



Putting Money in the Context of Life™

Brought to you by Financial Focus, LLC

MANAGING TIME & LIVING LIFE

Bringing balance to a busy personal and professional life is challenging. In order to accomplish all that seems necessary, most people resolve to work harder and faster.

Therefore, Americans are increasingly experiencing a time crunch. The result is mounting stress and compromised health and vitality. And yet, despite their best efforts, many individuals express frustration about not being able to bring tasks to completion and having enough time to focus on what or who is most important to them.

No doubt, time is one of the most precious limited resources we have. In fact, most people feel that if they had a choice, they would pick having more time over having more money.

In your own life, you will find that one of the biggest factors that contributes to your life satisfaction is gaining (or regaining) a sense of control over how you spend your time. Ironically, Odette Pollar, author of *Take Back Your Life*, recommends that **the best way to do more is to do less.**

For example, don't keep trying to jam more and more into your over-crowded schedule. Instead, determine to drop several activities and demands. However, you will first need to analyze your priorities. Once you are clear on what is most important to you, then you can eliminate all that does not fit your criteria. Saying "no" more often will allow you to **say "yes" to your priorities.**

In *Getting Things Done: The Art of Stress Free Productivity*, author David Allen offers a number of principles and practical suggestions for managing daily activities and responsibilities. He confidently proclaims, "It's possible for a person to have an overwhelming number of things to do and still function productively with a clear head and a positive sense of relaxed control."

A key practice in Allen's methodology for managing our lives is what he calls "outcome visioning." In other words, picturing in our minds—regarding any commitment, activity, or project—what

"success" would look like and feel like.

Some individuals call this process a "mental dress rehearsal"—a way of imagining a desired result that helps them to gain clarity about available resources and creative approaches to achieving their goals.

In your own life, you too will discover that the clearer your vision of the future becomes, the easier it will be to move toward that image. In addition, as you **intentionally "make room" in your life** for what is most important to you, the sense of satisfaction and fulfillment you experience will increase and multiply. 🌿

In This Issue—



| | |
|--------------------------------------|---|
| Managing Time & Living Life | 1 |
| True Financial Freedom . | 2 |
| Preparing for Life's Surprises | 3 |
| Kids Need Money Mentors | 4 |



“TRUE” FINANCIAL FREEDOM

It is important to keep in mind that cultural messages can have a profound influence on your financial attitudes and behaviors. Intellectually you can disagree, but sub-consciously those money myths can have a profound influence on the level of financial success and life satisfaction that you experience.

For example, there is a lot of truth to the old adage, “Money can’t buy happiness.” But in reality, what money can “buy” is **options**—more personal choice and control as you design the life you want to live—now and in the future.

The authors of *Invest in Yourself: Six Secrets to a Rich Life* say it simply and directly—“wealth is having more than you need, and poverty is having less.” In other words, “poverty” will limit your choices and opportunities whereas “wealth” can put you in the driver’s seat of your own life.

For example, you can pick the lifestyle **YOU** want—whether your preference is an apartment in the city with all the excitement that metropolitan life can offer, or a modest farm house in rural America where you practice “simple” living and explore the art and science of organic gardening. The point is, adequate financial resources will let you make that choice.


Wealth will also give you more alternatives and greater security when you are responding to “bumps” in the road of life, such job loss, health problems, or death of a loved one.

And last, but certainly not least, wealth will offer you more **opportunities** for exploring your potential. Are you longing to continue your education, live in a foreign country, start a business, or take time off to write a book?

And, how about those unfulfilled dreams of your youth? Idealism can burn just as bright at 50, 60, 70, and beyond. It still is possible to make a huge difference in the lives of others. What are

the causes that truly resonate with you? The possibilities are endless—literacy, the arts, animal welfare, equality, homelessness, the environment, medical research, and on and on. **YOU** know what you **really** care about.

The bottom line is this: Wealth will give you the freedom—now and in the future—to invest your time, energy, and skills in the ways that matter most to **YOU**.

Therefore, to get the most value from the money you earn, spend, save, invest, and give away, it is important to view wealth as a **tool**. It is neither good nor evil, but rather a resource for (1) helping you to achieve your goals in all areas of life, and (2) meeting the challenges and grabbing hold of the opportunities that lie ahead on your life’s journey. 

This publication is brought to you by

Michael F. Kay, CFP®
Metro J. Duda, Jr., CFP®
Olga Raykhelson, MBA
Hugues Rivard, CFP®
Charles Weidman, CFP®
of

Financial Focus, LLC

SEC Registered Investment Adviser

70 South Orange Avenue, Suite 245
Livingston, NJ 07039

Tel: 973.533.0666

mkay@financial-focus.net

www.financial-focus.net

©2010 Money Quotient





PREPARING FOR LIFE'S SURPRISES

“We devote much of our lives to making and living out our long-range plans. We go to school, have children, plant gardens, and save for the future with the expectation that we’ll see the fruits of our efforts. Probably for our benefit, the working out of these plans is full of surprises, often pleasant ones.”

Richard E. Vodra, CFP®

In his book *Enough Money!*, author Richard Vodra reminds us of the value of surprises—“it’s part of what makes life interesting and worthwhile.” However, he also acknowledges that some of life’s surprises “bring bad news, even tragedy.”

Without a doubt, the better prepared you are to meet unexpected challenges, the quicker you will recover both financially and emotionally. Here are ten tools that you can utilize to provide financial protection and greater peace of mind:

1. Emergency Fund—This is money set-aside in a savings account to cover unplanned expenses such as major car repairs, emergency travel, or replacing a large appliance. In addition, plan to “grow” this account to the equivalent of three to six months of living expenses in case you temporarily lose your income.

2. Auto Insurance—You purchase this insurance to 1) cover legal liability resulting from owning and operating a car, and 2) physical damage to your insured automobile.

3. Homeowners/Renters Insurance—Homeowners insurance typically covers your personal liability as well as the structure and contents of your house and out-buildings. Renters insurance usually covers personal property in a rented house or apartment and personal liability.

4. Umbrella Insurance—This insurance covers financial loss due to personal liability that exceeds the coverage offered through your

other insurance policies such as auto or homeowners.

5. Life Insurance—Life Insurance is typically purchased by individuals who have dependents. When the person who is insured dies, the amount of the policy (death benefit) is distributed to the designated beneficiaries.


“...the better prepared you are to meet unexpected challenges, the quicker you will recover financially and emotionally.”

6. Health Insurance—This insurance helps you to pay the costs of regular health care and protects you against the catastrophic health care costs that can result from treating serious illness and injuries.

7. Disability Insurance—This is a form of health insurance that will provide you periodic payments to partially replace income you lose due to illness, injury, or disease.

8. Long-Term Care Insurance—This insurance pays for your long-term care if, as the result of physical or mental disabilities, you can no longer accomplish the tasks of independent, everyday living.

9. Durable Power of Attorney—This is a legal document that gives direction as to whom you choose and trust to make your health care and financial decisions in the event that you are temporarily or permanently unable to do so.

10. Will—A will is the first step in estate planning. It is a legal document that specifies how and to whom you would like to have your assets distributed at the time of your death. 



KIDS NEED MONEY MENTORS

With the level of consumer debt skyrocketing and the cost of housing, education, and health care increasing at double digit rates, younger generations are facing unprecedented challenges to achieving economic security and financial independence. Therefore, helping our youth to learn effective money management skills, and to adopt good financial habits and attitudes, is more important than ever.

“ ...helping our youth to learn effective money management skills and adopt good financial habits and attitudes is more important than ever.”

So what can you do if you are worried about the financial future of your children, grandchildren, nieces, and nephews? The place to start is by considering the positive influence you can have in shaping their financial well-being. Next, think about and choose specific ways that you can be a proactive Money Mentor in their lives. Here are suggestions and resources to get you started:

Set an Example—First and foremost, examine your money beliefs and behaviors and then take action to get your own financial life in order. An excellent handbook for reaching this goal is *You and Your Money* by Lois A. Vitt and Karen L. Murrell. Always remember that nothing is more effective in guiding the younger generation than providing a powerful role model.

Be Aware—Stay alert for teachable moments to share your financial expertise and wisdom. Very few topics affect us on a day-to-day basis like money, so there are endless opportunities to provide mini financial lessons via word and example. A wonderful resource for parents (and

other caring adults) is *The Financially Intelligent Parent: 8 Steps to Raising Successful, Generous, Responsible Children* by Jon and Eileen Gallo. For more information, visit www.fiparent.com.

Put it on the Calendar—In addition to impromptu conversations about money, William Anthes, past President of the National Endowment for Financial Education (NEFE), recommends establishing a new tradition—family finance nights. He writes:

“The idea is for families to get together on a regular basis to talk about how money is earned, saved and spent. The financial topic du jour is up to you, but the goal is always the same: to give your children the invaluable gift of a financial education.”

For tips on establishing a regular family finance night, go to www.smartaboutmoney.org and download the article, “Money Night with Kids Instills Smart Financial Habits.”

Use Tools—There are a number of great resources available to help make financial education fun and interesting for children. One example is the Moonjar, “a tool for children and families to incorporate strong financial values and practices into their daily lives.” The creator, Eulalie M. Scanduzzi, explains the meaning behind the name of her product in this way:

Moon: “To shoot for the moon”; to go after dreams and goals.

Jar: Following ancient custom where wishes or dreams are written down and placed in a special jar for future celebration!

The Moonjar kit (www.moonjar.com) consists of three colorful moneyboxes (one each for spending, saving, and sharing), a special Moonjar elastic band to hold the assembled boxes together, a passbook for deposits and withdrawals, and a family guidebook. 🌱