

Wealth Watch

Extra, Extra....

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So What's the Point

by Mary Grace Musuneggi, CLU, ChFC, CFS, RFC



On June 29th, the Volvo dealer delivered to my office my new car. On July 29th, as I left my home to go to the office, a very large deer jumped out of the woods and smashed into my new car. Feeling that I was fine (not too sure about the deer, even though he managed to run away), I pulled to the side of the road, looked up to the heavens, and could only say, "So, what's Your point?"

Having decided that this event was not in any way beneficial to me, and certainly not to the deer, the only question I could have asked was "What's the point?"

How many times have we had experiences, where just as life is moving along smoothly and happily, something comes along to blindsides us, turning a simple day into a complicated week, month, year, lifetime? And "What's the point?"

It is the same question that people ask just as life is progressing well, and suddenly they are confronted with the more serious issues of loss of a job, life-threatening illness, death of a spouse, long term disability, or putting a parent into a nursing home; basically dealing with those challenges that do in fact make life challenging.

As financial advisors and consultants, we gain the most satisfaction from helping our clients work toward and accomplish their life goals--accumulating wealth, buying a new home or summer place, retiring comfortably, educating children--the things that make life meaningful; those things that we can control. But we also know that financial planning certainly cannot stop there. We need to protect assets and lifestyles from those events that we can't control. Those things that make us stop and say, "What's the point?"

One of the ways to handle those unexpected challenges is with insurances that provide us with the money to deal with the economic issue of these events. I normally review all of my insurances on the first of every year; but the deer incident reminded me that maybe I should do that even more often.

If it has been awhile since you have reviewed yours, there is no time like the present to do that. Here are a few things you will want to consider:

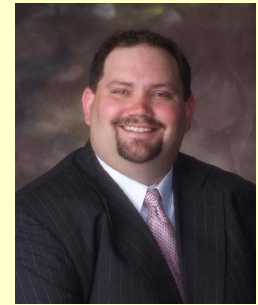
- 1. Life insurance can be significantly less expensive now than it was even a few years ago. If your insurance is more than a few years old, you should check your rates.**
- 2. Variable and Universal life policies that were sold in the 70's and 80's have in some cases gone defunct as many of them were sold with inadequate premiums. If you have not reviewed these in the last 5 years, your policy may be in jeopardy, and you may lose your coverage.**
- 3. Laws change, economics change, lifestyles change. If these changes have affected you, then you need to review all of your insurance products to see that they have kept up. I would not have been happy to discover after the deer hit me, that my coverage wasn't adequate. The peace of mind of knowing that my car would be repaired for little out-of-pocket expense was really what I received for all those premiums I had paid in years past. Knowing that my medical and disability insurances were all sufficient added to the peace of mind.**
- 4. There is more to insurance than just the coverage. Be sure that your beneficiaries are up to date; that your policies coordinate with your legal documents, like your will; that if you have insurance riders that they have value to you and that you are not just paying for unnecessary coverage; and that minimum coverages are sufficient to protect you sufficiently.**

Where to begin? Consider an insurance audit. Our insurance professionals and strategic partners are currently offering a complimentary review of all of your insurance coverages. To take advantage of this program, contact our offices; and Shelley will make arrangements for you to receive a "second opinion" of your current plans.

After all, when the deer hits the car or some other crisis enters our life, it is reassuring to know that you can pull to the side of the road, ask the "what's the point?" question, and know that everything else is in place to ease the process of overcoming the challenge.

FDIC Insurance

by Christopher S. Musuneggi, CFS, RFC



With all the news of problems in the country's financial sector, it is no wonder that people are questioning the soundness of their banking institutions. The question of the value of FDIC insurance has been in the mainstream of financial discussions. We have even had clients who have received incorrect information directly from their banks.

To clarify the issue, the following information comes directly from the FDIC website:
What Does the FDIC Insure?

The FDIC insures all deposits at insured banks, including checking, NOW and savings accounts, money market deposit accounts, and certificates of deposit (CDs), up to the insurance limit.

The FDIC does not insure the money you invest in stocks, bonds, mutual funds, life insurance policies, annuities, or municipal securities, even if you purchased these products from an insured bank.

Basic Insurance Amount is \$100,000

The basic insurance amount is \$100,000 per depositor per insured bank. Certain retirement accounts, such as Individual Retirement Accounts, are insured up to \$250,000 per depositor per insured bank.

If you and your family have \$100,000 or less in all of your deposit accounts at the same insured bank, you do not need to worry about your insurance coverage -- your deposits are fully insured.

Coverage Over \$100,000

The FDIC provides separate insurance coverage for deposit accounts held in different categories of ownership.

You may qualify for more than \$100,000 in coverage at one insured bank if you own deposit accounts in different ownership categories.

Single Accounts

These are deposit accounts owned by one person and titled in that person's name only. All of your single accounts at the same insured bank are added together and the total is insured up to \$100,000. For example, if you have a checking account and a CD at the same insured bank, and both accounts are in your name only, the two accounts added together and the total is insured up to \$100,000.

Certain Retirement Accounts

These are deposit accounts owned by one person and titled in the name of that person's retirement plan. Only the following types of retirement plans are insured in this ownership category:

- Individual Retirement Accounts (IRAs) including traditional IRAs, Roth IRAs, Simplified Employee Pension (SEP) IRAs, and Savings Incentive Match Plans for Employees (SIMPLE) IRAs
- Section 457 deferred compensation plan accounts
- Self-directed defined contribution plan accounts
- Self-directed Keogh plan (or H.R. 10 plan) accounts

All deposits that an individual has in any of the types of retirement plans listed above at the same insured bank are added together and the total is insured up to \$250,000. For example, if an individual has an IRA and a self-directed Keogh account at the same bank, the deposits in both accounts would be added together and insured up to \$250,000.

Naming beneficiaries on a retirement account does not increase deposit insurance coverage.

Joint Accounts

These are deposit accounts owned by two or more people. If both owners have equal rights to withdraw money from a joint account, each person's shares of all joint accounts at the same insured bank are added together and the total is insured up to \$100,000.

If a couple has a joint checking account and a joint savings account at the same insured bank, each co-owner's share of the two accounts are added together and insured up to \$100,000, providing up to \$200,000 in coverage for the couple's joint accounts.

Example: John and Mary have a \$220,000 CD at an insured bank. Under FDIC rules, each person's share of each joint account is considered equal unless otherwise stated in the bank's records. John and Mary each own \$110,000 in the joint account category, putting a total of \$220,000 (\$110,000 for each) over the insurance limit.

<u>Account Holders</u>	<u>Ownership Share</u>	<u>Amount Insured</u>	<u>Amount Uninsured</u>
John	\$110,000	\$100,000	\$10,000
Mary	\$110,000	\$100,000	\$10,000
Total	\$220,000	\$200,000	\$20,000

Using PTS Asset Management for a 401k

by Rosalind M. Frazier-Francis, CRC, RFC



Ask Yourself....

Are you worried about the current market environment and the potential losses that have occurred so far this year?

Are you 5-7 years from retirement?

Do you feel overwhelmed with the decision making process concerning your plan--fund selection, rebalancing, allocations?

If you answered "yes" to any of these questions, there is good news! Our firm has engaged for our clients the services of PTS Asset Management who specializes in reducing the risk associated with 401k investing. You now have the opportunity to hire PTS as your own personal money manager. What does this mean to you?

PTS will research all funds available within your plan using their proprietary fund screening and selection process. They will continue to monitor and adjust your portfolio according to your risk tolerance and market conditions. PTS will go online making all fund decisions and allocation changes for you with the goal of - "Making Money in Rising Markets, Preserving in Declining Markets."

To learn more about PTS please contact us at 412-833-2888.

If I Owned the World

by Mary Grace Musuneggi, CLU, ChFC, CFS, RFC



The Musuneggi Financial Group and Single Steps Strategies are proud to announce that WTAE and McDonalds, sponsors of "Moms 4 Moms" have included this article on their website www.pittsburghchannel.com.

One morning as I was driving to work, I encountered, in a very short period of time, two drivers in front of me who slammed on their brakes and made abrupt right turns without signaling. The first time, I rolled my eyes, silently considered an alternative name for the person driving, and continued on. But at the second occurrence, I screeched and thought of words usually reserved to be used by truckers and decided if I owned the world those drivers not using turn signals would be arrested, convicted as criminals and spend their lives in prison. Maybe a little extreme; but at that moment, it seemed reasonable.

When I arrived at work and I was ranting about the problem, I reiterated to my partners that if I owned the world, things would be different. Almost in unison, they decided that if I owned the world they would certainly want to live someplace else. But how many times have you encountered life situations that left you vacillating as to how you would handle things if you were left in charge?

How many times have you wished you owned the world? What things would you change?

If I owned the world, drivers would not be allowed to ride with their car windows down while they blast annoying rap music. Did you ever notice how no one who does this plays classical?

If I owned the world there would be no federal income tax on social security payments. Double taxation was the reason for the Boston Tea Party.

If I owned the world, the customer would always be right. Not such a novel idea, but somehow the philosophy has gotten lost.

If I owned the world, parking meters would not need to be fed on Saturdays as well as Sundays, and they would all dispense change. How often have you found that great parking space only to discover that you have no change in your wallet?

If I owned the world all telephone systems would have an option to press "0" to get a live person who would answer in just a few rings. How often have you tried to reach a person to no avail? How often have you gone through so many options that by the time you get to the last one, you have forgotten what the first 5 options were, only to press "0" to discover that "This is not an option."

If I owned the world, Christmas decorations would come down no later than January 15th, so that on the 4th of July you would not see Santa's reindeer and the American Flag hanging at the same time from the same front porch of your neighbor across the street.

If I owned the world unruly children would not be allowed in public places; cashiers would have to be pleasant; waiters and waitresses would not chew gum while they are taking orders; people wearing cheap perfume would not be allowed on rush hour trolleys or in packed elevators; adults without manners would not be allowed in upscale restaurant dining rooms; and, parents who bring their small children to long church services would not be allowed to say "sit down and shut up" more than once.

If I owned the world, public companies would only hire people who understand what "work ethic" means; and siestas would be a required employee benefit.

If I owned the world, anything chocolate would be calorie free; twist off caps would do just that; and things packed in hard plastic would be self opening.

But in the meantime, before I own the world, I can only hope that as I go through life I will encounter thoughtful drivers; classy human beings with manners; people with parenting skills to create obedient children; thoughtful neighbors; pleasant and well trained people; intelligent business owners; and products and services that benefit the consumer as least as much as the business owner.

And until you and I do own the world, we can at least see that our small part of it is the best it can be. If everyone followed suit imagine what a wonderful world that would be. I certainly would like to own a world like that.



The Musuneggi Financial Group is a financial services group whose focus is planning and service. The integrity of our group is based on the philosophy that all financial advice should be in a client's best interest. We provide clients with an objective and independent approach to their planning needs.

We are able to choose from a broad array of financial resources. In doing so we take a holistic approach to a client's planning needs, bringing together new ideas, professional expertise and knowledge to work for the benefit of the client. We believe that our independent objectivity can mean a world of difference when planning for your future. Go to the ["Our Services"](#) section on our website to see how we can help you.

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The Musuneggi Financial Group | 1738 North Highland Rd | Suite G 102 | Pittsburgh | PA | 15241