

## "Save! America Your Guide to Achieving Financial Freedom"

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Would you like more money? Sure you would. Well, you can have it if you work at doing a better job of managing the income you already have.

In America now, 43 percent of families spend more than they earn each year, and 42 percent make only the minimum credit-card payment each month.

That is not "managing." That is really debt slavery. When all of your money goes to pay the interest on your debt, you can't have the things you want without adding to your debt and your interest payments, and you end up in a ruinous cycle.

Getting out of debt is never quick. Most people should figure on two to three years to become debt free. But if you're diligent and patient, you'll be amazed at what is possible.

Gaining financial freedom means changing the way you live, starting with how you think about money.

In "Save! America: Your Guide to Achieving Financial Freedom," we discuss 10 myths about money. Four myths in particular are the most important as individuals take control of their finances:

**Myth #1:** All my money problems would go away if I made more money.

This is the most insidious money myth of all. It doesn't matter where you are on the income ladder - spending always increases with income unless spending habits are brought under control.

More money won't solve your problems. You need to take control of the money you're already making.

**Myth #2:** I can't afford to plan for my retirement.

The fact is you can't afford not to plan for your retirement. If you retire at 65, statistically, you could easily have another 20 years to live. You should figure that you'll need between 70 percent and 100 percent of your former salary to maintain your current lifestyle in retirement.

The only way to amass that kind of fund is to start saving now and take advantage of compound interest. Make time work for you and start putting some money, no matter how small the amount, into a tax-deferred retirement account today.

Myth #3: I know where I spend my cash.

A cup of coffee here, a candy bar there, a magazine - there's no way to accurately remember everything you spent your cash on or where you swiped your debit card. But it still all adds up.

Giving yourself a cash allowance is so important. It frees you from ever having to record each and every daily expenditure. It's simple: You can spend your allowance on anything you want. But when it's gone, it's gone until your next payday.

It is also important to avoid spending your money based on just your wants. Emotions drive our spending habits, not real needs. To make sure you are staying within your allowance, stop and think before you "put it on the card."

Myth #4: Money has value in and of itself.

Paper money has no intrinsic value.

Money, of course, is a substitute for time. It is our time that is precious, not our money. Time is the one resource that is not elastic, meaning that it does not increase with demand. So how you spend your time truly matters.

That's what retirement is really all about. You can choose to live paycheck-to-paycheck, spending everything you make, or you can choose to store up money (time) to be used in the future.

Can you retire at 55? Sure you can - if you start planning and saving for it when you are much younger. Money has no value in and of itself. It only can be exchanged for things of value - or for time.

By exploding these insidious myths, individuals can change the way they think about their financial situation and ultimately overcome a critical hurdle to gaining control of their finances.

The mood has shifted in America and individuals now desire to become more disciplined savers. People must understand that developing timeless financial habits will lead them down the path of true financial freedom.

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