

## Why Tax Planning, Preparation Is a Critical Part of Proactive Financial Planning

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Helping with clients with a wide variety of financial planning issues, including tax preparation, is a big part of the strategy at Vintage Financial Services of Ann Arbor, Mich. according to Frank Moore, the firm's founder and chief investment officer.

"We really take a proactive approach with our clients," Moore said, which means conducting ongoing financial planning and updating clients regularly on the status of their financial picture. The firm also does tax planning, and has been actively growing through the addition of new, young planners right out of college.

Moore said his firm's clients are mainly individuals with investable assets in the range between \$500,000 and \$5 million, with a minimum level of \$250,000 in assets. The firm's clients range across 22 states.

The firm's status as a fee-only financial advisor is also an important part of Vintage's identity. Being fee-only means "there's not some hidden agenda," Moore said. "We're investing our clients' funds the best way we know how."

The company currently has a team of four financial planners. It has added advisors over time as the number of clients and the service they required has increased. "We work as a team," he said. "So it's not where people are coming in and just working with their own clients."

Moore said that his firm just hired a new financial planning trainee this summer. "It'll probably be a year and a half of getting him trained before he'll start meeting with clients." However he said, even a new employee, just out of college and not yet experienced enough to earn a Certified Financial Planner designation can help the firm with back office tasks while learning the skills necessary to handle clients.

With the growth in college degree programs in financial planning there are a many highly qualified young people ready to enter the financial advisory business, Moore said, but not every firm has the scale to be able to hire someone and take the time to train them. He said that when Vintage made their most recent hire, the team did about 20 interviews, and several of the people interviewed were from other parts of the country but willing to relocate.

Moore said that he recommends that younger planners also look to associations like the National Association of Personal Financial Advisors for additional training in financial planning. He said Vintage sends its newer planners to some of the courses offered by that organization as part of their training.

"Those particular programs are going to be taught by actual industry people, not academics," Moore said, calling it a "great opportunity to get different perspectives" on the broad financial planning industry.

He said he anticipates hiring a new planner every couple of years as a way to plan for future growth.

Moore said his some of the planners at Vintage have developed particular expertise, such as in the tax arena that allows them to give focused guidance to clients. The firm also has a staff member with an insurance background that compliments the investment and tax expertise, he said.

Taxes are also a big part of Vintage's planning practice, Moore said. He said in the past they had helped clients only with tax planning, but "a few years ago we said let's do the tax preparation, too."

Doing tax preparation for clients helps the firm be more proactive in the tax planning process, and keeps taxes as an important focus of the financial plan. Moore said that having a financial planner who does tax preparation also makes it easier for the client, who does not have to go to an accountant separately each year.