



The Full Field of View – Our Annual Financial Statement Update

Mike Sullivan, CFP®

You may have recently visited your doctor's office because you had a sore throat. Before they took a throat culture, it is likely they first checked your height, weight, blood pressure and heart rate. Likewise, when dropping off your car for an oil change, a good (and honest!) mechanic will conduct a full vehicle diagnostic and provide necessary maintenance suggestions before handing back your keys. Our annual financial statement update is similar to these techniques and comprehensive evaluations. **In order to successfully manage your investment portfolio, it becomes vital that we keep an eye on your complete financial picture.**

Our financial lives can get complicated, risks may be unforeseen, opportunities may be neglected and sometimes even prudent planning breaks down as we get busy and forget to follow-through. Effective wealth management integrates the numerous pieces of your financial life and helps ensure that little gets lost in the shuffle.

Our annual financial statement update is geared towards maintaining current details on the six central aspects of wealth management (see **Figure 1**). The following list highlights a few examples of the pertinent financial information on which we are tracking and advising during these annual update meetings:

Investment Management



- 401(k), 403(b) or other retirement plan investment allocation and performance
- Employer stock option vesting schedule and expiration dates
- Electing to receive pension proceeds as a lump sum or lifetime income stream

Risk Management



- Long-term disability coverage levels, tax implications and premium expenses
- Net cash surrender value and taxable earnings on permanent life insurance policies
- Private versus employer paid health insurance coverage features and expenses

Estate Planning



- Simple sweetheart wills or complex family and marital trusts
- Current legal guardians, trustees and beneficiaries of family assets
- Titling, ownership and transfer instructions on estate assets

Tax Planning



- Changes to your adjusted gross income trends
- How to balance your distributions from taxable, tax-free and tax-deferred accounts
- Choosing the appropriate assets for making deductible charitable contributions

Education Planning



- Investment allocation of 529 college savings plans and custodial accounts
- Keeping up with rising college tuition costs
- Qualifying strategies for financial aid

Retirement Planning



- Determining when it is necessary to update your financial planning models
- Maintaining the appropriate targets for net worth, savings or spending rate
- The proper age to receive Social Security or other pension benefits



Our New Financial Report – Completing Your GHPIA Profile and Providing Your Total Net Worth

In addition to organizing the aforementioned pieces of your financial puzzle, we utilize our annual financial statement update to obtain current values and information on the following:

- Assets and liabilities
- Income and expenses
- Insurance policy details
- Copies of your tax returns, estate documents and outside account statements
- Future financial and personal goals

Once we have organized and updated this information, we will provide you with a comprehensive financial report totaling your net worth and highlighting your wealth trends at GHPIA (**see Figure 2**). Our financial report is similar to the online wealth tracking tools (aka financial aggregators) like Mint or Personal Capital. However, our report is distinguished from these online tools by not requiring your personal logins and passwords, and our report is better tailored to our preferred techniques of wealth management. **We will provide you with your updated financial report by regular mail or via our newly adopted online client portal, which offers greater security and ease in sharing documents back and forth with our clients. The client portal also serves as a vault where clients can save and retrieve important financial documents.**

As your financial life constantly evolves, your annual financial report bolsters our quest to provide you with cohesive, straightforward and prosperous wealth management strategies. Beyond meeting with you regularly to review the performance and strategy of your GHPIA investment portfolio, we likewise periodically offer a third meeting to gather this broader perspective of your financial composition, update your financial statement and possibly identify areas requiring additional oversight.

Introducing Two “New” Members of the GHP Investment Advisors Team

As Sebrina Ivey and Brad Engle will now play a bigger role assisting with tasks stemming from your financial statement update, we would like to formally introduce them to you.

Sebrina Ivey joined GHPIA in 2012 as our Compliance Officer and Operations Manager. Prior to joining GHPIA, Sebrina was the controller for Developmental Pathways, a not-for-profit providing services to individuals with developmental disabilities. Sebrina is a Certified Public Accountant in Colorado, a Certified Internal Auditor and earned a Personal Financial Specialist (PFS) designation from the AICPA. She has over 14 years of experience in a variety of industries including non-profit, higher education, and business loss consulting.

Sebrina earned a BBA in Accounting and a BS in Sociology from the University of Northern Colorado. Sebrina is a Colorado native and loves spending time with her husband and two boys.

Brad Engle began with GHPIA in 2012 and is our Director of Research, Trading and Portfolio Analytics. Before joining GHPIA, he worked with Marsico Capital Management, LLC, a local investment firm, and prior to that he worked with Oppenheimer Funds. He has compiled more than 12 years of investment experience through various disciplines.

Brad earned an MBA from Regis University and a BBA in both Finance and Economics from Mesa State College. A native of Denver, Brad enjoys spending time with his wife and their three children.

Farewell Sommer Vincent and Many Thanks for Your Time with GHP Investment Advisors

For many years Sommer provided exceptional client services at GHPIA. Building from her early roots in the hospitality industry, Sommer often went out of her way to ensure our clients felt comfortable and had their problems fully resolved in a timely manner. She made many contributions to our firm and our client relations department will continue with the quality standards she established. We extend our sincere thanks to Sommer along with our best wishes for her future.






Integrated Wealth Management

Figure 1



Client Report

Figure 2



GHP Investment Advisors, Inc.

Doe, John

GHPIA Invested Assets

Asset Allocation

Assets					
Description	Ownership	Tax	Date	Value	
Savings Account	J	NQ	06/30/2015	\$0	
Life Insurance - Cash Value	P	NQ	06/30/2015	\$44,712	
Primary Residence	J	NQ	06/30/2015	\$540,000	
CDs	J	NQ	06/30/2015	\$10,000	
				\$594,712	
GHPIA Managed Assets					
Description	Account #	Date	Value		
Individual	12345678	11/03/2015	\$50,000		
IRA (Contributory)	34567890	11/03/2015	\$200,000		
IRA (Rollover)	56789012	11/03/2015	\$700,000		
IRA (Roth)	78901234	11/03/2015	\$5,000		
IRA (SEP)	89012345	11/03/2015	\$10,000		
JointTenants	23456789	11/03/2015	\$330,815		
				\$1,295,815	
				Total Assets: \$1,890,527	
Liabilities					
Description	Ownership	Rate	Term	Date	Value
Car Loan	J	2.00 %	12	06/30/2015	(\$9,744)
Mortgage	J	4.88 %	30	06/30/2015	(\$143,000)
				(\$152,744)	
				Total Net Worth: \$1,737,783	



Market Summary



The GHPIA Equity Valuation Dashboard

Asset Class	Price/ Earnings 2015:Q4	P/E Benchmark	Over/ Under Valuation	Price/Book Value 2015:Q4	P/BV Benchmark	Over/ Under Valuation	Price/ Cash Flow 2015:Q4	P/CF Benchmark	Over/ Under Valuation
Large-Cap Growth Stocks	22.5	27.0	-16.7%	4.9	5.7	-14.0%	15.3	17.5	-12.6%
Large-Cap Value Stocks	15.2	20.2	-24.8%	1.9	2.5	-24.0%	8.1	13.1	-38.2%
Mid-Cap Growth Stocks	24.6	24.8	-0.8%	3.7	4.5	-17.8%	15.3	16.1	-5.0%
Mid-Cap Value Stocks	17.2	19.1	-9.9%	1.5	2.2	-31.8%	7.9	12.4	-36.3%
Small-Cap Growth Stocks	26.3	23.2	13.4%	2.8	3.5	-20.0%	13.8	15.0	-8.0%
Small-Cap Value Stocks	20.5	18.2	12.6%	1.4	2.1	-33.3%	8.4	11.8	-28.8%

*Please note that the P/E data reported above are based on "as reported" earnings information rather than "operating" earnings. "As reported" earnings include one time write-offs whereas "operating" earnings reflect the profitability of a company as a going concern. We believe P/E ratios based on operating earnings are a better long-term valuation indicator, but Standard and Poor's does not report this information for the style indexes used in our calculations. To address this issue we have also included Price to Book Value (P/BV) and Price to Cash Flow (P/CF) data, which are other important valuation indicators.

GHP Investment Advisors, Inc. benchmarks are based on proprietary models. P/E, P/BV and P/CF data are provided by Bloomberg L.P. as of 12/31/2015.

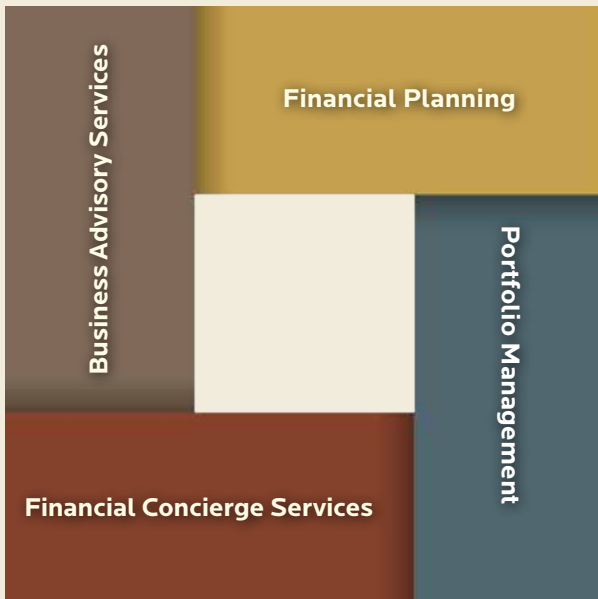
Returns by Index

Index	2015:Q4	YTD
DJIA*	7.70%	0.21%
NASDAQ*	8.71%	6.96%
S&P 500*	7.04%	1.38%
S&P 500/Growth	7.39%	3.75%
S&P 500/Value	5.34%	-5.59%
S&P MidCap 400/Growth	2.58%	0.75%
S&P MidCap 400/Value	1.66%	-8.45%
S&P SmallCap 600/Growth	3.41%	1.47%
S&P SmallCap 600/Value	3.26%	-8.12%
MSCI EAFE	4.37%	-3.30%

Source: Bloomberg L.P. as of 12/31/2015.

*Dividends Reinvested.





Financial Planning

We create a personalized financial plan to help you meet your wealth management goals – and give you peace of mind.



Portfolio Management

We develop and implement an integrated portfolio investment strategy, taking into account your individual investment goals, time horizon and risk tolerance.



Financial Concierge Services

We relieve you of the everyday burden of your financial affairs.



Business Advisory Services

We help you drive your continued success as a business owner, executive or entrepreneur.

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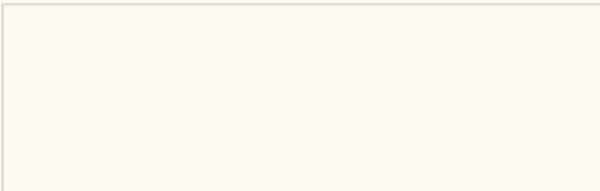
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