



Protecting Your Financial Security

Learning Doesn't End With Graduation

Graduation speakers around the country have been sharing valuable advice. Many have extolled the virtues of giving back to society and leading a meaningful life. We'd add the following :

Keep on learning. You didn't start learning when you began school. Learning should not stop at graduation. The most important lessons you probably learned at school were how to think critically and to always examine alternatives. Apply those same lessons throughout your life. Keep on learning and thinking.

Success need not be measured by money. Don't take a job solely for prestige or a big salary, especially if it makes you miserable. It is very possible to lead a happy and fulfilling life in rewarding posi-

tions, such as a teacher, social worker, or clergyperson -- careers that do not make people wealthy.

Have a financial plan. Apart from the occasional lottery winners, most people become wealthy through years of hard work, saving, and living within a budget.



Think like an entrepreneur. People who start businesses think about meeting unmet needs, and are always evaluating opportunities. Even if you work in a large company or governmental agency, if you think like an entrepreneur and continue to develop your skills you will likely go far.

Aim to own your own home. Owning one's own home is the quintessential American Dream. Homes usually are good investments, at least for those who hold them for many years, and provide satisfaction and tax advantages. Just be sure that your home isn't your only source of savings.

Invest early and wisely. The time to start saving is now. If you manage your money and stick to a spending plan, you will be on the road to a comfortable life.

Diversify investments. It's risky to put all your eggs in one basket. Instead -- diversify. Make sure that a reasonable portion of your assets are in safe interest-bearing accounts that allow access to the funds should you need them. The account with your insurance proceeds is a perfect example.

Delay gratification. Trying to "have it all" instantly is a path to failure.

Learn from your mistakes. Few people make the right decision 100% of the time. The keys are to avoid disasters and learn from each misstep so life does not become a series of mistakes. Keep trying until you find success.

Be flexible and open to change. It's not necessary to choose one employer for life or even one career for life. If you find something that sparks your interest, pursue it. That may mean going back to school or starting over again, but it's worth it to follow your dreams.

Find balance. Be driven to achieve, but at the same time devote yourself to those you love. Allow time for fun and friends, and to give back to society. That gives meaning to all of our lives.

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Duty Free: Is it a Bargain?

Years ago, those traveling abroad would return laden with duty-free goods such as crystal, watches, perfume and alcohol. Is duty-free still a bargain?



That depends on the country you visit, the products you buy, and whether you pay or file to recoup foreign “value added taxes” (VAT).

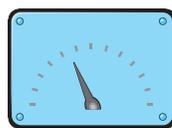
If you plan on making substantial purchases when traveling:

- Know that there are legal limits on the dollar amount of goods you can bring back to the US before having to pay duty. Most occasional travelers have an \$800 per person exemption. Limits apply to the amount of alcohol and tobacco you may bring back. See www.cbp.gov for specifics.
- Research prices at home before you go.
- Factor in the foreign exchange charges and credit card fees that you'll pay.
- Shop around at local stores in the country. Small shopkeepers will be more apt to bargain with you than a duty-free store at the airport.
- Compare apples to apples and beware of counterfeit goods.
- Watch when purchasing electronics. Very often voltages differ. Foreign warranties may not be enforceable in the U.S.
- Factor in convenience when making your buying decision. Even if a purchase is a better deal abroad, lugging around large packages or fragile items may not make sense.
- If you are kicking yourself be-

cause you missed a bargain while abroad, search for it online back home. Many foreign retailers sell items through websites and ebay is a worldwide marketplace.

Gas Gauge Guessing

As if gasoline prices were not bad enough... drivers should know that vehicle fuel gauges often do not show an accurate reading of the fuel quantity.



Gas tanks are typically odd-shaped and fuel sensors measure depth, not volume. That means that the fuel indicator on your dashboard may linger at certain points, perhaps showing full for a long time, then drop rapidly. It also may indicate that you are on empty when there are several gallons left in the tank.

It is not a good idea to “run on fumes” since the gas in the tank keeps the fuel pump at optimum temperature; a hot fuel pump will eventually fail. Try to refuel when there is no less than $\frac{1}{4}$ tank remaining, or certainly as soon as the fuel light comes on.

If you are curious about how much fuel really remains in the tank, check your car's owners manual for the fuel tank capacity. Then subtract from that the number of gallons you purchased when you filled the tank when the gauge read “empty.” That should give the tank's reserve.

Smooth Sailing

Owning a boat can bring hours of pleasure and peace of mind. But if not properly insured, you can lose your entire investment in the event of a fire, storm, theft, sinking, or collision. Even worse, without liability insurance, if someone is injured as a result of an accident involving your boat, your family can suffer financial ruin.



If you own a small boat, it may be covered by your homeowner's policy. Check with your carrier. If you own a larger craft, from a fishing boat, a large yacht, or something in between, it is important to have a boater's liability insurance policy. Find out if minors are covered while operating the boat. Consider additional coverage for damage to your boat, engine, and trailer, and for equipment such as anchors, oars, waterskis, cushions, etc. Ask about payouts if the boat is totaled and discounts for taking boat safety courses. Owners of personal water craft such as Jet Ski® can also obtain insurance from specialized carriers.

Even if you only use the boat a handful of times a summer, you are still open to a lawsuit should something happen. It may be possible to purchase a limited coverage option in which you call the insurer before taking the boat out.

Locating an Insurance Policy

Q Before my brother died he told me I was the beneficiary of his life insurance, but I don't know which company issued the policy. What should I do?

A If you believe a life insurance policy, annuity or other payable on death benefit exists, here is how you and the executor of the estate can locate it.

Carefully go through the deceased's files, correspondence, address books, computer, credit card bills, bank statements, and cancelled checks. Look for the policy and for evidence that there may have been a policy, IRA, 401(k) or other benefit plan. Keep checking the deceased's mail for at least a year for any premium, account balance, or dividend notices.

If you find any indication that there was a policy, contact every insurance company with which he had a policy, even if you're not sure the policy was still in force. (Some policies remain in force even after the deceased stopped paying premium.) Also, contact the benefits office at your brother's recent jobs and ask about employer sponsored life insurance and other benefits. If he was a union member, check with the union welfare office.

Finally, each state has an unclaimed property office. If the rightful owner of life insurance proceeds or other property cannot be located, the company eventually turns the proceeds over to the state.



Princeton at Risk of Losing Huge Endowment from Robertson Family

Charles Robertson, a graduate of Princeton University, and his wife Marie, an heiress to the A&P grocery fortune, funded a nonprofit foundation to benefit programs at Princeton's Woodrow Wilson School of Public and International Affairs in 1961. The gift was one of the largest donations ever made for education.

For two decades, until his death in 1981, Mr. Robertson presided over the board of directors of the foundation, which operates very much like a trust. Over the years Mr. Robertson, and later his son William, also a Princeton grad and a foundation board member, voiced displeasure that only a small percentage of the School's graduates were going into government service. Princeton's response was that each graduate makes his or her own career decision and the foundation's mission should evolve.

Tension escalated. In 1997, Princeton spent \$13 million of the foundation's funds on a building housing not just the Wilson School but other university offices. William complained "if my parents had intended the money to go to Princeton University, they would have given it directly to Princeton."

By 2002 a majority of the foundation's board members were Princeton alumni who were not Robertson family or friends. The board decided that investing

the foundation's assets, which had grown to nearly \$600 million, should be handled by professional managers. It transferred management of the assets from foundation members to Princeton's internal money management company. For the Robertson family, that was the last straw. They filed suit against Princeton seeking to regain control of the foundation and to recoup the remaining money. They want to donate those funds to another university that will strictly adhere to the intent of the original donors. The case will be decided soon.

The Lessons: 1) Times change and it is hard to know what may happen in the future. Your needs also will change during your lifetime. Save your money and let it grow so you can meet your changing needs. 2) Make your wishes clearly known in a formal legal document so there won't be questions about your intent. Often a parent or grandparent leaves money to a child with the expectation that the child will use it for education, a down payment on a home or to start a business. Instead, the child blows it on a new car or to support an addiction. 3) Giving control to others often means that things aren't done to your liking. It's wise to listen to advice but to retain control and make your own decisions. You have total control of the money on your insurance account. If you cede management of your funds to someone else, you give up control, and may put your financial security at risk.

Chemical Free Weed Control

Here is an inexpensive and environmentally safe way to manage unwanted pesky weeds growing in a walkway or patio: vinegar. Scientists have proven that applying a small amount of regular household white vinegar directly to the weed will effectively destroy the cell membrane in the weed. (Other vinegars were not tested).



For best results, put the vinegar in a spray bottle and apply it when the plants are very small – between 2 – 6 leaves. You may have to reapply the vinegar every few weeks, particularly if the weeds are larger. Note that vinegar cannot distinguish between weeds and desirable plants, so be careful when applying vinegar near your garden. Also, the acetic acid in vinegar will dilute in water, so do not apply if rain is soon expected.

Sources used in this issue include: Wall Street Journal, CDC, EPA, Frommer's, Iowa State U., SmartTrac Computer, HowStuffWorks.com, FreeAdvice.com, Princeton U., Money, USDA, Business Week, Senior Citizens Magazine.

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Mosquito Repellent Options

Loved by bats, but hated by just about everyone else, mosquitoes can drive us indoors.

Last year the Centers for Disease Control (CDC) endorsed two new repellants to effectively protect against the insects that carry West Nile and other viruses. These products have long been used in Europe.



The new repellants, Picaridin and oil of Lemon Eucalyptus known as PMD, are now available in retail products. The active ingredients

repel mosquitoes by altering human smell. The only other product endorsed by the CDC is DEET which has been in use for 50 years. While deemed safe, some consumers have reported skin reactions to DEET.

Picaridin and PMD are effective for 2 – 6 hours. You may need to apply more frequently if you are sweating, swimming, or being bitten by mosquitoes. Always follow the manufacturer's recommendations and read the product label for age restrictions and warnings.



Sports Drinks vs. Water

The number of sports drinks has exploded from the days when Gatorade was the only option for thirsty athletes. These drinks are formulated to provide fluid and replenish electrolytes such as potassium and sodium that are lost through perspiration. But are they better than water?

Despite claims by celebrated athletes, most electrolyte depletion is minimal. The average weekend athlete probably doesn't excrete that many necessary nutrients in a game of tennis or on a bike ride. Those who exercise regularly have even less worry as the body adapts over time to an exercise regimen, meaning the minerals are conserved more efficiently.

Unless you are an endurance athlete who exercises for more than two hours at a time, or you work out in particularly hot or humid conditions, replenishing your fluids with water is probably fine. Ask your doctor to be sure.

If you are exercising to control weight, keep in mind that most sports drinks are high in calories.

Summer Heat

Enjoying the summer in comfort means being prepared for a possible heat wave.

Temperatures over 90 degrees F. can be dangerous to the very young and the elderly.

To prepare for hot weather:

- Wear lightweight white or light-colored colors. Wear a hat.
- Drink water often. Avoid caffeine and alcohol; both are dehydrating. Limit strenuous activity.
- Stay indoors during the hottest part of the day. Be aware of signs of heat-related illnesses: nausea, pale or flushed skin, cool or damp skin, headaches, and dizziness.
- If someone has any of these symptoms: move him to a cool place, apply wet compresses, and have him drink water. Call 911 if he vomits or loses consciousness.

