

LEGACY LEDGER

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LEGACY INVESTMENT GROUP, LLC

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2016

Our Legacy Commitment to You

Legacy Investment Group, LLC is committed to creating financial independence for our family of clients so they can begin legacies of their own.

We believe that an active investment management style, utilizing equity options, provides the best potential return with the least amount of risk.

As a faith based company, we take pride in honoring our fiduciary duty by always placing the needs of our clients above our own.



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Investment Strategy Update for Late January

by Randy Bailey

As I write this today, Wednesday January 27th, the 500 largest companies in America as represented by the S&P 500 are down -7.6% for the month. This is the worst start to the year ever for the major indexes. The Dow Jones Industrials (30 mega cap companies) are down 8.1% and the NASDAQ 100 (mostly tech companies) is down 10%.

Our put selling strategy (used in accounts over \$20,000) has been steadily adding cash even as the S&P 500 has dropped. This strategy allows clients taking monthly distributions to keep the same number of contracts and continue generating income that can be withdrawn. For clients not taking distributions, this extra cash will eventually add up to where we can sell additional contracts to add additional income and so on and so on.

We have had to move our put strike prices down as the S&P has dropped starting with the \$196 strike price Jan 4th. We are currently at the \$192 strike price and we have collected a total of \$273 (less Scottrades trade cost) per contract so far this month. SPY is currently at \$189 and change. Our liability, represented by the sold puts, shows account values currently down around 3.5%. We will continue to roll the put strike prices higher or lower as the market dictates and when SPY is priced higher than our strike price at contract expiration, the liability becomes zero and your account values will completely reflect all the cash and income generated.

With January's awful start and being an election year, it could be another challenging year for the S&P 500. Only time will tell! Rest assured that we will continue to do everything we can to consistently generate income.

S.M.A.R.T Goal Settings



The best goals are *smart* goals — well, actually **SMART** goals is more like it.

SMART is a handy acronym for the five characteristics of well-designed goals.

- **SPECIFIC:** Goals must be clear and unambiguous; vagaries and platitudes have no place in goal setting. When goals are specific, they tell employees exactly what is expected, when, and how much. Because the goals are specific, you can easily measure your employees' progress toward their completion.
- **MEASURABLE:** What good is a goal that you can't measure? If your goals are not measurable, you never know whether your employees are making progress toward their successful completion. Not only that, but it's tough for your employees to stay motivated to complete their goals when they have no milestones to indicate their progress.
- **ATTAINABLE:** Goals must be realistic and attainable by average employees. The best goals require employees to stretch a bit to achieve them, but they aren't extreme. That is, the goals are neither out of reach nor below standard performance. Goals that are set too high or too low become meaningless, and employees naturally come to ignore them.
- **RELEVANT:** Goals must be an important tool in the grand scheme of reaching your company's vision and mission. You may have heard that 80 percent of worker productivity comes from only 20 percent of their activities. You can guess where the other 80 percent of work activity ends up! This relationship comes from Italian economist Vilfredo Pareto's 80/20 rule. This rule, which states that 80 percent of the wealth of most countries is held by only 20 of the population, has been applied to many other fields since its discovery. Relevant goals address the 20 percent of worker activities that has such a great impact on performance and brings your organization closer to its vision. (Source: Blanchard, Schewe, Nelson, & Hiam, *Exploring the World of Business*.)
- **TIME-BOUND:** Goals must have starting points, ending points, and fixed durations. Commitment to deadlines helps employees to focus their efforts on completion of the goal on or before the due date. Goals without deadlines or schedules for completion tend to be overtaken by the day-to-day crises that invariably arise in an organization.

SMART goals make for smart organizations. In our experience, many supervisors and managers neglect to work with their employees to set goals together. And in the ones that do, goals are often unclear, ambiguous, unrealistic, unrelated to the organization's vision, unmeasurable, and demotivating. By developing **SMART** goals with your employees, you can avoid these traps while ensuring the progress of your organization and its employees.

WHAT IS A "SPECIFIC" GOAL

Who: Who is involved?

What: What do I want to accomplish?

Where: Identify a location.

When: Establish a time frame.

Which: Identify requirements and constraints.

Why: Specific reasons, purpose or benefits of accomplishing the goal.

EXAMPLE: A general goal would be, "Get in shape." But a specific goal would say, "Join a health club and workout 3 days a week."

Scottrade Monthly Statements

Some clients have expressed confusion understanding the monthly statement and/or web site, since we have moved to Scottrade as our Record keeper and Custodian. Scottrade has been in the process of upgrading their institutional computer system (Back Office). Needless to say, we have been supplying a great deal of input into their software development. We are working with Scottrade on a short term statement solution, until their back office upgrade is complete. Easier to read statements will be coming in the next few months.

"IT'S NOT YOUR SALARY THAT MAKES YOU RICH, IT'S YOUR SPENDING HABITS"

Happy BirthDay

1/2 Michael L.
1/3 Patrick P.
1/4 Maxwell K.
1/5 Josephine L.
1/5 Patrick M.
1/5 Pam M.
1/6 Carol W.
1/10 Twanna A.
1/11 Sheila A.
1/125 Sharlyn K.
1/13 Robert B.
1/14 Darlene W.
1/15 Katherine V.
1/15 Debra K.
1/17 Melissa S.

January & February Birthday's

1/18 Nina W.	2/1 Donald T.	2/18 Jessica A.
1/18 Clarissa R.	2/2 William R.	2/18 Danny S.
1/18 Carolyn L.	2/2 Sally H.	2/19 Terry B.
1/19 Christine P.	2/3 Andrew K.	2/20 Duane D.
1/20 Alexander K.	2/4 Carol K.	2/21 Kathy C.
1/21 David S.	2/4 Mark K.	2/22 Linda M.
1/22 Randy B.	2/5 Robert L.	2/24 Kay R.
1/24 Hubert L.	2/6 James K.	2/26 DeDe B.
1/27 Mary P.	2/7 Emily M.	
1/29 Dorothy J.	2/8 James R.	
1/29 Ginger W.	2/10 Shirley B.	
	2/11 Karen K.	
	2/13 Zack B.	

Tax Planning Time



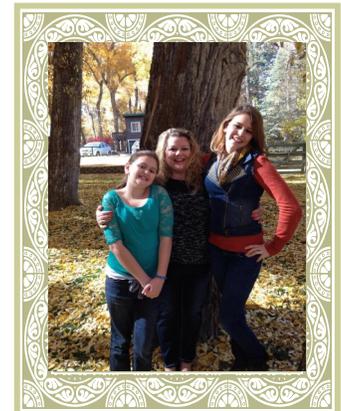
Now is the time to consider contributing to your IRAs or other tax qualified plans for the 2015 tax year. **Now** is the time to contact Marge or your personal tax preparer to discuss your options and other considerations. IRA contributions for 2015 must be made by April 15, 2016, call us and don't wait until the last minute.

Super Staff Spotlight - Nikki Dart

We have had a few changes the last few weeks, our dear Karen retired to the good life, and we have welcomed Nikki Dart into the Legacy family!

Nikki is new to the area, coming from Washington State just two years ago.

She has a background of managing large offices and businesses, with special focus on social media marketing, as well as computers. Nikki has been married to Tyler, for almost 20 years and has 3 children. She is a Nevada born girl, and misses real Mexican food and dry heat. She appreciates the beauty Ohio has to offer with the trees and all the flowers, but is not a fan of the crazy weather! Her first encounter with a tornado siren, she had to record it for all of her Western family to experience, whilst her children were hidden in the basement! Nikki's hobbies include, cooking, baking, racing her Mini Cooper, and getting dirty in her garden. She is very excited to be a part of this team, and taking Legacy to the next level with her ninja computer skills!





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Proposed layout of the Hall of Fame Village in Canton, Ohio

Local Excitement & News

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Hall of Fame Village, the visionary project concept announced by the Pro Football Hall of Fame last fall, will have a major economic impact according to the results released this morning from a study conducted by Conventions, Sports & Leisure International (CSL).

HOF Village, the study concluded, will generate \$15.3 billion in cumulative net new total economic output within Stark County, over the next 25 years. Additionally, a total of 13,375 new full and part-time jobs will be created within the county during the peak year of the project. The cumulative economic and fiscal impact of HOF Village on the State of Ohio estimated over a 25-year period include \$4.8 billion cumulating

net new personal earnings and \$1.0 billion new cumulative tax revenues.

The total construction costs for HOF Village are estimated at \$476 million. The project is slated to start this summer with the first phase to be completed by 2019. HOF Village will include the following components:

*Pro Football Hall of Fame Museum
Tom Benson Hall of Fame Stadium
Hotel & Conference Center
Hall of Fame NFL Experience
Youth Fields
Legends Landing/Residential
Center for Excellence
Retail/Restaurant/Office space*