

The Partner News

BC Partners In Planning's Client Newsletter

RESP Success

Our early readers might remember that 22 years ago, a young Erika MacLean contemplated the difficult life decision of choosing her financial education vehicle: Beanie Babies or Registered Retirement Savings Plan (RESP). She took her chances on the RESP and it has thankfully made a huge return on funding her education. Due to smart decision making, Erika has been able to utilize her RESP to complete her undergraduate degree at the University of Calgary in Commerce and to recently become a Certified Professional Accountant (CPA).

The RESP is a special government savings program that helps parents and guardians save for their children's future education. The account encourages parents to save and grow their children's post-secondary education fund in a tax-deferred environment. Parents can make annual contributions using after-tax dollars to the plan with a lifetime contribution limit of \$50,000 per child (beneficiary).

To further support young Canadians after secondary school, the government incentivized the program by creating the Canadian Education Savings Grant (CESG). The CESG is an additional government funded contribution made towards a child's RESP. When a parent or guardian makes an annual contribution, the government contributes an additional 20% up to a yearly maximum of \$500 per beneficiary.



Erika received her CPA in July 2021.
Congratulations, Erika !



From: The Partner News, Spring 1999

This means that by contributing \$2,500 a year, the child's RESP will gain a guaranteed return of 20%. This would be on top of any growth that has accumulated in the account from other investments.

When the beneficiary starts their post-secondary education, parents can draw down the fund through Education Assistance payments (EAPs). These payments are taxable, but in the hands of the child rather than the parent. In most cases, this is optimal taxwise as many students will be in a lower tax bracket and pay very little or even no tax at all on the withdrawals. Other advantages of the RESP include:

- Family plans can be created among siblings and allow flexibility with contributing and distributing funds. There are no restrictions on foreign content.
- Unused CESG for any given year can be carried forward to future years up to age 17.

All things considered, although rare Beanie Babies are advertised on Etsy for \$50,000, Erika agrees that the RESP was a safe, effective and flexible savings tool. She is enjoying her job at PwC and does not regret her RESP decision. We are great proponents of this vehicle but need to warn you about the ramifications of your child or children NOT going to an institute of higher learning....contact us if that is the reality and we can discuss and plan accordingly.

Who's Behind the Books?

**Doris Gomes -
Administrator /
Bookkeeper**

In this issue of The Partner News, we interviewed our office administrator and one of our bookkeepers, Doris. She has worked at BCPIP for two years and we are excited to learn more about her.



BCPIP: What was your journey like before coming to BCPIP?

Doris: I am originally from Brazil where I was born and raised for the majority of my life. I went to college there and got my BBA, my MBA in finance and a degree in law. After post-secondary school, I worked as a finance manager for 15 years at a large automobile company.

In April of 2019, my family and I decided to move to Canada and chose Vancouver as our new home. Once in Vancouver, I started studying accounting at Douglas College and worked part-time at a restaurant before finding my way to BCPIP in August of 2019.

BCPIP: Why did you decide to move to Canada?

Doris: Brazil is a beautiful place, but quite tricky and dangerous to live in. There are a lot of problems with the economy and politics, especially corruption. My husband and I decided we wanted my son, Bernardo, to grow up in a better environment than in Brazil so we made the choice to move to Canada.

BCPIP: What type of jobs do you do at BCPIP?

Doris: I take care of our clients' books and make sure they are accurate each month while also handling the external and internal payroll. Also, I have started a new position as the office administrator and look forward to gaining more experience in that role at BCPIP.

BCPIP: What do you like to do outside of work?

Doris: I like to stay active and do something fun outdoors. I enjoy mountain and road biking, hiking, running, going for walks and snowboarding. I was also a triathlete for about five or six years. Planning my diet while training was challenging because I am vegetarian, and maintaining my protein levels at the right amount was difficult. As a fun way to keep me motivated, I started making, posting, and sharing my own vegetarian recipes on Instagram. Surprisingly, my account gained 56,000 followers very quickly and it felt like I was almost working a full-time job for a while.

BCPIP: If you had the chance or the time, would you like to restart making and sharing recipes again?

Doris: I did enjoy it and learned a lot from that experience; however, I don't think I would revive the account. I had my experience on the app and found that it was a real job that needed other people's help to growing the account. A lot of funny things happened on that Instagram app, including an Air Canada sponsorship when I came to Canada for the 2014 ITU World Triathlon Championships.

BCPIP: Finally, what are you excited about for the future?

Doris: When my family and I arrived in Canada, we restarted our lives with many plans we wanted to accomplish. Since we are pretty much settled here, my goal for the future is to become more familiar with Canada, improve my language skills, and become a Canadian citizen. Last year we received our permanent resident status and that was life changing as we are now one step closer to becoming citizens.

BCPIP: Thank you Doris, we wish you the best of luck on your BCPIP journey and on becoming a Canadian citizen!



Rodrigo, Bernardo and Doris, enjoying the great outdoors.

Marian Snowball

It is hard to believe that a year ago, Marian was still with us. We are still struggling with our loss, but we are committed to remembering her for the wonderful person that she was. To make sure her memory lives on, and she continues to have a presence in our office, we have started a number of initiatives that are either in place or coming soon:

- A star was named in Marian's honour, and fittingly, it is an Extra Bright Star. The deed and astronomical position hang in a place of honour in our staff washroom. Marian paid particular attention to the decorating of the bathroom in every office that BCPIP has had - she added a chandelier, antique washstand and pictures of relatives from past generations. The star deed reminds us to think of Marian when we look up at the night sky.
- A memory book is being compiled from the contributions that friends and clients have submitted over the past several months. If you have a favourite memory or picture of Marian that you would like to go in the book for Marian's family, it's not too late—please send to bmaclean@bcpip.ca by November 5th.
- The Christmas tree that BCPIP has traditionally sponsored in the Dundarave Festival of Lights will be renamed in memory of Marian. We will add Norwegian adornments to the usual decorations and our staff will go to the beach in late November with a bottle of Akvavit to decorate the tree and toast Marian.
- A bench is being sanded down and engraved with Marian's name. When nice weather returns in the spring, the bench will be installed on the BCPIP deck as a place for all to sit and reflect on Marian's contribution to the energy and activity that surrounds the office.
- Plans are in place for a memorial scholarship to be awarded on an annual basis to an underprivileged grade 12 student on the North Shore. Marian loved to help others.



Attention all Property Owners - Deadline Extended!

Are you aware of new disclosure obligations intended to end hidden ownership of land in BC? Through the recently created Land Owner Transparency Act (LOTA), mandatory reporting of indirect ownership of land is required. This means all Corporations, Partnerships and Trusts (including Bare Trusts) who are the ultimate beneficial owners or controlling individuals of the property, must file a Transparency Report. The **deadline for pre-existing owners to file was just extended** by one year, and is now **November 30, 2022**. The data will be housed in a searchable public database called the Land Owner Transparency Registry (LOTR).

BCPIP is well underway identifying clients that fall under the new legislation. If you have ownership of a property that is not on our radar, such as shared family properties or other ventures that may not be included in your corporate or trust accounting, please contact us.

Regardless of the new deadline, we will proceed with preparing the Transparency Reports.



"I used to sell mud pies, but I can charge more if I call it real estate."

Client Profile

Bill Rich - Retired

In this issue, we profile Bill Rich, a retired Executive and Engineer. BCPIP took the opportunity to talk with him about his life experiences and how retirement is treating him.

BCPIP: Tell us a little about yourself and your career.

Bill: I grew up in Kitchener, Ontario, and after receiving a scholarship for post secondary education, I choose engineering at the University of Toronto, mostly by instinct. I felt that engineering would open up doors for me and it did! My degree led to a long and interesting career, working for Alcan for 38 years. My wife, Marilyn, and I moved to Kitimat for my first job in 1961. I was transferred to the smelter in Quebec where I learned passable French, but in 1976 I went back to Kitimat as a plant manager. I moved to Vancouver in 1980 to manage a power expansion project, where I stayed until retirement in 1995.

BCPIP: What did you enjoy most about your career?

Bill: Sometimes, when I was plant man-

ager, it was simply grabbing my hard hat and going into the plant to talk to operators and shift foreman. Many still knew me from my days as a young engineer. Early in my career I had the chance, through a case study program, to learn more about human behaviour and work. A good job was more than pay and benefits. Job content should have meaning and elements of responsibility and ownership. I was interested to learn how people in the plant thought about their job. Paying attention to the human element in the structure of work brought success from both a production and job satisfaction standpoint.

BCPIP: What do you like to do now in retirement? Any Hobbies?

Bill: As my father would say “you should ride your hobby with enthusiasm!” I love to fish. My earliest memory is going fishing with my grandfather when I was 4 or 5 years old. Each fall I join my friend in Houston BC where we fly-fish for steelhead. Beautiful rivers, beautiful waterflows for a very aggressive fish.

Another hobby, which I came to later in life, is golf. I play both here and in Arizona, but play a little better in Arizona. It’s a nice that Marilyn and I have a good group of friends in West



Bill with catch of the day!

Vancouver that like to do the same things we do, and a separate group in Arizona that also enjoy those activities.

BCPIP: What are your plans for the future?

Bill: Well, I am 82 years old. When you get into the grandfather role or even the great-grandfather role, you just try to stay healthy and stay active. There are no more mountains to climb. My wife and I are celebrating our 62nd wedding anniversary, our family is healthy, grandkids are in university, and I am still able to do the sports that I enjoy. All the risky parts, besides health, are gone so now we just spend our efforts on staying healthy, enjoying each other, and enjoying life.

BCPIP: Thank you Bill. We would need much more than a page to do justice to the wealth of information and life lessons that you have to offer.

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