



PREPARING for the seasons of change



Karen J. Ellenbecker, President
**ELLENBECKER INVESTMENT
GROUP, INC.**

During my walk last weekend I observed how the leaves were changing and how different the landscape had become in just one week. Perhaps it was the cool summer or the awareness that we would very soon be drifting into fall that I felt sad and almost unwilling to take on the tasks necessary to prepare for winter. I began making mental notes of all the things that needed to be done and the time required to complete each task. I knew that I had to arrange help to do many of the heavier things and I did promise myself last year that I would get the gutters protected before this fall, which still has not been done. Then there are all the services that need to be arranged “just in case,” and winterizing everything that moves and what to do about our new fountain? What I hoped would be a relaxing Saturday morning walk had turned into a stressful “*honey, look what we all have to do over the next several weeks*” list!

The dilemma is that we can't predict what the next seasons will bring so we need to prepare for the worst. It is the preparing for *what we don't know* that is often tedious but the most valuable when the unexpected happens. It is this same dilemma we face with our lives. We know that if we don't winterize our lives we put our resources at risk both for ourselves and for our families. It is important to understand that our lives also go through different seasons and we need to adjust our “*life plan*” as we go. In the last several months we have witnessed hurricanes and other weather-related events that have altered lives forever. Add to this a sudden illness, death, an unexpected job loss, a surprise financial windfall, a leap of faith to re-marry or a difficult divorce and, last but not least, retirement. These significant life-changing events can throw people into

traumatic states of transition. They are also financial planning challenges and demand more than *financial planning as usual*. In my experience, trying to make decisions during a crisis can be overwhelming and even seem impossible especially when you are forced to try and focus on financial matters.

What can **we** do to help you better prepare for the unexpected? Simply put, we can **listen and offer clear and concise direction** to help you determine your next step. I knew that I would need to request help with the “heavy” stuff to prepare for winter just as we are here to help you with the “heavy” issues surrounding lifetime planning. We ask that you meet with us so that we can identify some of the known variables in your life that will help us better understand the risk you are willing to take and the risk you can financially afford to take. On an investment note; I believe that we can assume there will be another event in the world that will emotionally drive the various investment markets lower, unfortunately we cannot predict when it will happen, how the markets will react or how fast they will rebound. What we can do, however, is be prepared and focus on what is really important to you and from this evaluation we can develop a plan that takes into consideration your specific needs, wants and desires. What do we need from **you**? Simply put. **Your time**. We need to spend time together, making the planning process easier. As a partner we are committed to follow through so what you want and need is done on a timely basis. As I said before, preparing for the unexpected can be tedious. For some of us the list is long — for others the list is short. Regardless of length, it needs to get done! What can you expect? The best RETURN on your life!

POWER OF ATTORNEY *For Finances*

Kathryn McGrane-Sargent
McGRANE-SARGENT & DAVIS, LLP

A **Power of Attorney** just might be one of the most under-rated documents in an estate plan. It is a relatively simple, inexpensive document, and yet, when confronted with certain emergency circumstances, its value can be priceless.

A **Power of Attorney** is a written, signed document that gives an agent, chosen by you while you are competent, the authority to act on your (the principal's) behalf in matters involving your financial assets.

You also decide what authority your agent can exercise over your financial assets. You might give your agent general authority, that is your agent might have very broad powers to deal with all of your assets – including your real estate – in much the way you deal with them yourself. Or you might restrict your agent, granting limited authority, which is your agent can only deal with specific financial matters as set out in your document.

The person you choose to act as your agent is your fiduciary, and has a very high duty to act in your best interest. Your agent must not only be trustworthy, but someone with financial savvy who is also willing to devote time to keeping your records in order. This is true whether you have created a **general Power of Attorney** or a **limited Power of Attorney**.

Your agent has the authority to act on your behalf during your lifetime. If you have a currently acting **Power of Attorney**, your agent is authorized to act on your behalf when you sign the document. If you have a springing durable **Power of Attorney**, your agent will not be authorized to act until a physician certifies

that you are no longer able to manage your affairs. The physician's certificate must be attached to the springing durable **Power of Attorney** in order for it to become effective.

Today, most currently acting **Powers of Attorney** are durable **Powers of Attorney**. A durable **Power of Attorney** is one that remains in effect during your lifetime, even after you become incompetent.

The agent's authority ceases upon your death. You may also revoke the agent's authority at any time, so long as you are competent. In addition, your agent can resign, so you might want to name an alternate agent, someone who is authorized to act if your agent does not.

You should keep the original **Power of Attorney** in a safe place, and deliver a copy to your agent. (Generally speaking, banks and financial institutions that accept **Powers of Attorney** will accept a copy, if your document specifies that they may do so.) If the original is lost or surrendered, you should execute a new **Power of Attorney**. You will not be able to replace it if you become incompetent, which is the time the document is usually most important.

If you do not have a **Power of Attorney for Finances**, you could end up paying dearly for a guardianship. In most cases a properly drafted and executed **Power of Attorney** will eliminate the need for a guardianship of your estate should you become incompetent. A guardianship is much more costly, usually more limiting in its powers, and it requires a court proceeding. Most importantly, the Court, not you, will choose your guardian.

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www.ellenbecker.com

*Now is the time to call and schedule a year end
portfolio review — we'd love to see you soon!*



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YEAR END Tax Planning



Janice Dusold CPA, MPA

**FREYBERG HINKLE ASHLAND
POWERS & STOWELL, s.c.**
Certified Public Accountants

As you may already know, last year's legislation lowered individual income tax rates as well as the rates on qualified dividends and most long-term capital gains (from sale of investments owned for over a year). These reduced rates are still in effect for 2004, although certain provisions are set to expire December 31, 2005. So it's important to take advantage of all available tax benefits before the tax law takes a turn for the worse. (We are not predicting this, but it could happen!)

With that thought in mind, the fall season is always a good time to start evaluating your tax planning options. To get you started, we've listed some ideas to consider.

Your Investments. As you review investments held in your taxable accounts, remember that qualified dividends (including most dividends paid by U.S. corporations and some from foreign companies) are now taxed at a maximum 15% federal rate. Therefore, you may want to allocate a larger portion of your portfolio to dividend-paying stocks or alternative investments - as opposed to securities that pay higher-taxed interest income, such as bonds and money markets. In the last year or so, many corporations have increased their dividend payouts, partly in response to the favorable tax treatment dividends now receive.

As you evaluate rebalancing your investment portfolio, consider the impact of selling appreciated securities. Long-term capital gains from 2004 sales are generally taxed at a 15% maximum federal rate. Therefore, it makes more sense than ever to hold appreciated securities for at least a year and a day before selling. That said, now may be a great time to cash in some long-term "winners" to benefit from the historically low tax rate.

Selling some "loser" securities (currently worth less than you paid for them) can be a good idea too. The resulting capital losses will offset capital gains from other sales this year (including short-term gains from securities owned for one year or less). If capital losses exceed capital gains, the excess losses can be used to shelter up to \$3,000 of ordinary income from salaries, bonuses, self-employment income, and so forth (\$1,500 if you're married and file separately). Depending on your exact situation, you could actually realize greater tax savings by triggering capital losses during a year in which you have minimal or no long-term gains. That could be next year rather than this year.

Your Retirement Accounts. While there haven't been any new tax laws passed this year with respect to retirement plans, there is still plenty to think about to maximize their potential. Unlike dividends and capital gains held in non-retirement accounts, income generated inside a retirement plan is taxed at ordinary income rates of 25% or more for most of us when it is withdrawn. Therefore, in many cases, it may make sense to keep a portion of your investments generating interest income inside your tax-deferred accounts, while holding long-term stock and alternative investments inside your taxable accounts.

Withdrawals from retirement accounts continue to be taxed at ordinary rates, unless it is a Roth IRA account. Withdrawals from Roth IRA accounts continue to be tax-free for federal and Wisconsin income tax purposes.

The AMT Tax. The Alternative Minimum Tax has become known as a "shadow tax" of many middle and upper-income taxpayers. While it was originally designed in 1986 to prevent the super-rich from not paying income taxes, due to higher wages and other economic changes, it now poses a threat to millions of middle-class taxpayers. According to the latest statistics, over 4 million people will be subjected to this tax by the year 2010; hardly the intent of the original lawmakers. Basically, this tax uses your adjusted gross income as a starting point and then modifies that number by adding back certain itemized deductions such as taxes, miscellaneous deductions, etc. It also adds back certain tax preference items and then recalculates your tax. By some careful tax planning and an analysis by your tax advisor, you can reduce or eliminate some of this tax.

In conclusion, this article is intended to give you a few ideas to start your thinking about 2004 tax planning. Please don't hesitate to call Ellenbecker Investment Group, Inc. if you want more details or would like to set up a tax planning strategy session. We are at your service!

Janice Dusold CPA, MPA

Note: SII does not provide tax advice. Please consult your tax advisor regarding your own personal situation. SII is not affiliated with Freyberg Hinkle Ashland Powers & Stowell, s.c.

IDENTITY *Theft*



Karen J. Ellenbecker

I recently read an article on Identity Theft^[1] and I would like to share some of the key points with you. Identity theft occurs when someone uses your personal information without your knowledge, to commit fraud or a crime. We have all seen the exaggerated commercials on television; however, they make their point very well. According to the article, *2003 Statistics from the Federal Trade Commission*, "depending on the type of fraud committed, it occupied an average of 30 to 60 hours of the victim's time and \$500 to \$1,200 out-of-pocket cost to recover from identity theft. That has nothing to do with whether or not your credit rating has been restored to the same good standing that existed before the theft occurred."

Last year the FTC reported that nearly ten million people had their identities compromised. Just consider how many sources store your personal information, from gym memberships to shopping rewards cards.

First the basics; shred all financial information with a cross-cut shredder and do not carry your Social Security number in your wallet. By March 1, 2005 you will be able to request a free annual credit report, however, that may not be enough. I suggest that you request a report at least twice a year or purchase a credit monitoring service that will provide you with more frequent updates. It is also recommended that you check your children's credit and Social Security wage statements each year from the day they were issued a Social Security number. Without these checks a criminal can use a minor's Social Security number to commit fraud for years before the child ever applies for credit.

What should you do if identify theft happens to you?

- Obtain a police report **specific** to the identity theft.
- Notify one of the three major credit bureaus of fraudulent activity. By law, they must notify the other two.
- Check with the state's Department of Motor Vehicles to see if any fraudulent IDs or driver's licenses have been issued in your name. If so request that an alert be placed on the national computer, which will help the criminal get arrested.
- Obtain a copy of your work history from the Social Security Administration and notify them if there are any errors.
- Call us immediately so that we can watch for any unauthorized activity in your account.

Ways to protect yourself against identity theft^[2]

- Order and carefully review/correct your credit report at least twice a year. Put a fraud alert on your credit when you are suspicious.
- Shred all your confidential information before throwing away.
- Opt out of pre-approved credit offers and telephone solicitation.
- Only send checks from a U.S. mailbox or the post-office.
- Empty your wallet/purse of everything you don't need, especially your social security card.
- Report lost/stolen credit cards and checks immediately.
- Make sure your new credit cards are delivered promptly in the mail.
- Try to get credit cards/business cards with photo identification on them.
- Check out www.idtheftcenter.com, www.trumpetinc.com/idtheft.jsp and www.fightidentitytheft.com

[1] *ID-ology: A Planner's Guide to Identity Theft* by Jo Dan and Kevin Day

[2] *Legacy Wealth Advisors, LLC*



MARKET OUTLOOK Fall 2004



Terence Pavlic

If you've been following the stock market this year, you've probably been asking yourself, "So what's with this market anyway?" Well, you're not alone. The "irrational exuberance" of the late 1990s has been replaced with a very sober attitude by many investors. They remember the losses of the last bear market and are anxious to avoid a repeat of that scenario (*fortunately, we don't think that is very likely*).

For the 10 months ended December, 2003, the S&P 500 Stock Index rose 43% which was the third best 10-month performance since 1950. Other comparable rallies occurred in 1975 and 1983 and each marked the beginning of a new bull market and the end of the prior bear market. However, since December, we have been in a classic "trading range." Stock prices bounce back and forth, not making much progress and leading many to wonder if this is the beginning of a new trend downward. While there have been a number of legitimate concerns, many positives seem to go unnoticed:

- ◆ Corporate profits are growing rapidly. As profits grow, overall market valuation (attractiveness) improves so it is now very difficult to argue that this market is overvalued even if profit growth returns to normal levels.
- ◆ Inflation, even when including record high oil prices, is still only about 3% per year. Ironically, only a year ago, many were concerned that our economy was entering a period of *deflation*. Some level of low but stable inflation is preferred as it allows consumers and businesses to make long-term investment decisions with greater certainty. The current level is well below the long-term historical average of 4%.
- ◆ Interest rates have fallen even though the Fed has raised rates thrice. This is very atypical and usually only occurs near the end of a Fed tightening cycle. The bond market is telling us that inflation is likely to decelerate from current levels and that the economy will grow somewhat more moderately than had been anticipated. Moderate growth and low inflation translate into low interest rates.

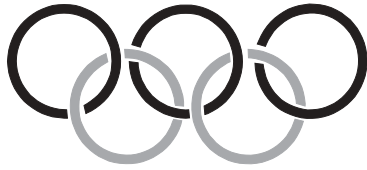
- ◆ Oil prices may be close to a peak. According to the ISI Group: "In the 17 weeks between April and August, the weekly direction in the price of oil was inversely correlated with the direction of stocks 15 times ... however in the last 4 weeks of August, the relationship appears to have broken down." In the past, this has preceded a decline in the price of oil.
- ◆ There is an old adage: "The market climbs a wall of worry." Certainly the average investor is nominally worried. Several indicators of market sentiment, e.g., short-interest ratios and put/call ratios, all confirm varying degrees of "worry" and are a long way from anything that would indicate a stock market peak.
- ◆ The final phase of a bull market almost always begins with investors shifting their portfolios away from low quality, economically sensitive (value) stocks and toward high quality, less volatile (growth) stocks. Not only hasn't this happened, but small stocks continue to do well in comparison to their larger counterparts.
- ◆ Yields on alternative asset classes are not yet attractive enough to warrant a shift out of stocks and into either bonds or cash. The 5.75% earnings yield on the S&P 500 compares very favorably to US Treasury bonds at 3.83% and money market equivalents at 1.52%.

Conclusion

The stock market has been in a funk as it works through a number of issues. However, the factors needed to cause a recession and hence a bear market, don't really seem to be in place. Over the next several months, we expect stocks to rally enough to provide positive returns for the year, but probably not at double-digit levels. Looking further out, the prospect of declining inflation means there is an increasing possibility that the economic expansion will be prolonged because the Fed will be able to increase interest rates at a very gradual pace.

NOTE: Abstracted from Pavlic Investment Advisor, Inc. newsletter, Fall 2004

STATISTICS & Trivia



When thinking about “The Markets,” most of us have a particular one in mind ... the U.S. stock market. I recently attended a luncheon featuring Dr. Robert (Dr. Bob) J. Froehlich, Chief Investment Strategist for Deutsche Asset Management Americas and a regular guest on my show “Money Sense.” It was right in the middle of the Summer Olympics in Athens. I don’t know if it was the poor weather or just that I am more tired in the evening but I found myself glued to the TV. I enjoyed the pageantry and the history of Greece and I found myself following many of the athletes throughout their competition. On several occasions the announcers mentioned that the 2008 Olympics would be held in Beijing, China. In my last newsletter I mentioned in our Statistics and Trivia section that China was consuming 50% of the world’s cement. To my surprise Dr. Bob added that China is also consuming **40% of the world’s steel and 30% of the world’s coal**. What does that mean to us? Dr. Bob tells this story...

When he was in Kobe, Japan and needed to get to Kyoto, Japan he was running late and when it was clear that he would never make it by car it was recommended that he take the bullet train. The bullet train in Japan was created for the 1964 Olympics just in case all of the highways’ construction projects were not completed on time. You see, in the late 1950s most of the roads in Japan were dirt. As Dr. Bob said, “Does it sound like anywhere you know today? Like China? I believe history does repeat itself. If you want a peek into the future, look into the past.”

The story of the great economic and market boom in Japan in the 1960s through the 1980s was all about one simple thing, the economic boom leading up to the 1964 Olympics in Tokyo Japan, which at the time was one of the biggest infrastructure build-ups ever. And for the next twenty years the Japanese economy and market benefited from that economic boom. Dr. Bob stated, “I’m convinced that history is about to repeat itself in China. This current major economic boom is all about the Beijing Olympics in 2008. The benefits to the global economy and global demand, however has to play out for the next twenty years.”

What do we know? China currently has over 15,000 different highway projects underway that will add 100,000 miles of road. That would be enough to circle the globe at the equator four times. China’s current consumption levels are unprecedented! In addition, there is a population bubble about to burst in Asia. There are *one billion* Asians age 10-24. Their spending habits will reshape the business climate, social fabric and political institutions of Asia. These kids are growing up in an era of prosperity not poverty. If you contrast the one billion Asian young adults to the 76 million USA baby boomers that have changed our world, even if only half of them become consumers that is still 500 million Asian consumers!

How will we take advantage of this opportunity? It goes right back to having a well-diversified portfolio. Experience has shown that the surest way to investment success is to stick to time-tested principals that guide investment planning and asset allocation.

- In the last dozen calendar years (1993-2004), September has been the worst performing month for the S&P 500, down 0.9% on average. (source: S&P BTN Research)
- 5 out of 9 individuals aged 60 will live to at least 80 years old (source: Mortality Table 90CM, IRS.)
- Through the end of August 2004, the Dow is down 1.3%, the S&P 500 is up +0.4% and the NASDAQ Composite are off 8.0%. All numbers are YTD total return performance results. (source: BTN Research)
- USA’s economy is expected to grow +3.5% in 2005, less than half the 7.5% China is projected next year. (source: International Monetary Fund, USA Today.)
- Tokyo is the world’s most expensive city to live in today. Tokyo is 33% more expensive than New York City (source: Economist Intelligence Unit.)
- 16 of the 20 most polluted cities in the world are in China (source: World Bank, The Economist.)
- Through Monday 8/23/04 dividend-paying companies in the S&P 500 were **up** 4.2% on a total return basis. Over the same period of time, non-dividend-paying companies in the stock index were **down** 8.4% (source: S&P, USA Today.)



The **TOP TEN** Ways Exercise Can Help Reduce Stress

WISCONSIN Athletic Club

Make an investment in your future today. Start an exercise program at Wisconsin Athletic Club. If you would like more information or a trial membership at the club, please contact Anne Kulikowski at (414) 443-5000.



Wisconsin Athletic Club, Inc.
"Fitness For The Good Life"

1. **Exercise can make you feel less anxious.** Studies show that people feel less jittery and hyperactive following exercise.
2. **Exercise relaxes you.** One exercise session can generate 90 – 120 minutes of relaxation response, a kind of post-exercise euphoria which improves your mood and leaves you feeling relaxed.
3. **Exercise increases alertness.** When large muscles repeatedly contract and relax, as in yoga, the brain releases specific neurotransmitters which make you feel relaxed and more alert.
4. **Exercise makes you feel better about yourself.** Think about those times when you have been physically active; haven't you felt better about yourself? That feeling of self-worth contributes to stress relief.
5. **Exercise reduces depression.** Some researchers believe exercise can be more effective than medication for treating depression in some people.
6. **Exercise helps you sleep more restfully.** Stress can make it difficult to get a good night's sleep, but studies show that people who exercise regularly sleep better than those who don't.
7. **Exercise increases energy,** which can help you better deal with stressful events. Stress can leave you tired and weary, but even a ten-minute walk can go a long way to upping your energy level. And the old adage is true – the more energy you use, the more you seem to have.
8. **Exercise rids the body of stress** – causing adrenaline and other hormones to kick in. Vigorous activities such as indoor cycling or sports such as basketball are particularly effective.
9. **Exercise encourages you to follow a healthier diet.** People who exercise regularly tend to eat more nutritious food. And it is no secret that good nutrition helps your body manage stress better.
10. **Exercise helps you take time for yourself,** which can be difficult to do when you are stressed out. Whether you exercise alone or with a friend, it's important to take time for yourself during stressful periods.

**Information obtained from the American Council on Exercise.*

ONLY 12 MORE WEEKS UNTIL CHRISTMAS...

*Only 9 more
weeks until our
Holiday Project
Deadline!*

Now that our holiday "Hats and Mittens" project is in full swing we want to give you an update on what we still we need to reach our goal of providing hats, mittens and a bag full of goodies to 150 children and 15 teachers at Kagel Elementary School.

We have already begun collecting hats and mittens and each child can expect to receive a very special beanie baby donated by an extremely generous and loving client of ours. Through the generosity of our clients and sponsors we have a great package of gifts to give the children.



But...we still need your donations. Please help us meet our goal by donating a set of mittens and a hat. We still need 92 hats and mittens so that no child is left out of this exciting holiday event!

If you are interested in contributing to the children or if you have any ideas or contributions towards the teacher gifts please contact Tina at (262) 938-9060. If you want to participate but don't want to shop, feel free to make a check payable to Ellenbecker Investment Group and we will do the shopping for you.

Thank you in advance for your generosity and kindness all year through!

CLIENT FEATURE

Dan O'Hearn



Dan O'Hearn

To speak with a representative from Canada Drug Service or to arrange for Dan to conduct an educational seminar with your group, call 1-800-350-5319.

Earlier this year, Dan O'Hearn opened a Canada Drug Service franchise. The company serves customers throughout the country from its state headquarters in Fond du Lac, Wisconsin. Dan has been a client since 2003 and recently was a guest on Karen's radio show. Following are excerpts from the interview.

Q: How does Canada Drug Service work?

A: Our goal is to provide good quality prescriptions at an affordable price. We are not a pharmacy. We have licensed agreements with seven pharmacies in British Columbia and we facilitate the ordering process. People come in or call us and based on the information they give us about their prescription we give them a price. They then go to their physician and get a prescription for 90 days. Prescriptions are ordered and mailed directly to the client's residence. This takes about two weeks.

Q: Is it all prescription drugs or just a few? How does someone know they will benefit from your service?

A: What we do is give the client a list. Most of the things we provide are maintenance oriented, such as Lipitor and Zocor.

Q: What amount do people save?

A: On average we save our clients about 52%. A prescription for 90 tablets of 20 mg of Lipitor for example would cost \$189. Walgreen's website listed the same prescription for \$345. If you take that by a whole year you can see where the huge savings occur.

Q: Who is your client?

A: About 90% of our clients are 65 years of age or older. Even with available savings through Medicare cards, our prices are still much lower. If we know the prices are cheaper at a U.S. pharmacy, we will tell you. We want our clients to save money. That is the bottom line.

Q: Are they the same quality drugs that we get in the U.S.? How is it legal?

A: First is the legality of it. The FDA approves all the prescriptions that are sold in pharmacies here in the U.S. Those prescriptions though can be made anywhere. They just have to meet the FDA's standards to be sold here. The same rule applies in Canada. They also have the same high level of criteria and standards that they have to meet. So yes, they are prescriptions with the same quality as those in the U.S.

Q: Why are they so much less?

A: The thing that contributes the most is that there are maximum costs Canada has set for their citizens. Also, it is a political issue. There are more lobbyists from the pharmaceutical industry in congress than there are elected officials.

Q: What makes you different and unique?

A: We went one step further by adding one more level of personalized service. When you call the 800 number you are calling real people in Wisconsin. We really want people to feel comfortable so they are assured they are going to receive quality prescriptions and save money.

Don't forget to listen to
"MONEY SENSE"
on WISN AM 1130

Saturdays 2:00 - 3:00 pm

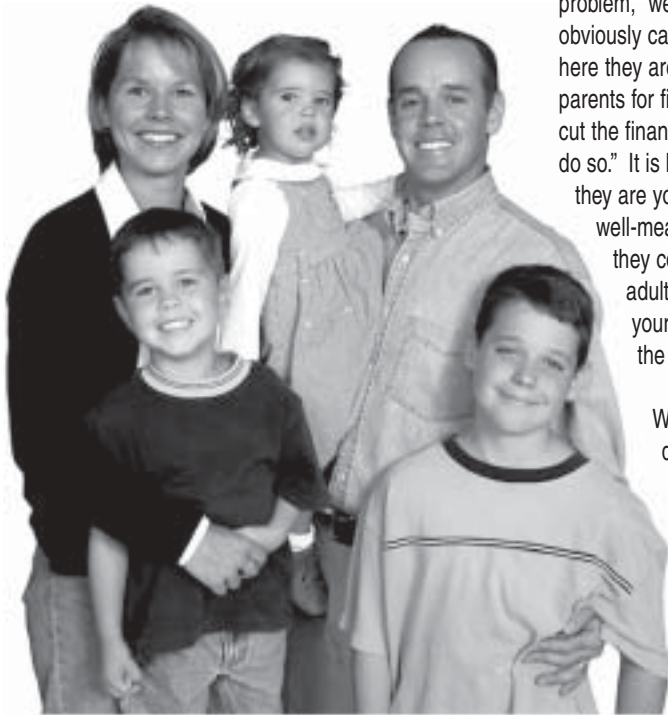
Sundays 12:00 - 1:00 pm

Hosted by Karen J. Ellenbecker



INVESTING in Your Children

Karen J. Ellenbecker



Perhaps you saw the article, "Is It Time to Cut the Financial Cord?" in The Wall Street Journal Sunday, by Jeff D. Opdyke. If you have been following his column for the last several months you would discover that he is spending a great deal of time on kids and money. Partly because of his personal challenges with his own children but also because statistics reveal that kids are not being taught simple financial concepts. Northwestern Mutual released a study in March showing that fewer than 40% of parents say they talk about credit cards, loans, debt and their own family finances with their kids.

Opdyke's articles dealt with an even larger problem, "we're talking about self-sufficient adults obviously capable of fending for themselves. Yet here they are still reliant-dependant-on their parents for financial aid. Essentially, they've yet to cut the financial cord, and they see no reason to do so." It is hard to say no to our children when they are young and dependent on us, but our well-meaning generosity can go very wrong if they continue to be dependent on us during adulthood. Becoming a financial mentor to your children and/or grandchildren can be the best investment you will ever make.

When is the best time to start discussing money with your children or grandchildren? I believe that you can start around the age of four. You can begin very simply, pay them their age per week and divide it into three jars. Ten percent of the allowance goes to charity right off the top. The remaining money is divided equally between spending

and saving. You can keep a book that tracks how they spend their money. Once you start to accumulate in the savings jar, open a bank account and when that has built up start involving your child in stocks. Once children hit their early teens, they generally start earning money outside the home. It is a good time to talk about intermediate term goals like a car and longer-term goals like contributing to their college funds. By age sixteen, children should be off the allowance system and earning all their extra spending money on their own. If they earn money through babysitting or mowing lawns apply the same principles you did with their allowance.

It is always a challenge trying to figure out the best systems to put in place with your children to teach financial responsibility. And in most cases, no two children are alike. If you give my one granddaughter a dollar it burns a hole right through her pocket. She couldn't possibly spend it fast enough. My grandson has no problem putting the money in his piggy bank, although he counts it regularly and is usually saving for a larger-ticket item. My youngest granddaughter would set the money aside in some drawer and never think about it again. The way our children handle money is as different as the processes we put in place to teach them. The best things we can do are pay attention to their individual needs and consistently teach them the difference between saving, spending and giving away.

If you are interested in more information about ways to "Invest in your Children" feel free to call our office at (262) 938-9060 – ask for Julie or Karen.



**on Tuesday
November 2**

**PLEASE WELCOME
a New Member of Our Team!**

Election Year History —

The Dow has averaged +11% in the seven months from 6/01 to 12/31 in presidential election years dating back to 1900. The Dow has averaged only +2% in the same 7 months in non-election years over the same period.

(source: Ned Davis Research.)

We are delighted to welcome Carolyn Knickerbocker to our administrative staff. Carolyn recently graduated from UWM with a degree in Art Education and is working part-time with us as well as looking for a teaching position. Carolyn is working with Tina at the front desk and assisting our operations team. You might hear her pleasant voice answer the phone next time you call.

CLIENT FEATURE

Linda Chvarak



Linda Chvarak and her niece, Julie Leicht, in Julie's makeshift classroom.

To donate to Hurricane Relief Efforts:

Linda's niece, Julie, teaches at an elementary school in Port Charlotte, which was totally destroyed by Hurricane Charley. If you'd like to help, please make your check payable to:

Neil Armstrong Elementary School, and write "Hurricane Charley Donation" in the memo section.

Send it to:

Mrs. Bertie Alvarez
c/o Liberty Elementary School
370 Atwater Street
Port Charlotte, FL 33954

Formerly of Sheboygan, Linda and Tony Chvarak moved with their extended family to Florida last year. Following are excerpts from Linda's emails written after the devastation of Hurricane Charley in September.

As soon as my family no longer needed my help I mounted my own relief effort. I knew I could do three things pretty well – shop, drive, and hug, so this is what I started with. Each morning I went out and bought multiples of everything I could think of as possibly being needed. I then headed out to the little farming communities in DeSoto County (120 miles from my home). Because I had heard a plea for help on the radio from the farming communities along Hwy 17, I decided to go there. They weren't receiving any aid and desperately needed it.

I came across Little Willie's RV Park and saw several older women going through what was left of their homes. This was the spot I was meant to find. They were very isolated and hadn't had electricity, water, food, etc., since Charley hit on Friday – this was now Monday afternoon. I had everything they needed to keep going and then some. These were such sweet people who had gone through an awful lot and I can't begin to explain how relieved I was to have found them.

The counties hit so horribly by Charley weren't prepared because every weather source said they were safe – that Charley was going to enter Florida at Tampa, a long way away. I can't begin to tell you what the devastation was like – it was like driving through a war zone we see on television.

Half of the people in this particular park live there year around so this is their only home.

The following days I returned with coolers of ice, fresh food, and dozens of other items they needed – everything from work gloves to Motrin. One woman's legs were all bloodied from mosquitoes and all she wanted was something to soothe the bites, which I brought the next noon. I continued to make trips out there, but on the fifth day I was loading roof tarps in the Navigator and my knee gave out under me in the parking lot of the hardware store.

The doctor in ER asked what I was doing when my knee gave out and I told her. During my time there she decided that she, her family, and several ER nurses would take supplies to the areas I had been going. Inspiring others to pitch in and help almost made it worth it!

Whew! It has been exhausting but God does give us the strength and the wherewithal to do what we must when the time comes. It is heartbreaking to see people's lives turned upside down, especially older people who are alone and feel so lost. People, in general, have really pulled together and thought of other's needs instead of only their own. At first glance it's hard to imagine any good coming out of this but I'm sure it will.

Thanks once again for keeping us in your thoughts and prayers and please don't stop yet.

*I miss you,
Linda*



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