

From: mcollins@wincapfinancial.com
Sent: Friday, March 24, 2023 4:09 PM
To: mcollins@wincapfinancial.com
Subject: Meeting Summary - Sample Family

Hello John & Jane,

It was a pleasure meeting with you today, I appreciated your time and getting to know you both. I enjoyed learning about your financial goals, careers in healthcare, and your desire to build out a more effective roadmap. I think you can specifically benefit from consolidating your accounts at Fidelity and having a more prudent asset mix where we can lower your investment costs. This email will act as a summary of our meeting and include potential action items. I also invited you to our financial planning tool, the website that is tied to the plan we built today. Please do not hesitate to ask any questions you may have. Attached is your financial plan, this will act as a living document that will adjust over time and help drive investment allocations. The information attached and more details can also be found there on your plan.

Financial Plan:

- Pages 1 – 6 review the facts of the plan as well as core spending goals. In our base case you
 - Spend \$90k a year plus inflation
 - John works for 3 more years before taking social security (we discussed the possibility of delaying it further)
 - Mary earns \$100k a year plus inflation until she is 60. Jane then takes social security at 65 (we could also delay)
- Pages 7 - 10 reviews the Asset Spread and Monte Carlo Analysis (expected best/worst case scenarios overall and by year).
- Pages 11 – 16 review the projected annual cash flows over time which include withdrawals and expected tax impact, as a reminder we have spending increasing with inflation over time
- Summary & Action Items:
 - **You will be able to live comfortably in your retirement. In this scenario we would expect your assets to grow by about 6.4% annually. Due to your spending goals we would expect your assets grow throughout your retirement, especially once you both are collecting social security. I would look to create a strategy to make IRA contributions for both of you to maximize tax efficiency. We should also consider doing ROTH conversions annually in order to minimize taxes in future years. Lastly, we estimate that you will need to potentially withdraw up to \$400k of retirement assets over the next decade, which is why we decided on a 30% allocation to bonds.**

Investment Proposal:

- In Appendix 1 would be how we would initially think about allocating your portfolio. This initial draft assumes about \$1.4mm of investable assets of which 30% would be allocated towards bonds with the remainder in equities. The plan includes the John's IRA, the 2 ROTH's, and Jane's upcoming Pension when that becomes available.
- Appendix 2 contains the breakout of the *Individual Equities* positions contained in appendix 1
- **Summary: The appendices represent our best thinking around how to position you going forward.**

Client Service & Misc:

- We generally engage with clients at least 4 times a year. I do not cap the time I spend with clients. If anything comes up that would meaningfully impact your plan it is best that I am informed. I am a trusted partner for my clients.
- I would provide wealth management services based on your assets under management at 0.80%, a 20% discount off of our standard fee due to the size of the relationship.
- *The only item I am waiting on to potentially draft the Fidelity paperwork are the statements for the 2 ROTHs, a copy of each of your licenses, and your social security which I can obtain over a phone call*

I look forward to working with you both. Please let me know if you have any questions in the meantime.

Best,
Mike

Appendix 1: Asset Allocation:

Risk Equities

<u>Ticker</u>	<u>Name</u>	<u>\$</u>	<u>% of Total</u>	<u>Yield</u>
<i>Appendix 2</i>	<i>Individual Equities</i>	\$ 735,000.00	52.50%	1.63
VEA	Vanguard FTSE Developed Markets	\$ 98,000.00	7.00%	4.13
FISMX	Fidelity Investment International Small Cap Fund	\$ 49,000.00	3.50%	3.30
DEMIX	Delaware Group Global & International Funds Inc	\$ 98,000.00	7.00%	1.31
		\$ 980,000.00	70.00%	1.94

Risk Control

<u>Ticker</u>	<u>Name</u>	<u>\$</u>	<u>% of Total</u>	<u>Yield</u>
BLV	Vanguard Long-Term Bond ETF	\$ 21,000.00	1.50%	5.20
FBNDX	Fidelity Bond Fund	\$ 126,000.00	9.00%	4.30
DSV	Vanguard Short-Term Bond ETF	\$ 63,000.00	4.50%	4.00
FFRHX	Fidelity Advisor Series II	\$ 84,000.00	6.00%	6.90
TDTT	FlexShares iBoxx 3 Year Target Duration TIPS Index Fund	\$ 21,000.00	1.50%	7.60
BGHIX	Legg Mason Partners Equity Trust	\$ 105,000.00	7.50%	8.40
		\$ 420,000.00	30.00%	6.00
		\$ 1,400,000.00		3.17

Appendix 2: Individual Equities:

Ticker	Name	Dividend Yield	%	\$
	Communications Services		9%	\$ 66,150.00
T	AT&T Inc.	6.04%	2.5%	\$ 18,375.00
YELP	Yelp Inc	0.00%	1.0%	\$ 7,350.00
GOOGL	Alphabet Inc. Class A	0.00%	4.0%	\$ 29,400.00
ATVI	Activision Blizzard, Inc.	0.71%	1.5%	\$ 11,025.00
	Consumer Discretionary		12.0%	\$ 88,200.00
ABNB	Airbnb, Inc. Class A	0.00%	1.5%	\$ 11,025.00
BC	Brunswick Corporation	1.27%	1.5%	\$ 11,025.00
MCD	McDonald's Corporation	1.96%	1.8%	\$ 12,862.50
HAS	Hasbro, Inc.	2.78%	1.8%	\$ 12,862.50
ASO	Academy Sports and Outdoors, Inc.	0.00%	0.8%	\$ 5,512.50
LGIH	LGI Homes, Inc.	0.00%	1.8%	\$ 12,862.50
SONY	Sony Group Corporation Sponsored ADR	0.85%	3.0%	\$ 22,050.00
	Consumer Staples		7.0%	\$ 51,450.00
WMT	Walmart Inc.	1.57%	2.0%	\$ 14,700.00
KO	Coca-Cola Company	2.84%	3.0%	\$ 22,050.00
GIS	General Mills, Inc.	2.92%	2.0%	\$ 14,700.00
	Financials		11.5%	\$ 84,525.00
GS	Goldman Sachs Group, Inc.	1.70%	3.0%	\$ 22,050.00
ALL	Allstate Corporation	2.75%	2.0%	\$ 14,700.00
AFL	Aflac Incorporated	2.26%	1.0%	\$ 7,350.00
SYF	Synchrony Financial	1.90%	2.5%	\$ 18,375.00
COOP	Mr. Cooper Group, Inc.	0.00%	1.0%	\$ 7,350.00
JPM	JPMorgan Chase & Co.	2.40%	2.0%	\$ 14,700.00
	Healthcare		14.5%	\$ 106,575.00
CVS	CVS Health Corporation	1.99%	2.5%	\$ 18,375.00
UNH	UnitedHealth Group Incorporated	1.12%	2.5%	\$ 18,375.00
LLY	Eli Lilly and Company	1.23%	1.5%	\$ 11,025.00
ABBV	AbbVie, Inc.	3.92%	2.5%	\$ 18,375.00
PFE	Pfizer Inc.	2.66%	2.5%	\$ 18,375.00
CRSP	CRISPR Therapeutics AG	0.00%	0.8%	\$ 5,512.50
EDIT	Editas Medicine, Inc.	0.00%	0.8%	\$ 5,512.50
BEAM	Beam Therapeutics, Inc.	0.00%	0.8%	\$ 5,512.50
NTLA	Intellia Therapeutics, Inc.	0.00%	0.8%	\$ 5,512.50
	Industrials		8.0%	\$ 58,800.00
KFY	Korn Ferry	0.78%	2.0%	\$ 14,700.00
MAS	Masco Corporation	1.40%	2.0%	\$ 14,700.00
BLDR	Builders FirstSource, Inc.	0.00%	2.0%	\$ 14,700.00
ARCB	ArcBest Corporation	0.27%	2.0%	\$ 14,700.00
	Materials		2.0%	\$ 14,700.00
ERO	Ero Copper Corp.	0.00%	2.0%	\$ 14,700.00
	Real Estate		2.5%	\$ 9,187.50
GLPI	Gaming and Leisure Properties, Inc.	5.47%	1.3%	\$ 9,187.50
EPR	EPR Properties	8.90%	1.3%	\$ 9,187.50

Michael Collins, CFA

Founder & CEO, WinCap Financial

617-590-3250 | www.wincapfinancial.com

mcollins@wincapfinancial.com

