

ESSENTIALS BY DEBI & JIM BOWMAN

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Complete Financial Services

Stock Markets and Investing

As you all know the major stock market indexes have gone down a considerable amount. Anyone who has money invested in equities has seen their account values decrease from their highs last year. Some of you have never been invested when the indexes have decreased. Although this decrease has been dramatic, there have been other major decreases in the market during its history. History has shown that the markets recover over time and can possibly go to even higher levels than they were prior to the decrease.

Here is some history on Bull and Bear markets on the DJIA as reported by the Dow Jones Industrial Average. A **Bull market** is characterized by an extended period of an increase in the market, typically without a 10% decline. The average time period is 46 months. A **Bear market** is characterized as a period of falling market prices of 20% or more and averages 13 months.

Since investing is a long-term commitment, it is to be expected that there will be periods when the market goes up and also goes down. This can include a Bull or a Bear market period. It is the nature of the markets and part of the risk involved in investing.

During this downturn in the markets, only the value of each share has decreased while your total shares owned has not decreased (unless you sold some). This means that as the markets go up, the value of your shares should increase depending upon the performance of the individual stock or stocks owned by the mutual fund. **More importantly**, the term "buy low-sell high" has significant value right now as share values are way down, and may be as low as they will go.

In my opinion, the only way to make money in the markets now, is to be a buyer of shares. If the value of these new shares increases, your account value will grow. This compares to your present account shares, which can only return to their prior values over the same time period. This is nothing more than recovering the share value lost over the last year.

I, along with many people with whom I know personally and or professionally, have made a comment similar to this "if only I had bought so and so when it was at \$XX per share because now it has grown X%". I believe this is the time to buy, because the time should come when those who do not buy during this down cycle will be repeating that all too familiar phrase!

Please keep in mind that investing has risks, so it is imperative that your portfolio use asset allocation to balance the risks. Since investing long-term, you will need to be patient and should expect that not every day is a good day in the market. But, history shows, that over time, market values have increased.

Drug Cards Now Available

We now have available a stand-a-lone prescription drug card that could save you up to 40% of your medication costs. The plan costs only \$7.99 per household. Pay the annual fee of \$86 and save 10%.

This card is good at pharmacies throughout Texas. Or, if you prefer, there is mail order available. Also, the plan includes discounts on vitamins, minerals and nutritional supplements.

This plan does not require any claim forms and NO Deductible.

Add in the vision benefits for eye exams, eyeglasses and contact lenses, which are included, and this may be of considerable value to you. Contact us to get an application.

Now in Operation

Check it out: www.bowmanbenefits.com

There will be links to most of the companies we represent, various web-sites related to you and what we do and links to the provider networks for the health insurance companies we represent.

We have even included a form that allows people to contact us to request information and quotes. This will permit access to us no matter where a person is.

You will be able to find the product companies we represent and with a click, go to their web-site to browse. From there, you will find interesting articles on a variety of subjects.

EMAIL

Many of you are using email to initiate contact with us. This allows us time to research the answer to your questions. Many times, we can respond with the answer by email. In today's hectic world, this can be helpful. This is especially true for those of you who travel, yet have internet access.

We would like to add more to this list, so **PLEASE provide us your email address** by sending it to: jmdwbowman@home.com

Get a "Healthy Check"

UNICARE has introduced "Healthy Check", a service to members, in which you can schedule an **adult preventive care screening for \$60**. Includes cholesterol and urinalysis tests. To schedule an appointment, call toll free 877-489-0052.

This is an **inexpensive way** to have your body examined by a medical professional without the cost associated with a full physical exam.

For those of you who do not go to doctors, but who would benefit from a preventive care screening, this is the lowest cost way to have yourself checked.

Medicare Supplements vs Long Term Care – A Comparison

Most seniors who are on Medicare take out a Medicare Supplement policy of some kind. This is a good plan because everything not paid by Medicare is paid by the Supplement policy. On the contrary, very few seniors (and others) take out a Long Term Care policy. The comparison below should help demonstrate why this should be the opposite.

Assuming a \$10,000 Medicare approved hospital stay, and 80% of the bill is hospital and 20% is for Doctors: Medicare pays 100% after the \$792 deductible for the hospital and 80% of the Doctor bill. Including the \$100 Part B doctor deductible, total patient cost is \$1,272.

Now assuming the person goes into a Nursing Home or needs Home Health Care. At current costs, \$1,272 would be spent in 12 days. One year costs over \$40,000.

Wouldn't it be more prudent to buy a smaller coverage Medicare Supplement and use the savings to purchase some Long Term Care coverage? This can be especially true if the High-Deductible Medicare Supplement is considered. There may be enough savings to buy a 2-3 year Long Term Care Plan.

In any case, can you afford to be without some type of Long Term Care coverage?

Nothing is ever achieved that stays in a dream. Take Action!

Short & Long Term Disability – Is it part of your Plan?

Disability income protection is a fundamental part of any good financial plan. Visit www.illinoismutual.com/artberg for a streaming video of one man's story.

We have a 2nd story to tell you about. It happened in January of this year. One of our clients (Ken) went on a ski trip to Colorado (as many of us do). Towards the end of a long day of skiing, Ken fell and injured his knee to the point where he couldn't work and he needed surgery. Being a small business owner, he was the one unable to work and earn income. He had to close his business for a while until he is sufficiently recovered.

Fortunately for him, he had purchased a Disability Income Replacement policy (mainly for his employees). He is currently receiving tax-free income from this policy while his business activity is on hold. Had he not had the policy, he would be without income for the duration of the injury.

No one thinks this will happen to them, but statistics show that 1 out of 3 working adults will have some kind of disability during their lifetime.

Take the test.

Go to www.unum.com under the Disability Education tab and see how well you do on their 10-question test. The results can be enlightening.

Tax Free Money Market Accounts

Did you know these accounts are available for your use? The current Calvert Money Market interest rate is 3.26%, the interest earned is not subject to Federal Income tax, and comes with checks for withdrawals. This is an excellent place to put excess cash until it is needed. \$2,000 minimum investment required. There is no up-front sales charge, nor a deferred sales charge on withdrawals. Contact Jim for a prospectus and more information.

Who is Effected by the New IRS Rules Regarding RMD's

RMD (required minimum distribution) rules have just changed for 2001. The IRS has issued new guidelines, which are actually more beneficial to the consumer. These are retroactive to January of this year, even if you have already begun distributions in prior years at a different rate. There is a single table for everyone to use. No more complicated recalculations.

Rules regarding change of beneficiary and subsequent withdrawal rates also changed so that they are less stringent.

Contact Jim to get a copy of the new tables (MDIB) or for more details.

Professional Assistance

Need a referral? Several of you have called and asked if we know an **Attorney or CPA** who we could refer you to. **The answer is yes!**

Jim has 2 excellent CPA's, who do taxes and planning for individuals, self-employed and small businesses. One is located in North Dallas area and the other near the Mid-Cities.

For Estate Planning and legal issues surrounding business, including IRS defense, we can provide the name of a firm that has expertise in these areas. A team approach is usually the best way to resolve issues facing each of us in today's world.

This is a Christian business based on the teachings of the Bible, with a strong belief in the Holy Spirit. We believe that God has blessed each of us and assigned us the task of stewardship during our life-time.

All efforts are focused towards this walk. As it is written, "Minister to one another, as good stewards of the manifold grace of God 1 Peter 4:10

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COMPLETE FINANCIAL SERVICES

Spring 2001 Calendar of Events

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| April 18 2:30pm-3:30 | <i>Sheraton Park Central Hotel</i> Financial Planning Solutions to Long Term Care Client Seminar sponsored by Golden Rule RSVP to Debi @972-578-5095 or email. |
| April 24 10:30am-noon | <i>Plano Senior Center</i> Medicare choices, rights and options. |
| April 25 Noon-2pm | <i>Plano Senior Center</i> Legal and Insurance Q& A. Attorney Lee Craig and Jim will answer a variety of questions on many topics. |
| May 17 7pm-8:30pm | <i>Plano Senior Center</i> The 12 Principles of Successful Investing. |

Congratulations!

To Debi, she completed the study and testing requirements to become a *Certified Senior Advisor (CSA)*. She is now better prepared to assist families with priorities of health, economic and social issues, which many seniors must face today.

To Jim, he passed the NASD Series 22 exam. He is now eligible to offer limited partnerships in Low Income Housing and/or Gas and Oil limited partnerships.

Thank you

Many of you have referred family, friends and co-workers to us. Please accept our sincere thank you. We believe that we are doing good things for people. Sharing with others how we have helped you is a strong confirmation.

Did you know?

If you suffer from allergies, washing your hair before going to bed can help reduce allergens in the air and on your bedding.

Jim Bowman is a Registered Representative offering securities through FFP Securities, Inc., Member NASD/SIPC