

ESSENTIALS BY DEBI & JIM BOWMAN

BOWMAN & BOWMAN CONSULTANTS, INC

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Complete Financial Services

Investment Summer 2001

The 2nd quarter of 2001 has been erratic. The DJIA, Nasdaq and S&P 500 indexes all had significant gains in April, but May and June did not show continued growth. Rather there were swings, both up and down. July has shown to continue this trend. All this despite decreases in the Fed Reserve interest rates. However, Birinyi Associates, a financial research firm, reports during the past 30 years, only in 1985 did successive cuts in the in the Fed Reserve interest rate fail to buoy stock prices significantly.

So what should you do? While most investors would like to see the value of their shares return to their previous highs, others understand that if they want to make money in equity investments, buying shares at current lower values during this “down” period makes sense. After all, regaining prior value is only recovery.

No one knows when the “Bull” markets will return, but being in position to capitalize on this will bring increased value to ones portfolio. Congratulations to those of you who have kept their regular investment schedule.

Since investing in equities is a long-term commitment, and up and down periods of the market will exist in the future as they have in the past, regular investing at current share values gives investors an opportunity to increase their value when the market growth returns. The term “buy low-sell high” has significant meaning right now as share values are way down.

Keep in mind, 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.

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

Blood Donations

Texas, along with many other areas in the country, is facing a shortage of blood. What this means is that some non-emergency surgeries have to be postponed and forcing difficult life threatening decisions.

With the aging of Americans, needs have increased, while the number of donators has not. Unless there is a reversal of this process, the situation is going to get worse.

Both the American Red Cross and the Carter Blood Center need your help. Although not everyone can give blood, those who should do so. Donators can give blood every 56 days (8 weeks) and it takes about 30-45 minutes (it is not painful).

Please give the gift of life. Do you have a pint to spare and share?

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

A Journey, Choose Your Path

Life with its many turns, challenges, joys and sorrows is a journey! Some of us will experience the journey blindly, allowing life and its natural "cycle" simply to happen to them – adhering to a "let come what may" attitude. Others participate, plan and prepare for how and where their journey will take them.

The question is; which one are you? We hope you are planning and preparing for the just in case. Remember, you do not want to be insurance poor, but insurance protected!!

We wanted to share the importance of this statement. Personally, we experienced parts of this journey since our last newsletter and apologize for our late edition this quarter. Both of us took time from our busy schedules to assist Jim's 73 year old mother in Michigan with a move – after 40 years. Each of us took 1 week to assist her. Not only did she have difficulty vacating her homestead, but felt overly burdened, having all the responsibility with her husband living in an assisted living facility with Alzheimer's. Facing long-term care issues everyday is tough on all family members.

Some of you have shared with us that you are dealing with similar situations. Those of you who have not will most likely have to during your lifetime.

Let us know how we can help ease your journey, especially with current health care and benefit issues, including your rights of protection, current/future benefit planning, especially funding for a long-term care crisis.

Become the other - participate, plan, prepare for the "how and where" your journey will take you!

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.

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. Should you lose the ability to earn income, where will the money come for those day to day expenses your family incurs?

Income replace policies are available to individuals, those with health issues (high risk) and small groups. Should you have benefits through your employer, we recommend you take the income replacement benefit..

Best if this is purchased with after-tax dollars, so that the benefit can be received tax-free. If purchased with pre-tax dollars, the monthly benefit is taxed as income and reduces the net dollars you get to keep.

Most occupations can be covered, but since this is a health benefit, individuals must qualify for the coverage.

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.

Life Insurance

Rates for term life insurance have been reduced in 2001 due to higher life expectancies. With rates at their lowest levels, now is the time to purchase coverage (or additional coverage) to protect you and your family.

Without the income of the main earner, how would your family live. How would those debts and the mortgage be paid? If the mortgage can't be paid, where will your family live? If the surviving spouse does not work, where will income come from to keep the family going? Who will do or pay for day care should a homemaker need to go to work?

These are all important questions. We would encourage you to assess your priorities and planning. \$50,000 or \$100,000 of coverage may not be enough. With today's lower cost, adding more coverage can be less than you thought. Replacing old policies may allow you to have more coverage without adding additional costs.

Adequate life insurance can provide the funds to pay debts and produce income. Your family will thank you.

Health Benefits

Are you taking advantage of the wellness benefits your health coverage offers? Whether you have an individual or group plan, each plan offers some form of coverage to review your current health status.

It is our opinion that since you have the benefit, taking advantage of it is in your best interest. A simple physical exam, combined with appropriate testing, can keep you and your family healthier. This means that future cost associated with undetected problems can often be prevented.

If you purchased your health coverage through us, contact us and we can let you know how to use this benefit. If you have coverage through your employer, call your benefits administrator or contact the insurance company's membership department and ask them how the benefit works.

It's your health. Make it the best it can be.

Dental Plans

Take care of your teeth. Your mouth is a source of bacteria. Teeth and gums not properly maintained and cleaned can cause unwanted bacteria to enter your body and have negative effects on other organs. Besides regular brushing, take time to take care of any problems you might have.

To assist with this, we offer many types of dental plans. There are discount plans, DMO network plans, and indemnity (use any Dentist) plans available to both individuals and small groups. In addition, the small group plans we offer have dental coverage as an add-on benefit.

Many of the dental plans include a vision benefit. Many offer orthodontic benefits. Some offer discount prescriptions and mail order medications. If you do not have dental coverage, let us know and we will review your options.

Did you know?

Five out of 1,000 people will experience a house fire: average cost \$3,400. 70 of 1,000 people will have an auto accident: average cost \$3,000. 600 out of 1,000 will require a nursing home stay: average cost, \$50,000 per year, with an average stay of 3-5 years.

While most of us have homeowners and auto insurance, fewer among us have insurance covering potential long-term care needs. In fact, unless a friend or family member has needed long-term care, you probably have not given long-term care much thought.

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COMPLETE FINANCIAL SERVICES

Spring 2001 Calendar of Events

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| October 16
6 - 7pm | <i>Plano Senior Center</i>
How to start a home based business. |
| November 15
10 – 11:30am | <i>Plano Senior Center</i>
Long Term Care. Why it is needed, what is covered and funding options are discussed. |
| December 3
10 – 11:30am | <i>Plano Senior Center</i>
Medicare and Medicare HMO's. Differences and options reviewed. |

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.

Thanks for reading and being a client. Debi & Jim

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