

Financial Confidence is On the Horizon...

THE VAUGHN / MCLAUGHLIN TEAM

QUARTERLY NEWSLETTER FOR FRIENDS & CLIENTS

First Quarter 2011

Our mission...

To build a partnership that will help our clients meet their financial goals and enjoy a more secure future. Our goal is your 100% satisfaction with the advice and service you receive – and the **confidence** that this can bring.

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NOTES FROM JIM'S DESK:

February 3, 2010

In the fall 2010 Newsletter, I discussed some financial history in an effort to shine some light on the current economic cycle. Our conclusion at that time given all the metrics we looked at was that the economy was indeed in recovery mode pretty much in line with previous recession/recovery cycles. We acknowledged that there were certainly headwinds yet to overcome. Here we are about 3 months later and we continue to see recovery. This certainly is being reflected by the markets, particularly here in the United States. Yes, housing and unemployment are still big problems. They will continue to be at the forefront of almost everyone who lives on Main Street.

This is the way cycles go and we now think the biggest risk to investors is to be “not in the market”. Why is that such a big risk? Simply put, over time we must keep up with the cost of living and taxes or risk running out of money (purchasing power). If we do not have any exposure to markets (equity in particular) we may, at the very least, have to continually reduce our standard of living. I don't think anyone looked toward retirement or any other financial goal with this in mind.

I've decided to share with you some of the prognostications of Robert Aliber, an author and professor emeritus at the University of Chicago who once worked with economics icon Milton Friedman. It's important to point out several things right upfront. Professor Aliber has been one of the gloomiest economists and now has become a bucket of sunshine! Secondly, he is a human being and therefore fallible but when someone of his stature does a 180 degree turn, I find it interesting. Here are some of his predictions for 2011:

- ◆ The U.S. economy will grow 4.5% to 5%
- ◆ The stock market will rise 15%
- ◆ The nation's unemployment rate will fall from its current haunt of more than 9% into the 7% range as the U.S. reinvigorates its manufacturing sector by adjusting its trade imbalance with China
- ◆ Gold will plunge from its current heights of more than \$1300 an ounce to – get this – \$874 an ounce as China gets margin calls
- ◆ “We will have restored our confidence in the resiliency of the American economy,” Aliber declares.

Aliber foresaw the Asian crisis of 1998 and the bursting of the internet bubble in 2001. In February of 2007 at a speech before a group of Chicago alumni, he advised them to sell everything and get into cash. He warned the housing bubble was about to pop and that it would take down the economy and the stock market too.

Economic trends don't always outlive mindsets. People believed the boom would last forever. Now they think the bust will do the same. To hear Aliber tell it, the American dream is back. He says the bailouts worked, the Fed's plan to flood the world with money worked, and even President Barack Obama has a plan that will work.

There are more Aliber predictions. All of the above I borrowed from a blog done by Al Lewis posted on Yahoo Finance on 1/27/2011. Professor Aliber has just published a new book “Your Money and Your Life: A Lifetime Approach to Money Management.” So if you wish to know about what the professor is thinking about, you may want to pick this up.

I made a point in the Fall Newsletter about “filtering” the media, much of which tends to be negative and pessimistic; but it applies to all predictions including the good professor's. I'm sure there are some of his predictions you will disagree with or at least think it sounds too good to be true. That's okay. But as Mr. Lewis said, it would be hard to dismiss him as just another bow-tied, crackpot professor of the dismal science. My goal in presenting these sunny predictions is primarily to bring balance to the dialogue. At this point we agree the biggest risk to the investor is to not have some exposure to the markets, especially a diversified stock portion.

COMMUNITY SPOTLIGHT: *Judy Williams*



Judy Williams

Occupation: Executive Director for the Citrus County Education Foundation. Retired educator with 45 years experience. **Time in Current Position:** 3 months as Executive Director of the Foundation. **Family:** Husband, Thomas Williams, is a retired music educator currently active with the Tampa Bay Heralds of Harmony Barbershop Chorus. **Has Lived in Citrus County:** for 1½ years. Moved from Maine. Spent 40 years in Marion County with the school system. One of the best features of Citrus County is the feeling of community. Everyone I have met has a strong sense of making this community a wonderful place in which to live and work. The outstanding work that is being done, not only by our community leaders but by our citizens, to protect our natural resources is insuring a strong and healthy future for the county. **Hobbies / Interests:** Reading, crafts, volunteering in my community. My affiliation with P.E.O. (Philanthropic Education Organization) which promotes education for women, as well as local, State and National work is a source of pride. I also enjoy participating in my husband's hobbies of model railroading and barbershop singing. **Community Involvement / Causes You Are Passionate About:** My passion revolves around young people. I have a strong interest and have worked to blend the talents of young people in the community through service learning opportunities. I have served on the United Way Board, Salvation Army, Children's Alliance, Nestle Waters NA / Poland Spring Water, and various church positions. **Favorite place you've travelled to?** Warton in Ontario, Canada located north of Toronto on the Bruce Peninsula. It is one of the most pristine places with beautiful scenery and a cleanliness unmatched anywhere. **Place you would still like to visit?** My roots and heritage lie in Ireland. I am a first generation American on my father's side and would find it particularly interesting to visit the southern part of Ireland. **Careers that interest you besides your own?** I am very interested in public relations, marketing, and careers in civic engagement. **Personal / career accomplishments you are most proud of?** Probably every teacher is most proud of the lives she has touched and the difference made in the lives of children. I have seen those young people reach maturity and take their places in communities as leaders and successful individuals. I am also very proud to have been named by Ocala Magazine as an Outstanding Leader and by Jaycees as "3 Who Care." I have been very blessed with honors and awards. News Channel 2 Jefferson Award Winner was very meaningful because it came from a parent who felt that my influence upon his child had made an impact. **How old were you when you became interested in teaching?** I was 5 years old when I knew that I wanted to be a teacher. I spent hours "playing school." My grandmother was my best (and only) student. I have fond memories of her rather large frame squeezed into my tiny school desk. Her patience and nurturing and making me believe that I could be anything I wanted to be were instrumental in shaping my life. **Biggest challenges in your profession?** Funding, Time, Parental Involvement and Business/Organization Commitment to Education are probably the top four areas that are the biggest challenges to educational entities. We work within those difficulties in either a positive or negative way. I have always chosen the positive avenue and recognized the obstacles. As a Foundation, we are constantly focused on ways we can create successful opportunities for our teachers, staff, and students. There are several new initiatives being developed by the Foundation that will offer broader opportunities for our community to contribute to our schools. **Do you want to continue your education in any way? What do you want to learn more about?** Certainly as an educator, education is the heart of all that I do. I currently hold a Masters' Degree in Administration, a valid Florida Teaching Certificate and hours well beyond my degree. I am interested in continuing to update myself in the area of technology, as well as current trends in education. I would also like to learn more about non-profit organizations in the areas of board development, grant funding and community involvement. **If you had complete financial security, how would you spend your time?** Complete financial security would give me an opportunity to still do what I enjoy the most: being involved in education. I would spend my time working with young people to help them believe in themselves, provide resources to help them achieve, create passion for community service and above all else show them that character counts and you have an obligation to pass it on to the next generation. **What do you strive for most in life?** My life has always been faith-driven. To that end, I strive to be the kind of person that God wants me to be—kind, loving, committed to making things better and living an active Christian life. In the end, it is important to make things a little better than you found them. **What do you try to avoid?** Negative people—at all cost! **What do you want your legacy to be? How would you like to be remembered?** I carry in my purse a piece of John Wesley's philosophy and read it often and have found it to be a giant propelling force in my life: "Do all the good you can, in all the ways you can, to all souls you can, in every place you can, at all times you can, with all the zeal you can, as long as you ever can." **What values or philosophies would you like to pass on?** It is my belief that your character and your commitment to something in life counts in the big picture. Stand for something. Make the world a place that will make the next generation proud that you were here. Leave footprints where you have walked. The best advice I could give is to find your purpose and you will have found your passion.

Citrus County Education Foundation

presents

ALLEGRO

Advancing Learning & Literacy Education through
Grants & Resource Opportunities

featuring the

Tampa Bay Heralds of Harmony
Barbershop singing at its best!

Sunday, May 1st, 2:00pm
Curtis Peterson Auditorium—Lecanto

A fundraiser for Arts & Literacy in our schools.

See Page 3 for more information

IN OUR COMMUNITY: *Citrus County Education Foundation*

Organization Representative: Judy Williams, Executive Director **Phone / Email:** (352) 503-7556, citrusfoundation@gmail.com

Organization Description / Projects: The Foundation operates under a 501(c)(3) non-profit status and is comprised of a volunteer Board of Directors from business and organizations in Citrus County. Our mission is: *Funding Success in the Classroom*. We accomplish this through awarding Teacher Mini-Grants for innovative and unique projects in the classroom. With our partners this year we funded over

Continued on Page 3

IN OUR COMMUNITY: *continued*

\$30,000 in teacher-driven projects in math, science, reading, and more. Foundation Scholarship Programs continue the life-long learning process and provide assistance to graduating seniors who apply and qualify. Our Aspiring Teacher Scholarships are available to support staff members in the schools pursuing a degree in Education. The Foundation places strong emphasis on our career academies for students wishing to enter the workforce following graduation. By funding School-to-Work programs that require training and practical skills, we are able to help create a workforce base for entry level positions for our students. The funding we provide for Field Trips & Fairs gives us an opportunity to support hands-on learning at all levels. At the heart of our fund-raising efforts, we create ways for our teachers and students to participate in Math Field Day, Regional Science & Engineering Fair, college and university field trips, as well as other avenues. Literacy Projects are crucial to the success of every child and it is our pleasure to bring the Dolly Parton Imagination Library to Citrus County. We raise money to cover the cost of books for over 1,500 children who are learning to read. **What inspired you to become involved?** Having taught in school and worked in school administration, I am acutely aware of the many needs in our schools. I feel that it is incumbent upon everyone to alleviate some of these problems. I see in the Citrus County Education Foundation a tremendous future as a partner with the Citrus School District. Our teachers, staff, students and community are all worth every hour I invest in this Foundation. I cannot applaud the men and women who volunteer to sit on the Foundation Board. Their belief in the Foundation mission coupled with their energy and knowledge, provide a sound basis for building upon the many successful projects already in motion. Their attitude and motivation is contagious and their commitment has inspired me to work together to meet some of the educational needs in our growing Citrus County. **Success stories that have touched you?** In the short time I have been involved in the Foundation, one of the greatest joys has been to award Mini-Grants to teachers for those opportunities that allow them to go over and above their teaching. Working with the Galaxy of Stars, a Foundation-sponsored event, our chance to honor men and women who were chosen by their peers to represent all of the employees in the Citrus School District. To have been in the company of this auspicious group gave me the feeling that we are indeed connected to a wonderful present and are poised for an exciting future. The Dolly Parton Imagination Library project is validated through emails, calls, and notes from parents who often tell us that providing books for their child is indeed a gift and one that would have been very difficult for the family to provide. Providing family assistance through the Aspiring Teacher Scholarship program to an employee who wants to go back to school to become an educator is always a heartstrings moment. These are wonderful moments that I have enjoyed, but probably the very best is the time I can look at the faces of the teachers inspiring their students through classroom teaching. When I get to do that, I know exactly why I am doing what I do—helping to provide resources to enhance public schools. And it just doesn't get better than that! **How can our community members help?** The Citrus County Education Foundation is always a work in progress. New and unique opportunities are always on the horizon. It takes the commitment of many individuals to invest time, talent, energy, and dollars. As a community member or business, you have an opportunity to make a difference today for a future that we may never see. Working with the Foundation is like driving through Burger King- "you can have it your way." Whatever your passion, whatever your driving force, whatever your interests or talents— we would love to talk with you and invite you to join the FOUNDATION TEAM. It's amazing how good it feels. Please call me—I promise an opportunity you can't refuse! **Upcoming Events:** The Citrus County Education Foundation will be hosting the first ALLEGRO (Advancing Learning & Literacy Education through Grants & Resource Opportunities) on Sunday, May 1st at 2:00 p.m. in the Curtis Peterson Auditorium. This event will feature the Tampa Bay HERALDS OF HARMONY Barbershop Chorus & Quartets and one extraordinary surprise you won't want to miss!! The Heralds of Harmony will represent the State of Florida in Kansas City, MO in July at the Barbershop Harmony Society's International Convention. They are awesome— and what a good idea for a pre-Mother's Day celebration. Tickets are \$15 and will be available March 15th at several locations in Citrus County, including your Raymond James office in Crystal River.



Foundation board members & partners at the Mini-Grant presentation, College of Florida (Lecanto).

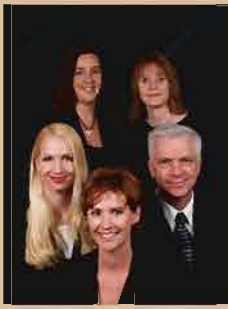
CONGRATULATIONS: *Terry Jackson inducted into NSCAA Hall of Fame*

Congratulations to our friend Terry Jackson for being inducted to the National Soccer Coaches Association of America (NSCAA) Hall of Fame. The induction ceremony was held on January 14th in Baltimore, Maryland. Terry was one of only two individuals added to the NSCAA Hall of Fame in 2011.

Jackson was the head coach of Wesleyan University's mens soccer team for 31 years and directed his squads to three division titles. His cumulative record was 210-64-36. Terry also coached Wesleyan lacrosse and at Indiana University and Moravian College.

Jackson earned his BA and Masters in Education degrees from Springfield College. There he was named an All-American in soccer and was part of Springfield's 1957 National Championship squad. Today Terry resides in Dunnellon, Florida with his wife Betty Jean. Together they enjoy golf, bridge, Rays games, and cruise travel, as well as charitable work with Kiwanis and Habitat for Humanity. Congratulations again on this prestigious award!





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SAVE THE DATE

- ◆ **March 2nd:** Wall Street Coffee Club, 9:30am at the Cozy Country Kitchen in Crystal River.
- ◆ **March 7th:** 6th Annual Randall Jenkins Memorial Golf Tournament to benefit the Citrus Memorial Health Foundation, Black Diamond.
- ◆ **March 23rd:** Raymond James Story presentation, 4:00pm at Citrus Hills Lodge in Hernando. Cocktails & Hors D'oeuvres.
- ◆ **April 3rd:** Harmony Heaven in 2011 concert, 3:00pm, Curtis Peterson Auditorium in Lecanto. Tickets are \$10 in advance, \$12 at the door. Tickets can be purchased at your Raymond James office in Crystal River.
- ◆ **April 6th:** Wall Street Coffee Club, 9:30am at the Cozy Country Kitchen in Crystal River.
- ◆ **April 22nd:** The office will be closed in observance of Good Friday.
- ◆ **April 30th – May 1st:** Wildlife & Western Visions Art Show, 10am to 5pm on Saturday, 11am to 4pm on Sunday. Raymond James headquarters, St. Petersburg.
- ◆ **April 30th:** 12th Annual Superintendent's Golf Classic to benefit the Citrus County Education Foundation, Sugarmill Woods.
- ◆ **April 30th:** Ozello Adventure Race presented by Kiwanis of Central Ridge-Crystal River, 10am race start, Pirates Cove Boat Ramp at the end of Ozello Trail.
- ◆ **May 1st:** ALLEGRO concert / fundraiser to benefit arts and literacy in our schools, 2:00pm, Curtis Peterson Auditorium in Lecanto. See Page 3 for details.
- ◆ **May 4th:** Wall Street Coffee Club, 9:30am at the Cozy Country Kitchen in Crystal River.
- ◆ **May 7th:** Symphony Under the Stars at Raymond James Stadium featuring the Florida Orchestra. Tickets (complimentary) required. Call or e-mail us to reserve tickets for you and your guests.
- ◆ **May 9th:** 6th Annual Regional Golf Classic to benefit Big Brothers / Big Sisters, Black Diamond.
- ◆ **May 14th:** 6th Annual Citrus Memorial Ball to benefit the Citrus Memorial Health Foundation, Black Diamond.

Call us with questions on any of the above events or if you would like to feature your organization's upcoming events in our next newsletter.