

Sample Client Case Study

Personal CFO or Family Office Services



Bob Horn

Bob Horn is a successful, experienced businessperson who sold his business for \$50 million several years ago. At age 50, he is still very active in a number of business ventures, but lacks the time or expertise to properly manage and administrate his personal assets for maximum growth across multiple generations.

Bob also wants to start transitioning away from full-time business ventures. He envisions spending more time with his family, including his wife of thirty years and their four grown children and their spouses. He also believes that he will soon have grandchildren that he knows will want to learn all about his passion, fly fishing at his Colorado back country cabin.

Bob initially managed his wealth and outside business interests, but quickly felt overwhelmed by the sheer size of the task. In fact, there were days he even wished he had no money—"it was certainly a lot simpler to administrate," he would say. He soon realized that he needed to balance his desire to maintain control of his financial assets with his need for professional guidance. So he hired an independent tax consultant and a financial planner.

His Concerns

Bob's primary concern is that his wealth is secure and that he has enough to have a comfortable existence and to achieve his charitable and family giving goals. He has always been prudent in how he manages his affairs and, although he managed to build a very successful business from nothing, he is very conservative when it comes to risk.

Up until this time, Bob and his wife have done very little in the way of estate planning and he would like to try and minimize the estate taxes that are eventually due on their joint demise. He privately wants to make sure that he leaves a legacy for his children and his children's children. He has been considering creating trusts for his children and future grandchildren. Bob is also considering forming a Private Foundation to support his charitable passion for education.

Bob is very concerned about reducing his income tax burden. He thinks his current financial advisor/tax consultant could do a better job managing his wealth in order to minimize his taxes. Bob is concerned about employing multiple advisors who cannot work closely together—no one is currently looking at his complete financial picture.

Our Solution

A friend of Bob's referred him to InTrust Advisors. After an initial meeting with us, Bob decided that InTrust Advisors offered a total solution to his financial needs.

Bob's client advisors immediately put together a plan to effectively manage his current investments. This plan included the consolidation of investment data from Bob's multiple brokerage and advisory accounts, establishment of a consolidated asset allocation plan and the recommendation of additional investment managers based on that plan. His advisor even provided Bob with ongoing investment oversight and performance reporting, as well as periodic reporting on his consolidated net worth and holdings.

His client advisors also set Bob up to meet with one of the country's top estate planning attorneys. Together his client advisors, tax advisor and estate planning attorney crafted Bob and his wife an estate plan that would save the couple millions in estate taxes. InTrust Advisors also assisted Bob in setting up the plan's trusts and partnerships, hiring appraisers and administering the process from start to finish.

Bob's advisors also helped him to establish a Private Foundation so his philanthropic passion for assisting in educational endeavors could be fulfilled. InTrust even assisted Bob and his family in selecting board members, developing grant proposal guidelines, and calculating annual required contributions. Bob's client advisor also assisted the board in developing an asset allocation plan for the foundation assets and in the selection of investment managers.

At the same time, Bob's advisors also reviewed his income tax planning with his tax consultant. Together they crafted a plan for reducing Bob's taxable income by shifting certain incomes to children or grandchildren. They also eliminated income taxes on tax inefficient investments by weaving specialized insurance into Bob's estate planning.

Finally, Bob's advisors kept on working with him on an ongoing basis providing periodic financial reporting, help with quarterly tax reporting and preparation of draft tax work for his tax consultant just to name a few services.

To say the least, Bob appreciates the work InTrust Advisors has performed for him. By focusing on Bob's total financial needs, InTrust Advisors has saved Bob millions of dollars in income and estate taxes, enhanced after-tax investment returns and provided him with the most important thing—peace of mind.

Note – The aforementioned client is fictitious, any similarities to current or prospective clients is purely coincidental.