

Email Privacy & Security

Email is a wonderful way to communicate for many of us if not most of us today. We're surrounded with electronic gadgets that can access email from PC's to laptops to tablets all the way down to cell phones or iPods. I'm often in constant contact with the world via email from any one of those devices depending on where I am. Usually it's the PC in the office or the laptop at home, but when we're out and about in our daily lives the phone is typically never too far away. I'm too old to be a big texter and prefer email all day long. I'll text, but it's normally a last choice after all other options have been exhausted. Regardless of which electronic communication option you prefer, it's important to be careful.

We must be careful what information we put in our emails as the computer hackers can somehow snatch the information from cyberspace as the messages we've sent are going from point A to point B. Being in the financial industry it's very important you know what you can and what you cannot (or at least should not because it isn't safe) put into an email. Here are the things we would never, absolutely ever email as if the message gets picked up by an evil genius, your life could be compromised for a while with this information in the wrong hands. If the evil person on the other end of the internet gets your information and does evil with it such as stealing your identity or getting credit in your name it'll be miserable getting your life back together for a few months and consume an enormous amount of your time so it's easier to just be safe and never give anyone the opportunity to do just that.

Anything that is sensitive to your identity or your finances should never be emailed. This includes all of the following:

- Social Security Number or card
- Driver's License Number
- Account Number & routing number – bank, brokerage, insurance, etc.

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The Origin of Sayings

Many of the things we say commonly and take for granted have a unique history that we often do not know. Here are a few sayings and their origins so we can get an idea of where these things came from. It seems there is a commonality with these sayings in that their historical origins were very logical, even if we do not agree with the theory of the time.

For those who use the "pee poor" (or it's more colorful and vulgar cousin) saying it comes from families who were so poor that they would urinate into a pot and once a day the liquid was brought to and sold to the tannery. If you resorted to this tactic to get by you were referred to as being "pee poor"

For those in a similar category but couldn't afford the pot to pee in, they were referred to as not having a "pot to pee in" and that's poor.

We take many things for granted, especially our cleanliness we enjoy today. If you were alive in the 1500's you would likely get married in June as the annual bath was in May and people still smelled relatively good. Since the smell was rough, the tradition of having a bouquet of flowers for the wedding was meant not to just look good, but to mask the painful smell of the unwashed human body.

We take showers or baths daily but this wasn't always the case. Years ago a family would bathe in a tub of water. The man of the house would bathe first, then the women and finally the children were allowed to bathe. By the time the poor baby was ready for a bath, the water was so dirty you could lose a person in it, hence the saying "don't throw the baby away with the bathwater". I don't get this logic, I would think the baby first, then the women and us last. I'm obviously not of a Victorian mind! ☺

Old homes that had thatched roofs were piled high with straw on the roof with no wood frames. The animals would often go into the roof to get warm. When it rained hard and became slippery enough the animals would often fall out of the roof into the building, hence the saying "it's raining cats and dogs".

In the same era there was nothing to stop little critters from falling off the roof into the room. Bugs in bedrooms were a real problem so nobody wants to sleep with bugs or droppings, so they came up with the idea of hanging a sheet over the bedposts. This is how canopy beds came into existence.

Also in ages past only the wealthy could afford special floors in their homes. If you couldn't afford the stone or wood floors you had dirt floors. Hence the saying, "dirt poor" was developed.

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Privacy & Security

- Passwords
- Safe combo's/locations
- Tax returns
- Credit Card #'s
- Debit Card #'s
- Medicare card
- Insurance cards
- Anything else that identifies you or any of your personal assets

We often use email for daily communications, messages, etc. When it comes to sensitive data, you need to encrypt that data or use a secure sending system. We will either encrypt the document so that it requires a password or we'll use a secure messaging system so you can safely get the data but the unauthorized cannot.

Our firm, Banks, the IRS or any other firm will never email you asking for your account number or any other sensitive data, those are always scams hoping to trick you into giving them information about you. Never give away things to anyone via email and never give up your personal data or account numbers, bank information etc.

As dangerous as email can be, it's also great in many ways. I get a ton of garbage via my email but every once in a while I get a gem. This one just came through and I fell in love with it.

At birth we board a train and meet our parents. We believe they will always travel by our side. However, at some station, our parents will step down from the train, leaving us on this journey alone. As time goes by, other people will board the train, and they will be significant - siblings, friends, the love of your life, children, and many others. Some will step down and leave a permanent vacuum. Others will go so unnoticed that we won't realize they vacated their seats. The train ride will be full of joy, sorrow, fantasy, expectations, hellos, good-byes, and farewells. A successful ride requires having a good relationship with all passengers. We must give the best of ourselves. The mystery to everyone is, we do not know at which station we ourselves will step down. So, we must live in the best way, love, forgive, and offer the best of who we are. It is important to do this because when the time comes for us to step down and leave our seat empty we should leave behind beautiful memories for those who will continue to travel on the train of life. I wish you a joyful journey on the train of life. Reap success and give lots of love. More importantly, thank God for the journey. Lastly, I thank you for being one of the passengers on my train.

Black Box Subprime

Here are two topics we'd never thought would fit together. The black box isn't the one in the airplane as people normally associate the black box. This one is the one in your car that records everything you don't want big brother to know about you as you drive down the road. It knows how fast you're traveling, in what direction, altitude, temperature, etc. Now we move from cars to loans, specifically the loans many today are using to buy cars. Subprime is how lenders act when behaving badly and allowing loans that are not the best fiscal stewardship of their resources. Sometime subprime happens when lenders are just being momentarily ignorant (some argue this is a permanent condition for some firms! ☺) and other times it's when government is twisting their arms to satisfy some "equal" or other illogical government conceived requirement which doesn't take into consideration financial feasibility or common sense. One typically leads to the other and it's typically initiated with a twist of the arm by good old Uncle Sam! Once the twist is set in motion and the corporate exec types see a profit, all hell tends to break loose and it usually ends badly.

The real estate meltdown happened because of subprime mortgages and we all saw it coming. We didn't have any idea of the magnitude of the event, but the people getting mortgages they could never repay was insane. Fast forward a decade and it's happening again, but this time in the auto world. Car prices have risen exponentially in the past few decades and incomes are stagnant so how do they solve this problem? We don't learn from our mistake because the solution is subprime auto loans. The real solution is to buy a less expensive car or a used car but our society doesn't reward fiscal stewardship in the short term.

Now the big question is how the black box in your car relates to subprime loans. Well it doesn't exactly but lenders are getting slick today and are putting into vehicles purchased with subprime loans an electronic system that will disable the vehicle if payments fall behind. The subprime loan is any issued to a borrower with credit below 640. Not only is a high interest rate not enough so lenders are equipping cars with a remote disabling system that'll turn you off with the push of a button. This little goodie has been installed on a few million cars already and it not only will disable you but has GPS technology so they'll know where to come and pick it up if you're not making up any behind payments, fee's or interest. Lenders claim they try to disable the car when it's at home or work but some reports have come in saying the car was disabled in shopping malls, plazas, banks, stoplights and even while driving. The latter two not a good place to disable a car regardless of what's going on under the covers.

Once you become current on your loan again the vehicle is returned to normal so you can once again drive around as you wish. This is slick and in one hand really will motivate people to stay current on their car loans. On the other hand, we have to think about George Orwell and his classic book 1984. In so many ways the world is Orwellian today and not everyone likes the direction it's taking us.

Noteworthy News!!!

- Congratulations to Paul Thornberg on his new job at DFF Corporation!
- Congratulations to John Stepien for his 30th Anniversary at American Express!

Question & Answer

Ask any financial question you have and we'll address it here.

Q: Are solar panels worth it?

We've been getting this question a lot lately and we're happy to help with an analysis on your situation if you'd like to explore it. This really depends on who is offering you the system, if it is a buy or a lease, residential or commercial, new construction or retrofit. Many times today this makes absolute sense especially for new construction. The cost of installing solar has come down to the point where it is the same as for installing traditional electric. For most of us we don't have the physical space to provide all of the energy we need but offsetting sure helps. We then must look at solar thermal as well, this too can make sense depending on your application so be open to what today's technology has to offer. Prices have come down so much in recent years it's now attractive on a lot of levels. The math shows that if this trend continues, in 15 years we'll be able to get all of the juice we need as a globe from the sun. Wouldn't that be nice, but don't bank on it. We'd all love to have an inexpensive green energy source.

For retrofits it's a case by case basis but recently the ones we've seen have worked out mathematically and made logical sense. There are certain assumptions that are run when the solar firms try to make the sale. They often assume electricity costs go up by 5% annually and that isn't the case, we like to use a lower inflation rate. Historically energy costs were low when they were regulated but remember deregulation in CT about 14 or 15 years ago? Prices were relatively low and stable until the state sold us on the concept that a "free" market would yield lower rates. Yeah believe that one and we'll sell you an ice cube in January.

Costs have gone up rapidly in the past decade so the promise wasn't fulfilled but the market is open to competition today so you need to be a savvy shopper. You can get a much cheaper rate than what the two big CT utilities are charging, but you need to watch what you sign up for because if you're not on the ball you'll see the competitive rate suddenly become very uncompetitive. If you shop you can likely save up to 20% on your electricity generation, not delivery. For delivery you're stuck with utility, who owns the poles and wires that bring the juice into your home. Maybe in 10 years we'll have Wi-Fi power? Then the generator companies would be hurting in a big way! There are a lot of options, stay up to date and on top of things by being an educated consumer. 😊

Origin!!!(cont. from page 1)

While we're on floors the wealthy had slate floors that would get slippery in the winter when wet, so they spread thresh (straw) on the floor to help keep their footing. As the winter wore on, they added more thresh until, when you opened the door, it would all start slipping outside. A piece of wood was placed in the entrance-way. Hence: a thresh hold.

Now we're in the house and talking food. In those old days, they cooked in the kitchen with a big kettle that always hung over the fire. Every day they lit the fire and added things to the pot. They ate mostly vegetables and did not get much meat. They would eat the stew for dinner, leaving leftovers in the pot to get cold overnight and then start over the next day. Today we put everything in the refrigerator a minute after dinner as we're fearful the food will immediately get a germ or other bacteria if we don't. How things change! Sometimes stew had food in it that had been there for quite a while. Hence the rhyme: Peas porridge hot, peas porridge cold, peas porridge in the pot nine days old. Sometimes they could obtain pork, which made them feel quite special. When visitors came over, they would hang up their bacon to show off. It was a sign of wealth that a man could, "bring home the bacon." They would cut off a little to share with guests and would all sit around and chew the fat. Not much different from today where people display big homes, fancy clothing or jewelry or conspicuous consumption as their signs of wealth as the modern day version of bringing home the bacon.

Those with money back in the day had plates made of pewter. Food with high acid content caused some of the lead to leach onto the food, causing lead poisoning death. This happened most often with tomatoes, so for the next 400 years or so, tomatoes were considered poisonous. Funny how having money and consuming conspicuously could kill you back then!

Today it won't likely kill you but we must ask ourselves, do we own our things or do our things own us? Back to mealtime, bread was divided according to status. Workers got the burnt bottom of the loaf, the family got the middle, and guests got the top, or the upper crust. Lead cups were used to drink ale or whiskey. The combination would sometimes knock the imbibers out for a couple of days. Someone walking along the road would take them for dead and prepare them for burial. They were laid out on the kitchen table for a couple of days and the family would gather around and eat and drink and wait and see if they would wake up. Hence the custom of holding a wake.

Money Quiz



This month's challenge is on income tax payers. What percentage of filers reported an AGI (adjusted gross income) of at least \$200,000 in 2012? There were 93.1 million returns filed. Last month's quiz was won by Linda St. Pierre, daily oil production in the US exceeds 8.0 m barrels daily. This is the highest it's been since 1988. Winner goes to Ruby Tuesday on us!
09/15/14: 08

Self-Driving Cars

Talk about moving your cheese! I'm a car nut and they're just in my blood. I've been told that once you're bitten by the automotive bug, you cannot get it out of your system. So far the theory has proved true. A lot of noise has been made lately about self-driving cars and they're coming. Talk about taking all of the fun out of driving! They've officially granted Google permits in California for real life runs. They've also given permits to Audi and Mercedes for the same technology. Right now these cars are legal in three places, California, Nevada and Florida. The Floridians are thinking the computer is a safer driver than the 90 year old! (I couldn't resist! 😊) You'll know the car is a self-driving one simply by the gadgets attached to the roof (cameras, sensors, etc.) 😊

I have yet to see one in real life, here are images of a few of the ones currently roaming our streets.



So far this technology has proved to be safe, they've logged 700,000 accident free miles without human intervention. I have no idea what the environment is they're testing so that's going to be the real mustard test. If these tests were in LA I'd be impressed but if they're in the remote and desolate areas I'm not impressed. In rural areas any capable 12 year old could obtain similar results. Let us know if you see one locally or while traveling. It's just going to be odd seeing a car driving down the road and you know there is no human driver. It reminds me of the spoofs they play on fast food workers where the driver is somehow hidden. 😊

IPO's

IPO's or initial public offerings are hot again over the past few years. Easy money is all over the place so people are rushing to bring these new issues to market while the iron is hot. A few articles have surfaced recently stating that most IPO's are bad for the public. Let's look at the mechanics of IPO's and give you a few tools to help decide if they are a good deal for you or something you should stay away from.

IPO is the initial public offering of a company's stock on an exchange to the public as the name implies. Just like any other investment, you should appraise the company first to see what its value is based on your appraisal. Once you have a number, if the company is being offered for a substantial discount to the appraised value, then it makes sense to possibly consider the IPO for purchase. We don't suggest people get involved with IPO's when they first come out. It's important to see how they behave coming out of the gate and having a history of financials to show how they look. We've only purchased one IPO in the past few years a few months after it came public, it is an energy concern that looks quite favorable. With today's markets in hyper mode, not much looks favorable from an investors standpoint so I can see how many media outlets view IPO's as bad for the public. It really boils down to how long you plan to hold the security and if you're an investor or a trader. Traders can do very well with these picks, while investors must be ultra-careful treading in these waters.

The public views these IPO's as an opportunity to get in on something new and great on the ground floor. That is true if it ends up being new and great. The trick is to separate those from the ones who end up going bankrupt. This market has a lot of companies rushing to become public and money is easy today. I'm confident many of the companies coming public today will not exist in a few years. The last time we saw this stampede to the public markets was in 1999 – 2000 era. Let's see if any of these hot dot com IPO's sound familiar – boo.com, webvan, etoys.com, pets.com, beauty.com, reflect.com, eve.com, ibeauty.com – well they all failed miserably.

68% failure rate is what one recent article quoted as the failure rate for public companies in meeting earnings estimates. They were very benevolent in their calculations as well, they only included the ones who actually had earnings. Many IPO's today not only do not have earnings, many do not have any sales and some don't have a business plan that holds any water. This is the danger of the capital markets – you can certainly do very well with them if you know how to navigate them, but you can also get pummeled. Don't get sucked into the hype of manias and bubbles, neither last or are sustainable. The old adage of do not come to a gun fight with a knife applies here. If you're not familiar with the territory stay away, it's a much safer place to be.

Inspirational Quotes

- The ability to speak eloquently is not to be confused with having something to say, Michal Hart
- Don't read a book and be a follower; read a book and be a student, Jim Rohn
- Act decidedly and take the consequences. No good is ever done by hesitation, Thomas Henry Huxley
- A goal is a dream with a deadline, Napoleon Hill
- We love complex problems and are terrified of simple solutions, author unknown
- It takes as much energy to wish as it does to plan, Eleanor Roosevelt
- I will study and prepare, and someday my opportunity will come, Abe Lincoln
- Don't let yesterday take up too much of today, Will Rogers



We can piece the puzzle together and make your money work for you!

How much do our kids wash their hands? My kids a lot because Cup would kill them if they didn't. I can actually remember a battle my mother and I had when I was a kid about washing my hands. My stubborn self wouldn't do it, thinking they were clean, and she kicked my little butt and washed them for me. Looking back it's comical but I'm sure it wasn't any fun for her as it put her blood pressure through the roof. I truly thought they were clean as they were uniformly dirty after a baseball game.

Bottom line is I was a dirty kid always into sports, motorcycles, cars, etc. We weren't as worried about germs and Ebola back then but the argument has been presented that perhaps we're making our kids lives too sanitary. Too much hand sanitizer everywhere and our immune systems are getting weaker as we're not exposing ourselves to the germs in small doses so we can build up a tolerance if not an immunity. I'm no physician so I haven't a clue which way to go. Think about it, are we too worried about things we did and thought nothing of them?

Don't make excuses; make things happen; make changes; make history, author unknown!

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- Tom tom@fiscalwisdom.com

If anyone you love or care about would benefit from receiving our newsletter, tell us who they are and they will be included on our mailing list. They'll certainly appreciate you thinking about them and having their best interests at heart!

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Address _____

City _____ State _____ Zip Code _____

Name _____ Email _____

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City _____ State _____ Zip Code _____

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PLACE
Financial Advisors

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