CHANNEL ISLANDS CHAPTER

BETTERINVESTING* NEWSLETTER

*National Association of Investors Corporation

Box 3418, Camarillo, CA 93011

JANUARY 2007

President's Message

Happy New Year! I hope each one had a pleasant holiday. It's hard to believe that 2007 is here.

The first event for 2007 is soon to appear! Channel Islands Chapter has scheduled the Annual Meeting and Investors' Roundtables Event on February 24th, at College United Methodist Church, 4300 Telegraph Road, Ventura, from 8:00am – 3:30 pm. Please note that lunch will be included this year. Irving Roth from IClub will be the featured speaker in the afternoon. Also new to the event will be a Youth seminar. All youths, ages 10-17 are free with a paid parent or guardian. This newsletter is featuring many of the events that will be taking place, including the registration form. Please RSVP by February 15, 2007, as seating is limited. Plan to come, as this will give you a chance to meet and mingle with your Channel Islands Board and members of the various clubs.

Have you visited our Model Investment Club, Channel Islands (MICCI)? We meet monthly on the third Tuesday in Carpinteria. MICCI provides you with information of how an investment club should be organized. Observe and ask questions. This is a great chance to improve your investing skills.

Have you attended the Computer Group that meets in Santa Barbara? They meet once each quarter. Watch for the meeting date in BI magazine or on the Internet.

We hope that you will avail yourself of the educational programs that are provided. Remember that we are also available to make club visits. Let us know how we can provide information to help you with your investing skills.

Again have a great 2007 year!

Vera Jashni, President

CHANNEL ISLANDS CHAPTER OFFICERS

President…………………………..Vera Jashni
1st Vice President………………….Bruce Casserly
2nd Vice President…………………Darrell Boynton
Secretary…………………………..Phyllis Boynton
Treasurer…………………………..Carol Haverty
Corresponding Secretary…………..Betty Crowell
Club Visits…………………………Steve Kunz
Public Relations………Tanya Johnson & Willie Smith
Calendar……………………………Betty Crowell
Education…………………………..Phyllis Boynton
Budget and Finance………………..Carol Haverty
Membership………………………..Jeanette Casserly
Registration………………………..Jeanette Casserly
Emails……………………………...Tanya Johnson
Hospitality…………………………Gabrielle Guhl
Event Planning/Facilities…………..Bruce Casserly
Computer Group……………………Gabrielle Guhl
Web Site…………………………….Carol Haverty
Nominations & Elections…………..Betty Crowell
Chapter Contact……………………Sherry Cole

Board of Director members: Back from left: Dorothy Gray, Gerhard Guhl, Sherry Cole;
Front from left: Darrell Boynton, Jeanette Casserly, Phyllis Boynton, Vera Jashni, Carol Haverty, Bruce Casserly.

CHAPTER YOUTH PROGRAM

On the day of our Annual Meeting and Investors' Roundtables (2/24/07), we will also have a parallel investing program for youth. The program is designed to catch the interest of youngsters of ages 10 to 17--fifth grade through high school. NAIC Corporate has been developing a Youth Program called "Youth Investing in a Box." We at the Chapter level now have access to those excellent materials, and two of our best instructors are working together to adapt the materials to the relatively short, one-day format we have planned for our Annual Meeting. Additionally, we are offering the outstanding benefit of having our featured speaker, Irving Roth, help conduct the training for the kids. (Mr. Roth was closely involved in the creation of the Stock Selection Guide Toolkit software.) As all Better Investing members know, the value of getting started early is of immense benefit, financially. A little invested early will beat--every time--a lot invested much later. As Albert Einstein put it: "This is the miracle of compound interest." (Or the curse of it, if you are careless with credit cards!).

What does this cost? Well, for the students, it is free. However, for safety, security, and liability purposes, we require that each youth attendee be accompanied by a parent or adult sponsor, who will be paying the regular fare and who will be attending the Roundtables program, described elsewhere. We are looking forward to getting some kids started toward financial security! Save the date! Feb 24, 2007!

FYI: As a convenient way to strike up the kids' interest, we have been working with Youth Pastors of a few churches in the area: College United Methodist (this is where the meeting will be held), the Korean church that uses the same building, Crossroads Community Church in Camarillo, Peace Lutheran in Camarillo, and Jubilee Church in Camarillo. As attendance will be limited by the size of the meeting room, if you know boys or girls aged 10 to 17 who would like to attend, please register as soon a possible to guarantee a seat!

Compound Annual Returns

Many club members find these calculations bewildering, but they are quite useful if you know what they are. The compound annual rate of return is the annualized gain or loss on an item when all cash flow events have been taken into account. It's the annualized gain or loss on a security when you figure in all dividends, buys, sells, etc., or on a member or club when you figure in all deposits and withdrawals. For more technical details, read on! Compound Annual Return (CAR) figures use Internal Rate of Return (IRR) calculations. All cash flows into and out of an investment are considered when making these calculations. Cash flows for a security would include dividends, and returns of capital as well as the amount to purchase the security. For members, cash flows include payments, fees and partial withdrawals. Timing of the cash flows is also a factor in the calculations. These calculations use annual compounding, not daily compounding. Annual compounding makes the return figures easier to compare with market index return figures.

BetterInvesting National Convention

The **BetterInvesting National Convention** will be held in Dallas, Texas June 21-24, 2007. This four-day event offers educational seminars, corporate and industry presentations, roundtable discussions, and, most importantly, the opportunity to interact with other investors, chapter directors, national directors, trustees and **BetterInvesting** staff. Please look at the website – Betterinvesting.org – for registration form and information. It's a great way to increase your investing knowledge.

BETTER INVESTING
CHANNEL ISLANDS CHAPTER

Annual Meeting and Investors' Roundtables & Special Youth Workshop

Place: College United Methodist Church
4300 Telegraph Road, Ventura, CA

February 24, 2007

ROUNDTABLE EVENT
NAIC members:
$50.00 for individuals
Groups of 5 or more mailed in one envelope = $45.00 each.
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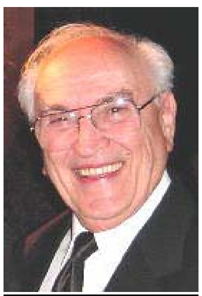
Non-NAIC members and others at the door = $55.

Annual Meeting is free.

Youth – Ages 10-17. Free with accompanying paid parent or guardian. (20 max.)

TIME: 8:00 am TO 3:30 pm


Irving Roth

Featured Speaker: Irving Roth, CFA

Toolkit and Portfolio Features, Judgment, and Take $tock

Sponsor: Santa Barbara Bank & Trust

David Patton, Portfolio Construction Using Mutual Funds

Sponsor: Nordman, Cormandy, Hair & Compton (Attorneys)

Meena P. Kotak, Basics of Estate Planning

Speaker Accomodations: Camarillo Courtyard by Marriott

Special introductory comments by Robert O'Hara, VP Development, BetterInvesting

Roundtable Event: Beginning and experienced investors will have the opportunity to learn, ask questions, and interact on a variety of investment subjects. Participate in **three** roundtable presentations.

Investing for Youth – Ages 10-17. Free with accompanying paid adult. This program will introduce youngsters to the world of money, the power of compounding, budgeting, planning for the future, and the rewards of starting early and staying the course.

IRVING ROTH joined Inve$tWare Corp. in July of 1997 after an eclectic career which included 24 years as a Hearing Aid Specialist with his own business in Boca Raton, Florida. He has a BS degree in Accounting and currently serves as Technical Support Specialist for IClub Central, Inc.

His experience as an active volunteer member of BetterInvesting, formerly NAIC (the National Association of Investors Corporation), a long-time member of the Board of Directors of the Southeast Florida Chapter of NAIC, and a nationally recognized teacher of the NAIC methodology, uniquely qualifies him for his position as Technical Support Specialist. His responsibilities include working daily with NAIC members who need assistance in using the Investor's Toolkit, NAIC's official stock analysis product, and Take $tock 4, recently released as well as Classic Plus. In 1993, NAIC awarded Irving its coveted Dick Dwyer award for "…exemplary service and contribution to computerized investing." He also received the Southeast Florida Chapter's annual Education Award in 1994 and again in 1998.

Irving lives with his wife, Adele, in Boynton Beach, Florida.

NATIONAL ASSOCIATION OF INVESTMENT CLUBS
CHANNEL ISLANDS CHAPTER

2007 CALENDAR

January 30	Computer Group – Asset Management, 1575 Overlook Lane, Santa Barbara, CA, 6:30 pm – 8:00 pm, $10.00.
February 22, March 8 April 19	"All About Investment Club Investing", 545 South A Street, Oxnard, Activity Room B, 6:15 pm – 8:15 pm, $25 plus $20 for materials. Sponsored by City of Oxnard Recreation & Community Services. Call 805-383-7999 to register.
February 24	Channel Islands Investment Round Tables and Annual Meeting (with special Youth Workshop), College United Methodist Church, 4300 Telegraph Road, Ventura, CA. 8:00 am – 3:30 pm. $50.00 (Continental breakfast & lunch included). Youth, ages 10 – 17, free with attending parent or guardian who is a paid participant. Sponsored by Santa Barbara Bank and Trust and Sponsored by Nordman, Cormandy, Hair & Compton (Attorneys at Law)
March 8	"All About Investment Club Investing"; see above for information.
March 10	SSG, Barry's Automotive Center, 578 S. Dawson Dr. Camarillo, 9:00 am – 12:00 pm, $30.00
March 10	Youth Financial Literacy Class: "Money for the Rest of Your Life", Math-Science Fair for girls grades 6 to 8, sponsored by AAUW, Pacifica High School, 600 E. Gonzales Road, Oxnard, 8:30 am – 12:30 pm. Contact your child's school to register.
April 16, 17, 18	"Money Camp for Kids" for youth ages 10 – 15. Class two hours per day for three days, $25 plus $20 for materials, sponsored by City of Oxnard, Recreation and Community Services, 805-385-7999.
April 19	"All About Investment Club Investing" See above for information.
April 21	Tool Kit, Barry's Automotive Center, 578 S. Dawson Dr. Camarillo, 9:00 am – 12:00 pm, $30.00
June 21 – 24	Better Investing National Convention (BINC), Adam's Mark Hotel, Dallas, Texas. See www.betterinvesting.org/biconvention for details.
July 14	Better Investing Campaign "Clubbing 101". Watch for details.

Channel Island Chapter Meetings are generally held the first Tuesday of each month at the El Torito Restaurant in Ventura, 6:30pm. Please call for a reservation. See below.

MICCI Meetings are held the third Tuesday of each month, IHOP, Carpinteria, 6:30pm.

To register for classes, send NAME, ADDRESS, PHONE, EMAIL ADDRESS, CLASS NAME, DATES, AND CHECKS to CIC Education, P.O. Box 3418, Camarillo, CA, 93011.

Reservations and questions may be addressed to brandbc@verizon.net or 805-482-6144. Please include a self-addressed stamped envelope (SASE) or email address for class confirmation. If you do not send SASE or email address, you will not be notified that you are registered.

BetterInvesting
CHANNEL ISLANDS CHAPTER k-94
P.O. Box 3418
Camarillo, CA 93011

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REGISTRATION FORM INSIDE FOR THE FEBRUARY 24 INVESTORS' ROUNDTABLE EVENT!

CIC MISSION STATEMENT
To facilitate investment education opportunities for individuals and clubs within Ventura and Santa Barbara Counties.

Return this portion with your check!

REGISTER NOW to assure your choice of topics!
(Seating limited to the first 100 registrants)

******** We must have a separate registration form for each attendee. ********

You will be able to attend three topics of your choice.
Registration is on a **"first-come, first-serve" basis;** choose topics in order of preference.

1ST CHOICE #______ 2ND CHOICE #_____ 3RD CHOICE #______ 4TH CHOICE #_______

Name ____________________________________ Membership # ________________________

Address ______________________________ City________________ STATE ___ ZIP _______

PHONE (_____)___________________EMAIL ______________________________________

Youth: ____ Ages: __________________

A parent or guardian must be in attendance for youth to participate.
Please complete and return the registration form, enclose your check(s) and **mail to**:
CIC Education, P.O. Box 3418, Camarillo, CA 93011-3418.
Questions may be addressed to brandbc@verizon.net or Jeanette Casserly at 805-482-6144.

Santa Barbara Bank and Trust

One of our sponsors – Santa Barbara Bank and Trust – is a bank subsidiary of Pacific Capital Bancorp (PCBC), a publicly traded company. The Morningstar Stock Report indicates that PCBC operates more than 45 banking offices in southern and central California. The banks provide individual retirement, money market, savings, and checking accounts, as well as certificates of deposit. In addition, the banks originate real estate, business, and consumer loans. The company also offers refund transfers and refund anticipation loans on tax returns filed electronically.

We have included in this newsletter the front page of an incomplete SSG for Pacific Capital Bancorp. The back page will be provided and discussed at our February 24 event.

	ROUND TABLE TOPIC DESCRIPTIONS	PRESENTER
1.	**Preferred Procedure Secrets:** The preferred procedure is an alternate method for estimating future earnings per share by looking at sales rather than historical earnings growth. Use of the procedure in doing an SSG will be covered and reveal "undocumented" features within the Toolkit SSG software.	Barry Bolker
2.	**529 and Coverdell Educational Savings Plans:** We'll cover the ownership, gifting, tax liability and flexibility of educational plans and how they fit into your, your child's, or your grandchild's portfolio.	David Patton SBBT
3.	**Using Financials to Select Winning Stocks:** Financials are corporate scorecards and contain some of the most vital clues to a company's financial health. You will learn how to interpret, and use financials to choose winning stocks that will increase the value of your portfolio.	Ron Bruyn
4.	**How's Your Judgment?** Do you struggle to properly assign values to the ten judgment items on the Stock Selection Guide? This review is intended to refresh your thinking—to help you understand the impact of each judgment and how each factor is related to the others. Understand the concepts behind each judgment item to properly construct a Stock Selection Guide.	Bruce Casserly
5.	**Researching Stocks on the Internet:** We all have our favorite websites. Thousands of places exist, some free, some for a fee and some require you to be a member, investor or subscriber. We'll look at some of each of these. Be prepared to share some of your favorite and not so favorite choices.	Tanya Johnson
6.	**Real Estate Investing:** Want to invest in real estate but don't have the $20,000 down payment or money to make the payments, taxes, time to manage the property, expertise in getting tenants, etc, etc.? We'll look at the easiest way to invest in real estate without all those other problems by using Real Estate Investment Trusts, which can be sold on the open market in seconds.	Carol Haverty
7.	**The New Online SSG**: A review of the new web based Stock Selection Guide and how it can improve your analysis and reduce the amount of time you spend.	Bob O'Hara BetterInvesting
8.	**When to Sell:** Buying may be easy but selling is difficult and can be down right traumatic. We will cover some of the ins and outs of selling stock and some of the tools needed to make the right decisions.	Phyllis Boynton
9	**Become a Successful Long-Term Investor or Double Your Money in Five Years:** Basic introduction to NAIC principles of investing, stock selection and portfolio management for beginners. Easy-to-comprehend demonstration of these principles using NAIC's software program, *Take $tock*.	Steve Kunze
10.	**Value Line Secrets:** What a mess! Tables and tables of little tiny numbers. One puzzler of a graph. Hard to read, to grasp, to understand. It's all there, however, and this brief overview will get you to where you can find almost anything in a jiffy.	Bruce Casserly
11.	**Red Flags in the Annual Report:** The purpose of this class is to recognize the financial health of a business enterprise. You will be able to recognize the red flags about the firm before making a sound business decisions for investment purposes.	Ron Bruyn
12.	**Dividend Paying Stocks – DRIPS:** DRIP investing is a snap; once set up, regularly investing small amounts of money is easy and automatic.	Willie Smith
13.	**Socially Responsible Investing:** We'll look at those companies who endeavor to be environmentally friendly, mindful of worker safety, and socially responsible.	Betty Crowell
14.	**Managing Your Retirement Income:** How to help increase current and future income and how to help avoid the financial risks of retirement through investing and managing cash flow.	Karl Orlowski Edward Jones Investments
15.	**Investing in Local Companies Using the Pacific Coast Business Times (PCBT):** Research area companies using Ventura, Santa Barbara, and SLO Counties' local, business newspaper.	Henry Dubroff PCBT
16.	**Your Automatic Estate Plan – is it right for you?** Everyone in California automatically has an estate plan referred to as "intestate succession." We will review the provisions of CA law that already govern management and disposition of your assets upon your death and determine how you can take control to protect and provide for your family and loved-ones.	Meena Kotak Attorney, NCHC