



Financial Needs Analysis

Joe and Jane Coastal Member

**1000 St Albans Drive
Raleigh NC 27609**

Presented by:

Coastal Advisor

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Introduction

When thinking about your future financial security, it is important to set goals, initiate action, and periodically review your progress.

Remember...a sound financial strategy can be more important than a lifetime of work!

This analysis uses the information you have shared about your current financial situation and your goals for the future.

The following pages analyze your needs:

- *In the event of death*
- *For your retirement years*
- *For long-term care*

Understanding your needs



...can help reach your goals.

Important Note...

This illustration is based on the information you provided with regard to your financial needs and objectives. It is intended to provide only broad, general guidelines which may be helpful in assessing and making decisions about financial products (such as securities or insurance) and services available to you that may help meet those needs and objectives. This material may also contain general educational topics about investing and financial matters. It is most important that you understand that your actual experience will differ from this illustration. That is why you should reassess your situation with updated data and assumptions on a periodic basis.

This illustration estimates future asset values based on rates of return provided by you. It is not intended to be investment advice or a projection of future investment performance. No one can foresee the future and, it is not a projection of the potential return of any investment, nor is it a projection of future inflation rates or the state of the world or domestic economy. You should seek the guidance of a financial or investment professional before proceeding with an investment decision.

Although this illustration may contain income tax calculations and legal concepts, it does not constitute tax or legal advice. The application of some concepts may be considered practicing law and should, therefore, be handled by an attorney, while other concepts may require the guidance of a tax or accounting advisor.

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In creating the illustration certain assumptions were made with respect to investment returns, the economy, and your situation. The reports and graphics included are directly dependent on the quality and the accuracy of the data and assumptions (including rates of return) furnished by you.

Where future rates of return are assumed, these returns do not reflect the fees and charges associated with investments, which would reduce the results. You are encouraged to review and consider performance information, which you can request from your investment professional, for the mutual funds and other securities that may be referenced in this material when assuming any future rates of return. Keep in mind that past performance is not a guarantee of future results. A current prospectus must be read carefully when considering any investment in securities.

No liability is assumed resulting from the use of the information contained in this financial illustration. Responsibilities for financial decisions are assumed by you.

Personal Information Summary

This financial needs analysis report is based on the information and assumptions you provided.

Personal Data

Name	Date of Birth	Contributing to Social Security	Annual Employment Income
Joe Coastal Member	7/1/1960	Yes	\$85,000
Jane Coastal Member	7/1/1960	Yes	\$110,000

Married: Yes

Address

1000 St Albans Drive
Raleigh, NC 27609

Phone:

E-Mail

Occupation

Joe:	IBM Programmer	Jane:	Quintiles Project Manager
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Bank Accounts and Investments

Owner	Account Name	Asset Name	Ticker	Amount	Rate of Return	Monthly Savings	Savings Increase	Asset Class
Both		Coastal Go Green		\$10,000	2.25%	\$0	0.00%	Unclassified
Both		Coastal Go Green money Market		\$25,000	1.00%	\$0	0.00%	Unclassified
Both		Investment Account		\$70,000	6.00%	\$0	0.00%	Unclassified
Joe		IBM Stock		\$125,000	6.00%	\$0	0.00%	Unclassified
Total.....		\$230,000						
Monthly Savings.....		\$0						
Average Rate of Return.....		5.29%						

Retirement Funds

Owner	Account Name	Asset Name	Ticker	Amount	Rate of Return	Monthly Savings	Savings Increase	Company Match	Asset Class
Jane		Coastal Roth IRA		\$25,000	0.65%	\$0	0.00%	\$0	Unclassified
Jane		Quintiles 401(k)		\$350,000	6.00%	\$500	0.00%	\$375	Unclassified
Joe		Coastal Traditional IRA		\$45,000	0.65%	\$0	0.00%	\$0	Unclassified
Joe		IBM 401(k)		\$400,000	6.00%	\$533	0.00%	\$533	Unclassified
Total.....		\$820,000							
Monthly Savings.....		\$1,033							
Average Rate of Return.....		5.54%							

Assets and Liabilities

Type	Name	Market Value	Current Liability	Monthly Payment	Interest Rate
Residence	Residence	\$350,000	\$100,000	\$1,200	4.00%
Personal Property	Autos	\$30,000	\$15,000	\$0	0.00%
Personal Property	Personal Effects	\$20,000	\$0	\$0	0.00%
Credit Cards & Personal Loans	Home Equity Line of Credit	\$0	\$15,000	\$350	4.25%

Continued...

Other Income Sources

Name	Description	Amount	Monthly/ Lump Sum	Begins at Age	Ends at Age	Annual Increase	Today's Value/ Future Value	Available for Survivors
Joe	IBM Pension	\$2,000	Monthly	60	95	0.00%	Future	Yes

Needs In The Event Of Death

Income Needs Objective

No children at home: \$8,125 per month (50.00%)

Age to begin Survivor's Social Security Retirement Benefits 67

Provide Income for Lifetime

Retirement Needs

	Joe	Jane
Desired Retirement Age	60	60
Social Security Retirement Benefits Begin Age	62	62
Employer Offers Retirement Plans	Yes	Yes
Maximum amount being contributed	No	No
Monthly Need (in today's dollars)		
Phase 1	\$8,400	60

Long-Term Care

Estimated monthly long-term care costs: \$5,000

Assumptions Used In This Analysis

<i>Rate of Return on Assets</i>	
During Retirement.....	5.00%
In the Event of Death.....	6.00%
<i>Number of month's income to set aside for emergency reserves.....</i>	
	3
Long-term inflation rate.....	3.00%
Social Security inflation rate.....	2.50%
Long-term inflation rate for College Costs.....	5.00%
Life expectancy age.....	95
Final Expenses.....	\$10,000

Net Worth

Assets	Owner	ROR	Market Value
<i>Bank Accounts and Investments</i>			
Coastal Go Green	Both	2.25%	\$10,000
Coastal Go Green money Market	Both	1.00%	25,000
Investment Account	Both	6.00%	70,000
IBM Stock	Joe	6.00%	125,000
<i>Retirement Plans</i>			
Coastal Roth IRA	Jane	0.65%	25,000
Quintiles 401(k)	Jane	6.00%	350,000
Coastal Traditional IRA	Joe	0.65%	45,000
IBM 401(k)	Joe	6.00%	400,000
<i>Residence</i>			
Residence	Both	--	350,000
<i>Personal Property</i>			
Autos	Both	--	30,000
Personal Effects	Both	--	20,000
Total Assets			\$1,450,000

Liabilities	Owner	Interest Rate	Liability Value
<i>Residence</i>			
Residence	Both	4.00%	(100,000)
<i>Personal Property</i>			
Autos	Both	N/A	(15,000)
<i>Credit Cards & Personal Loans</i>			
Home Equity Line of Credit	Both	4.25%	(15,000)
Total Liabilities			(\$130,000)

Net Worth			\$1,320,000
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Retirement Needs Analysis Detail

Income Objective			
	Annual Need (Today's Dollars)	Annual Need (Future Dollars)	Capital Value at Retirement
At Joe's Age 60	\$100,800	\$116,855	\$2,939,148
Total Value of Income Objective			\$2,939,148

Income Sources						
Income Sources	Payment In Today's Dollars	From	To	COLA	First Year's Payment	Capital Value at Retirement
Joe's Social Security	\$19,899	62	95	2.50%	\$23,654	\$483,390
Jane's Social Security	22,374	62	95	2.50%	26,596	543,507
IBM Pension	--	60	95	0.00%	24,000	403,545
Total Income Sources						\$1,430,442

Capital Needed to Meet Objectives	\$1,508,706
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Capital Available						
Account Name/ Asset Name	Market Value	Assumed Rate of Return	Total Annual Contribution	Assumed Savings Increase	Capital Value at Retirement	
Coastal Roth IRA	\$25,000	0.65%	\$0	0.00%	\$25,823	
Quintiles 401(k)	350,000	6.00%	10,500	0.00%	529,475	
Coastal Traditional IRA	45,000	0.65%	0	0.00%	46,482	
IBM 401(k)	400,000	6.00%	12,792	0.00%	609,723	
Coastal Go Green	10,000	2.25%	0	0.00%	11,177	
Coastal Go Green money Market	25,000	1.00%	0	0.00%	26,275	
Investment Account	70,000	6.00%	0	0.00%	93,676	
IBM Stock	125,000	6.00%	0	0.00%	167,278	
Total Capital Available						\$1,509,908

Capital Surplus	\$1,202
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Assumptions	
Inflation	3.00%
Rate of Return for Assets during Retirement	5.00%
Mortality assumed for Joe and Jane	95 / 95

Your Retirement Timeline

				Beginning Balance:		\$1,509,908
<i>Ages</i>	<i>Annual Income Desired</i>	<i>Social Security</i>	<i>Other Income</i>	<i>Income Surplus/ (Shortage)</i>	<i>Investment Growth</i>	<i>Asset Balance</i>
60/60	\$116,855	\$0	\$24,000	(\$92,855)	\$72,999	\$1,490,053
61/61	120,360	0	24,000	(96,360)	71,912	1,465,605
62/62	123,971	50,250	24,000	(49,721)	71,944	1,487,827
63/63	127,690	51,506	24,000	(52,184)	72,989	1,508,631
64/64	131,521	52,794	24,000	(54,727)	73,960	1,527,864
65/65	135,467	54,114	24,000	(57,353)	74,851	1,545,362
66/66	139,531	55,466	24,000	(60,064)	75,654	1,560,952
67/67	143,717	56,853	24,000	(62,864)	76,358	1,574,446
68/68	148,028	58,274	24,000	(65,754)	76,955	1,585,646
69/69	152,469	59,731	24,000	(68,738)	77,435	1,594,343
70/70	157,043	61,225	24,000	(71,819)	77,787	1,600,311
71/71	161,754	62,755	24,000	(74,999)	77,999	1,603,311
72/72	166,607	64,324	24,000	(78,283)	78,061	1,603,090
73/73	171,605	65,932	24,000	(81,673)	77,959	1,599,375
74/74	176,753	67,580	24,000	(85,173)	77,679	1,591,882
75/75	182,056	69,270	24,000	(88,786)	77,207	1,580,303
76/76	187,518	71,002	24,000	(92,516)	76,528	1,564,315
77/77	193,143	72,777	24,000	(96,366)	75,625	1,543,574
78/78	198,938	74,596	24,000	(100,341)	74,481	1,517,714
79/79	204,906	76,461	24,000	(104,445)	73,078	1,486,347
80/80	211,053	78,373	24,000	(108,680)	71,396	1,449,063
81/81	217,384	80,332	24,000	(113,053)	69,414	1,405,425
82/82	223,906	82,340	24,000	(117,566)	67,111	1,354,970
83/83	230,623	84,399	24,000	(122,224)	64,463	1,297,208
84/84	237,542	86,509	24,000	(127,033)	61,446	1,231,621
85/85	244,668	88,671	24,000	(131,997)	58,033	1,157,657
86/86	252,008	90,888	24,000	(137,120)	54,197	1,074,734
87/87	259,568	93,160	24,000	(142,408)	49,909	982,234
88/88	267,355	95,489	24,000	(147,866)	45,137	879,505
89/89	275,376	97,877	24,000	(153,499)	39,849	765,855
90/90	283,637	100,324	24,000	(159,314)	34,010	640,551
91/91	292,146	102,832	24,000	(165,315)	27,584	502,820
92/92	300,911	105,402	24,000	(171,508)	20,531	351,842
93/93	309,938	108,037	24,000	(177,901)	12,810	186,751
94/94	319,236	110,738	24,000	(184,498)	4,378	6,631

Long-Term Care

What is long-term care? Long-term care goes beyond medical care and nursing care to include all the assistance you could need if you ever have a chronic illness or disability that leaves you unable to care for yourself for an extended period of time. You can receive long-term care in a nursing home, assisted-living facility, or in your own home. Though older people use the most long-term care services, a young or middle-aged person who has been in an accident or suffered a debilitating illness can also need long-term care.

Are you likely to need long-term care? About 70% of people over age 65 will require some type of long-term care services during their lifetime. More than 40% will need care in a nursing home. Since there is a good chance that you might need long-term care services at some point, it is important to explore your options and plan ahead.

What does long-term care cost? Long-term care can be very expensive and the real amount you will spend depends on the level of services you need and the length of time you need care. In 2012, the average costs for one year in a nursing home were \$81,030 for a semi-private room and \$90,520 for a private room.

Who pays the bills? For the most part, the people who need the care pay the bills. Individuals and their families pay about one-third of all nursing home costs out-of-pocket. Generally, long-term care isn't covered by the health insurance you may have either on your own or through your employer. What about the government? Generally, neither Medicare nor Medicaid cover long-term care. People over 65 and some younger people with disabilities have health coverage through the federal Medicare program. Medicare pays only about 12 percent for short-term skilled nursing home care following hospitalization. Medicare also pays for some skilled at-home care, but only for short-term unstable medical conditions and not for the ongoing assistance that many elderly, ill, or injured people need. Medicaid - the federal program that provides health care coverage to lower-income Americans - pays almost half of all nursing home costs. Medicaid pays benefits either immediately, for people meeting federal poverty guidelines, or after nursing home residents exhaust their savings and become eligible. Turning to Medicaid once meant impoverishing the spouse who remained at home as well as the spouse confined to a nursing home. However, the law permits the at-home spouse to retain specified levels of assets and income.

What are the types of long-term care policies? Several types of policies are available. Most are known as "indemnity" or "expense incurred" policies. An indemnity or "per diem" policy pays up to a fixed benefit amount regardless of what you spend. With an expense-incurred policy, you choose the benefit amount when you buy the policy and you are reimbursed for actual expenses for services received up to a fixed dollar amount per day, week, or month. Today, many companies also offer "integrated policies" or policies with "pooled benefits." This type of policy provides a total dollar amount that may be used for different types of long-term care services. There is usually a daily, weekly, or monthly dollar limit for your covered long-term care expenses.

What do long-term care insurance policies cover? Long-term care services are provided when a person cannot perform certain "activities of daily living" (ADLs), or is cognitively impaired because of dementia or Alzheimer's disease. Most commonly the ADLs used to determine the need for services include bathing, dressing, transferring (getting from a bed to a chair), toileting, eating, and continence.

What is not covered? All policies contain limits and exclusions to keep premiums reasonable and affordable. These are likely to differ from policy to policy. Before you buy, be sure you understand exactly what is and is not covered under a particular policy.

*Note: Insurance policies are legal contracts. Read and compare the policies you are considering before you buy, and make sure you understand all of the provisions. Marketing or sales literature is no substitute for the actual policy. Read the policy itself before you buy.

Sources: A Guide to Long-Term Care Insurance Revised edition, America's Health Insurance Plans. 2012 MetLife Market Survey of Long-Term Care Costs, November 2012. Department of Health and Human Resources, National Clearinghouse for Long Term Care Information, for additional information see www.longtermcare.gov.

Medicare: Getting Started

Medicare is a federal health insurance program for people 65 and older and others with a qualified disability. A Medicare health plan is offered by a private company that contracts with Medicare to provide Part A and Part B benefits to people with Medicare who enroll in the plan. Medicare health plans include all Medicare Advantage Plans, Medicare Cost Plans and Medicare Part D drug coverage.

Here is a closer look at the four types of Medicare:

1. Medicare Part A helps cover inpatient care in hospitals, skilled nursing facilities, and hospice and home health care. Generally, there is no monthly premium if you qualify and paid Medicare taxes while working.
2. Medicare Part B helps cover medical services like doctors' services, outpatient care and other medically necessary services that Part A doesn't cover. You need to enroll in Medicare Part B and pay a monthly premium determined by your income, along with a deductible. Many people also purchase a supplemental insurance policy, such as a Medigap plan, to handle any Part A and B coverage gaps.
3. Medicare Advantage Plans, also known as Medicare Part C, are combination plans managed by private insurance companies approved by Medicare. They typically are a combination of Part A, Part B and sometimes Part D coverage, but must cover medically-necessary services. These plans have discretion to assign their own copays, deductibles and coinsurance.
4. Medicare Part D is prescription drug coverage, and is available to everyone with Medicare. It is a separate plan provided by private Medicare-approved companies, and you must pay a monthly premium.

Getting Started

Medicare sends you a questionnaire about three months before you are entitled to Medicare coverage. Your answers to these questions, including whether you have group health insurance through an employer or family member, help Medicare set up your file and make sure your claims are paid correctly.

Coverage and Costs Change Yearly

Medicare health plans and prescription drug plans can change costs and coverage each year. Always review your plan materials for the coming year to make sure your plan will meet your needs for the following year. If you're satisfied that your current plan will meet your needs for next year, you don't need to do anything

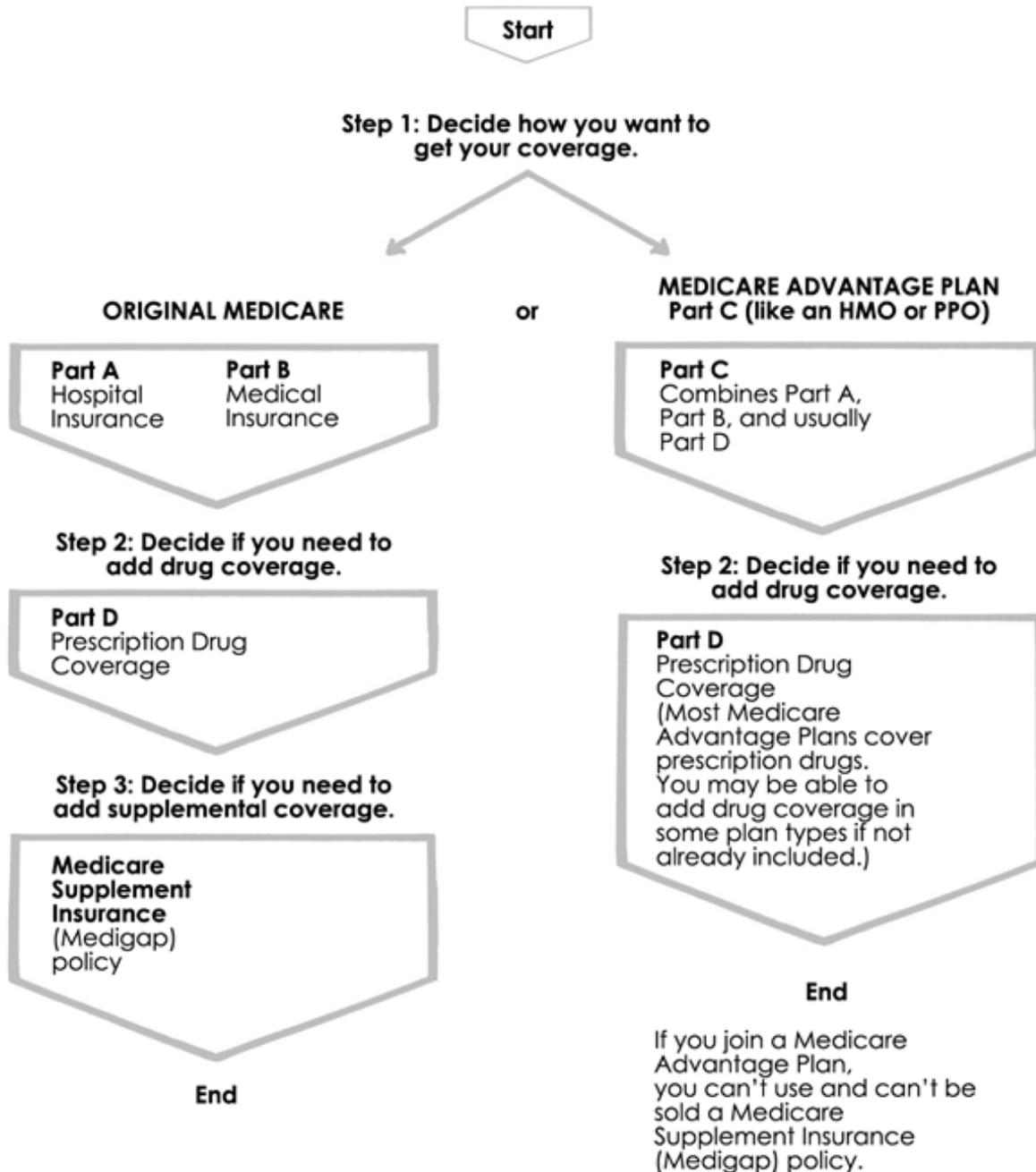
More Information

Visit www.medicare.gov to get detailed information about the Medicare health and prescription drug plans in your area, find participating health care providers and suppliers, get quality of care information and more.

Continued...

What are my Medicare Coverage Choices?

There are two main ways to get your Medicare coverage: Original Medicare or a Medicare Advantage Plan. Use the following chart to help you decide how you want to get your coverage.



Medicare

The Medicare program has three parts. Part A is Hospital Insurance (HI), Part B is Supplemental Medical Insurance (SMI), and Part D is the Prescription Drug Plan (PDP). Part A is financed by payroll taxes based on covered work before and after eligibility for Medicare. Part B (SMI) is partly financed by premiums and partly by the general tax revenues of the government. Medicare becomes available at the beginning of the month in which an individual reaches age 65, whether you are retired or still working. It is also available if one has been receiving Social Security disability benefits for two years or has a chronic kidney disorder.

Part A. Hospital Insurance

The amounts you pay for hospitalization change every year, depending on the increases in hospital costs. Amounts shown reflect those in effect for 2015. However, you never have to pay more than the actual charges.

Monthly Premium: Most people don't pay a Part A premium because they paid Medicare taxes while working. In 2014, you pay up to \$407 each month if you don't get premium-free Part A. If you pay a late-enrollment penalty, this amount is higher.

Hospital Stays: On immediate admission the client must pay a deductible of \$1,260 per stay. After the first 60 days you must pay \$315 per day. After 90 days the co-insurance amount is \$630 for each "lifetime reserve day." After 150 days, you pay all costs. With each admission, you will need to pay another deductible charge.

Skilled Nursing Facility Care: You may qualify for nursing facility benefits if both your situation and the facility meet Medicare's strict standards. Skilled nursing facility care is available only after a hospital stay of at least three days. It is important to note that custodial care is not covered. If you qualify, you pay nothing for the first 20 days of covered expenses, and for the next 80 days, you pay \$157.50 per day. Benefits stop after 100 days.

Home Health Care: Care such as part-time or intermittent skilled nursing care, physical therapy, medical social services, medical supplies, durable medical equipment and some rehabilitation equipment may be covered if prescribed by a doctor. You pay 20% of the approved amount for durable medical equipment. A hospital stay prior to these benefits is not required.

Hospice Care: The patient can be charged \$5 per prescription and 5% of the Medicare Payment per day for respite care, for no more than 5 days. However, if hospice is selected, all other Medicare benefits stop.

Part B. Supplemental Medical Insurance Benefits

In 2015 you pay for the first \$147 of qualified charges for covered medical services. This is the deductible. After that, Supplemental Medical Insurance will pay 80% of covered expenses, subject to the maximum of the standard charges recognized by Medicare.

Monthly Premium: \$104.90 - Premium will be higher if your yearly income is greater than \$170,000 for those who file a joint tax return and \$85,000 for those who file an individual tax return. If you pay a late-enrollment penalty, the monthly premium is higher.

Continued...

Covered Services:

Medicare Part B helps cover what is medically necessary including medical and other services, clinical laboratory services, home health care, outpatient hospital services and blood. In addition, Medicare Part B offers preventive services to help you stay healthy. See Medicare & You for a complete list of covered services.

Part C. Medicare Advantage Plans

A Medicare Advantage Plan (like an HMO or PPO) is another Medicare health plan choice you may have as part of Medicare. Medicare Advantage Plans may offer extra coverage, such as vision, hearing, dental, and/or health and wellness programs. Most include Medicare prescription drug coverage (Part D).

Medicare pays a fixed amount for your care every month to the companies offering Medicare Advantage Plans. These companies must follow rules set by Medicare. However, each Medicare Advantage Plan can charge different out-of-pocket costs and have different rules for how you get services.

Part D. Prescription Drug Plan (PDP)

Medicare offers prescription drug coverage for everyone with Medicare. Medicare will provide coverage to help you pay for both brand-name and generic drugs you need. To get Medicare prescription drug coverage, you must choose and join a Medicare drug plan.

Medicare drug plans will be offered by insurance companies and other private companies approved by Medicare. There are two types of Medicare plans.

- There will be Medicare Prescription Drug Plans that add coverage to the Original Medicare Plan, Medicare Private Fee-for-Service Plans that don't offer Medicare prescription drug coverage, and Medicare Cost Plans.
- There will also be prescription drug coverage that is a part of Medicare Advantage Plans (like a HMO, PPO, or a PFFS Plan) and other Medicare Health Plans. You would get all of your health care, including prescription drug coverage, through these plans.

If you have limited income and resources, you may get extra help to pay for your Medicare drug plan costs.

Your costs will vary depending on your financial situation and which Medicare drug plan you choose. All Medicare drug plans will offer at least the standard level of coverage below. Medicare drug plans may design their plans differently as long as what their plan offers is, on average, at least as good as the standard coverage described below. Some plans may offer more coverage for higher premiums.

Standard Coverage (the minimum coverage drug plans must provide):

If you join in 2015, for covered drugs you will pay

- a monthly premium (varies depending on the plan you choose).
- the first \$320 per year for your prescriptions. This is called your "deductible."

After you pay the \$320 deductible, here's how the costs work:

- You pay 25% of your yearly drug costs from \$320 to \$2,960, and your plan pays the other 75% of these costs, then
- When your total costs exceed \$2,960, your cost sharing is 45% of covered brand name drugs and 65% of covered generics, then
- You pay 5% of your drug costs (or a small copayment) for the rest of the calendar year after you have spent \$4,700 out-of-pocket. Your plan pays the rest.

Continued...

Some plans may be called standard plans but may be designed so that the deductible is lower and the coinsurance is slightly higher. Other plans may charge copayments or set amounts instead of coinsurance.

In general, your out-of-pocket costs should work out to be about the same under these plan designs.

Source: Medicare & You 2015, U.S. Department of Health and Human Services and www.medicare.gov

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