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## Financial advice forum hits home for young adults

*Jerry Gleeson*  
*The Journal News*

YONKERS - With the stock market in the tank and widespread uncertainty over how long the bad times will last, last night's program on financial planning for young professionals offered advice that struck a chord with the 20- and 30-something audience.

When Gerry O'Donoghue of O'Donoghue Financial Planning in Mount Kisco discussed the importance of assembling a household budget to track where all that cash goes, Dr. Michelle M. Thompson of Yonkers recalled her shock when she prepared her first spreadsheet.

A consulting physician for a health maintenance organization, Thompson said she discovered she had spent "thousands of dollars on frivolous things" and was undermining her goal of saving to buy her first house. Closer scrutiny over four to five years has now provided her with the down payment she needs, she said.

"It did make me feel good" to recognize that the techniques she heard about last night were steps she already had taken, Thompson said.

The program was the third in a series on helping young adults buy their first house. It was sponsored by the Young Professional Advisory Committee of the Westchester County Association and was held at the headquarters of Hudson Valley Bank.

Rodd Berro, president of Pegasus Asset Management Inc. in Montebello, warned the audience that not all assets appreciate in value, and borrowing for those that don't can be hazardous to one's financial health.

That sounded familiar to Evan Rosenblum, a manager at a Tarrytown bank. A few years ago he bought a Ford Explorer SUV using a credit card to finance the deal.

He had a good rate on the card, but it is taking longer to pay it off. Now he isn't sure he can trade in the vehicle.

"Once gas prices skyrocketed, my Explorer became worthless," said Rosenblum, 31.

Controlling spending is critical to meeting investment goals, O'Donoghue said. For young adults, saving is especially crucial because few employers now offer pensions, he said, and Social Security is unlikely to exist years hence in the same form it's in today.

Leading causes of overspending include undisciplined credit card use, forgetting your financial goals and using spending as a means to feel good.

Daniel Huang, a bank manager in Elmsford, said his days of dropping \$100 on drinks with friends in New York City are over. Members of his generation may benefit more from the current economic turmoil, as they have less savings at risk and still can absorb the lessons that others are painfully learning.

"In times like this, you have to save more and spend less to weather the storm," Huang said.