



364 N Main St., Suite 10A. Manahawkin, NJ 08050

Sample Client Executive Summary

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This summary is provided to you on behalf of Kyle Hart, your dedicated Financial Planner of Coastal Wealth Planners. The summary provided herein is intended to make note of areas where you are excelling as well as addressing any areas of concern or deficiencies where there can be improvement. Our thoughts and opinions are provided for you to take into consideration while deciding to move forward on the below referenced recommendations and/or engagement of our services.

- 1.1 Values, Goals & Concerns:** During our planning conversations you together expressed the following expectations while considering your goals:
 - 1.1.1** *Time to Travel, Time With Friends & Family, and Less Stress/Piece of Mind.*
 - 1.1.2** You also expressed an importance in both maintaining your own financial independence as well as teaching/encouraging financial independence for Child 1, Child 2 & Child 3.
 - 1.1.3** Your primary goals are affording Retirement, College Tuition & Travel; while being mindful of your concerns to not spend too much, run out of money, or be without the reassurance that the surviving spouse would be ok should either Mr. Client or Mrs. Client die early. *Most importantly, you expressed that it was critical to not become a burden on your children in any way. **Should any additional considerations have come to mind, please make us aware at your next chance.*

- 2 Future Cash-Flow Considerations:** There are various areas of strengths as well as opportunities to improve your future cash-flow needs.
 - 2.1.1 Pension Election:** As discussed, your intended election of 100% spousal survivorship on Mr. Client's pension will allow additional income security for Mrs. Client in the unfortunate event she is widowed. Additional planning will need to be done around when to trigger pension payments to provide maximum efficiency; however we will set a target month & year with the delivery of your plan.
 - 2.1.2 Social Security Planning:** Without any additional changes, but dependent on the future earnings of Mr. Client and/or Mrs. Client our planning has identified cumulative benefit differentials of approximately \$500,000. Meaning, contingent on both when/how your Social Security benefits are claimed there can be a lifetime income difference of just over half a million dollars.
 - 2.1.3 Income Strategy Planning:** We will look to finalize numbers regarding: 1) Your budgets for College Tuition & 2) Your projected retirement spending. It is important that we are planning within the scope of your goals more importantly than anything else. For this reason, we will look at:
 - 2.1.3.1** **Your forecasted tuition coverage from the existing 529 accounts** re-engaging on the conversation of "splitting" the tuition in some form between your funding and the approximate balance Child 1, Child 2 & Child 3 would take responsibility for.
 - 2.1.3.2** **Your projected retirement spending:** although we can capture what your current (actual) spending habits are and forecast effectively for future spending, we will want to ensure that these match your vision of retirement. Moreover, this will be a

- “moving” part of your planning as you either have life events (i.e. mortgage payoffs, unexpected expenses or financial windfalls) or changes in your desired retirement lifestyle. These updates can be made as needed.
- 2.1.3.3 Your Income Strategy:** Your current plan is limited to qualified (deferred tax) savings accounts. Therefore, we need to account for the approximately \$1.9 million in taxes from withdrawals of this money over your lifetime. I will work with you to create a more tax-efficient strategy for your goals and needs, keeping more money with you rather than with the IRS.
- 3 Risk Mitigation:** Risks present themselves in many forms as you pursue the financial goals you’ve set. We will ensure that these risks are considered for you:
- 3.1 Proper Insurance Coverages:** This will allow you piece of mind and financial protection for the unknown. Your insurance documents are still pending, once received we will be able to see if you have adequate coverage with the proper type(s) of insurance to best protect you and your family.
- 3.2 Portfolio Allocation** not only determines your returns relative to market performance, it also can play a major role in giving you piece of mind. We can collaboratively determine an allocation that matches your tolerance for risk and provides proper returns while balancing risk mitigation for your needs. As of the time of our meeting, I can confirm that Mrs. Client’s portfolio is not aligned with her risk appetite nor the target allocation we reviewed in the office. Additional action will be needed to rectify the current misallocation and can be discussed upon our formal engagement.
- 3.3 Estate & Probate considerations:** Proper preparation for estate planning starts with a review of your current beneficiary designations & any legal documents you have created until this point. Beneficiary designations both supersede wills & avoid the need to probate the estate. It is my understanding that you have not completed any of the three primary Estate Planning Documents:
- 3.3.1 Durable Power of Attorney (POA):** A legal document that allows you to elect an individual(s) whom can act in your place (making medical decisions, handling your finances and/or paying your bills), even in the case that you become incapacitated or unable to care for yourself. “Durable” is what allows the care (that must be in your best interest) even with incapacitation. Should you have “Nondurable” Powers of Attorney they are void upon your loss of capacity. Both Mr. Client & Mrs. Client are advised to complete Durable POAs if they have not been done yet.
- 3.3.2 Living Will (a.k.a. Advance Healthcare Directive):** This legal document outlines your wishes for care and medical treatment in instances where you are unable to express informed consent. Both Mr. Client & Mrs. Client are advised to have a living will completed
- 3.3.3 Last Will & Testament:** This legal document allows you to control/direct how your estate will be distributed after you pass away. A last will allows for instructions to appoint a guardian for minor children as well. Both Mr. Client & Mrs. Client are advised to have a Last Will completed.
- 3.4 Estate Tax Planning Considerations:** The transfer of your assets can potentially create tax burdens for the beneficiaries if planning ahead is not done. Asset transfers between spouses generally are more favorable to this rule, however it is worth considering strategies that take into account any life insurance (a tax-free inheritance as of the time of this executive summary), certain trusts such as CRTs (Charitable Remainder Trusts) or bypass Trusts based off the legacy impacts you are most passionate about. Finally, “generation splitting” can allow separate 10-year withdrawal requirements for retirement



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account inheritances. Should you decide to move forward we can discuss the details of these strategies and illustrate the potential tax savings for your consideration.

Conclusion:

Mr. Client & Mrs. Client, it has been a pleasure to get to know both of you and begin to understand what financial goals and dreams you have for the future. Hold onto this summary as it can serve you as a guide when we move forward in our next meeting. Let me know if you have any questions regarding this document, it's concepts or any other needs regarding your financial planning.

Be Well,

Kyle Hart
Founder/Financial Planner
Coastal Wealth Planners