




The Wilson Group  
Financial Makeover 2013  
YOUR FAMILY NAME

**Your Start Date: April 1, 2013**  
**Your Ending Date: August 1, 2018**

**Date: Friday, February 15, 2013**



## Financial Report

### 1. Purpose

Our Financial Report is produced to forecast an acceptable debt reduction and wealth building campaign. It is prepared by one of our professional or the founder to identify the situation, and to offer the best options and recommendations for the way to proceed.

### 2. Derivation

The Financial Report may be derived from the following:-

- Net Income Reported
- Issue, Risk and Assessments
- Total Debt Reported
- Review of external event that affects your finances.

### 3. Quality criteria

What makes an excellent Financial Report?

- The current plan must accurately show the status of your Financial situation
- The reason(s) for the deviation must be stated, the exception clearly analysed, and any impacts assessed and fully described
- Implications for the Total Plan have been considered and the impact on the overall Financial situation has been calculated
- Options are analysed (including any risks associated with them) and recommendations are made for the most appropriate way to proceed
- The Financial Report is given in a timely and appropriate manner.

### 4. Summary of your Financial Makeover

Current Total of Amount of Debt	Expected Payoff Date	Total Number of Months	Total Savings Over This Period
<b>\$39,164.43</b>	<b>Aug-18</b>	<b>65</b>	<b>\$ 20,783.43</b>

## Goals & Objectives

Achieving financial independence by the time you reach retirement age is our goal. Showing the process to save enough to ensure that you have sufficient income to fund your retirement lifestyle, estimated to be **\$52,920.00 / year post-tax**. Minimizing your taxable income and ensuring an investable asset will be properly diversified.

## Current Scenario:

### *Assumptions:*

- Life expectancy in this scenario was not discussed.
- Social Security retirement benefits have been excluded from this analysis to be conservative
- In the event of premature death, annual living expenses are reduced by 20% during spouse's life expectancy

You currently make **\$75,732.00** annually. Your current living expense is **\$66,972.00 / year**, which you should expect this amount to be needed annually during retirement. I am requiring you to be contributing the maximum amount annually to your 401(k)? If not, you should contribute at less to your employer match. You should create investment assets and set aside for your child's college education. That saving alone may not be enough to cover the increasing cost. You should now have or get life insurance or long-term disability policies, and consider establishing an Irrevocable Life Insurance Trust (ILIT) with a \$2,000,000 survivorship policy.

## Summary of Financial Situation

Based on the overall projected growth and saving of our portfolio and the projected inflation of your expenses, it appears that we may have sufficient assets to maintain the lifestyle that you desire in retirement. By increasing your fixed income exposure in our qualified and non-qualified portfolios could more optimally diversify our overall investment assets.

Additionally, your current allocation is heavily weighted in cash/cash equivalent assets, which may pose the risk that our cash assets won't keep pace with the rate of inflation. Over time, as inflation and taxes erode what we earn from these accounts, your assets may not be able to produce the necessary income to meet our lifestyle goals. You will have done an excellent thing in having wills drafted and having an Irrevocable Life Insurance Trust (ILIT) established (owning a \$2,000,000 survivorship policy).

However, given the size of your estate, additional documents and wealth transfer strategies are critical to increasing the inheritance and legacy you will leave behind to each other and to your child.

I recommend you meet with a Investment Advisor to run analyses that show the capital required to maintain your lifestyle during retirement, fund our child's education, and ensure financial security in the event of the premature death of a spouse.

You will also need to discuss estate-planning strategies for reducing taxes and increasing the wealth transferred to heirs.

- You should work to provide sufficient income to fund your retirement lifestyle needs, which we estimate to be **\$52,920.00** per year, in today's post-tax dollars.
- Utilize your sources of retirement income in a tax-efficient manner, minimizing the total income taxes paid.
- Ensure that your investment assets are properly diversified and coordinated as part of a comprehensive investment strategy.

***Asset Allocation:***

Rather than keeping your investable assets in cash, you can reduce your exposure to over concentrated, limited asset classes. By diversifying your investments, your proposed portfolio would be in line with your risk / return parameters. Reallocate your qualified and non-qualified assets according once you set down with a Financial Advisor.

***Retirement Planning:***

Continue to contribute the maximum amount to the 401(k) plan from today until retirement. Establish a Spousal IRA and contribute the maximum amount from today until retirement. Consider rolling over our retirement plans from previous employers into an IRA for greater investment flexibility. Maintaining the savings plan and debt reduction from today until retirement will increase your independence.

**Current Asset Allocation and Proposed Asset Allocation**

<b>Savings Areas</b>	<b>Savings Over 2 Years</b>	<b>Savings Over 3 Years</b>	<b>Savings Over 4 Years</b>
<b>Regular Savings</b>	\$ 4,800.00	\$ 7,200.00	\$ 9,600.00
<b>Emergency Savings</b>	\$ 1,596.60	\$ 2,394.90	\$ 3,193.20
<b>Monthly Investments</b>	\$ 1,277.28	\$ 1,915.92	\$ 2,554.56
<b>Savings Totals</b>	<b>\$ 7,673.88</b>	<b>\$ 11,510.82</b>	<b>\$ 15,347.76</b>

## Recommendation

On the next pages, you will find the strategy and the adjustment that we made to put you on a sound path. You should have received your adjusted budget at this point. What you will find below is our plan of action to help you reach your financially goals.

First, your new household budget becomes the framework of all of your financial goals. What we want to set in stone is how you operate this budget moving forward. If you have not already done so, you will need to get every utility bill on budget billing with your service provider.

The adjustments (if any) on your other expenses now must remain fixed as we have made the required changes. This foundation must not change.

The savings that you see in your budget is not adjustable or should it be compromise in any way. This saving represents your long term savings plan. As with your mortgage or food expense, it can not be adjusted. If adjustments are needed we shall find other areas to do so.

Your goal here is stay within your budget. We have accounted for all of your activities and expenses to allow you to maintain your current life style.

We discussed the addition of income from your wife that can make this plan more affective for you. Any additional income reduces the time period to pay off debts and increase the amount of saving.

As your savings increase in this plan, I want you to focus on building the household account balance. Focusing here will allow you accumulate enough savings over time to cover your monthly expense. That amount is currently \$5581.00.

When you reach this point of savings, then your focus shifts to aggressively investing in other growth products.

This budget should be reviewed by you as the map to secure your financial future. As we should have discussed the real purpose and nature of your overall plan, this is still your guide.

Your Final Budget

Basic Expenses	Monthly Payment	Creditors	Minimum Payment	Balance
Tithes	\$ 768.00			
Saving	\$ 200.00			
Rent / Mortg	\$ 1,426.00	BOA LOC	\$ 180.59	\$ 29,966.02
Child Care	\$ -	Macy	\$ 7.00	\$ 211.00
Sewer	\$ -			
Water	\$ 50.00			
Lights	\$ 130.00			
Gas	\$ 60.00			
Telephone	\$ 190.00			
Cable	\$ 45.00			
Food	\$ 400.00			
Health Ins.	\$ 477.00			
Life Ins.	\$ -			
Auto Ins.	\$ 95.00			
Child Support	\$ -	Car Payment	\$ 276.73	\$ 8,987.41
Car Repair	\$ -			
Gasoline	\$ 320.00			
Clothes				
Personal Care				
Club Fees	\$ 30.00			
Entertainment	\$ 200.00			
Household				
Taxes				
Netflix	\$ 20.94			
	\$ 1,169.00			
Other				
Other				
<b>Household Exp.</b>	<b>\$ 5,580.94</b>			
<b>Net Income Total</b>	<b>\$ 6,311.36</b>	<b>Total Debt</b>	<b>\$ 464.32</b>	<b>\$ 39,164.43</b>
<b>Remaining Income</b>	<b>\$ 730.42</b>	<b>Debt Total</b>	<b>\$ 464.32</b>	<b>\$ 39,164.43</b>

**Remember, no compromise with the savings that is in this budget. NONE!!!**

## Creditor Information Table

These are the debts that we will eliminate over the next 65 months. The payment schedule is showing you what amounts to pay each creditor each month.

It is and will be extremely important that you follow the payment schedule as we have laid it out.

Your car loan terms are cut in half.

Your Line of Credit is reduced by 2/3 of its term, it was a 15 year term. Now you will pay it off in 5 years and 5 months. Great savings.

Creditors in Pay-Off Order	Original Balance	Months to Pay Off	Month Paid Off
Macy	211.00	2	May-13
Car Payment	8,987.41	22	Jan-15
BOA LOC	29,966.02	65	Aug-18

## Your Debt Reduction Payment Schedule

Creditor:	Macy	Car Payment	BOA LOC
-----------	------	-------------	---------

Balance:	\$211.00	\$ 8,987.41	\$29,966.02
----------	----------	-------------	-------------

Months to Pay Off:	2	22	65
--------------------	---	----	----

Month Paid Off:	May-13	Jan-15	Aug-18
-----------------	--------	--------	--------

### Monthly Payments

No.	Month	Debt Reduction	Macy	Car Payment	BOA LOC
	Mar-13				
1	Apr-13	0	0	0	180.59
2	May-13	0	0	0	180.59
3	Jun-13	0	-	0	180.59
4	Jul-13	0	-	0	180.59
5	Aug-13	0	-	0	180.59
6	Sep-13	0	-	0	180.59
7	Oct-13	0	-	0	180.59
8	Nov-13	0	-	0	180.59
9	Dec-13	0	-	0	180.59
10	Jan-14	0	-	0	180.59
11	Feb-14	0	-	0	180.59
12	Mar-14	0	-	0	180.59
13	Apr-14	0	-	0	180.59
14	May-14	0	-	0	180.59
15	Jun-14	0	-	0	180.59
16	Jul-14	0	-	0	180.59
17	Aug-14	0	-	0	180.59
18	Sep-14	0	-	0	180.59
19	Oct-14	0	-	0	180.59
20	Nov-14	0	-	0	180.59
21	Dec-14	0	-	0	180.59
22	Jan-15	0	-	0	444.05
23	Feb-15	430.09	-	-	610.68
24	Mar-15	430.09	-	-	610.68
25	Apr-15	430.09	-	-	610.68
26	May-15	430.09	-	-	610.68
27	Jun-15	430.09	-	-	610.68
28	Jul-15	430.09	-	-	610.68
29	Aug-15	430.09	-	-	610.68
30	Sep-15	430.09	-	-	610.68
31	Oct-15	430.09	-	-	610.68
32	Nov-15	430.09	-	-	610.68
33	Dec-15	430.09	-	-	610.68
34	Jan-16	430.09	-	-	610.68
35	Feb-16	430.09	-	-	610.68
36	Mar-16	430.09	-	-	610.68
37	Apr-16	430.09	-	-	610.68



**Project Name: Financial Makeover 2013**  
**Document Number / Version Number:**

**Customer Name: YOUR FAMILY NAME**

38	May-16	430.09	-	-	610.68
39	Jun-16	430.09	-	-	610.68
40	Jul-16	430.09	-	-	610.68
41	Aug-16	430.09	-	-	610.68
42	Sep-16	430.09	-	-	610.68
43	Oct-16	430.09	-	-	610.68
44	Nov-16	430.09	-	-	610.68
45	Dec-16	430.09	-	-	610.68
46	Jan-17	430.09	-	-	610.68
47	Feb-17	430.09	-	-	610.68
48	Mar-17	430.09	-	-	610.68
49	Apr-17	430.09	-	-	610.68
50	May-17	430.09	-	-	610.68
51	Jun-17	430.09	-	-	610.68
52	Jul-17	430.09	-	-	610.68
53	Aug-17	430.09	-	-	610.68
54	Sep-17	430.09	-	-	610.68
55	Oct-17	430.09	-	-	610.68
56	Nov-17	430.09	-	-	610.68
57	Dec-17	430.09	-	-	610.68
58	Jan-18	430.09	-	-	610.68
59	Feb-18	430.09	-	-	610.68
60	Mar-18	430.09	-	-	610.68
61	Apr-18	430.09	-	-	610.68
62	May-18	430.09	-	-	610.68
63	Jun-18	430.09	-	-	610.68
64	Jul-18	430.09	-	-	610.68
65	Aug-18	529.44	-	-	81.23