



Secure your future wisely.SM

Five personal, investment goals to work on during recession

By Brian Loy, CFA, CFP
Reno Gazette-Journal, February 15, 2010

Ever found yourself in a place you'd rather not be? I recall skiing at Alpine Meadows, and my friend Wayne asked "I know this great run. Few know about it. Who wants to go?" Not wanting to miss a challenge, 5 of us followed Wayne's trail through the trees about half a mile. Suddenly, I stopped. "Warning, Cliff Ahead", read the sign. Despite the gorgeous run below marked by the few skiers that too knew this magical place, I felt a swelling pit in my stomach and a wobble in my legs. Isn't it funny how life can be good, and in an instant, something happens, a message, or in this case, an ominous sign, stops you dead in your tracks and the momentum grinds to a screeching halt.

We are in challenging times. It'll take some time for our world to stop wobbling. And for those who insist on waiting for some irrefutable sign that things are getting better, whether it be falling unemployment numbers, new housing starts, or the strength in your legs returning, members of the "Most Likely to Succeed Club" will be busy working on those things that we can control in our personal and business lives. Here are the top 6 in no particular order:

- **Cash Flow:** What can I do to increase or maintain revenues? Decrease expenses? Debt reduction or refinance plans? Have we committed to a written budget for the next 12 months? Contingency plans?
- **Taxes:** What can I do to pay Uncle Sam the least amount legally required? What do I need to do to prepare for the changes in income, business and estate taxes? Impacts of short sales, unemployment benefits, or other fallout from this recession?
- **Risk Management:** Do we have adequate insurance protection and where can we save? What legal agreements should be reviewed and updated (e.g. doing business in other areas, changes in family situations, revising beneficiaries, etc.)?
- **Investments:** Is our overall portfolio strategy in line with our financial goals? Are all the components (e.g. personal savings, 401k, real estate, etc.) working at their optimum levels? What fine tuning is needed?
- **Business:** What do we need to do to be more referable or hireable? Where can we expand our business segments or develop new areas of opportunity? How to maintain our key clients or customers, and team members?

Times are tough. If I'm waiting for 'evidence' that things will be better, perhaps I better stand up as I might be sitting on it. Recall Churchill's words back in 1941... "Never give in. Never, never, never, never – in nothing, great or small, large or petty – never give in, except to convictions of honor and good sense. Never yield to force. Never yield to the apparently overwhelming might of the enemy."

How many in his audience do you think walked up to the "Bulldog" and asked for a hug?

And yes, that run with Wayne was spectacular.