



## THE LIGHTER SIDE

**“Inflation is when you pay fifteen dollars for the ten-dollar haircut you used to get for five dollars when you had hair.” – Sam Ewing**

*“Intoxication: Euphoria at getting a refund from the IRS, which lasts until you realize it was your money to start with.” – The Washington Post*

**“What is the difference between a taxidermist and a tax collector? The taxidermist takes only your skin” – Mark Twain**

*“Too many people spend money they haven’t earned, to buy things they don’t want, to impress people they don’t like.” – Will Smith*

## PRESIDENT'S MESSAGE



This year has proven to be one of extremes for Family Investors. We are proudly celebrating our 60th Anniversary while continuing to navigate the difficulties presented by the Coronavirus Pandemic. While an in-person celebration would have been welcomed as a way to end

the year surrounded by all the Family Investors family of clients, staff and friends—we continue to remain overly cautious and put the best interest and safety of all first. We have chosen instead to mark this substantial milestone with donations to services that have aided so many during these trying times. We have made donations to both the Immaculate Heart of Mary Food Pantry and to the Rotary Club food drive. Established annual Scholarships at both Union Catholic and Scotch Plains-Fanwood High Schools, in honor of our founder, Fred J Chemidlin. I’m proud to be continuing in my late father’s footsteps as President of the Fanwood Community Foundation, which also made a considerable donation to the IHM Food Pantry. It has not gone unnoticed how fortunate we are for your continued trust, confidence, and patience during these less bright days. We are hopeful to celebrate together again, less than six-feet apart, in the not-too-distant future.

At Family Investors, we remain confident that success in long-term investing is about thinking ahead and not being caught off guard by the inevitable market corrections and the unexpected market conditions when they come. We spend a considerable amount of time providing perspective to our clients and talking about the expected volatility of various asset classes. While you should avoid panicking over short-term movements in the value of your long-term investments, it is a good a wake-up call for many of you to reexamine your tolerance for risk and review your goals with your financial advisor. Perhaps a positive outcome to an otherwise unfortunate and unexpected turn of events we are all facing.

We suggest a review of your overall financial plan annually. The new year is a great time to refine your goals, review last year’s spending, refine insurance coverage, and be sure estate documents are in good order, including health-care directives, power of attorney, and beneficiary designations.

**WE WISH ALL OF YOU A HAPPY AND PROSPEROUS NEW YEAR, AND WE HOPE YOU AND YOUR FAMILIES REMAIN HEALTHY AND SAFE.**

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# What's happening?

The potential need for **Long Term Care** is an important consideration when putting together a sound plan to reach your financial goals in the future. How much does it cost? How will I pay for it? What resources are available to me to help with the process? What insurance products provide coverage for Long Term Care? These are some of the questions which will be answered on **Wednesday, February 17 at 7PM**, by Family Investors' Steve Goldberg along with, back by popular demand, Erika Carbone and Mia Kebea from Seniors in Place, LLC. They will give an informative virtual presentation via Zoom. **Registration is free** and there is no obligation. **Please call the office to reserve your spot: 908.322.1800** or email: [stevegoldberg@familyinvestors.com](mailto:stevegoldberg@familyinvestors.com). Bring a friend or someone who might benefit from this presentation!

## The following information pertains to clients with National Financial Accounts

Family Investors has entered into an agreement with National Financial Systems to satisfy FINRA Rule 613, CAT Reporting Technical Specifications. National Financial will report specified data and information about Reportable Events and record this data and information to the hour, minute and millisecond via synchronized clocks, and electronically transmit this data and information to CAT (Consolidated Audit Trail).

## WE HAVE A WINNER!!

Congratulations to **Amy Stewart**, winner of the Fall 2020 Client Appreciation Contest. Amy's entry was drawn from all correct entries received. Be sure to complete and return the Client Appreciation Contest entry in this newsletter.

## 9 Safety Tips for Seniors Living Alone

Based upon two decades of experience providing in-home care for the elderly, Mia Kebea, Vice President of Case Management of Seniors in Place LLC, a Springfield, NJ In-Home and In-Facility Care company, strongly recommends these 9 safety precautions for seniors living alone.

1. Make sure they follow CDC guidelines during the pandemic and consider using grocery delivery services and purchasing items on-line.
2. Ask them to wear a personal emergency response system or medical alert device.
3. Make sure your loved one's bathroom is accessible and safe.
4. Install grab bars in the shower. Generally speaking, avoid suction-cup grab bars, which can loosen over time and put users at risk. Make sure the shower is equipped with a shower seat, a non-slip shower mat, in addition to a hand-held shower nozzle.
5. Remove any clutter from living quarters:
  - Remove unnecessary furniture
  - Eliminate area rugs that can pull up or get caught on a heel or walker.
  - Check for extension cords or any other tripping hazards – and remove them.
6. Install fire alarms and carbon monoxide detectors. Make sure they have fresh batteries.
7. Confirm that your loved one has plenty of food, there are no expired goods, plenty of healthy options available, and they are eating nutritiously.
8. If you can't keep in touch with your loved ones every day, see if their community has a senior check-in call service. A daily check-in service calls a senior every day at a set time. If the senior does not answer after several tries, the service notifies the designated caregivers. With many services, if the caregivers do not respond, the service calls the police to ask for a welfare check.
9. If the time has come that they really shouldn't be living alone, consider hiring an in-home health care service firm. But first, make sure that it is regulated by Division of Consumer Affairs, New Jersey Office of the Attorney General, and overseen by New Jersey Board of Nursing. Confirm that a Registered Nurse will visit your loved one regularly and that the caregiver providing care is a Certified Home Health Aide.

# INSURANCE MATTERS

by Steve Goldberg

Happy 2021! I'm sure most of you are as happy as I am to bid a not-so-fond farewell to 2020. My condolences go out to anyone who lost a loved one during the year.

COVID-19 obviously had an effect on everyone. The life insurance industry was no exception. Like so many other industries, they had to adjust to account for their staff working remotely in most cases. Companies have allowed more online applications with limited in person interaction. You may ask how having COVID-19 affects someone's ability to get life insurance. Actually, if it was a case with mild symptoms and no lasting problems, it should have very little effect on that ability. As long as you receive a negative test after having the disease, you could still be able to get a company's best rates. As with any life insurance application, it is part of the overall health profile used by the insurance company to assess the risk.

The beginning of a new year is always a great time to review your life and long term care insurance program. There are many newer and innovative insurance products to help our clients meet their insurance needs. If you are interested in a no-cost, no-obligation review of your insurance program, please feel free to give me a call at the office. I am always happy to help. Once again, please accept my **best wishes for a happy, healthy, and prosperous 2021.**

## INFORMATION

Enclosed with this edition of the newsletter is the Family Investors Company simplified **Net Worth** form. This easy to complete and understand form is an essential "report card" of your **financial health**. If you would like your representative to help you complete this and review your investment portfolio, call and schedule an appointment. There is no fee for this service. Even if you are not a client, a representative will be pleased to meet with you and perform this service.

## 2020 Retirement Account Contribution Limits

The 2020 IRA contribution limits remain the same for 2021 at \$6,000. The additional catch-up contribution limit for individuals aged 50 and over also remains the same at \$1,000. The contribution limit for employees who participate in 401(k), 403(b), most 457 plans, and the federal government's Thrift Savings Plan remains flat at 19,500. If you are over 50, the catch-up stays at \$6,500. The maximum contribution for SEPs is increasing from \$57,000 to \$58,000.



**To commemorate the year of its founding,** Family Investors Company made a donation of **\$1,960** to the **Food Pantry of Immaculate Heart of Mary RC Church** in Scotch Plains. Pictured from left to right are FIC President Peter Chemidlin, Richard Wagner of IHM, and FIC Vice President Darraugh Valli.

## Holiday Hours

The Family Investors Company office follows the schedule of the New York Stock Exchange. Our office will be closed on **Monday, January 18** for Martin Luther King, Jr. Day. The office will be closed on **Monday, February 15** in observance of Presidents' Day. It will also be closed on **Friday, April 2** in observance of Good Friday. A sign will always be posted on the office door as a reminder.

In cases of severe weather, the physical location of Family Investors Company may be closed, but you can always call the office and your call will be forwarded to a licensed principal representative.

## Year-End Statements

Year-end mutual fund statements have been sent to each mutual fund family shareholder. We ask each client to make sure they save the year-end statements. Most statements are easy to understand with asset allocations shown in charts or graphs.

## Office Reminders

Our office is open on Saturdays, by appointment only, for the convenience of our clients. You can receive "Family Matters" via email or online at our website.

We would be happy to send it to you quarterly as soon as it becomes available. Please email us at: [info@familyinvestors.com](mailto:info@familyinvestors.com) to request this service.

# THANK YOU!

Thank you to all our clients and friends for your kindness and all the delicious treats brought and sent to our office during the holidays. We truly appreciate you taking time out of your busy schedules to remember us.

## 2021 Social Security Changes

Social Security benefits will increase 1.3% in 2021. For the average retired worker it should translate into about \$20 extra per month in 2021, or \$240 for the year. The maximum amount of earnings subject to Social Security tax is rising from \$137,700 in 2020 to \$142,800 for 2021.

### INVESTMENT TERMS

*You hear investment terms on television and read them in print media and on the internet. But what do they mean? Here is a primer of some common investment terms:*

**Net Asset Value per share (NAV):** The current dollar value of a single mutual fund share; also known as share price. The fund's NAV is calculated daily by taking the fund's total assets, subtracting the fund's liabilities, and dividing by the number of shares outstanding. The NAV does not include the sales charge. The process of calculating the NAV is called pricing.

**Recession:** A downturn in economic activity, defined by many economists as at least two consecutive quarters of decline in a country's gross domestic product.

**Systematic investment plan:** A service option that allows investors to buy mutual fund shares on a regular schedule, usually through bank account deductions.

**Weighted average maturity:** A Fund's WAM calculates an average time to maturity of all the securities held in the portfolio, weighted by each

security's percentage of net assets. The calculation takes into account the final maturity for a fixed income security and the interest rate reset date for floating rate securities held in the portfolio. This is a way to measure a fund's sensitivity to potential interest rate changes.

**Dividend:** A dividend is a portion of a company's profit paid to common and preferred shareholders. Dividends provide an incentive to own stock in stable companies even if they are not experiencing much growth. Companies are not required to pay dividends.

**Lipper ratings:** The Lipper Mutual Fund Industry Average is the performance level of all mutual funds, as reported by Lipper Analytical Services of New York. The performance of all mutual funds is ranked quarterly and annually, by type of fund such as aggressive growth fund or income fund. Mutual fund managers try to beat the industry average as well as the other funds in their category.

## Family Chatter

**Lynn Galgano** enjoyed spending some time during the holidays with her daughters. The girls have both accepted new jobs and are very excited. Emma has accepted a position with M Science, and Elisabeth will be working for AlphaSites. Congratulations to **Steve Goldberg's** daughter Melissa for passing the Pennsylvania Bar Exam. She is beginning a new job as an associate with Holland and Knight in Philadelphia. Congratulations also go to **Janet Lesce's** daughter Caroline for passing the New Jersey Bar Exam. Kudos go to Janet's daughter Grace for graduating from Marymount University. **Darraugh Valli** enjoyed spending time with her two children who were home from college. It was nice to have quality time with them. **Peter Chemidlin** was happy to have his son Tighe home for the holidays. He hadn't seen Tighe in over a year. **Matt Chemidlin** and **Sue Tomljanovic** celebrated the holidays with family and send their well wishes to all for a Happy and Healthy New Year.