

## Are You Properly Balanced?

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Give me a nine-letter word that has [vertical symmetry](#). Not sure what that means? It means that if you wrote the word down and held a mirror above it, you could still read the word upside down. Can you think of one?

Give up? The word is *CHECKBOOK*. Are you curious if this has any connection to financial matters? Believe it or not, it certainly does.

The word *symmetry* has an interesting definition. If you have ever read any of my previous articles, you know that I like words with interesting definitions. The definition for *symmetry* is "balance." Now can you see the connection?

Here's another question for you. How is your checkbook? Does it have "balance"? Better yet, do you have trouble keeping it balanced? Balanced not only in the fact that at the end of the month all of the checks and deposits are correct, but that you have a balance in your financial life so that not all of your money is going to others. If you don't have balance in your checkbook, then maybe it is time to start gaining some so that you can enjoy some of the fruits of your labor.

A good place to begin with this would be by starting a cash, emergency or opportunity fund. I would suggest this money should be put into a money-market account. An ideal amount to work toward would be \$10,000. This is money that is extra, so that you will not need it next week or next month to cover bills.

The next step would be to set up a [money-market account](#) to pay your [quarterly tax estimates](#). Wouldn't it be nice to have the cash you need to pay these when they are due instead of running around trying to dig up funds? Every time you write yourself a check, write one to your money-market account for no less than 20 percent of the amount you wrote to yourself. This should be a separate fund from the opportunity one mentioned above. These two small steps will save you a lot of aggravation and add a little balance to your checkbook.

Now take a look at all of your outstanding loans and see if you have them under control. Most people tell me they feel like their loans are totally out of control, but they don't have to be that way. Do you have a list of all of your loans? Do you know the total and the current interest rates? How about the terms of the loans? Have you tried to talk to the lenders and see if they would re-structure or lower the interest rates to make them easier for you? You need to know all this information so that you are in control of these loans.

Okay, so you now have established a money market to cover emergencies and opportunities, and you have another one to make sure you have the money to pay your quarterly tax estimates when they are due. You also have a handle on your debt and have called to see if it can be restructured to make it

better for you. Now let's do some more good things for you.

How about establishing a retirement fund? That may come in handy one day. I know you have bills and you want to get them out of the way. However, you will always have bills, but you won't always have the time to put away money for your retirement. You need to start that fund now so that time can make compound interest work for you. Every little bit helps.

What type of plan is the best one? That depends on your particular situation. When do you plan to retire? How much do you want at retirement? How much can you contribute to a plan now? Do you want to make contributions for employees? Do you want a tax deduction on the contributions now or a tax-free income at retirement? What current assets do you now own that can be used to partially fund your retirement? These are just a few of the questions you should be asking and getting answers to.

If you just get these few steps started, you are well on the way to gaining some balance in your checkbook and your life. The time to start this is right now.

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