



CORPORATE COACHING PROGRAM

# FINANCIAL WORKBORK

*Redefining Your Finances*

POWERED BY



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## WORKBOOK OVERVIEW

This workbook was designed to help you rethink your finances to better strategize and plan for your future goals and aspirations – both financial and personal. We have created this workbook to first help you analyze your current financial situation and then to give you strategies and advice to improve upon it. As you go through the varied sections, be sure to make note of areas that have not been fully developed. The purpose of completing this packet is to ensure that whatever your goals may be in life, that your finances are assisting you in reaching those goals.

*“Money is a tool. It will take you wherever you wish, but it will not replace you as the driver.”*

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## FINANCIAL REVIEW

As truthfully as possible, answer the below questions. Remember, this process is for your benefit and to help you think about some of the financial areas you may not have considered until now.

	YES	NO
Do you believe financial planning is important for personal and professional growth?	<input type="checkbox"/>	<input type="checkbox"/>
Do you concern yourself with finances on a regular basis?	<input type="checkbox"/>	<input type="checkbox"/>
Do you feel as if you have a handle on your cash flow?	<input type="checkbox"/>	<input type="checkbox"/>
Do you think there is more that you can do from a financial planning perspective?	<input type="checkbox"/>	<input type="checkbox"/>
If you were laid off today, would you feel comfortable financially?	<input type="checkbox"/>	<input type="checkbox"/>
Do you have an emergency fund?	<input type="checkbox"/>	<input type="checkbox"/>
Are you saving for retirement?	<input type="checkbox"/>	<input type="checkbox"/>
Are you saving for financial goals? (i.e. a home, children's college, etc.)	<input type="checkbox"/>	<input type="checkbox"/>

## FROM THESE QUESTIONS, REFLECT ON YOUR CURRENT FINANCIAL SITUATION.

What stuck out to you? What concerns you? What do you think you need to work on?

## FINANCIAL REFLECTION: THE 5WS

**Who** do you have on your financial team? Do you have trusted advisors or trusted confidants who you can turn to for advice?

**What** would your next short-term “money-milestone” be (i.e. paying off credit card debt, increasing your retirement savings, buying a house, etc.)?



**When** would you realistically be able to reach that milestone? Have you done any planning around it to determine when its feasibly possible?

**Where** do you want to be in 10 years? Describe your life in as much detail as you can. Can you name five action items you can take this year to lead you to your goal?

- 1.
- 2.
- 3.
- 4.
- 5.

**Why** did you answer the above question the way you did? What is driving your life's motivation?





## HOW WELL DO YOU KNOW YOUR FINANCES?

Using the information below, chart your household balance sheet by listing your varied assets and liabilities. This exercise is to help you think about some of the specifics to your everyday financial accounts.

### ASSETS

Bank Account: _____	Value: _____	Interest Rate Received: _____
Bank Account: _____	Value: _____	Interest Rate Received: _____
Bank Account: _____	Value: _____	Interest Rate Received: _____
401 (k) / Current Retirement Plan: _____	Value: _____	Investment Strategy: _____
401 (k) / Current Retirement Plan: _____	Value: _____	Investment Strategy: _____
IRA / Personal Retirement Plan: _____	Value: _____	Investment Strategy: _____
IRA / Personal Retirement Plan: _____	Value: _____	Investment Strategy: _____
Non-Retirement Investment Account: _____	Value: _____	Investment Strategy: _____
Non-Retirement Investment Account: _____	Value: _____	Investment Strategy: _____
Non-Retirement Investment Account: _____	Value: _____	Investment Strategy: _____
Primary Residence: _____	Value: _____	Investment Rate + Term: _____
Rental Property: _____	Value: _____	Investment Rate + Term: _____
Other Investment Account/Asset: _____	Notes: _____	
Other Investment Account/Asset: _____	Notes: _____	

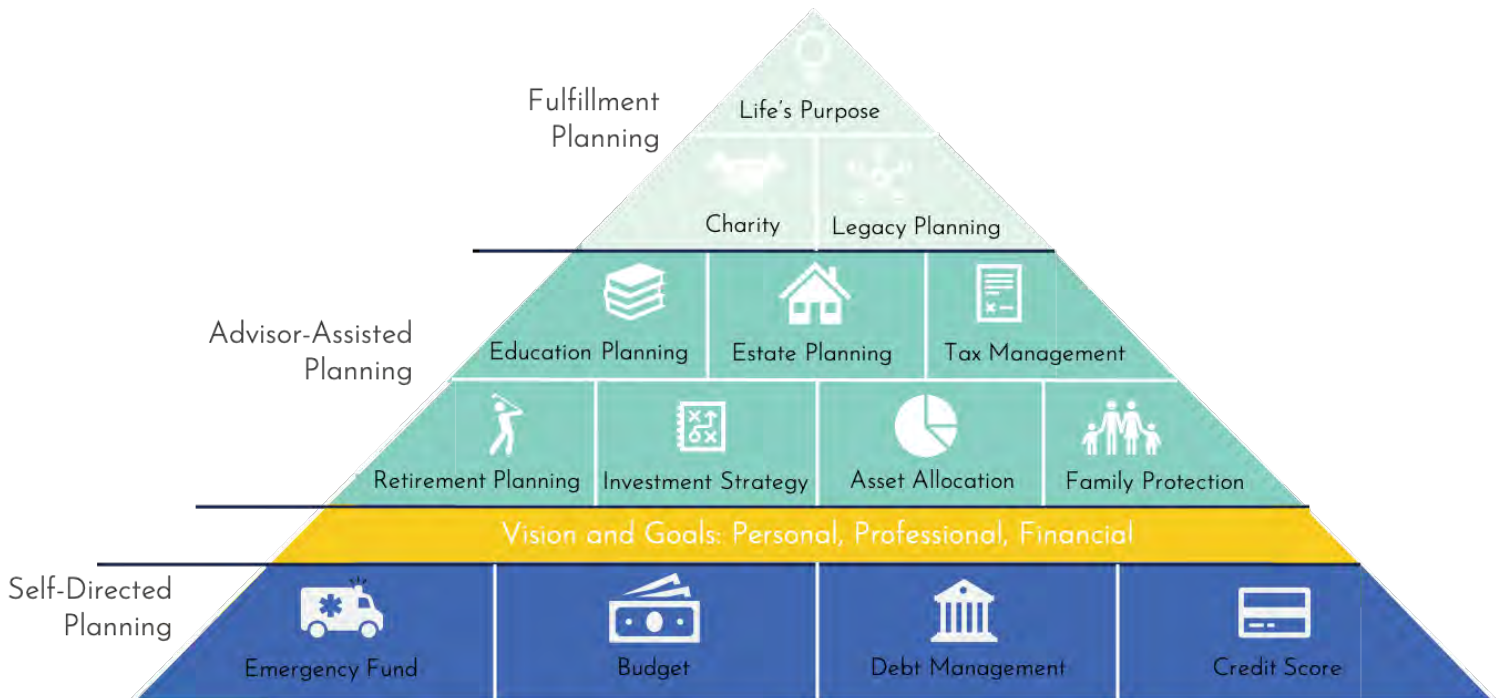




## LIABILITIES

Car Loan / Lease: _____	Outstanding Balance: _____	Interest Rate: _____
Car Loan / Lease: _____	Outstanding Balance: _____	Interest Rate: _____
Credit Card: _____	Outstanding Balance: _____	Interest Rate: _____
Credit Card: _____	Outstanding Balance: _____	Interest Rate: _____
Credit Card: _____	Outstanding Balance: _____	Interest Rate: _____
Credit Card: _____	Outstanding Balance: _____	Interest Rate: _____
Line of Credit: _____	Outstanding Balance: _____	Interest Rate: _____
Other: _____	Notes: _____	

## PYRAMID OF PLANNING





## 8 SIGNS YOU ARE GOOD WITH MONEY

- You have an emergency fund
- You have a steady flow of income
- You know how much you spend
- You can pay your bills on time
- You can buy the things you want
- You plan ahead for a major purchase
- You are saving money
- You invest to make more money



## EMERGENCY FUND

An emergency fund is a bank account with money set aside to cover large, unexpected expenses, such as: unforeseen medical expenses, home-appliance repair, major car fixes, and costliest of all - unemployment. The rule of thumb is to have 3-6 months of cash set aside in an emergency fund.

	YES	NO
Do you have an emergency fund?		
Is your emergency fund separate from your day-to-day checking account?		
Are you receiving interest on your emergency fund?		

How much money do you have in your emergency fund? (investment accounts not included)

\_\_\_\_\_

How long would your emergency fund last if you stopped earning income today?

\_\_\_\_\_

## STEPS TO DEVELOPING AN EMERGENCY FUND

- Open a savings account separate from your day-to-day spending account. Preferably a high-yield savings account.
- Maintain 1.5 to two months worth of expenses in your checking account and move the rest into your emergency fund account.
- Determine the amount you would like to have within your emergency fund.
- Review your monthly cashflow for excess and schedule deposits from your checking into your emergency fund account on a bi-weekly or weekly basis to fund the account.
- If cashflow is tight, consider the following strategies to develop your emergency fund:
  - o Reevaluate budget and cut out unnecessary expenses
  - o Look around your house and sell unused items
  - o Find one-time income opportunities



## BUDGETING

	YES	NO
Do you have a budget?		
Do you know how much you're spending on a monthly basis?		
Do you save money regularly?		
Do you know how much you're saving on a monthly basis?		

### STEPS TO DEVELOPING A BUDGET

**Step 1 - Make Note of Your Net Income.** Your net income is your final take-home pay after all taxes and deductions. An easy way to determine your net income is to multiply your income on your paycheck (the final amount that gets paid out to you) by the amount of paychecks you receive in one year. Try not to account for income that isn't guaranteed (i.e. a bonus).

**Step 2 - Track your Spending.** It's important to know how much money you have coming in and going out. First, use the attached "Expense Worksheet" on the following page to get an idea for your overall expenses. Secondly, backdate the last few months of expenses to determine your true expenditures. Compare your on-paper budget to your actual spending to determine if you have accurately forecasted your spending. Consider using budgeting apps like Mint or PersonalCap. And lastly, when analyzing your expenses, be sure to note one-time yearly expenses – property taxes being an example for some.

**Step 3 – Analyze Where you Want to Be.** This step should coincide with your holistic financial plan. Determine your goals in life, both financial and non-financial, and analyze how your budget plays a role in reaching those goals.

**Step 4 – Make a Plan for Adjustments.** Determine what changes need to be made in your spending, if any, to help with your overall financial goals. Tracking your expenses may have helped you determine your fixed vs. variable expenses, which will help you determine which spending categories can be adjusted.

**Step 5 – Finalize Budget and Keep Checking In.** It's important to continuously review your budget after developing it. Utilizing budgeting apps or self-tracking will help, but its important to reflect on your spending and to determine if you are following the road map you developed for yourself. Be aware this process does not happen overnight. It will take weeks, if not months to properly determine your true expenses and spending habits, as well as to develop realistic goals.





## EXPENSE WORKSHEET

<b>ANNUAL INCOME</b>	Income		<b>SPOUSE ANNUAL INCOME</b>	Income	
	Other Income			Other Income	

<b>HOUSING</b>	<b>Monthly</b>	<b>Annual</b>
Mortgage or Rent		
Phone		
Electricity		
Gas		
Water and Sewer		
Cable		
Waste Removal		
Maintenance or Repairs		
Supplies		
Other		
<b>Total</b>		

<b>FOOD</b>	<b>Monthly</b>	<b>Annual</b>
Groceries		
Dining out		
Other		
<b>TOTAL</b>		

<b>PETS</b>	<b>Monthly</b>	<b>Annual</b>
Food		
Medical		
Grooming		
Toys		
<b>Total</b>		

<b>TRANSPORTATION</b>	<b>Monthly</b>	<b>Annual</b>
Vehicle Payment		
Bus/Taxi Fare		
Insurance		
Licensing		
Fuel		
Maintenance		
Other		
<b>Total</b>		

<b>PERSONAL CARE</b>	<b>Monthly</b>	<b>Annual</b>
Medical		
Hair/Nails		
Clothing		
Dry Cleaning		
Health Club		
Organization Dues or Fees		
<b>Total</b>		

<b>INSURANCE</b>	<b>Monthly</b>	<b>Annual</b>
Home		
Health		
Life		
Other		
<b>Total</b>		

<b>TAXES</b>	<b>Monthly</b>	<b>Annual</b>
Federal		
State		
Local		
Other		
<b>Total</b>		



ENTERTAINMENT	Monthly	Annual
Kid Activities		
Digital Subscriptions		
Movies		
Concerts		
Sporting Events		
Live Theatre		
Travel/Vacations		
Hobbies		
Other		
<b>Total</b>		

LOANS	Monthly	Annual
Personal		
Student		
Credit Card		
Credit Card		
Credit Card		
Other		
<b>TOTAL</b>		

SAVINGS OR INVESTMENTS	Monthly	Annual
Retirement Account		
Investment Account		
Other		
<b>Total</b>		

GIFTS + DONATIONS	Monthly	Annual
Charity 1		
Charity 2		
Charity 3		
<b>Total</b>		

LEGAL	Monthly	Annual
Attorney		
Alimony		
Lien/Judgment Payments		
Other		
<b>Total</b>		

TOTAL	Monthly	Annual



## DEBT + CREDIT

Debt can help or hurt you. Generally, debt can be categorized into two categories: “good debt” and “bad debt”. Good debt is defined as debt that helps build wealth or helps maintain your wealth. An example would be debt used to purchase a home. Credit cards and other consumer debt usually can be lumped into the “bad debt” category. Using credit to purchase goods you otherwise couldn’t afford, with homes excluded, tends to be the primary reason people accrue “bad debt”.

	YES	NO	RATE
Do you have mortgage debt? If so, what is your interest rate?			
Do you have auto debt? If so, what is your interest rate?			
Do you have outstanding credit card balances? If so, what are your interest rates?			
Do you know your credit score?			
Do you know the importance to your credit?			

## GOOD DEBT

**Student Loans:** Can increase your future earnings through more opportunities.

**Mortgages:** Purchasing a home builds equity with the opportunity for growth. Rental properties are a strategy to produce income while building equity.

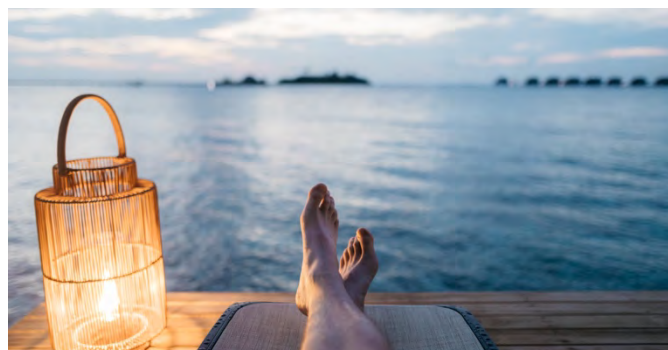
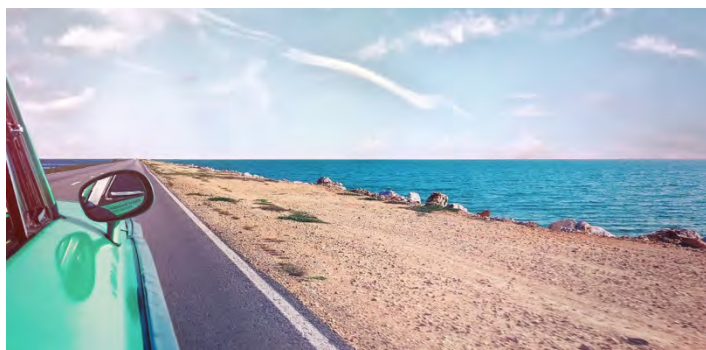
**Business Loans:** Can be used as seed capital for a small business or a growing business.

## BAD DEBT

**Credit Cards:** This is the primary debt people struggle with, and interest rates are outrageously high.

**Consumer Debt:** Examples include payday loans, personal loans, and certain lines of credit.

**Car Loans\*:** Car loans can be considered bad debt when the individual buys more cars than they should be purchasing.





## DEBT PAYOFF + CREDIT IMPROVEMENT

For some, the snowball method is a great way to maintain momentum and get little victories while you slowly spend down your debt, while the avalanche method can often result in lower payments over time. While the methods aren't identical, both will drastically improve your financial position as bad debt can slowly build with interest owed, resulting in a debt balance that cannot be controlled.

### Snowball Method

1. List out all your debts in order of debt size, smallest to largest
2. Make minimum payments on everything except the first debt (the one with the smallest balance)
3. Pay extra on your smallest debt
4. Move on to the next-smallest debt after paying off the first
5. Repeat until all debt is paid off

### Avalanche Method

1. List out all your debts in order from the largest to smallest interest rate
2. Make minimum payments on everything except the first debt (the one with the largest interest rate)
3. Pay extra on your first debt with the largest interest rate
4. Move on to the debt with the second highest interest rate
5. Repeat until all debt is paid off

## STRATEGIES TO IMPROVE CREDIT

- Pay all your bills on time
- Pay off debts and keep your credit card balances low
- Avoid opening unnecessary credit card accounts
- Do not close credit cards that you are no longer using
- Review your credit history and dispute any inaccuracies
- Raise your credit limits (as long as this doesn't cause you to overspend)



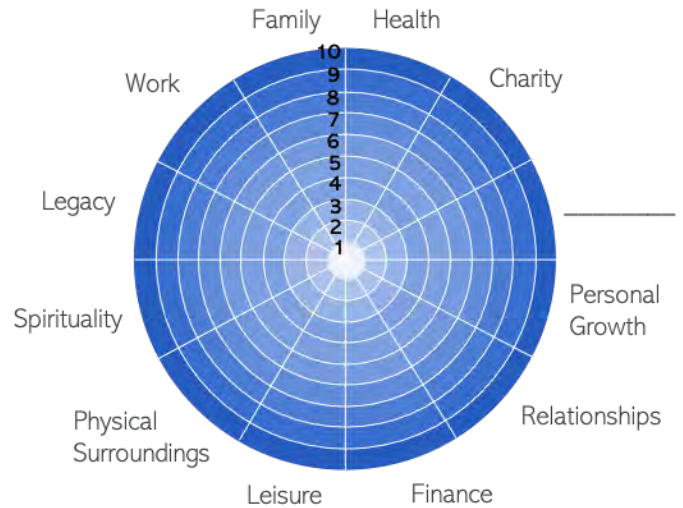


## LIFE WHEEL VALUATION TOOL

*From return on investment to return to life*

Effective financial planning enables people to get the most out of their life with the money they have. While Return on Investment (ROI) is a measure often used to measure *how* we invest, Return on Life (ROL) is the *reason* we invest. Completing your Life Wheel will help you better understand your aspirational goals and will help set the stage for how best to plan/allocate your financial resources to improve your quality of life.

Take a moment to rate your current "satisfaction level" in each of the following areas (1 is least satisfied, 10 is most satisfied). Once complete, plot your answers on the attached wheel.



_____ Family	_____ Leisure
_____ Health	_____ Physical Surroundings (e.g. office, home)
_____ Charity	_____ Spirituality
_____ Personal Growth	_____ Legacy
_____ Relationships	_____ Work
_____ Finance	_____ Other

## QUESTIONS TO CONSIDER

Which area(s) would you like to improve over the next year?

What specific steps can you take to improve in your focus area(s)?

What is getting in the way of improving your focus area(s)?

What additional resources do you need to improve in your focus area(s)?

What tradeoffs are you willing to make in the other areas of your life to improve your focus area(s)?

How will progress in your focus area(s) improve your overall quality of life?





## VISION + GOALS

As you complete this workbook, it should have helped you identify areas within your life currently that may need to be adjusted or developed. Using this page, think about your goals that coincide with your financials, from both a long-term and short-term perspective.

Do you feel like you have your base financial planning in order?

Is there work you can do now to better position yourself for the future?

What are your short (1-2 years) and long-term (2-10 years) goals? What is your long-term vision? Use the space to the right to write them down.

What are your next steps?

## BOOK YOUR FIRST CALL

Great job taking your first steps toward financial health! Now that you've completed this workbook, it's time to schedule a call with Luke Yengo, your financial advisor. His contact information and Calendly link are listed below.

**Luke Yengo**

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