



Dollars & Sense

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Tough Times Make Tough People

We are living in extraordinary times. The Wall Street experts advise us to remain calm. The economy, and the stock market in particular, has been headed downward for the past year or so. Now, with the recent events in September, our economic picture is even more unpredictable. The bottom line is, stay cool.

Financial Planning

Regarding investments like IRA's and 401K's, the industry leaders are saying we are in this for the long haul. These are intended to be long-term investments. Don't let short-term fluctuations scare you into costly liquidation. Diversification (as in, don't put all your eggs in one basket) has always been the best advice. Remember we are nothing if not resilient.

Planning for Loss

We have all sadly seen how suddenly things can occur. Why not make some plans now? Make out a will. This is not a lawyer-only task. There are a lot of do-it-yourself resources, the most well-known are the Nolo Press self-help books and, among others, mylawyer.com. Have a family meeting or have some sort of plan of action in place if disaster were to strike. At the very least, lists of names and

How Can I Help?

Help is still needed. Tax-deductible donations can be made to the following officially recognized organizations:

September 11 Fund

Mail checks to September 11 Fund, c/o United Way of New York City, 2 Park Ave., New York, NY 10016; to pledge by phone call 800-710-8002, or visit www.september11fund.org.

Tribute to Heroes

Another donation site for telethon benefitting the September 11 Fund; www.tributetoheroes.org.

American Red Cross

For information about donating blood or cash call 800-HELP-NOW, or visit www.redcross.org.

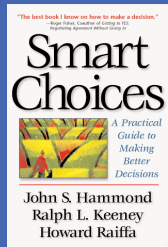
phone numbers, including insurance and bank information for your home and family. And for the workplace, if this isn't already available, make some contacts and exchange numbers. Remember the 'buddy system' from summer camp?

Investigate funeral arrangements. Some unfortunate folks find out about these things when they are in a state of severe loss. Decision-making in a state of shock can be even more devastating. Take the time to do preliminary investigation now. That way your loved ones will not be financially rocked on top of emotional devastation.

Recommended Reading

Smart Choices: A Practical Guide to Making Better Decisions

John S. Hammond,
Ralph L. Keeney and
Howard Raiffa



Even in the best of times, it can be a difficult task figuring out what to do next. This is especially true of money matters. According to the authors, “Despite the importance of decision-making in our lives, few of us ever receive any training in it.” The writers come from a teaching background and profess that this fundamental skill can be acquired by anyone with a little effort.

This new paperback edition is available for under \$20. The language is sharp, plain spoken and to-the-point. The authors break it down to eight points that can be applied to any situation. They also include a lot of real life examples that anyone can relate to. Their opinion is— we have difficulty making decisions because we don’t know how. Well, here you go! Whether it’s what movie to see or what house to buy, they same tools can be applied to any situation.

They call their eight-element approach: ProACT, a catchy little acronym for:

- Problem:
- Objectives:
- Alternatives:
- Consequences:
- Trade offs:

And the second half is:

- Uncertainty:
- Risk Tolerance:
- Linked Decisions:

Go ahead and try it with something simple, like “do I buy that Abdominizer or do I join a health club?”

Pinch Pennies and Cheeks

The immediate wave of volunteering in response to our national emergency has been inspirational. Don’t stop! Make it a regular activity and keep it local, especially over the holidays. We all know these can be particularly stressful days with constraints on money, time and energy. Take it easy all the way around. It’s no secret that volunteering is good for the soul; it’s also a good way to save money. If you are making popcorn strings with the Cub Scouts or ringing a bell for the Salvation Army, you’re not out shopping.

And consider this, instead of huge expensive and elaborate holiday celebration at a restaurant or hotel, why not seek out a local community organization and get together with them for a party with your co-workers, friends or family. It can be a win-win winter.

Decide now to have low-key holidays. Go slow. Slowing it down means easing up on the impulse buys, and spending less. Really relaxing and taking recreation with simple free things will save money

Top Ten Ways to Save This Season (Money, Calories & Energy)

1. Decorate with local seasonal foliage. Pine cones are free!
2. Take the bus instead of airline travel.
3. Give priceless gifts. (Like a book of coupons; Good for One Back Rub; Good for a Home-Cooked Meal.)
4. Volunteer to be the Designated Driver. (Wine is 200 calories a glass!)
5. Choose a single low-cost theme for everyone’s gift. (One stop shopping for a gourmet food item for each. Or this year, everyone gets a scarf.)
6. Send holiday postcards. (Almost 15 cents less in postage!)
7. Have coffee and dessert parties!
8. Wrap gifts with recycled materials. (Black and white newspaper with red ribbon is quite striking.)
9. Start some plant cuttings early and give a little seedling as a gift.
10. Count your blessings.