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Lynn's Top Five

Four Extraordinary Women Offer you Great Year-End Advice!

By Lynn Ballou, *CERTIFIED FINANCIAL PLANNER (tm)*



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more impacted than in Lamorinda, and you can benefit from the lowest mortgage rates in recent history." Regarding home improvements you are contemplating, she points out that it's important to "plan ahead, get an expert opinion about what improvements your home actually needs before selling." She notes that "if you plan far enough in advance, you might even get a chance to enjoy the improvements prior to moving!"

4) Paula Leibovitz Goodwin, Leibovitz Law Group, has offices in Orinda. Her first piece of advice is timeless: "Life insurance policies, retirement plans, IRAs and annuities pass at death in accordance with a beneficiary designation attached to that asset. This will usually TRUMP what your will or living trust says!" It's always extremely important to check the beneficiary designations on these assets. She also shares with us that it's important to meet with your lawyer to decide if the formula clauses that were put into your estate plan, if drafted before this year's \$5 million exemption came into play, still make sense. She advises: Check the language in your estate planning documents. "Is there a phrase like 'the trustee shall divide the trust estate into the following shares' or other phrases like 'that portion' or 'that fraction'? This formula amount may pass to a trust that is no longer needed or cause less money to go to your spouse or more money to your children than you want. Paula emphasizes that "the

It's always exciting when I am able to participate in the last Lamorinda Weekly issue of the year and I really didn't want to waste this year's opportunity! So, I reached out to four super sharp Lamorinda professional women and asked them for one shining nugget --- that "if you do NOTHING else do this!" sort of thought --- to share with you as this year comes to a close. I think they've come up with really great actionable items for you to do now --- okay, right after that mistletoe comes down! I know you'll find these helpful --- enjoy!

1) Colleen Callahan, CLU, CASL, LUTCF, and partner of Lafayette's Kosich and Callahan, works tirelessly to make a complex subject accessible. Here's what she had to share: "January, New Year, new beginnings and a new medical insurance deductible! It's a good time to plan preventative visits. Under the new health care rules annual preventative care, using an in network provider is covered at 100% (before the deductible). Take advantage of this valuable benefit!" Another great point she makes for those over 65 and still working, "Be sure to meet with a professional agent to explore coverage options before retiring. If you are over 65 COBRA is NOT a good option, in fact when COBRA is exhausted, options are limited for enrolling in Medicare Part B and a Medicare Supplement.

2) Linda LaHonta, CPA, in Lafayette, had several great ideas. First she points out that in 2012 we need to "beware the AMT!" There's still no patch for that wicked alternative minimum tax. If no patch is forthcoming soon, this could have a large and negative impact on our 2012 tax liabilities. Another great idea: "If you are still someone who files a traditional paper return, now is the time to go electronic!" Significant cutbacks on IRS staffing could result in delayed processing, higher error rates and longer refund waits. Linda says "E-file along with direct deposit is a safe and efficient way to get your money in a very short amount of time."

3) Susan Rothenberg, Team Rothenberg Real Estate, in Lafayette, has two very timely pieces of advice for us starting with "Don't delay your baby-boomer downsizing while you wait for the real estate market to come back." It's not going to "come back" anytime soon. In most cases you'll be downsizing into an area where prices have been much

only way to know whether a formula clause in your document still makes sense it to check with your estate planning lawyer."

5) And my two cents, since it is Lynn Ballou's Top Five! It's never too early and it's never too late to start planning! We are still doing active planning with our wonderful 97 years "young" client (you can read about her in my December Blog at www.ballouplum.com) and we set up 529 plans for newborns routinely. If you've gleaned nothing else from my columns, get help, get started --- you'll see the benefits now and for years to come!

I hope these remarkable women have inspired you to action! Reach out to them if they can be of help. I'm looking forward to expanding on their thoughts next year in future columns. Happy Holidays!

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