The Five Most Generous on Wall Street

You can imagine how thrilled I was to see Brent Kessel, our co-founder, featured in *Fast Company*'s "The 5 Most Generous on Wall Street."

In the summer of 2005, I was sitting by a lake reading an issue of the *Shambhala Sun*. Somewhere between the articles about mindfulness and equanimity, I stumbled across a full-page advertisement for Abacus Wealth Partners. That same week, I saw Abacus mentioned in *The 7 Stages of Money Maturity*, George Kinder's book about the relationships people have with money. The third "sign" came from a friend who, after hearing me describe the firm I wanted to join, said, "Have you heard of Abacus?" If there was ever a time when the planets were aligning, this was it.

I wanted to join a financial firm that helps people have a less stressful and more meaningful life. So I sent an email to Abacus co-founder, Brent Kessel, asking to join his team. Six years later, I'm a happy and engaged partner at Abacus and I have Brent to thank for this. Through Brent I learned to listen more, talk less, and be more present. I also learned how to be generous with my wealth without the sense of obligation that often accompanies charitable giving. These lessons have shaped me into a better human being and a better advisor.

Brent Kessel was named on *Fast Company*'s list of "The 5 Most Generous on Wall Street" You can read the article at: bit.ly/14SIsp4

Brent's leadership at Abacus and his actions as a philanthropist inspire me more every year. I hope you read the article and share my inspiration.

—Barrett Porter

Oh, Behave!

On a recent vacation to New Zealand, my friend Martin shared with me that his father Frank, over his lifetime, owned 26 pieces of real estate. I figured Frank would be sitting pretty now, living off either the income and principal of a huge investment portfolio that holds the sales proceeds of all that real estate or a semi-stable income stream from the real estate he didn't sell. Unfortunately, neither is true. Frank barely gets by, relying entirely on a modest pension income. How did this happen?

Two Bad Money Habits

According to Martin, Frank had two nasty money habits. First, as soon as he made money he spent it on expensive cars, boats and vacations. Second, he believed it was OK to borrow money to live beyond his means.

We all face a "retirement income" issue, even if the idea of retirement seems old school—just because you want to work forever doesn't mean you

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Fast Company's *Generosity Series is a multi-month celebration and investigation of bold and informed generosity by executives in different industries. Brent was featured on the April 2013 list, which focused on individuals who meet this criteria in the financial sector.*

will. In Nick Murray's book for financial advisors, *Behavioral Investment Counseling*, he suggests that about 90% of one's real-life returns are driven by behavior, not investment performance. For example, if your fear causes you to move to cash after a large market decline, your selection of mutual funds become irrelevant.

Achieving Financial Independence

You don't reach a state of financial independence because you pick the next Apple stock, diversify more widely than your neighbors, or follow a magazine's recommended list of "TOP FIVE FUNDS OF THE YEAR!!!" You get there by deferring gratification. You get there by taking some of the chips off the table when you sell a business. You get there by deferring a portion of every paycheck into a retirement account. You get there by holding your investments when the market declines and not getting aggressive when the market reaches new heights.

Instead of only focusing on investment performance, monitor your portfolio's progress against your life plan. Are you saving enough? Are you being patient? Are you being disciplined? Are you rebalancing the right way? Are you truly diversified? If you can answer yes to these questions, you can turn off CNBC, stop reading financial blogs (except mine), and go surf (like I do).

—Barrett Porter

ABACUS

A Gym-Goer's Confession

As an avid runner and exercise aficionado, I regularly count on my workouts to keep me balanced and energized. But for one month a year, my gym is the last place I want to be. Every January, hordes of well-intentioned New Year's "resolutioners" pack into the gym at all hours of the night, stealing equipment from the regulars, only to stop going entirely by the end of the month.

Why Our Resolutions Fail

As much as I hate waiting for a treadmill, what really gets to me is how quickly this phenomenon fades. Consistently, year after year, I will see a new crop of faces in the gym every day and then ... nothing. What happens? How does a serious resolution fail in a matter of weeks? I believe that in fitness, as well as in finance, we have a tendency to try to bite off a bit more than we can chew. "I will lose eight pounds in four weeks" or "I will max out my retirement plan and kids' college fund, while also saving for a down payment on a new sailboat." Our intentions are almost always good, but they can be so lofty that if we don't reach them, we are quick to abandon the endeavor entirely.

Start Small

Time and time again, research shows that a more successful approach is to set a smaller goal that can snowball into a much larger one over time. You want to start saving? Great! Start by putting $20 a week in a jar, or pick a larger number that still feels meaningless to you. You want to cut spending? Easy! Just cut the number of spa visits per week from three to two. (Substitute "lattes" for "spa visits" if you're not a one percenter.) If that feels fine for a few months, then take it one step further. What matters is building the process of saving and having a plan. Make it automatic and go for it, no matter how little the sum seems at first. With every deposit, you are building your savings muscle, and the longer you save, the stronger that muscle becomes.

—Neela Bushnell

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