

Leading Online Brokers Reviewed

Worth

THE BUSINESS OF SEPTEMBER 1999

Smart Moves
From the
250
BEST
FINANCIAL
ADVISERS

DOW 36,000
Everything You Know
About Stocks Is Wrong

America's

How the U.S. Got Rich;
How It Will Get Even Richer

**MAKING
MONEY**
the eBay Way

24
Ways to
Enrich Your
**MOST
VALUABLE
ASSET**

Wealth



ADVICE

A Wealth of Resources

LARGER FIRMS HAVE CRASHED THE PLANNING PARTY IN A BIG WAY, AND THAT HAS CHANGED THE LOOK OF OUR LIST OF THE TOP FINANCIAL ADVISERS BY ROY FURCHGOTT

IF YOU'RE IN NEED OF FINANCIAL PLANNING these days, you won't have to look far to find someone who wants to help. It's not just the independent planner down the street anymore: Financial institutions of every stripe, from accounting firms to brokerages to banks, have been beefing up their comprehensive-planning operations, hoping to advise you on how to generate wealth. While these larger firms are now providing excellent service to most of their clients and deserve consideration for your business, there are some caveats you should be aware of.

What brought about these inroads into what had previously been considered a practice as arcane as patent law? First, the inexorable shift from pension plans to 401(k)s has put the responsibility for retirement planning on employees, who need help with the complexities of investment and tax planning, among other things. At the same time, the laws covering the types of services banks can provide have been loosened, giving the banks greater freedom to sell different kinds of financial products.

And, of course, financial providers of all sorts have noted that the \$1.5 trillion in assets under management with independent planners has been growing at an annual compound rate of 21.4 percent for the past five years, according to the Financial Research Corporation in Boston. The larger firms want more of that money, and they figure they can get it if they advise you on all your financial needs. "By addressing the client's full range of complex financial needs," **Merrill Lynch** chairman David H. Komansky said in a speech last year, "we make it all the more difficult for someone



else to sell a client a one-off transaction." **Wells Fargo**, for one, says revenue at its private bank has grown 15 percent a year over the past three years, largely because of a beefed-up financial-planning department. In terms of dollars, the bank has seen the largest growth in high-net-worth accounts, but the highest number of new accounts have been those in the \$25,000-to-\$100,000 range.

With the strides made in just the past five years by the financial-planning divi-

ONE-STOP SHOPPING: J. P. MORGAN'S ANN BOROWIEC TYPIFIES THE BIG FIRMS' APPROACH TO PLANNING.

sions of banks, brokerages, and other firms, we now feel they must be considered in any reckoning of where people can go for comprehensive planning. With that in mind, we have changed the way we've selected our list of the nation's best financial advisers to more accurately reflect the nature of the financial-planning community. So on this year's list, you will see

THE WORTH 250 TOP FINANCIAL ADVISERS

OUR ANNUAL LIST OF PEOPLE YOU CAN TRUST TO HELP MANAGE YOUR MONEY

many more representatives from financial behemoths like **Bank of America** and **American Express**, even though that meant we had to leave off many terrific planners from smaller firms.

The problem now is, rather than just selecting an adviser, you have to also ask yourself what kind of employer you want that adviser to have. A brokerage? A tax firm? A private bank? Or should you go with an independent planner?

The answers aren't very clear-cut. "This is not a science by any stretch of the imagination," says Stephen Barnes of Barnes Investment Advisory, a Phoenix-based certified financial planner. "This is a very squishy world. I don't think the size or brand recognition of the company has much to do with the quality of the advice from the advisers."

But it may have something to do with the willingness of the company to work with you. KPMG looks specifically for business owners, in hopes of getting their business accounting as well. It doesn't set a threshold dollar figure, but instead looks for businesses with growth potential. Bank of America does set a minimum for investors in its private bank—\$1 million or

CRYSTAL BALLS

A good financial plan should be based on long-range strategies—and not, of course, on market timing. But that doesn't mean a financial adviser shouldn't know what's going on in the real world. Having assembled 250 of the best, we couldn't resist asking them about the economy and the markets. Our questions ranged from the ephemeral ("When will the Dow reach 20,000?") to the nitty-gritty ("Do you expect interest rates to rise, decline, or stay the same over the next two years?") and provided a sense of what the experts think the future holds.

"We do not do any economic or market forecasting. However, our clients expect us to be conversant with market conditions, and we sometimes feel compelled to make guesses. It is in this spirit that we are answering your questions."

—Richard Stone, San Rafael, California

NAME	FIRM	CITY	TELEPHONE	AVG. CLIENT*
ALABAMA				
Axelroth, Sanford (ChFC, CFP)*	First Financial Group	Birmingham	205-803-3333	\$1.4 million
Studin, Robert (JD, CPA, PFS, CFP)*	First Financial Group	Birmingham	205-803-3333	1.4 million
Welch, Stewart, III (CLU, ChFC, CFP)	The Welch Group	Birmingham	205-879-5001	2 million
ARIZONA				
Barnes, Stephen (CFP, CFA)	Barnes Investment Advisory	Phoenix	602-248-9099	800k
Johnson, Philip (CFP)*	Johnson Financial Advisors	Phoenix	602-242-4000	750k
Raskob, Patricia (CFP)	Raskob Kambourian Financial Advisors	Tucson	520-690-1999	875k
Wagner, Laura (CFP, CFS)*	American Express Financial Advisors	Phoenix	602-787-5284	500k
ARKANSAS				
Adkins, Fredrick, III (MBA, CLU, CFP, ChFC)	The Arkansas Financial Group	Little Rock	501-376-9051	1.2 million
Conger, Cynthia L. (CFP, CPA, PFS)	The Arkansas Financial Group	Little Rock	501-376-9051	1 million
Waschka, Larry	Waschka Capital Investments	Little Rock	501-664-8036	1 million
CALIFORNIA				
Blankinship, John, Jr. (CFP)	Blankinship & Foster	Del Mar	858-755-5166	3 million
Bolton, Percy (CFP)	Percy E. Bolton Associates	Los Angeles	323-299-1595	1 million
Boone, Norman (MBA, CFP)	Boone Financial Advisors	San Francisco	415-788-1952	1 million
Bruser, Barbara (CFA)	Bank of America	Los Angeles	310-785-6111	50 million
Cabaniss, Peggy (CFP)	HC Financial Advisors	Orinda	925-254-1023	1.2 million
Carter, Steven (CFP)*	Carter Financial	La Jolla	858-678-0579	750k
Collins, Victoria (PhD, CFP)	Keller, Collins, Hakopian & Leisure	Irvine	949-476-0300	1.2 million
Dean, Mary Katherine (CPA)	Mary Dean, CPA	San Diego	858-485-8547	1 million
Duckworth, Michael (CPA, PFS)	D&M Capital Management	Orange	714-939-8592	5 million
Duffy, John (MBA)*	J. P. Morgan	Los Angeles	213-437-9625	18 million
Etheridge, Riley, Jr. (CFA, CFP, ChFC)*	Merrill Lynch	Oakland	510-208-3801	1.5 million
Foster, Charles E., II (MBA, CFA, CFP)	Blankinship & Foster	Del Mar	858-755-5166	3 million
Freedman, Mitchell (CPA, PFS)	Mitchell Freedman Accountancy	Sherman Oaks	818-905-0321	1 million
Freeman, Jim (CFP)	Financial Alternatives	La Jolla	858-459-8289	875k
Garsson, Lee (JD, CPA)	Bank of America	San Francisco	415-445-4473	10 million
Goodfriend, Karen (CPA, PFS)	GoldsteinEnright Financial Advisers	Palo Alto	650-320-9500	3 million
Hallock, Meloni (MBA, CPA, PFS)	Ernst & Young	Los Angeles	213-977-3596	30 million
Humphreys, Henrietta (CFP)	The Henrietta Humphreys Group	San Francisco	415-928-0401	2.5 million
Jorgensen, Debra G. (CFP)†	Merrill Lynch	San Francisco	415-955-3782	3 million
King, James (MBA, CFP)*	J. P. King & Associates	Walnut Creek	925-935-1555	2 million
Kochis, Tim (MBA, JD, CFP)	Kochis Fitz Tracy Fitzhugh & Gott	San Francisco	415-394-6670	5 million
Moran, Richard (CFP)†	Financial Network Investment	Torrance	800-998-3642	1.5 million
Mullen, Margie (CFP)	Mullen Advisory	Los Angeles	323-469-0919	800k
Panaccione, Carlo (CFP)*	Linsco Private Ledger	Redwood City	650-632-4399	2.1 million
Rojeck, Richard (CFP)*	Sagemark Consulting	La Jolla	858-587-0101	7 million
Rothenberg, Irwin S. (CPA, PFS)	Wealth Management Consultants	Santa Rosa	707-542-3600	2 million
Rowling, Sheryl (CPA, MBA, PFS)	Rowling, Dold & Associates	San Diego	619-294-4800	700k
Saccacio, Jeff J. (CPA, PFS, ChFC)	PricewaterhouseCoopers	Los Angeles	213-356-6058	15 million
Stone, Richard (CLU, CFP)‡	Salient Financial	San Rafael	415-456-8839	3 million
Tarbox, Laura (CFP)	Tarbox Equity	Newport Beach	949-721-2330	2 million
Taylor, Carolyn Person	Weatherly Asset Management	Del Mar	858-259-4507	2.5 million
Tilles, Michael (CFP)*	American Express Financial Advisors	Walnut Creek	925-937-0500	1 million
Tracy, Thomas (MBA, CFA, CFP)	Kochis Fitz Tracy Fitzhugh & Gott	San Francisco	415-394-6670	3 million
Wacker, Bob (CFP)	R. E. Wacker Associates	San Luis Obispo	805-541-1308	1.75 million
Wall, Ginita (CPA, CFP)	Ginita Wall, CPA	San Diego	858-792-0524	1.4 million
Wheaton, Christopher (CFP, CPA, PFS)	Litman/Gregory & Co.	Larkspur	415-461-8999	4 million
Woodhouse, Violet (JD, CFP)	Violet P. Woodhouse	Newport Beach	949-640-8861	1 million
Woodman, Wayne	Tower Asset Management	Beverly Hills	323-658-4466	2 million
Woody, Glenn (CFP)	Glenn Woody Financial Consultants	Costa Mesa	714-850-0534	1 million
COLORADO				
Carnick, Craig Evans (CFP)	Carnick & Rainsberger	Colorado Springs	719-579-8000	7.5 million
Hochstadt, Robert (CPA, PFS)	Gelfond, Hochstadt, Pangburn	Denver	303-831-5000	1.8 million
Levey, Steven (CPA, PFS)	Gelfond, Hochstadt, Pangburn	Denver	303-831-5000	1.8 million
Salzer, Myra (CFP)	The Wealth Conservancy	Boulder	303-444-1919	12.5 million
Schaefer, Jeffrey A. (CFP)	Schaefer Financial Management	Englewood	303-770-6700	1 million
Shambo, James A. (CPA, PFS)	Lifetime Planning Concepts	Colorado Springs	719-574-0100	600k
Shine, Judith (CFP)	Shine Investment Advisory Services	Englewood	303-740-8600	2.5 million
Smith, Mark (CFP, CPA, PFS)*	M. J. Smith & Associates	Aurora	303-695-1098	1.2 million
Tedstrom, Peter (CFP)*	Brown & Tedstrom	Denver	303-863-7231	3.4 million
Zanecchia, Thomas (CPA)	Wealth Management Consultants	Denver	303-292-9224	28 million
CONNECTICUT				
Eckel, John (CFP, CFA)	Pinnacle Investment Management	Simsbury	860-651-1716	800k
Erdmann, John F. "Jeff"†	Merrill Lynch	Greenwich	203-861-5902	2 million
Jevne, Ann D. (CFP, CPA, PFS)	Schwartz & Hofflich	Norwalk	203-847-4068	750k
Norris, Kathryn (CFP)	Asset Strategies	Avon	860-673-5500	1.1 million
Weiss, Alan P. (CFP, PFS)‡	Regent Retirement Planning	Woodbridge	800-443-3101	3 million
DELAWARE				
Lau, Judith W. (CFP)	Lau & Associates	Wilmington	302-792-5955	5 million

*This column denotes average client net worth. Planners work under fee-only arrangements except where noted: * fee and commission; † fee or commission; ‡ fee-offset; § fee-only for new clients; ** commission. Credentials: CFA, chartered financial analyst; CFP, certified financial planner; ChFC, chartered financial consultant; CLU, chartered life underwriter; CPA, certified public accountant; JD, law degree; MBA, master of business administration; PFS, personal financial specialist; PhD, doctorate.

ADVICE

more to invest. Also keep in mind that the size of the firm does not determine the complement of services. KPMG will handle your taxes and complex issues dealing with passing on wealth and the survival of family businesses, but it won't manage your stock or mutual-fund portfolio. Many independent planners will.

Wells Fargo says that each of its planners handles all facets of financial management rather than having to consult separate departments—tax, investment, and so on—whose advice may not take in the whole picture. "We run under one umbrella," said Dennis Mooradian, president of Wells Fargo's private client services.

U.S. VS. GLOBAL

We asked our advisers whether domestic or international stocks are more likely to be the strong performers over the next ten years; the answer came back loud and clear. Citing lower valuations, growth potential, and recent underperformance, 79 percent of our advisers recommended increasing the international portion of an investor's portfolio.

"The U.S. has been on a tremendous run of good luck, with a strong domestic economy, while Europe has had to deal with East Germany and the war in Kosovo, Japan a long financial crisis, and the Far East has battled devalued currencies." —William Baldwin, Lexington, Massachusetts

Solo planners by and large operate in the same way. "If you do something to one part of the money picture, it has an effect elsewhere," says Kevin Condon, a certified financial planner in Ellicott City, Maryland. Instead of having an investment specialist setting off capital gains that a tax strategist would advise against or an estate planner would forswear, a single person generally takes everything into account.

Brokerages and many other would-be plan providers come with a built-in conflict. If their advisers recommend a fund their firm manages, is it because the fund is the best in its class, or because they want to get your money into their products? On the one hand, Merrill Lynch, under pres-

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NAME	FIRM	CITY	TELEPHONE	AVG. CLIENT*
DISTRICT OF COLUMBIA				
Armstrong, Alexandra (CFP) [†]	Armstrong, Welch & MacIntyre	Washington	202-887-8135	\$1.8 million
Goddard, Adam (CPA, PFS) [*]	Wheat First Union	Washington	202-828-8193	900k
Welch, Margaret (CFP) [*]	Armstrong, Welch & MacIntyre	Washington	202-887-8135	5 million
FLORIDA				
Levitt, Robert (MBA, CFA, CFP)	Levitt Novakoff & Co.	Boca Raton	561-241-0026	3 million
Lubitz, Linda (CFP) [§]	The Lubitz Financial Group	Miami	305-670-4440	3 million
Prizer, John (CFA, CFP)	Resource Consulting Group	Orlando	407-422-0252	2.5 million
Pugliese, Frank T. [‡]	Personal Financial Profiles	Coral Springs	954-755-8647	750k
Schiller, Margery (CFP)	Goar, Endriss & Walker	Sarasota	941-366-6380	1.5 million
Shein, Jay (PhD, CFP) [†]	Compass Financial Group	Lighthouse Pt. Plantation	954-946-8501	1.7 million
Tobias, Benjamin (CPA, PFS, CFP)	Tobias Financial Advisors	Plantation	954-424-1660	1.1 million
GEORGIA				
Bigler, Wes (CFP) [*]	Financial Network	Atlanta	404-843-3100	1.9 million
Butterfield, Franklin (CPA, PFS, CFP, CFA)	Homrich & Berg	Atlanta	404-264-1400	4 million
Eischeid, Jeff (CPA, PFS)	KPMG	Atlanta	404-222-3180	25 million
Hammond, Jayne	Bank of America	Atlanta	404-607-5167	100 million
Harmon, Jack (CFP) [*]	Harmon Financial Advisors	Atlanta	770-394-5225	2 million
Hendelberg, David (CPA, PFS, CFP, JD)	Jones and Kolb	Atlanta	404-262-7920	500k
Hill, Hugh (MBA, CLU, ChFC, CFP) [†]	Prudential Securities	Atlanta	800-247-9087	1.2 million
Homrich, David (CPA, CFP)	Homrich & Berg	Atlanta	404-264-1400	5 million
Law, Robert "Buzz" (CFP) [‡]	Creative Financial Group	Atlanta	800-435-8526	1.8 million
Macolino, Scott (MBA, CPA) [†]	Merrill Lynch	Atlanta	770-392-6645	2.5 million
Walker, Lewis (MBA, CFP) [‡]	Walker Capital Management	Norcross	770-441-2603	1 million
HAWAII				
Kasanow, Harry (CFP)	Kasanow & Associates	Honolulu	800-988-4469	1.5 million
ILLINOIS				
Balasa, Mark (CPA, CFP)	Balasa & Hoffman	Schaumburg	847-925-9400	3 million
Bell, Mark (MBA, CFP)	Mark Bell & Associates	Chicago	312-840-8265	2.5 million
Blum, Sidney A. (CPA, PFS, ChFC, CFP)	Successful Financial Solutions	Northbrook	847-480-1490	1.5 million
Bowyer, Gary (MBA, CFP)	Gary N. Bowyer & Associates	Chicago	773-631-8070	1.7 million
Brodeski, Brent (MBA, CFP, CFA, CPA)	Savant Capital Management	Rockford	815-227-0300	1 million
Gianopoulos, Harold "Skip," Jr. (CFP, JD) [*]	Harris Trust and Savings Bank	Chicago	312-461-7110	10 million
Kabarec, Michael P. (CPA, CFP, PFS)	Kabarec Financial Advisors	Palatine	847-934-7777	2.5 million
Kroner, Dennis (CPA, PFS)	Pitt, Ryan, & Linnear	Chicago	312-251-0888	2.5 million
Mandell, Gary (CPA, CLU, ChFC, CFP) [‡]	The Mandell Group	Chicago	773-348-8515	1.2 million
McGrath, Mary (CPA, CFP)	Cozad Asset Management	Champaign	217-356-8363	1 million
Oberlander, Sharon [†]	Merrill Lynch Private Client Group	Chicago	800-937-0254	2 million
Pankros, Carol C. (CFP)	CCP	Palatine	847-303-1220	600k
Tussing, Janet (CFP) [*]	Albanese, Hemsley & Tussing	Winnetka	847-446-3636	600k
INDIANA				
Bedel, Elaine E. (MBA, CFP)	Bedel Financial Consulting	Indianapolis	317-843-1358	900k
Bellmer, Richard (CFP)	Deerfield Financial Advisors	Indianapolis	317-574-3930	2.75 million
Moore, Christopher (CFP) [*]	Moore, Reimbold & Anderson (AmEx)	Ft. Wayne	219-436-8884	450k
Worley, Grace (MBA, CFP) [*]	Worley Halter Ferguson	Indianapolis	317-875-0202	575k
IOWA				
Kruzan, Phil (CFP) [§]	Foster Capital Management	W. Des Moines	515-226-9000	2.75 million
KANSAS				
Rothwell, Howard (MBA)	Stepp & Rothwell	Overland Park	913-649-3311	2.5 million
Stepp, Kathleen (CPA, CFP, PFS)	Stepp & Rothwell	Overland Park	913-649-3311	2.5 million
LOUISIANA				
Zabalaoui, Michael (CFP, CPA, PFS)	Resource Management	Metairie	504-833-5378	1.5 million
MARYLAND				
Ames, Steven R. (CFP)	Ames Fee-Only Financial Planning	Annapolis	410-280-2390	1 million
Burt, Marvin (CFP, PhD)	Burt Associates	Bethesda	301-652-2405	1.5 million
Chase, Timothy (CPA, PFS, CLU, CFP)	Wealth Management Services	Towson	410-337-7575	7 million
Condon, Kevin (PhD, CFP)	Baltimore-Washington Financial Advisors	Ellicott City	888-461-3900	1 million
Gurtz, Dennis (CFA, CPA, CFP, PFS) [*]	American Express Financial Advisors	Bethesda	301-320-0500	1 million
Horan, Patrick (CFP, ChFC)	Horan & Associates Financial Advisors	Towson	410-494-4380	1.2 million
Martin, J. Michael (JD, CFP)	Financial Advantage	Columbia	410-715-9200	1.5 million
O'Hara, L. Edward, Jr. (CFP)	Capital Asset Management Services	Silver Spring	301-680-0840	500k
Parr, Christopher P. (CFP, MBA)	Parr Financial Solutions	Columbia	410-740-5681	800k
Salvemini, Domenick (CFP, MBA)	Ernst & Young	Baltimore	410-783-3775	45 million
Voso, Deborah (CFP) [*]	Voso Associates	Frederick	301-662-7366	250k
MASSACHUSETTS				
Baldwin, William (JD)	Pillar Financial Advisors	Lexington	781-863-2200	10 million
Coddington, Cynthia Delia (CPA, PFS, CFP)	David L. Babson & Co.	Cambridge	617-761-3859	19 million
Daroff, Herbert (JD, CFP) [*]	Baystate Financial Services	Boston	617-585-4502	5 million
Frank, Glenn (CPA, PFS, CFP, MBA)	Waltham Financial Services	Waltham	781-893-8040	1.8 million
Gamel, Beth (MBA, CPA, PFS)	Pillar Financial Advisors	Lexington	781-863-2200	10 million
Geller, Cary (MBA, CFP, CPA, PFS)	Mintz Levin Financial Advisors	Boston	617-348-1823	4 million
Glovsky, Robert (JD, CLU, ChFC, CFP)	Mintz Levin Financial Advisors	Boston	617-348-1802	3 million
Kaizerman, Mark (CFP, CPA, PFS) [*]	Kaizerman & Associates	Natick	508-647-0830	800k
Kaplan, Susan (MBA, CFP)	Kaplan Financial Services	Wellesley	888-237-4022	3 million

NAME	FIRM	CITY	TELEPHONE	AVG. CLIENT ^Y
King, Jane V. (CFP)	Fairfield Financial Advisors	Wellesley	781-431-1119	\$3.5 million
Kohan, Richard (JD)	PricewaterhouseCoopers	Boston	617-439-7461	65 million
Kyriacou, Andrew (JD)	Ernst & Young	Boston	617-859-6732	7.5 million
Leonard, Spring (CFP)	SBL Financial Enterprise	Norfolk	508-520-1144	1 million
Vitale, Richard (CPA, PFS)	Vitale, Caturano and Co.	Boston	617-912-9000	5 million
MICHIGAN				
Bloom, Richard J. (CPA, JD)	Bloom Asset Management	Farmington Hills	248-932-5200	400k
Buczak, Douglas (JD)*	Pacific Advisory Services	Birmingham	248-642-6880	1 million
Dimitroff, Marilyn Capelli (CFP)	Capelli Financial Services	Bloomfield Hills	248-594-9282	2.5 million
Gunther, Marilyn (CFP)†	Center for Financial Planning	Southfield	248-948-7900	875k
McDonald, R. Griffith (MBA)‡	Integrated Financial Strategies Group	Ann Arbor	734-662-7867	1 million
Rajput, Minoti (MBA, CFP)*	Minoti H. Rajput, CFP	Southfield	248-350-3400	1.7 million
Whitehead, Bert (JD, MBA)	Cambridge Connection	Franklin	248-737-7090	1 million
MINNESOTA				
Abens, Arnold, Jr.*	Abens Financial Services	Edina	612-933-9650	2 million
Helfrich, Michael (CFP, MBA)	PFP Advisors	Minneapolis	612-789-9671	2.5 million
Kennedy, Paula (CFP, MBA, CPA, PFS)	Ernst & Young	Minneapolis	612-371-6785	200k
Klosterman, Robert (CLU, ChFC, CFP)	White Oaks Wealth Advisors	Minneapolis	612-542-8128	750k
Levin, Ross (CFP)*	Accredited Investors	Edina	612-841-2222	2.75 million
Wade, Jerry (CFP)§	Wade Financial Group	Minneapolis	612-797-9577	1.9 million
MISSISSIPPI				
Medley, Tim (CFP)	Medley & Co.	Jackson	601-982-4123	1.1 million
MISSOURI				
Malloy, Joan (CPA, PFS, CFP, CFA)	Arthur Andersen	St. Louis	314-425-9228	7.5 million
Roth, Sally (MBA)	Bank of America	St. Louis	314-466-0220	NA
Starr, Wayne (MBA, CLU, ChFC, CFP)	Neill and Associates	Kansas City	816-842-1935	600k
NEBRASKA				
Carson, Ron, Jr. (CFP)*	Carson Feltz Retirement Planning	Omaha	402-333-5448	3.5 million
NEVADA				
Schultz, Vicki (MBA, CFP)	Schultz & Schultz	Reno	775-850-5620	1 million
NEW HAMPSHIRE				
John, Susan MacMichael (CFP)	Financial Focus	Wolfeboro	603-569-1994	2 million
NEW JERSEY				
Bugen, David (MBA, CFP)	Bugen, Stuart, Korn & Cordaro	Chatham	973-635-7070	4 million
Hamel, Pat (CPA)	Hamel Associates	Florham Park	973-822-3477	5 million
Herrstrom, Constance (MBA, CFP)	Premier Financial Planning	Princeton	609-924-2424	930k
Kiely, Bernard (CFP, CPA, MBA)	Kiely Capital Management	Morristown	973-455-1894	1 million
Kolluri, Ram (MBA, CFP)	GlobalValue Investors	Princeton	609-452-2929	2 million
Leupold, George (CFP)*	Leupold Financial Planning Associates	Cherry Hill	856-424-2233	975k
Ross, Thomas J., Jr. (MBA, CPA)	Wealth Management Consultants	Morristown	973-631-6161	22 million
Scheyer, Harry (CPA, CFP, PFS)	Practitioners' Financial Advisors	Marlton	800-504-5040	1 million
Szymanski, Eleanore K. (CFP)	EKS Associates	Princeton	609-921-1016	NA
Zdenek, Albert (CPA, PFS)	Zdenek Financial Planning	Flemington	908-782-1600	1.5 million
NEW MEXICO				
Diamond, Irvin (CPA, PFS, CFP)	Rogoff Erickson Diamond & Walker	Albuquerque	505-998-3205	7.5 million
Drucker, David (MBA, CFP)	Sunset Financial Management	Albuquerque	505-332-8846	1.5 million
Rikoon, Robert (MBA)	Rikoon Investment Advisors	Santa Fe	505-989-3581	1.5 million
NEW YORK				
Altmark, Stanley (CFP, PFS, CPA)	Joel Isaacson & Co.	New York	212-302-6300	5 million
Borowiec, Ann (CFP)†	J. P. Morgan	New York	212-464-1555	18 million
Frazier, Deborah J. (MBA)	Merrill Lynch	New York	212-338-6127	300k
Heller, Jane	Bank of America	New York	212-407-5466	250 million
Madrid, Jennifer A.	Merrill Lynch	New York	212-382-8464	500k
Noveck, Madeline (CFP)	Novos Planning Associates	New York	212-355-1806	2 million
Ogorek, Anthony (CFP)	Ogorek Capital Management	Buffalo	716-626-5000	750k
Palmer, Bernard (CPA, MBA)	PricewaterhouseCoopers	New York	212-259-2743	7.5 million
Raasch, Barbara (CFP, CPA, PFS, CFA)	Ernst & Young	New York	212-773-5460	25 million
Rogé, Ronald (CFP)	R. W. Rogé & Co.	Bohemia	516-218-0077	2.5 million
Rutherford, Ronald (MBA, CFP)	Rutherford Asset Planning	New York	212-829-5580	3 million
Schatsky, Gary (JD)	IFC Personal Money Managers	New York	212-721-8713	1.5 million
Schnall, Darin (MBA, CPA, PFS, CFP)	Schnall Advisory Services	New York	212-967-6155	1.5 million
Snyder, Mark (ChFC, CLU, CFS)‡	Mark J. Snyder Financial Services	Medford	516-289-4224	1 million
NORTH CAROLINA				
Almond, Giles (CFP, CPA, PFS)	Matrix Financial Mgmt. Consultants	Charlotte	704-358-3322	700k
Boyer, W. M. Barton (CFP)	Parsec Financial Management	Asheville	828-255-0271	1.1 million
Brienza, John	Merrill Lynch	Charlotte	704-339-2083	1.5 million
Carroll, Larry (MBA, CFP)†	Carroll Financial Associates	Charlotte	704-553-8006	1.5 million
Rinehart, Mary (CFP)	Rinehart & Associates	Charlotte	704-374-0646	750k
OHIO				
Brown, Martin "Bo" (CFP)	M. K. Brown & Associates	Dayton	937-298-8904	300k
Budros, James (MBA, CFP, ChFC)	Budros & Ruhlin	Columbus	614-481-6900	3.2 million
Chasnoff, Michael (CFP)	Advanced Capital Strategies	Cincinnati	513-792-6648	1 million

sure from the Securities and Exchange Commission, was instrumental in eliminating the practice of paying brokers higher commissions for selling the firm's own products, but half of Merrill's clients are still invested in Merrill mutual funds. And Wells Fargo's private bank is proud to put 50 percent of new-client assets into its own mutual funds.

Is that really the best place for all that money? Individual planners like to pose that question—especially fee-only planners, who take no commission or brokerage fees. Clients should screen potential planners using three criteria, says Gary Schatsky, chairman of the National Association of Personal Financial Advisors, the association for fee-only planners. The cri-

DOW 20,000

Predictions on when the Dow will reach 20,000 ranged from 2002 (2 percent of respondents) to 2010 (6 percent), but the most common answer was 2006 (24 percent).

"I project large-cap stocks to increase at about 11 percent per year. Hence, I expect the Dow to reach 20,000 in 2006." —Joel Ticknor, Reston, Virginia

teria are competency, comprehensiveness of planning, and a compensation plan free of conflicts. "A firm like a Merrill Lynch cannot do that," says Schatsky. "Does that mean that no one should go to a Merrill? I can't say that."

"We don't push our proprietary products," counters Wells Fargo's Mooradian. "When we are good, we recommend our own, and when we aren't, we recommend an outside manager."

So how do you pick a planner? Ask a lot of questions. Ask to see sample plans. If a company has proprietary products, does it offer the products or services of other companies, too? If so, at what charge? Request a form called the ADV, which includes information about the adviser's form of compensation as well as any regulatory problems that may have cropped up and other legal issues. If they won't share it with you, forget them. And perhaps just as important is the issue of chemistry. "You can draw the continuum from the highly

NAME	FIRM	CITY	TELEPHONE	AVG. CLIENT*
Crawford, G. Mike (CFP)*	LifePlan Financial Group	Dayton	937-438-8000	\$800k
Foster, David (CPA, CFP)	Foster & Motley	Cincinnati	513-792-6640	1.5 million
Gydosh, Paul, Jr. (CFP, MBA)*	Steinhaus Financial Group	Columbus	614-431-4336	750k
Myeroff, Kevin (CPA, PFS, CFP)*	NCA Financial Planners	Cleveland	440-473-1115	1 million
Ruhlin, Peggy (CPA, PFS, CFP)	Budros & Ruhlin	Columbus	614-481-6900	3.2 million
Spero, Karen (CFP)	Spero-Smith Investment Advisers	Cleveland	216-464-6266	2 million
OKLAHOMA				
Bowie, Joe W. (CFP, MBA)	Retirement Investment Advisors	Oklahoma City	405-842-3443	900k
Thurman, Randy (MBA, CPA, CFP) ⁵	Retirement Investment Advisors	Oklahoma City	405-942-1234	350k
OREGON				
Bergen, Marilyn (CFP)	Capital Management Consulting	Portland	503-227-5284	1.2 million
Hennion, Lyn (CFP)**	Strand Atkinson Williams & York	Medford	800-452-8878	500k
PENNSYLVANIA				
Averbach, Howard (CFP, JD, MBA)	Averbach Investment Counsel	Pittsburgh	412-471-5859	1 million
Hohman, James (CFP) [‡]	Allegheny Financial Group	Pittsburgh	412-367-3880	1.5 million
Lees, David (CPA, CFA, MBA)	Ernst & Young	Philadelphia	215-448-5825	4 million
Luciani, George (CFP)	Capital Planning Advisory Group	Yardley	215-579-5760	1.3 million
Rawdin, Grant (CFP, JD)	Wescott Financial Planning Group	Philadelphia	215-979-1600	5.2 million
Schaeffer, Bertram (JD)	Ernst & Young	Philadelphia	215-448-5104	10 million
Sherman, Spencer D. (CFP, MBA)	Sherman Financial	Philadelphia	215-656-4280	2.1 million
Smedlie, Thomas (CPA)	Swarthmore Financial Advisors	Media	610-892-9922	1.5 million
Stanasolovich, Louis (CFP)	Legend Financial Advisors	Pittsburgh	412-635-9210	700k
Tyler, Harry R. (CFP, CLU, ChFC)*	Tyler Consulting	West Chester	610-344-0900	1.25 million
RHODE ISLAND				
Makin, Malcolm (CFP)*	Professional Planning Group	Westerly	401-596-2800	1 million
Sowa, Donald (CFP) [†]	Sowa Financial Group	East Providence	401-434-8090	500k
SOUTH CAROLINA				
Williamson, John, III (JD, CFP)	Williamson & Associates	Columbia	803-254-0029	1.8 million
TENNESSEE				
Hammel, Richard (CFP)	Hammel Financial Advisory Group	Brentwood	615-371-5222	1.5 million
Kirby, Kent [†]	Kirby/Roberson Group (Merrill Lynch)	Brentwood	615-373-6855	1 million
Safer, Howard (MBA, CPA, PFS)	Bradford Trust	Nashville	615-748-9633	5 million
Strobel, George, II (CPA, JD)	Arthur Andersen	Memphis	901-575-9224	50 million
Ueleke, John (MBA, CFP, ChFC, CLU)	Legacy Wealth Management	Memphis	901-758-9006	3 million
TEXAS				
Blackman, Clark M., II (PFS, CFP, CFA, CPA)	Post Oak Capital Advisors	Houston	713-840-8700	3 million
Booker, Michael (ChFC, CFP, CFS)	Financial Synergies Asset Management	Houston	713-623-6600	3.5 million
Briaud, Janet (CFP)	Briaud Financial Planning	Bryan	409-260-9771	1 million
Carter, Bill A. (CFP)*	Carter Financial Management	Dallas	214-363-4200	2 million
Diesslin, David (MBA, CFP)	Diesslin & Associates	Ft. Worth	817-332-6122	2.5 million
Estrin, Steven A. (MBA)	The Financial Advisory Group	Houston	713-627-7660	3 million
Goldberg, William (JD, CPA, PFS, CFP)	KPMG	Houston	713-319-2143	5 million
Goldfarb, Alan (CFP, MBA)	Financial Strategies	Dallas	972-960-1100	650k
Griege, Mark (CFP, CPA, JD)	Barrington, Grieger & Thoele	Dallas	972-858-1100	5 million
Heath, William (CFP)*	Barrington Financial Advisors	Houston	713-785-7100	2 million
Kemple, Glenda (CFP, CPA)*	Quest Capital Management	Dallas	214-691-6090	2.6 million
Matthews, Bill (CFP) [†]	Matthews Financial Services	Dallas	972-620-1822	1.5 million
McDonald, John Henry (CFP)	Austin Asset Management	Austin	512-453-6622	2.5 million
Nycum, R. Scott, Jr. [†]	J. P. Morgan	Dallas	214-758-2001	18 million
Strickland, George (CFP, CPA) [†]	Financial Synergies Advisory	Houston	713-623-6600	2.5 million
Warley, Carol (CPA, PFS)	KPMG	Houston	713-319-2180	10 million
Young, E. W. "Woody" (CFP) [†]	Quest Capital Management	Dallas	214-691-6090	2.8 million
UTAH				
Smedley, Roger (CFP, MBA)*	Smedley Financial Services	Salt Lake City	801-355-8888	600k
Wilson, Carol (CFP)	Wilson Financial Advisors	Salt Lake City	801-355-5210	1.5 million
VIRGINIA				
Blayney, Eleanor (MBA, CFP)	Sullivan, Bruyette, Speros, & Blayney	McLean	703-734-9300	4.5 million
Bradt, David, Jr. (CPA)	Arthur Andersen	Vienna	703-962-3356	25 million
Bruyette, James (CPA, CFP)	Sullivan, Bruyette, Speros & Blayney	McLean	703-734-9300	3 million
Fox, Marjorie (CFP, JD)	Rembert, D'Orazio & Fox	Falls Church	703-821-6655	1.5 million
Henderson, David K. (CFP)	The Henderson Group	Staunton	540-887-8300	1 million
Houlihan, Patricia (CFP) ⁵	Houlihan Financial Resource Group	Oakton	703-264-5951	1 million
Joyce, Michael (MBA, CFA, CFP)	Michael Joyce & Associates	Richmond	800-784-6771	2 million
Montgomery, Joseph (CFP) [†]	Wheat First Union	Williamsburg	888-465-8422	1.2 million
Pendleton, Newton G., III (CFP)	Rembert, D'Orazio & Fox	Falls Church	703-821-6655	1 million
Sullivan, Gregory (CPA, PFS, CFP)	Sullivan, Bruyette, Speros & Blayney	McLean	703-734-9300	4 million
Ticknor, Joel (CFP)	Ticknor Financial	Reston	703-476-3521	1 million
WASHINGTON				
Clary, Eva (CFP)	McDonald Investments (KeyCorp)	Tacoma	253-305-7412	1 million
Cotton, Kathleen (CFP)	Cotton Financial Advisors	Lynnwood	425-672-6050	1 million
WISCONSIN				
Merrill, Mary (MBA, CFP)	M. P. Merrill & Associates	Madison	608-255-5469	1.7 million
Mishler, Lon (CFP)	Financial Planning and Info. Services	Green Bay	920-497-6967	400k

qualified adviser with whom you don't quite click to the less qualified that you can click with," says Barnes. "With the one you are more comfortable with, you are more likely to implement the plan."

Our list shows the average net worth of each planner's clients, to give you a rough idea of which planner might be best for the size of your portfolio. You should make sure the planner is comfortable with your level of wealth. But don't be scared away if his or her average exceeds your investable assets; many advisers waive their minimums for people who are in the early stages of building their wealth but show promise of becoming high-net-worth individuals.

Finally, be sure to check credentials,

INTEREST RATES

There was little agreement on what direction interest rates will take in the next two years: A plurality (44 percent) suggested that rates will stay about the same, with 33 percent expecting a rise and 23 percent expecting a decline.

"Although we think that interest rates are low historically, that only compares back to the last 30 years with such unusual experiences as the Vietnam War and the oil embargo."

—Robert Glovsky, Boston

even at the larger firms, which often hire MBAs in lieu of people with planning-specific degrees. "Our planners have very solid credentials: attorney, CPA, chartered financial analysts, chartered life underwriters," says Kathleen Brown, a president of Bank of America's private bank. A certified financial planner must pass a ten-hour exam in comprehensive planning and agree to abide by a code of ethics; CFAs are primarily money managers, and CLUs specialize in insurance.

But even then, be careful: Not all credentials are equal. The board that certifies CFPs is now creating a much less rigorous designation called associate CFP—sometimes derisively called "CFP Lite." Like Barnes says, it's a squishy world. ■

Roy Furchgott, a Baltimore reporter, profiled several top CEOs in the May issue.

TIPS FROM THE TOP PLANNERS

OUR FINANCIAL ADVISERS' SMARTEST MOVES—FROM ESTATE PLANNING TO STOCK TIPS—OVER THE PAST 12 MONTHS

The best idea we've implemented for our clients—one we continue to do—is to make creative use of their asset bases. For instance, the client who has a great credit rating can become a co-signer of a corporate loan for a start-up company. Instead of putting up cash, the client puts up his reputation and guarantees the loan. If the business fails and the client has to pony up the money, he's no worse off than someone who loses a cash investment. But if the venture succeeds, the return on the client's investment is beyond calculation!

—Craig Evans Carnick, Colorado Springs, Colorado

I recommended that a couple use all their lifetime unified gift/estate tax credit (equivalent to \$1.25 million in 1998) to fund an irrevocable trust for their children with stock from his start-up company. The company went public in early 1999. The trust is now worth about \$50 million, so I helped them save about \$25 million in potential transfer taxes.

—James King, Walnut Creek, California

We advised a few high-tech clients to lighten their exposure to their own company stocks. As it turned out, the stock price happened to drop soon after the sell occurred. Smart? Certainly not the timing of the price drop, since that is the luck of the draw, but encouraging clients to diversify worked out well.

—Norman Boone, San Francisco

I have used the new tax laws that allow taxpayers to exclude gain on the sale of personal residences to devise imaginative ways for the clients in my divorce-planning practice to divvy up their residences and rental properties with the least income-tax impact, both now and down the road. Continued joint ownership of homes, conversion of rentals into personal residences, tax-free exchanges into multiple properties, and new acquisitions are all possibilities with the new liberalized tax laws.

—Ginita Wall, San Diego

My primary client base consists of foreign nationals in Washington who work for international organizations such as the World Bank. Many of these diplomats felt they had to keep their assets in money-market accounts and other low-interest environments for fear that they would lose the tax advantages they hold. I have shown many of these foreign nationals how to increase their portfolio return through the use of some highly elaborate, but perfectly legal, strategies: We have restructured their portfolios to own their stock mutual funds through offshore investment companies, as well as increasing yields on their fixed-income instruments from 3 to 4 percent to 6 to 8 percent, while keeping both interest-rate risk and credit risk at a manageable level.

—Adam Goddard, Washington, D.C.

In our estate-planning work, we have helped several clients make gifts to family members equal to their lifetime exclusions from federal estate tax (currently \$650,000). The financial benefit is that all the future income and growth from the \$650,000 will accrue outside the clients' estate rather than building up inside it to create a fatter eventual tax obligation. Assuming just a 7 percent average return over ten years, this simple strategy could avoid more than \$300,000 of estate tax! The emotional benefit is that our clients get to see their loved ones enjoy their gift. To some, understandably, this is a much bigger motivator than the financial benefits.

—J. Michael Martin, Columbia, Maryland

I had a client who took early retirement from her company in 1998. She had about \$1.3 million in company stock in her qualified plan. In July 1998, we rolled the stock over into an IRA. Because of company loyalty and the stock's extraordinary returns over the previous ten years, I could not persuade her to diversify her holdings. However, since she wished to begin withdrawing from the IRA in 1999, I insisted that we liquidate stock equal to two years' of projected distributions. Reluctantly, she agreed. On August 16, we liquidated over \$200,000 of the stock at \$75 per share. To her chagrin, the stock quickly rose to \$78 per share. When the market plunged in late August, the stock dropped to less than \$54 per share. Her husband called my office and asked my assistant to liquidate the remainder of the stock. Out of the country at the time, I had one of my associates call the client and tell him that this was not the time for his wife to sell her stock and to remind them that they had two years' of cash reserves. In November we liquidated 8,344 more shares at \$75 per share and diversified those dollars. The stock has not achieved that price level since.

—George Strickland, Houston

Constructing low-cost index portfolios has stood the test of time and my clients' expectations. —James A. Shambo, Colorado Springs, Colorado

One of my clients was retiring from a major corporation and had a significant nonqualified deferred-compensation account. The only options offered him were forms of annuities, even though tax was due on the entire amount at the time of retirement. We determined that a lump-sum-distribution option was indeed available "with board approval"—and when we requested it, approval was granted within an hour. Apparently, no one else who had retired from the company had ever asked, and the company routinely purchased a discounted annuity from an insurance carrier.

—Margaret Welch, Washington, D.C.

I find it very effective to review each client's tax return annually. I actually prepare about half of my clients' returns, so this exercise has become very routine in my practice. It not only helps me to understand their finances more completely and integrate tax planning into my recommendations, but I often find a recommendation I can make that might reduce their tax liability or generate a refund on a previously filed return.

—Janet Tussing, Winnetka, Illinois

INTERNET STOCKS

Nearly 90 percent of our advisers said that these equities as a group were either overvalued by the market (54 percent) or grossly overvalued (35 percent). About 6 percent felt that the category was valued about right, while only 4 percent found them undervalued.

"Internet stocks are not valued at all; they're worshiped."

—Barbara Bruser, Los Angeles

"The Internet is like a tidal wave carrying hundreds of surfboarders, some of which are going to crash, others of which will ride the wave successfully. As an investor, you are better off investing in the wave and not in the surfboarders."

—Eleanor Blayney, McLean, Virginia

