

# WHAT HAPPENS IN THE CASH FLOW PLANNING PROCESS?


We've created a collection of samples from documents and graphics that you'd receive in the planning process.

Each is personalized to best suit you and your family's goals and needs.

After each meeting, we'll create a detailed meeting summary for you

# EACH MEETING

116 W. Branch Street,  
Suite B  
Arroyo Grande, CA 93420



**Client Name:** Jane and John Doe  
**Meeting Date:** February 2, 2022  
**Meeting Duration:** 1 Hour  
**Meeting Type:** Complimentary Consultation

**MEETING NOTES**

**Overview**

*Everything spoken in here is confidential. Nothing leaves the space; however, you can say whatever you like of course. Our standard protocol is that we don't discuss who we see or what's said unless the client specifically asks us to do so.*

*So that Shawn may keep track of what he said, he uses a smart pen to record the conversation. It allows the focus to be on the conversation and to outsource the remembering stuff.*

**401(k)**


- You want to invest the money you have in a 401(k).
- S: Moving a 401(k) to an IRA is easy and doesn't affect taxes. Whatever you convert to a Roth, you need to recognize the income on your tax return that year you do it.
- S: It's rare to do a Roth conversion when people are working. The amount of income may be the same. We can make the tax bracket a little lower for a while and sneak the Roth conversion in. It could take me three years to remove it completely.
  - I don't want anyone to have to pay more in taxes than needed.
- Why should I go from a 401(k) to an IRA?
  - It's less interference between you and your money. When someone needs to take money from the 401(k), they often need a sign off from the administrator.
- So, there's no reason to have that extra layer of bureaucracy to deal with. Unless there's a very special investment inside that 401(k) that you can't buy in an IRA, which I've only seen once, there's no reason to leave it there. You could roll it to a new 401(k) as well.
- S: My inclination would be to roll it to an IRA and then it's done. You'll have more control over how you want to invest it.

**Cash Flow Planning**

- S: I try to get a feel for who you are and look at the status quo. What do you have going on right now, what's the timeline and approximate income, etc.?
  - I look at what happens if you don't change anything until age 95, counting inflation.

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- Usually that's what we look at in the next meeting. And we can see what to do instead and look at what we want to do with surplus if that exists. If we see shortages, we can adjust as well. Maybe you only need to make a minor tweak.
- For the next meeting, Shawn will lay out three different scenarios based on what you talked about in meeting 2. Usually, one pops out.
- Then we deliver a formally written up plan with what you chose, how it will be invested, where the money is coming from, etc. Shawn will show you cash flows by year until age 95.
- So, you'll have something that's ready to be implemented. Once you have this plan, you can execute it yourself, have someone else build it, or we can implement it for you. I separate the long term from the short-term process.

**Moving Forward**

- Take your time and connect with us if you would like to proceed. If you do, you can anticipate receiving a SharePoint login, which is what we use to share files in a secure manner.
- Once you have uploaded the appropriate paperwork, Shawn will do an analysis on your financial situation to see how it would project into the future if we did not change anything.
- Please provide the necessary paperwork listed in the Document Checklist
- Please sign our Cash Flow Planning contract and send it back
- Please pay the initial \$500 fee (through a QuickBooks invoice we will send you)
- Please book an appointment by calling the office at 805-668-2020, emailing us at [team@rightbrainmoney.com](mailto:team@rightbrainmoney.com), or visiting our bookings site and selecting "Meeting 2, Cash Flow Planning"
  - We need all your paperwork a week prior to the second meeting

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# WHERE ARE YOU NOW?

Prepared for meeting 2

You'll receive an Asset Summary, Current Asset Analysis, Optimizer / Spaghetti Monster

sample  
**Asset Summary**  
created by our team

RightBrainMoney		Summary of Assets as of February 3, 2022		Jane and John Doe		116 W. Branch Street, Suite B Arroyo Grande, CA 93420		Jane 64 1/1/1958 John 77 2/2/1945	
<b>Non-Qualified Money:</b>									
Account Number	Date Estab.	Current Value	Investable	Sub Total	Destination				
Joint USB Checking & Savings		\$ 20,000.00	\$ 20,000.00						
Jane Nebraska USA Credit Union		\$ 907.00	\$ 907.00						
				\$ 20,907.00	Total Value				
				\$ 20,907.00	Total Investable				
<b>Qualified Money:</b>									
Account Number	Date Estab.	Current Value	Investable	Sub Total	Funding Segment				
Jane Rollover IRA	1111	\$ 140,821.00	\$ 140,821.00						
Jane 401(k)	2222	\$ 22,087.00	\$ 22,087.00						
				\$ 162,908.00	Total Value				
				\$ 162,908.00	Total Investable				
<b>Life Insurance</b>									
Policy #	Date Estab.	Death Benefit	Cash Value	Expiration Date	Funding Segment				
John CA Life	3333	\$ 100,000.00	\$ 28,884.20		Universal Life				
Jane NY Life	4444	\$ 61,403.00	\$ 31,067.00		Whole Life				
			\$ 59,951.20						
<b>Guaranteed Income/Income Floor</b>									
Contract #	Date Estab.	Projected Starting Age	Projected Ending Age	Monthly Amount	Increasing	Segments supported			
John Social Security		Started @ 62	Lifetime	\$ 1,855.00					
Jane Social Security		PIA	Lifetime	\$ 2,250.00					
				\$ 4,105.00					
<b>Total Value of Investments:</b>						\$ 243,766.20			
Total Liquid Investable:						\$ 243,766.20			
<b>Long Term Care Coverage:</b>									
Policy Number	Date Estab.	Annual Premium	Start Daily Benefit /	Benefit Period	Elimination Period				
<b>Real Estate:</b>									
Purchase Amount	Date Acquired	Mortgage	Market Value	Equity					
Joint 116 W Branch St	\$277,500.00	4/16/2014	\$ 197,073.94	\$ 370,561.00	\$ 173,487.06				
			\$ 197,073.94	\$ 370,561.00	\$ 173,487.06				
					<b>Total Assets:</b>	\$ 614,327.20			
					<b>Total Investable:</b>	\$ 417,253.26			
					<b>Total Mortgage:</b>	\$ 197,073.94			
					<b>Net Worth:</b>	\$ 417,253.26			
					<b>Liquid Assets:</b>	\$ 243,766.20			

Investment information provided is based on recent statements or information provided by the investment companies and the information is believed to reflect the most recent statement only. Information provided by the customer is used for analysis purposes. The redeemed value of investments and insurance products may be less if an account is liquidated due to commissions, fees, surrender charges, market fluctuations, or other adjustments associated with the terms of the investment product or insurance contract. Income, dividends, insurance credits, and investment distribution projections are approximate and are not guaranteed. This is not an official statement or confirmation. Advisory Services offered by Right Brain Money, a California Registered Investment Advisor. Please seek other professionals for specific tax or legal advice.

## Executive Summary

This portfolio analysis developed for you illustrates the characteristics of your current investment portfolio. This report provides the basis for evaluating the consistency of your current investments with your investment objectives and your personal preferences with respect to risk-taking and potential investment returns.

After analyzing your portfolio in light of these objectives, preferences, and needs, then necessary adjustments can be made to your investment portfolio consistent with your investment strategy.

## Investment Solution Overview

Time Horizon:  
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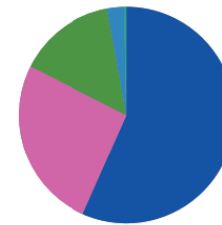
Current Wealth:  
**\$3,283,681**

Risk Assessment Method:  
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Growth Target:  
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Portfolio Risk Rating:  
**Growth**

### Asset Allocation <sup>1</sup>



Asset Class	Value	Percentage
Domestic Equity	\$ 1,859,996	56.64 %
International Equity	847,814	25.82
Fixed Income	481,737	14.67
Alternatives	83,198	2.53
Other	10,936	0.33

### Asset Allocation <sup>1</sup>

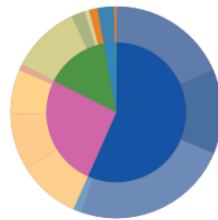
The weighting of the various asset categories in a portfolio can be one of the most important factors in the implementation of any investment strategy.

Spreading risk among asset classes and investment vehicles is a common tactic used to help reduce the overall risk of a portfolio, although a diversified asset allocation does not ensure investment gains or protect against losses.

The asset mixes are based on historical risk characteristics of the benchmark indices for each separate asset class. The asset classifications are as of the date listed below and are subject to change at any time.

### Asset Allocation <sup>1</sup>

Proposed Allocation



Asset Class	Value	Percentage
<b>Domestic Equity</b>	<b>\$ 1,859,996</b>	<b>56.64 %</b>
● Large-Cap Growth	602,935	18.36
● Large-Cap Core	426,961	13.00
● Large-Cap Value	790,340	24.07
● Mid-Cap Value	39,760	1.21
<b>International Equity</b>	<b>847,814</b>	<b>25.82</b>
● Int'l Developed Mkts	312,459	9.52
● Int'l Emerging Mkts	282,588	8.61
● Global Equity	223,920	6.82
● Foreign Large Cap	28,847	0.88
● Growth		
<b>Fixed Income</b>	<b>481,737</b>	<b>14.67</b>
● Intermediate Bond	350,196	10.66
● High Yield	65,686	2.00
● International Bond	24,141	0.74
● Cash	41,714	1.27
<b>Alternatives</b>	<b>83,198</b>	<b>2.53</b>

# samples from Current Asset Analysis

Executive Summary  
Asset Allocation  
Investments  
Holdings Analysis



# samples from Optimizer / Spaghetti Monster

created by Shawn

**Client Info**

First Name: [Redacted]  Already Retired?

Last Name: [Redacted]

Scenario (file) Name: [Redacted]

Address: [Redacted]

Home Phone: [Redacted]

Work Phone: 805-668-2020

Primary Person (P): 64      Secondary Person (S): 77

Current Age: 64

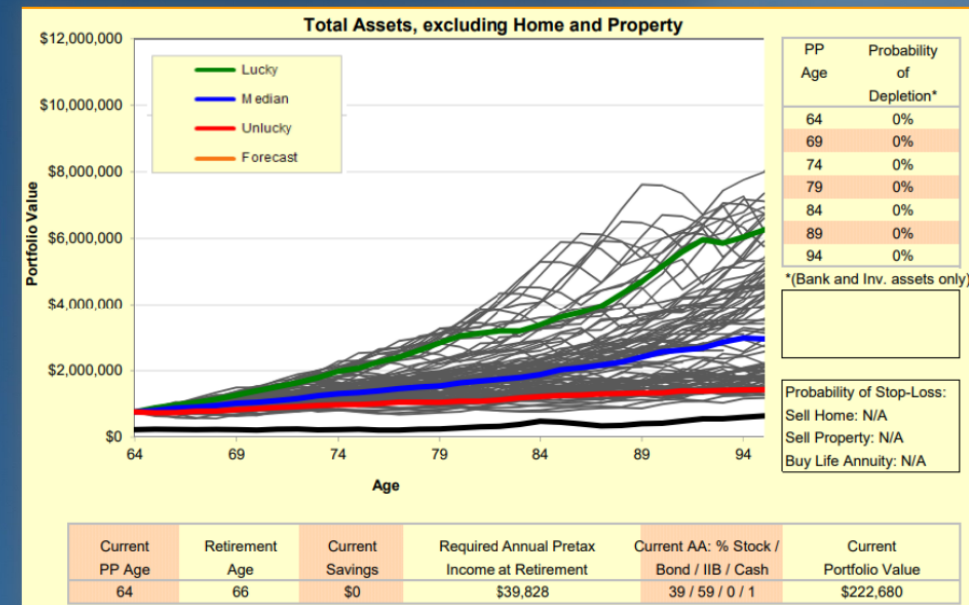
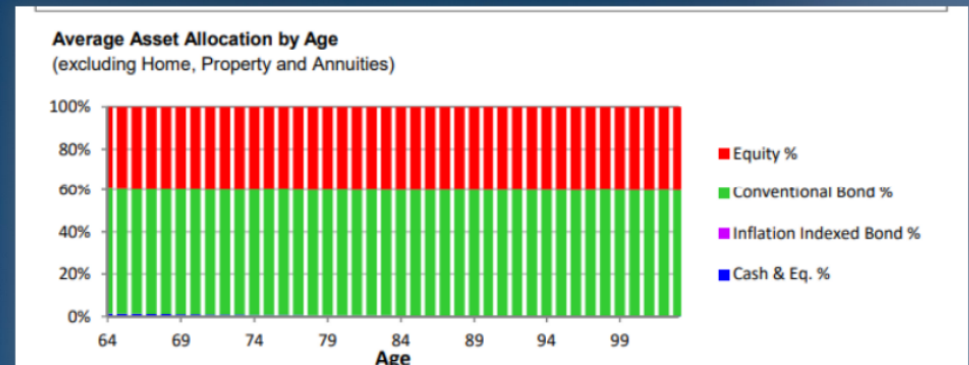
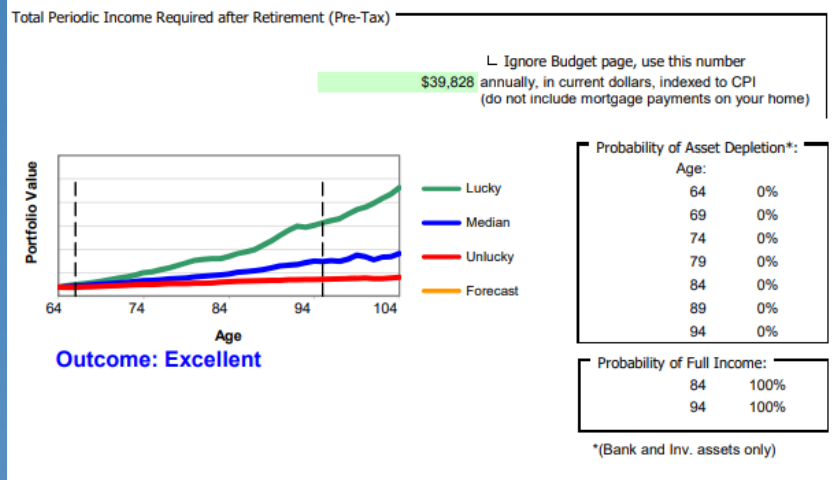
Retirement Age: 66

Design until Age: 95 (Survival Rate at 95: Male 7% Female 14%)

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**Current Retirement Assets**

Current Value (excluding home and property): \$222,680



# WHAT CAN WE DO INSTEAD?

Prepared for meeting 3

sample  
**Scenarios**  
created by Shawn

## SCENARIO 1: REPLACE PAYCHECK WITH INVESTMENTS (LESS PAYROLL TAXES)

Position	Amount	Provides
Investment Allocation	\$162,390	IFLM management through age 92
Non-Applied Funds	\$41,407	Discretionary
	<b>\$203,797</b>	<b>\$4,462 per month adjusted for 3% Inflation</b>

## SCENARIO 2: REPLACE PAYCHECK W/ GUARANTEES

Position	Amount	Provides
Investment Allocation	\$63,667	IFLM management through age 92
Guaranteed Income	\$110,094	Predictable lifetime income
Non-Applied Funds	\$30,036	Discretionary
	<b>\$203,797</b>	<b>\$4,462 per month adjusted for 3% Inflation</b>

## SCENARIO 3: MAXIMUM INCOME

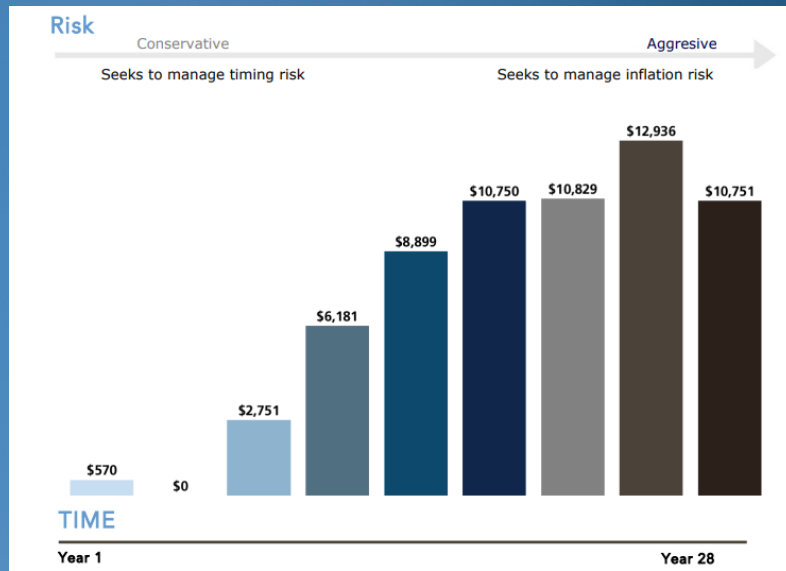
Position	Amount	Provides
Investment Allocation	\$200,854	IFLM management through age 92
Non-Applied Funds	\$2,943	Remaining Balance
	<b>\$203,797</b>	<b>\$4,625 per month adjusted for 3% Inflation</b>

# HOW ARE WE DOING IT?

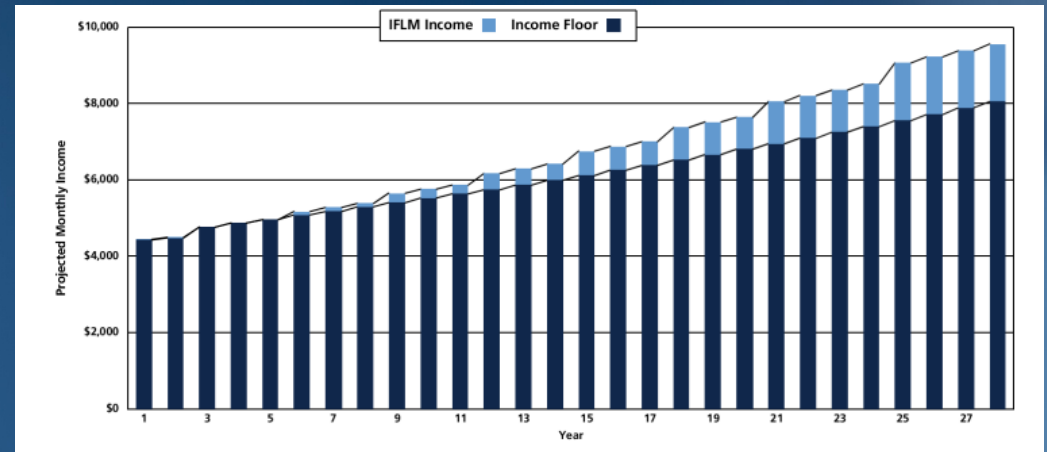
## Prepared for meeting 4

After you select a scenario, we create an Income for Life Model and graphics that go along with it, including a timeline and fund allocations.

### samples from Income for Life Model



	Allocation Percentage	Investment Amount	Income Provided
Segment 1	0.90%	\$570	Year 1 - 2
Segment 2	0.00%	\$0	Year 3 - 5
Segment 3	4.32%	\$2,751	Year 6 - 8
Segment 4	9.71%	\$6,181	Year 9 - 11
Segment 5	13.98%	\$8,899	Year 12 - 14
Segment 6	16.88%	\$10,750	Year 15 - 17
Segment 7	17.01%	\$10,829	Year 18 - 20
Segment 8	20.32%	\$12,936	Year 21 - 24
Segment 9	16.89%	\$10,751	Year 25 - 28



### TARGETED INCOME BY SEGMENT

	IFLM MONTHLY INCOME	INCOME FLOOR**	TOTAL*
Segment 1	\$24	\$4,438	\$4,462
Segment 2	\$0	\$4,771	\$4,771
Segment 3	\$95	\$5,078	\$5,173
Segment 4	\$246	\$5,406	\$5,652
Segment 5	\$420	\$5,756	\$6,176
Segment 6	\$619	\$6,130	\$6,749
Segment 7	\$848	\$6,527	\$7,375
Segment 8	\$1,108	\$6,951	\$8,059
Segment 9	\$1,509	\$7,561	\$9,070

sample  
**Timeline**  
created by our  
team



**SEGMENT 1**

**SOURCES**  
JANE'S WAGE: \$2,583  
JOHN'S SS: \$1,855

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TOTAL: \$4,462

2019

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2020

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**SEGMENT 2**

**SOURCES**  
JOHN'S SS: \$1,930  
JANE'S SS: \$2,341  
ANNUITIES: \$500

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TOTAL: \$4,771

2021



..... Turn on annuity distributions



..... Jane begins collecting Social Security in November



..... Jane retires in December!

2022

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2023

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**SEGMENT 3**

**SOURCES**  
JOHN'S SS: \$2,048  
JANE'S SS: \$2,485  
ANNUITIES: \$545  
INVESTMENTS: \$95

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TOTAL: \$5,173

2024

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2025

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2026

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**SEGMENT 4**

**SOURCES**  
JOHN'S SS: \$2,173  
JANE'S SS: \$2,637  
ANNUITIES: \$596  
INVESTMENTS: \$246

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TOTAL: \$5,652

2027

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2028

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2029

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**SEGMENT 5**

**SOURCES**  
JOHN'S SS: \$2,306  
JANE'S SS: \$2,799  
ANNUITIES: \$651  
INVESTMENTS: \$420

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TOTAL: \$6,176

2030

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2031

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2032

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**SEGMENT 6**

**SOURCES**  
JOHN'S SS: \$2,448  
JANE'S SS: \$2,970  
ANNUITIES: \$712  
INVESTMENTS: \$619

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TOTAL: \$6,749

2033

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2034

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2035

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**SEGMENT 7**

**SOURCES**  
JOHN'S SS: \$2,598  
JANE'S SS: \$3,152  
ANNUITIES: \$777  
INVESTMENTS: \$848

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TOTAL: \$7,375

2036

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2037

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2038

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**SEGMENT 8**

**SOURCES**  
JOHN'S SS: \$2,757  
JANE'S SS: \$3,344  
ANNUITIES: \$850  
INVESTMENTS: \$1,108

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TOTAL: \$8,059

2039

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2040

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2041

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2042

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**SEGMENT 9**

**SOURCES**  
JOHN'S SS: \$2,984  
JANE'S SS: \$3,620  
ANNUITIES: \$957  
INVESTMENTS: \$1,509

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TOTAL: \$9,070

2043

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2044

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2045

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2046

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sample  
**Fund Allocations**  
created by our team

