

THE FINANCIAL INFORMER

Volume 26: Issue 1



Spring 2008

Upcoming Events

Annual Chamber of Commerce Mixer:
JULY 30th At FRA
5-7 p.m.

Featuring:
Singing Wood Marimba
Hunter Hill Wine
Alexandra's Catering

Classes!

June 24:
Separating Your Assets
July 15
Organizing Your Financials
July 15
Long-Term Care Insurance
July 29, August 5, 12
Women's Guide to Financial Fitness
August 14
Long-Term Care Insurance

Inside This Issue

Our Economy	1
Prepared for	2
How Updated Are Your Records	2
Trusts, Who Needs Them?	2
COBRA: Don't Get Bit	3
Friendly Divorce?	3
No Phony Story	3

FINANCIAL RESOURCE ASSOCIATES, INC.

OUR CRAZY ECONOMIC TIMES!!

As individual investors, there are a few things that Elaine and I suggest you do to guard against perceived uncertainty and volatility in the investment markets.

First, make sure that you have created and are replenishing your emergency savings accounts. If there is no other lesson to learn from *any* downturn of the market or a credit/real estate crunch it is that those who have saved for this type of environment are not feeling apprehensive or regretting financial decisions that they have made. Those who have a "savings cushion" have plenty of funds set aside to see them through mortgage or consumer difficulties. If you need help determining what that savings cushion should look like for you, give us a call.

Secondly, make the time to get with your financial advisor to review your investment portfolios and retirement plans/accounts to help assure that your strategies and objectives are on course. This is particularly true if you are approaching retirement in the next 5 years. Meeting with your financial advisor will help you determine if there needs to be a rebalancing of investment positions or a weeding out of underperforming assets.

We suggest that you join us in taking a long-term view of your investments; to see that any "recession" or "inflation" or



Lisa Rosenau,
VP of Asset Management
Lisa has been with the FRA
for over ten years!

"credit crunch" aspects should be temporary and cyclical. It's nearly impossible to avoid the daily headlines that would like to persuade you otherwise. Having an experienced investment professional to guide you helps to give you a more rational perspective on what is happening financially as well as advise on how to take advantage of current economic conditions.

Finally, Elaine and I don't want you to think that we have our heads buried in the sand. We are aware that there are many components of the economy that are experiencing difficulties and will have struggles in the quarters ahead. But we would like to remind you that we have both been investment professionals through many different cycles; Elaine for over 26 years and myself for 22 years. We are both confident that our economy (and the economy of the other developed countries) continues to be strong, resilient and innovative. *And* that the investment potential in many different areas of our world is vast and promising.

As always, we encourage you to come in for a review of your accounts, particularly if you haven't been in lately. To set up a review appointment give Hanna a call at 831-458-1125. If you are out of our area, I am happy to come and visit you in person or schedule a review via phone or email.

IS RETIREMENT LOOMING AHEAD... ARE YOU READY??



Elaine Kiernan, CFP

Are you ready for retirement? I'm sure you've all heard that today's 60 is like yesterday's 40. Those in their 20's will most likely live to be in their triple digits!

So, how ready are you? What is your definition of retirement? How do you envision your perfect retirement? Will you be ready? Will you be able to maintain your current lifestyle?

Will your retirement be a golden one or will it be tarnished silver?

Think about your passions. Think about what you would like to do for the next 20 to 30 years. I'm sure each of you has dreams for your future. What are those dreams? Have you allowed yourselves to dream about starting a completely new career?

Let us help you in exploring your options for a golden retirement. Most of us have many years ahead of us and let's hope they can be productive, active and enjoyable ones.

Call today and schedule an appointment to see if you can look forward to your golden retirement!

HOW UPDATED ARE YOUR RECORDS??



What condition are your records in? If you or your partner/spouse were unexpectedly killed today, would your heirs be able to locate your records? Would they know your wishes concerning your estate and your funeral arrangements?

When was the last time you checked the beneficiaries listed on your insurance or retirement accounts? Is your will current? Do you need to update your financial/life plan?

If you have ever been a trustee or executor, you know how important it is to have things current! Give us a call and set up a time to get your affairs organized and current.

(831) 458-1125!

ESTATE PLANNING

Living Trusts

A common misconception is that Living Trusts are only for the very wealthy. Not true. One of the major uses of a trust is to avoid probate. Why? Because probate is time consuming and expensive.

What is probate?

It is a court procedure that manages your estate, after your death, until the assets can be distributed. That's not bad, but the downside is that your money can be tied up for months or even years. During this time, trustee's fees and attorney's fees are being charged and paid.

In addition, all estates in gross assets are assessed a percentage of that gross value. This means that even a small estate can spend several thousand dollars before our loved ones see a penny.

Call Anne Lober, Esq. in our office to have your affairs reviewed.

(831) 427-0332.



Anne Lober, Esq.

INSURANCE QUESTIONS ABOUT ...

..COBRA?

Your COBRA payments are how much?? You may have options. Let's take a look at a short-term policy, or perhaps an HSA-compatible plan.

..Long-Term Care?

Are you near 50 or older? If you haven't considered long-term care insurance, you may be doing yourself and your family a disservice. Let us simplify the del-

uge of information you may be receiving and provide a specific quote.

..Life Insurance?

Have you reviewed your life insurance situation recently? If you're like most of us, the answer is "No". For peace of mind, let's change that to a quick "You betcha!"

..Senior's Insurance?

Got lotsa Senior's insurance questions?? We have lotsa answers!

If you would like us to send you one of our Senior Guides to Social Security and Medicare, give us a call. We'd be happy to send one to you at no charge.

Todd Corgill specializes in Life, Health, Disability, Long Term Care policies and Group insurance coverage. Give him a call today at **831-458-1125** for a quote on your insurance.



Todd Corgill
VP of Insurance Services

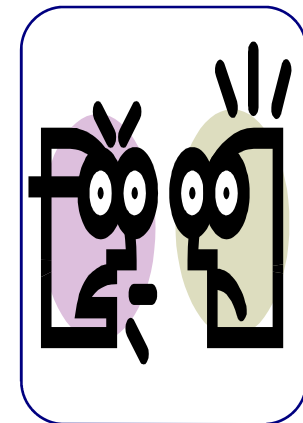
IS THERE SUCH A THING AS A FRIENDLY DIVORCE??

People going through a divorce may not think of it as a very friendly time. However there is a need to be as civil as possible, especially if children are involved.

When you are faced with a divorce, you are certain to hear this from well-meaning friends or family..."Get everything that you can." That attitude will *not* assist you in maintaining a civil separation and divorce.

If a divorce must happen, at least be aware of the benefits of mediation or collaborative divorce *before* considering litigation. If have tried the other avenues and you must go through litigation, then so be it...but be aware that in litigation, no one wins except the lawyers and courts.

To explore which options is best for you and your circumstances, call Elaine. She's a Certified Divorce Financial Analyst.



THE PERSON BEHIND THE PHONE

Hanna has been with our family for almost 4 years. Since joining our team in July of 2004, she has truly evolved into an integral part of this company. Besides answering the phone and scheduling appointments, Hanna has created a variety of different tracking systems that assist us in

maintaining accurate records and decreasing loss of revenue. She also contributes many ideas for the growth of the company and has been acknowledged on more than one occasion for her ideas and efforts in the area of marketing. We are very lucky to have her!



Hanna Anhorn
Project Manager & Client Services

FINANCIAL RESOURCE ASSOCIATES, INC.

2161 Delaware Avenue, Suite #C, Santa Cruz, CA 95060

831-458-1125 800-660-3720

www.FRAssociates.com

Annual Offering

In compliance with the FINRA rules, each year we offer to send to our clients a copy of our ADVII form. If you would like to have a copy of this form, please contact our office and we will be happy to send it to you.

831-458-1125

- ♥ Elaine Kiernan, CFP®, CDFIA, CSA
- ♥ Lisa Rosenau, VP Asset Management
- ♥ Todd Corgill, VP Insurance Services
- ♥ Maggie Camp, Office Manager
- ♥ Hanna Anhorn, Administrator

Securities through Geneos Wealth Management, Inc. member FINRA, SIPC.

Investment advisory services offered through Financial Resource Associates, Inc.



Financial Resource Associates

2161 Delaware Ave, # C

Santa Cruz , CA 95060