



THE TRUTH ABOUT RETIREMENT

8 Essential Steps to Secure Financial Freedom for Life





INTRODUCTION



“If you want to be more financially successful than most people, then stop doing what most people do... instead, plan and invest the same way as successful people!”

If you're like me, you'll probably agree that statement sounds reasonable. After all, many of the most successful businesspeople and investors in the world have admitted that their path to success was achieved by mirroring the same habits of successful mentors and role models. Although it seems like a “no-brainer,” we know that it's much harder to do in real life. Why? Because it's often psychologically difficult to go against what “the crowd” is doing and take the harder, sometimes contrary, path to success. But that's the same path that people who succeed in reaching their life's goals tend to follow.

This guide is going to show you the 8 essential steps we feel most affluent individuals and couples need to have done to create a solid financial plan and achieve all of their goals... before retirement, thru retirement and as a legacy if they so choose.

Just an aside, I really don't like the term “retirement plan.” When done right, stages of retirement are just continuations of your overall financial plan.



But since so many people refer to what we do as “retirement planning” or “a retirement plan” ... I’m going to refer to your comprehensive, lifetime written financial plan interchangeably with those terms.

If you follow all 8 essential steps we recommend, you should have an awesome chance at reaching not only your retirement goals, but true financial freedom and security... hopefully for as long as you live! Miss any one of these steps, however, and you increase the risk of eventually developing cracks in your financial house.

We would like to help make sure this doesn't happen to you!





CAN YOU FAIL AT RETIREMENT?

First, let's get something straight and answer the question: "What if I simply avoid retirement planning? What if I decide not to focus much time or effort on planning and just "wing it?"

Answer: "Failure is not an option!" (You can't fail at retirement, but you can be less successful at it!)



We don't like advisors who try to scare consumers. So, I'm here to tell you that even if you don't spend significant time planning for your retirement, you probably won't fail... at least not entirely fail. For clients that we work with, who have built up a significant level of assets or income streams over their lifetime... it's not about whether Social Security will be enough to carry them through retirement. They already have a baseline level of security.

For them, it's more about how they can achieve their goals in the retirement stage of life: enjoying freedom in their monthly lifestyle expenses, enhancing their entertainment experiences and travel, beginning a second career as an entrepreneur, helping their grown children and grandchildren while they are alive and providing a legacy for when they are not and possible charitable giving. Failure is not really an option. But we suggest, based on experience, that it takes a successful plan to make those goals a reality; especially to the level providing the most satisfaction, least worry and least stress over the decades.



If your ability to succeed to that level that concerns you... then you need to do something about it. It's not hype. You'll find when you retire, that there are other retirees around you who planned very well, and those who did not. Some live out their dreams. Other retirees find it hard to make ends meet, even with a reasonable level of assets and income. They haven't failed, but they haven't really succeeded, either. We can't imagine the stress of having to struggle financially in retirement or stretch to reach your life's goals. And it's certainly not how we envision retirement for our family, clients, friends... or you! Is that what you want? Of course not!

I think that many people believe their retirement will simply "work itself out." "Why make uncomfortable decisions today about what I will spend and how I will invest when I'm not even sure what my retirement goals are? I'll worry about that later [and we hear this from people even in their 50's and 60's]. I'll be fine." So, they delay creating a comprehensive, lifetime written financial plan, mapping out a solid tax strategy, protecting themselves from legal issues, defining a clear investment strategy, and creating a plan to reduce risks that could make their plan a success. Then they get to retirement and are shocked to see that they can't live the retirement lifestyle they wanted or the lifestyle that their friends are able to have because they planned!

**"And now for something completely different"
-Monty Python's Flying Circus**

Before we go into detail about the "8 essential steps", **I want to share with you some things to AVOID, based on my experience as a financial professional for over 24 years:**

- DON'T wait until retirement to start planning for retirement. The cost of waiting often makes things worse as time goes on.
- DON'T take "news" at face value, it's often just "noise." From financial websites to TiK Tok, YouTube, Facebook, and Instagram... an increasing number of financial articles and videos on consumer financial sites aren't created by fiduciary advisors, academics, or anyone with extensive, practical financial knowledge. These often-sensationalistic articles are in competition for your "eyeballs" (e.g., selling ad space). They cannot provide personalized advice, so learn to recognize media hype and "tune it out".



- Friends and family may tell you “Big fish” stories about their great investments that made money, but not tell you about the “alligators” that swallowed their other investments and lost them money.
- No one is perfect at investing and your friends or family’s financial or personal situation could be much different than your own.
- DON’T focus solely on comparing your investments to an “index.” Indexes are meaningless to your retirement. What is meaningful? It should be if you are on track with your plan and the returns allow you to continue achieving your goals at an acceptable level of risk. By that, we mean, an acceptable level of risk to you... not to your advisor.
- DON'T purchase any financial product (stock, bond, fund, annuity, REIT, cash value life insurance, etc.) without understanding its limitations, risks, and how it contributes to making your portfolio better. Let your retirement plan guide your investments, not your investments guide your plan.
- There is no such thing as “get rich quick.” Not real estate, options, day-trading, annuities, investment trusts, tax-shelters... or anything else. A great advisor can help you understand which may be a valuable part of your long-term portfolio strategy, and which are potential landmines that you may want to avoid. Again, everyone is different, that YouTube or TikTok video is entertainment, not personal financial advice.
- DON'T use an “advisor” who doesn’t agree to put your needs first, ahead of their own, and act in your best interest at all times. This person is called a fiduciary. They should commit to this in writing and provide advice in all five areas of personal finance, with a comprehensive, lifetime, written financial plan as the core of what they do.
- DON'T use an advisor who charges you commissions or a fee that is based on the amount of assets that you manage. STRONGLY consider a flat-fee advisor whose fee is based on the service you receive and not a specific amount of money that you have invested with them to avoid as many conflicts of interest as possible. You could save potentially tens, if not hundreds, of thousands of dollars over your lifetime by using a flat-fee, fiduciary advisor.

SHOULD I USE AN ADVISOR OR TAKE THE DIY APPROACH?

Some of you may have handled all aspects of your personal finance alone up until now. Some of you may have worked with an advisor at some point ... or still work with one. The simple fact is, you make many financial choices in life... and with each of those choices, you can either decide to go it alone, or get advice from a professional.

The choice is yours. Personally, I believe that many people could go it alone, but shouldn't. The less complicated your life, your plan, your income, and your assets... the more going it alone may make sense. Whether you work with an advisor or do-it-yourself, this guide is designed to help you.

For many couples and individuals with significant assets (retirement accounts, taxable accounts, real estate and other investments outside their primary home) and/or complexity (blended families, business owners, real estate investors, etc.), we believe there is a real, measurable benefit to **having a Personal Finance CEO that helps guide them throughout their personal, comprehensive lifetime, written financial plan**. This type of advisor is different from your typical financial advisor who usually focuses mostly on managing your investments and may (but does not always consistently) provide some financial planning advice.

The Personal Finance CEO that we refer to at RockCrest, is a trusted advisor who should help you secure financial freedom for life, by consistently providing expert guidance in all five areas of personal finance:

- **FINANCIAL PLANNING (A LIFETIME WRITTEN FINANCIAL PLAN)**
- **TAX STRATEGY (A LIFETIME WRITTEN TAX STRATEGY)**
- **ESTATE PLANNING (A LIFETIME WRITTEN ESTATE PLAN)**
- **INVESTMENT MANAGEMENT (A LIFETIME WRITTEN INVESTMENT STRATEGY)**
- **STRATEGIES TO REDUCE RISK TO YOUR OVERARCHING FINANCIAL PLAN (A LIFETIME WRITTEN RISK PLAN INCLUDING INSURANCE STRATEGY).**



A trusted advisor should know your family's financial situation and work with your other professionals (accountant, attorney, insurance agent, banker, mortgage person, etc.) to help coordinate, consolidate, and simplify your life. A Personal Finance CEO should also help make sure all those professionals are accountable for their role in your comprehensive financial plan... and to you.

Of course, YOU DON'T HAVE TO USE A TRUSTED ADVISOR. Just remember, if you don't hire an advisor to do this... YOU are your own Personal Finance CEO.





STEP 1: DEFINE YOUR GOALS, VALUES AND HOW YOU WILL ACHIEVE BALANCE



“Who are you?” - The Who

When you are planning for retirement, one of the fundamental questions that you'll need to answer is, “What are the values that drive me and how to they relate to my goals in retirement?”

Whether or not you like it, secure financial freedom is intricately linked to your mental and physical health, relationships with others, and spiritual well-being. Without the feeling of financial well-being, you may experience physical and emotional stress, relationships with loved ones and friends may become strained and it is much more difficult to be charitable.

Over decades of providing comprehensive financial planning advice to clients, we found that understanding your VALUES as well as your goals is one of the keys to achieving financial well-being throughout retirement.

A great financial plan answers the question, “What’s important about money to me?” Knowing the answers to this question will help get to the heart of your values, drive your goals, and help motivate you to build a plan that is meaningful to you, and your family. It helps create a financial plan that you’ll want to follow because that plan will resonate with your deepest and most closely held values.

STEP 2: DEVELOP A SOLID RETIREMENT PLAN, CONSIDERING WHAT YOU HAVE TODAY AND WHAT YOU MAY NEED TOMORROW

“A good financial plan is a road map that gets you there... not a postcard of the destination.”

If you're like many people, you probably can't find your way to a new destination without using Google Maps or your GPS. That's a good analogy of how your comprehensive financial plan should help guide you throughout your life.

Hopefully, you already have some idea of what your retirement should look like, and what goals you would like to fulfill. But that's not the retirement plan. Having the retirement, you envision, and reaching those goals, is *the result of successfully executing the plan!* Your retirement plan is the *personal financial roadmap* that gets you there! And like going on any trip, there are roads you must take, tolls you may have to pay, routes that delay you, and some possible shortcuts. Enjoying the experience of the trip and getting to the destination itself!

So, like planning a trip, here are some of the things you must account for in your personal retirement roadmap:

- All income sources (from your portfolio, Social Security, pensions, annuities, lump sum, and systematic withdrawals, etc.).
- Expenses you will incur in the beginning of retirement and later on, too
- Inflation
- Debt (personal, mortgage and business) and paydown/payoff dates)
- Cash reserves/emergency money
- Current retirement plan contributions (401(k) Traditional or Roth, 403(b), 457, TSA, SIMPLE IRA, SEP) and how they are invested
- Dormant retirement accounts still at previous employer(s)
- Traditional or Roth IRAs
- Real Estate and other assets
- Insurance: health, life, long-term care
- Legal issues: estate planning, asset protection strategies, healthcare and financial POAs, beneficiary designations



- Your investment strategies and portfolios, including how the “sequence of returns” may affect your returns and impact your withdrawals
- Assisting loved ones while on a fixed income (how you will take care of kids or parents)
- The impact of taxes and legal tax avoidance
- Semi-retirement while continuing to work
- Longevity
- Economic and market conditions.

Remember, your financial plan is the road map that guides you throughout retirement. Just like having your car checked and serviced by a mechanic before going on a cross-country trip, periodically you need to do a “check-up” on the points above before you embark on the road to retirement!



"If you don't know where you are going, you will wind up somewhere else." -Yogi Berra

It's a sad fact many people spend more time contemplating dinner menus at restaurants than contemplating their retirement plan. Why? Because going out to eat is a pleasurable activity... and contemplating the tough questions of retirement is often thought of as uncomfortable at best... or even painful!

But it doesn't have to be that way. Your financial plan should NOT be some 90-page report that looks like the US Tax Code. It should be something that resonates strongly within you and motivates you! Your plan should also be something relatively short, fun to review and exciting to watch unfold! When we help clients envision their retirement, the goal is to create an action plan they can follow without getting lost in the details. Worrying unjustly about too many details often leads to "analysis paralysis." And that can stop a good plan cold in its tracks!

So, when you plan for retirement, begin logically... in steps. Some of the first questions to figure out:

What's your current situation?

cash reserves investments (non-retirement, employer-sponsored, annuities, IRAs) debt (consumer, mortgage, business)

risk management (insurance)



What would you like your situation to look like throughout retirement?

What are your goals? Many clients have been asked by advisors about their goals. But here's where I think many advisors get this part wrong:

EVERY goal you have should have a:

1. **"NAME"** (something that motivates you when you think about that goal).
2. **"\$ AMOUNT"** (how much lump sum or monthly/yearly income that goal represents).
3. **"TARGET DATE"** (a year, month, and day when you want to realize that goal or the start of that goal).
4. All goals should take planning and money to achieve.

Goals could include things like:

- A certain level of retirement income or assets
- Travel
- College funding for kids, grandkids, or yourself
- Legacy planning
- Charitable giving
- A business you may start in retirement as your "second act"
- Major purchases (boats, cars, weddings, etc.)
- Potential future long term care costs
- Extra money that you reserve for helping family members in times of need

Assessing what may need to be done as parents or loved ones get older and need your financial, emotional, and physical support.



STEP 3: CREATE A LIFETIME, COMPREHENSIVE FINANCIAL PLAN THAT INCORPORATES YOUR VALUES & GOALS. MAKE SURE IT IS WRITTEN DOWN, CLEARLY DEFINED & MEASURABLE.

Once you have uncovered your values, defined your goals, and understand your current financial situation, the next part is to create a lifetime, written financial plan with strategies to help you reach those goals. The plan should clearly define how to get from Point A (your current situation) to Point B (your goals) and should be measurable. If you can't figure out a way to measure it, how do you know if you're on track at any point in time?

To put it another way, "Financial planning is about figuring out where you are now... where you want to be... and the plan to get there!" But it doesn't stop there.

A good financial plan in retirement should be flexible enough to change as your needs change throughout your life. So, it's important to keep the plan updated. How often? We recommend tackling different areas of personal finance each time you review the plan each year. With our clients that is a minimum of two to three meetings a year. Over the course of the year, we will have covered all five areas of personal finance, and each year repeat the process to make sure their financial plan continues to stay in perfect health year after year. That way, we can catch *the little things in life* now and fix them before they become *big issues* later on!

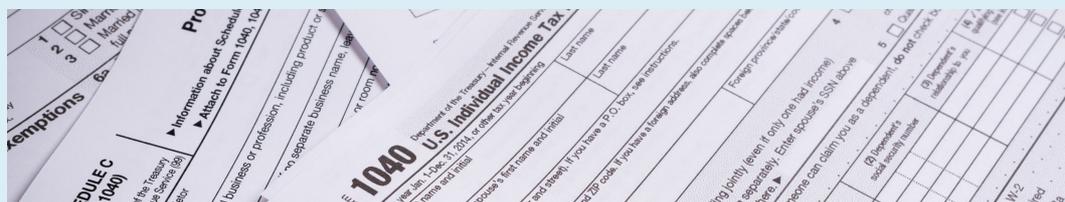


No one is going to lend you money to retire, right? But when you retire, there are things you may want to do to help the people you love and care about. And you'll need to do this without wrecking your retirement plan in the process. So, how can you do things like take care of a child or grandchild's college, help out a family member who needs some financial assistance, or take care of an aging parent?

The answer is “put it in the plan.” If you don't plan for things you think are most likely to happen in your lifetime, then the financial and retirement planning you do won't be meaningful. These are things you should consider with care and thoughtfulness. For many, a major goal in retirement is to maintain a balanced lifestyle and financial independence. That includes factoring in not only their own living expenses, but how they can help others that they care about.



STEP 4: TAXES REALLY DO MATTER!



There is an old adage that says, “It’s not what you make but what you keep!” When it comes to income, whether you are working or retired, this statement is absolutely true. Losing spendable cash to unnecessary taxes can mean as much to a retiree as not getting the returns needed to support their financial plan. **Here are some things you should consider in your comprehensive tax planning strategy:**

1. Roth contributions/conversions: The ability to have tax-free income in retirement, like a Roth IRA or Roth 401(k) gives you the ability to have much more control over your tax situation. Converting during the sandwich years between retirement and collecting Social Security, when your tax bracket may be a strategy that helps you lower future RMDs. When utilized correctly, these types of accounts may be able to help you manage your tax bracket in retirement and realistically save you between 12-24% in otherwise additional taxes you could owe.

2. Social Security taxation: Managing your tax bracket utilizing accounts like Roths or certain annuity payments can help reduce potential Social Security taxes due to their potential for not being counted as “provisional” or “combined” income. Depending on your income, 0%, 50% or 85% of your Social Security benefit may be taxed. Although many higher net-worth couples may pay tax on 50% of their benefits, smart withdrawals may help avoid being taxed on some or all of an additional 35% of those benefits.

3. Income-Related Monthly Adjustment Amount (IRMAA): If you make above certain income amounts in retirement, you may be subject to a Medicare surcharge on Parts B and D. Potential items that could increase income include, selling real estate in retirement, taking distributions from your retirement accounts including RMDs, creating a significant capital gain from investments that have appreciated significantly (selling shares in a stock, ETF, or mutual fund) and/or converting funds in a Traditional IRA to a Roth IRA. There are strategies to reduce your income if you are subject to IRMAA that are beyond the scope of this book. If you are subject to IRMAA, contact your accountant, financial planner (or contact us if you are interested in discussing how we may be of service to you.)



STEP 5: YOUR ESTATE PLAN IS FOR WHILE YOU ARE ALIVE AS WELL AS AFTER YOU'RE GONE

1. **Will:** Estate planning is not just about your will. Of course, having a properly drafted will is critical to making sure that your assets are left the way you intend. But your estate planning strategy should also help you while you are alive.
2. **Beneficiary designations:** Although your will may cover much of how your assets get distributed, there are other types of accounts on which you should designate beneficiaries. From certain bank accounts to most retirement accounts, making sure that you have properly named beneficiaries and methods of distribution (such as "per capita" or "per stirpes" designations) is critical to making sure that these accounts are passed efficiently to the correct beneficiaries, in the correct amounts, when your will matures.
3. **Trusts** are not always necessary, but in many cases may provide benefits while you are alive, as well as after your pass.
4. **Medical Power of Attorney (POA)** is an important document that will help direct how you are cared for if you cannot communicate temporarily or permanently. It also helps direct the power of attorney as to your wishes, can help avoid stress for family members.
5. **Durable or Financial Power of Attorney (POA)** is also important for helping ensure your financial affairs are taken care of the way you wish if you cannot communicate temporarily or permanently. Having one can help reduce stress for family members.
6. **Other legal documents** may also be needed, depending on your situation.



STEP 6: USE STRATEGIES TO REDUCE RISK APPROPRIATELY WITH AND WITHOUT INSURANCE

***"It's impossible that the improbable will never happen."
Emil Gumbel (Il est impossible que l'improbable n'arrive jamais, in Statistics of Extremes, 1958.)***

Yes, unfortunately, terrible things happen to good people. We need to prepare for them. Note, we did not say, "over-insure" for them. But, evaluating the most probable risks that you will face in life and determining if, and how much, you should insure against them is especially important. Putting it off is counterproductive to creating secure financial freedom.

Too much insurance is a waste of money, just as too little insurance is counterproductive and can hurt your long-term plans.



So, what risks do you face in retirement that you may need to insure against? On the list of considerations should be:

- Health insurance, including Medicare, supplements, and private insurance.
- Life insurance if you have loved ones or an estate to protect.
- Liability insurance because we live in a litigious society, and you don't want to lose your retirement assets to a frivolous lawsuit.
- Long Term Care insurance if you want to protect your retirement assets, but don't have enough assets to pay for potential long term care costs without depleting most of those assets.

Insurance is generally not meant to completely eliminate your risk. It's meant to help shift and reduce risk. For that, you pay insurance premiums. Reducing your risk, using insurance, should not result in paying premiums so large that they compromise your ability to live the retirement lifestyle that you have set for yourself. Carefully evaluate not only the need for cash flow, but also how much protection you will need.



Don't buy into the idea that some insurance agents promote when they say you should buy as much insurance as you can afford. That's helping their retirement plan (\$\$\$\$\$) ... not yours!

Cybersecurity also fits into the discussion of reducing risk. From picking the right shredder, to password protection, having a good, easy to maintain cybersecurity plan is critical to secure financial freedom.



STEP 7: EXECUTE A FLEXIBLE INVESTMENT STRATEGY TO HELP KEEP YOUR PLAN ON TRACK EVEN IF LIFE THROWS YOU SOME CURVE BALLS.



The answer to the ultimate question of life, the universe and everything is..."-The Hitchhiker's Guide to the Galaxy

In the Hitchhiker's Guide to the Galaxy, a supercomputer was built to find the answer to the ultimate question of life, the universe and everything. At one point, a huge crowd of people throughout the universe gathered around, waiting to hear the answer to this enormous question. The computer spoke... "I've thought this through quite carefully," it said. "The answer is 42." As people stood there bewildered, confused and somewhat irate, it knew that people were not happy with the answer... it didn't make sense to them. Finally, the supercomputer offers an explanation. "It would have been simpler, of course, to know what the actual question was."

In retirement planning, unlike what some financial commercials out there would lead you to believe... There is no "magic number." Successfully being able to secure financial freedom in retirement isn't about a specific number, it's about navigating through all of the small challenges and questions you'll face, from the time you begin saving, throughout the rest of your life. In some cases, it may even extend "beyond the grave." (For example, planning for financial support of a special needs child after you pass.)

Your investment strategy should not be based on anyone else's situation, or "financial number," except your own. And, over time, expect your situation to change... whether it be your income, your assets, your goals or even your values.

To show you that it's more than just one number, think about your future retirement income when you answer these questions:

- Will I have enough assets and income to retire initially? (two numbers that you need to get to retirement)



- How can I invest so that my income can keep pace with inflation throughout retirement? (a separate return number that you need to shoot for after you retire)
- What strategies can help minimize the volatility of my portfolio and still provide reasonable growth? (a range of numbers that help protect the swings of your portfolio)
- As economic and investment conditions change, how do I adjust my strategy to continue to get the income that I need and keep my other goals intact, too?

When investing for retirement, and throughout retirement, unlike the simple answer of “42”, the most important “math” problem you will need to solve is:

STRATEGY + RISK + EMOTION = PERSONAL RETURNS

Do you understand this equation? If you don't, that's OK. Many people either don't know it, understand it, or realize the importance of using it... investors and professionals alike. In my opinion, that's why study after study shows most money managers fail to beat the markets, and most ordinary investors do even worse! But I'm going to show you how to start to solve this problem the right way for your personal retirement plan. Using this equation correctly is what we consider a habit of successful investors... and one ignored by less successful ones!

This equation shows that your personal return is a combination of your investment strategy (e.g., growth and/or income, etc.) plus the risk that you take on in trying to achieve that strategy, plus the changes you make to your portfolio when you emotionally react to news:

- Your **investment strategy** isn't just the portfolio at your brokerage firm. It's all of your investments, including your employer-sponsored retirement plans, your IRAs, your annuities, and even your social security! Your overall strategy is important to help aim for the returns you need. This needs to be planned carefully... It's the engine that drives your retirement plan!
- **Reducing risk** to a reasonable level gives your strategy a chance to work over the long haul without the fear of devastating setbacks. Too much risk could wipe out your portfolio at the worst time. Likewise, eliminating risk will often provide returns that are too low to provide sustainable retirement income and assets.



- **Your emotion** is as important to investing as it is to an athlete in competition. If you don't tune out things that can tilt your emotion, you probably won't be able to execute your strategy very well!

In my opinion, not using this equation as a guideline for managing your investments often leads to the following errors, and reasons people don't achieve the level of investing success they expected:

- Not understanding how much income they need and how each type of investment contributes to that income.
- Letting emotion, the media, and friends get in the way of sound investment decisions.
- Not realizing the difference between luck, skill, and luck + skill.
- Not understanding how the markets really work.
- Believing they are smarter than everyone else, which is like The Gambler's Fallacy in which players believe more in their "gut" feelings than in what actually occurs.
- Being on the wrong side of the see-saw (buy high, sell low).
- Believing that "buy and hold" is the same as "buy and hold forever".
- Failing to convert a successful "accumulation" portfolio pre-retirement, into a successful "income-distribution" strategy post-retirement.
- Purchasing expensive insurance and annuities that provide benefits which could be replicated for a much lower cost and much greater flexibility.
- Not understanding how technical trends in the market can help identify opportunities and manage risk, based on behavioral finance.

In fact, there is an entire academic discipline called Behavioral Finance, which studies this specific phenomenon. For example, if we were to ask you over the course of almost 60 years, how many days has the stock market closed up vs down... what would you think? Would you be surprised to know that between 1950 and 2013, the stock market closed up just 53.7% of the time and down 46.2% of the time. In fact, in 2008, when the S&P 500 fell -37%, that year, an analysis of days up vs days down showed that the S&P 500 closed up 50.2% of the time and down 49.8% of the time! (Crestmont Research, Stock Market Yo-Yo, updated through 2014) When investing, "doing" the correct thing is much more important than "feeling" like it is correct. And as behavioral finance shows us... that's hard for many people to do. That's where the help of an advisor, like RockCrest, comes in.



STEP 8: REVIEW YOUR PLAN PERIODICALLY AND KEEP IT ON TRACK LIKE YOUR LIFE DEPENDS ON IT... BECAUSE IT DOES.

"It's not just enough to create a plan and put it in place. Even the best-laid plans experience events that require those plans to be adjusted. Updating the plan over time is critical to its long-term (lifetime) success."

Keeping your plan updated is just as important as creating it in the first place. You should review it as things change. For higher net worth clients, we recommend looking at distinct aspects of your plan two to three times a year. Doing this proactively helps ensure that the You need to be diligent and review it periodically so that you can gauge if you're still on track. A plan that is too complex is something you'll do once and stick in a drawer, never to look at again. A good retirement plan should be easy to understand, interesting to review and motivating to you. After all... it's a roadmap for your life!



That's why we think those 90+ page financial plans that look like engineering notebooks, don't work for most people. Your plan must be something that you can follow and accomplish in small steps. Yes, behind the plan are pages and pages of number crunching. But that is one of the things you hire your advisor to do. The "working copy" of your financial plan should give you a clear and easy roadmap to follow. You want something that you can measure your progress against year after year. A plan that is flexible and can adapt over time, *without recreating an entirely new 90-page plan!*



TO BEGIN YOUR JOURNEY, IT'S TIME TO CHOOSE YOUR PATH...

If you are serious about securing your retirement future, you now have a big decision to make. Should you “do-it-yourself,” use your current financial advisor (if you have one) or look for a trusted advisor and Personal Finance CEO?

Many of RockCrest Financial’s clients are certainly educated enough to do much of their own planning and investing but choose not to do it alone. We work best with clients who would much rather spend time with family, friends, and enjoying fulfillment of their goals. They want to leave the financial plan creation, monitoring, number crunching, and portfolio allocation up to a trusted professional advisor. Clients that hire us sometimes think of themselves as Chairman of the Board of their family’s finances, and to us as the Personal Finance CEO that helps execute their financial plan, coordinate all of their other professionals and make sure everyone is accountable and doing their part to help ensure success.



MY OFFER TO YOU...

“A journey of a thousand miles begins with a single step.”

*-Lao-tzu, The Way of Lao-tzu,
Chinese philosopher
(604 BC - 531 BC)*

This is your opportunity to take action. If all you do is read this guide and then put it away, you've just defeated the enormous momentum you gained just by reading it.

If you are unsure how to get started or want to explore how a trusted advisor could truly help, I'm going to try to make it as easy as possible.

We are offering a free, no-cost, no-obligation Financial Road Map. What is that? It's a free, private, one-on-one consultation in which we will personally help you start on the road to creating a solid retirement plan. If you already have a retirement plan, we will even review it with you to see if it has all five areas of personal finance covered sufficiently to help you secure financial freedom.



At your Financial Roadmap meeting, you'll gain a better understanding:

1. Where you are now, what is important to you about money (your values) and the major future goals you have which will take time and money to achieve.
2. Your current cash flow
3. Your current assets, both investment and non-investments you hold
4. Your debt situation
5. Current legal documents you have in place (or don't have in place), like wills, powers of attorney and other documents you should have to protect yourself, your assets and ultimately, the ones you love.
6. Risks to your overall plan, including insurance coverages (we don't have insurance lines and we are NOT trying to sell you ANY insurance).



One Final Word...

I'd rather you do some planning on your own, than no planning at all. However, the value you can receive by hiring an excellent Personal Finance CEO should be many times greater than the cost. From helping you develop an income plan that can last throughout retirement, to being your financial coach and trusted advisor as you face tough decisions throughout the years, we care deeply about helping people make the right decisions.

A big part of RockCrest Financial's mission is to provide the advice clients need to reach financial freedom. Please consider taking advantage of my offer of a free, personal, no-obligation Financial Road Map. We look forward to hopefully discussing your personal Financial Road Map with you soon!



ABOUT STEVEN A. BOORSTEIN, PharmD, CFP® RockCrest Financial, FOUNDER & CEO

Steve is a Certified Financial Planner™ professional, CEO and Founder of RockCrest Financial LLC, an investment advisory firm. He is also a Doctor of Pharmacy (PharmD) and stays active in the pharmacy profession.

Steve is the author of *How to Buy Your First Rental Property and Beyond* – a book that discusses the pros and cons of owning rental properties, as well as, how to evaluate potential deals from his personal experience of purchasing and managing over 24 rental units.

With his son, and fellow financial planner, Aiden Boorstein, he co-hosts, *The Personal Finance CEO* educational podcast (on most major podcast networks, like Spotify, Apple, Amazon, etc) and @personalfinanceceo on YouTube. Steve has been quoted in *TheStreet.com*, *DailyNurse.com*, *NerdWallet*, *MoneyGeek.com* and *The Stir* on topics ranging from college and retirement planning, to teaching kids about money.



“ In my free time you’ll usually find me on a boat somewhere with the family, golfing with my youngest son or with my daughter (or both if I’m lucky enough that day)... or otherwise enjoying a date with my wife.

I also spend a pretty good chunk of my free time entertaining my dog, although I think it’s supposed to be the other way around.”

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RockCrest Financial L.L.C.

RockCrest Financial is an independent, fee-only comprehensive financial planning firm. Clients hire us to be their Personal Finance CEO to help them get in the best financial health of their lives, in all five areas of personal finance, and stay that way for as long as we work together. Because we are flat-fee, we have no sales quotas, make no commissions, no proprietary products and can show many prospective high net worth clients how we can save them literally hundreds of thousands of dollars in fees, compared to advisors who charge based on Assets Under Management. We are fiduciaries and advise clients on what we truly think is best for them, with an unwavering commitment to put their needs first, ahead of our own.

To provide the highest level of service, we have committed to no more than 100 clients per advisor (unlike many firms, where each advisor may have hundreds or even over a thousand clients.) Our technology is the best-in-breed, and our small size advantage makes us able to provide not only more personalized service, but also the capability to work with other professionals on your team (accountant, attorney, insurance agents, etc.) more closely. Clients have scheduled meetings with us throughout the year and access to their advisor outside of normal business hours. We are here as your trusted advisor when you have financial issues that arise, changes in your plan and challenges you need to overcome.

The foregoing content reflects the opinions of RockCrest Financial and is subject to change at any time without notice. Content provided herein is for informational purposes only and should not be used or construed as investment advice or a recommendation regarding the purchase or sale of any security. There is no guarantee that these statements, opinions, or forecasts provided herein will prove to be correct.



What exactly does it look like when clients work with us?

Below is an excerpt of our Scope of Services for clients who want our full Personal Finance CEO service. We included one of our Scope of Services documents so you can compare it to what other advisors may offer, as well as what you might otherwise be doing on your own:

COMPREHENSIVE FINANCIAL PLANNING SERVICE - TIER 1

Thank you for considering our firm to provide you with comprehensive financial planning services. We are honored by your trust, as we move forward helping you reach your financial goals. This letter gives you important information about the work that we will do for you, how you will pay for services and products, and how we will be paid for the work that we will do for you.

You will find other important information and a description of our fiduciary obligation to act in your best interests in my firm’s Form ADV, and Financial Planning & Investment Advisory Agreement. These documents provide additional information not in this letter, including about how you will pay and how we are paid. If these documents have not already been provided, they are provided along with this letter and the advisory agreement. You should review them carefully and let us know if you have any questions.

We comply with the CFP Board’s Code of Ethics and Standards of Conduct. The Code and Standards includes a fiduciary duty, which provides that ‘At all times when providing financial advice to a client, a CFP® professional must act as a fiduciary, and therefore, act in the best interests of the client.’

AS A RESULT OF OUR WORK TOGETHER, we will help you:

- 1. Coordinate:** We are your impartial Personal Finance CEO. Most of your other professionals (accountant, attorney, insurance agents, and others necessary for your financial planning success) probably don’t work together closely on your behalf and may not even know each other. Our job as your Personal Finance CEO is to help lead and coordinate those experts so that they work together on your behalf in a synergistic, coordinated, and accountable manner. Think of us as the conductor of your financial orchestra, making sure all the players are doing their part in the right way, at the right time, for your benefit.



Consolidate and Organize: 2. We help you consolidate your financial affairs to result in fewer financial documents and paperwork, when appropriate, to help you put your entire financial house in “perfect order” and keep it that way, for as long as you work with us.

3. Receive Comprehensive Planning & Advice:

- We work with you to define your values (“what’s important to you”) and create a financial “road map” with a step-by-step strategy and written financial plan to help you achieve all of your financial goals, while fulfilling those personal values and beliefs.
- We will facilitate your setting clear goals with target dates and amounts of money needed to achieve your goals by the target dates.
- We will help you clearly understand your current situation (cash flow, debt, assets that may be used to fund your goals, and various insurance coverage) and create a vision and action plan as to where they need to be in the future, to help you achieve and/or maintain financial independence and your other goals. Our goal is to help you create a game plan of exactly what needs to be done to achieve each goal.
- You will receive proactive risk management, as we identify the risks to your plan and develop a strategy to eliminate or minimize each risk.
- You will get clear, specific, real advice, and not just suggestions regarding the action required to achieve your goals, to stay on track to achieve those goals, and to get back on track if you are not on track.
- We help you make decisions specific to your financial situation for almost everything that touches your life financially. This may include, but is not exclusive to: asset allocation, cash reserves, debt, taxes, legal documents, insurance policies, bank accounts, brokerage accounts, retirement accounts, credit cards, identity theft and cybersecurity, emergency contacts, beneficiaries, trustees, health records, electronic vault, and document storage.



- All our advice will be aligned with your most important goals and your most deeply held values.
- Through the work that we do together, our goal is to provide you with the confidence that you will reach your goals no matter what happens in the market, economy, or world.

Simplify: 4. When everything is professionally coordinated, consolidated and comprehensive, your life should be much simpler, so you can focus your time on the things that are most important and bring meaning to your life, rather than worrying about your finances.

Ensure Accountability: 5. We hold the experts you hire accountable to giving you the best advice that will help get your financial house in “perfect order” and keep it that way. We believe in transparency. You should know, at all times, what you pay us and your other professionals. We also hold you accountable to do your part. Many advisors don’t hold their clients accountable for fear of losing them as clients. You are hiring us to be honest and straightforward with you. We will have those difficult conversations with you, if necessary, to keep your goals on track. Just as most great athletes who excel at what they do have great coaches, we are here to help coach you to financial success

As applicable:

- We work with your attorneys to create the documents you need to protect your financial planning goals and estate, including updates as your situation changes.
- We work with your accountant/tax advisor to help understand your options, create optimal tax-efficient scenarios for your financial situation, and avoid “surprises” when it’s time to file your tax returns.
- We work with your insurance agents to review your property & casualty, disability, long term care, life, health, and other risks to help ensure they protect your plan the way you intend at a cost that is competitive.
- We work with other professionals surrounding your finances (mortgage, bankers, investment managers, etc.) to help ensure their products and services fit into your comprehensive financial plan.
- As we learn more about your needs, we may discover that you don’t have these professionals in place, or don’t like those you currently use. We also may be able to recommend professionals to provide those services.



Who is this service best for?

Our service is extensive and meant for clients who value a comprehensive relationship, based on values, trust and delegation.

What does it look like to work with us?

Our approach is to help provide you with what we consider, "Comprehensive Financial Planning," as detailed in the "AS THE RESULT OF OUR WORK TOGETHER" section above. This includes in all five areas of personal finance:

1. **FINANCIAL PLANNING:** We help you create an overarching financial plan based on your values and goals. We will adjust it over time as things change, and help you stay on track to reach all of your goals.
2. **TAX STRATEGY:** We evaluate the plan with an eye towards tax-efficiency and will work with your accounting professional throughout our engagement with you to help ensure the financial plan is as tax efficient as practical for your situation.
3. **ESTATE PLANNING:** We help you identify both simple and complex estate planning issues in your plan, how to correct them, and will work with your attorney to help ensure your estate plan coordinates with your values and overarching financial plan.
4. **INVESTMENT MANAGEMENT:** We will help manage your assets on an ongoing basis to help you reach your financial planning goals. Discretionary assets are those that you would like us to directly manage. Non-discretionary assets are those which we do not directly manage but provide advice on to help ensure they are positioned appropriately in the financial plan. In providing investment management, we will help you develop your investment goals and strategies that are consistent with your financial planning goals. For assets that we directly manage for you on a discretionary basis, you will have access to account statements, fee statements, various portfolio reports and performance through the custodian where the assets are held and through our firm's client portal. We will monitor these accounts and when appropriate, update your goals, our recommendations, and the selection of the actions, products, and services we have recommended.
5. **STRATEGIES TO REDUCE RISK:** We will help you evaluate your insurances to make sure they sufficiently protect your overarching plan. This may include life, health, auto, home, umbrella liability, long-term care, disability, and other insurances you have or need. We will also evaluate risks to the plan, including the need for principal protection of the investment portfolio, cybersecurity, general asset protection and other risk strategies.



Initial Meeting-understanding more about you, your values and your goals.

In our initial meeting we will normally help you better define your values. We will relate those values to the specific financial goals that you have, and understand more about your financial situation, and lifestyle. This meeting usually takes place within the first two weeks of our working together. We use this information, along with more extensive information and documents we gather from you, to create the initial strategic financial plan that we target to be completed within 45 days.

The Implementation Meeting: This is the action plan meeting where we look at the first draft of the completed plan and discuss specific actions that need to be taken and implemented to help you achieve your specific goals. We will update that draft, as we clarify and discuss the plan. By the end of this meeting, our goal is to have a plan that you feel motivates you and reflects your values and goals. It is important to note that we personally always feel that your financial plan is in “draft” form. Your life, the markets, and the world are constantly changing. Your plan should be flexible enough to change with it. So, no plan is ever “final.” It can always be modified to suit your current and future needs.

The Initial Progress Update Meeting: This meeting is targeted for 45 days after the Implementation Meeting and gives us a chance to discuss the progress of the action plan items, identified in the Implementation Meeting. We identify what was completed and what still needs to be done, with specific timelines and goals for each item remaining.

Ongoing Service: Our client service schedule is generally three meetings per year, with a target date of about every four months. Although the agenda of any particular meeting may be modified to cover specific issues that come up, over the course of the year the meetings include:

- **The Comprehensive Safety Review:** Looks at significant risks to your plan
- **The Goal Progress Outlook:** Measures your progress against your goals
- **The Comprehensive Plan Update:** Updates your comprehensive lifetime written financial plan



We use sophisticated, state-of-the-art financial planning software. Your financial plan is “live” and able to be accessed online by you through your personal client portal. You also can view and print out your financial plan by accessing the client portal. As long as your accounts remain linked to the software data feed, account values and investments are updated frequently

Since you can print a hard copy of your financial plan or download an electronic version, RockCrest does not routinely print out hard copies of your plan. We may periodically save a current electronic version of your plan each time significant changes are made, usually for future comparison so that we can benchmark your current situation and help track your current situation and goals compared to previous plans.

We believe strongly that a financial plan is only part of the financial planning that we provide. Your life is not about a static written or electronic document. It is about how your financial choices align with your most important goals and deeply held values. Throughout the process, we help provide comprehensive financial planning services that coordinate, consolidate, and simplify your financial life, while providing accountability... so you can enjoy life better.

We are a fiduciary advisor that is required to put your interests first, above our own. If a conflict of interest exists between our interests and yours, you are under no obligation to act upon our recommendation. We have tried to eliminate conflicts of interest, but if we do identify one, we will fully disclose this to you. If you elect to act on any recommendation that we make, you are under no obligation to affect the transaction through us.

How You Will Pay for Services and Products

My firm's Form ADV, and Financial Planning & Investment Advisory Agreement include more information about how you will pay for products and services. We have provided these documents. You can also access them online. We will help you understand the fees you will pay and the cost of any services and products we recommend. Let us know if you have any questions.

You will pay a flat-fee that is inclusive of both the financial planning and investment management that we provide. This advisory fee is quoted as an annual cost and paid monthly (1/12th of the annual cost) in advance of the month).

- The advisory fee covers our costs to provide comprehensive financial planning services and investment management services. We do not charge an additional fee for our investment management services above the flat fee. Clients normally pay by either ACH, debit, or credit card. In some cases, some or all of the fee may be able to be deducted from advisory accounts that we manage for you on a discretionary basis. There are additional details in the Investment Advisory Agreement. You should review that agreement carefully and let us know if you have any questions.



- **If you invest in mutual funds and exchange-traded funds (ETFs), then you will pay fees and expenses to third parties.** In addition to the advisory fee you pay us, these products have operating expenses and ongoing fees. Mutual fund and ETF fees and expenses can include investment management fees and shareholder service fees.
- **You will pay fees and expenses to the firm that holds (maintains custody of) your assets.**
- **You will pay fees and expenses whether you make or lose money on your investments. Fees and expenses paid from within these accounts will reduce the amount you earn on your investments.**

You may pay fees to independent third-party investment managers if they are utilized to help manage specific investment strategies in your portfolio.

Material Conflicts of Interest

We have a conflict of interest whenever we have interests that are different from yours. Conflicts can affect the recommendations we give you. When we have a conflict, we will tell you. You can find more information about our conflicts of interest in my firm’s Form ADV, and Financial Planning & Investment Advisory Agreement. We have policies and procedures designed to help manage conflicts. We will always work in your best interests.

- **The ways you pay us create conflicts of interest.** We have a financial incentive to help provide comprehensive financial planning and charge a flat-fee. However, we feel our model reduces the conflict of interest many firms have in charging an asset-based fee, in which they have a financial incentive to recommend you transfer assets to them, resulting in more assets, and potentially a higher fee. We also feel that by charging a true flat-fee we have eliminated many conflicts of interest. Our goal is to help you in almost every aspect of personal finance, whether we directly manage some, all, or none of your assets.
- **If we provide other services to you in the future, there may be different conflicts.** When we have a conflict of interest, we will tell you about it.

If you are concerned about a conflict of interest and how it might affect your accounts, please talk to us about it.



Your Responsibilities

It is **your responsibility** to update the information you have given us about your personal and financial circumstances. You will be sent account reports as legally required by the custodian. Most broker/dealers will send statements monthly, annuity companies may send statements annually, etc. You also can access the reports online. You should review these documents carefully. Let us know if you want to talk about the information in these documents.

Timing of the Engagement

Our engagement will continue until one of us decides to change or end it. If you decide to change or end the engagement, you should do so in writing (mail or email) and provide us with 30 days' notice. We can do the same, but we will tell you in writing. Please see my firm's Form ADV and Financial Advisory Agreement for specific information.

Your Personal Information

Our firm has adopted and implemented policies about protecting and sharing your non-public personal information. We have provided you with our privacy policy.

Public Disciplinary and Bankruptcy History

None of our advisors have public disciplinary or bankruptcy history with any state Bureau of Securities, the Securities and Exchange Commission ("SEC") or the Certified Financial Planner Board of Standards, Inc. You can verify this at <https://adviserinfo.sec.gov/andcfp.net/verify>.

All investing involves risk, including the potential for loss of principal. There is no guarantee that any investment strategy or plan will be successful.

