



FALL-WINTER 2016 NEWS



OFFICE NEWS

As the year comes close to an end, I am also facing the end of a wonderful relationship. As of December 22, Anne Marie is retiring. Anne Marie became the other half of my team in September 2000 and we have enjoyed over 16 years together. Her role has evolved over the years; we spent a lot of time together and have become good friends. I hope you will all join me in wishing her great happiness in her next stage of life, and thank her for all she did for me and you over these many years.

SEASONAL DEBT MANAGEMENT

Well in case you have not noticed, the spending season is in full force!

Black Friday, Early Christmas Specials and soon to come, Boxing Week sales. It is easy to get caught up in the materialistic side to this season. This is the perfect time to go back to your financial plan and goals and ensure that your spending choices match these goals.

Maybe the best thing to do is to decide on a set amount you are going to spend either per person or in total and keep to it. For me, spending time with family and friends is one of the goals I have for Christmas, and I wish you all the happiness and peace during this time.

FEES DISCLOSURE ON YOUR YEAR-END STATEMENTS

As I have been writing and discussing with you for the past year or so, there will be a change on the year end statements in the way you will see the fees built in to your investments. As you are aware, all mutual funds have Management Expense Ratios (MER's) built in that come off the top of your return.

For example, if a fund makes 8.27% and the MER is 2.27%, the results you see on your statements is 6.0%. The MER is a combination of a portion for HST, a portion to the Mutual Fund Company for their work and a portion to the Dealer, Investia Financial Services, for both their work and mine. The latter amount is now going to be disclosed in dollars on your statements. If you have investments with banks, they also have MER's and the amount allocated to them for their service to you will be seen on the statements. Please look closely and ensure you are receiving value for your fees from all of your Financial Partners. I encourage you to call or email me with any questions or to clarify what your amount represents.

In addition to the above fee-disclosure, the majority of the mutual fund companies that you are invested with have been making changes to their High Net Worth products. The threshold for what is considered High Net Worth has been dropped and we are now able to get some reduction on the Fund Companies portion of their MER's. This reduction begins at either \$100,000, \$200,000 or \$250,000 for different companies, and the higher the amount invested the larger the reduction you can receive. Some companies are making this change for you automatically while others require us to make the changes.

We are able to consolidate assets to take full advantage of these reductions and I am progressively working my way through your accounts. In the meantime, if I have not yet contacted you, feel free to contact me to initiate this change. This is a great opportunity for us to review your plan at the same time so let's get together and make these great changes!

WHAT IS ESTATE PLANNING?

We often hear this topic but what does it really mean? This is what you do while you are alive to reduce negative impacts when you die. Negative impact with relation to taxes, to ensuring the correct people inherit what you wanted, to avoiding probate and reducing the time it takes for beneficiaries to receive their money.

We take the time to review your wishes and ensure the investments and insurance you have with me reflect these wishes. Segregated funds are a great way to pass on non-registered money and avoid probate, name beneficiaries and ensure it is settled quickly rather than being tied up in your estate which can take months to settle. These also have a death guarantee so are a way to include some guarantee of the amount to be paid out.

If you currently have savings at the bank, these do not have the above protections so feel free to contact me and we can discuss what the best option is for you and your family.

DID YOU KNOW?

As a Certified Financial Planner, there is such a wide range of life events that I am consulted on and often am very involved in from the financial aspect. Some of these areas are:

- Home ownership
- Job change
- Babies
- Death
- Injury
- Marriage
- Travel
- Divorce
- Debt management
- Cash flow review
- Wealth building
- Retirement planning
- Estate planning
- Tax efficient advice
- Insurance protection
- Investment education
- And much more...

Some of the regular activities are:

- At the beginning of each year, we spend the first couple of weeks determining the amount of retirement money that will be coming from RRIF and LIF accounts, then readjust the cash flow needs of our amazing retired clients. This is also time to top up your TFSA.
- In February we work with those that want to top up their RRSP's to complement their regular periodic contributions.
- Spring is the time to review RESP's and ensure all that want to maximize the free money from the government are doing so; *where else can you get a guaranteed 20% return on your money?*
- In the Summer we are busy with RESP redemptions for the children starting College or University. I am so proud of my RESP kids, they will be our future leaders!

In November and December we are busy reviewing the cash flow for our retired clients and ensuring we are watching taxes, future estate planning and income splitting. This is also the cut off for making RESP contributions to receive the matching grant for that calendar year and TFSA's.

Throughout the year, we are constantly contacting you, our clients, with the aim of working with you in a pro-active manner – 'Preventative Financial Planning'. I see my role as your Financial Planner to be that of a Coach, to offer advice and share my expertise to the extent that **you** want. Some clients use a limited amount of the areas I offer, maybe you just have me handle your investments. The majority of my clients however, work with me as an

on-going resource for all financial decisions, they keep me updated on their personal situation and we update their written plans every 3 years or so. These are the clients that have seen great success in debt management, wealth building, tax reduction, education savings and early retirement, to mention a few areas. I am very proud of these clients and their commitment to themselves and their families.

If you are not currently taking full advantage of what we have to offer, now is the time. Call or email us and let's get things going!

Contact us to book your appointment

Debbie McCulloch, B. Comm., CPA, CMA, CFP

debbie@mcwealthmanagement.ca



INTRODUCING...

I would like to introduce my new assistant, Brenda Bowman-Quesnelle. Brenda is training with Anne Marie throughout December to learn as much as she can about this role and between the two of us, we will be sure to take good care of all of you going forward.

Brenda and I have worked together on the volunteer board of Carter's speed skating club so I am very lucky to have her join my team and look forward to a long relationship with her.

Please join me in welcoming Brenda to MC Wealth Management.



brenda@mcwealthmanagement.ca

50 Commercial Avenue, Suite 200, Ajax, ON L1S 2H5

905-427-4406