

Our QPW Perspectives articles typically explore the status of, and developments in, the capital markets and how those developments may impact your investment portfolio. While having a deliberate and disciplined investment strategy (see: [4 Ds of Portfolio Management](#)) is vital to your financial well being it is only one of many important components to your wealth plan. This article will provide some insight on Quadrant’s Wealth Management processes – which are integral to our services to all clients.

Your wealth plan is much like a financial puzzle – with pieces, that at any given time, are unique to your circumstances and objectives.



There are a multitude of financial planning resources available that provide knowledge and tools in support of understanding many of the pieces of your financial puzzle. The greater challenge is connecting those pieces in a cohesive and integrated wealth plan both for today and for the rest of your natural life - oftentimes into the next generation of your family. That is the essence of Wealth Management.

Wealth Management is a holistic approach to planning that incorporates all of the pieces of your financial puzzle. It requires a coordinated effort of a number of unique and specialized areas of knowledge through a multidisciplinary team.

Wealth Management is greater than the sum of its parts. It can be overwhelming to assess and interrelate all parts simultaneously. At Quadrant, we deal with these complexities by breaking them down into manageable “bits” while ensuring that each fits in with your bigger picture. It’s this back-and-forth analysis between the details and the bigger picture where the best and most personalized options are developed.

In the following sections we will explore some elements of our wealth management process; financial management and estate planning. We will also highlight some of the tools we have developed in support of these processes.

Financial Management

“A budget is telling your money where to go instead of wondering where it went.”

- Dave Ramsey, author of The Total Money Makeover

The crux of financial management is ensuring your lifestyle needs can be met throughout your lifetime and through retirement, and answering the question “Am I OK?”. Will your current and planned savings support your desired lifestyle and prepare you for retirement? This isn’t a question that can be answered once and filed away as complete. Rather it is a dynamic process that adapts to changes in your personal circumstances; either internal/direct (e.g., retirement goals) or external/indirect (e.g., changes in tax regulation). Quadrant’s Private Wealth Managers meet regularly with clients to review their circumstances and coordinate any necessary updates to their wealth plan to answer the question “Am I *still* OK?”.

Two of the Financial Management tools we’d like to highlight are our Personal Lifestyle Budgeting (“PLB”) tool and our Financial Independence Review (“FIR”):

Personal Lifestyle Budgeting (“PLB”) – The importance of understanding your current and future cashflow needs cannot be overstated. Without going through the exercise of examining your expenditures in some detail, your understanding of your total annual expenses may be inaccurate. Without knowing if your expenses are accurate, our planning (specifically the FIR discussed below) may suffer from GIGO (Garbage In, Garbage Out) and ultimately fail to properly assess your long-term financial independence. It’s important to take the time to participate in the creation of a personalized roadmap/plan for you and your family. The PLB is a powerful budgeting tool that helps you fully understand your lifestyle expenses.

Financial Independence Review (“FIR”) – Once you (and we) have a full understanding of your expenses we can start to answer the question, “Am I OK?”. This is where the FIR comes in. The FIR is a compilation of your savings & investment strategy (current & expected), your spending (current & in retirement), and your sources of funds throughout retirement, all projected out to age 95. The FIR provides an objective analysis of your retirement goals and their sustainability throughout your lifetime. The FIR can also identify tax planning opportunities to assist in deferring and/or reducing tax over your lifetime.

There are many more wealth planning tools at our disposal (we have barely talked about tax planning after all) but we wanted to highlight the PLB and FIR as being particularly and universally useful.

Estate Planning

“Planning is bringing the future into the present so that you can do something about it now.”

- Alan Lakein, author of How to Get Control of Your Time and Your Life

All too often we see estate planning that focuses primarily on tax management with less consideration of fulfilling your wishes. While tax planning is a fundamental part of Wealth

Management and an important element of any estate planning process, it should not be at the expense of your personal objectives for your estate.

The two most important components to a proper estate plan are your Will and your Powers of Attorney (“POA”):

Will - Your Will is an extension of your life that encodes, at law, your wishes for the disposition of your estate. If you don’t have a Will or it is not properly drafted and executed there can be no assurance that your wishes will be followed. In addition, if your Will hasn’t been reviewed/updated regularly, it may no longer reflect your wishes. Part of our estate planning process is to discuss and compile information on your post-death wishes, and to outline these in the estate planning memo we would prepare for review and discussion with your legal counsel. The memo documents your testamentary wishes along with our thoughts and suggestions on your Will and estate structure for consideration. Once your Will has been reviewed and updated as necessary, your Private Wealth Manager will ensure it is reviewed periodically and necessary updates are identified and addressed.

Power of Attorney (“POA”) - Planning for the management of your assets and day-to-day financial affairs during any period where you are unable to manage them yourself, for any reason whatsoever, is a very important part of your overall Estate Plan. The estate planning memo will include your wishes regarding your Powers of Attorney. A Power of Attorney gives you the opportunity to appoint a person to look after your affairs while you are still alive but unable to manage them yourself. Without a Power of Attorney, the courts would need to appoint someone to look after your affairs. That could mean a person being appointed that you would not choose to look after your affairs under normal circumstances. In extreme cases, where no individual is available, you could end up under the purview of the Public Trustee who will have no understanding of what your individual wishes might be.

We have developed a number of templates to help gather data and guide you in making decisions respecting your Will and/or POA. These also serve to explore ideas you may not have considered in the existing documents.

We have only provided a quick look “under the covers” at some of Quadrant’s Wealth Management processes. In future articles we will explore other pieces of the Wealth Management puzzle.

At Quadrant, it is a core principle that we cannot provide our portfolio management services in isolation of your overall Wealth Plan. As mentioned, Quadrant’s Wealth Management services are an integral part of our engagement with all clients. Inherent to the process we join with your other professional advisors in designing, implementing and maintaining your Wealth Plan.

About Us

Disciplined. Compassionate. Effective.

Quadrant Private Wealth is an independent, comprehensive, integrated wealth management firm committed to your financial well-being and peace of mind. We take the time to understand your complete financial picture. We tie all of your information together, including tax planning, to paint a picture of what your financial future could look like. And we aim to earn your complete confidence in the process.

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