

On the

# [ MONEY ]

Registered Investment Advisor

[www.VintageFS.com](http://www.VintageFS.com)

Summer 2017 Vol. XXXIII No. II

## From the Grapevine...

In May, a few of our advisors attended the NAPFA national conference in Seattle to network with other advisors and catch up on the latest in financial planning and investments. Frank Moore was one of the speakers and discussed various business models for financial planners. Jack McCloskey and Jim Burns also attended the conference.

Save Thursday, July 20th on your calendar for our annual Top of the Fair party. We'll have appetizers and drinks at our offices overlooking the opening evening of the Ann Arbor Art Fairs. We'll send invitations to our clients, but we'd be happy to have others join us, so feel free to RSVP and let us know you'd like to come.

Jim Burns was recently quoted in *Financial Planning* magazine in an article titled, "Advisors Split on Morningstar's New Mutual Funds." Jim commented on how we seek the best "risk-, tax- and cost-adjusted returns" for our client's investment portfolios.

## FRANK MOORE NAMED A TOP ADVISOR BY *BARRON'S*

Each year Barron's magazine publishes their list of *America's Top 1,200 Financial Advisors*. The feature also runs in Barron's sister publication, the *Wall Street Journal*. They break the rankings down by state and Michigan had 30 advisors including Vintage's Chief Investment Officer and founder, Frank Moore. The list includes a broad array of advisors including those that advise the ultra-wealthy, institutional brokers, as well as advisors that work with mere millionaires.

The rankings are based on assets under management, revenues generated by advisors for their firms, and the quality of the advisors' practices. Frank was pleasantly surprised and honored to be listed, as these types of lists generally favor large firm size over the credentials, experience and fiduciary focus of a firm.

"I think this really speaks to the strong team we've built at Vintage", says Frank. "With five CFP's, a couple Masters Degrees, a CPA, and other designations in insurance, investments and taxes, our team offers broad expertise, most of which wasn't even considered as this is a list based on just investment advice." Frank was the only advisor from Washtenaw County and even the neighboring counties of Wayne, Lenawee, Jackson and Livingston.

Contact our office if you'd like a reprint of the article.

# CAN YOU AFFORD NOT TO HAVE A GOOD FINANCIAL ADVISOR?

Some people are hesitant to hire a financial advisor because they know the advisor will get paid and they aren't sure what value they may receive. A couple major investment firms have done studies to try to quantify the value of a financial advisor and the results may surprise you.

Vanguard is a huge mutual fund firm famous for their low cost funds and their direct to consumer business model. It's pretty ironic that they put together a research study on what value a financial advisor can bring. Their study looked at seven different areas in which advisors can add value:

## VANGUARD STUDY RESULTS

Asset Allocation	>0%
Lowering Fund Costs	0.40%
Rebalancing Portfolios	0.35%
Behavioral Coaching	1.50%
Asset Location	0 to 0.75%
Retirement Spending Strategy	0 to 1.10%
Total Return vs. Income Investing	>0%
<b>Total Potential Value Added</b>	<b>About 3% in Net Returns</b>

The study attempted to quantify the value each area provided, but in some areas they only provided a range or a greater than zero figure. Overall, they found that advisors could add about 3% per year in better net investment performance. About half of the value came from Behavioral Coaching which involves counseling clients through the inevitable volatility of the investment markets along with other financial advice. The study acknowledged that client results will vary from advisor to advisor and from year to

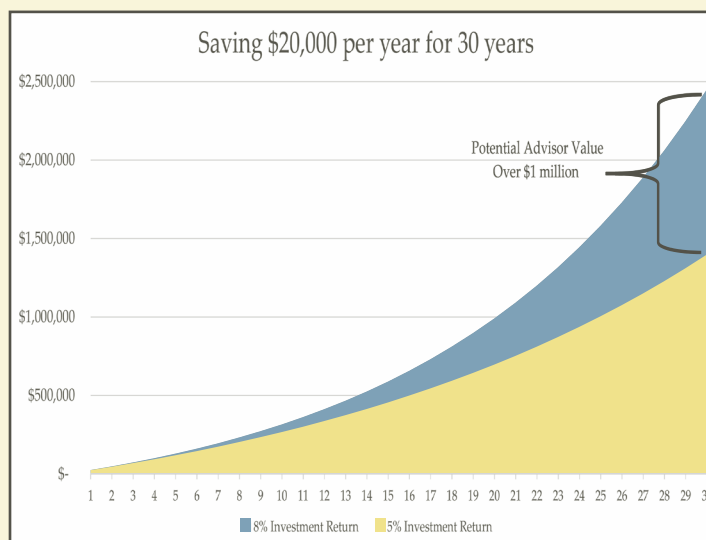
year, but generally advisors that follow some best practices were quite valuable.

Another firm, Russell Investments, which manages over \$250 billion in assets, did a study that came up with similar results. They identified five value areas which totaled 4.08% per year in better performance.

## RUSSELL STUDY RESULTS

Annual Rebalancing	0.20%
Investor Behavior	2.00%
Cost of Investment Only Management	0.33%
Planning Costs & Services	0.75%
Tax-aware planning/ investing	0.80%
<b>Total Value of an Advisor</b>	<b>4.08%</b>

That extra 3-4% in better investment results can make a dramatic difference over the years. An investor that saves \$20,000 per year for 30 years and earns an average 5% investment return would end up with a portfolio of about \$1,395,000. Earning an extra 3% per year would result in a portfolio of \$2,447,000. Based on the studies, a good financial advisor could be worth over \$1,000,000 in 30 years for this hypothetical saver!



## MEET JOSH HARPER

We're excited to announce another new member of the Vintage team. Josh Harper joined us in May and is a recent graduate of Kansas State University where he earned a Bachelor of Science degree in Personal Financial Planning. Kansas State isn't as well known in Ann Arbor as some other universities, but their financial planning program is regarded as one of the best in the country.

Once again, we did a national search for the best financial planning program graduates and we're pleased that our top choice, Josh, was excited to relocate to Ann Arbor. His initial role will be as a financial planner supporting our senior advisors and he'll take the CFP board exam later this year.

Josh spent last summer in the Cleveland area working as an intern with another financial planning firm. And, at Kansas State, he worked as a peer financial counselor helping fellow students with budgeting, student loans, employee benefits and more. In his last semester, he was on two winning teams in Portfolio Challenge competitions, one of which resulted in how the school's department funds will be invested.

Josh brings the total Vintage team count to ten. As a refresher, here's our lineup:

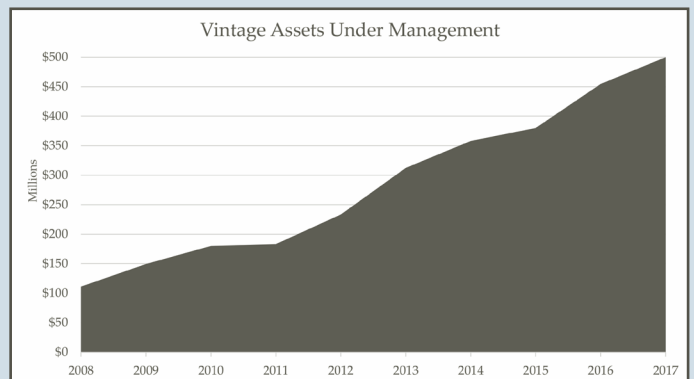
Frank Moore, MS, CFP	Chief Investment Officer and founder
Jennifer Moore	Controller, HR, and co-founder
Candace Kinsler	Office Manager
Todd Perry, CFP, CIMA	Senior Advisor
Joe Henderson, CFP, CLU	Senior Advisor
Jack McCloskey, MS, CFP	COO, Senior Advisor
Jim Burns, CFP, CPA	Senior Advisor
Niki Barnes	Administrative Asst.
John Owens	Financial Planner
Josh Harper	Financial Planner

## VINTAGE ASSETS TOP \$500 MILLION

Vintage's assets under management recently reached a new milestone, topping \$500 million for the first time. The growth in our client's portfolios, along with the addition of new clients, helped push us above the half billion mark.

The firm has grown significantly in recent years. In 2012 we passed the \$200 million mark, in 2013 we reached \$300 million, and last year topped the \$400 million level. We've added many new clients that have been looking for fiduciary advisors that will put their interests first.

As the number of clients we serve has climbed, we've added and trained new advisors to stay ahead of the growth curve. We now boast the most fee only CFPs of any local firm and we have two more advisors on track to earn the designation in the next couple years.



Thanks very much to our clients and local professionals who continue to refer their friends, family, and clients to our firm. If you aren't yet one of our clients, check out our website at [www.vintagefs.com](http://www.vintagefs.com) to learn what we can do for you and why over 98% of our clients retain us year after year.

INSIDE  
THIS  
ISSUE:

FRANK MOORE NAMED A TOP ADVISOR  
THE VALUE OF GOOD ADVICE  
MEET JOSH HARPER  
VINTAGE ASSETS TOP \$500 MILLION

# On the MONEY

101 North Main Street, Suite 800  
Ann Arbor, MI 48104



Presorted Standard  
U.S. POSTAGE  
PAID  
ANN ARBOR, MI  
PERMIT NO. 898

## VINTAGE FINANCIAL SERVICES OFFERS

Fee only investment management, financial planning,

and tax preparation.

Minimum portfolio \$500,000

(401(k) balance may count toward minimum).

For a no charge, no obligation initial interview please call our office  
at (734) 668-4040 or (800) 666-9237 or e-mail:

Succeeded@VintageFS.com

Or visit our website at [www.VintageFS.com](http://www.VintageFS.com)

*Plan to succeed.*

- Retirement Planning
- Education Funding
- Investment Management
- Estate Planning
- Insurance Review
- Trust Investment Management
- Income Tax Preparation