financially secure. By providing valuable information and resources, we can help our community continue to pursue dreams advancing their careers and wine education.



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- To start the meeting today, let me ask you (our sommelier participant, those on this call today) several questions.
- If you were to earn an additional \$1,000/month, what would you do with it? Tickets to a Taylor Swift concert, Dinner & Wine at a 5-Star Restaurant, a Vacation to Amanpuri?
- What are you doing with the money that you are currently earning? Where is your money going? Do you know what you are spending on your basic needs, and on lifestyle expenses?
- If you can answer this question, Congratulations! You are being intentional with your spending. Keep it up! Today, we hope to help you improve and advance your existing budgeting process and answer the budget and financial planning questions that you may have.
- If you cannot say where your money goes ...then we can help you learn how to create a personal budget.

\*NOT ALLOWED TO HAVE CHAT FEATURE AVAILABLE

# Budgeting


How is budgeting like yoga practice?



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- Mindfulness - the quality or state of being conscious or aware of something.
- Increased flexibility
- Increased strength
- Reduces stress
- *It's Personal* and
- *An inexpensive way to improve your life and your well-being*



A group of people, including a woman in a white shirt and a man in a dark shirt, are gathered around a table in a wine tasting room. They are looking at a laptop screen. A wine glass is visible on the table. The background is slightly blurred, showing shelves with wine bottles.

# Income & Taxes



- Calculate your income from all sources
- Reduce your income by the taxes that you are required to pay
- The result is the income you have in your pocket, or bank account, to pay your expenses that support your current and future goals.

# Income

Category	Monthly Budget
<b>Income</b>	
Employment	
Investment Interest, Dividends & Capital Gains	
Other Income (Rental, Royalties, etc.)	



- You may be employed and enjoy a regular paycheck (W2), or you may get paid as an independent contractor, or both.
- Income can come from sources other than employment (an inheritance, gifting, life insurance, an annuity, rental property, etc.)
- Don't confuse your budget with your income tax return.

# Taxes

Category	Monthly Budget
<b>Taxes</b>	
Federal Income Tax	
Social Security Tax	
Medicare Tax	
State Income Tax	
Local Tax	



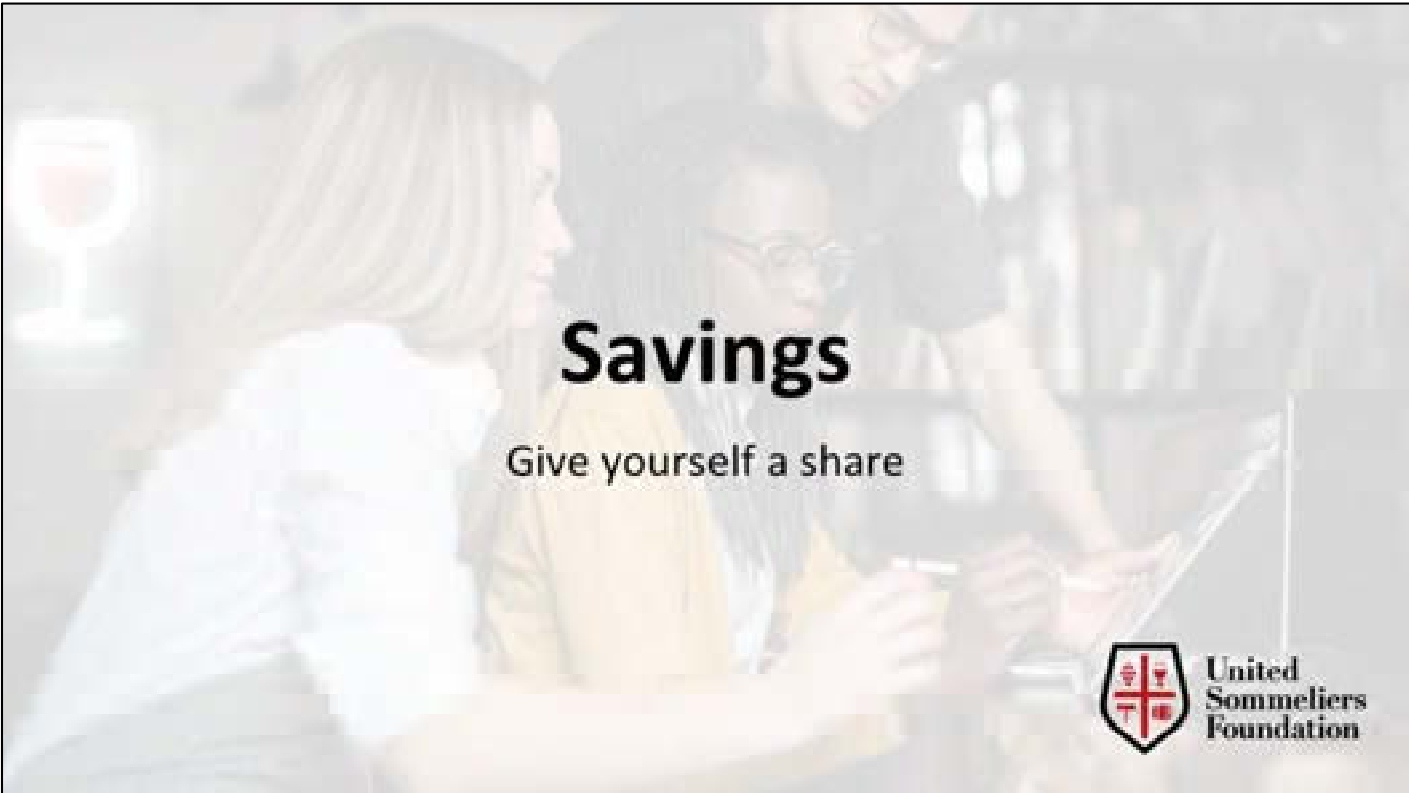
- Taxes – review each of the various categories of taxes listed above.

# Total Annual Income After Taxes

Category	Monthly Budget
<b>Income</b>	
Employment	
Investment Interest, Dividends & Capital Gains	
Other Income (Rental, Royalties, etc.)	
Deductions and Credits	
<b>Taxes</b>	
Federal Income Tax	
Social Security Tax	
Medicare Tax	
State Income Tax	
Local Tax	
<b>Total Annual Income After Taxes:</b>	



- This calculation provides you with the amount of income you have, in one calendar year, to fund your basic needs and all being well, some savings.



# Savings

Give yourself a share



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# Retirement Savings

Category	Monthly Budget
<b>Savings</b>	
Retirement Savings Contributions	
Other Savings	
<b>Total Annual Savings</b>	



- Retirement savings is the most common form of savings. This is true because it is one of the best and most tax efficient way to save for the long term.
- Contributions to your retirement savings plans (401(k)'s, IRA's, etc. are excluded from your taxable income (except Roth Accounts)
- Retirement Plans provide tax deferred growth (your savings and earnings grow free from tax until you withdraw them in retirement).
- Retirement Plans are outstanding savings vehicle (**large sums** can be contributed to these savings plans and the **longer time horizon** provides significant growth through **compounding**)
- In addition to retirement savings plans there are many other savings vehicles that can be employed to help a person and their family reach their current and future goals. **Setting goals is key to good financial planning. Each goal needs to be funded; an amount needed to fund each goal is to be quantified and attached to the specific goal (s)**

# Retirement Savings Vehicles

- Individual Retirement Arrangements (IRAs)
- Roth IRAs
- 401(k) Plans
- SIMPLE 401(k) Plans
- 403(b) Plans
- SIMPLE IRA Plans (Savings Incentive Match Plans for Employees)
- SEP Plans (Simplified Employee Pension)
- SARSEP Plans (Salary Reduction Simplified Employee Pension)
- Payroll Deduction IRAs
- Profit-Sharing Plans
- Defined Benefit Plans
- Money Purchase Plans
- Employee Stock Ownership Plans (ESOPs)
- Governmental Plans
- 457 Plans
- Multiple Employer Plans



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- Contributions are excluded from your taxable income (except Roth Accounts)
- The return on your contribution/investments are sheltered from taxes until they are withdrawn.
- Qualified Plans are an outstanding savings vehicle. The longer time horizon provides significant asset growth through compounding.
- 
- Annual contribution limits
- IRAs
- Traditional \$6,500 (deductible)
- Roth \$6,500 (non-deductible) Single <\$138k | Married <\$218k
- 401(k)s
- \$22,500
-

## Other Savings

- Emergency Fund
- Education Fund
- Health Savings Account
- Flexible Spending Accounts
- CD's
- Fin-Tech Apps
- Treasury.gov
- Insurance and Annuities



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- Savings implies setting goals that require funding.
- Goal Fund (Setting goals is key for good financial planning and inevitably include goals to help improve your income such as education to improve your professional wages.
- Emergency Fund – provides for unanticipated expenses.
- Health Saving Accounts provide an excellent way to save for your out-of-pocket health care expenses.

# Total Annual Savings

Category	Monthly Budget
<b>Savings</b>	
Retirement Savings Contributions	
Other Savings	
<b>Total Annual Savings</b>	



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# Expenses

It's Personal



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# Housing Expenses

Category	Monthly Budget
Mortgage or Rent	
Real Estate Tax	
Homeowner's/Renter's Insurance	
Electricity	
Gas	
Water	
Telephone	
Streaming Services/ Cable TV	
Home Repairs/Maintenance	
Home Improvements	
Other Home Expense	
<b>Total Annual Home Expense</b>	



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# Transportation Expenses

Category	Monthly Budget
Automobile/Lease Payment	
Auto Gas/Oil	
Auto Repairs	
Auto Insurance	
Parking/Tolls	
Other Transportation	
<b>Total Annual Transportation Expense</b>	



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# Personal Expenses

Category	Monthly Budget
Food	
Household Items	
Clothing	
Laundry	
Child Care	
Child Allowance/Expenses	
Personal Care	
Entertainment/Dining	
Recreation/Travel	
Club/Association Dues	
Books/Hobbies	
Gifts	
Unreimbursed Medical/Dental Expenses	
Credit Cards	
Student Loans	
Other Debt	
<b>Total Annual Personal Expense</b>	



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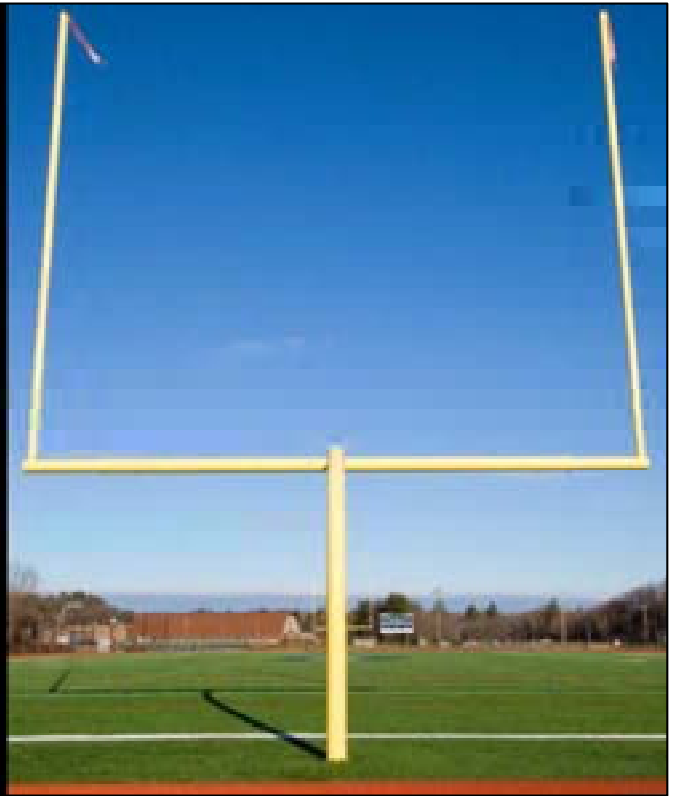
# Budget: Surplus or Shortfall?

Category	Annual Budget
Total Income After Taxes	
Minus Total Expenses	
Minus Total Savings	
Equals Cash Flow Surplus	



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# Results



# Contact Information



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This slide **MUST BE SHOWN** Be sure to use this slide with the disclosure on it & have on screen during the end of the presentation.

# Optimize Your Career

Make the most out of opportunities in the  
Wine Industry



- Mindfulness - the quality or state of being conscious or aware of something.
- Increased flexibility
- Increased strength
- Reduces stress
- *It's Personal* and
- *An inexpensive way to improve your life and your well-being*

## How to Save Money on Wine Education and Exam Fees

- Opportunities for scholarships and grants to offset the cost of wine education.
  - The Debbie Lewis Scholarship
- Sharing the cost of wine with a tasting group
- Using your distributors and trade tastings wisely
- Asking your employer to contribute to your exam fees (50%)



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**Monetizing Your Wine Skills** – If you know you have exams coming up, try to offset the cost by “raising” money by tapping into other revenue streams. This will reduce the need to take on more credit card debt to finance your wine education and certifications.

Creating other revenue streams:

- Wine Classes: develop a curriculum and teach “how to taste” wine to consumers.
- Wine dinners & speaking engagements – develop a program of different themes such as wine tasting 101, how to pair wine with food, wines of Italy, etc.
- Consultation on cellar purchases
- Promote these offerings on social media, sharing information for “free” online so people can get a taste of your teaching style.
- Setup a website advertising your services. Squarespace is very user friendly, cost-effective and easy.
- Allocating for 1099’s and setting aside money to pay taxes.



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## Compensation at Work

- How to ask for a raise – are you getting paid fairly for the work you are doing? – Do your research on what the going rate is for your position and scope of duties. Ask people.
- How to setup a Bonus structure when you hit your sales/wine cost goals.
- Ask for a semi-annual and yearly review. Go over your contributions and metrics. How have you saved the company money and also increased their profit. This will help you negotiation a bonus and or raise.



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Thank you to Kathy Hosty

If you have any follow up questions, please email them and we can answer them separately.

We would love your feedback on upcoming seminar topics and suggestions.



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Cristie - housekeeping, reminders & thanks!