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Family Office Services

Family Offices: What Are The Benefits?

The first family offices were formed over 100 years ago by families of wealth who wanted to centralize the management of the families' financial affairs, while building a purchasing power base greater than family members could achieve on their own. Each family member benefits from a consolidated group of professionals in the family office; investment and financial managers, estate planners, tax accountants, philanthropic administrators, and compliance personnel all dedicated to and knowledgeable about each family's specific situation. It is estimated that there are over 2,500 family offices in the United States, and even more informal family arrangements. A family office is usually created when (1) the liquid assets of the family grow to such a size that professional management is required, separate from that which the family business professionals can provide, (2) the family business is sold creating liquidity, or (3) the family believes that their time and talents are better spent on other activities. A single-family office serves only one family, usually with assets in excess of \$100 million dollars. A multi-family office manages the financial affairs of more than one family and the asset requirement is considerably less than \$100 million. A family office differs from financial planners, investment managers, stockbrokers, bankers, and accountants in the services it provides—the full service family office not only plans, but also executes and manages, all of the financial affairs of a family over many generations.

The real value of a family office is coordination of the diverse financial aspects of family assets. By managing the entire investment process, family office professionals have a better appreciation for what assets should be included in the family estate plan and charitable giving. They can budget family cash flow more efficiently, and can better tax plan and prepare tax

returns than professionals outside the family office without access to all aspects of the financial affairs of the family member. If legal or other professional assistance is needed in a transaction, the family office is better prepared to ask for the right assistance and monitor the process since they know the family members' complete financial situation. The family members need only interact with the family office and not a multitude of professionals.



The family office also assists families with generational education by conducting family meetings whereat the next generation is informed about the financial affairs of the family and their responsibility, if any, in the ongoing process of managing the family's assets. In today's complex and complicated world, the coordinated efforts of a family office can help to maintain the asset base of the family, perpetuate the goals and objectives of the family, and maximize the effectiveness of the professionals required to manage the family's financial lives.

PATRICIA M. SOLDANO

Patricia M. Soldano has spent over 20 years working as a family office executive. As the CEO and owner of Cymric Family Office Services, since 1996, she has led the development of Cymric into a leading multi-family office business. Ms. Soldano is a registered investment advisor, who received her MBA from Claremont Graduate School and her BA in Business Administration from California State University, Fullerton. She serves on the board of the Alzheimer's Association of Orange County, UCI Neurosciences Advisory Board and is a founding member of The Orange County Women's Philanthropy Fund. Ms. Soldano is also a founding member of Women Impacting Public Policy (WIPP) the national bi-partisan public policy organization advocating for women in businesses. Cymric paid for this space and is solely responsible for its content.

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Cymric Family Office Services is an independent, full service family office. The firm's services include: asset allocation and investment management, financial management, tax planning and preparation, family meeting organization and facilitation, family foundation management, wealth transfer planning and trust administration, bill paying and cash flow management, and next generation financial counseling.

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