



COMPASS
WEALTH PARTNERS

Case Study – Amy and Frank

*“How a Family Went From Countless Restless Nights About Money
to Having Their Retirement Dreams Become a Reality”*

This is a case study based on our experience dealing with clients.

Executive Summary

Amy and Frank came to us during a pretty uncertain point in their lives. Facing some major financial decisions, they were looking for guidance on a number of issues that were causing them many restless nights.

After working together, both Amy and Frank shared with us that the outcome of our help was amazing:

- We were able to assure the couple that despite their uncertainty, they were actually on a good track financially. With a few adjustments, our retirement plan projections allowed for their retirement about 4 to 5 years sooner than they had initially anticipated.
- With several key issues weighing heavily on their minds, we helped establish a sound plan to support the areas of primary concern including the anticipated education costs of their children, their eventual retirement, some significant income tax issues that were looming (particularly to address the income tax implications on the sale of a family cottage) as well as a robust investment plan.
- Amy and Frank thanked us for providing a level of confidence and peace of mind that they admitted they were lacking prior to our working relationship. They now felt empowered and secure about their financial futures.

About

Forty-eight year old Amy is a Human Resources Manager for a popular clothing store. She works long hours, but loves her job, and her salary of \$80,000 is pretty secure. Frank, fifty-one, is currently employed as a construction foreman earning \$90,000 and has enjoyed relative job security over his 21 year career. Their two children, Toby and Max, are both doing well in school, including after school activities that take time and money. During the summer months, Amy and Frank enjoy vacationing in the family cottage that has been in Frank's family for three generations.

Challenges

The top 3 challenges facing Amy and Frank included:

1. Lack of knowledge to ensure their financial success, especially over the long-term.
2. Lack of time to try and find the answers on their own.
3. Lack of confidence about their future prospects; to date; they felt like they never made a strong connection with their previous financial advisor relationships and were looking for more support.

How We Helped

During our initial meeting, we quickly realized that a major source of stress and anxiety was fear of the unknown. So we were pleased when the discovery meeting uncovered several smaller investment accounts, along with a couple of life insurance policies. It became obvious to Amy and Frank that they had never taken an inventory of their total assets (net worth) because they were working with multiple advisors. It also became noticeable that a “Master Plan” was missing. As the meeting progressed, you could begin to see their worried expressions disappear as we zeroed in on the key elements of their concerns.

Once there was an understanding of the work we were prepared to do, Amy and Frank allowed us to “roll up our sleeves” to consolidate all of their financial holdings and insurance policies into one place. Now, with full disclosure, we were able to take the holistic approach to their financial planning needs that had been missing to this point. This step gave them the further confidence they needed to know their goals were not out of reach.

Results

After creating and reviewing a financial plan, along with an income tax plan, for Amy and Frank, we were off to the races.

- Based on the projections we completed, we felt comfortable that the Registered Education Savings Plan (RESP) created for Toby and Max would provide the level of financial support desired by Amy and Frank, including the Government Grant Support that goes along with the RESP program. We further optimized their savings program to help guide them towards the risk adjusted returns they required to fund their retirement goals and dreams, based on their emotional investment comfort levels.

- By consolidating and organizing financial accounts including establishing a financial plan, Amy and Frank expressed relief that there was an emergency plan in place, just in case Frank's income was compromised due to a slowdown in the construction industry.
- Amy & Frank's income tax plan revealed the estimated income tax liability on the family cottage, covering multiple scenarios. They were happy to learn the opportunities to reduce the overall income tax burden when it came time for them to come up with a succession plan for the cottage. Turns out the tax liability was not as severe as they thought!



Our Special Gift to You – Get Your FREE Wealth Assessment

Are you action oriented and ready to take control of your financial future but not sure how to take the steps to get there? We'd love to chat with you to see how else we can further help you. For a FREE Financial Independence Assessment (over the phone or in person) call or email us and book your consultation today!

Call **(877) 833-4770** or email us at info@compasswealthpartners.ca

Mailing Address:

Compass Wealth Partners
92 Albert Street
Oshawa, ON L1H 4R2



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