

**ESTATE PLANNING IN UNCERTAIN TIMES
Followed by Social/Networking Reception**



Bill Forsberg



Sid Kaplan



Shane Swanson

On October 21st, we are pleased to present panelists from Parsinen Kaplan Rosberg & Gotlieb, P.A., a 30 attorney business law firm located in Minneapolis, Minnesota. The firm has five main practice areas including corporate, estate planning, ESOP, litigation and real estate. The estate planning department consists of 8 lawyers and 5 paralegals with a practice focus on high net worth clients with estate planning and business succession planning.

- Bill Forsberg practices primarily in the areas of estate planning, taxation and corporate law. He is licensed as a CPA in Minnesota, is certified in tax in Florida, and has taught courses in Trusts & Estates and Estate and Gift Taxation at William Mitchell College of Law for the past six years.
- Sid Kaplan practices in the areas of estate and tax planning, trusts, estate administration and business planning. He has been a Fellow of the American College of Trust and Estate Counsel since 1977 and has also been listed in the Best Lawyers of America for thirteen consecutive years.
- Shane Swanson has experience with sophisticated estate planning techniques. His practice focuses on developing a comprehensive strategy utilizing various techniques listed above to assist clients with tax planning, business succession, charitable planning and providing for the transfer of wealth to future generations.

Panel presentation topics include:

- 1) **Estate Planning Basics** - Discussion on such questions as what is estate planning, who needs an estate plan, the use of trusts in estate planning, including the use, creation, pros and cons, and funding of revocable trusts, insurance trusts, qualified personal residence trusts, and testamentary charitable trusts. The panel will also discuss basic estate and gift tax concepts, flowcharts of a core estate plan, the use of pour-over wills, health care directives, and power of attorneys.
- 2) **EGTRRA**. Discussion on the impact of the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) on estate planning. The discussion will center on the use of increased estate, gift and generation skipping transfer tax exemptions, reduced estate tax rates, estate tax repeal in 2010, and sunset restoration in 2011.
- 3) **State Estate Taxation**. Discussion on the impact of EGTRRA on Minnesota and other states' estate tax laws. The focus will be on the interphase between federal estate tax law and Minnesota, the concept of "decoupling," the gradual elimination of the federal credit for state death taxes, differences in federal and Minnesota estate tax exemptions and the Minnesota estate tax calculation. The panel will also discuss multistate estate taxation and estate planning, the "state death tax trap" and how to avoid it. The focus will be on the states of Florida, Arizona and California—common Minnesota "snowbird" states.
- 4) **Sophisticated Estate Planning-Hot Topics**. Discussion on some "hot topics" using more sophisticated estate planning techniques, such as family limited partnerships (FLP), grantor retained annuity trusts (GRAT) and sales to defective irrevocable grantor income trusts (DIGIT).

The meeting will be held at **The Wabasha Street Caves**. The Caves are 2 1/2 blocks south of the river on the right side. For detailed directions, visit their website: www.wabashastreetcaves.com Plan to stay for the social event immediately following the presentation. We'll have a magician strolling throughout the crowd performing great displays of magic right before your eyes. Plus, a tour of the cave will be available for \$5 (5:30 pm & 6:00 pm - pay on-site). Cost of attending social event: We ask that you bring nonperishable food items (or money donations for discounted food certs) to the meeting, which FPA will donate to Second Harvest. RSVP no later than Friday, October 17.



What's Inside:

Gold Award!!	2
Intern Update	2
Symposium 2003	3
Anniversaries/New Members ...	4
Success Forum 2003	5
New Member Specials	6
Marketing You	6
Supporting Partners.....	8
Reverse Mortgages	9
Calendar of Events	10

The 3rd Tuesday - October 21st, 3:30 - 5:00 pm at Wabasha Street Caves (651-224-1191), 215 South Wabasha Street in St. Paul (free parking). Call (612) 706-3060 with your registration or e-mail your reservation to: office@fpamn.org. We have applied for 1 CEU/1 CFP credit for this program. CFP® and Certified Financial Planner® are marks owned by the Certified Financial Planner Board of Standards, Inc. (CFP Board).

All registrations (including Season Ticket holders) called in after 5:00 pm on the Friday preceding the chapter meeting or arriving without a registration will be assessed an additional \$15. The Regular (Early Bird) Member Rate will remain at \$30. The Late Registration/At Door member rate will be \$45.

Season Ticket Pass:
Register by Email office@fpamn.org 

Non-Season Tickets:
Pay Online:
www.fpamn.org 

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FPA of MN Recognized at 2003 Leadership Conference!

The Financial Planning Association FPA™ of Minnesota was recognized at FPA's 2003 Leadership Conference for attaining the Gold Level of achievement in FPA's Chapter Recognition Program for three consecutive years.

The chapter was honored for its achievement and effort in leadership succession, financial management, membership acquisition and retention, public relations, strategic planning, continuing education, promotion of the CFP® mark and technology. To qualify for the Gold Level of achievement, the chapter submitted a detailed narrative of extraordinary achievement in membership marketing, education, public relations, administration and leadership or government relations. In addition, the chapter provided 15 hours of continuing education, implemented a career path program to develop and support future CFP professionals, and reached out to other financial services professionals, such as accountants and attorneys, regarding membership.

"It's an honor to be recognized for our achievements," says FPA of Minnesota's President Kathleen Longo, CFP®. "We've worked hard over the past year to make our chapter successful and are proud that our efforts have been recognized."

FPA's President David Yeske, CFP®, presented the award. Craig Jergenson, President-Elect, Andy Feterl, Director of Symposium 2004, and Bonnie Stanley, Executive Director, accepted the award on behalf of the chapter.

—Excerpt from the May/June 2003 Solutions Magazine

"Achieving the gold level has allowed our chapter the opportunity to attract both members and partners," said Kathy Longo, CFP, president of FPA of Minnesota. "We



now promote several of our key meetings with CFP certificants who are not currently members, and exhibit and share information about FPA at conferences targeted at accountants and attorneys. These efforts have brought new members to our organization."

Longo, principal at Accredited Investors, Inc., in Edina, added that achieving the gold-level status has helped the chapter create new partnerships. "We have promoted our organization and the success of achieving the gold level with our various partners who help support our chapters' many initiatives."

Intern Update:

Greetings from the Career Development Committee. If you are looking for a high quality financial planning intern for your practice, we would like to suggest that you review the student resumes that will be included in the back of the Symposium Binder. These are students who have taken the initiative to get their resume included and have a strong desire to learning more about financial planning. We have allowed students to include their resumes as a way to gain exposure to the financial planning profession. If you see a candidate that peaks your interest, you might want to check the registration table to see if they are attending the Symposium.

Rick Epple ■ Director of Career Development
952-470-5049 ■ repple@efaonline.net

From The Board



Symposium 2003

Tuesday, November 11th

7:00 - 7:30 AM Registration and Continental Breakfast
 7:30 - 7:45 AM Welcome
 7:45 - 10:30 AM Sustaining Success in a Revolutionary World, Alan Parisse
 8:45 - 9:00 AM Break/Visit Exhibits/Network
 10:30 - 11:00 AM Break/Visit Exhibits/Network
 11:00 - Noon Staying in Compliance - For Reps and Advisers, Mike Stanfield
 Noon - 12:45 PM Lunch - Small Cap Stock Outlook, Elizabeth Lilly
 12:45 - 1:00 PM Break/Visit Exhibits/Network
 1:00 - 2:30 PM Breakout #1: The Truth Behind Absolute Return and Alternative Investing, Peter Moran
 Breakout #2: What You Don't Know But Should Know About Property/Casualty Insurance, Ric Cox and Gary Hanson
 2:30 - 3:00 PM Door Prize Give-Aways/Visit Exhibits
 2:30 - 4:30 PM Bridge the Gap: Getting Started & Building Your Practice
 3:00 - 4:30 PM Economist Panel: David Kelly, Putnam; Jerry Webman, Oppenheimer; and Deep Shika, College of St. Catherine
 4:30 - 5:30 PM Wine and Cheese Reception

Wednesday, November 12th

7:30 - 7:50 AM Continental Breakfast/Exhibits Open
 7:50 - 8:00 AM Announcements
 8:00 - 10:00 AM Breakout #1: Code of Ethics, Keith Loveland
 8:00 - 9:00 AM Breakout #2a: Dave Grace
 9:00 - 10:00 AM Breakout #2b: Vern Hayden
 10:00 - 10:30 AM Break/Visit Exhibits/Door Prize Give-Aways
 10:30 - Noon Engaging the New Client: Obstacles & Opportunities, Ed Morrow
 Noon - 1:30 PM Lunch: American Express
 1:30 - 1:45 PM Breaks/Visit Exhibits/Network
 1:45 - 2:45 PM Building the Optimal Financial Advisory Practice, Steve Clement
 2:45 - 4:15 PM Modeling The Future, Glenn Kautt
 2:45 - 4:15 PM Bridge the Gap: Building Relationships with Professionals Related in Financial Planning Field
 4:15 - 4:30 PM Closing Remarks/Evaluations/Cert Forms


 DON'T
 DELAY!
 REGISTER
 TODAY!

Sign Up Today!

Volunteer to work at the FPA booth at the CPA Conference on November 13-14! Morning and afternoon shifts available. Spots will be filling up fast so if you are interested let us know today.

Congrats to September's Chapter Meeting Door Prize Winners!

**Doug Cozad • Joel Greenwald
 Brent Mueller • Thomas Taylor**



Hats off to the latest cities proclaiming Financial Planning Week and promoting financial literacy: City of Minneapolis & City of Crookston!

Proclamations were also received by:

- Apple Valley
- Brooklyn Park
- Little Falls
- Plymouth, and
- Governor Pawlenty!

Symposium 2003: Planning for Success

November 11 - 12, 2003 • Minneapolis Convention Center

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FPA Member Rate - \$250.00 • Non-Member Rate - \$300.00

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Return to FPA of MN, 2503 Central Avenue NE, Minneapolis MN 55418
 Payment by credit card accepted • Call 612-789-4799 for processing.
 For a refund, cancellations must be received in writing by October 24th.

Targeted 10 hours of CFP™ and MN Insurance Credits

Lodging Available at The Millennium Hotel, \$99/night; Call 1-800-522-8856

Our Thanks to the October Meeting Sponsor & Platinum Partner



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**82 New
Members**
have joined FPA
of MN so far this
year! Come
meet some of
them at the
networking event
on October 21st!

**Help us
advance the
financial
planning
profession.
Refer a
Colleague.**

Congrats & Happy Anniversary!

20 Years

David Vasos, CFP
North Star Resource Group

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Duwayne Peterson
DuWayne Peterson & Co

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Integrity Financial Group Inc



Success Forum 2003 A Total Learning Experience

November 1-4, Pennsylvania Convention Center

To stay competitive and position yourself for the future, Success Forum 2003, is a must-attend for all financial planning professionals. Success Forum is the annual gathering for professionals in the worldwide financial planning community—and it's a total learning experience. The annual convention and exposition offers more choices for attendees to learn, connect with other professionals, build their businesses, and ultimately, help their clients. Success Forum delivers education, access to resource providers, continuing education credits, and a chance to take a step back from the day-to-day. Attendees will have the opportunity to talk with colleagues, meet with experts in the profession, get practical advice that they can readily apply to their businesses, and take home real solutions that enhance their success in 2004!

Member Advance rate: \$695 • Non-member Advance rate: \$995

New membership specials

National's **fourth and final** membership recruitment campaign for 2003 will begin on October 13, 2003 and end on December 31, 2003. The campaign offers will be as follows:

- **Financial Planner Member** (New CFP certificants*, Nonmember CFPs, Lapsed CFPs.): Join FPA before December 31, 2003 and receive an introductory rate of \$225 – a **\$50 savings!**
- **Member** (Lapsed Non CFPs, Lapsed Non Planner/Planner): Join FPA before December 31, 2003 and receive an introductory rate of \$225 – a **\$50 savings!**
- **Student Members** (individuals enrolled in a CFP Board approved program): Join FPA before December 31, 2003 at an introductory rate of \$75 - a **\$20 savings!**

National's second **Member-Get-A-Member promotion** is now taking place and continues through December 31, 2003. With this promotion, the member referring the most new members who join between September 1, 2003 and December 31, 2003 will win a **\$1000 American Airlines travel certificate.**

When you refer a new member, you'll also receive a \$30 certificate from FPA of MN - Good for **\$30 off** the cost of your Symposium attendance or an upcoming meeting!

The ads within this newsletter are paid advertisements and reach approximately 1150 individuals/companies. For advertising details, call the FPA Office at 612-789-4799.



J.M. Knoll Financial Advisors is seeking a Financial Planner with sales & marketing experience. Position entails comprehensive financial planning, retirement plans, investment management and/or mortgage origination.

Applicants should call 952-548-3710.

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Marketing YOU: Now Hear This!

BY STAN HUSTAD

You need to hear this - If you want to be successful today you will have to learn how to market you. If you are seeking to market your company or the products they provide, you are on the wrong side of business history and the marketing equation. Good clients buy you. You can be fully committed to a good company and you can believe powerfully in the products you offer - but you must market you. The best way to start marketing and your business is to be a better you.

Becoming better is the first step to good marketing. My first marketing challenge to you is; **Become the kind of person you would love to have for a client...**because the kind of person you are is the kind of person you will attract as clients. Let me ask you this, do you want to attract clients who are successful, goal-directed, influential, courageous, decisive, and open to wise counsel and coaching? The answer is obvious; of course you do. **Then hear this again - become that kind of person yourself.**

Right now, take time to think and plan and put down the goals and aspirations that will make you, your life, and your business more attractive to the kind of people you would want for clients. Get a notebook and write some focused answers to the following questions.

Successful - What does success mean to you and what do you plan to do this year to heighten your personal and professional success?

Goal-Directed - What do you want to have, to do, to become, and how do you want to help others in the next three years? Which of these goals are the most important? How will you start to turn the list into reality?

Influential - What do you plan to do to heighten your influence with the kind of clients and prospects you seek to attract? How will you build your reputation in your community? How will you increase your professional reputation to those who are centers of influence and can recommend you to others?

Courageous - What risks do you plan to take this year which will help you overcome fears and become a person of great courage?

Decisive - What resolutions, decisions will you make, and actions will you take that you have been procrastinating on for too long?

Counsel and Coaching - Since you cannot be an expert at everything, and all the best have coaches (Tiger Woods, Luciano Pavoratti), what kind of coaching and mentoring will you be open to and seek out in the immediate future?

Changes come slowly, but if you will take this challenge seriously, you will discover that these goal setting exercises will not only change your business, they will change your life...and you will become the kind of person you would love to have for a client, and that is the first lesson in marketing you...because you make the difference.

*Stan Hustad is a performance coach to leaders and entrepreneurs in our industry. He is the author of **YOU make the difference: The Financial Advisors Performance Guide to Marketing You!** He provides presentations and workshops to help insurance and financial advisors perform at their best and market themselves with confidence, creativity, and high impact. You can reach him at 612-729-0420.*

A Big **THANK YOU** to our Partners!

(Represents paid partners as of October 1, 2003)

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MORE CASH-STRAPPED RETIRED HOMEOWNERS SHIFTING INTO REVERSE MORTGAGES

Planners: Feel free to share this with your clients who are thinking about their financial future.

Cash-strapped older home-owners looking to tap their bulging home equity as a way to supplement retirement income are taking a new look at the once obscure—and sometimes reviled—reverse mortgage. But before shifting into reverse, understand the product well and consider the alternatives, caution financial planners.

A reverse mortgage is as the name says: instead of you making payments to the mortgage lender, the lender makes payments to you. Most important to house-rich, cash-flow-poor seniors, you don't have to repay the loan until you and your spouse die, sell the home, or move out of it permanently.

Payout options are a lump sum, monthly payments, a line of credit you can use whenever it's needed, or a combination of options. How much you can borrow depends mostly on how much available equity you have, your age, current interest rates, the lender and sometimes where you live. In general, the older you are and the more equity you have, the larger the amount you can borrow, though federally backed programs have caps.

For example, according to an AARP online calculator, a couple age 75 with a paid-off home with \$250,000 in equity, using a federally insured FHA reverse mortgage, could receive a lump sum or line of credit of \$160,467, or monthly annuity payments of \$1,080 for as long as both or one of them live in the home. In contrast, a 65-year-old couple would receive only \$135,891 in a lump sum.

Another feature of reverse mortgages is that you can never owe more than the value of your home at the time the loan is repaid—even if the home has lost value in the interim or you outlive your life expectancy and the total annuity payments, fees and interest charges exceed the value of the home. The lender cannot claim other assets you may have in order to pay off the loan. If there's equity left over after the loan is repaid, you or your heirs keep the remaining proceeds.

To qualify for a reverse mortgage, you must be at least age 62 and own a home or condominium with accumulated equity. Any outstanding loans against the house are usually paid off by the reverse mortgage. Unlike other home equity loans, there are no income or credit requirements.

While reverse mortgages have been around for years, they've never been very popular, especially compared with other forms of home equity loans. But with rising home equity values, shrinking retirement income, low interest rates and a mushrooming senior population, interest in reverse mortgages is climbing.

So what's not to like about reverse mortgages, especially when you don't have to make monthly payments? The biggest concerns are steep costs and, in some cases, lender abuse. Alternative sources of funds often are a better deal.

Let's start with fees and interest payments. The cost of origination fees, mortgage insurance premiums, appraisal fees and numerous other closing costs can run well into the thousands. Yet consumers often don't notice these costs because they're rolled into the

loan—you don't have to pay them out of pocket.

Private lenders are even more expensive than federally backed loans, though they allow much larger loans than federally backed lenders. And at least one private lender was involved in a recent class-action lawsuit, reminiscent of abuses in the early days of reverse mortgages. Of particular concern, warn some experts, is when private lenders share in the appreciation of the value of the home.

The frequently high upfront fees are one reason why financial planners typically recommend that seniors don't consider a reverse mortgage unless they anticipate needing a substantial amount of money and they plan to live in the home for a long time. Seniors should carefully compare a reverse mortgage with alternatives that may be less expensive. These include home equity loans, home equity lines of credit, easy qualification refinancing, or selling the home, moving to a less expensive place, and using the net profits to supplement income. Children also might be in a position to co-sign a refinancing or lend money, which might be repaid out of the eventual estate.

Federal law requires financial counseling from approved agencies before taking out a reverse mortgage. Consumers would be wise to take the counseling sessions seriously.

*For other financial articles, visit the FPA of Minnesota website:
www.fpamn.org/members/members.html*

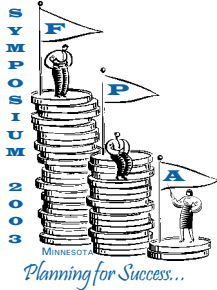
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Password: Member ID#.*

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Symposium 2003: November 11-12

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Don't forget to bring your nonperishable food item or money donation for FPA food drive on October 21st!

Upcoming Meetings

November 1-4, Success Forum 2003, Philadelphia, PA

November 11-12, 2003 - *Symposium 2003, Convention Center*

*Includes Breakout Sessions and (Optional) Code of Ethics, plus **Bridge the Gap** sessions for students and new planners. See website for additional details. Two full days of educational seminars.*

November 18, 2003 - *NO Chapter Meeting*

RSVP by October 17th for Chapter Meeting to: 612-706-3060 • office@fpamn.org

December 16, 2003 - Life Planning - Elizabeth Jetton, Michael Smith, and Moderator Jon Guyton, 7:30 - 10:00 am, DoubleTree on Park Place. Principals of Financial Vision Advisors; both have been instrumental in the establishment of "life planning" as a component of the financial planning process. Elizabeth is National FPA President-Elect and will also give us an update.



Register Today for the October 21st Chapter Meeting

- | | |
|---|---|
| Registration: | Members |
| <input type="checkbox"/> Season Ticket Holder | <input type="checkbox"/> \$30 by October 17th |
| <input type="checkbox"/> \$45 after October 17th, 5 pm | |
| <input type="checkbox"/> Nonmember: \$40 | <input type="checkbox"/> Guest Pass |
| <input type="checkbox"/> __Visa __MasterCard | <input type="checkbox"/> __American Express |

Card #: _____

Exp. Date: _____

Name _____

Company _____

Phone: _____

Email: _____

How to Register:

*Season Ticket Pass:
Register by Email
office@fpamn.org*



*Non-Season Tickets:
Pay by Credit Card
using New Online
FPA Store!*



Or...Mail:
FPA of MN Office
2503 Central Avenue NE,
Mpls., MN 55418
Or...Fax 612-789-4979.
Visa, MasterCard &
American Express.
Questions?
Call 612-789-4799.

FPA is committed to pay the hotel for every reservation made. If you cannot keep your commitment, please call (612) 706-3060 to cancel. All No-Shows who fail to cancel within 24 hours will be invoiced \$30. All Late Registrations should submit an additional \$15.