



DebtWave
Credit Counseling, Inc.
Making Your Life Simple



2015 ANNUAL REPORT

www.debtwave.org

www.sdfcl.org

LETTER FROM THE CHAIRMAN

Dear Friends:

As I reflect on another year, I would be remiss to not thank all of our tremendous partners, staff members, volunteers and community advocates that make our work rewarding on a daily basis. In 2015, we were fortunate to assist over 46,000 persons in our debt management program and another 23,000 persons through our education and outreach platform; SDFLC.

Realizing the importance of working collaboratively and with our constituents, we have renewed our efforts for the foreseeable future to ensure that we maintain a technological edge through the utilization of our dynamic websites as well as our cutting edge, do it yourself debt portal; Payoff Pilot. Our education and outreach team have been hard at work developing an integrated marketing presence that includes social media channels, blogs, videos and webinars and will soon include a mobile application that will be interactive and provide regular financial education updates.

Most importantly I think about all that we as an organization have accomplished over our 14 years. From humble beginnings, we now are providing thousands of people annually with the type of financial self-awareness necessary to live long, prosperous and debt-free lives. Utilizing our most important assets; our employees, we strive to educate and empower individuals to be smart with their money and use the resources we provide to take the next step on their financial roadmap.

Thank you again for all of your support and we look forward to another banner year!

Sincerely,

Antony Murigu

Chairman



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MISSION, VISION, AND HISTORY

DEBTWAVE CREDIT COUNSELING, INC.

In 2001, DebtWave was established as a 501(c) 3 non-profit organization with the vision of delivering financial education and debt management services. Similar to today, many households were facing budgetary challenges, money mismanagement issues, and an overall lack of financial education. As we enter 2016, the need for our programs and services is higher than ever. By providing top-tier credit counseling and educating on the best methods to manage and eliminate debt, we empower our clients to become financially fit and self-sufficient.

Our mission is to educate the public on the proper use of credit through budget management, to offer sound counseling, and to assist clients in reducing and eliminating debt. We deliver services at the highest standards of professionalism so that your transition to better financial health is both pleasant and personal.

Our passion at DebtWave to provide you with the best education and most appropriate programs to manage your debt and become financially fit. Because we know how difficult it is to reduce debt, we make it simple by offering services and programs that are both informative and practical.

SAN DIEGO FINANCIAL LITERACY CENTER

Since its inception, DebtWave has been extremely active in the San Diego community with our outreach efforts focused on youth and low to moderate income families. Today, the education and outreach arm of our organization is stronger than ever. Rebranded as the San Diego Financial Literacy, we now provide more than 250 educational presentations annually via workshops, seminars as well as via webinar and speaking engagements. We also conduct hundreds of confidential one on one consultations to help start our constituents on the path to financial self-sufficiency.

As we continue to focus on our three core educational populations: Youth (K-12 and college), Military (Active, Transitioning, Veteran, Spouse and Children) and Low-to-Moderate Income, we are engaged across a large portion of San Diego and regularly work with our more than 180 partners to provide clear, concise and culturally competent financial education on the four pillars for financial success: Personal Finance, Education, Housing and Employment.

The mission of the San Diego Financial Literacy Center is to educate and empower individuals and families to make sound financial decisions and develop positive personal finance habits for life.

2015 RECAP AND FUTURE INITIATIVES

DebtWave introduced our rebranded image in January 2015. A revamped website featuring: a new logo, a fresh color scheme, and our new slogan – “Making Your Life Simple” – provides us with an opportunity to better serve our community and constituents. Our unofficial mascot, a piggy bank, can be found throughout our website, on our logo, and in our videos. Also, as part of our rebranding efforts, our community outreach department has become San Diego Financial Literacy Center.



SDFLC's Brad Pagano and Miramar Federal Credit Union's Kevin Cortes, educating military families at STEP "Cammies to College" event. August 1, 2015.

DebtWave also began development of our online portal, dubbed Payoff Pilot. Set to launch in Summer 2016, Payoff Pilot will allow individuals to perform a self-guided credit counseling session and learn about the many debt management tools and resources available. This software will allow individuals to view their credit report and score, create a budget, see their potential savings, and analyze a variety of debt repayment options.

The 2015 to 2016 strategic plan of DebtWave is to continue to provide top-tier credit counseling and worldclass personal finance education through the SDFLC. Developing a true philanthropic model in which the community can support our efforts to bring fundamental financial change to our most at-risk populations will be the benchmark of our outreach program for the foreseeable future. Focusing on our youth, military, and low-income citizens is imperative to ensure the financial future of our city, state, and nation. As more and more Americans and San Diegans must deal with debt on a daily basis, DebtWave and the SDFLC will work tirelessly to enhance peoples' financial IQ so that they can become financially fit and debt-free.

2015 was a great year for the organization. With our new and improved video series, blog series, webinar series and what we hope to be a great value add; our live streaming of educational events via Facebook Live and Periscope, we continue to press forward on the R&D of a mobile application but we are cautious to not duplicate some of the great efforts that have already been undertaken by other organizations.



Players get ready for 2015 Boost For Our Heroes Golf Classic at San Diego Country Club to raise funds for the Boost program.

We also were very thankful to J.P. Morgan Chase for their gracious grant which allowed us to further develop our military financial education program, Boost for our Heroes. That catalyst proved integral to other projects including the growth and expansion of our quarterly Educational Luncheon, our invitation to co-locate at the Military Veterans Resource Center in Escondido and the development of great partnerships. In 2016 our goal is to sustain our momentum to grow and expand. We are happy to announce that we have launched the Live Well San Diego Hour and we have been busy working with Live Well partners to bring our educational programming to all four corners of San Diego County and beyond.

The future promises to be exciting as we debut more technology for our constituents by making it easier for them to access our programs, seminars, workshops and services while simultaneously renewing our commitment to mission first, people always.

BOARD OF DIRECTORS

DEBTWAVE CREDIT COUNSELING, INC.

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Investment Officer, [Wells Fargo Advisors](#)

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Secretary
Chief Operating Officer, [Go Motion, Inc.](#)

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Executive Director of Operations

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Director of Community Development and
Managing Director, [SDFLC](#)

Chase Peckham
Director of Community Outreach, [SDFLC](#)

Carlos Perez
Director of Counseling Services

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Self-Employed

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2015 EMPLOYEE SPOTLIGHT



Community Outreach Coordinator Felipe Arevalo is the consummate employee. Friendly, loyal, and a true professional, Felipe spends much of his time listening and helping our staff, leaders, board members, partners and most importantly our constituents. Felipe successfully assists hundreds of people each month on their path to financial freedom and does so with a smile on his face.

“Felipe listens and offers compassion when working with people who feel that there is no solution in sight - and provides them hope that things will work out,” said Chase Peckham, Director of Community Outreach. “He has the ability to make people feel comfortable in situations that would be just the opposite.”

Beyond personal financial counseling, he also spends a good portion of his time in the San Diego community delivering financial education workshops. Regardless of location: high schools, colleges or community events; or population: youth, military or low-to-moderate income; he delivers insightful presentations that benefit all in attendance. Felipe performed over 75 presentations in 2015 and the feedback speaks for itself.

- I am thankful for Felipe’s time and wisdom. I have had a lot of questions about my financial future. The presentation was very informative and has helped understand how and what I am spending my money on.
- Thank you! Really helpful, I was having financial problems before but I feel a lot more comfortable now.
- Thank you so much Felipe! I wish I would have learned about this earlier in my life.

Felipe also helps train staff for their personal financial certifications and continuing education that all are required to complete. Additionally, he is responsible for upkeep and maintenance of SDFLC website, databases, social media outreach, and event promotion and is the intern supervisor as well.

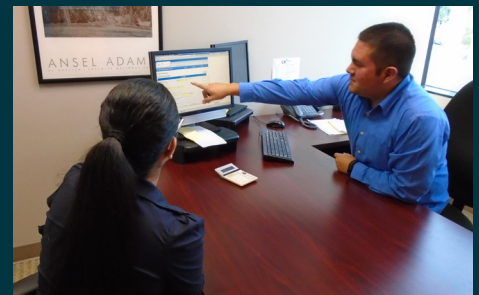
No matter the task, he takes it on with a positive, can-do attitude and all who work with him benefit from his outlook and knowledge. He is a true asset to the team and the glue of the department; ensuring we are meeting our mission to educate and empower our constituents to a lifetime of financial well-being. Integrity doesn’t have a picture next to it in the dictionary, but if it did, it would be Felipe’s.



Discussing budgeting tips to stay financially sound in the classroom.



Felipe volunteering with Wave of the Future.



Hard at work giving a counseling presentation.

EVENTS CALENDAR

2015

1st Quarter Educational Luncheon and Boost Award Presentation

March 27, 2015

National University, San Diego, CA

2nd Quarter Educational Luncheon and Boost Award Presentation

June 26, 2015

National University, San Diego, CA

2nd Annual Boost Golf Classic

August 24, 2015

San Diego Country Club

3rd Quarter Educational Luncheon and Boost Award Presentation

September 25, 2015

National University, San Diego, CA

4th Quarter Educational Luncheon and Boost For Our Heroes Award Presentation

December 18, 2015

Live Well and Boost Campaigns

May and November 2015

2016

Financial Opportunity Clinics

Feb, April, June, August, October & Dec.

1st Quarter Educational Luncheon & Boost Award Presentation

March 25, 2016

Financial Literacy Month

April 2016

2nd Quarter Educational Luncheon & Boost Award Presentation

June 24, 2016

2nd Annual Boost for our Heroes Golf Classic

August 22, 2016

Country Club of Rancho Bernardo

3rd Quarter Educational Luncheon & Boost Award Presentation

September 23, 2016

Boost for our Heroes Campaign

November 2016

4th Quarter Educational Luncheon & Boost Award Presentation

December 16, 2016



"Veteran Owned Businesses, Business 101" 3rd Quarter Education Luncheon panelist Scott Yates discusses business banking to the audience.



A member of the Marine Corps next to players at our 2nd Annual Boost for our Heroes Golf Classic

EVENT PHOTOS



Marie Brown-Mercadel, Deputy Director of HHSA - County of San Diego presenting SDFLC with their Live Well membership.



Maria Hughes and the Woods' family at a quarterly Boost Luncheon.



A full room at National University for an educational session.



Our panelists for our Educational Luncheon during 2nd quarter 2015. (L to R) - Josh Pederson, Monica Bellner, John Casarietti and Johnny Lopez.



Captain Chris Plummer (retired) and Paul Socia at our December Education Luncheon.



Captain Chris Plummer (retired) addressing the audience and speaking about our military impact study.



Our moderator George Chamberlin speaking with our panelists Maria Hughes, Greg Solomon, Scott Yates and Dan Francis about small business.

WAVE OF THE FUTURE



Chase Peckham making a credit presentation at Palomar College Learning Center on March 9, 2015.



Brad Pegano speaking to Tierra Santa Elementary's 5th grad class during their "Intro to Money" presentation on March 25, 2015.



Chase Peckham presenting to Mesa College students on March 24, 2015.

Wave of the Future is SDFLC's financial education program designed to further educate our next generation about the nuances of credit, debt, budgeting, and how to become financially responsible adults. By preparing our youth population for their financial future via online tools, workbooks, and digital resources, we are able to help shape the financial habits that they will need to be successful. The utilization of interactive workshops, games, and the introduction of real-life financial scenarios further prepare our youth constituents to become and stay financially fit.

The Wave of the Future program topics include: proper use of credit, introduction to credit and lending, creating a spending plan (budget), understanding credit reports and scores, how to read and understand financial documents, the basics of saving, and a life-skills module on what to expect after high school.

Current partners of the Wave of the Future program include: San Diego Unified School District, San Diego Community College District, Clairemont High School Academy of Business, Southwestern College, Palomar College, and more. Our 2015 event calendar was highlighted by working with PRO Kids in association with the PGA's First Tee. This is a program that targets underserved youth to excel in life by promoting character development, life-skills, and values through education and the game of golf in both north and central San Diego County.

WAVE OF THE FUTURE



SDFLC Volunteer Rae Russel talking with students at Southwestern College on September 30, 2015



Chase Peckham at El Camino High School on December 10, 2015

2015 DATA

- Number of High School Workshops – 64 with total attendees of 1,842
- Number of Higher Education Workshops – 88 with total attendees of 2,773
- 35% are between 14 and 18 years old
- 56% are between 18 and 24 years old
- 50% are male and 50% are female
- 90% of the attendees agreed or strongly agreed that presentations were useful and informative
- 92% agree that the information provided was easy to understand
- 98% agree that the presenter was knowledgeable about the topics discussed
- 94% agree that the information would help them with future financial decisions

SOME OF OUR EDUCATIONAL PARTNERS



GROSSMONT-CUYAMACA
COMMUNITY COLLEGE DISTRICT

For a list of all partners, visit <http://www.sdfc.org/partnerships/>

BOOST FOR OUR HEROES

SOME OF OUR MILITARY PARTNERS



For a list of all partners, visit www.sdfc.org



Boost for our Heroes is a comprehensive program geared towards active duty, transitioning, and veteran military members to provide them with financial education and assistance. Working with community and collaborative partners both on and off installation; the SDFLC provides clear, concise, and non-duplicative personal finance education via workshops, seminars, and one-on-one consultations.

In 2015 the SDFLC was invited to co-locate at both of the Military Veterans Resource Centers in partnership with the County of San Diego while also releasing their 18 month impact study. Additionally, SDFLC was invited to join the advisory board of the Vets' Community Connections (VCC) group and was honored to receive a proclamation on June 25th with the Live Well San Diego partner designation.

We are honored to serve the military community and look forward to growing our program and assisting all of those in need.

OBSTACLES CURRENTLY FACED BY OUR MILITARY PERSONNEL

- Low pay rates for enlisted military members with a 46% higher cost of living in San Diego compared to other military locations throughout the United States
- Transition into civilian life can lead to long period of unemployment or underemployment which forces increased usage of credit cards, pay day loans, and other high-interest money borrowing
- Predatory lending techniques geared towards military personnel

BOOST FOR OUR HEROES

Because of these obstacles, the Boost for our Heroes program also provides a quarterly award of \$3,000 to a military member or military family. Each quarter, an impartial panel selects one constituent due to financial hardship and subsequent development of an integrated financial plan. In 2015 the SDFLC gave \$12,000 to five military families.



1st Quarter 2015 Boost For Our Heroes winner, Danielle Schneider



2nd Quarter 2015 Boost For Our Heroes winner, The Chapman Family



3rd Quarter 2015 Boost For Our Heroes winner, David Brannon



4th Quarter 2015 Boost For Our Heroes winners (2), The Cannon Family and Fernandez Family \$1500 each

2015 DATA

- 65% of active duty personnel and 57% of veterans rate “Military Pay & Benefits” as their top financial concern
- 87% of service members say financial readiness training should be individualized
- 39% of service members are insecure about their financial future
- 77% of service members hold between one and eight credit cards
- 63% of active duty members don’t save for retirement because they cannot afford to do so

CREDIT COUNSELING STATISTICS AND FEEDBACK

- The total number of clients counseled in 2015 increased by more than 50% from 2014.
- The total number of inquiries or requests for help increased by more than 10,000 in 2015 compared to 2014.
- The total number of clients that enrolled onto the Debt Management Program increased by nearly 50% compared to the previous year.
- Client's average payment decreased nearly 30% when enrolling onto the Debt Management Program in 2015.
- Client's average monthly savings from reduced interest rates was \$130.
- Client's average monthly interest rate decreased more than 50% in 2015 when joining our DMP.

	2014	2015
New Consumer Inquiries	36,125	46,722
Clients Counseled	4,179	6,596
Clients Enrolled onto DMP	1,948	2,870
Average Credit Card Debt	\$16,889	\$15,108
Average Payment Prior to DMP	\$487	\$615
Average Payment on DMP	\$416	\$438
Average Interest Rate Prior to DMP	18.37%	18.35%
Average Interest Rate on DMP	9.11%	9.03%
Average Number of Credit Cards	4.85	4.81
Average FICO Score Prior to DMP	603	588
Average FICO Score After DMP	712	712
Debt Management Program Graduates	2,420	1,840
Average Age	44.85	44.40
Average Annual Household Income	\$56,664	\$54,228

DebtWave continues to receive positive feedback from active Debt Management Program clients through our annual online survey. Out of the total 481 surveys completed in 2015, the overall satisfaction rate was more than 97%.

Our certified credit counselors maintain excellence and standards by completing a rigorous training as well as continuing education modules. We are happy to offer our clients services in both English and Spanish and have found that over 97% of all clients and constituents would refer us to friend for their debt management and financial education needs.

SOME OF OUR PROGRAM SUPPORTERS



CLIENT TESTIMONIALS

DEBTWAVE CREDIT COUNSELING, INC.

“My experience with the team of highly trained employees at Debtwave Credit Counseling has been exemplary! From the very start I was impressed with how detailed and attentive and sincere everyone was. I have to say from the initial interview to actually setting up my Debt Management plan I have felt that I made an excellent decision to enroll into their “Debt Management Plan”! Now that 6 months have passed I know even more that I made a sound and positive decision to get my “Personal” debt in check and ultimately become debt free!”

– Mac

“DebtWave literally saved my life. I am 73 and I was (am) thousands of dollars in credit card debt. I closed out nine credit cards and kept three. They take a set amount out of my checking account each month to pay the nine cards and they were able to get the monthly interest rate lowered by an incredible amount. It would have taken me 34 years to pay off the amount of debt I had with these cards and the interest buildup I had on the cards, but with DebtWave it will take three years. I highly recommend DebtWave. I had tried to get a loan from another company with whom I had received numerous letters telling me I was pre-approved (can't remember the name, but you would know it) to pay off my debt, but when I called - they were unable to help me and referred me to DebtWave. I was nervous about letting DebtWave have access to my checking account, but all is well...”

– Jan

“I couldn't be happier with the experience and service I have had and received from DebtWave CC. The advisors took a great deal of time explaining and walking me through the process and the fee they charge is nominal. They lowered the interest rate on the CC's I signed up with them and they make one payment each month. It is terrific and I highly recommend them!”

– Kathleen

CLIENT TESTIMONIALS

SAN DIEGO FINANCIAL LITERACY CENTER

“I want to thank you for taking your time to educate our command personnel with a magnificent presentation. It was great to have an expert of your caliber to educate on Personal Financial Management (PFM). I specifically admired your confidence, instructor technique, and the way that you presented the topic in front of us...”

– LSC (SW/AW) Rodel, USN from [ATG San Diego](#)



“I had at least five students stay after class today telling me how fun your presentation was and how much they learned! They loved it! Thank you.”

– Stephanie, Associate Counselor/ Professor at [MiraCosta College](#)

“I have had the pleasure of working with the San Diego Financial Literacy Center for a little over seven months now, and I have been impressed with the organization’s commitment to helping individuals in financial distress learn to better manage their finances. Individuals can benefit greatly from the SDFLC’s programs, which is why we have partnered with the organization. Now, due to the SDFLC, we are able to do even more for service members and their families...”

– Jack, Executive Director at [Operation Homefront – California](#)



CORPORATE DONORS

\$100,000 - \$250,000	Capital One Citibank
\$50,000 - \$99,999	JP Morgan Chase
\$10,000 - \$49,999	Miramar Federal Credit Union Synergy One Lending
\$500 - \$9,999	Beck Steel BIOCOM CBIZ Coastal Payroll CTE DeFalco Family Foundation Docupop Epsilon Systems Solutions Gallagher Levine Go Motion Jones LaSalle Lang Lexus Carlsbad Local Initiative Support Corporation Mintz Levin Qualcomm Pacific Debt Patio Restaurant Group Presidio Capital Management Primary Funding Corporation REIG SDG&E Silvergate Bank SLAC USO San Diego / LPL Foundation

INDIVIDUAL DONORS CONT.

\$500 - \$1,499	Stephen Brennan Larry Campbell John Casarietti Jeff Ciccarella Tammy Dahl Ray Gallagher Marie Brown-Mercadel Dan Moore Bradley & Sara Pagano Chase & Keri Peckham Jeanmarie Shah Chad Sweet Doug Tokarik Dennis Van Grol Barry White Richard Whitworth Scott Yates
\$100 - \$499	Anonymous Scott Abell Monica Bellner Michelle Blackburn Thomas Copeland Arika Daniels Jon Hinkin Mike Marsden Shannon Rimmeroid Paul Socia Bruce & Bobbie Weiss Justin Worden
\$10 - \$99	Felipe Arevalo Brian Blackburn Jason Blackburn Eric Caballero Michael Dunn Dan Hubbard Eric Itzkowitz Jason Jarvinen Chris Kelly Holly Kennedy JR LaBruno Brianna Leissoo James Marsh Jory McEachern Francine Minehart Patrick O'Brien Andy Pendoley Russell & Elaine Peltz Alison Wagner Frances Whitworth Steve Woodcock

INDIVIDUAL DONORS

\$7,500+	Jason Severson
\$5,000 - \$7,499	Antony Murigu
\$2,500 - \$4,999	Wessal Khader
\$1,500 - \$2,499	John Hardy

STATEMENT OF FINANCIAL ACTIVITIES

ASSETS	2015	2014
Current Assets		
• Cash – Unrestricted	\$269,106	\$379,943
• Client Trust Funds – Restricted	\$3,477,491	\$94,251
• Accounts Receivable	\$17,481	\$0
• Accrued Income	\$13,824	\$20,411
• Prepaid Expenses	\$6,761	\$14,346
Total Current Assets	\$3,784,663	\$508,951
Fixed Assets	\$101,020	\$51,922
Other Assets	\$74,914	\$50,914
Total Assets	\$3,960,597	\$611,787

LIABILITIES AND NET ASSETS	2015	2014
Current Liabilities		
• Accounts Payable	\$50,537	\$17,360
• Accrued Expenses	\$103,779	\$33,386
• Client Creditor Payables	\$3,477,491	\$94,251
Total Current Liabilities	\$3,631,807	\$144,997
Net Assets		
• Unrestricted	\$328,790	\$466,790
Total Liabilities and Net Assets	\$3,960,597	\$611,787

UNRESTRICTED NET ASSETS	2015	2014
Revenue, Gains, and Other Support		
• Service Fee Revenue	\$1,842,188	\$1,794,659
• First Pay Revenue	\$157,878	\$102,038
• Fairshare	\$707,829	\$729,745
• Grant Income	\$480,509	\$699,687
• Other Income	\$120,700	\$40
Total Revenue, Gains and Other Support	\$3,309,104	\$3,296,469
• Less Service Fee Refunds	\$0	\$0
Total Revenue, Gains, and Other Support (Net)	\$3,309,104	\$3,296,469
Expenses		
• Client Services	\$226,849	\$84,355
• Program/ Education/ Marketing Expenses	\$2,701,767	\$130,218
• Management and General	\$381,401	\$2,920,966
• Fundraising and Volunteer Recruitment	\$137,087	\$91,919
Total Expenses	\$3,447,104	\$3,227,458
Increase in Unrestricted Net Assets	\$-138,000	\$69,011



We are proud to support our San Diego community!