

November 2004 |

Client Newsletter, Duaine Owings President, Plan To Win Ins Agency



“The best educated human being is the one who understands most about the life in which he is placed.” ~ Helen Keller ~

Being the time of Thanksgiving, and Veteran’s Day, with so many of young men and women of the military in harm’s way defending America overseas... we have to pause a minute to thank them, and the brave veterans of previous conflicts for their sacrifices. No matter what, even with all the problems we are now facing in America... there is no doubt that we are the greatest nation ever conceived and created in the history of mankind. And without the brave contributions of our brothers and sisters in arms... we would not likely be here as a free nation, the envy of the world. Imagine where we would be if those courageous soldiers hadn’t invaded France and the South Pacific in World War II. Imagine where we’d be if Al-Qaeda was allowed to run rampant without any interference from our troops on the ground in the mid-east. Let’s all be sure to thank our veterans for their past dedication to our lives... and to pray for our troops fighting the war on terror for us now!

“Who Are Those Guys?”

Does anyone remember when Butch Cassidy and Sundance Kid (Robert Redford and Paul Newman) were running from the posse, and no matter what they did to evade them, the posse still stayed on their tracks? All the tricks to getting free that used to work, no longer did the job. They pulled everything they could think of out of their hats, and it didn't make any difference. That damn sheriff just wouldn't go away. And do you remember what Butch and Sundance said every time they looked up? It was, "*Who are those guys?*"

We're in the same boat now as a country. We used to know how to evade the "posses" following us. The "posses" of being broke, paying too much in taxes, or not having a job, or whatever. You know, those nasty wolves nipping at our heels that we're always trying to keep ahead of, and away from us.

And there were lots of ways we knew to stay ahead of those "posses." We went to college to get a great education that would “assure” a steady income and future. We worked our butts off, and sacrificed family time to keep the job safe and secure. We study, and get re-educated. We learn new skills and improve old ones.

In other words, we followed the tried and true formulas that kept us where we wanted to be. Now, a lot of us are asking the same question that Robert and Paul were asking.

Who are those guys?

Who are those people who have taken a 2 Trillion Dollar budget surplus to an almost 8 Trillion Dollar debt... threatening our immediate and long term futures? Those folks who have taken every penny out of what is supposed to be Trillion dollar plus Social Security Trust fund... threatening our seniors and retirement security?

Who are those guys?

Who are these companies that outsource millions of jobs overseas and fire people... with zero plan to ever hire them back?

Who are those guys?

Well, I can tell you that those guys are us. Yes, you heard me right. It is all of us. We have seen the enemy, and it is us! What do I mean by saying, "*We're those guys?*"

Well, for example, by the time you get this, the election is over, and we either have a new President or not, and a changed Congress with some incumbents gone and many still there.

See, with no political orientation or viewpoint what-so-ever, the reality is that the way America’s economy is now, in late 2004 is

a direct result of how WE all vote...and who we put in Congress. Congress makes the ultimate laws and choices...and in our opinion, the entire body has done us some real disservice!

For example, even though the individual politicians from both parties in Congress say things are “on the upswing”, did you know that the most important area of the economy, JOBS...is in deep trouble? No matter how hard the politicians try to cover up the true job loss scenario...reality reveals a much different story. For example, we take the position based on the government’s own watchdogs, like the Bureau Of Labor Statistics, and the Labor Department, that the most widely watched of all economic statistics -- the monthly unemployment rate -- systematically underestimates the true extent of the crisis in the job market as the nation's economy sputters and misfires.

"The unemployment rate paints too rosy a picture of labor market conditions now," said Jared Bernstein, an economist with the Economic Policy Institute, a Washington research group. "It leaves out significant groups of people who are unemployed or underemployed." The Labor Department calculates that the nation's unemployment rate was 5.7 percent in October. The department also figures that 1.4 million people who weren't actively searching for a job -- and therefore were not counted as unemployed -- wanted jobs and were available for work last month. If these people and those who are working part time instead of full time...***the true but hidden unemployment rate rises to 9 percent!***

Just look at the last couple of months. In the last two months, major corporations have laid off over 250,000 employees, with many more expected! All these trends and realities, by the way, started many years, administrations and Congresses ago. It simply doesn't matter who's in the White House...the Congress continues to cause job losses by the millions.

Who are those guys?

And, what should YOU do to make sure your financial situation is as safe and secure as

possible? (If you haven't been its victim already.)

I truly believe one of the best ways to get ahead of the posse is to plan your finances as if you could be a victim. And then, set yourself up so that you can take care of yourself! Are your plans set up to deal with an unexpected change in your life? Do you have contingencies (Plan B, so to speak) if all you've known changes drastically? 'Cause if you don't, you had better think this through. All I can tell you is that being prepared may be infinitely better than being skewered!

No matter what happens, now that we're squarely moving towards the latter part of the year...don't procrastinate away the rest of '04! Don't wait until the end of the year to do planning. Let's get together and review your situation (if you haven't been for your annual update we are going to find you). If you haven't started ***your*** financial and tax planning for 2004, **DO IT NOW!** Call us up for your annual review, **RIGHT NOW**, while this is fresh on your mind.

REMEMBER – WE WANT YOU TO CONTACT US WITH YOUR “HERE’S WHAT WE’RE THINKING ABOUT DOING QUESTIONS”, NOT YOUR “GUESS WHAT WE JUST DID!” COMMENTS!

Financial Tip Of The Month...

Driving Down Real Estate Commissions...

Many home sellers are looking for ways to avoid the common real estate commission of 6 or 7 percent. That percentage translates into a fee of more than \$10,000 on the sale of the median-priced U.S. home. One reason commissions are high: The value of the median home in the U.S. has risen to \$200,000. The lure of high commissions has increased membership in the National Association of Realtors five fold since 1975. There are about a million members today.

Homeowners who balk at the high commissions have come up with some ways to bring down the cost of selling. The first, of course, is to negotiate with the broker and the broker's company for a lower fee. Sometimes that works. Some brokerages are cutting selling costs into various parts so sellers can pick and choose. They will charge individual amounts to price the home, pay the agent, hold an open house, or write the contract.

In areas where it's a seller's market and homes sell quickly, sellers may use flat-fee real estate brokerages that charge as little as \$3,000 to sell a home, regardless of the price. Two of the largest flat-fee firms are Help-U-Sell and Assist-2-Sell. They have about 900 offices nationwide.

"For Sale by Owner" is another option. But this plan can be risky if the owners don't know how to screen prospective buyers, are uncertain about pricing, or are not up to the mountain of paperwork required. Some sellers opt to do the selling themselves and have the closing handled by a real estate broker for a fee.

Please keep in mind that this tip is designed to be of help for you, but is not to be relied upon as advice. It is merely a reminder that there are many choices you have available to you, and that planning is the only way to find the right answers for your situation! As with any financial issues, make sure you get the right information before making a decision! If you have any questions, we'll be glad to help you!

SUCCESS STORY OF THE MONTH!

(Note: The details of these stories have been changed to maintain confidentiality, and some compilations are used to accomplish anonymity.)

"Knowledge itself is power." ~ Francis Bacon ~

Bill Burns Out And Starts A New Life...

Bill had burned out. I don't mean sort of. I mean like a used up candle. He was fried. And, the most amazing thing is that Bill was (is) a very successful dentist. Very successful. He is 43 years old, and had a thriving practice grossing over \$300,000 dollars a year. He had all the trappings of success. The Mercedes. The vacation home. The kids in fancy schools. And on and on.

But inside his heart...Bill was miserable.

He actually hated being a dentist. In fact, he enrolled in dental school because his parents pushed him to become a doctor, making him feel guilty that they sacrificed everything they had to make sure Bill could get through college and professional school.

("You'll love it. You're the first one in the family to make anything of himself. You're so lucky we worked our life away so you could have what we and your grandparents never had" They kept telling him.)

Well, Bill didn't love it at all. He understood that being a dentist was a noble and worthwhile profession. But, it just wasn't for him. Not only that, but he had a very tough time running the business side of things. (Collecting money from insurance companies, hiring staff, etc.)

Bill's wife Carol, by the way, didn't like, that he didn't like, being a dentist. As a matter of fact they had some lively, spirited conversations every time he mentioned he wanted out of the practice. Carol expressed in clear terms her fundamental disagreement with his desire to bail out. (Discussions kind of similar to the recent Presidential debates between Kerry and Bush, in fact.)

Anyway, last year, Bill decided to investigate whether he could get out, what would happen to him if he did, and what options he had available to him.

He was referred in to us by his neighbor who is our client. Bill hired us to work with him, and get him the answers he so desperately wanted to find. (At first he didn't bring Carol in with him. We strongly urged him to get her involved and to attend our planning sessions. Bill was reluctant, but understood why we insisted on their joint participation, and he got Carol to come with him from then on.)

The first thing we did was a thorough interview to determine how Bill, and his wife, really felt about all kinds of financial issues and concerns. As you may have guessed, this first meeting was quite emotional. Carol was very upset, and Bill was very distraught at making her so upset, guilty at the thought of making his parents profoundly disappointed...and the real fact that he hated his career and daily grind. (This type of meeting is one of the hardest parts of our job. But it's necessary if we're to get to the right issues and to understand how to develop the right planning scenarios.)

Once we grasped the entire family situation, we put together a series of planning choices/scenarios for Bill and Carol to take a hard look at. Things like the tax consequences of selling the practice. (And how to reduce them significantly.) And how much money they needed to set aside for their two teenager's upcoming college expenses. And whether or not they could afford to keep the vacation home and the nice cars, and so forth.

And, most of all, we helped plan the feasibility of Bill starting a computer consulting business, by himself, out of his home. (He had always loved computers, and was a self taught expert. In fact, he used to talk about computers to most of his patients!) We examined the costs, expenses, projected income, insurance, tax aspects, etc.

The good news is that Bill and Carol both agreed with our planning forecast that there was a better than good chance they would be able to get out of the doctor business, and into the home based consulting business; *while still maintaining their previous lifestyle!*

While everyone acknowledges that there are no guarantees in life, this plan made perfect sense. It allowed for their personalities, and for their financial needs. And, even though nothing can be assured, they both felt like the numbers made realistic sense.

Carol remarked that she felt like a weight was lifted off of her shoulders. The plan permitted her to stop feeling like she was pressuring Bill, whom she really loved, into continuing a job that made him hate getting up in the morning. Which made her hate getting up as well. And, the plan showed her how there was a very real chance they would not suffer any unpleasant giant steps backwards during the transition.

(No matter who we are, we all hate going back to a place we just left!)

Anyway, they decided, after a month of thinking, to give it a go. Bill sold the practice to the woman who came in as his assistant a couple of years ago, and worked a deal for her to buy the entire business over a period of a few years.

Bill paid off the remaining debts with some of her money, and used the balance to start the computer business. (Which was a joke compared to the giant capital he needed to start his dental practice.) We helped him set up the correct insurance plans, reposition assets for maximum benefit, establish new company benefits for his family, and so on.

And now, several months later, they are doing just great. Not just financially, either. They are doing great emotionally, and have found the secrets to a happy life together! The drama and emotions from the pre-practice sale had mellowed out as both of them saw that they could maintain their lifestyle and have Bill excited to get up in the morning...instead of dreading each day.

The only sore spot in the whole story is that Bill's parents were crushed at hearing the news, and his relationship with them hasn't been very good. However, Bill told us that they seem to be turning the emotional corner, and he thinks that with the holidays coming up, they'll be able to reconcile with him.

So, what about you? If you are interested in learning more about how you can save money in taxes, or other expenses you might be overpaying for...or want to sit down with us and have your plan reviewed or updated, give us a call! We're here to help you, and to help you keep on track with your planning. Don't be a stranger. Call us, and we'll assist you in having the best shot possible of reaching your goals, and having peace of mind! Don't wait until it's too late!

Did You Know...

(Our monthly feature of tidbits of news and info to make your life easier, your money work harder and so you're healthy all the time!)

1.) Quickly report debit card loss... Authorities at the Federal Deposit Insurance Corporation (FDIC) say federal law will limit your losses on a lost or stolen debit card, but only if you report problems quickly. If the loss or theft is reported within two business days, the Electronic Fund Transfer Act limits your losses to \$50 or less. After two days, federal law raises your potential loss to \$500. If you don't report the loss within 60 days of receiving a bank statement that shows unauthorized activity, the financial institution is not required to reimburse you at all.

2.) Deals from American Express? The Supreme Court is expected to uphold a ruling by the Southern District of New York that Visa and MasterCard stifle competition by forbidding banks that own them from issuing rival cards.

For the first time in its 154-year history, American Express will be free to issue cards through U.S. banks. It could flood the market with millions of its cards, according to Business Week. In this war, the weapons of choice are souped-up rewards programs and cash rebates. It's a matter of how to steal market share from other cards. Watch for the big deals.

3.) Thanksgiving Proclamation, 1623... The following proclamation was made by Governor Bradford in 1623, three years after the Pilgrims settled at Plymouth: "To all ye Pilgrims, Inasmuch as the great father has given us this year an abundant harvest of Indian corn, wheat, peas, squashes, and garden vegetables, and has made the forests to abound with game and the sea with fish and clams, and inasmuch as he has protected us from the raids of the savages, has spared us from pestilence and disease, has granted us freedom to worship God according to the dictates of our own conscience; now I, your magistrate, do proclaim that all ye Pilgrims, with your wives and ye little ones, do gather at ye meeting house, on ye hill, between the hours of 9 and 12 in the day time. On Thursday November ye 29th of the year of our Lord one thousand six hundred and twenty three, and the third year since ye Pilgrims landed on ye Plymouth rock, listen to ye pastor and render thanksgiving to Almighty God for all His blessings."

Client News And Tidbits!

- (Congratulations to Steve & Cynthia Johnson on the successful fundraising trip to New Mexico! Steve, Cynthia and the kids are raising funds to be missionaries to Bolivia If you'd like to help them in their work you can send funds to:
- Steven & Cynthia Johnson P.O. Box 191, Springfield, Mo 65801 Attn: BBFI Missionary Funds)

Health Tip Of The Month...

(These tips are not for everybody and should not be taken as specific recommendations. Before you take any action regarding yours or anyone's health, we strongly suggest you consult a qualified physician!)

Oysters Are A Delicacy Worthy Of Your Holiday Table!

It's holiday time, so why not splurge on a delicacy that is delightful and nutritious, though pretty expensive. Oysters are a holiday tradition in many families and well worth the expense, whether you opt for oysters on the half shell, scalloped oysters, or oyster stew. Technically speaking, oysters are bivalve mollusks. They eat by pumping water through their bodies, a feat they manage at the rate of 20 quarts an hour. In less-informed times, we were told to avoid shellfish because of their high fat and sea salt content.

Today we know that the fat in oysters is known as omega-3 fatty acid and it's very good for the heart. Omega-3s strengthen the heart, enabling it to beat soundly. They lower blood pressure, cholesterol, and the tendency of platelets to stick together, say doctors in the Honolulu Heart Program.

In addition to protecting the heart, oysters are very rich sources of vitamin B 12, which the body uses to keep nerves healthy and make red blood cells. When B 12 levels are low, memory loss, confusion, slow reflexes, and fatigue can occur. Just six oysters contain about 27 milligrams of B12, about 181 percent of the daily value. Oysters also have magnesium, potassium, and vitamin C.

Here's a nice holiday recipe: Oysters au Gratin

Pat 2 pints shucked oysters until dry. In a skillet, cook them in 1 tablespoon of margarine for 3 to 4 minutes or until the edges curl. Drain. Transfer to a casserole dish. In the same skillet, cook 1 cup mushrooms and 1 clove minced garlic in 2 tablespoons margarine until tender. Stir in 2 tablespoons flour. Add 3/4 cup milk. Cook and stir until thickened. Stir in 1/4 cup dry white wine, 2 tablespoons snipped parsley, 1/2 teaspoon Worcestershire sauce, and spoon over oysters. Mix 3/4 cup soft bread crumbs with 1/4 cup grated Parmesan cheese, and 1 tablespoon melted butter. Spoon over the sauce and bake at 400 degrees just until crumbs are brown.

Clients Of The Month

This month's client of the month is **(James & Mary Rhodes)**

Congratulations! As usual, the clients of the month will receive a **FREE DINNER** and will bring as our guests, a couple of their choice, for the dinner!

Client Quiz!

Congratulations to Millie and Jerry Helper of Independence! They are the winners of last month's contest question. They have won a FREE dinner for themselves and another couple at Applebee's! Here's the question and their answer:

Here's The October 2004 Quiz Questions And Answers!

Q. Johnny bought a life insurance policy as the owner, but he named a charity as the beneficiary. Can he deduct the premiums as a charitable donation since the entire death benefit goes to his church and not his family? Yes No

A. No. You can only deduct life insurance premiums as a charitable expense if the charity is both the owner and beneficiary of the policy.

Now Here's The November 2004 Quiz Question



"You need more cholesterol. The oat bran level in your body is too high."

Q. In 2003, how much money did individual citizens donate to the US Treasury to help reduce the public debt?

1.) 1.3 million dollars 2.) 10.5 million dollars 3.) 26.0 million dollars 4.) 106.4 million dollars?

Tidbits and End Pieces:

"The road to success is a toll road. Pay that small, daily fee, and you'll be able to go most anywhere you want. Leave some time for fun, and you'll enjoy the ride."

Steve Goodier

"Anyone who has never made a mistake has never tried anything new." -- **Albert Einstein**

"What we think or what we believe is, in the end, of little consequence. The only thing of consequence is what we do." -- **John Ruskin**

"Knowledge might be power, but only when you take action." -- **Richard Keeves**

"The finest eloquence is that which gets things done." -- **David Lloyd George**

Most people rush after pleasure so fast that they rush right past it.

Soren Kierkegaard (1813-1855)

Philosopher

If you're too busy to enjoy life, you're too busy.

Jeff Davidson

"For some recruits, there is nothing basic about basic training. It was clear that one soldier in particular was not getting the hang of it when on guard duty one night, he cried out, "Halt! Don't shoot or I'll move!"

--Contributed to "Humor in Uniform" by Tom Birdwell

Safety is job one in the Air Force. Overstating the obvious is job two, as I discovered when crawling into my military-issue sleeping bag. The label read "In case of an emergency, unzip and exit through the top."

"There are two kinds of people in this life. Those who walk into a room and say, 'Well, here I am.' And those who walk in and say, 'Ahh, there you are.' Let us each strive to be an 'Ahh, there you are' person." -- Leil Lowndes

If you would like any additional free reports, or would like some of your friends, co-workers, relatives, business acquaintances, etc. to receive a FREE subscription to this newsletter, please fill out the info on the reply form, and we'll add them to the mailing list. We'll also send them a note with their first issue telling them that you had suggested they receive the newsletter, and to contact us if they would like to stop at any time. If you enjoy this newsletter, why not share it for FREE with people you know, with no hassle for you!

(Plan To Win Ins Agency 905 NW Heatherwood Dr, Blue Springs, Mo 64015 (816-224-9466).
Email:duaine@bigplanet.com)

YES! I'd like more FREE information on the following:

FREE Reports Available!

*Call Toll-Free 800-308-6730, 24 hrs., For A Free Recorded Message To Get Any Of These Free Reports!
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- “How To Avoid Overpaying For Your Life Insurance – Dirty Secrets About Life Insurance The Big Companies Hope You Never Learn”**
- “The Secret Alternatives to CD’s...What The Banks Don’t Want You To Know!”**
- “The 11 Biggest Mistakes People Make Before Or After Retiring...And How You Can Avoid Them!”**

Please contact me to set up a review of my financial situation NOW for 2003!

Name _____

Address _____

City _____ State _____ Zip _____

Phone _____ Fax _____ Email _____

Best time to Contact _____

- Please send me additional pass along cards.**
- Please add a FREE subscription to your monthly newsletter for the following people. I understand you will send them a note explaining I suggested they get this FREE subscription, and that all they have to do is contact us if they wish to cancel.**

1. Name _____

Address _____

City _____ State _____ Zip _____

2. Name _____

Address _____

City _____ State _____ Zip _____

Please use additional paper if necessary! Thanks, and don't forget to send in your Client Quiz answers to win a FREE dinner!