



March 2016



About Kathleen Longo

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Living With The Right Kind Of Less

More simplicity, less complexity. Less debt, more savings.

Those are just some of the perks Carl Phillips cites in his [22 Benefits of Living With the Right Sort of Less](#). Phillips, who also wrote the book *22 Ways to Living Simpler* and operates his website [Frictionless Living](#), is part of a growing movement that espouses the virtues of simple living, whether it comes in the form of de-cluttering your home,

Flourish Updates

Spring is arriving a little early to Minneapolis this year, bringing fun and optimism as we start to embrace spending more time outside. We were fortunate to have a relatively short and mild winter this year but we have now officially entered the time of year for bike rides, walks, and re-connecting with neighbors. The changing of the seasons is a friendly reminder to take stock of a lot of things in life, happily (for me at least) saying farewell to winter while welcoming what's next. It's also an opportunity for the traditional Spring Cleaning which I seem to look forward to more than my kids who would almost prefer to do extra homework than try on summer clothes to see if anything from last year still fits their growing bodies. Spring is a great time of year to review your finances and prepare for the year ahead. It has also become an exciting time for our team as we prepare to celebrate the 2nd Anniversary of founding Flourish Wealth Management on April 16th. In honor of the mixed themes of renewal and reflection, we are presenting a series of articles that should provide some additional perspective to the investment and planning process. There are some great education items this month and we hope you have the opportunity to review some of these articles.

Feel the Burn: Why Working Out is Like Investing in the Market

Many people make commitments to their physical well-being through commitments to diet and exercise.

However, I was recently reading an article where only 18% of people with a gym membership actually use it.

The statistics on the number of people that fail to stick to their diet for the long-term are staggering, not to mention the people who have amazing results over a 3- to 6-week time period, only to gain it all back (and then some) once the diet is over. It made me think about the similarities

slowing down your day or going through a spending cleanse.

The basic message: less can be more.

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Flourish Wealth Management

3300 Edinborough Way,
Suite 420
Edina, MN 55435

P: 952.392.4474

E:

klongo@flourishwm.com

[Visit Our Website](#)

with making a long-term commitment to Financial Fitness. How many people do you know that talk about meeting with a financial advisor to put a long-term plan in place, but fail to either make that first important step or follow through on the advice from their wealth manager?

There are actually a lot of similarities between Financial Fitness (sticking to a long-term plan focused on your financial goals) and a physical fitness plan.

Both get the most effective results by putting a plan in place that is comfortable for you and will work over time.

Even then, there may be a time where we "fall off the wagon" with a relaxed diet on vacation, not working out due to illness, or fall victim to all of the headlines by making a market timing investment decision. Fortunately a good plan can weather those short-term bumps in the road. At Flourish Wealth Management, we are committed to working with our clients so we can develop a long-term financial plan that meets their goals, is comfortable for their day-to-day life, and then connect on a periodic basis for check-ins so we can stay on track or make adjustments in the plan as necessary. Our colleague at the BAM Alliance, Manisha Thakor, Director of Wealth Strategies for Women recently shared why working out is like investing in the markets in the Wall Street Journal.

>[Read Blog](#)

1-2-3: Investing, By The Numbers

2%

The approximate number of active fund managers who generate statistically significant "alpha" (excess returns over their risk-adjusted benchmark). Director of

Investor Advocacy for the BAM Alliance Dan Solin says this number is one that "Wall Street doesn't want you to know and is terrified you will find out."

The annualized compound return of the S&P 500 Index from 1970-2015 is 10.3 percent.

10.3, 6.9

That number drops to 6.9

percent when you omit the 25 best single days that the market experienced during that period, providing an illustration of what can occur when an investor mistimes the market.

Source: Dimensional Fund Advisors

10x

In its article "[How Much Do I Need to Save for Retirement](#)," Fidelity sets the aim at saving at least one time your income at age 30, three times your income at 40, seven times at 55 and 10 times at 67 in order to be retirement ready. Manisha Thakor, Director of Wealth Strategies for Women for the BAM Alliance, [shares her thoughts](#) on Fidelity's retirement metrics.

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