

Financial Life Notes

For your Financial Independence & Peace of Mind
Martin Wealth Management, LLC
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The “Fresh Start” Issue

“A person does not get old until regrets take the place of dreams.” -- John Noe

Are you young or old? Are your dreams vivid, alive and brilliant? Or is your life anchored in the past? 2006 is gone and 2007 is just getting started. This is a wonderful time to let go of the past and focus on your dreams for the future. Some of the most powerful and useful advice that I have found comes from Ralph Waldo Emerson, who said: ***“Finish each day and be done with it. You have done what you could; some blunders and absurdities have crept in; forget them as soon as you can. Tomorrow is a new day; you shall begin it serenely and with too high a spirit to be encumbered with your old nonsense.”***

January provides a wonderful opportunity for us to start anew. This issue provides some tools to assist you in this process. First there is a set of “New Year’s Questions” to help you complete 2006 and begin 2007. I encourage you to spend 15 or 20 minutes doing this exercise. This is followed by an interesting article on Goal Setting, written by my friend and fellow member of the Alliance of Cambridge Advisors, Tedd Oylar. There is a valuable goal setting exercise at the end of the article.

I hope you enjoy this issue and find some of these tools useful. If you have any questions or comments, please send me an email at steve.martin@mwm3.com.

Steve

New Year's Questions

Karen and I picked these questions up at a wonderful Mark Sloniker workshop we attended last year. We found them very useful. If you would like a Microsoft Word version, just let me know.

Before beginning a new year in full force, it can be supportive to complete and acknowledge the previous year. I hope that spending a few minutes with the following questions will help you complete 2006 and start 2007 on a strong note!

Completing and Remembering 2006

- What was your biggest triumph in 2006?
- What was the smartest decision you made in 2006?
- What one word best sums up and describes your 2006 experience?
- What was the greatest lesson you learned in 2006?
- What was the most loving service you performed in 2006?
- What is your biggest piece of unfinished business in 2006?
- What are you most happy about completing in 2006?
- Who were the three people that had the greatest impact on your life in 2006?
- What was the biggest risk you took in 2006?
- What was the biggest surprise in 2006?

- What important relationship improved the most in 2006?
- What compliment would you liked to have received in 2006?
- What compliment would you liked to have given in 2006?
- What else do you need to do or say to be complete with 2006?

Creating 2007

- How will you acknowledge those who most impacted your life last year?
- What would you like to be your biggest triumph in 2007?
- What advice would you like to give yourself in 2007?
- What is the major effort you are planning to improve your financial results in 2007?
- What would you be most happy about completing in 2007?
- What major indulgence are you willing to experience in 2007?
- What would you most like to change about yourself in 2007?
- What are you looking forward to learning in 2007?
- What do you think your biggest risk will be in 2007?
- What about your work are you most committed to changing and improving in 2007?
- What is one as yet undeveloped talent you are willing to explore in 2007?
- What brings you the most joy and how are you going to do or have more of that in 2007?
- Who or what, other than yourself, are you most committed to loving and serving in 2007?
- What one word would you like to have as your theme in 2007?



GOAL SETTING *By: W. Tedd Oylar, J.D. Saugatuck, Michigan*

Why should I bother?

If we 21st century residents of the United States have been paying any attention at all, we are aware of the exercise of “goal setting”. It is known by many names and encompasses a range of concepts – visualization, business planning, imaging, even the old standby New Year’s resolutions - all of which are related to the core notion that the best way to improve oneself, in whatever facet of one’s life is at that moment an issue of concern, is by the concerted and purposeful exercise of one’s mind on the relatively simple subject: What do I want to be when I grow up?

To “grow up” in this context is to evolve positively from what one is now to what one can be. The assumption here is that each of us is a work-in-progress, that none of us has achieved anything like perfection in any area of our lives, whether we are considering ourselves physically, emotionally, intellectually or spiritually, but that we can certainly make progress.

On any level, there is never a “wrong” or bad time to do goal setting – in fact, there is neither a “better” time nor a “worse” time to do serious goal setting.

Therapists set goals for therapy at the outset of any therapeutic relationship. Those of us who have participated in any athletic activity has established and pursued goals. Why is goal setting found in so many different areas of our lives? The simple truth is that advisors, coaches and counselors employ goal setting because it so routinely and profoundly works. Without some idea of where we are going – i.e. goals – then we are at best embarking on a random journey, a sojourn without destination. We would be nomads, wandering from day to day and from task to task, with little likelihood of ever achieving satisfaction on any particular level. And, should some sort of satisfaction be found, the experience could not be duplicated. It would have been coincidence. There would be no way to discern the purported success, for it would not be any different from any other point on the journey.

We are better off than that, however, for each of us has in fact done goal setting. For instance, you did goal setting when you asked somebody for a date, or when you applied for a job, or when you went off to college, or

even when you picked up this newsletter. So, building on whatever previous goal setting we have done, I ask you to consider renewing the effort.

This writing offers nothing new or revolutionary. It makes no effort to improve on the works of so many others who have written about, lectured on and advised us on our goal setting. By all means, use any of these tools you have available to you.

I AM encouraging you to start your goal setting now or to update any prior goal setting you might have done. And there is no time like today – if not today, then when?

Rules for Goal Setting

The first rule for goal setting: there are no rules. Pretty much the only way to fail at goal setting is by failing to do it. That being said, there are of course ways to do goal setting that tend to be more productive than others.

A few basics:

1. Pick a reasonable time period to achieve the types of goals you are setting. Some types of goals, say in the area of health or diet (things like “exercise more” or “take more vitamins”), might be achievable in a relatively short time. Conversely, if you are setting goals regarding your retirement, it is feasible that such longer-term goals would require larger time spans. At the very least, it is only prudent to understand the difference between goals one might pursue over shorter or longer time periods.
2. When setting personal goals, it is counterproductive to feel constrained by cultural or familial restrictions. By this, I mean that you have the personal obligation to set goals that YOU want to accomplish, even and perhaps especially if they might appear goofy to those around you. For example, my father imbedded in my little brain early on that I would attend law school and I did as he wished, but some part of many, many days since, I have wondered about all of the other options otherwise available to me but never considered by me on account of the parental expectation. Feel free to respond to this challenge by setting goals nobody else would or could set for you, like parachuting or getting into the Guinness Book of World Records or writing that short story begging to get out of you or playing all the golf courses in Scotland. Those deep aspirations, those simmering hopes, those quiet wants within you - they need to be expressed or you may forever regret it. Who needs more regret in their lives?
3. The best goal setting tends to involve writing them down. In my experience, lists I make solely in my head tend to get lost much more easily. There are other risks of mental rather than written lists. The most important items get lost in the jumble and we can then take the easy way out and focus on the more easily accomplished, shorter-term goals. Also, if some of the goals later on seem to appear to have been included too hastily, then the mind starts to rationalize them away, once again leaving us with just the lesser goals. Finally, if the goals are not written down, then how will you be able to cross any of them off the list upon completion? How will you be able to gloat over your successes? How will you be able to see what important goals remain to be worked on?
4. Last “basic”: Once the goals are written down, think about sharing them with a confidant, a trusted friend, an advisor or even family member. By sharing these truly important goals with somebody who cares for you, you may well have a relationship in which you can discuss your hopes or the impediments you bump into as you do your goal-seeking, and, yes, even your successes. I have also found that commitments made verbally, to another in whom one has placed confidence, are more likely to be kept than those secret “resolutions” to lose weight we all have heard so much about. This is not to say that we make boastful promises of imminent achievements to our listeners; rather, it is suggested that we describe our list as a list of goals, not of covenants, and that we intend to work towards these goals, not get them out of the way by the end of the week. In short, do what you can to make your list of goals meaningful. If you go to the trouble of thinking up the list, you may as well do what you can to make progress towards the chosen goals you’ve put on it.

The Balancing Act

As I have mentioned, there are a multitude of ways one can approach goal setting. In an entrepreneurial environment, one might write out a mission statement and follow that up with a business plan. While working with a financial planner, one might organize one's goals around specific money issues, for example, setting aside enough for a child's college costs, or buying a house or planning for retirement in a specified number of years. Such goal setting exercises serve relatively specific intents. They focus our energies and keep us on track toward highly desirable ends.

I am suggesting, however, that you consider a broader goal setting approach, one that gives similar weight to each of 7 areas of your life. By setting goals in each of these equally important areas, one seeks balance; one takes quicker steps on the path toward a well-rounded and grounded life; one builds a better foundation upon which all of one's life may be lived happier and freer.

The following suggested list of areas to investigate when making one's list of goals is just that – a suggested list. You are the author of your life; however, it is my experience that I am better off when I consider each of these areas as I seek to achieve balance in my life.

Please remember that we are holistic beings, that no one of these "areas" can actually be separated from any of the others. These categories of course are interrelated and mutually dependent. They are not proffered to be contentious, just guidelines.

1. Physical - this concerns issues such as exercise, diet, strength, rest, nutrition and the like. My goals in this area have included "drink more water", "drink less coffee", "take the dog for longer walks";
2. Psychological / Educational – think of this area as including intellectual exercise and mental health, attitudes, visualization, self-motivation. My goals here included "read more history" and "watch less television";
3. Social – obviously, here we are emphasizing interpersonal relationships, the efforts made to maintain and improve friendships. Mine here included "increase my church involvement", "arrange travel with friends" and "e-mail friends on a more regular basis";
4. Vocational – this focuses us on highlighting our better job talents, our unique abilities and helping us to fall in love with our work. My list included these: "improve computer skills", "assign clerical tasks to others" and "have a coach";
5. Fiscal – clearly, it is important that we seek fiscal self-awareness, that we work towards bringing our money lives into integrity with the rest of our selves. In this area, my goals included "set updated financial goals with my Cambridge Advisor" and "improve my financial record keeping";
6. Family – how can any goal setting that seeks to promote balance in our lives omit this area? Here we admit the innate truth that we are profoundly affected by family – good or bad – and that we are better off dealing with concerns such as relationships with family members in each of the generations, possibly including deceased parents, family rituals and, of course, children. I listed in this area "help parents as they age", "foster enjoyable family holidays" and "listen more when my sister-in-law wants to talk to me"; and
7. Spiritual / Ethical - this area focuses us on intentional right living and pays heed to the need in each of us to act in ways that are in integrity with our belief system. My goals in this realm included "increase Bible knowledge", "do more spiritual reading" and "give more money to charities".

The Exercise

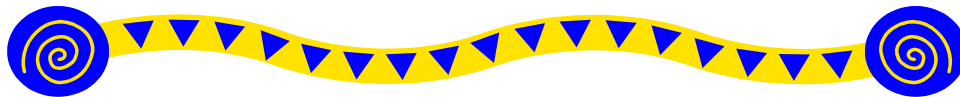
Goal setting is fun and exhilarating, and I do not want to keep it all to myself. Now, it's your turn. Ready? For your goal setting exercise, which will only take a few minutes of thought and writing, do the following:

1. Find a clean sheet or two of writing paper and a working writing instrument;
2. Think in terms of goals reasonably accomplishable over the next 5 years;
3. Review the list of areas above and try to come up with at least two or three goals in each area, remembering that these are YOUR goals, that the goals need not all be macro goals, that some of the goals probably should be interim goals on the ways to bigger or longer-term goals;
4. Do not feel like you have to stop at but a couple of goals in each area; let there be no upward limit on your creativity. By the same token, do not treat goal setting as an exercise in guilt creation - we do this to move us forward, not punish ourselves for past shortcomings;
5. Once the writing is done, highlight perhaps three of the goals you have written down that are particularly important to you and that can be "accomplished" over the next 60 – 90 days, and then start to work on these as soon as practicable;
6. Share your list of goals with that trusted other and talk about the particular importance of the highlighted three;
7. Repeat steps 1- 6 as needed.

Some changes in your life may result from this exercise with astonishing speed. There is an equal likelihood that you may later wonder how some of the cherished goals ever got on your list in the first place.

The key here is in the effort, not in the achievement of a specific goal. Once you have a viable goal-setting list, then many of the decisions you are called upon to make in day-to-day life become easier, the answers more readily knowable, because you now have a better sense of where you are going. Others will notice a difference in you, for your outlook is likely to have improved because your path is more clearly defined.

Good luck – or, perhaps you've now taken the "luck" right out of the equation.



Book Recommendation of the Month

Life & Money - The Wealthy Barber, Updated 3rd Edition: Everyone's Commonsense Guide to Becoming Financially Independent (Paperback) – David Chilton. Well written – with excellent advice. The Wealthy Barber is the book for the person who wants to live his or her financial life with simplicity, integrity, and a quiet pursuit of slow wealth acquisition.

Martin Wealth Management, LLC, is a Fee-Only Financial Planning firm located in Fort Collins, Colorado, and is a Registered Investment Advisor with the State of Colorado.

Martin Wealth Management was founded on the belief that people should use their money to create a fulfilling life – rather than using their life just to create money. Financial Life Planning from Martin Wealth Management begins with this assumption and focuses on your values and dreams. We utilize concepts and processes developed by George Kinder – known as the "Father of Financial Life Planning."

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Please call for a free initial consultation or to arrange for a speaking engagement for your organization.

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