

# LOTTERY WINNERS SHARE SECRETS OF THEIR SUCCESS

## Simple steps can keep dream jackpot from turning into financial nightmare

Originally published in **The Blade** on Sunday, April 9, 2006

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Terry McNalley used to be just a regular guy putting in eight-hour shifts at a factory in Bryan.

He was a divorcee who liked hunting, fishing, and plopping down \$6 a week for lottery tickets and a chance to dream.

Then the dream came true.

"From what everybody said, I was white as a ghost. The more I looked at the ticket, the less I could see it," he said. "It's just quite a day when you're sitting there holding a ticket worth \$16 million."

He shared the prize with three co-workers, including one of his sons. That day in 1993, his annual salary instantly jumped to \$105,000 after taxes.

Things change with this kind of overnight success, including your job title. When Mr. McNalley got his tax form after winning the lottery and quitting his job, a new occupation was filled in for him: professional gambler.

Other, more life-changing realities confront all such winners, especially when one has bought a ticket worth \$270 million, as someone did last month in little Lyons, Ohio. That winner, who formed a blind trust to claim the money and remains anonymous, is the state's largest winner ever.

Mr. McNalley has a few cautionary words of wisdom, from one millionaire to another: "Just take every day and don't change. Keep your same lifestyle."

Numerous paths await overnight millionaires. If you invest your winnings right, there's the security of living a comfortable life in perpetuity and never having to work again.

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There also can be unwanted notoriety, calls from people across the globe requesting money, and the realization that a couple million dollars isn't going to buy you the tropical island and private jet of your dreams.

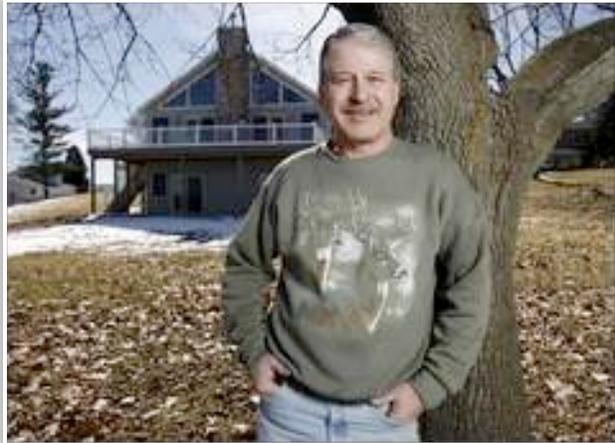
The advice from the lottery industry is basic and straightforward.

"Get professional financial advice and get professional legal advice," said David Gale, executive director of the North American Association of State and Provincial Lotteries.

Forty states, including Ohio and Michigan, had lotteries last year, selling more than \$45 billion in tickets. About \$26 billion nationwide was returned in the form of prizes - meaning there were plenty of new millionaires.

Ohio and Michigan each distributed about \$1.2 billion in winnings, while more than \$640 million from each state went to schools, where all lotto profits must go, according to state law.

For the lucky instant winners, gazing down at a winning ticket can mean more than just shock.



Terry McNalley quit his factory job in Bryan when he won. (THE BLADE)

"It's a stressor," said Eileen Gallo, a California psychotherapist who has interviewed more than 100 big lottery winners and did her dissertation on the psychological impact of sudden wealth. "A lot of people just go spend it. They bring more stress into their lives by buying a house, quitting work."

Her suggestion: Take things slowly.

"Try not to do anything for a while, have a moratorium - whether it's six months or eight months or whatever - to just take some time and become introspective," she said.

One winner she interviewed from the Midwest still hadn't spent any money two years after hitting the jackpot.

For some winners from northwest Ohio and southeast Michigan, the lesson is that sometimes everything changes when you hit the jackpot - and sometimes not as much as you might think.

### **'Nothing's changed'**

The biggest worry for the Fenner family in Adrian wasn't what to do with the \$3.4 million won in the lottery five years ago.

It was what not to do with it.

"You read about all these stories where people get it and go out and start buying and putting no limit on anything. In three or four years time, they've blown it," said Carol Fenner, 52. "That was my biggest fear."

Statistics say that fear can be warranted.

Seventy percent of those who become suddenly wealthy squander it within a few years, according to the National Endowment for Financial Education.

And one-third of lottery winners eventually declare bankruptcy, according to the Certified Financial Planners Board of Standards.

So Mrs. Fenner and her husband Russell, a Vietnam veteran who worked 35 years at Brazeway Inc., a manufacturer of heat transfer and refrigeration components, took it easy.

They still live on the same street in the same two-bedroom house. They never thought about moving, though they changed their phone number - before they even turned in the winning ticket - and paid for some remodeling.

"We love it where we're at. We love the neighbors ... We're still the same people. Our neighbors stop in for a visit, just like always," she said.

They helped others too, setting aside money for their 3-year-old granddaughter, helping their children get new houses, and contributing a lot to their church. They also took Mr. Fenner's parents on a trip to Hawaii.

One of the first purchases made by the couple - who celebrate their 35th anniversary this year - was a new truck, a Dodge Ram. They actually had picked it out and made a deal for it before the world knew them as millionaires, but all that changed after word spread, Mrs. Fenner said.

"When we went to pick it up, the cost of the truck was different from what we'd agreed on," Mrs. Fenner said. Things got heated and unpleasant, and they decided to buy the same vehicle from another dealer.

Mr. Fenner, 56, intended to keep working. After winning the Super Lotto Plus Jackpot - but before turning in the golden ticket - he still put in an overtime shift on a Saturday.

"My husband said all along he wouldn't retire," Mrs. Fenner said. "But it wasn't feasible to work. The government would take up all the money he was making. It would just go to taxes."

These days, they do whatever they feel like, including keeping their granddaughter four days a week. Mr. Fenner keeps busy with projects, such as the barn he's helping his son build.

"Nothing's changed," Mrs. Fenner said. "That's the good part."

### **'Don't tell anybody'**

The first year as a millionaire was the hardest for Andrea Stalsworth and her husband, William.

"It was horrible," she said.

There were calls from strangers from as far away as Indonesia asking for money and relatives unsatisfied with their share of the \$36 million pot won by the Tiffin couple in 1999.

They had to live with people calling them greedy and selfish. There were heavy taxes they didn't expect, and they had trouble finding a reliable financial adviser.

"We don't trust anybody because they all rip us off," said Mrs. Stalsworth, 49.

The result was a speedy evacuation to Nevada. That brought two advantages. First, Nevada has no state income tax. Second, Mrs. Stalsworth said, "It's far away."

This wasn't the original plan when the couple cashed in on the promise of more than \$900,000 a year after taxes. At the time, Mrs. Stalsworth, who worked at an Owens-Illinois factory in Findlay, told The Blade that she and her husband didn't plan on making big changes in their lives.

"We'll stay where we are. We love our house. We love our neighbors. We have no intention of changing that," she said then.

It was a blessing for them, especially since Mr. Stalsworth, 50, who had a siding business, had suffered a cerebral vascular accident in 1996 and underwent brain surgery twice. Friends had held an event and raised \$2,000 to help them make ends meet.

Mrs. Stalsworth said back then that they were going to use the money to help others. They've done that, she told The Blade recently, paying for relatives to go to college and supporting their Baptist church. They bought a house and a car for each of their children. They even sent checks in the Christmas cards of 15 people from work whom they'd played the lottery with for years.

The Stalsworths made life comfortable for themselves too. They have several motorcycles, an RV, a 24-foot-boat, a pool, and a guest house.

Things are better now, but there will always be a stigma from some people.

"It's been horrible because people still call us greedy," Mrs. Stalsworth said.

Her advice if you ever strike it rich?

"Don't tell anybody."

### **Same life ... but better**

Mr. McNalley probably isn't what you'd expect from a guy who won a lottery.

On a recent afternoon, he was wearing a green sweatshirt adorned by the faces of two bucks. AC/DC's rock anthem "Back in Black" was blasting from his stereo speakers. An inspection of his blue jeans' pockets revealed little more than what appeared to be a wadded up \$5 bill.

Sound familiar? Like you or me?

Sure, he was padding around his new lake house of more than 4,000 square feet, preparing to move year-round to this blue sky country in Hillsdale County, Michigan, where his family once had a more modest place, but he's helping with a lot of the work himself.

"It's kind of fun," he said. "It's something to do for a while."

The house was empty at the time, save for some tools and a couple of cots used by Mr. McNalley and a friend who were framing up some bedrooms in the basement so that grandchildren would have somewhere to sleep during visits.

Mr. McNalley, 59, insists he's living precisely the kind of life he would be if he hadn't won the lottery - except he doesn't have to hold down a factory job to do it anymore.

Or perhaps more accurately, it's the same life ... but better.

After he won the lottery, he stayed in his hometown of Edgerton, simply moving to a property that had more land

and a pond where he could fish. He continues to hunt and travel, only now he can do it in locales like Alaska and Hawaii.

"I've done a lot of traveling and stuff, been to a lot of places that I never would have got to go to," he said.

He sells fireproof gun safes on the side - it's something to do - and he remains active in the group Pheasants Forever, of which he is currently president.

His phone number is in the phone book; even the vehicle he drives is pretty much the same, a red Chevy Silverado pickup, close to the same color he drove before. He did splurge on a 1961 Corvette, but that didn't last long. He sold it because he didn't have anywhere to put it.

Maybe the biggest change was just dealing with some more drama, like when he said his ex-wife tried to get a share of his winnings. They divorced several months before he struck it rich.

"Her lawyer laughed at her," Mr. McNalley said.

Nowadays, he's remarried and only worries about the fish in the lake outside, filled with bass, bluegill, and trout.

Is he worried about what happens when the payments dry up?

"No," he said matter-of-factly. "I'll be 72."

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