

**HAU'OLI MAKAHIKI HOU! GUNG HEE FAT CHOY!
HAPPY NEW YEAR!**

*Don't Get Caught Underwater
Without Any Insurance!*

If you live in Florida after this hurricane season that just passed, this should make great sense to you. What if you lived in lower Manoa Valley during the deluge that flooded Manoa Stream on Halloween? This storm ended up disrupting hundreds of people's lives, destroying millions of dollars in personal property, not to mention likely changing the University of Hawaii Manoa forever due to the tens of millions of dollars of damage on campus, especially to Hamilton Library.



Nearly 90% of all declared disasters in the U.S. include a flooding component. Between 8–11 million Americans live in federally defined flood zones, yet only 4.4 million carry federal flood insurance. The majority of homeowners are ill-prepared for the most common disaster

they may ever face. Even worse is the fact that many wrongly assume their standard homeowner's policy will cover a claim resulting from a flood.

Almost 41,000 homeowners have filed claims with the national flood-insurance program this year alone, stretching from Louisiana to Connecticut, due to the hurricanes that ripped across the east coast earlier this year. Each year, homeowners lose an estimated \$3 billion in property to flooding according to the federal insurance program. During the last decade, the program has paid benefits of \$773 million in claims to those insured.

After driving home from a film the night of Halloween, entering Woodlawn Drive by Long's Manoa, and seeing the destruction first hand brought by the flooding of Manoa Stream and having resided in upper Manoa for 20 years now, I purchased Federal National Flood Insurance the very next day. My premium was less than \$400 a year, bought through my carrier, Liberty Mutual.

Only Flood Insurance covers flood damage and the only place to buy it is through the National Flood Insurance Program available through your existing home owners insurance. Flood coverage tops out at \$250,000 per home and limits are \$100,000 for contents. You can learn more about this crucial coverage at www.floodsmart.gov or www.fema.gov. I urge you to consider coverage today and to speak to your personal Home Owners insurance agent to discuss how to get coverage on your home.

*Asia Tsunami
Disaster...
You Can Help*

The 9.0 magnitude earthquake that rocked Indonesia over the Christmas holiday and caused the subsequent Tsunami devastation throughout Sri Lanka, India, Indonesia, Thailand, Malaysia and Africa is likely to be the worst natural disaster in World history.

It's impossible to comprehend the magnitude of the death, destruction and subsequent life-threatening diseases and conditions that have occurred to so many innocent people. As I write this, the death toll has exceeded 155,000+ people, and fears are that this could easily double. I hope that no one has loved ones who were there!



If you are moved by what you are reading in the papers and seeing on TV, you can help. There are so many great organizations that can help

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It's Time To Maximize Your Retirement Plan Contributions

As the first of the year is upon us, it's time to adjust your Retirement Savings Plans at work to save the most you can towards retirement and to save an enormous amount on your Federal and State Income Taxes. For every \$10,000 you save in your retirement plan (assuming you are in the 28% Federal tax bracket and the 10% State tax bracket), you save **\$3800 in taxes paid annually!!** In essence, you put \$6200 in your plan and the two taxing bodies put \$3800 in your plan! Now compound that by 10-20 years!

If you participate in a 403(b) TSA at the DOE or UH, you may put away a maximum of \$14,000!! (\$18,000 if you are Age 50+) The limits are the same for any employer operated 401(k) including State of Hawaii Island Savings Plan and Federal CSRS participants.

If you are self-employed and have your own 401(k) plan and hit the \$210,000 income level, you can save a whopping \$44,000 in your plan this year (\$46,000

if you are Age 50+).

For IRAs and Roth IRAs the contribution limit moves to \$4,000 in 2005 (\$4,500 if you are Age 50+).

I urge you to contact your Plan Administrator at work or Mel Hertz at 522-0100 if you own a Best of America TSA, and increase your annual savings until it hurts! Remember, **DO NOT** count on Social Security as part of the benefits you will receive in retirement. Also realize one important fact...you can never save too much for Retirement!



"As you can see, I plan to retire next week, and I haven't saved a dime. This is your chance to become a legend."

Significant changes for 2005 from the 2004 limits:

Recently the IRS released IR-2004-127 which sets forth the cost-of-living adjustments (COLAs) applicable to retirement plans for 2005. In addition, the Social Security Administration has announced the increase in the Social Security taxable wage base for 2005.

	2004	2005
Annual Additions (415 limit) in DC Plans	\$41,000	\$42,000
Annual Compensation Limit	\$205,000	\$210,000
Highly Compensated Employee	\$90,000	\$95,000
Social Security Taxable Wage Base	\$87,900	\$90,000

Gradually Increased Retirement Plan Limits

The Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA") gradually increases various retirement plan limits.

	2004	2005
401(k)/403(b) Deferrals	\$13,000	\$14,000
SIMPLE IRA Deferrals	\$9,000	\$10,000
401(k)/403(b) Catch-up amount*	\$3,000	\$4,000
SIMPLE Catch-up amount*	\$1,500	\$2,000

*For individuals age 50 or older

Traditional and Roth IRA Contribution Limits:

In addition, EGTRAA increases the limits for Traditional and Roth IRA contributions for 2005.

	2004	2005
Traditional IRA/Roth IRA Contributions	\$3,000	\$4,000
Traditional IRA/Roth IRA Catch-up amount*	\$500	\$500

*For individuals age 50 or older

Milestones... Babies, Babies, and More Babies!



Sandi & Frank Kingery



Karen, Katie, and Sandi

• Congratulations to new Grandparents Frank & Sandi Kingery and parents Karen & Tom Lemmon on the birth of Katharine Eileen (Katie) Lemmon, born in San Diego on July 17, 2004. She weighed 8 pounds, 4 ounces and was 20 1/2 inches in length!

• Congratulations to Caron & Chris Hill on the birth of their first child, Angus Christopher Hill, born in Honolulu on July 31, 2004. He was 9 1/2 pounds and 22 inches long!



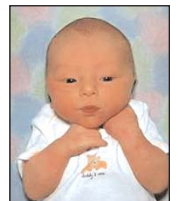
Angus Hill

• Congratulations to Crystal (IONA Managing Director) & Eric Brewe on the birth of their first child, Matilda Ann, born on September 21, 2004 in Honolulu. She was 6 pounds, 15 ounces and 19 inches long!



Crystal & Matilda

• Congratulations to Summer Partlon (IONA Dancer & Assistant Artistic Director) & Ani Cahill on the birth of their first child, Makaninuiikaika (Makani) Hideki Cahill, born October 19, 2004 in Honolulu. He weighed 8 pounds, 5.5 ounces and was 21 inches long!

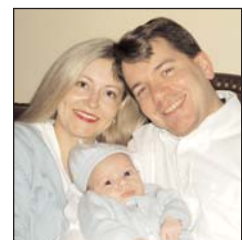


Makani Cahill



Summer, Makani & Ani

• Congratulations to new Grandparents Jack & Thelma Diercks and parents Amanda & Joe Belt on the birth of their first child, Benjamin Finbar Belt, born November 8, 2004 in Virginia. He weighed 8 pounds, 3 ounces and was 20 inches long!



Amanda, Benjamin and Joe Belt

Sydney FPA...A Great Learning Experience!

In December, for the 5th consecutive year, I attended the annual Financial Planning Association (FPA) of Australia's International Financial symposium that took place in Sydney. It was an outstanding conference overall with many brilliant presentations.

I especially enjoyed **Robert Miles**, who spoke on the "Genius of Warren Buffet." Likewise an economic forecast for Australia and the Asia Pacific region for the next decade was presented by **Dr. Robert Goodman**. I presented at the conference two years ago.



Brian and Sarah Thomas

After the conference I was able to enjoy some quality time with dear friends from Sydney. **Brian, Marisa, Daniel and Sarah Thomas** hosted me at their lovely home in Abbotsford for Sarah's 10th birthday party bash. I helped mostly by being the photographer.

I then spent several days with my newest mates from Oz, **Eileen Chanin, Adrian Morris**, and their incredible son **Roland Chanin-Morris**, who live in a beautiful home in Randwick. We had the good fortune of meeting in Cairo, Egypt this past February. We explored much of



Adrian Morris, Eileen Chanin, Roland Chanin-Morris

Egypt together while boating on the Nile River.

In Sydney, we spent several days enjoying walks and rides to see many of the spectacular coastal highlights that their gorgeous home town has to offer. We saw several photographic gallery shows at my request. Eileen is a famous art consultant/dealer, with her second book on the subject coming to press any day now. Adrian is Managing Partner at one of Sydney's largest law firms. Roland is a brilliant teenager! At age 16, he is finishing his college degree on-line, where he got his high school degree as well. Home schooling has enabled him to pursue his many gifts/interests, including composing music, recording his first CD at his home made studio, photography, filmmaking and swimming.

On my last night there, we visited the Sydney Opera House for a hilarious satiric look at politics in Oz as well as around the world. I am so thankful for the generosity and kindness my friends showed me by sharing their home, their lives and their amazing Sydney!

Asian Tsunami Disaster... You Can Help!

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you reach out from afar. This list is not comprehensive, but should be a great place to start. Go to http://www.msnbc.com/modules/interactive.asp?id=/d/ip/tsunami_aid_04/data.js&navid=6758618>1=5936&cp1=1

Here is just a partial listing of organizations you can contact:

Action Against Hunger
212-967-7800 www.aah-usa.org
ADRA International
800-424-2372 www.adra.org
American Friends Service Committee
215-241-7060 www.afsc.org
American Jewish Joint Distribution Committee
JDC: South Asia Tsunami Relief
212-885-0867 www.jdc.org
American Jewish World Service
800-889-7146 www.ajws.org
American Red Cross
International Response Fund
800-HELP-NOW www.redcross.org
AmeriCares
800-486-4357 www.americares.org
Baptist World Aid Asia Tidal Waves
703-790-8980 www.bwanet.org/bwaid
Brother's Brother Foundation
412-321-3160 www.brothersbrother.org

CARE
800-521-CARE www.care.org
Catholic Relief Services
877-HELP-CRS www.catholicrelief.org
Doctors Without Borders/
Medecins Sans Frontieres
888-392-0392
www.doctorswithoutborders.org
Episcopal Relief and Development
South Asia Relief Fund
(800) 334-7626 www.er-d.org
Habitat for Humanity International
Asia Tsunami Response Fund
229-924-6935 www.habitat.org
Heart to Heart International
888-800-4327 www.hearttoheart.org
International Aid
800-968-7490 www.internationalaid.org
International Federation of Red Cross and
Red Crescent Societies
41-22-730-4222 www.ifrc.org
International Medical Corps
Tsunami Emergency Response
800-481-4462 www.imcworldwide.org
International Orthodox Christian Charities
877-803-4622 www.iocc.org
International Relief Teams
Asia Earthquake/Floods
619-284-7979 www.IRTeams.org
International Rescue Committee
877-733-8433 www.theIRC.org

Mercy Corps, Southeast Asia Earthquake
800-852-2100 www.mercycorps.org
Operation USA
800-678-7255 www.opusa.org
Oxfam America, Asia Earthquake Fund
800-77-Oxfam www.oxfamamerica.org
Project HOPE, Asia Tsunami Response
800-544-4673 www.projecthope.org
Relief International
800-573-3332 www.ri.org
Stop Hunger Now, SE Asia crisis
888-501-8440 www.stophungernow.org
US Fund for UNICEF
800-4-UNICEF www.unicefusa.org
World Concern
800-755-5022 www.worldconcern.org
World Emergency Relief
760-930-8001 www.emergencyrelief.org
World Hope International, Asia Relief
888-466-4673 www.worldhope.org
World Relief
SE Asia Earthquake/Tsunamis
443-451-1900 www.worldrelief.org
World Vision
888-56-CHILD www.worldvision.org

Of course, qualified Charitable Donations can be deducted by individuals on your Schedule A. Dig deep and thank God you didn't choose South Asia for your Christmas holiday!