

# THE STRONG REPORT

## *Celebrating 22 Years of Service*



**Strong Financial Network Team**

(L-R) **Megan Tredway Carter**, LPL Registered Admin. Associate, **Jennifer Strong**, CFP®; **Michele Carson**, Client Services/Marketing Associate; **Christian Chapman**, LPL Financial Advisor; **Ashley Underwood**, Client Services Associate

A Note From Jennifer:

Happy Fall!

We are FINALLY coming up on the end of this crazy year 2020. While there have been silver linings here and there, we also know that it's been a year of struggle in many ways as well. We have been amazed time and time again at the resiliency of our communities and the care that we have given each other. Let's plan to keep that going into 2021! As you'll see we have some exciting changes here at Strong Financial Network and are excited to be introducing you to our newest team members, Ashley and Christian. We look forward to all of you having the opportunity to meet them in person very soon. As we close out this year, please know that we remain committed to our service to you so please don't hesitate to reach out!

Jennifer

4th Quarter 2020, Issue #56

Don't outsource your resource, locally owned.

(707) 262-1880

RETURN SERVICE REQUESTED

1605 S. Main St.  
Lakeport, CA 95453



PRSR1 STD  
US POSTAGE  
PAID  
LAKEPORT,  
CA 95453  
PERMIT NO. 17

Welcome:

*Christian Chapman*



Please join us in welcoming our newest associate LPL Financial Advisor to our team, Christian Chapman, who joined the Strong Financial Network team in October of 2020.

Christian currently resides in Carlsbad, California and is a 2019 graduate of San Diego State University with a Bachelor's degree in Interdisciplinary Studies with an emphasis on Sociology, History and Finance. He was a 3 year starting quarterback for the San Diego State football team and broke the record for winningest quarterback in school history. Christian enjoys teaching sports to the youth of Carlsbad, but is excited to expand that education to include financial lessons as well! He volunteers as a quarterback coach at Carlsbad High School and the local flag football league. In his free time, he likes to visit National Parks and go hiking.

He has spent the past year working for a financial firm in Carlsbad and has recently joined Strong Financial as an associate LPL Financial Advisor. He will be working with Jennifer assisting clients with financial planning and portfolio management both virtually and in the office in Lakeport. Christian is securities and state insurance licensed.

About this new adventure with Strong Financial Network, Christian states "I am looking forward to working with the staff and clients at Strong Financial Network and continuing to learn more every day!"

We are excited to have Christian join the team both in a virtual format as well and in the office and look forward to you all having the opportunity to meet him. The skillset and talents he brings will positively benefit all of our Strong Financial clients!

# End-Of-The-Year Money Moves

*Here are some things to consider before saying goodbye to 2020.*

## What has changed for you in 2020?

For many, this year has been as complicated as learning a new dance. Did you start a new job or leave a job behind? That's one step. Did you retire? There's another step. Did you start a family? That's practically a pirouette. If notable changes occurred in your personal or professional life, then you may want to review your finances before this year ends and 2021 begins. Proving that you have all of the right moves in 2020 might put you in a better position to tango with 2021.

Even if your 2020 has been relatively uneventful, the end of the year is still a good time to get cracking and see where you can manage your overall personal finances.

Keep in mind this article is for informational purposes only and is not a replacement for real-life advice. Please consult your tax, legal, and accounting professionals before modifying your tax strategy.

**Do you engage in tax-loss harvesting?** That's the practice of taking capital losses (selling securities worth less than what you first paid for them) to manage capital gains. You might want to consider this move, but it should be made with the guidance of a financial professional you trust.<sup>1</sup>

In fact, you could even take it a step further. Consider that up to \$3,000 of capital losses in excess of capital gains can be deducted from ordinary income, and any remaining capital losses above that amount can be carried forward to offset capital gains in upcoming years.<sup>1</sup>

**Do you want to itemize deductions?** You may just want to take the standard deduction for the 2020 tax year, which has risen to \$12,400 for single filers and \$24,800 for joint. If you do think it might be better for you to itemize, now would be a good time to get the receipts and assorted paperwork together.<sup>2,3</sup>

**Could you ramp up your retirement plan contributions?** Contribution to these retirement plans may lower your yearly

gross income. If you lower your gross income enough, you might be able to qualify for other tax credits or breaks available to those under certain income limits.<sup>4</sup>

**Are you thinking of gifting?** How about donating to a qualified charity or non-profit organization before 2020 ends? Your gift may qualify as a tax deduction. For some gifts, you may be required to itemize deductions using Schedule A.<sup>4</sup>

While we're on the topic of year-end moves, why not take a moment to review a portion of your estate strategy. Specifically, take a look at your beneficiary designations. If you haven't reviewed them for some time, double-check to see that these

assets are structured to go where you want them to go, should you pass away. Lastly, look at your will to see that it remains valid and up-to-date.

**Check on the amount you have withheld.** If you discover that you have withheld too little on your W-4 form so

**We're all a little eager to say goodbye to the old year and welcome 2021. However, there are many year-end steps you can make now to improve your financial situation.**

far, you may need to adjust your withholdings before the year ends.

**What can you do before ringing in the New Year?** We're all a little eager to say goodbye to the old year and welcome 2021. However, there are many year-end steps you can make now, rather than waiting until February or March, to help improve your short-term and long-term financial situation. Consider speaking with us or a tax professional to potentially reduce your tax bill in April.

### Citations.

1. Investopedia.com, April 18, 2020
2. NerdWallet.com, July 17, 2020
3. Investopedia.com, May 22, 2020
4. Investopedia.com, July 14, 2020

This material was prepared by MarketingPro, Inc., and does not necessarily represent the views of the presenting party, nor their affiliates. This information has been derived from sources believed to be accurate. Please note - investing involves risk, and past performance is no guarantee of future results. The publisher is not engaged in rendering legal, accounting or other professional services. If assistance is needed, the reader is advised to engage the services of a competent professional. This information should not be construed as investment, tax or legal advice and may not be relied on for the purpose of avoiding any Federal tax penalty. This is neither a solicitation nor recommendation to purchase or sell any investment or insurance product or service and should not be relied upon as such. All indices are unmanaged and are not illustrative of any particular investment.

**TEXT US! 707-533-8110**

Our office now has the capability to communicate with clients via text message. If you would like to enable this new feature, please send us a text message to opt in! 707-533-8110



# What Are Some Smart Ways To Refinance Your Mortgage?

Recently, fixed mortgages were near their lowest rates in almost 30 years. And if you are one of the many people who took out mortgages in the few years prior to that, you may be wondering if you should look into refinancing.

If your mortgage was taken out within the past five years, it may be worthwhile to refinance if you can get financing that is at least one to two points lower than your current interest rate. You should plan on staying in the house long enough to pay off the loan transaction charges (points, title insurance, attorney's fees, etc.).

A fixed-rate mortgage could be your best bet in a rising interest rate environment, if you plan to stay in the house for several years. An adjustable mortgage may suit you if you will be moving within a few years, but you need to ensure that you will be able to handle increasingly higher payments should interest rates rise.

One way to use mortgage refinancing to your advantage is to take out a new mortgage for the same duration as your old mortgage. The lower interest rate will result in lower monthly payments.

For example, if you took out a \$150,000 30-year fixed-rate mortgage at 7.5 percent (including transaction charges), your monthly payment is now \$1,049. Refinance at 6 percent with a 30-year fixed-rate mortgage of \$150,000 (including transaction

fees), and your payment will be \$899 per month. That's a savings of \$150 per month, which you can then use to invest, add to your retirement fund, or do with it whatever you please.

Another option is to exchange your old mortgage for a shorter-term loan. Your 30-year fixed-rate payment on a \$150,000 loan was \$1,049 per month. If you refinance with a 15-year fixed mortgage for \$150,000 — including transaction costs — at 6 percent, your monthly payment will be \$1,266. This payment is only \$217 more than your previous mortgage, but your home will be fully paid for several years sooner, for a savings of more than \$150,000! And some banks around the country are beginning to offer 10- and 20-year mortgages.

Either way you look at it, it's an attractive idea.

If you're considering refinancing your mortgage, consult your financial professional and determine whether refinancing your home would be a good move for you.

The information in this newsletter is not intended as tax, legal, investment, or retirement advice or recommendations, and it may not be relied on for the purpose of avoiding any federal tax penalties. You are encouraged to seek guidance from an independent tax or legal professional. The content is derived from sources believed to be accurate. Neither the information presented nor any opinion expressed constitutes a solicitation for the purchase or sale of any security. This material was written and prepared by Broadridge Advisor Solutions. © 2020 Broadridge Investor Communication Solutions, Inc.

## Welcome:

*Ashley Underwood*



Please join us in welcoming our newest Client Services Associate to our team, Ashley Underwood, who joined the Strong Financial Network team in November of 2020.

As a Client Services Associate, Ashley is one of your first points of contact when you call or visit the office and is responsible for the day-to-day processing of orders while ensuring accuracy and confidentiality in all daily functions. She recently took her California Notary Public exam and will soon begin studying for her securities registrations.

Ashley grew up in Lake County and graduated from Clear Lake High School in Lakeport. After graduation, she moved to Sonoma County to pursue a Bachelor's Degree in Business Management through Sonoma State University. After living and working in Sonoma County for 11 years, she is excited to be returning home with an opportunity to bring her professional experience to Strong Financial Network and the community.

She has spent the past five years working for a large CPA firm in Santa Rosa where she was the lead Administrative Assistant.

Ashley has an immense love of traveling, reading, and writing. In her free time, when she's not spending time with her family and friends, you can find her with a book in hand, sipping tea, or planning out her next adventure. About this new adventure with Strong Financial Network, Ashley states, "I am looking forward to becoming acquainted with all of the Strong Financial Network clients as I embark on this new adventure!"

Hopefully you will all have an opportunity to meet Ashley soon. We are confident that you are going to enjoy working with her.



**HOLIDAY TOY DRIVE**  
*and Musical Celebration*

**SUNDAY, DECEMBER 6, 2020**

Toy Drop Off & Treat Pick-up  
1-3 pm

Zoom Concert with The Rothstein Ensemble  
4 pm

We have a fun, 'socially distanced' event planned to kick off the Holiday season on Sunday, December 6th. In the spirit of giving, we are collecting toys to support the Lakeport Fire Department Toy Drive. We are asking that you drop off a new, unwrapped toy to the Soper Reese Theatre

between 1 to 3 pm where you can also get your to-go box of yummy Holiday treats. Then join us on Zoom for a concert and sing-a-long brought to us by The Rothstein Ensemble beginning at 4 pm. We hope that you will save the date and plan to join us for some Holiday Cheer!

## Client Corner: Kenn & Susan McCarty

We are excited to spotlight Susan and Kenn McCarty in this edition of the Client Corner. Many of you have met the McCarty's and their Belgian horses (and pug, Daisy) during our Holiday Celebrations, Upper Lake excursions, Kelseyville Lighted Parade, or just out and about in Lake County.

Susan and Kenn have been a team for 36 years and married for 20 of those years. They met in 1984 while in college as they were starting their careers in the fire service during the summer at the Chimney Peak forest fire station on the eastern side of the Sierra Nevada near Ridgecrest, CA.

Kenn attended Bakersfield City College and studied general education and Fire Science. Susan attended Utah State University and earned a Bachelor's degree in Recreation Resource Management.

Susan grew up in Plymouth County, Massachusetts and moved to Lake County once they were engaged in 1999. Kenn grew up in a combination of places; Glenwood Springs Colorado, Los Angeles County, and Tulare County. Kenn came to Lake County in 1997 as a promotion and transfer with CDF where he was assigned to the Konocti Fire Crew Camp for nine years before moving on. Kenn's career spanned 35 years working for the CDF, Bureau of Land Management and the Visalia City Fire Dept. He enjoyed the variety of jobs and positions he held over the years including being a mentor to the fire hand crew (inmate fire crew) he supervised.

Susan spent sixteen years in the wildland fire service with some assignments in the outdoor recreational world. She also did a short stint in the U.S. Army as a combat medic with the 331<sup>st</sup> General Hospital Unit. In 1983, their District with the BLM completed the last section of the Pacific Crest Trail (PCT) in the southern end of the Sierra Nevada. In 1984, Susan was brought in to be the first patrol person for that section of the PCT. To curry her favor, Kenn procured a horse for Susan so she could do those patrols. Susan also worked a stint at the Saratoga National Battlefield as a horse-mounted ranger. Ultimately, she went on to become a member of a USFS Hotshot fire crew out of Oregon. Susan loved being in the wilderness and fighting fire with fire using her keen understanding of wildland fire behavior.

Kenn and Susan love animals! Many of you are familiar with their two dogs; Little Daisy, a Pug mix, who is very often seen riding on the carriage or wagon; and their big Gryphon who usually hangs out at home with the horses but often

travels with them.

Most folks know the McCarty's through their horses. Kenn's mother introduced him to horses as a kid, then fast forward to the mid-1990s, Kenn had a life altering episode and needed to connect with life differently. He became an apprentice with a Friesian show team which led to being a part of a Belgian show team. Once he settled in Lake County and married Susan, they were invited to become a part of Live Oak Belgians with their beloved mentor, Juan Erquiaga.

Live Oak Belgians are their four big Belgian heavy draft horses and one Friesian horse. Feike, their Friesian, is their do-it-all horse. He's extraordinary when pulling a carriage, and he's a dream to ride on the beach or up in the high Sierra Nevada. The Belgians are divided into two pairs or team-mates. The bigger team is called the Wheeler-team (when all four horses are pulling a wagon, this is the team that is closest to the wagon). Big Baloo and Mr. Max make up that team. Big Baloo came to them as a rescue horse out of Sonoma County and Mr. Max was offered to them by a friend in Oregon. Those two will work together all day then hang out together in the pasture. The Lead-team is Jimmy and Chief. Jimmy came to them from a local friend who bought him from the Amish in Iowa. Chief came from a farm in Minnesota. Jimmy and Chief are the clowns, always messing around and play fighting, but when it comes to work, they are a rock-solid team. The Belgians love to work and love to have a job. They like their people and seek out their company, even when they're not doing anything and Belgian beer is ALWAYS better than a Budweiser.

A couple of years ago, the McCarty's did two long distance covered wagon trips in the same year, both were 80 miles in length. One in the spring which started in Bridgeport, CA, over the Bodie hills, thru the Mono Lake basin, along the Excelsior Mountains to Adobe Valley, past Black Lake then down into the Benton Valley on the Nevada line. The second was in the fall and started on the Darwin Plateau, east of Olancho, CA. They crossed the Lee and Santa Rosa Flats, climbed up onto Hunter Mountain then dove north down into Saline Valley in the western most end of Death Valley National Park. The destination were some remote hot springs in the north-eastern most end of Saline Valley. The



*Pictured: Susan & Kenn McCarty with their 3-Abreast Team*

McCarty's took these covered wagon trips both for fun and to learn how to do it with the possibility of hosting future guest trips.

Kenn and Susan recently made the move to Montana to further their love of the outdoors. Being able to tie their love of the land with their love for animals and share it with guests is a great revelation in their journey. Although we sorely miss the McCarty's and their beautiful animals in Lake County, we wish them nothing but the best in this new chapter in Montana! Kenn has said he is "enjoying spending more time with Susan as she makes everything with the horses and their home better. We love being able to pursue Live Oak Belgians and to genuinely have fun with our horses every week. We will sorely miss our friends here in Lake County."

To keep up with their fabulous adventures, be sure to follow the McCarty's Facebook page, Live Oak Belgians.

### "The Strong Report" Newsletter Bloopers

Thank you to everyone who called in with the bloopers from last quarters newsletter. The winner is: Marilyn Buckner from Clearlake. She received a gift certificate to O'Meara Bros. Brewing Company located in Lakeport.

Remember, all you have to do is find the misspelled word(s) or incorrect punctuation in this newsletter, then give us a call at 262-1880 to be entered into the drawing to win a gift certificate to a local business. We appreciate your participation...you could be the next winner!