

# Wayne's World

Sage, Ruttly and Company

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## *Around the Year*

...by Nick Murray continued....

We have made it to the final month of Nick's book. It has been an interesting journey with many good ideas and practice management thoughts. More than anything, I see this book as a "mindset"; getting what you

they're buying me. Sing your song, the best way you know how with passion, conviction and your whole true self. Because your own true self is everything these people need. And if they don't see that, they're lost.

*Goals are not plans. And that, unless rooted in specific plans, goals are meaningless.*

do to help people clear in your own head and then how to tell your story. If you want your own copy of this book for future reference, let me know.

You are the Plan! The message you are communicating is you and that without you, they are doomed to Outcome #2. (See last month's article.)

Hang your heart on your sleeve..." I am the plan,

Deliberate Practice, Incremental Mastery. The primary objective of a prospect interaction is never to have someone engage you to be their financial planner, nor even to have them request a person consultation. The Primary objective of each interview and each seminar is something finer than that. It is simply to get incrementally but

## *Let's Help Build A House*

...

I have been looking for a project that we can all work on together. Something to continue building on the strong comradery we already have. I investigated several different opportunities and kept coming back to something we did together many years ago. We helped build a house with Habitat for Humanity. We worked in teams and included some clients in some cases. You need not have any construction skills at all. They provide all the tools, have construction managers on site to provide the guidance you need as you work alongside them. All you need to do is show up with a bag lunch and something to drink as well as a desire to help. More to come shortly but an early May start looks good.

perceptibly better, every time out. The AUM will follow.

A Plan for the Coming Year. I would require a practice that generates \$2 million in gross revenue, from which I would net after all costs \$1,000,000 before taxes. I would charge 1% for assets under management for planning, asset allocation and a portfolio together with intensive behavioral coaching. If I am asked to do a comprehensive financial plan, I will charge a separate fee for that work, in advance. I would propose to recruit two hundred households with an average of a million dollars in retirement savings. I would never accept any client I did not like or at least respect and who did not like or at least respect me.

Plan for the Coming year, Part Two. The practice would be entirely stress free. I would specialize in retirement income planning and seek out people who can withdraw less than their portfolios return in the long run, such that they would become wealthier in retirement. I would NOT accept the stewardship of money that was evidently going to run out in the client's lifetime. I would begin a

five-year program based on the Game of Numbers with the intention of recruiting the first 100 clients in that time. The resulting hundred households would be expected to help me recruit the second hundred households.

A Little Talk to Any Group that Will Have Me, Part One. If I were given ten to fifteen minutes to say anything in front of any group whatsoever, I would thank the group profusely and use four of those minutes and say, pretty much, word for word:

**At retirement your whole financial life essentially collapses down to one binary question: will your money outlive you or will you outlive your money?**

**Most people I meet not only don't know what the answer is, they didn't know that was the question.**

**A non-smoking couple of average retirement age- which is sixty-two, has a life expectancy of thirty years.**

**At trendline inflation of 3 percent, the cost of living goes up almost two and a half times over thirty years.**

**If you haven't got a plan to increase your income about as much as your living costs are going up at retirement, then you may, without realizing it, have a plan for running out of money.**

**My mission in life is to help people make the right kind of plan. It's a much shorter conversation than you might expect. And in a minute or so, I'm going to invite you to have that conversation with me, without cost or obligation.**

A Little Talk to Any Group that will Have Me, Part Two.

**I leave you with one thought and two statistics. First, the two statistics. Since 1935, the CPI cost of living index, has compounded at its long-term trend rate of three percent. But the dividend, just the cash income, of the S and P stock index compounded at about five and a half percent.**

**What I am telling you is that five hundred of the largest, most profitable and best finance companies in America and the world have been raising their dividends at very nearly twice the inflation rate as long as anybody in this room has been alive.**

**And here's the thought:  
rising dividends are one  
important way smart people  
have kept their retirement  
incomes growing well  
beyond their living costs.**

**THAT'S MY STORY AND  
I'M STICKING TO IT. I  
WOULD BE HAPPY TO  
MEET WITH ANYONE  
HERE INDIVIDUALLY.  
JUST CALL AHEAD AND  
TELL ME HOW YOU TAKE  
YOUR COFFEE.**

Who I am and What I believe,  
Ten Thoughts.

I believe the only sustainable  
basis for a lasting successful  
advisor/client relationship is  
perfect mutual trust. I earn  
my client's trust by telling  
them the pure, undiluted  
truth all the time.

Have a Plan, not a portfolio.

In the long run, the only  
rigorous definition of money  
is purchasing power.

Equities, the partial  
ownership of the Great  
Companies in the world and  
America have been far more  
effective than owning bonds  
and enhance your purchasing  
power.

Volatility isn't the same thing  
as risk any more than

temporary decline is the same  
as permanent loss.

The dominant factor in long  
term, real life financial  
outcomes isn't so much  
investment performance as it  
is in investor behavior. And  
my primary value to my  
clients is as a behavioral  
coach.

The only way to capture the  
full return of equities has  
historically been to ride out  
their temporary volatility.

No one in my experience has  
ever been able to gain an  
advantage over the equity  
markets by going in and out  
of it because of current events  
or perceived threats. I will  
always counsel that if your  
goals haven't changed, you  
ought not change your  
portfolio.

I charge one percent of the  
assets under my stewardship,  
essentially for behavior  
management. You must be  
convinced that behavioral  
advice- against panic in  
falling markets and euphoria  
in market manias is going to  
be worth multiples of one  
percent a year. Otherwise  
you ought not engage me.

Finally, I counsel rationality  
under uncertainty as

uncertainty in the markets is  
the only certainty.

And that's it. Around the  
Year with Nick Murray. Of  
course, these are just excerpts  
or highlights of his version of  
a successful advisor. If you  
have not committed to a  
direction yet or don't like the  
one you currently have, take  
pieces from Nick and from  
others and build your own or  
build new.... but build.

**We had three new additions  
to the Sage Rutty family this  
past month.**

**Ryleigh Mattle is the newest  
member on Katrina's wealth  
management team here at  
Sage Rutty. She is a local girl,  
growing up and graduating  
from high school in Livonia,  
NY. She completed her BS in  
Actuarial Science from  
Bowling Green State  
University in Ohio and more  
recently, her MBA closer to  
home, at St. John Fisher  
College. Ryleigh currently  
resides in Rochester with her  
longtime boyfriend Steven.  
Together, they enjoy  
traveling, fitness, boating and  
cooking. Her parents, Andy  
and Dawn, still live in Livonia  
with the family dog, Oakley,  
and she has a younger  
brother, Reid, who attends  
Miami University, also in**

Ohio. Ryleigh's plan is to prepare for and successfully complete her transitional role into a full-time advisor and become an integral member and leader in the Sage Rutty family. Please be sure to both welcome Ryleigh and to help her on her financial services profession journey!

Welcome to Caroline Hill, our newest Advisor! We are only just getting to know Caroline, but I think she will be one of our greatest cheerleaders too! Prior to joining Sage Rutty, Caroline left the corporate world with Xerox Corporation and then spent several years building her practice at Brighton Securities. She earned her M.B.A. from the University of Akron and Bachelor's in Chinese Studies from St. Lawrence University where she graduated *Magna Cum Laude* and Phi Beta Kappa.

Born and raised in Rochester, Caroline is passionate about serving the local community. She serves as Trustee at First Presbyterian Church and is a member of the Church's Finance Committee. Caroline is a member of the Greater Rochester YMCA Investment Committee and the YMCA's Women in Business Volunteer Board. She is also a member of the Alumni Association Board at Allendale Columbia School. Caroline and her husband Stephen have been married

for nearly eight years and have a black Labrador, Gracie. Stephen is an Assistant Professor of Management at Nazareth College. Together they both enjoy exploring locally owned restaurants, skiing, running, and exercising.

And finally, we welcomed Hudson Foster Holly to our Sage Rutty family on January 5<sup>th</sup>!! Weighing in at the exact weight and length as his daddy did 30 years ago, at 8 lbs. 3 oz and 21 inches long, Connor, Emily and Holden were happy to have Hudson arrive. Congratulations to the Connor Holly family and all of the fun and busy days (and nights) they are enjoying now. Welcome Hudson.

While we are on the subject of family, congratulations to Michelle! Michelle and Brian were married this past month surrounded by family. Michelle will be going by her married name, Michelle Mayes. Michelle, we wish you, Brian and your beautiful blended family all the best and your special version of happily ever after!

We had another fantastic Holiday Party at Monroe Golf Club. The turnout was incredible, the food, dancing

and silly photos made for a terrific evening. Our Annual Core Value Awards were announced. I am pleased to again congratulate Helene for the Sage Spirit Award, Michelle for the Wolcott Integrity Award, Margie for the Steele Community Award and Doug for the Holly Leadership Award. Thank you all for helping to make Sage Rutty a Great Place to Work. Thank you to the Ogden's for sponsoring our dinner and to looking forward to more events when we can all get together outside of the office.

We held another round of Town Hall Meetings in January. I appreciate all of you who attended one of the meetings or watched the videos if you could not attend. The minutes of the meetings have been summarized and released as well. It won't be long until the next round of meetings in late March, so please start to put your questions together and get them to me anytime. I will collect them and get them to the appropriate manager/managers to prepare an answer for the meeting.

We had another Jeans Day and from a group of thankful

Bill's fans, the proceeds of \$135 was donated to the Andy Dalton Foundation. Andy Dalton, the quarterback for the Cincinnati Bengals got the Bills into the playoffs by beating Baltimore. Next Year, the Super Bowl!!!!

Have you ever been visited the Genesee Country Museum before? If not, you will have a chance to do so as a member of the Sage Ruddy family. We now have a Corporate Membership and have access to this "Living" museum just 30 minutes away. Step back in time and see how our ancestors lived. It is amazing and very cool to visit any time of the year. They have some special events from time to time and we will announce them as we are notified. While we are getting this set up, see me in the mean time if you would like to use the access passes. We will also have access to some of their facilities for corporate or team events so if you are thinking about a little different client appreciation event, think GCV and M!

As previously announced, we have executed a new clearing agreement with First Clearing. This will give us much better pricing immediately while we

continue to do our due diligence on several other potential clearing partners. We will be releasing the new pricing shortly as we put the information all together. First Clearing changed how the fees were calculated last year but it did not impact us because of the contract negotiations. Now that it does, we will be meeting with advisors to review. In the meantime, if you have any questions, please see me. Thank you.

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The revenue numbers are in for January and we set another record month with revenues of over \$3,100,000. WOW. I can remember when it took half the year to hit that number! We had 13 teams/Advisors hit record production months and 13 that hit new Rolling 12 Highwater marks! It is a remarkable achievement that everyone should be very proud and what a way to start off the year.

Trina	397,000*#
Doug	232,000*#
Jim	232,000*#
Craig	232,000*#
Randy	182,000*#
Zach	182,000*#

Curt	167,000*#
Kim	167,000#
Neil	139,000*#
Laura F.	139,000*#
Christine	139,000#
Sandy	138,000*#
Kris	130,000*#
Joe	122,000*#
Brennan	90,000
Pina	90,000
Steve	86,000
Winsome	77,000*
Laura P.	61,000*#
Connor	47,000*#
Dave	46,000*#
Jim C.	41,000*

\*indicates Record Production month

#indicates New R-12 Highwater Mark

You must love it when a plan comes together. This is not about just the markets moving higher. Of course, that helps, and it sure makes a difference, but it is about a plan put in place years ago with a focus on fundamentals.

Fundamentals like hard work in the dispensing of invaluable advice to clients, gathering assets with a holistic, planning approach, and operating in "The Zone" where all stakeholders win, including the client. It is in the fundamental belief that a great workplace can make a difference and working daily to make it so. All of these have contributed to the great success you are seeing in your practices today and doing

more of it will take us far.  
Congratulations to all of you.  
You deserve every bit of the  
success you and your team  
are experiencing regardless of  
how the market prices  
portfolios tomorrow or next  
week. Stay with the plan and  
there is nothing we cannot  
accomplish together,  
continuing to build something  
special.

Thank you,

Wayne

### **Sage Ruddy Core Values**

Do the right thing, always  
Encourage individual ability  
and creativity  
Build a positive team and  
family spirit  
Strengthen and enrich our  
community

### **Sage Ruddy Core Purpose**

Sage Ruddy is the partner of  
choice for Financial  
Professionals seeking  
supported independence, an  
engaging peer network,  
extraordinary client  
relationships, and the

opportunity to shape the  
company's future.