

THE RETIREMENT FINGERPRINT®

SEPTEMBER/OCTOBER 2020

NEWS YOU CAN USE

How to Keep the Post Office Alive

The United States Postal Service (USPS) is likely in big financial trouble. As legislators debate how to address the problem, it is important to note that the USPS is funded by sales of postage, products and services — not taxes.

As the only entity with the resources, network and logistical capability to regularly deliver to every address in the U.S., the entity is responsible for conveying almost half (48%) of the world's mail.¹

Up until the recession in 2007, the postal service thrived. Despite economic decline and our gradual shift to electronic communications, the organization was still viable until COVID-19, when business marketing halted precipitously.

With the USPS in dire straits, many in Washington believe it's time to privatize the service. Such a move would likely lead to fewer delivery days, slower service and mass branch closings. Rural counties, where mail service is a lifeline to homes and small businesses, would feel the greatest effects.

The U.S. would not be the only country to take this route. Germany, Great Britain, Austria and Italy all sell shares in their national postal companies. In the coming year, legislators will decide whether to supplement the nation's oldest and most venerable service, or empower investors to shape its fate.

¹ USPS. 2020. "Top 13 things you should know about the US Postal Service." <https://facts.usps.com/top-facts/>. Accessed June 4, 2020.

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THAT TIME OF YEAR

Build a Backyard Fire Pit

If you've always wanted a backyard fire pit to enjoy when the temperatures begin to drop, here are some instructions to build one yourself.

For a pit measuring about 3 to 4 feet in diameter, determine a location in your yard that is a safe distance away from any structures and low-hanging trees. Use trapezoidal blocks for a circular ring because their edges fit better with no gaps.

To start, drive a stake at the center of your location. Tie a string to the stake and extend it to draw a perfect circle around the stake with marking paint. Lay out the first layer of blocks slightly outside the circle,

then mark that perimeter with a shovel and remove the blocks. Dig out the dirt to about 7 inches depth inside the perimeter; and pack the dirt solidly on the side walls with a hand tamper.

Pour crushed gravel paver base into the hole to create a 5-inch thick level base. Drench the gravel with a hose and tamp it into a compact layer 2 inches below the surface. Next, place trapezoidal blocks around the perimeter of the hole, pushing them together so they are touching. Use a level (and tamp, if necessary) to maintain a consistent height. Then, temporarily assemble the second level of blocks by staggering the joints between rows.

Once the second row is laid out, test-fit the fire pit bowl to ensure the lip rests fully on the edge; adjust blocks as necessary. Remove the bowl and then add beads of construction adhesive to the bottom layer to bond blocks in place. Uses three or four rows of blocks. Repeat the test-fit procedure for each level before securing with adhesive. After the final layer, set the fire pit bowl on the top.

Give the adhesive time to dry and then enjoy your cozy backyard fire pit.¹

¹ Home Depot. 2020. "How to Build a Fire Pit." <https://www.homedepot.com/c/ah/how-to-build-a-fire-pit/9ba683603be9fa5395fab909c7f8239>. Accessed June 1, 2020.

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THE GOOD LIFE

10 Ways To Enjoy Autumn

Sometimes it seems like the years just slip away and we forget to enjoy individual seasons. Make a point to get out and enjoy all that the crisp autumn season has to offer this year. Consider these ideas:

1. Break out your camera and take lots of photographs this fall, particularly when you indulge in the following activities.
2. Go on an end-of-season picnic to soak in the mild Fall temperatures.
3. Take a fall foliage drive, or even vacation to one of the best places in the country for breathtaking views, like Maine's Coastal Route 1, the Blue Ridge Parkway, the Teton Scenic Byway in Idaho or Rocky Mountain National Park in Colorado.
4. Take your grandkids camping, even if it's just in the yard, where you can cuddle up under blankets and gaze at the stars.

5. Book a cabin at a nearby state park. Do some hiking, cooking out on an open grill and spend some time getting back to nature.
6. Visit an apple orchard to handpick fruit and take some home for baking a favorite recipe.
7. Build an outdoor firepit, set up lawn chairs and invite your neighbors over for apple cider and a good old-fashioned fireside chat. Don't forget the marshmallows!
8. Go pumpkin crazy. Purchase the professional tools and challenge yourself to make creative designs. Use the leftovers to roast seeds, or make pumpkin pie, bread or spiced tea.
9. Make a fall wreath using supplies from your own backyard.
10. Check out a local Oktoberfest festival for Bavarian-style food, drink and dancing.

HOW TO ...



Manage "Lifestyle Inflation"

Lifestyle inflation refers to our tendency to boost household spending as our income increases. Here are some ways to keep that spending impulse in check.¹

- Whenever you get a pay raise, calculate your new tax liability and increases in automatic retirement plan contributions to determine your net take-home pay.
- Consider the true costs of "upsizing" your lifestyle. For example, a larger house typically means higher taxes, utilities, cleaning and upkeep, yard maintenance, homeowner's insurance, etc.
- At some point, your income will meet basic needs (e.g., car, home, clothes, furnishings); at that point, be sure you're not buying things simply because you can afford them.
- Develop a bucket list early in life; that way, you'll be more cautious in miscellaneous spending and prioritize completing list items while you're still young.

¹Will Kenton. Investopedia. Feb. 26, 2020. "Lifestyle Inflation." <https://www.investopedia.com/terms/l/lifestyle-inflation.asp>. Accessed June 8, 2020.

Retiring Soon? Here are 3 Tactics to Help Recover From Recent Volatility

It may not feel like it, but if you lost a significant portion of your nest egg due to market volatility this year, you're still in better financial shape than most. Nearly half of Americans age 55 and older didn't have any retirement savings stashed away to begin with.¹

While Social Security benefits may be the backbone of the U.S. retirement system, they are not enough to fully cover retirement expenses for most people.

Any time your portfolio suffers from a series of poor returns right around retirement age, it can irrevocably reduce principal. This means you could run out of money long before your retirement ends.

If you are approaching retirement, you need a plan. Your options may boil down to three tactics:

- Delay retirement or at least continue to work part time
- Reduce your expenses to align with the assets you still have
- Assume higher risks for potentially greater investment returns in the near future

Tactic #1: Delay Retirement

If you can manage to work a year or two longer than you planned, this can accomplish three goals. First, it allows your portfolio time to recover some of your losses. Second, while you're earning money, you can afford to keep contributing to your retirement savings. And third, each year you delay taking



Social Security (up to age 70), your benefit will increase.

If you really want to retire from your current job, consider picking up some other type of part-time work to supplement either Social Security or your portfolio — giving at least one of them the chance to accrue and replace that job income down the road.

Tactic #2: Reduce Expenses

Choosing between tactics one and two requires careful consideration. No matter how much you may want to retire, you might rather sustain your current lifestyle in retirement. People who don't have much in retirement savings may have to deploy both strategies. The good news is that reducing expenses now can create a sustainable low budget throughout retirement. Consider downsizing to a smaller home. This will reduce expenses, such as utilities, maintenance and property taxes. You may also be able to redeploy equity from the sale of your home to generate a reliable

retirement income stream, potentially replacing any recent market losses.

Tactic #3: Increase Your Risk

The third option is the most precarious and not generally recommended for people in or close to retirement. However, if you want to give your assets sustained market exposure, consider an index-linked annuity. This type of contract pays out a minimum insurer-guaranteed income with the potential for increases based on the performance of a specific market index.

At this point, a key strategy for your retirement plan is to create multiple streams of retirement income to help protect you from the future threat of market losses, changes in Social Security or even another pandemic.

¹ Nadine El-Bawab. CNBC. April 5, 2019. "These people are on the verge of retiring — and they have nothing saved." <https://www.cnbc.com/2019/04/05/these-people-are-on-the-verge-of-retiring-and-they-have-nothing-saved.html> Accessed June 29, 2020.

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THE SCOOP

Pollution and the Pandemic

At least one positive thing emerged from coronavirus lockdowns: A worldwide decline in carbon emissions. Satellite imagery revealed that roads less traveled and skies less flown yielded a remarkable reduction in air pollution. In China alone, carbon emissions dropped by 25% in just a four-week period.¹

What's interesting is the correlation between the coronavirus and long-term exposure to air pollution. In general, air pollution is responsible for nearly 40% of global lower-respiratory tract infections and chronic obstructive pulmonary diseases.² Also, people who suffer from respiratory illnesses have a harder time recovering from COVID-19. Thus, better air quality would aid these conditions.

Unfortunately, the pandemic's environmental gains are short term. Quarantining people and halting economic activity are not exactly a sustainable solution. How governments respond moving forward remains critical, and regulations may even be eased to help jumpstart economies.

The pandemic demonstrated that environmental damage can be reversed substantially and quickly through a significant decline in emissions. The challenge now is to find ways to do that without sacrificing economic growth.

¹ Luke Denne. NBC News. April 7, 2020. "Coronavirus lockdowns have sent pollution plummeting. Environmentalists worry about what comes next." <https://www.nbcnews.com/science/environment/coronavirus-lockdowns-have-sent-pollution-plummeting-environmentalists-worry-about-what-comes-next-ncna1178326>. Accessed June 8, 2019.



² Sarah Vogel. Environmental Defense Fund. April 7, 2020. "The truth about coronavirus, air pollution and our health." <https://www.edf.org/blog/2020/04/07/truth-about-coronavirus-air-pollution-and-our-health>. Accessed June 8, 2019.

BRAIN GAMES

4				8				
5		4			8			3
1				7			4	
	3	8	5					
	4							
						2		9
	7		4		3			
				2		7		
9			7					4

Str8ts

Game Rules

Rows and columns are divided into compartments of white squares. Use single numbers to complete a straight for each compartment. A straight is a set of numbers with no gaps and in any order. No single number can repeat in any row or column. Clues in black cells remove that number as an option in that row and column, and are not part of any straight

Example

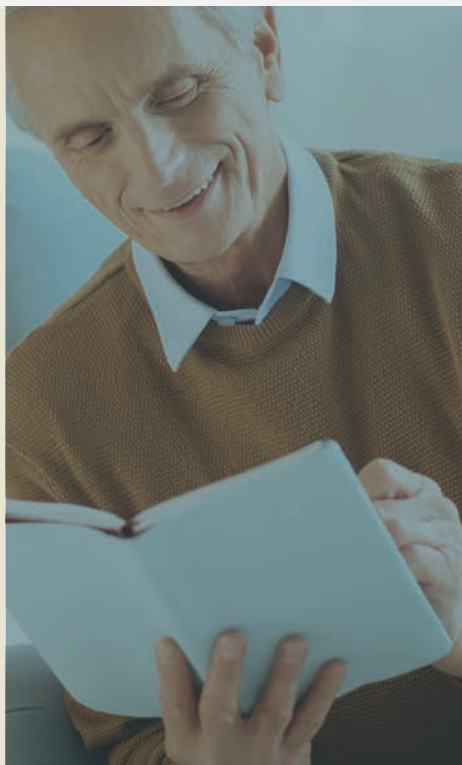
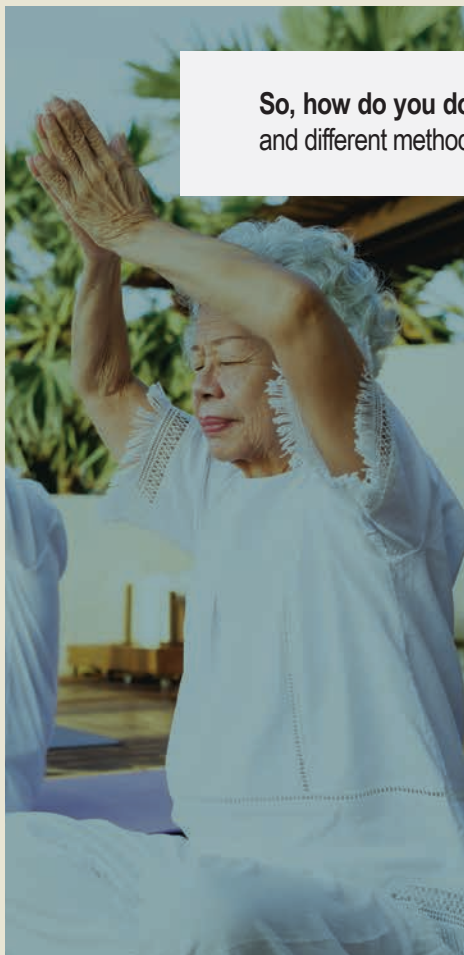
		3	2
4	3	2	1
3	2	4	
2	1		3

HOW TO PRACTICE

Meaningful Meditation

Meditating is part of being human, whether you acknowledge you're doing it or not. It's being deep in thought and listening to your inner thoughts and feelings. It's about becoming more in tune with yourself. When you're intentional about practicing meditation, the benefits are endless: less stress, more gratitude and a heightened sense of self.

So, how do you do it? That's ultimately up to you. There's no wrong way to meditate, and different methods resonate with different people. Start here to see what works for you.



Breathe in, breathe out.

All too often, we forget to breathe. Our hearts start pounding when we're stressed, angry or nervous, and our minds begin racing so fast we can't think straight. Take a mental pause and try the 4-7-8 breathing technique: breathe in for 4 seconds, hold for 7 seconds, and exhale for 8 seconds. Do this at least four times, until your heart rate is back to normal.

Keep a journal.

A major point in successful meditation is making it part of your routine. Writing a journal is a perfect way to do this. Set time aside each day or once a week, and find a quiet spot to think and reflect. Turn your phone off to eliminate distractions. Then, start small by writing three things you're thankful for, or three things you're proud of accomplishing that day. You don't have to write a lot to make it meaningful.

Go for a walk.

A little fresh air does the mind good. Walk around the block or go for a hike on a nearby nature trail — but leave the headphones at home. Instead, take in the nature around you. Make mental notes of what you see, hear, touch, smell and maybe even taste in the air. Then, the next time you feel stressed, close your eyes and recall those sensory notes from your walk to regain clarity by re-centering yourself.

CENTER STAGE

2020: QCDs and Other Giving Strategies

As we approach the end of 2020, pay attention to some of the advantageous ways you can make donations to a charitable organization this year.

A popular strategy is the qualified charitable distribution (QCD) from an IRA. This tactic permits people age 70½ and older to donate up to \$100,000 in IRA assets directly to a charity each year. Not only does this strategy qualify as all or a part of an IRA's required minimum distribution (RMD), it excludes the amount from the owner's taxable income for the year. This can help sustain a lower tax bracket, which in turn can help minimize taxes on Social Security benefits and keep Medicare premiums low.

RMDs are not mandatory in 2020, thanks to the Coronavirus Aid, Relief and Economic Security (CARES) Act. So, if you'd rather make a cash donation, the CARES Act has boosted the adjusted gross income (AGI) limit for cash contributions by individual donors. If you qualify to itemize, you may deduct up to 100% of donations (increased from 60%) against your 2020 AGI. For example, if you earn \$1.3 million in income, you can donate \$1.3 million and deduct the entire amount.



This strategy gives people over age 59½ similar benefits as a QCD. You can take an IRA cash distribution and contribute it to a charity, then completely offset the taxes for that distribution through a charitable deduction. This may be a good idea if you're looking to make a large donation in 2020 and don't need those assets for retirement expenses.

If you don't qualify to itemize, you may claim up to a \$300 charitable gift deduction on your 2020 tax return.¹

¹ Fidelity Charitable. 2020. "What the CARES Act means for your charitable giving." <https://www.fidelitycharitable.org/articles/what-the-cares-act-means-for-charitable-giving.html>. Accessed June 4, 2020.

BRAIN GAMES

ANSWER KEY:

4	5		9	8			3	2
5	6	4		9	8		2	3
1	2	3		7	6	5	4	
2	3	8	5	6	7	4		
3	4	5	2		9	6	7	8
		7	6	4	5	2	8	9
	7	6	4	5	3	8	9	
8	9		3	2		7	6	5
9	8		7	3	2		5	4



RECIPE

cut here

CRISPY CHICKEN THIGHS WITH GARLIC AND ROSEMARY

INGREDIENTS

- 1/3 c. chicken stock
- 2 tbsp. fresh lemon juice
- 1 tbsp. Dijon mustard
- 1/4 tsp. red pepper flakes

- Kosher salt and freshly-ground black pepper
- 8 small bone-in, skin-on chicken thighs (about 2¼ pounds total)
- 8 cloves garlic, smashed and skins removed

INSTRUCTIONS

- 1.) Whisk together stock, lemon juice, mustard, rosemary and pepper flakes in a bowl. Season with salt.
- 2.) Heat a 12-inch cast-iron skillet over medium heat until hot; 1-2 minutes. Season chicken with salt and pepper and place in skillet, skin sides down. Place a smaller skillet on top of chicken and weigh it down with soup cans. Cook until the skins are golden brown and crisp, 7-9 minutes.
- 3.) Remove cans and top skillet. Flip chicken and reduce heat to medium-low. Add garlic and continue heating until the chicken is cooked through; 2-3 minutes. Transfer chicken to a platter.
- 4.) Add stock mixture to smaller skillet and cook, scraping up any brown bits, until slightly thickened; 1-2 minutes. Spoon over chicken.

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UPCOMING DATES

SEPTEMBER

7 LABOR DAY

11 PATRIOT DAY

13 GRANDPARENTS' DAY

OCTOBER

16 BOSS' DAY

31 HALLOWEEN



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