



PART 2

BUSINESS PLANNING

Chapter 1: Leaders' Meetings

The business planning model used by Pickler Companies is an ever-evolving process involving the President of Pickler Wealth Advisors, the Chief Branding Officer of Pickler Companies, General Counsel of Pickler Companies, the partner(s) of Pickler Accounting Advisors, and the partner(s) and/or lead associate of The Pickler Law Firm ("Leaders"). The process begins in late October with the President performing a thorough analysis of staff contributions to the overall performance and success of the business, staff compensation compared to industry and peer standards, and a consideration of the best deployment of staff resources. This analysis is taken into consideration for both budgeting and business goals.

The President receives the current budgets and compares them to actual revenues and expenses, and the Leaders begin meeting thereafter at the beginning of November. Each leader is responsible for developing a budget and a business plan for the coming year for their respective business or department. Leaders' meetings occur regularly (at least weekly) until the budget and business plans are finalized. All budgets finalized no later than December 15.

Chapter 2: Annual Budget

- Annual budgets are created by the Leaders for:
 - Pickler Wealth Advisors' operating budget
 - By the President & Financial Officer
 - Pickler Wealth Advisors' Branding/Marketing/Event budget
 - By the President & Chief Branding Officer
 - Pickler Wealth Advisors' Training and Professional Development Budget
 - By the President & General Counsel
- Budgeting Process begins with a 4th Quarter Comparison of Yearly Budget to Actual Expenditures
 - Determination is made regarding why budget item is high or low
 - Were there one-time extraordinary expenses
 - Were items included in the budget that were deemed unnecessary or otherwise impossible to fulfill?

Chapter 3: Annual Goals

- The President in his sole and absolute discretion determines the annual goals for New Assets, Retention of Total Assets Under Management, and Existing Household Retention. Those goals are:
 - 20% Growth of New Assets;
 - Retaining an amount of Assets Under Management that is equal to the balance of all Assets Under Management at the beginning of the year; and
 - Retaining 98% of existing households, the number of which being determined on January 1 of the year.

Chapter 4: Bonuses & Compensation

- Each year during the budgeting process a bonus pool is budgeted.
- Bonuses are paid to all staff companywide based upon the meeting of PWA annual goals.

- Bonus Dashboard – located on the shared drive in the Operations\Daily Progress Report - Performance folder – is a spreadsheet used to Track Total Household Retention, Total New Assets, and the Retention of Total Assets Under Management based on Additions, Withdrawals, and Market Fluctuations. The Dashboard also maintains a hypothetical amount of Total Assets Under Management if there were no market fluctuations that is merely for comparison.
- Household Retention
 - At the beginning of each year the total number of Client Households is determined and placed in the “Households” column on the spreadsheet.
 - Each time a household is lost due to withdrawal or distribution after death the total number of households is decrease by one (1).
 - New households brought on during the year are not added to the total number of households
 - For the staff of all companies to qualify for participation in the Bonus Pool the number of households lost must not exceed the percentage established by the President each year.
- New Assets
 - The Bonus Dashboard maintains a running total of all new assets brought into Pickler Wealth Advisors. The new assets must be entered into the spreadsheet on a daily basis based on reports run through Community Link
 - Both the Activity Summary and the Transaction Activity reports are run for all households for the single day being reported.
 - The reports are run by accessing the reports page and clicking on the appropriate report link, and then selecting the custom date option and typing in the single date for which each report should be run.
 - When running the Transaction Activity Report be certain that “Type” dropdown menu is set to “Additions/Withdrawals”
 - The two reports are compared to each other to be certain that all new assets are reflected.
 - Occasionally new assets may appear in one report, but not the other. Under such circumstances it must be determined if there is simply a delay in reporting or if one report is not actually reflecting additional assets but rather a sale of assets followed by a purchase of another type (which would not be counted as new assets)
 - New assets are entered into the “Previous Day’s Total Assets In” column of the Bonus Dashboard spreadsheet and the assets withdrawn are entered into the “Previous Day’s Total Assets Out” column of the spreadsheet
- Retention of Total Assets Under Management
 - Each day, the total assets under management are recorded in the Bonus Dashboard in the “Daily Balance” column.
 - The daily amount of Assets Under Management is listed as the “Ending Balance” on the “Transaction Activity” report generated using COMMunity Link.
 - On any given day, the most recent “Daily Balance” can be compared to the year’s “Beginning Assets” listed at the top of the Dashboard.
 - As long as the Daily Balance exceeds the Beginning Assets by one dollar (\$1.00), the goal for Retention of Assets is being met.

- Daily Balance must ultimately exceed the Beginning Assets by \$1.00 on December 31 of the year in question for this goal to be met.