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Description: WorthyNest is the premier resource for mothers seeking a brighter financial future. WorthyNest is a one on one fiduciary and provides financial education to their clients.

Number of Applicants: We had 6 applications. 5 of those applications were determined by the judges to not meet the criteria for the competition, thus WorthyNest was the only one to reach the final round.

## **Statement of Support**

This is a statement of support for Deborah Meyer of WorthyNest, the winner of the St. Charles County InnovateHER competition.

She best satisfied the judging criteria of the competition in both spirit and metrics. Her company provides financial education and support to mothers with the purpose of empowering their decision making processes. This education provides outcomes which ensures a greater quality of life for the entire family.

WorthyNest meets all of the criteria for the InnovateHER competition. This service directly improves the lives of women and their families. WorthyNest educates moms in planning for financial futures which can be both planned (a new child) or unplanned (death or divorce). The potential for commercialization has been demonstrated through this year revenues. The first year of 2016 generated a loss, but it is now profitable in 2017. This product can be commercialized to fit almost any market.

Deborah Meyer has found a market niche in St. Charles County which we found to be underserved. With finding that niche she has been active in trying to improve the financial security of the women who are her clients. This ensures children still have the resources to be taken care of in the event of unforeseen circumstances. She wants to be able to take this business to as many women as she can.

Justin Schulz, Director of the Small Business Development Centers, St. Charles County

# Summary Business Plan

**WorthyNest**

**May 29, 2017**

**Proprietary and Confidential**

## **A. Our aspiration and strategy**

WorthyNest ("WN"), a fee-only Registered Investment Advisory firm, is based in Saint Charles, Missouri and operates in the financial services sector.

We believe each family is worthy of a bright financial future, and we will be the premier resource for mothers looking to build that future. WorthyNest educates and empowers mothers to make great financial choices that will have a long-term, positive impact.

By December 2020, WorthyNest will have at least 75 ongoing, integrated financial planning relationships with client families, and over 500 mothers will have benefited from our online courses.

## **B. Company Description**

Motherhood is a paradox: beautiful, invigorating, and transformative yet also hard. While each mother wants to emotionally support her child or children, she is not always attentive to the financial aspects of child-rearing.

New mothers struggle with professional ambitions. Are her after-tax earnings and work fulfillment enough to justify the increased cost of childcare and loss of time with the new child? How will switching to a part-time or flexible work arrangement impact her future career potential?

Other mothers worry about expanding their family. Can she financially provide for another child? Does she need to purchase a bigger vehicle such as a three-row SUV or minivan? If she is married and chooses to stay at home, will this be fulfilling personally when so much of her identity was previously tied to her career? How can she re-enter the workforce after her children are attending school? What monetary sacrifices is she making by staying at home and shifting from a dual to single income household?

WorthyNest was created for mothers by mothers. Established in 2015 by Certified Financial Planner<sup>TM</sup> and CPA Deborah Meyer, WorthyNest educates and empowers families to make great long-term financial decisions. We currently work with families on an individual basis but will launch educational, online courses this year specifically for mothers.

A mother is often myopic: she budgets day-to-day family expenditures but fails to map out three, five and ten-year goals. She yearns to raise financially fit children but must begin with her own habits and confront her financial fears. She also wants a better understanding of college funding tools, employer-provided benefit plans, insurance, retirement saving strategies, and taxes.

WorthyNest courses will provide assurance and accountability to Gen X and Millennial moms. In this context, Gen X mothers are born between 1965 and 1979, while Millennial mothers are born between 1980 and 1995. Millennial moms constitute about 20% of all U.S. mothers and average 3.4 social media accounts vs. 2.6 for all other moms (*Weber Shandwich, July 2013*). Of the GenX moms surveyed by SheKnows in November 2013, 83% believe technology helps them achieve better work/life balance. Also, about one-third of U.S. mothers are bloggers (*Nielsen, May 2012*). Mothers born in 1965 or later are clearly connected through technology, so online marketing and course delivery is a logical way to reach them.

# Summary Business Plan

Single or married, all mothers are worthy of a bright financial future for their families, and the opportunity to serve them is enormous. The annual purchasing power of U.S. based moms is estimated to be \$2.1 trillion (*Forbes*, May 2013). Furthermore, 40% of all households with children under the age of 18 include mothers who are either the sole or primary source of income for the family (*Pew Research Center*, May 2013).

Married mothers who abdicate financial responsibility to their husbands will be shocked if one of the three D's impacts their household: divorce, disability, or death. We are preparing for one of the largest generational wealth transfers in history, and the average life expectancy of women is 5 years longer than men in the U.S. Mothers need financial literacy not just for their own wellbeing but also for the sake of their children and extended families. Women are natural caregivers for aging parents, often named as the executors of a deceased parent's estate. Financial know-how is no longer optional.

WorthyNest enjoys working with mothers who view money as a tool to achieve goals and create lasting impact. Our ideal client seeks a single, trustworthy planner who understands family finance dynamics and creates pro-active solutions around those issues. She values a deep relationship with an advisor who cares about her needs. She is so busy taking care of others in her life (i.e. spouse, children, and extended family members) that she rarely sets aside time to evaluate her **own** goals and values.

Below are some common characteristics our clients share:

- **Family-minded:** cares about family's well-being and struggles with prioritizing it all
- **Faithful:** walks by faith, not by sight
- **Generous:** desires to lead a life of significance, thoughtfully enriching the lives of others through time, talent, and treasure
- **Relationship-oriented:** values long-term, trusted relationships
- **Ready to change:** embraces change if it opens the door to a brighter financial future

Ideal clients of WorthyNest are mothers who understand daily financial implications but need time and space to consider long-range planning. WorthyNest walks alongside these mothers, offering support, encouragement, and accountability.

## C. Competitive Landscape

WN could view every other financial advisor as a competitor. However, our approach is different and serves a population often overlooked by the financial services industry: mothers. Less than a quarter of CFP® professionals nationally are women, and women often prefer to work with female advisors.

Middle-aged advisors who started their practices 20 years ago or more have aged with their clients. Many of them now have a large established client base, high minimum fees for new clients, and they predominantly work with pre-retirees and retirees. For individual advisory relationships, most financial advisors charge a quarterly fee based on the level of assets under management. Traditional advisors are typically fearful of new technology and view online robo-advisors as a threat. They are also less likely to work with clients outside their direct geographic vicinity. Their long-time presence and name recognition can only go so far. Younger female clients seeking fee-only fiduciaries are looking for a unique service model, and WorthyNest is here to meet that need.

WN founder Deb Meyer is a member of XY Planning Network ("XYPN"), a national group of over 400 fee-only financial planners bringing comprehensive financial planning under a monthly retainer model to families

# Summary Business Plan

regardless of age or assets. One could view fellow XYPN members as competitors but WN views them as collaborators. Deb meets every other week with a group of about 5 members who launched their fee-only Registered Investment Advisory firms around the same time; business challenges and successes are discussed. Very few XYPN members or other financial advisors are expanding their business model into online courses, so this is another area where WorthyNest stands apart.

## D. Management Team

Deborah Meyer, CPA, CFP(R), is a fee-only financial planner and investment advisor based in Saint Charles, Missouri who serves clients locally and nationally. As CEO and founder of WorthyNest, Deb educates and empowers families to build long-term wealth. She is a professional contributor to Kiplinger and Investopedia, and her financial advice has been featured by Yahoo Finance, Forbes, US News & World Report, The Huffington Post, and other major publications. She is a proud member of: XY Planning Network, NAPFA, Fee-Only Network, AICPA, Ellevest Network, and Brazen.

Professionally, Deb's career began in public accounting at big 4 firm Deloitte upon graduating from Saint Louis University. She assisted small business owners and families with tax compliance and consulting needs. Thereafter, Deb worked for nearly seven years at Matter Family Office, serving families of significant wealth in three main areas: family education and governance, investment planning, and wealth management. In 2013, she resigned from Matter Family Office to spend more time with family. Soon thereafter, Deb launched accounting firm SV CPA Services.

Helping business owners through SV CPA Services was gratifying but not enough. Deb Meyer became frustrated with countless women who let their husbands make all long-term financial decisions. The three D's (death, disability, or divorce) can happen unexpectedly, and each woman - regardless of marital status - must know where she stands financially. Ignorance is not bliss! WorthyNest was created in 2015 to bridge this gap.

Over time, WN intends to hire other fee-only financial planners and administrative support. Lead advisors and para-planning professional will cultivate individual client relationships, assist with online course delivery, and create organizational efficiency.

## E. Service Offering

WorthyNest currently offers its service in a one-on-one format. Deb Meyer works directly with each client family, thoroughly listening to concerns and formulating a customized financial plan to address them. This foundational financial plan evolves over time; we meet virtually or in person quarterly to discuss changes and progress towards goals. If the couple is married, we insist that both spouses be present for all financial planning meetings. When clients do not have the time, energy, or education to directly manage assets, investment management services are also offered.

As a fee-only fiduciary that always acts in the client's best interest, the only source of revenue for WorthyNest comes directly from clients. No referral fees, commissions, or other hidden charges. WN prides itself on providing quality, affordable advice and allows clients to pay monthly, rather than quarterly or annually. For individual client families, we charge \$995 as a one-time up-front fee and then \$150 to \$450 monthly thereafter. This fee structure for ongoing financial planning clients takes complexity into consideration. Investment management services, if applicable, are based on the underlying value of assets under advisement.

To effectively serve a broader population of mothers, Deb Meyer plans to launch online courses in the

# Summary Business Plan

second half of 2017. Initially, the courses will be priced \$497 or less and will focus on personal financial decisions applicable to most mothers (i.e. building an "opportunity" fund, making smart financial choices, raising financially fit kids, investing basics, etc.). Thereafter, courses will be geared towards female entrepreneurs. There are 8.1M women-owned businesses in the U.S. generating about \$1.3 trillion in revenues and employing approximately 7.6M people. Most of these women are mothers. WorthyNest wants to be the trusted advisor for these "mompreneurs" to consult on the intricacies between business and personal finance. WN-created online courses represent a significant opportunity in terms of recurring revenue creation, firm reputation, and scalability.

Individually or in a group setting, clients will view WorthyNest as an advocate, accountability partner, and financial coach.

## F. Marketing Strategy

WN is in a promising position; we are eager to serve mothers seeking a knowledgeable, trusted resource for personal finance decisions. CEO Deb Meyer uses her breadth and depth in wealth management to coach clients towards a brighter financial future.

The opportunity to serve mothers is great. Nationally and even globally, there is an abundance of prospective clients typically underserved or ignored by the financial service industry. However, it must be easy to find WorthyNest, and clients should be willing to part with hard-earned dollars for an intangible service. Paying for any financial advisory service is particularly challenging if we have another recession.

To reach our target market online, WorthyNest uses its website and blog, business Facebook and Twitter pages, and CEO Deb Meyer's LinkedIn profile. Recurring blog posts are written and posted to our major media channels. Blog subscribers receive periodic messages via MailChimp, ideally converting them from warm prospects to clients.

We are also featured on the "Find an Advisor" sections of NAPFA, XYPN, Fee-Only Network, Why Fiduciary, and CFP Board websites. Media mentions raise visibility and increase Deb's credibility, so Deb is a professional contributor to Kiplinger and Investopedia. Deb has also invested time into two organizations that directly serve her target market of females: Brazen (locally) and Ellevest Network (nationally). She will utilize these connections to further promote WN.

Deb Meyer will be a live speaker at the XYPN conference in August 2017 on "Work-Life Happiness" and featured as a 529 Plan expert in the virtual Wealth Mastery Summit (September 2017), hosted by Greg Phelps of Redrock Wealth Management. Additionally, Deb will be a contributor to a new book that shines light on the power of financial planning. This project is spearheaded by XYPN member Jason Hamilton.

In person networking will be equally important. To pursue these marketing initiatives, Deb Meyer will meet with at least two Centers of Influence ("COI") and attend at least one networking event monthly.

COIs include local attorneys, accountants, other financial advisors, and small business owners with whom Deb can cultivate a personal relationship. Other fee-only financial planners may be great referral sources, especially since WN's target market does not typically meet the investment minimums of established firms.

Deb Meyer also plans to write a book in 2018 or 2019. Although this will not be a profit center for the firm, it will further promote WN's message; an excerpt from the book can be used as a "freemium" to draw an even larger audience. This recognition may lead to subsequent speaking engagements. Deb will actively seek

# Summary Business Plan

feedback from clients and prospects, focusing on messages that resonate with them. She will incorporate this essential feedback into courses and written marketing materials.

Recognizing that each new ongoing financial planning relationship represents over \$2,500 of revenue for the first year, WorthyNest plans to have 16 clients by the end of 2017. Thereafter, we anticipate adding at least one new client relationship monthly. It is also our intention to have at least 100 email subscribers prior to launching the first online course in 2017. Our goal is a minimum of 10 registrants for the pilot course.

## G. Expansion Potential

Geographically, WorthyNest's expansion potential is limitless. Since we leverage technology to meet with clients remotely or live, our physical location should not matter. Nonetheless, clients may have a greater comfort level with an advisor in close geographic proximity. Throughout the hiring process, WN will actively attract top-notch talent and consider opening multiple office locations.

Throughout all expansion efforts, we will give back to the community through time, talent, and treasure. As the firm grows and Deb Meyer has more freedom to work "on" rather than "in" the business, she will personally deliver financial education to area grade school and high school students. WN encourages clients to be great stewards of their resources, and we intend to practice what we preach.

WorthyNest generated a loss of \$7,000 in the 2016 calendar year as a start-up. However, we are already profitable in 2017 and believe we will continue to experience both revenue and profit growth. Below are our multi-year projections.

	Calendar Year			
	2017	2018	2019	2020
<b>Income</b>				
# Advisory Clients	16	32	52	82
# Course Registrations	50	100	200	400
<b>Estimated Advisory Revenue</b>	<b>52,000</b>	<b>110,000</b>	<b>214,000</b>	<b>367,000</b>
<b>Estimated Course Revenue</b>	<b>20,000</b>	<b>40,000</b>	<b>79,000</b>	<b>159,000</b>
<b>TOTAL PROJECTED INCOME</b>	<b>72,000</b>	<b>150,000</b>	<b>293,000</b>	<b>526,000</b>
<b>Expenses</b>				
Marketing & Website	5,000	5,000	10,000	10,000
Office Space & Equipment	3,600	8,700	10,500	13,500
Staff / Independent Contractors	3,000	15,000	50,000	120,000
Other (Insurance, Professional Fees, etc.)	13,400	15,300	16,500	17,500
<b>Total Expenses</b>	<b>25,000</b>	<b>44,000</b>	<b>87,000</b>	<b>161,000</b>
<b>Net Income</b>	<b>47,000</b>	<b>106,000</b>	<b>206,000</b>	<b>365,000</b>

# Summary Business Plan

In closing, the financial services industry is dramatically changing. WorthyNest's unique approach to financial planning for mothers leaves it well positioned to embrace that change. The firm may also serve as a model to other RIAs willing to pursue an untraditional path.