

# Our Guild This Month

*"Dedicated exclusively to the retirement well-being of California dentists and their staffs"*

Volume 2, Issue 1

January 2006

## **Please Note:**

In your December packet you received a Monthly Statement as well as an Annual Statement. The Annual Statement should be retained for your records. All the monthly information from previous Statements is recapped on your Annual Statement.

In other words, you may destroy your monthly statements and just retain your Annual Statement for 2005.

If you have any questions or comments, please contact:  
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**Executive Director**

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## **Important Dates:**

ALL Transactions *must* be received by 10:00 am.

Transfers or Terminations:  
Friday, January 27, 2006

Contributions:  
Tuesday, January 31, 2006

**CDG**  
**California Dentists' Guild**  
Established 1966

## Seven Success Strategies

### 1. Save Early And Big

Warren Buffett calls it the magic of compounding. The more you save early on, the more years you'll have to reinvest dividends and capital gains, making money off your gains' gains and so on into prosperity. So no matter what age you're starting at, save big and early. That way, the compounding power of your money will do much of the work for you, and you'll have to save less going forward.

### 2. Max Out Retirement Accounts

The sad fact is that a mere 53% of American workers are offered a traditional or 401(k)-style pension and only 42% participate. Don't make the same mistake. The 401(k) is now the mainstay of most employers' retirement plans, and many will match some or all em-

ployee contributions-- meaning that investing is equivalent to giving yourself a tax-deferred raise. Once the money is there, capital gains and dividends compound tax-free until you reach 70.5 years of age, when you have to start taking the money out.

### 3. Adjust At Leisure

The other big advantage of retirement accounts is that they give you a tax-free way to rebalance your portfolio when necessary. That's because you can move assets inside them without generating taxes. Sell winners outside a retirement account and you'll be hit with a minimum of 15% capital gains taxes.

### 4. Scrutinize Your Account

While employer matches make most 401(k)s a good deal, expenses can dampen

the joy; mutual fund firms usually run the plans and charge participants retail rates. The Guild, on the other hand, offers proprietary funds or institutional funds at a low cost.

Put \$100,000 into one account averaging a 8% return and after three decades, the account will be worth \$1,006,266.

### 5. Manage Wisely

The best way to maximize your returns is to avoid chasing hot sectors. Keep an eye on your account and be consistent in your investment style. Reallocate periodically while keeping your retirement goal in mind.

There are those investors that prefer not to allocate their own accounts. For you, the Guild offers Destination Funds designed to follow the individual into

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## 2006 Annual Meeting Details

The 2006 Annual Meeting is right around the corner! You will find the invitation enclosed with this month's statement.

Please make your hotel reservations and send your dinner reply card as soon as you can. The meeting is March 30-April 2.



We are looking forward to celebrating the Guild's 40th year of service at this year's meeting in beautiful Santa Barbara. The Hotel MarMonte, located across from the beach, will be hosting the event.

In addition to Investment

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retirement. These funds will reallocate automatically as you draw closer to retirement.

### 7. Avoid Deferred Annuities

Insurance companies push hard to get investors to put fixed, variable and equity-indexed annuities into their retirement accounts. Don't do it. While sales people earn commissions of as much as 10% on your money, you pay for products whose main draw is tax deferral-in accounts that are already tax-deferred.

Excerpted from "Rich Retirement Revisited" at Forbes.com on 12/1/2005.



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Sessions with the Guild's Funds Managers on Saturday and Sunday, members can gain valuable knowledge by attending workshops led by guest speakers on Friday.

First, Ted Kau of Pension Benefit Consultants will discuss how to best enhance your retirement plan. Later, Bob Gajewski, Senior Vice President of Comerica Bank, will address the do's and don'ts of Asset Allocation. Both should be highly informative gatherings.

The Shareholders' Dinner is on Saturday evening and begins with a cocktail reception. This is an opportunity for all attending to network with fellow dentists, including the Board of Directors and staff of the Guild.

**To make reservations for the Hotel Marmonte, please call 805.963.0744 or visit their website at [www.hotelmarmonte.com](http://www.hotelmarmonte.com).**

For more information on the meeting, please see the invitation enclosed in your Monthly Statement or call the Guild office at 415.434.9021 or 800.851.0008.

**Major Index Close: December 31, 2005**  
**DJIA = 10,718 SPX = 1286 Nasdaq = 2205**

**Major Index Close: November 30, 2005**  
**DJIA = 10,960 SPX = 1261 Nasdaq = 2243**

### QUALIFIED PLAN

As of 12/31/05

Fund	Unit Value	Asset Value
TKF	2.1071	1,765,717
HBF	12.8104	2,148,683
SIF	20.9789	3,071,238
FEF	22.4196	4,466,372
LGF	6.8537	1,403,092
SPF	9.4147	3,433,016
LVF	11.5006	1,127,627
VEF	401.5759	34,794,191
MIF	26.1449	5,582,922
REF	24.9994	4,420,896
AAF	161.7857	7,140,628
BIF	14.9652	3,695,459
GMF	11.1620	750,280
SAF	1.0000	6,113,588
CDF	1.0000	5,770,468

**Total Qualified Retirement: \$85,684,117**

### IRA

As of 12/31/05

Fund	Unit Value	Asset Value
ITK	2.0997	314,094
IHB	11.3426	234,091
ISV	43.2755	2,458,810
ILG	6.8480	521,247
ISP	16.7545	1,269,224
ILV	13.0991	405,835
IRE	19.2097	956,548
IBP	28.3091	1,655,683
ISA	1.0000	1,402,243
IBF	10.2296	300,947

**Total IRA: \$9,518,722**  
**Total Qualified Retirement: \$85,684,177**

**Total Guild: \$95,202,899**