

# InThe Loop

Your magazine of personal finance

July–August | 2020



## Retirement planning by the numbers

DIY soaps and sanitizers | A preparedness plan to protect your future  
Ditch delinquent payments | Simple home decor upgrades | Pet trivia challenge

## Preparing for the future...

No one could have predicted that at the beginning of 2020 we would be living a new normal. Yet here we are, deep into summer and still transitioning the best we can to adapt to present realities.

Our firm is here to help you make the most of the summer and the remaining months of the year. We are all aware of how important it is to prepare for the future and to make sure that you have a solid contingency plan in place for your personal life and your business. We offer tips in this issue to help make sure your plans are sound.

If you owe taxes this year but find you cannot pay your tax bill due to the recent economic downturn, let us help you put a plan in place to avoid penalties that come with a late payment. With the tax payment deadline pushed back to July this year, you have time. But first, start with the advice offered in this issue.

On the lighter side, summer is a great time to refresh your home. Take on a few light projects and start by clearing out items you no longer need. Then check out our ideas in this issue to further refresh your homestead.

Have a happy and healthy summer!

*Your Trusted Advisors*

**Our firm is here to help you make the most of the summer and the remaining months of the year.**

# contents

July–August | 2020

## Features

### 4 | Retirement planning by the numbers

Tips and tactics for ensuring your financial security at retirement time.

### 6 | DIY soaps and sanitizers

With a few supplies and a little bit of time, you can make your own stock of soaps and sanitizers to have on hand. Here's how to do it.

### 8 | A preparedness plan to protect your future

If there's anything that the last several months have taught us, it's that having a preparedness plan in place is critically important. Here are some tips to help you get started.

### 10 | Ditch delinquent payments

Help is here to eliminate tardy payments and any penalties that come along with them.

## Departments

### 2 | From the firm: Preparing for the future

We are here to help you look ahead, adapt to new realities and keep moving successfully forward.

### 12 | Life and living: Simple home decor upgrades...

A major renovation isn't necessary to refresh your living space. Just start with a few small projects.

### 14 | Mind flex: Pet trivia challenge...

How much do you really know about your favorite animal friends? Take this quiz to find out.



# Retirement planning by the numbers...

Saving for retirement requires a good deal of preparation—more so than just about any other area of life. Many people find this to be an overwhelming task, wondering how much to save, when to start and what's a good spending-to-saving balance.



Developing a retirement savings strategy shouldn't be difficult. Typically, the hardest part is getting started! The easiest place to begin is to visualize the kind of retirement you want. Then, choose the date that you want to start living your retirement dream. Selecting a date to retire is key because any pension and Social Security distributions will vary depending on your retirement start date—and healthcare costs will depend on whether you qualify for Medicare. You'll also need to know how many years you have to save in order to meet your goals. To get you started, we offer the following retirement planning tips and tactics for your age group. This will better help you identify where you fall in terms of setting realistic savings goals as you move toward your "golden years."

### In your 20s

Save approximately 8 to 12 percent of your salary. Prioritize 401k contributions to reduce your taxable income. In addition, Roth IRAs can be used to diversify investments.

### In your 30s

Avoid increasing your cost of living as your salary increases, and don't dip into your 401k to buy a home. Aim to hit the maximum contribution in your retirement accounts each year.

### In your 40s

Always pay yourself first by continuing to aggressively fund your retirement accounts, even if it means you contribute less to college savings or your kids have to take out a student loan. Continue to be prudent about paring back expenses when you can.

### In your 50s

Now is the time to really decrease your expenses and make paying off your mortgage a priority. You likely have enough "stuff," so use any extra funds to shore up your retirement savings by taking advantage of the IRA "catch-up contribution."

### In your 60s

If you haven't already, begin estate planning and do everything you can to avoid using your Social Security benefits before age 70 (doing so will significantly increase your benefits). Now is also the time to look at your budget and run a cash flow projection to see how long your current assets will last.

---

No matter what stage of life you are in, planning and preparing for retirement is always a wise strategy. Your future retired self will certainly thank you for it! If you need assistance with your retirement strategy, please contact our firm. ■

## What should you be doing for retirement?



# DIY soaps and sanitizers

In many parts of the country, commercial brand soap and hand sanitizer were in short supply this spring. If you've worried about running out of these staples, you no longer need to. With a few supplies and a small time investment, you can make your own. Here's how to do it:

## Liquid soap recipe

Making liquid soap from an existing bar of soap takes significantly less time (about 10 minutes), tools and ingredients than it does to make from scratch. Here's our easy recipe:



## Supplies

- 4-ounce bar of soap (scented or unscented, any brand)
- Knife, cheese grater, potato peeler or food processor
- Water (distilled water is optional)
- Essential oils (optional)
- Soap coloring (optional)
- Saucepan or pot
- Empty non-food soap dispensers/bottles

## Preparation

- Take the bar of soap and grate or finely chop it up by hand or food processor to make soap flakes.
- For one bar of soap flakes, boil a half gallon (64 fluid ounces or eight cups) of water (filtered if possible). Put the grated or chopped soap into a large bowl that will be used for making the mixture.
- Bring water to a boil.
- Turn off the heat, pour the boiling water into the bowl of soap flakes and stir to melt using a whisk or a large spoon.

- Keep stirring to combine. At this point, the mixture will have a thin consistency. Allow the mixture to cool for at least 15 minutes. Then, stir it again. The mixture should be slightly thicker now.
- Let the soap rest by covering the bowl. Allow to cool for 12 to 24 hours.
- After the soap has rested, stir to check for consistency. The goal is to have a bowl of congealed soap. If the mixture seems too thin, reheat it and add more soap flakes. If the mixture seems too thick, reheat it and add a bit more water.

### **Finish your soap**

- Before pouring your soap into dispensers, you can make its consistency super smooth by running it through a blender or using an immersion blender.
- Once you have the desired consistency for your liquid soap, add a few drops of essential oil and/or coloring, if desired.
- For foaming hand soap, put your liquid mixture into a special foaming soap dispenser, which you can buy at a craft or household goods store.

This soap stores well, so you'll be good to go for several weeks of handwashing action.

## **Hand sanitizer recipe**

Washing your hands with soap and water is the preferred way to stop the spread of germs and viruses, but hand sanitizer is a good alternative. Making your own hand sanitizer is simple. However, you do need to make sure that the tools you use for mixing are properly sanitized to prevent contamination. The World Health Organization recommends letting your homemade sanitizer

"sit" for a minimum of 72 hours after it is made in order to kill any bacteria that might have been introduced during the mixing process.

Here are two recipes for homemade hand sanitizer, depending on whether you want to use things you already have on hand or shop for extra ingredients. The Centers for Disease Control and Prevention advises that any hand sanitizer must be at least 60 percent alcohol to be effective.

### ***Ingredients and preparation for "under-the-sink" sanitizer gel***

- Isopropyl alcohol
- Aloe vera gel
- Tea tree oil or essential oils

Mix 3 parts isopropyl alcohol to 1 part aloe vera gel. Add a few drops of tea tree oil or other essential oil. Place the mixture in an empty cosmetics-safe (new) lotion container or pump container.

### ***Ingredients and preparation for "extra-ingredients" hand sanitizer spray***

- Isopropyl alcohol
- Glycerol or glycerin
- Hydrogen peroxide
- Distilled water

Mix ingredients together and follow the "sitting" instructions above. You can add a splash of essential oil for fragrance if desired. After the spray solution has time to sit for 72 hours, put it into spray bottles. You can use it on your hands or you can also spray it on a paper towel to use it as a disinfecting wipe.

---

These recipes are not only cost-effective but also fun to make. Experiment with colors and scents to create your very own line of custom cleansers! ■

# A preparedness plan to protect your future



If there's anything that the last several months have taught us, it's that having a preparedness plan in place is critically important when it comes to protecting the future of your family and your business.

---

While no one could have predicted exactly how COVID-19 would impact our country, it is proving out that having a preparedness plan in place will give you a head start on recovery in the face of a future disaster. While your experience of shifting operations for COVID-19 is fresh, create or update a preparedness plan for your business using the strategies below as a starting point.

### **Employee protection measures**

- Identify an internal shelter in the event that authorities tell you to "shelter in place."
- Make a list of all necessary protective and safety equipment needed, and create a central storage site for these items along with instructions on how to use them.
- Document each employee's function and emergency contact information.
- Create a phone tree and designate individuals who will initiate the communication process.
- Establish a single spokesperson to speak to the media and the public in times of crisis.

### **Customer relations strategies**

- Prepare for a situation where customers will be present and/or impacted if a disaster strikes.
- Keep your customer records in the cloud.

- Have an alternate worksite where you can communicate with customers.
- Maintain a contact list of all your suppliers, and find out how they plan to continue to provide supplies for you if they also experience a disaster.
- Maintain a list of alternate suppliers in order to make substitutions if possible.

### **Operational preparedness**

- Document critical business processes, from answering phones to tracking finances and distributing your product or service.
- Design and implement a remote work infrastructure or alternative location in order to continue operations when necessary.
- Keep all of your essential documents in the cloud so that they can be accessed 24/7 from anywhere.
- Create and keep current a list of all your business inventory, equipment and supplies for insurance purposes.

---

Take the lessons learned from the recent health and economic crisis to better prepare your business for the future. ■

# Ditch delinquent payments

The past few months have been tough—and if you haven't been able to keep up with your monthly payments, it's understandable. However, it is essential to start taking steps right now to eliminate tardy payments and any penalties that come along with them.



## ■ Know the consequences of delinquent payments

If you don't make payments on time, you will likely be charged late fees. On top of this, your interest rate may go up and your credit score may be negatively affected. Additionally, if you are delinquent paying for utilities or other services, you may lose access to them. In reference to late tax payments, you may also be subject to late fees, interest charges and other possible penalties.

## ■ Avoid late credit card and other payments

### Put autopay into place

Autopay is enabled when you authorize your credit card issuer or other creditor to automatically charge payments to your card or deduct payments from your checking account on a certain date. If you opt to do this, be sure to pay the full amount each month to avoid paying interest.

### Check your bank balance

Whichever payment option you choose, remember to have enough funds in your bank account. Otherwise, you could incur additional fees such as an overdraft fee and/or a late fee if there are insufficient funds in your account.

### Prioritize payments

If you have to choose which payments to make, go with the highest interest bill first—keeping in mind that you should pay for all utilities and “essentials” first. Delinquent credit card payments often lead to a late payment fee and will likely affect your credit scores. Late payments can stay on your credit reports for up to seven years. Keep all of this in mind when prioritizing payments.

## Set payment reminders

Relying on your memory to make on-time payments is not a good strategy. Try setting up digital calendar reminders on your phone and signing up for online, text or email alerts.

## Pay more frequently

Most payment cycles run on a monthly basis, which can cause cash flow issues. To help you stay on budget and pay your bills on time, consider making weekly payments to help with cash flow and avoid any late payments or additional late fees. You may be inclined to spend less when you make weekly payments and are regularly monitoring your cash flow.

## ■ Handling delinquent tax payments

Making your tax payment late comes with steeper penalties than regular household bills. However, the IRS will work with you on a payment plan if you cannot pay your taxes in full by the due date. It's best to be upfront about your situation, proactive in how you negotiate and try to make up late payments as quickly as you can.

### Common options for paying taxes owed

- An installment agreement where you pay the amount due over a period of time.
- An offer in compromise, which allows you to pay a lump sum in an amount that is less than the amount actually owed.
- A temporary delay in collection, which allows you to request that the IRS temporarily delay collection until your financial situation improves.

Late payments cost you money across the board...not to mention stress. Follow a few of our tips above to avoid being delinquent. And, of course, our firm is here to help, so be sure to reach out if you have questions or need assistance. ■

A woman with red hair tied back, wearing a blue and white plaid shirt and blue jeans, is painting a wall. She is using a roller to apply green paint to the left side of the wall and a brush to apply orange paint to the right side. The wall is mostly off-white. In the bottom right corner, there are several paint buckets and a yellow table.

# Simple home decor upgrades

Need to freshen up your space this summer? There's no need to spend a bundle. Try a few of the following affordable and attractive design ideas to update your home.

---

### **Liven up your living room**

- Install a large-scale print or painting to make your living room wall an artful display, or change the focal point of your living room by painting one wall in a bold hue.
- Hang a few floating shelves and use the vertical or horizontal storage space to display pictures or meaningful mementoes.
- Put a bar or tea cart in a corner of your living room to add an interesting and functional place to store beverages or tea cups (depending on your taste).

### **In the office**

- Organize your book collection by color. This is a simple way to make a statement.
- Warm up a drab and functional space with a multicolored area rug or a unique throw blanket over the back of your desk chair.
- Put up a large magnetic board and fill it with quotes and pictures for a personal touch.

### **Kick up your kitchen decor**

- Transform a cramped corner into a dramatic dining nook by painting the walls in a vibrant hue.
- Add some greenery, potted flowers or an herb garden to your window sill or group plants on a tiered storage cart for a cheerful addition.
- Have a little extra time? Try painting your cupboards a color that brings you joy and complements your overall color scheme.

### **Beautify your bedroom**

- Instead of a headboard, use an eye-catching work of art or wall hanging to create the illusion of a headboard (without actually having to buy one).
- Open up a small bedroom by leaning an oversized mirror against the wall to create the illusion of more space.
- Don't want to actually put the effort into painting your bedroom? Brighten it with colorful pillows, picture frames, rugs and linens.

### **Give your bathroom a mini makeover**

- The ceiling of a room is known as the "fifth wall" to many design experts. Try adding a coat of paint to your bathroom ceiling to give the space a whole new vibe.
- Change the knobs on cabinetry or upgrade sink faucets to freshen things up.
- Try a luxurious light in the "throne" room. Why not install a chandelier or add some fancy vanity lighting around the mirror?

---

These are just a few ideas to get you started.

The takeaway here is that a major renovation isn't necessary to refresh your living space. Start with a few small projects in one or two rooms—which might inspire you to take on a larger home decor transformation in the future! ■

# Pet trivia challenge

Pets make our time at home more enjoyable and are true companions—providing comfort and love. How much do you know about your favorite animal friends? Take this quiz to find out.



**1 Humans have five million olfactory receptors (sense of smell) in our noses. How many do dogs have?**

- a) 1.2 million
- b) 12 million
- c) 120 million
- d) 220 million

**2 A term for a group of cats is?**

- a) Caggle
- b) Covey
- c) Clutch
- d) Clowder

**3 A litter of kittens rehomed by Blue Cross were named Amy, Penny, Bernadette and Sheldon after characters from which TV series?**

**4 The fastest horse on record was clocked running at what speed?**

- a) 24 mph
- b) 34 mph
- c) 44 mph
- d) 54 mph

**5 What was the name of Bill Sikes' dog in Oliver Twist?**

**6 What is a female donkey called?**

**7 What is the term used to describe when a cat rubs the side of her head on you or on furniture?**

- a) Tagging
- b) Beaning
- c) Bunting

**8 A Finnish spitz is what type of animal?**

- a) Dog
- b) Horse
- c) Cat

**9 A cat has how many whiskers, on average?**

- a) 8
- b) 12
- c) 16
- d) 24

**10 Kaninhoppning is an agility competition from Sweden, featuring which animal?**

- a) Horse
- b) Rabbit
- c) Dog
- d) Guinea Pig

**11 Which of the following is NOT a breed of goldfish?**

- a) Shubunkin
- b) Comet
- c) Samoyed
- d) Veiltail

**12 Dachshund, a German dog breed, translates as what in English?**

- a) Killer wolf
- b) Badger dog
- c) Loud hound
- d) Long dog

**13 An Egyptian Mau is what kind of animal?**

- a) Cat
- b) Dog
- c) Rabbit

**14 How many teeth do adult dogs have?**

- a) 24
- b) 32
- c) 38
- d) 42

---

### Answers

1. d) 220 million 2. d) Clowder 3. Big Bang Theory 4. c) 44 mph 5. Bull's Eye 6. Ajenny 7. c) Bunting 8. a) Dog 9. d) 24 10. b) Rabbit 11. c) Samoyed 12. b) Badger dog 13. a) Cat 14. d) 42



# Reach new heights

When it comes to your financial strategies and well-being, you can count on us to help your business reach new heights. From your monthly financial management, to your tax strategies and planning, we have the knowledge and commitment to keep you growing safe and sound.

**Turn to us as your trusted advisor.**