

PLANNING MATTERS

Quarterly Financial Planning Newsletter
from Coleman Wealth



Spring 2015 - 3rd Edition

What's New from the Feds?

- 1. The TFSA contribution room** increased to \$10,000 in 2015. Contributions are no longer indexed to inflation. See our recent webinar on the subject at: http://www.colemanwealth.com/video_library.htm
- 2. RRIF and LIF minimum withdrawal rates** have been lowered for individuals aged 71-95 to reflect the longer life spans of Canadians and existing investment return rates. This takes effect Jan 1, 2015. Coming soon: Coleman Wealth client webinar to discuss how this may affect you and how you can recontribute any excess RRIF payment that you did not want to take over and above the new minimum.
- 3. New Home Accessibility Tax Credit** available for expenses related to a renovation or alteration of a home for an individual who requires improved access, mobility and functionality within their home. Individuals must be 65+ and eligible for the Disability Tax Credit. The credit is equal to 15% of expenses to a maximum of \$10,000 per home.

Coleman Wealth
Raymond James Ltd.

40 King St West, Suite 5300, Scotia
Plaza, Toronto, ON M5H3Y2

www.colemanwealth.com

May is Raymond James Cares Month!

May 1st marked the beginning of Raymond James Cares Month! What started off as a quiet wish to encourage the spirit of volunteerism in our firm has become a dynamic nationwide movement, in which every Raymond James employee or associate is encouraged to give of their time to volunteer for a cause they support. The goal is to reach 1000 volunteer hours for Raymond James employees throughout the month of May.

"At Raymond James we're all about giving back, and the month of May demonstrates that our generosity extends to our time as well as our financial resources. It's an amazing thing to see," said Mike Todd, Executive Director of the Raymond James Canada Foundation.

Coleman Wealth team members have participated in a number of these events, including:

The Scott Mission - If someone needs a meal or a bed to sleep in for the night, The Scott Mission responds to those and many more needs every single day. Andrea, Nik and Pedro participated in clothing sorting and food preparation at the Mission



From left: Paul Allison, Chairman & CEO of Raymond James Ltd., Andrea Thompson, Nik Zabaljac and Pedro Ostia-Vega from Coleman Wealth

The Erinoak Kids Program - Erinoak Kids is a tremendous association providing care for families who greatly need assistance in what is often a full-time job -- caring for a child with special needs. Darren spent the day helping to clean and repair toys used for kids' therapy.



The Great Canadian Shoreline Cleanup

The Shoreline Cleanup helps promote education about litter issues by encouraging Canadians to rehabilitate shoreline areas through cleanups. Andrea participated with other Raymond James staff and family members in cleaning up litter in Woodbine Beach Park.



Behind the Scenes

How many of you have heard the term ‘robo-advisor’? Recently, the internet has been flooded with automated, online services that promise to offer low-cost investment management solutions at a fraction of the cost of an advisor. These solutions offer ‘cookie-cutter’ solutions based on a risk tolerance assessment, but the scope of their services beyond that is limited.

Recent research from MIT illustrates that the average robo-advisor charges 0.3%, and that the average financial advisor charges 1.18%. This brings up a few key questions that every one of our clients should be clear on when reviewing the services that we provide:

Holistic Wealth Planning	<ul style="list-style-type: none">• Listen and ask questions in order to understand your current situation and goals• Help you think about areas of your financial life you may not have considered• Help you identify and articulate your short- and long-term needs, and formalize your goals in writing• Prepare a customized financial roadmap for each client -- your own personal action plan• Implement, monitor and manage the agreed-upon strategies• Help you establish a retirement plan, business succession plan, estate plan, as needed• Help you to manage your debt and every day cash flows• Ensure your insurance requirements are adequate for your needs and provide annual reviews• Convert your investments into income as needed in the right sequence at retirement (cash flow plan)
Investment Management	<ul style="list-style-type: none">• Prepare a customized portfolio based on your own financial goals that takes the appropriate amount of risk to meet your own personal benchmarks• Offer discretionary money management services• Conduct ongoing due diligence on money managers and provide information to clients, as appropriate• Help you evaluate and understand investment risk, and monitor/manage your portfolio risk• Monitor and assess your investments: review your portfolio regularly and revise as required• Monitor potential investment alternatives and make specific recommendations to help you achieve your stated objectives• Guide you through difficult periods in the stock market by helping to manage your behaviour

Tax-Related Services	<ul style="list-style-type: none"> • Position investments to take full advantage of tax law provisions • With your permission, work closely with your tax advisor to keep on top of your tax situation • Explore and review strategies that help to lower your taxes • Recommend and execute appropriate tax-loss selling solutions • Provide all necessary year-end tax information to you and your accountant
Administrative Services	<ul style="list-style-type: none"> • Maintain accurate records of all personal and financial information as required by securities administrators • Simplify your record keeping by helping you establish and maintain an efficient system • Provide 24/7 online access to your accounts • Provide account statements and other reports as requested • Wire money to your bank, regularly and on demand • Handle exchanges, tenders, and special stock dividends • Handle all insurance-related administration on an ongoing basis
Education and Social Media	<ul style="list-style-type: none"> • Provide relevant and informative information via social media platforms (Facebook, LinkedIn, Twitter) • Provide regular updates on all relevant financial news, either via email, our quarterly newsletter, or monthly blog • Provide client webinars or in-house presentations to educate you on a wide variety of topics
Network	<ul style="list-style-type: none"> • Maintain and grow a network of professionals to ensure that we can provide you with access to the best available lawyers, accountants, trust companies, insurance providers, investment managers, etc. • Ensure that we continue to grow our network within Raymond James to ensure our U.S. clients are effectively served

“How much am I being charged?”

Most Coleman Wealth clients are part of our fee-based model. This means that you are charged a fee that represents a percentage of the assets that we manage for you. This fee is charged on a monthly basis and you can see this directly on your statements (as a line item). The fee that we charge depends on the level of assets you have with us. Some of these fees are tax-deductible (when management fees are charged to a non-registered account).

“What are you doing now to keep my business?”

We are always looking for ways to improve client service and the depth and level of professionalism and efficiency to our business. Recently, we have started to use Webex technology to provide a facility to meet clients virtually. Through this, we are hosting regular sessions to provide enhanced financial education for our clients. We have also been in the midst of developing a more robust Client Relationship Management system to ensure nothing ever falls through the cracks as our business continues to grow. Lastly, we hope that every client engages with the full holistic wealth management service that we offer, as that is an invaluable part of our offering.

Content brought to you by Coleman Wealth and courtesy of James Dolan at advisor.ca.

Coleman Wealth

40 King St West, Suite 5300, Scotia Plaza, Toronto, ON

**Darren Coleman PFP, CFP®, CIM®, FMA, FCSI, Senior Vice President,
Private Client Group Associate Branch Manager, Portfolio Manager**

T: 416-777-7158 | darren.coleman@raymondjames.ca

Andrea Thompson CFP®, CLU, CHS, CDFP, Senior Financial Planner

T: 416-777-7031 | andrea.thompson@raymondjames.ca

Pedro Ostia-Vega, Financial Advisor Associate

T: 416-777-7159 | pedro.ostiavega@raymondjames.ca

Nik Zabaljac, Financial Advisor Assistant

T: 416-777-7147 | nik.zabaljac@raymondjames.ca

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