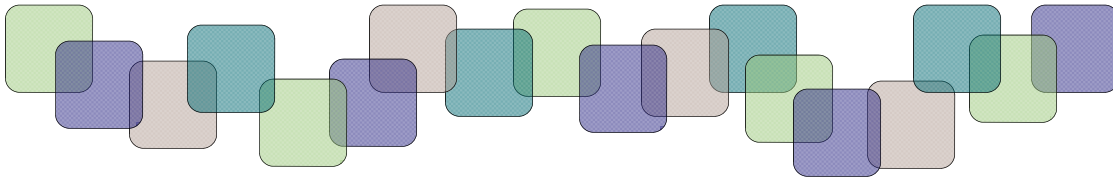


The PERIODIC PONDERANCE

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Honoring your worth/Taking care of your wealth



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A Match Made in Heaven

According to a recent article in *InvestmentNews* magazine¹, the fine wine sector reached a new high in March and has now fully recovered from the economic downturn resulting from the collapse of Lehman Brothers in 2008, when prices fell by 23%. The London-based Liv-ex 100 Fine Wine Index, which follows prices of the 100 most sought-after wines, gained 12% in the first quarter of 2010 and has surpassed its previous peak set in June 2008. Demand from Hong Kong and China, particularly for top Bordeaux wines, is said to be responsible for the recent soar in prices.

In case you like to drink your wine with a little chocolate, another issue of the same magazine² cited the results of an informal poll conducted by an investment advisor in California who wanted to find out what type of chocolate his clients prefer. (He gives them custom-made chocolate bars each year.) He found that his clients with a net worth of \$3 million or more preferred dark chocolate and that those with less preferred milk chocolate. Not knowing whether the “chicken” or the “egg” comes first, he’s playing it safe and sending dark chocolate bars to everyone...

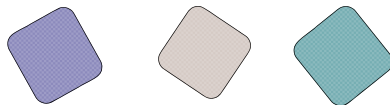
Wine and chocolate go together like fruit and cheese (or wine and cheese, for that matter). They both have complex flavors, nuances and tones that need to be considered in order to pair them to get the fullest taste sensation. A generally good rule of thumb is to pair lighter wines with lighter, more delicate chocolate and full-bodied wines with darker, richer chocolate. For instance, milk chocolate pairs well with merlot, sauvignon blanc and Riesling, while zinfandel, syrah, tawny port and even cognac go well with darker chocolates.

In our quest for truth, we researched the pairing rules and philosophies extensively 🍷🍫 and concluded that it is difficult to find a wine/chocolate combination that doesn’t taste heavenly.

¹*InvestmentNews*, 4/05/2010

²*InvestmentNews*, 2/15/2010

By Raquel Hinman and Barbara Denny



From our 3rd quarter, 2000, Periodic Ponderance (and still relevant today), humorist Dave Barry proposes a friend’s idea on how to simplify tax law:

Every April 15, lock all members of Congress in prison cells with tax forms and the tax code. Keep them there, “without food or water until they have completed their tax returns and successfully undergone a full IRS audit.” Naturally, this system would probably result in a severe shortage of congresspersons. But there might also be some drawbacks,” Mr. Barry says.

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*Honoring your worth /
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PETER BUFFETT

Life Is What You Make It



Find Your Own Path to Fulfillment

Announcing *Life is What You Make It*

a book from Peter Buffett's refreshing perspective

Excerpt from *Life Is What You Make It*

One of my father's often-quoted tenets is that a parent, if he has the means to do so, should give his children "enough to do anything, but not enough to do nothing." A head start is fine; a free pass is often a crippling disservice. When I turned 19, I received my inheritance—proceeds from the sale of a farm, which my father converted into Berkshire Hathaway stock. At the time I received them, the shares were worth roughly \$90,000. It was understood that I should expect nothing more.

So—what to do with the money? I was a student at Stanford University; there were no strings attached. Fortunately, I'd had the advantage of seeing my older siblings burn through most of their cash; I didn't want to follow down that path. At the other extreme, I might have done absolutely nothing with that stock—just left it in an account and forgotten about it. If I'd picked that option, my shares would now be worth around \$72 million. But I didn't make that choice, and I don't regret it for a second. People think I'm either lying or crazy when I say this, but it happens to be true, because I used my nest egg to buy something more valuable than money: I used it to buy time.

My inheritance came to me around the time I was finally committing to the pursuit of a career in music. As a pragmatic Midwesterner with a very limited nest egg, I knew that I would have to find a way to turn my creative impulses

into a livelihood. But how did one do that? How would I find an audience, or clients, or a way to sell what I'd written and produced? I didn't have a clue, but it was becoming clear to me that I wasn't going to figure it out by staying in a university.

I decided to leave Stanford and use my inheritance to buy the time it would take to figure out if I could make a go of it in music.

With help from my father, I worked out a budget that would allow me to conserve my capital as long as possible. I moved to San Francisco, where I lived very frugally—small apartment, funky car. My sole extravagance was in expanding my recording equipment. I played the piano, wrote tunes, experimented with electronic sounds. Then I put a classified ad in the *San Francisco Chronicle*, offering to record all comers in my studio.

And I waited until a very important bit of good luck tracked me down one day in 1981, as I stood at a San Francisco curbside washing my crummy old car. A neighbor with whom I'd had nothing more than a nodding acquaintance happened by and asked what I did for a living. When I told him I was a struggling composer, he suggested I get in touch with his son-in-law, an animator who was always in need of music. I followed up, and the son-in-law did have work for me. He'd been commissioned to create 10-second "interstitials"—quick ads meant to flash a logo and establish a brand ID for a newly conceived cable channel.

I took the work. And the cable channel more than launched; it rocketed to the moon. It was called MTV. Soon many TV outlets wanted to look and sound like MTV. I no longer had to take on unpaid work.

My inheritance was relatively modest, but it was more than most young people receive to get a start in life. Having that money was a privilege, a gift I had not earned. If I'd faced the necessity of making a living from day one, I would not have been able to follow the path I chose.

Would my father have helped me get started if I'd chosen a career on Wall Street? I'm sure he would have. Would he have given me a job at Berkshire Hathaway if I'd asked for one? I suppose so. But in either of those cases, the onus would have been on me to demonstrate that I felt a true vocation for those fields, rather than simply taking the course of least resistance. My father would not have served as an enabler of my taking the easy way out. That would not have been an exercise of privilege, but of diminishment.

www.peterbuffett.com/books

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Coming soon: Myra's new book: *Living Richly: Seizing the Potential of Inherited Wealth*.

Drawing on her 25+ years of working with inheritors, Myra engages the reader to relate to his/her inheritance with energy and enthusiasm rather than be intimidated by the stigma of it. Definitely worth a read for inheritors and the professionals who work with them.

PERIODIC PROFILES: Judy Barber

with an introduction by Myra Salzer

Judy Barber closed her interview with, “Well, I just hope that this is a picture of somebody who has made a contribution to helping families resolve issues and also strengthen their family bonds.” It definitely is—it’s a picture of a very warm and real, gifted woman. I’ll let her take it from here:

“I am a marriage and family therapist by training. I started out in the early ‘80s with a little psychology-of-money practice. At that time, I was seeing primarily young people who came to me and said, ‘I’m really screwed up. I have this income and my parents want me to work, but financially I don’t really need to work.’ Others worried, ‘I don’t know who my friends are. Do they like me, or the money I pay for them to go to the movies or out with me to dinner?’ A number of women said (essentially), ‘I want to buy a house. I have the money to, but my parents don’t want me to buy a house. They think that no man would marry me if I already owned my own house and he wasn’t the head of the household.’ These are complicated issues that young people faced and continue to face.



“Then in 2006 I gave up my psychotherapy practice, and my business has evolved into family business consulting and mediation. Families in business together, whether an operating business or co-ownership of assets, live every day with the overlap between business and family relationships. For example, when the family faces the succession issue and two siblings each believes she should be the successor to dad or mom. The older sister has worked in the business all her adult life and believes she should be the successor. The younger sister who has an MBA and worked in a similar field for ten years before joining the company believes she should be the successor. Whatever decision the board of directors makes, there are consequences for the family as well as the business. In many cases there is a need to address both the emotional and rational feelings in the family that ultimately leads to clear guidelines of roles and responsibilities that support the success of the business as well as sibling relationships.

“So the work is identifying the overlap between the family and the enterprise, and the impact on the current and future planning. Families are emotion based. They want harmony, loyalty and belonging. Change, particularly a role change in the family, is hard and often families are too wedded to the past. A business is task based. It’s about competence, change and continuity at the same time, and rational decision making. Often, it is difficult for those who run a business and own assets together to make those rational decisions if they are mired in rivalry or still living the experiences from the past. Without resolution of the hurt feelings, the disappointing decisions, the conflict gets passed to the next generation. Each generation needs positive role models of how the family business comes to consensus in spite of differing perspectives.”

Judy also provides continuing education for lawyers. In her training sessions Judy suggests that lawyers talk with clients beyond the tax advantages of family limited partnerships. She asks, “What is your comfort level in asking, ‘Do your children get along? Would your children be good partners? Do they want to be partners?’” She goes on to say to those in her training sessions, “If you don’t ask, who else will?”

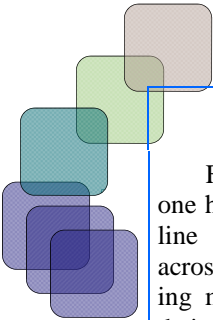
“The core of what I do is to help families shrink the overlap so they make good business decisions and enrich family relationships.”

Family philanthropy has characteristics of a family being in business together. Over the years of meeting with parents who are eager to do charitable giving with their families, Judy asks four basic questions that parents and family members need to address. “The first question for the parents is: Have you talked about estate planning with your children?” This doesn’t mean all the details have to be disclosed, but Judy has found that in those families that have had an estate planning discussion, the next generation often is more enthusiastic about participating in family philanthropy and giving money away than those who have no idea what share of the estate they will inherit.

“The second question for the parents is: How much control do you want to maintain in your philanthropic giving? Do you want your kids to watch what you’re doing, or do they get to participate, and at what point? Third: Do your children want to work together and do they want to work with you? Finally: As a family, are you able to articulate a mission statement that reflects a consensus? If you are able as a group to include some piece of what everyone wants, that is a good indication that you can work together.”

In answer to a question about what she would say if she were writing her own eulogy, Judy responds, “I’m blessed with a daughter who is a lovely person and making her way in the world. I’m blessed with the husband with so many things in common including a commitment to our blended family and community. As a young person, I was guided to do good. And, although I’m not perfect and I’m not successful all the time, I continue to want to make a contribution. I feel like the work I’ve done has enriched me and, hopefully, made a contribution to others.”

To find out more about Judy’s work, log onto her website at: familymoneyconsultants.com.



You've Got Mail!

For those of you who travel frequently, have more than the amount of mail you receive, and usage charges depend on one home in which you reside, or who just want to streamline your life a little, we have recently come across a few companies that specialize in providing mail solutions that allow people to manage their mail online from anywhere in the world.

These companies can retrieve your mail, scan each envelope, and then wait for your instructions as to what to do with it (open and scan the contents, destroy, forward it to you, etc.). For example, you may ask that they scan the entire contents of any first class postage but automatically destroy junk mail. You could ask them to forward any letters, cards and magazines to you at your current address. Some of the services will even deposit checks for you. You manage your mail via a web interface and, similar to e-mail, you can set up folders for different types of mail (bills, personal mail, to be filed, etc.).

The fees for these services vary quite a bit but generally include a setup fee, a monthly fee that varies depending on



To get started, visit the websites of a few of the companies to determine which offers the best service to match your needs. When you enroll in their service, you will need to set some rules for how you would like your mail handled and the automation settings for your account. Then you will need to change your mailing address to one that the company manages (either a P.O. Box or a street address), which is probably the most time-consuming part of the process.

Three companies that offer these services include Earth Class Mail (www.earthclassmail.com) and St. Brendan's Isle (www.sbimailservice.com), and Virtual Post Mail (www.virtualpostmail.com).

Happy traveling (or streamlining)!

By Raquel Hinman



Eiffel Tower for Sale – Anyone Interested?



It's 1925, and Victor Lustig, an inveterate conman disguising himself as a distinguished French government official, calls together six scrap metal dealers at the famous Hotel de Crillon in Paris for a confidential meeting. Lustig explains that the upkeep of the Eiffel Tower is so outrageous that the city is offering to sell it for scrap. However, due to certain public outcry, the deal must be held in the strictest confidence. There is a taker, and upon receiving a suitcase full of cash, Lustig skedaddled on the next train to Vienna. The buyer is too humiliated to tell the police, and Lustig evades arrest.

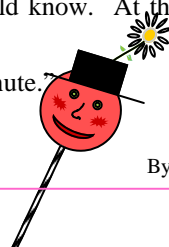
Per John Stark (whoever he is), "Fraud today has a technological twist, but is really old wine in new bottles."

Fast Forward to 2010....

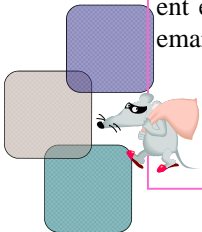
A friend of Myra's contacted her via email recently and said he and his family were mugged near their hotel in Wales and were left without cash, credit cards and cell phones. He said the hotel manager would not let them check out without payment and their flight home to the US was leaving soon, and that the local police and embassy would not help. He asked Myra to wire \$1,650 to pay for the hotel and said he would pay her back upon return to the U.S. Myra asked him to call her to discuss the details, and he said his cell phone didn't work – but wait! – wasn't his cell phone stolen? She asked him to call collect. Instead of calling, he responded with emails. When we eventually noticed the emails were from different email addresses each time, Myra asked him two personal questions only her friend would know. At that point, the emails stopped.

P.T. Barnum said so eloquently, "There's a sucker born every minute."

Be smart; don't be a sucker.



By Melissa Hoyer



WORKING IN THE SHADOWS

a book review by Myra Salzer

I was in a Boeing 757 on the Dulles International Airport-to-Denver leg of my return trip from Charleston, SC when I wrote this. It was the first time I actually watched a movie while up in the air and, ironically, it was *Up In the Air* with George Clooney. His character, Ryan Bingham, is all about the benefits of loyalty miles and points and the accumulation thereof as he goes cross country practicing his profession of implementing one-on-one firings of corporate employees. The movie's message, however, is about the importance of relationships, over and above winning X# million (I don't want to give the plot away) loyalty miles.

My forty minutes between flights afforded me the luxury of a visit to "the facilities" at Dulles where, upon entering the restroom I noticed an airport employee with a clipboard, checking off her list of cleaning tasks for the restroom. I walked inside and, indeed, everything was clean. There were no paper towels on the counter, no toilet paper visible on the floor, all the stalls were open, the toilet seats were lifted, there was blue water in the toilets, and the trash containers were empty. Ahhh, the relief of not having to deal with another filthy public bathroom and still catch my flight was welcome. So I went back outside the bathroom and thanked the janitor, still holding her clipboard next to her water bucket and mop. She looked at me funny (was I from Mars?) and I, stereotypically, assumed since she was black that she must know English, so I repeated my sincere, "Thank you for doing such a nice job cleaning the bathroom." I felt she was waiting for the other shoe to drop (What did she screw up? What did she miss? Which sink still had scum?), I again repeated my gratitude for her efforts and then went to my gate. Briefly turning my head as I continued moving forward, I was able to take in her smile (and see her stand up just a bit straighter).

Before reading *Working in the Shadows*, by Gabriel Thompson, I might never have acknowledged her. In fact, wouldn't have even noticed the clean bathroom. I would have been as oblivious to the presumed self-cleaning bathroom as I am to the clothes coming back from the cleaners, only noticing when the spot didn't come out and the extra crease in the slacks was inserted against my wishes. What a jerk I can be!

Thompson is a 30ish-year-old journalist who decided to take a year to experience the lives of immigrant workers in the USA. He clandestinely (i.e., not wearing a journalist badge) spent time working with the "hidden" labor force so he could write about them and share their experiences with us. First he harvested lettuce in Yuma, AZ, for the Dole Corporation. As a Spanish-speaking individual, he could communicate with his co-workers. As a Caucasian, less was expected of him than the Mexicans. In Yuma, he experienced the back-breaking skill of cutting lettuce (who knew?). His

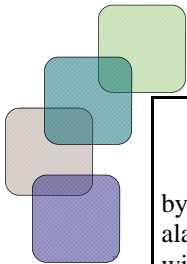
second stint was in Russellville, Alabama, working in a Pilgrim's Pride chicken-processing plant. Then, in Manhattan, after getting fired from a flower-distribution business, he took a job at a Mexican restaurant.

Thompson's descriptions were honest and poignant. In the lettuce field, I could feel his aching back, the sweltering heat, and the camaraderie among his co-workers. The accompanying history of immigrant farm workers, including Cesar Chavez and the union movement laid a healthy foundation without preaching. In the chicken processing plant, I felt his hands numb from the cold, the grease that leaked through his company-issued paper smock that had to last the entire shift, and I could see the hierarchical color-coded hair nets. In Manhattan, when Thompson endured unrelenting verbal abuse from owners of the flower distribution business from which he got fired after just a few days on the job, I experienced his diminished self-esteem. Then he got a job delivering (by bike) food for an upscale Mexican restaurant, and I felt his heartbreak when his bike got knocked down, all the food fell and he had to reorder and endure the unhappy customers' complaints about the food being late. There was a rainy, cold day when, because of road closures, he had to ride the wrong way on a one-way street, and it took him over 30 minutes to make a delivery that normally would take five. I will NEVER give a measly tip to anyone who delivers anything ever again!

Back to the airport restroom janitor I complimented, once I repeated my gratitude to her for a job well done and somehow communicated that I really was grateful and then walked away, her smile (of relief?) touched my heart in places I didn't know existed. Making her feel appreciated made my day.

A year from now, I won't remember many of the examples and stories from the book. I think, however, I will forever retain an awareness (and gratitude) for the invisible people involved in making my life as rich as it is. When I slice into a simple strawberry, for example, I think about the pickers and land-owners, the packagers and package-makers, the truck drivers and the trucks' refrigeration unit manufacturers and the truck stops and roads that made their passage possible, my strawberry-slicing knife was made in Japan, and the cutting board in China, which were brought here by a ship that was probably manufactured in the Philippines. As I slice, I could be listening to music written in London, performed in New York, downloaded on an iPod invented in Palo Alto and manufactured in Taiwan. We're all on this small planet together, doing our best. And I am so grateful for everyone's contribution.





FYI

To help protect you from potential fraud, representatives from Schwab have begun verifying wire transfer requests by periodically calling clients to confirm that they did request the wire in question. If you receive a call, do not be alarmed. You can request that Schwab not contact you in the future to verify similar wire transfers. However, if the wire is being sent to a third party, Schwab will reserve the right to call you to verify that the wire request is legitimate.

Do you think you're who they say you are?

From Jesus Christ Superstar

Did you know that up to 40% of all identity theft is perpetrated via use of the victim's social security number? Identity thieves use the number and the victim's good credit to apply for more credit in the victim's name. Once they've got it, they use the credit for their own benefit and don't pay the resulting bills. The victim usually ends up getting a strange bill or call from a collection agency that alerts them to the crime.



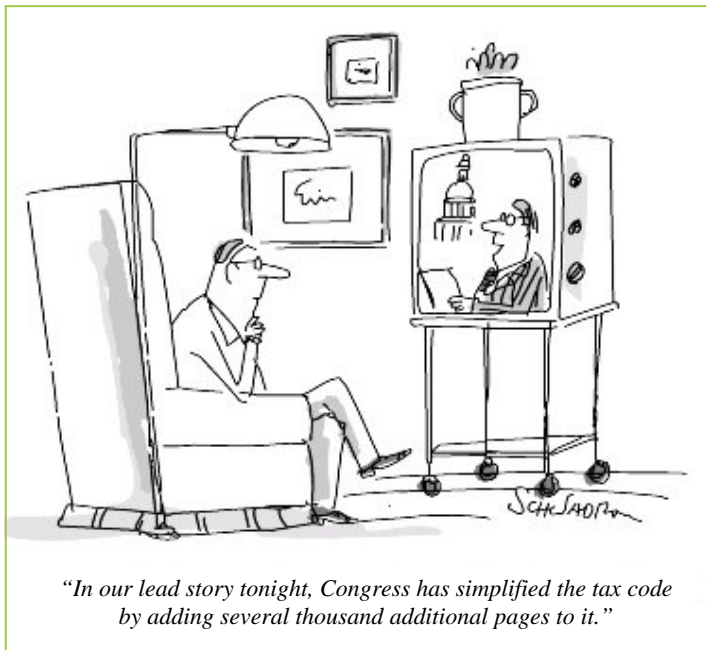
How does one avoid becoming the victim in the aforementioned scenario? It's nearly impossible to eliminate the risk altogether, but limiting access to your social security number can certainly help. What's the best way to do that? "Accidentally on purpose" overlook it on paperwork you're asked to fill out and see if they follow up about it. If you are confronted or if someone asks you to provide your social security number over the phone, don't be afraid to ask the person why it's necessary. Ask them if there's a law that requires you to provide it to them. If they say there is, ask them what it is and what will happen if you don't disclose it.

There are some instances in which providing your social security number is mandatory. They include credit applications, some cash transactions for over \$10,000, applications for certain federal benefits, all kinds of military paperwork, and various forms encountered at your local Department of Motor Vehicles. Additionally, your social security number is required for tax purposes such as filing a return, setting up your payroll withholding, and establishing accounts with financial institutions. If someone asks for your social security number outside one of these situations, you have reason to be wary.

If you think someone has misused your social security number in an attempt to perpetrate identity theft or create other problems for you, do not contact the Social Security Administration. They will not be able to assist you. Instead, contact the Federal Trade Commission at 1-877-IDTHEFT or visit their website at <http://www.ftc.gov/bcp/edu/microsites/idtheft/> and click on the "Report ID Theft" tab at the top of the page.



By Brian Littlejohn



"In our lead story tonight, Congress has simplified the tax code by adding several thousand additional pages to it."

TWC Hours and Holiday Closures

Office hours: 8:00 a.m. – 4:30 p.m.
Closed May 31 for Memorial Day.
Closed July 5 for Independence Day.
Note: TWC's Summer Hours begin on Friday, May 28, when we will begin closing at 1:00 on Fridays through Labor Day weekend.

