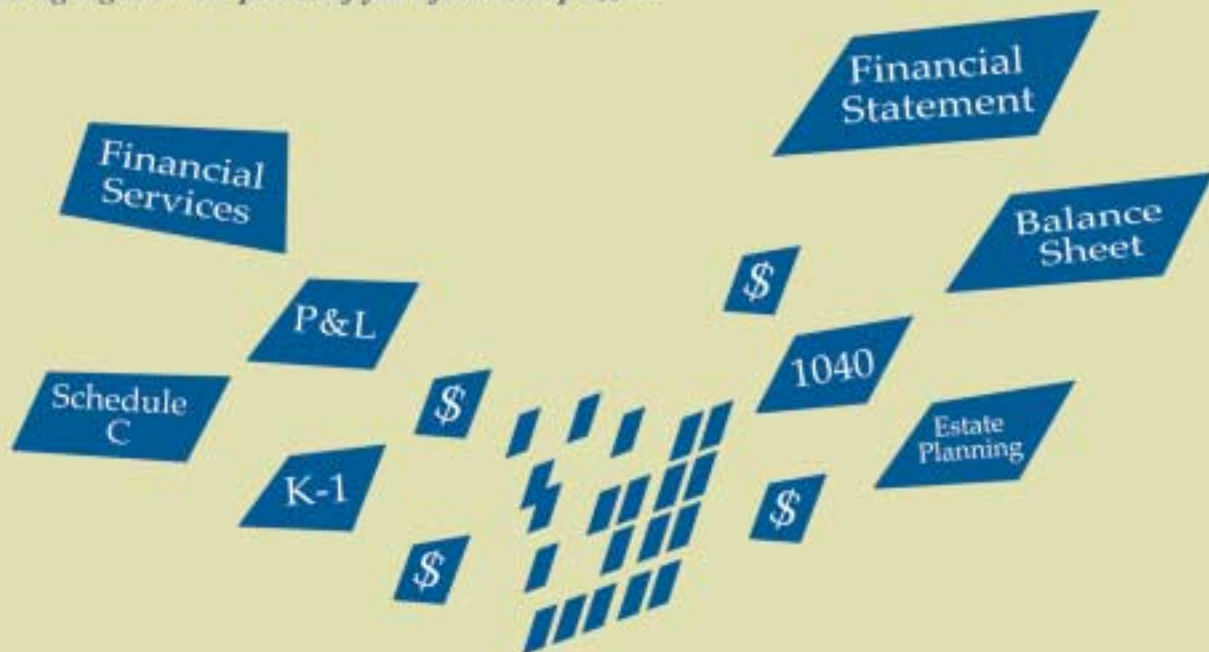


*Putting together the pieces of your financial puzzle.*



# *Scott & Cronin's* *News You Can Use*

## **The Just For Fun... No News Edition**



*"It's called 1040 because your accountant gets 10% of your income and the IRS gets 40%."*

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**Larry Scott**  
*Managing Partner*



# Summer is here...Finally!

Although May gray and June gloom clung to the ridges and passes through July, the weather turned and it finally feels like summer...in Miami! What is it with this humidity? Sunny or not... sticky or not... we are pleased to once again reach out to our clients and friends and talk about what's going on at our firm. You probably recall, our January newsletter reflects the more serious side of our work, new tax laws, tax season reminders and changes in our industry. We try to balance out the serious with the not so serious in the summer edition of "News You Can Use". In this, just for fun/no news issue, you can look forward to reading personal quips from Dennis and me as well as other members of the firm, just to show you we're not serious all the time. Or, as one of our clients commented, we're serious about our fun.

Before I close, I would like to thank those of you who sent cards and emails wishing me a happy birthday. It amazes me how many people ask if retirement is in my future now that I've hit the big 60. My response is always the same, why would I retire now; I finally reached the sweet spot. I have wonderful clients, a great supportive staff, and I still love the work. For better or worse everyone will have to put up with me a while longer. So for all of you cynics out there, I have put together a Top 10 (unfortunately I could only remember 5) list of: Signs Larry Is About To Retire.

### ***The Top 5 Signs Larry Is About To Retire:***

- #5. My stepson Jake graduates from college. He's 12.
- #4. My daughter Shelley pays off her student loans.
- #3. My son Brian breaks 90 golfing. Golf courses with windmills don't count.
- #2. My sister Sheila performs a duet with Sting. He should be so lucky.

**And the #1 Sign Larry Is About To Retire...** When My Dad RETIRES! He's 92 and still goes to the office 2 days a week.

Enjoy the issue-  
 Larry

# Tax Update

Jodi Hart volunteered to provide the Tax and Audit update. After completing her due diligence, she determined the tax code continues to change, more than necessary as Congress loves to tinker. Foolishly they never ask someone's opinion that actually has to work with what they legislate! Jodi thought you might get more enjoyment out of reading what some historical figures had to say about taxes.

"When there is an income tax, the just man will pay more and the unjust less on the same amount of income."

**Plato** (427 BC - 347 BC), *The Republic*

"The hardest thing in the world to understand is the income tax."

**Albert Einstein** (1879 - 1955)

"He who builds a better mousetrap these days runs into material shortages, patent-infringement suits, work stoppages, collusive bidding, discount discrimination--and taxes."

**H. E. Martz**

"Unquestionably, there is progress. The average American now pays out twice as much in taxes as he formerly got in wages."

**H. L. Mencken** (1880 - 1956)

"Income tax returns are the most imaginative fiction being written today."

**Herman Wouk** (1915 - )

"The avoidance of taxes is the only intellectual pursuit that carries any reward."

**John Maynard Keynes** (1883 - 1946)

"The income tax has made more liars out of the American people than golf has."

**Will Rogers** (1879 - 1935), *Illiterate Digest* (1924), "Helping the Girls with their Income Taxes"



*"The good news is your books were out of balance by 57 cents, but 6 of my best CPAs tracked down the mistake!"*



**Jodi Hart**  
Tax & Accounting

# AROUND THE OFFICE

## Big Birthday Surprise by Larry Scott

My wife was debating whether to give me a surprise 60th birthday party or a surprise birthday trip to one of our favorite cities, Paris. Thankfully she made the right choice and took me to Paris. What a wonderful wife I have.

The surprise was made all the better when I learned our good friends Chris and Tara Frederiksen were joining us for a day of touring the city and a night out on the town. Not only did they join us, Chris treated us to dinner and a show to pay off an eighteen year old bet! Can you believe he managed to postpone paying off a bet for that long?

*Flashback to 1987...*Chris and I were both unmarried CPAs (frightening thought, two CPAs hanging out at night). During one of my frequent trips to Mill Valley visiting Chris and after several glasses of wine, I created and proposed the "Lucky Guy" bet which was based on who would get married first. The guy that got married first was the "Lucky Guy" and had to pay off. The bet has escalators based on years before someone got married, the more years that passed without one of us getting married, the greater the pay off.

On December 28, 1989 Chris married Tara and became the "Lucky Guy" (and he is still a lucky guy). He has joked he couldn't afford to go another year unmarried because the bet pay off would be too great! At that moment the pay off was dinner and a show for the "Unlucky Guy" aka me and Tammy in the city of my choice.



*Fast-forward to Paris and my birthday surprise...*Chris went all out, didn't hold back one bit and the four of us rang in my 60th birthday and settled the "Lucky Guy" bet in style. Great friends and great memories!

## Post...Post Tax Season Get Away<sup>by</sup> Seth Gibeaut

Most clients expect their CPAs to be away on a post tax season vacation the months of May and June. My idea of a post tax season excursion is not after the April 15th deadline, but after October 15th. Three years ago I took a month long trip to Thailand and this last November I flew off to China for a 30-day adventure. Imagine the looks I got, a 6' Westerner towering over people at every stop, unable to speak the most rudimentary of Chinese phrases. I was traveling in a land of rich cultural heritage, wide sweeping historical significance, and amazing sights to be seen.

China certainly has some of the most amazing monuments known, possibly even unknown, to the world, the Terracotta Soldiers, about 10,000 life -sized ceramic clay figurines, considered by some to be the "8th wonder of the world," were only discovered in 1974. China may have lost these archaeological treasures over the last 2,000 years, but they certainly never lost their ability to make wonderful food-- food that is both cheap and readily available on the streets. Street vendors all over the country sell everything from dumplings and noodles to roasted sweet potatoes and green tea soaked eggs. While some suggest avoiding food from street vendors for health reasons, there is no turning back after tasting it. I ate at nice restaurants, hole-in-the-wall restaurants and from street vendors, and left China salivating for more street food.

The most memorable of the street delicacies came from Beijing. In the midst of a market full of street-vending stalls, a single stall caught my eye. The food was recognizable, and I knew at once that I had to try it. Since my trip to Thailand I had been kicking myself for avoiding similar food. The stall I was looking at had bugs for sale, including grasshoppers, spiders, beetles, cockroaches, and silkworms. They pan-fried my silkworms with salt and chili flakes. And for about half a dollar, not just one, but five humongous silkworms all found the pit of my stomach. With their hard and chewy outside shells filled with cold mush on the inside, I can only describe it as a salted candy wrapper filled with sludge. But I had shown my mettle, experienced a part of Asian lore, and joined an exclusive group. I had done it by finding a reserve of will power that allowed me to keep chewing as my brain screamed at me to stop. I had succeeded in China where I had failed in Thailand.

In an effort to brag to my friends about the amazing feat I had accomplished, I had people over for a party. Among the various types of recreated street food I prepared, were silkworms. In my effort to recreate my silkworm experience, I offered everybody a chance to join the bug-eating club. Surely, I thought, no one has the drive or will power to join me in the club? That night, the club added about 30 new members, apparently it's not as tough as I thought.



# AROUND THE OFFICE

## Crawfish Boil at the Boulevard by Dennis Cronin

Once again, a couple of us at S&C could not resist the challenge of pulling off another Crawfish party. The planning process for the party starts in February and each year takes on a life of its own. We all need a little distraction from the rigors of tax season and this event seems to be something that has caught on. This year's boil was held at the BLVD in San Marcos again, on Saturday April 21st which just so happens to be the ideal time for the crawfish harvest.

Family and friends joined us for some good old New Orleans food, music and fun. Roughly 80 guests enjoyed 260 lbs. of crawfish, jambalaya and music by the Brutals featuring yours truly on guitar. Our goal is to make it as authentic as possible for those in attendance.

## Tax Season Tailgate by Jason Brustkern

In today's society, people yearn for socialization and the parking lot provides the perfect place for all individuals to put their differences aside and come together. It's in that nature and as the self-proclaimed Scott & Cronin's Commissioner of Tailgating that I host the annual Last Saturday of Tax Season Tailgate.

This tailgate provides an opportunity for the Tax and Accounting Department to unwind in the final week of the tax deadline. With the use of Dennis' truck, the Scott & Cronin parking lot transforms into a good old fashion Midwestern Tailgate complete with burgers and hot dogs (nothing soy or "veggie" touches my grill) a variety of chips, dip and plenty of pop...or soda for all you locals.

## Tracy McGraw, Office Manager Becomes Actress by Tracy McGraw

I continue to stay involved with the horse show circuit as a contestant, show official and Director with The Southern California Peruvian Paso Horse Club. These interests have recently afforded me the opportunity to appear in several television shows, shot in the hills of Ramona, at Hacienda De Las Rosas, a Peruvian horse ranch and winery. The latest production, a local outdoor cooking show, called "Grilldog Presents", introduced the ranch's wines and Peruvian Paso horses, including my show mare.

## Along the Peaceful Hill Path *The Portal* by Lori Le Jacobs

I enjoy working with the people at Scott & Cronin - they are a hard working bunch, all but living at their desks during the busy tax and political seasons. And then, they are a fun and hard playing group as well, each off to pursue their passions and a bit of travel. I benefit too: a tale from China, a bit of Spain, a New Orleans update, a glimpse of Paris.

But then, some journeys don't require leaving home. The old pine tree in the accompanying photo is my Sentinel; I view the valley beyond, and often the moon and stars from our spa, through his branches. The Sentinel and our other pines and oaks have a wonderful energy, and impart a sense of peace and connection to the hill. When I first viewed the property fourteen years ago, the name carved over the door read "La Loma de Paz," and it truly is our Peaceful Hill ranch.

It is like a portal to the universe for me: here, I watch the hawks depart the pines and ride the warm thermals, and I feel outstretched wings and breeze through feathers - as if it were me. I see the hummers moving through the salvia and lavender, and I feel my heart race and I taste the nectar - as if it were me. I envy the lizard his time to sun and linger on the rocks among the succulents, and feel his alarm at the approach of the cat - as if it were me. I am the bees grooming my garden, the spiders hanging about the trees, the moles that I chase...the hopeful dew on overcast mornings, the parched sumac and manzanita enduring the summer sun, the expansive shock of blue sky embracing it all on these lovely summer mornings.

One recent day as I hustled about doing chores, a shadow crossed the path in front of me. Looking up, I expected to see a hawk or turkey vulture. Instead, an elegant white great egret soared above, intently stretched out to her task. The next moment, it was as if she had collected me, and we began our ascent over the valley, the hills, up toward the sky through wispy clouds: the earth dropped away and we traveled on into the vast stillness beyond.

Together on our journey, we witness the perfection of all that is, as it is. We are the minute and the vast and all that exists between. We return to our world, circle the Sentinel and drop down onto the gravel path, and we know that our center of gravity has shifted and that we will never look at things quite the same way.

So, what did I do this summer? Well, I guess I visited the Universe. And, if I can be one with a bird, I can live with more care and compassion for each person and creature on our planet: I act toward each as if it mattered, as if it were me.



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## Who's In The News Now



***Our friend and favorite banker, Sharon Hazen-Trapolino*** was a good sport recently at the Make a Wish Foundation-Pie in Your Face Fundraiser. The manager of San Diego National Bank Golden Triangle, Sharon donated her time and face for this popular event. Scott & Cronin purchased a pie and our own Jason Brustkern landed a perfect hit.

***Welcome to the world!*** On February 27th, Larry Scott was on hand to congratulate daughter Shelley, and son-in-law Jon, on the birth of their first child (and his third grandchild), Jonah Scott Wright. Born 8 lbs, 21 inches, Jonah is a happy, healthy boy and a constant delight for his parents and grandparents. Jonah has recently become intrigued by eating his toes; Larry hopes soon he'll prefer counting them.



***Thank You Thank You to Kelly Capital!*** One of the firm's clients generously offered their box at Petco Park for a Scott & Cronin social. Members of the firm and their guests got together to watch the Padres pummel the Chicago Cubs. Thank You Kelly Capital!



***Congratulations Jodi Hart!*** A recent addition to the Scott & Cronin team, Jodi was engaged to Anthony Anselmo on April 28, 2007. Jodi & Tony ended their engagement day with a hot air balloon ride over beautiful San Diego. The wedding will take place in the summer of 2008 in Sturbridge, MA.