



September 2011

## CHUBB REPORT

### WHAT'S GOIN' ON—SMALL VICTORIES BY WAYNE CHUBB

As a Cleveland Browns fan (more on that later), I have become accustomed to lowered expectations and rejoicing in small victories. That coping mechanism has come to help in an unexpected way – helping me to deal with Dad's advancing Alzheimer's.

Alzheimer's has proven to be a disease not of continuous decline, but rather precipitous drops followed by plateaus of varying length. The drops show in small but striking ways, like one recent Sunday on our back porch when Dad looked at the evening sky and asked "Now, is the moon the closest planet?" This caused furtive, defeated glances between Heather and me and a patient "Yeah, Dad – actually, it's a satellite, not a planet".

But we find joy – or perhaps it's a desperate clinging to the past – in the still frequent surprises. For example, we were due to pick up Dad one afternoon recently (which he always forgets) and were running late. Suddenly, our 12 year-old, Carson, came running out back with the phone and yelled happily "It's Grandpa, wondering where we are – he *remembered!*" We spent half an hour recently while driving to the Bay Area talking about the production processes at the refineries that he used to sell to, with him telling me in detail what many of the dozens of supply and vent lines fed. His answer to my complaint that the only part of the economy doing well was the part that made money and produced nothing (stock brokers, banks, etc), was "Oh, so *overhead* is doing well!" It's these glimpses into the funny, outgoing, universally loved Dad that I knew for so long that give joy – bittersweet, but joy nonetheless – that my Browns have taught me to appreciate. Thanks, Cleveland – I think.

Speaking of the Browns, we start off What's Goin' On with the opening of the **2011 NFL season** on Thursday the 8<sup>th</sup>. I will probably miss the Browns opener, as we're going to be at the **California Capitol Air Show**, coming to Mather Field on September 10-11. It seems a fitting way to spend the 10<sup>th</sup> anniversary of 9/11, and I wonder if it will be as little noticed in 70 years as Pearl Harbor is now. Staying with the airborne theme, if you love the roar of T-6 and P-51 engines I cannot recommend the **Reno National Championship Air Races**, September 14-18, highly enough. It's an incredible show – the first few days are mostly practice days, and cheaper. See it at least once.

September is also the month of the celebration. Looking for your favorite music? The **American River Music Festival** brings blues, bluegrass and their offshoots to the banks of the American in Coloma, Sept. 16-18. A little further afield that same weekend is the **Monterey Jazz Festival**, right up there with Montrose and Newport for the country's best. An amazing lineup comes to the shores of the Russian River at the **Russian River Blues Festival** in Guerneville on Sept 24-25, headlined by BB King, Buddy Guy, and Babyface Edmonds, among others.

Hungry? Start with 80,000 of your closest friends at the **Dry Bean Festival** in Tracy, then head up the Delta to Pittsburg for the **Pittsburg Seafood Festival**, both on Sept 10-11. Our beloved **Fair Oaks Chicken Festival** brings lots of local fare to Fair Oaks Village on Sept 17-18. Sept 24-25 brings options. You have either the **Seafarer's Marketplace and Pirate Festival**, which brings food, music, pirates, gypsies, and Vikings (I don't make this up, I only report it) to Rio Ramaza Park on the Garden Highway in north Sacto, or – wait for it – the **California Candy Festival**, at the Jelly Belly plant in Fairfield. Imagine chocolate pairings, candy tastings, cooking events, and I assume, insulin shots – this could be GREAT! Feel the sugar rush!!!

Join me as well in celebrating the two sides of my heritage on Sept 30-Oct 2. Start at the **Oktoberfest by the Bay** at Pier 48 in San Francisco, then head to either the **Reno Celtic Celebration** or the **KVMR Celtic Festival** (Grass Valley). All offer traditional music, heavy northern European fare, and heavier ales. My kinda weekend.

As always, there are wine festivals as well. The two best are the **Big Crush**, being held at various Amador County wineries on the weekend of Oct. 1-2, and **A Taste of Gold** in California's newest wine country, the Nevada County Wine Trail, on September 24-25.

Wherever you go, get out and enjoy the fall weather, eat, drink, and be merry, but also take time to remember those who fell on Sept 11 and its aftermath.

Oh, and go Browns!

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## Why Your Estate May Not Be As Simple As You Think BY HEATHER R. CHUBB

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It seems that not a month goes by that someone comes in and starts the conversation about estate planning by saying, "My estate is simple. I don't need anything fancy."

When it comes to working with lawyers I think everyone wants it to be simple, because simple will keep the costs down. Right? But sometimes when it comes to estate planning there is more than meets the eye. That's when talking to an experienced Life Transitions Lawyer, aka estate planning lawyer, can actually save you and your family money, time, stress, and frustration.

Most often when someone says, "My estate is simple" they mean "I don't have many assets" or "I'm not wealthy." But whether your situation is truly simple depends on more than the value of your assets. And even the assets themselves may not be as simple as you think.

Complexity may come in the form of family make up, family dynamics, type of assets, and aging issues.

How old are you? Where are you on life's spectrum? What does your family situation look like? Are you married, single, divorced, or widowed? Do you have children? Are they minors or adults? Do any of your children or loved ones have special needs? Are you still working, a stay at home mom, or retired? Do you own a business? Are you a Veteran? What if you don't have any family? Are you caring for aging parents? Are you an aging parent or senior that needs long-term care?

Now let's look at those assets. If you are a typical middle class member your assets may look something like this:

- your home, which has a mortgage;
- a checking account into which your paychecks, social security and other income is deposited and your day to day expenses are paid;
- a savings account;
- a non-retirement investment account or CD;
- life insurance;
- some type of retirement account – it could be an IRA (traditional, ROTH, or roll over), 401(k), 403(b) (for all you teachers out there), 457, profit sharing plan, or even a traditional pension plan.

What if that mix includes a small business, employee stock options, or annuities? Is your life insurance term or cash value? Is it personally owned by you or provided by your employer? What is the pur-

pose for your life insurance and do you have enough to fulfill the purpose? What if you own assets with someone other than your spouse? What if you are in a high-risk profession or at risk for malpractice lawsuits? What if you need long-term care, how will you pay for it?



Focusing exclusively on what happens when you die is really only half the puzzle. Remember, a good life transition plan covers not only who gets what when you die, but who will be in charge and what is important to you if you are incapacitated and can't manage your finances or make healthcare decisions for yourself.

Are you getting the idea that maybe simple isn't so simple? All of these variables contribute to make your planning needs unique. And oftentimes it takes the help of a professional to pull the puzzle pieces together and uncover your unique puzzle.

If your puzzle is missing pieces it will be harder for your family when a life event happens to you. They (and you!) will experience time delays, extra costs and frustration carrying out your wishes. And if you don't make them clear, your wishes could be lost altogether with strangers making critical decisions. Is that the last memory you want to leave behind with those you love?

*Written by Heather R. Chubb, Life Transition Lawyer, speaker, mom and Sandwich Generation Kid. Heather makes it easy for your family to talk about and plan for tough subjects like money, death and taxes, and other life transitions. Visit her online at [www.chubblawfirm.com](http://www.chubblawfirm.com).*

## Will or Trust—Which Is Better? BY HEATHER R. CHUBB

**IT DEPENDS** on what is important to you. If it is...

**With a Will**  
Here's what happens

**With a Trust**  
Here's what happens

### Privacy

No privacy. All documents and proceedings after death are public.

Totally private, unless court intervention is required, usually due to improper or confusing drafting, lack of funding or loss of trustee.

### Disability Planning

No provisions for mental or physical disability. The disabled person is subject to the court process for conservatorship. A power of attorney and advance healthcare directive can be used to avoid conservatorship. A power of attorney can provide that disability be determined privately by family members and friends.

Handles assets upon disability without court intervention. Need a power of attorney for non-trust assets. A trust can provide that disability be determined privately by family members and friends.

### Minors

Probate court takes control of the inheritance. A guardian is appointed, and they must file annual reports and get court approval of all financial transactions. All funds must be distributed outright to the child at age 18. However, a Minor's Trust may be established in a Will with proper planning - however, it is subject to ongoing court supervision.

Probate court must approve the guardian, but cannot overrule your choice of trustee, nor has any control over the child's inheritance. Your appointed trustee manages the child's assets according to the terms of your trust. Usually the trustee provides funds for medical care, education, maintenance, or any special item you may decide, but does not distribute principal until the ages or circumstances that you have dictated.

### Creditor/Predator Protection

None while alive. Creditors have only a specified amount of time to present claims or they are forever barred. Testamentary trusts can give protection to beneficiaries.

None while alive. No creditor claim "shutoff" period, and most trusts provide that valid debts be paid (in CA can optionally use probate court to shut off creditors). Trusts that become irrevocable at death can give protection to beneficiaries.

### Effort Required

Less effort now, unless you require tax planning and asset protection for your heirs, but a great deal of work for your heirs after disability or death.

More effort now to properly design the trust to accomplish all of your goals upon disability and after death, and keep it up to date, but far less work for your heirs after disability or death.

### Cost Now

Less

More

### Costs to Amend

Similar

Similar

### Cost Later

Probate fees alone, which are set by the State of CA, will be a minimum of \$4,000.

No court costs (if trust has been fully funded and properly maintained) and comparatively minimal attorney fees to help trustee understand the trust, get legal title to your assets and then distribute according to the terms of your trust.



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#### INSIDE THIS ISSUE:

What's Goin' On	1
It's Just Simple—Or Is It?	2
Will vs Trust—Which is Better?	4



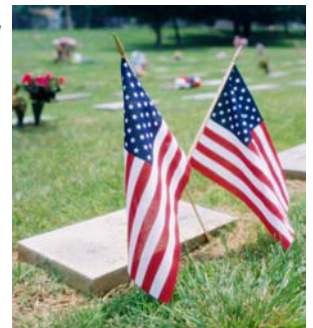
Labor Day has come and gone and once again Wayne chose a really hot weekend to do a heavy-duty home improvement project. He decided that *this* was the weekend to finally install the rest of the deck across the back of our house. After 3 days of sweat-drenching work it's done and it looks amazing. We pulled out some deck chairs that were gathering dust in the garage, set them up with a small table and enjoyed Sangria from the new deck while watching the kids splash in the pool. Ahh, heaven.

The kids are back at school and it's been a big transition. Carson moved from the safety of elementary school to 7th grade and all the angst and hormones of middle school. A few weeks in and he seems to be adjusting despite the fact that he doesn't have any of his good buddies in most of his classes. Owen made the leap from kindergarten to first grade. We were hoping he would get the same wonderful teacher Carson had, but alas it was not to be. But I took away a warm and fuzzy feeling from his new teacher at back to school night, so all is well.

Let us not forget. September 11 marks the 10th anniversary of a major transition for our country, which despite the fragile economy continues to be one of the best in the world and the land of the free and the brave. Please take a few moments to honor those who lost their lives on that terrible day and the members of our military who have fought and died to keep terrorism far from our shores.

All my best,

P.S. If you would like my Sangria recipe (it's really yummy!) or have one to share, shoot me an email at [heather@chubblawfirm.com](mailto:heather@chubblawfirm.com).



Guiding You and Your Loved Ones Through All of Life's Transitions<sup>SM</sup>

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