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*"Prosperity depends more on wanting what you have than having what you want."* – Geoffrey F. Abert

*"Riches do not consist in the possession of treasures, but in the use made of them."* – Napoleon Bonaparte

### *Monthly Musings*

For those who watch the Netflix political drama series "House of Cards" – do you think it is closer to fact or fiction in politics today?

### *Things Financial*

There are two phases to wealth: Creation then Preservation. This month we look at creating wealth.

The principals of building wealth are a bit more nuanced, but much less complicated, than might be expected. Amazon lists 2,701 books on Personal Finance - a lot of advice for a straightforward process:

1. Understand your relationship with money.
2. Determine which material things you need and which bring you joy.
3. Save money by spending less than you earn.
4. Invest your capital (savings) until the income from it is greater than your expenses.
5. Celebrate, you are financially independent!

The first step is more nuanced and deeper than you might realize. We all receive "money messages" in our youth that affect how we think about money. Is it scarce or plentiful? Easily or dearly obtained? To be shared or sheltered?

Author George Kinder describes a seven stage path to money maturity from innocence (childhood state

without any concept of money) through the adult stages when we learn of the work and energy it takes to reach our financial goals, the inequality of wealth, greed and other painful aspects of money and finally the step of being altruistic with one's wealth. Whether or not you agree with the spirit of Kinder's search for meaning in wealth, the stages are useful in helping us to reflect on money's role in our lives and in society.

In their classic book, "Your Money or Your Life" Vicki Robin and the late Joe Dominguez help us to truly realize we are earning money through the exchange of our precious time on this earth. The authors help you calculate your "real hourly wage". An exercise that will make you think hard as you determine which material things you really need and which bring you joy.

It takes time, focus, and diligence to keep your spending below your income and save money but there are many techniques to make it more enjoyable. Seeing your capital (savings) income increase over the years towards the goal of equaling your expenses is rewarding.

Wealth creation is not easy. It requires thinking differently than most, it requires emotional toughness, discipline and even faith but you can do it and we are here to help you with every step of the process.

Sincerely,

Robert J. Boronski, MBA, CFP®

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<sup>1</sup> "Seven Stages of Money Maturity", George Kinder, 1999, Random House 2 "Your Money or Your Life", Joe Dominguez, Vicki Robin, 1992, Penguin Books