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**MENTOR**
C A P I T A L

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Mentor Monthly Missive

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Complete the 2010 Census Questionnaire

Federal programs will dole out more than \$500 billion a year over the next decade based on data collected through the 2010 Census, according to a study released Tuesday.

The Census Bureau began hand-delivering questionnaires in rural areas last week, and most U.S. households will start receiving the forms in the mail this week. The bureau will use the completed questionnaires from an estimated 134 million households to determine the nation's headcount, which is critical to the process of allocating federal assistance dollars.

To encourage more people to answer the questionnaire and return it by mail, the Census Bureau is spending \$133 million, or about \$1 per household, in national advertising campaigns. The bureau estimates it will save \$85 million in taxpayer money for each percentage point increase in the 2010 Census mail-back response rate by avoiding spending \$56 going door-to-door to each unresponsive household to collect data.



An added layer of protection

Risk management means protecting the things we can't afford to lose: Our home, our motor vehicle, our ability to earn an income. So we buy homeowner's, automobile and disability income insurance.

In addition to protecting the things they insure, property and casualty insurance also protects our other assets from confiscation in the event that a judgment is entered against us due to personal injury or property damage. For example, if our dog bites the neighbor's child and the neighbor sues us, a court of law may enter a judgment for damages. That judgment could exhaust all our assets, and our income could be attached.

Unfortunately, liability limits on many property and casualty insurance policies are simply too low to offer appropriate protection in this day and age, in this litigious society. For example, limits on a typical car insurance policy are \$100,000 per person, \$300,000 per accident. It doesn't take too serious an injury to generate medical bills in excess of \$100,000.

To fill in the wide gap between most basic policy limits and the potential for liability, many consumers will purchase umbrella or excess liability coverage. This protects the insured against a wide range of potential liabilities, from dog bites to slander. It's called "umbrella" coverage because it provides a broad shelter for the activities of our lives.

Umbrella coverage can be bought in increments of \$1 million, up to \$50 million. The premium for a \$1 million umbrella policy runs between \$150 and \$250 a year, depending on the insured's risk profile and the insurance company writing the coverage.

Before an insurance company issues an umbrella policy, it will require that the liability limits of your basic policy are the highest offered – usually \$250,000 per person and \$500,000 per accident for car insurance, \$500,000 for homeowner's insurance.

Some questions you should ask your agent when considering umbrella liability coverage: What basic liability limits must I have? Are legal fees covered? Am I covered anywhere I travel in the world? Am I covered against punitive damages? How much will I save if I raise my deductible?

Risk management is an integral part of the financial planning process practiced by advisors with Mentor Capital Management.



Great Time to be a Chicago Sports fan

To lighten things up a bit as we move into spring, we'd like to take a break from the Monthly Missive's financial articles and talk about something a little less important but probably more on the average person's mind: sports.

The cold weather is subsiding, and the fresh air swirls in through the open window. Let's forget our worries for a few minutes and think about what a great time it is to be a sports fan, a Chicago sports fan. From the boys of summer preparing for a World Series run to young college students getting ready for March Madness, there is plenty of excitement for everyone.

Let's take a look at some of our favorite sports and teams:

“DA” Bears – Even though the Bears are considered to be in their offseason, we know the NFL runs 365 days per year. The Bears made a big splash last week signing the No. 1 free agent and defensive end in football. Julius Peppers is going to look great playing on the same field as Briggs, Urlacher and Harris. The Bears will also try to bolster their roster in April when the NFL draft takes place in New York. Although their first pick will not come until the 3rd round, we can expect a decent player at offensive line or safety in this deep draft.

Chicago Cubs and White Sox – The two teams are well into spring training with just weeks until opening day. It is great to see our teams playing under the Arizona sun. Both teams have improved themselves over the winter, and both look to make playoff runs. The Cubs are ushering in a new era with the Ricketts family and hope they can put an end to the Milton Bradley saga. Will the change in ownership snap the Cubs curse? No one knows, but all teams have hope in spring training. The White Sox, on the other hand, are trying to get back to their winning ways. They have retooled their lineup to become faster, and they own one of the best pitching staffs in baseball. Can the Sox pitching lead them back to the World Series?

Chicago Blackhawks – Chicago's favorite team at the moment is soaring to bigger and better things. The Hawks are fun to watch, and they win in so many different ways. Currently tied for the most points in the Western Conference, look for the team to make a deep run into the Stanley Cup playoffs. Can Kane and Toews lead the Hawks to the promised land and lift Lord Stanley's Cup?

Chicago Bulls – Although they have fallen on hard times their last few games, the Bulls are showing that they are on the verge of something great. With Derrick Rose developing into one of the best point guards in the league, the Bulls are looking to make the playoffs for a second consecutive year. But the most exciting part comes this summer when the Bulls will make a run at one or two of the most coveted free agents in the league. LeBron James, Dwayne Wade, Joe Johnson and Chris Bosh are all available.

NCAA Basketball – As the conference tournaments wrap up, all eyes will move to the NCAA tournament. March Madness proves to be the best playoff in all of sports. The action, drama, and heartbreak cannot be matched. Who will be this year's Cinderella? Everyone likes an underdog.

Sit back, kick your feet up, and enjoy the next few months. It's going to be a wild ride.



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