

JULY 28, 2011

NEXT WEEK:

The **next meeting** of the Tri-Valley Executives' Association will be held on **August 4th** at Vic's All-Star Kitchen at 7:00am.

GREETERS will be **Simon Vogt** of Lee & Associates and **Mark Van Slambrook** of the Swenson Group Business Technologies.

Larry Smario will SPOTLIGHT Girasole Grill.

The CLASSIFICATION will be given by **new member, Thomas Tong** of Thomas Watch Repair.

SPOTLIGHT:

Jim Bowen learned that **Hacienda Auto Glass** was opened on 01/01/01. B&S Hacienda Auto Body found that they were at the mercy of glass companies to get their work done, so they saw an opportunity to start their own. Hacienda Auto Glass has two trucks that service 4 shops and 3 auto malls. They not only do work for vendors, they do retail, insurance work and repairs and can make an appointment to do the repair or replacement at your home or office.
Hacienda Auto Glass: 447-9890 or 580-7892

THE WEEKLY POT REPORT:

TVEA's 50/50 raffle is at **\$76.00** with 8 white marbles (\$5), 2 blue (\$10) and 1 red marble (winner takes all).

SAVE THE DATE:

Please save **October 6, 2011 at 6:30pm**, Camp di Bocce in Livermore, for the 3rd Annual TVEA Bocce Tournament. (There will be no morning meeting at Vic's)

MEMBER NEWS:

Keep **Phil Maser** in your thoughts as he recovers from surgery to repair a broken shoulder and wrist resulting from a fall off of a ladder.

Missing Harvey? **Harvey Tulchinsky** has been on a bitter-sweet trip to Chicago. While visiting his daughter who underwent surgery to remove her kidney as treatment for kidney cancer, he celebrated his mother's birthday. We wish his daughter a trouble-free recovery and Harvey a safe trip back.

Congratulations to **Mark Van Slambrook** whose wife is 11 weeks pregnant, expecting their second child together.

Congratulations also to **Dr. Endre Selmeczy** and **Wayne Yeaw** who are each expecting a grandchild.

CLASSIFICATION:

Gary Smith graduated from Oberlin College in Ohio in 1970 with a degree in Physics. Oberlin is also where he met his wife of that past 40 years. Gary got his PhD in Physics in 1977 from UC Berkeley. He then started working as a Physicist at Lawrence Livermore National Lab.

In 1977 he and his wife bought their house in Pleasanton, which is where they still live today. And in 1978 they had their son. Gary's community activities have included service on the Boards of the Foothill High School Band Boosters, the Pleasanton Adult Sunday Soccer League, and the Tri-Valley Estate Planning Council.

After working for the Lab for nearly 20 years, Gary decided to make a bold move into the financial world and started Pleasanton Financial Advisors.

His clients can be assured that Gary will give them the same advice that he'd want to get. He has worked on developing strong analytical and computational skills that are helpful in assessing issues that arise in client situations. His 30 years of experience as an investor

have led to a disciplined, long-term approach to managing client assets.

Gary knew that a team would be the best way to serve clients, which is why he originally used the plural "Advisors" in his company name. In July of 2000, Gary moved into an outside office and formed the LLC. **Mark Janer** was the first CFP to join Gary in 2001, then **Bronwyn Shone** in 2004, and **Richard Gross** in 2006. In 2007 they had outgrown their space and expanded their offices.

There are 60,000 Certified Financial Planners in the US, four of which are CFPs for Pleasanton Financial Advisors; in general, financial planning offices have two at most. Advisors go through extensive training and testing to achieve their certification.

Pleasanton Financial Advisors receives fee-only compensation, not commission. They have no affiliation with any broker or dealer, which avoids any conflict of interest. Less than 7% of financial planning companies are fee-only. Your Pleasanton Financial Advisor will look at your current financial situation and based on the complexity of the necessary plan will determine the fee using an algorithm written by Gary Smith.

They provide comprehensive financial management and expert guidance and advice to families, individuals and some businesses in order for them to achieve their financial goals to support the future that they see for themselves. Pleasanton Financial Advisors provides their clients with quarterly Financial Health Snapshots, which can be used to make adjustments toward their goal. Currently, they manage over \$75 million in assets.

They are called on most often when key events occur: job change, birth, retirement, death, etc. New clients are coming from internet searches as well as referrals from existing clients. Pleasanton Financial Advisors does webinars every 6 months to educate clients and potential clients.

If you or someone you know needs their financial health reviewed, call Gary, Mark, Bronwyn or Richard at Pleasanton Financial Planners:

(925) 846-3768 advisors@pleasantonfinancial.com

PLEASE WELCOME OUR NEW MEMBERS:

- **Business Consulting**

GoSmallBiz

Terri Piazza

Phone: (408) 507-0338, Fax: (925) 684-4375

E-mail: terri.piazza@comcast.net

Website: www.gosmallbiz.com/demo/demo.asp

- **Watch Repair**

Thomas Watch Repair Services

Thomas Tong

Phone: (925) 872-0108

E-mail: thomaswatchrepair@gmail.com

SOCIAL MEDIA PROGRAM:

The scheduled emails for writing reviews are starting to go out. Watch your email and respond quickly.

Thank you to those who have completed their first reviews!

PLEASE MAKE SURE your business has a Yelp page and if not, please set it up at <http://www.yelp.com/>.

If you have any questions, please contact Cristin Sanchez at (925) 580-7719 cristin@sanchmail.com or Dr. Endre Selmeczy at 447-8344 Selmeczy@pacbell.net.



Gary Smith and Pleasanton Financial Advisors

Personal History – Gary Smith

- Native of Bay Area, born and raised in Palo Alto
- Bachelors in Physics from Oberlin College in Ohio; met wife of 40 years there
- Returned to California for PhD in Physics from U.C. Berkeley
- Bought home in Pleasanton in 1977 and have lived in that house for 34 years
- Began 19 years of work in 1977 for LLNL in Magnetic Fusion Energy Program
- One child (a son now married) was born in 1978; he attended Foothill High School

Career Change in 1996: from LLNL to owner of start-up business in a different field with no clients

Important Principles in Setting Up Pleasanton Financial Advisors

1. Establish trust by doing great work and acting always with integrity
2. Advice is the same as I would like to receive
3. Take comprehensive view of client situation in order to give correct advice
4. Build a team to serve clients far into the future

History of Pleasanton Financial Advisors

- Founded in July 1996 by Gary R Smith as a sole proprietorship
- Office moved from Gary's home to 1811 Santa Rita Rd Suite 200 in July 2000
- Form of business changed to LLC in Jan. 2004
- Office space expanded (and moved down the hall to Suite 211) in Aug. 2007

Current Staff (year hired) – note that four are CFP® professionals

Gary R Smith, PhD, CFP® (1996)

Bronwyn Shone, MFA, CFP® (2004)

Mark Janer, MBA, CFP® (2001)

Richard Gross, MBA, CMFC®, CFP® (2006)

Madeline Valente Brown, PFP (2003)

Nancy Coumou, RP® (2008)

Mission: to provide objective, expert advice and guidance to assist individuals and families to achieve financial and life goals.

Fee-Only Compensation

- All compensation comes from clients (no commissions; not affiliated with a broker/dealer)
- This form of compensation minimizes conflicts of interest between client and advisor
- Fewer than 7% of financial advisors are Fee-Only; fewer than 1% are members of NAPFA
- Fees at Pleasanton Financial Advisors are based on complexity of client situation (not on assets under management), which is fair for clients and for advisors

Assets Under Management: \$75 million in 64 client relationships (as of 6/30/2011)

Marketing Methods: Website, webinars, e-mail and print newsletters, networking, social media

Sources of New Clients: Internet searches, referrals from clients and other professionals

Examples of Work We Do for Clients

- Manage investments or give investment recommendations implemented by clients
- Assist when key events occur (business transitions, retirement, births, deaths)
- Get financial affairs in order and be proactive on opportunities clients have

Financial Health Snapshot for Bill and Kathy Nelson

Prepared by Pleasanton Financial Advisors in July of 2011

Goals Short-term: Cover basic living expenses and vacations Mid-term: Cover basic living expenses, daughter's college education, and a car purchase Long-term: Cover inflating expenses with investments, Social Security, gifts, and inheritance												
Indicators of Financial Health												
Spending/Saving Pattern	Future Income Sources	Management of Risks	Estate Plan									
<div style="background-color: #d4edda; padding: 5px; text-align: center; margin-bottom: 10px;">Very Good</div> <ul style="list-style-type: none"> • Normal expenses are well-tracked by Kathy • Net withdrawals of \$19,731 in 2Q11 (includes retirement contributions of \$11k) • Maximizing retirement savings opportunities 	<div style="background-color: #d4edda; padding: 5px; text-align: center; margin-bottom: 10px;">Excellent</div> <ul style="list-style-type: none"> • Employment income for Bill • Social Security benefits for Bill and Kathy • Investment income, annuity, gifts and potential inheritance are major sources over time 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Emergency fund <input checked="" type="checkbox"/> Home insurance <input checked="" type="checkbox"/> Auto insurance <input checked="" type="checkbox"/> Umbrella insurance <input checked="" type="checkbox"/> Health insurance <input checked="" type="checkbox"/> Life insurance <input type="checkbox"/> Disability insurance <input checked="" type="checkbox"/> Long-term care plan 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Beneficiary designations <input checked="" type="checkbox"/> Wills <input checked="" type="checkbox"/> Trust <input checked="" type="checkbox"/> Power of Attorney <input checked="" type="checkbox"/> Advanced Health Care Directive <input checked="" type="checkbox"/> Medical-record release forms 									
Portfolio Overview (as of 6/30/2011)			Tax Situation									
<p><u>Returns:</u></p> <table border="0"> <tr> <td>quarterly</td> <td style="text-align: center;">-0.5%</td> <td style="text-align: center;">0.5%</td> </tr> <tr> <td>12-month</td> <td style="text-align: center;">23.3%</td> <td style="text-align: center;">22.0%</td> </tr> <tr> <td>3 year (annualized)</td> <td style="text-align: center;">2.6%</td> <td style="text-align: center;">4.5%</td> </tr> </table> <p>Target asset allocation (stocks/bonds-cash/alternatives)</p>	quarterly	-0.5%	0.5%	12-month	23.3%	22.0%	3 year (annualized)	2.6%	4.5%	<p style="text-align: center;"><u>Taxable</u></p> <p style="text-align: center;">(55/35/10)</p>	<p style="text-align: center;"><u>Retirement</u></p> <p style="text-align: center;">(60/30/10)</p>	<ul style="list-style-type: none"> • Trust has \$304,375 of unrealized gains through 7/6/2011 • Trust has realized gains of \$63,175 in 2011 through 7/6/2011 • Owed zero Federal income taxes in 2010 (but paid self-employment Soc.Sec. tax) • Mortgage pay-off in 2010 will reduce itemized deductions in future years
quarterly	-0.5%	0.5%										
12-month	23.3%	22.0%										
3 year (annualized)	2.6%	4.5%										
<p><u>Income Generated</u> (most recent quarter)</p> <p>Taxable: \$4,070 Retirement: \$1,527</p>	<p style="text-align: center;">\$1,155,996</p>	<p style="text-align: center;">\$503,542</p>										
<p><u>Net Worth</u> (as of 3-31-2010)</p> <p>\$2,878,784</p>												
Recent Activities and Accomplishments		Looking Forward										
<ul style="list-style-type: none"> • You each contributed to Roth IRA's for tax year 2010 • Bill contributed \$8,770 to his SEP IRA for tax year 2010 • You are planning a European vacation to celebrate a special birthday for Kathy • We received and reviewed your 2010 tax return • In your trust, we trimmed overweight stocks and added to underweight fixed income and alternatives • In your retirement accounts, we invested contributions with five trades • Investment gains (net after fees) of \$26,997 in taxable account and \$64,814 in retirement accounts over last 3 years 		<p>For PFA:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Continue to look for rebalancing and portfolio improvement opportunities <input type="checkbox"/> Stay current with large, planned expenses <p>For Bill and Kathy:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Continue to monitor expenses <input type="checkbox"/> Begin process of exploring Long-Term Care plan 										



Planning and Investing to Achieve Your Goals

Pleasanton Financial Advisors is a Fee-Only, NAPFA-affiliated financial planning firm that has been providing objective and comprehensive financial planning services to families and individuals since 1996.

Here are brief profiles of some of the clients we serve:

Long-time married couple with three grown children; \$800,000 in investment assets
Husband age 66 – retired, wife age 64 – semi-retired

Long-time Pleasanton residents who retired and moved out of state

Critical concerns: Develop an investment plan for retirement that is aligned with their goals, time horizon, and risk tolerance and is integrated with other income sources (Social Security and pension income).

Long time married couple with daughter age 4; \$2,000,000 in investment assets
Husband age 51 – counselor, wife age 43 – retired executive

Long-time Pleasanton residents that plan to live in their current residence indefinitely

Critical concerns: Tax-efficiently divest out of a high concentration of company stock accumulated by wife during high-tech executive career and deploy into a diversified portfolio. Tax-efficiently save for college expenses for daughter. Manage risk to protect long-term integrity of financial plan. Wife's goal is to continue to be at-home mom (does not want to re-enter work world).

Long-time married couple with two grown children; \$1,200,000 in investment assets
Husband age 54 – engineer, wife age 54 – administrator

Long time Pleasanton residents plan to move out of state upon retirement

Critical concerns: Invest accumulated cash with discipline and guidelines. Tax-efficiently divest out of high concentration of individual stock accumulated by husband during high-tech career. Assist with decisions on how to deploy positive monthly cash flow (how much to save, how much to spend). Help decide on earliest retirement date for wife.

Single woman age 64 – retired with two grown children; \$700,000 in investment assets

Long-time Pleasanton resident who plans to live in her current home for the next 20 years

Critical concerns: Determine a sustainable monthly spending plan. Decide when to initiate Social Security benefits. Develop an investment plan for retirement that is aligned with her goals, time horizon, and risk tolerance and is integrated with other income sources (Social Security). Develop a sustainable withdrawal strategy from retirement assets.