



Ellenbecker
Investment Group

In Touch

Since 1996

4th Quarter 2020

How Can We Be Part of the Solution?

Life has been challenging lately. Between the upcoming election, social unrest, market volatility and a global pandemic we are living on shaky ground. Uncertainty breeds fear and fear makes us behave poorly under pressure.

In this quarter's newsletter you'll find helpful input from our team of wealth advisors and partners providing tactical ways to be part of the solution. From helping other families, getting back to work, saying thanks and even unique holiday gift ideas. Below, I have included my personal list of the top ten things to focus on today. We are always happy to be part of your financial planning solution and are grateful for how you share our name with your family and friends.

1. Create a plan. Whatever is bothering you is important and will not go away by worrying. However, creating a plan will bring comfort and promote progress and action. Think about the problem, break it down into small pieces and be part of solving it — get friends and family involved since there is great knowledge in numbers. Being prepared will help you to better handle whatever comes your way.

2. Use positive communication with family, friends, coworkers, online and in public. Spread good news! Smile (even under a mask), say thank you, hold the door for others and spread good vibes. Listen more and talk less. It is amazing how a positive pep in your step can be contagious.

3. Go in public or interact with friends and family with positive energy. Negative energy spreads faster than anything else so it is ok to stay home if you're having a bad day. When someone else is having a bad day — give them grace and don't add fuel to the fire.

4. Visualize positive change. What does change look like? Get curious with those around you and work together to promote positive change. Be kind, honest and tolerant. Don't just talk about change but rather do something to put it in motion. Look forward.

5. Give back. How can we best use our privileges to help others? Support teachers, protesters, health care workers, musicians, athletes, law enforcement, first responders and

business owners. It is okay to support them all. Small businesses are dependent on good will and kind gestures now more than ever. Teachers need to be acknowledged and parents need grace for navigating uncharted times.



Julie Ellenbecker-Lipsky, CFP®
President and Senior Wealth Advisor
Ellenbecker Investment Group

6. Keep perspective. Everyone is fighting some sort of battle and keeping perspective helps us empathize with others. It also helps us realize that this too shall pass. My nephew said that COVID-19 isn't that bad because he gets to stay home a lot with his family. What a refreshing thought!

7. Keep your priorities straight. It is easy to get sucked into other things that seem more important than our family, friends, job, faith and community. There is nothing more important!

8. Get outside. The summer weather in Wisconsin has been the best on record. Getting outside helps no matter where you live. Turn off the TV and social media and take a walk or sit on a swing. Less screen time is better for our physical and mental health.

9. Do something for someone else. Volunteering is the best form of a pick-me-up and it helps us keep our challenges in perspective.

10. Take care of yourself. Focus on better nutrition, sleep, exercise and mindfulness. Put fun things on the calendar because having something to look forward to is a natural mood elevator.

Heading into more turmoil, volatility and uncertainty is scary for us all but I truly believe making an effort to shift our thinking promotes positivity with everyone who crosses our path. ■

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Staying Informed, Connected and Active

As the host of a 40-episode special series of Money Sense radio show — “Conversations with a Purpose”, I am proud to have addressed many issues as they relate to COVID-19. Having the opportunity to interview a wide variety of experts and guests from all over the world regarding how COVID-19 has impacted their lives, industries, communities and families was not only educational but also insightful. Discussing the global pandemic has caused me to pause and reflect on my own life and the people dearest to me. I am amazed at the positive news and outlook that exists in a world focused lately on doom and gloom.

It was daunting to realize that for many of us, this was the first time we have ever thought about our own health and visualized what would happen if we contracted the virus and died. Interestingly, most others around the world were reflecting on the same scenario. Have you asked yourself that question? Do you have an exit strategy? Do you have current estate planning documents in place? Have they been reviewed recently? Do you have adequate life insurance? If you are responsible for your parents, do you know their plan?

These are important questions to ask yourself and your loved ones. It is easy to procrastinate and sometimes hard to ask the questions but remember what Coach John Wooden said - “Failing to prepare is preparing to fail”.

The pandemic has certainly caught us off guard but there will always be something important to address in our lives. Be prepared and create your plan. Be sure to take care of your mental and physical health because those are tools that will help you remain strong through any of life’s curveballs. It is easy to get comfortable with a few extra pounds, a few body aches and other health related red flags. Find ways to stay connected to your friends and family while keeping yourself busy and curious. Boredom is the quickest way to depression and isolation.

I have found myself occasionally stuck in a rut, especially when watching the news. I have consciously made it a

point to be aware when I am picking up on someone else’s stress and anxiety and then I choose to let it go. I have taken time to call friends and family daily. I even bought an electric bike and I can ride further than I ever thought possible (learn more on p 4). I try to get fresh air everyday and to do something nice for someone, knowing that when you lift up others, you lift up yourself. I have mastered Zoom and find it a convenient way to connect with friends and family. The bottom line is, think outside of the box, know that uncertainty births innovation, embrace life, grab what you can and live by what you trust and not by what you fear. If you smile ... it keeps the wrinkles away! ■



Karen J. Ellenbecker
Founder & Senior Wealth Advisor
Ellenbecker Investment Group

QR Code Instructions

You will notice QR codes throughout the newsletter. The codes help direct you to recordings and websites by scanning over them with your electronic device. To do so:

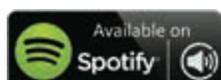
- Open the camera app on your phone or tablet like you are going to take a photo.
- Put the QR code in the middle of your screen like you are about to take a photo of it.
- A link should pop up before you take the photo that recognizes the code and asks if you would like to click through to the link.

Enjoy!

Hover your phone's camera here to listen to past shows on our website.



Listen to **“Conversations with a Purpose”** on demand from our website at ellenbecker.com/moneysense or by searching “Money Sense” on Apple Podcasts, Google Play, Spotify or Stitcher.



Work Through Financial Stress

Often when I am working with a new client, I will close our meeting with the following:

“Remember ... you now have people.”

My reason for saying this is for the client to understand that it is my hope to take stress off their plate by providing financial planning and resources to address their worries and concerns.

Financial stress is real. Sometimes the stress is so intense in severity and duration it can impact an individual’s physical and psychological well-being. With today’s current events, we are finding individuals/couples stressed about finances more than ever before.

Dr. Alok Trivdi, a human behavior and performance expert, has studied the financial habits and offers these tips:

1. **Have an outlet.** Stress from any source can take a toll on your body, physically and mentally. Seek out an exercise, meditation or engage in activities that take your mind off your finances.
2. **Plan.** This is where your financial advisor can have a huge impact on reducing your stress. Just putting a plan together and seeing a road map will reduce stress. Think about it, you would never go on a vacation without making plans. Retirement is your longest vacation. Your financial plan will alleviate stress today and during retirement.
3. **Focus on manageable financial goals.** Break your goal into small, achievable pieces. For example, if you want to pay off a large debt in the amount of \$50,000, start by focusing on paying off smaller increments. Work at paying off \$5,000 – not \$50,000.
4. **Avoid rash decisions.** Never make quick decisions about spending, savings or debt management. Sometimes this decision can result in expensive errors.
5. **Deal with financial stress quickly AND effectively.** The stress won’t disappear by itself. Talk to your financial advisor to review your options.
6. **Use this stress for your advantage.** A certain level of stress is a good thing – it motivates individuals to act.
7. **Bet on ... you!** Remember, you are depending on yourself, so hold yourself accountable. Seek out your financial advisor to guide you along the way.



Jean Range, CFP®
Senior Wealth Advisor
Ellenbecker Investment Group

What can you do today, right now, to help alleviate your stress? Consider the following:

1. Take an inventory of your assets. This is the start of creating a Net Worth Statement.
2. Create a monthly cash flow and ultimately, a budget – and most importantly, stick to it.
3. Manage your stress through self-care. Consider reading a novel, exercising, walking or even downloading a phone app that provides guidance in mindfulness and relaxation techniques.
4. Get enough sleep on a regular basis.
5. Make a list of all the people and things you are grateful for in your life.
6. Monitor your progress. Celebrate the successes.

Many employers offer services through an EAP (Employee Assistance Program). Take advantage of this benefit and talk to someone about the impact this stress has had on you and your family.

In closing, remember ... you have people. Contact your team at EIG to help you alleviate your financial stress. ■

Source: *9 Ways to Work Through your Financial Stress Right Now, Serbin Media*

helpguide.org/articles/stress/coping-with-financial-stress.htm

advisors
who *listen*

Taking Care of the Next Generation

It's Not for You. It's for Them.

Insurance, a critical component of your total financial plan, can seem expensive, complicated and overwhelming. I am here at EIG to simplify the process and provide peace of mind to you and your loved ones. I partner with your advisor team to identify risks and solutions that work for your unique situation.

Disability Insurance — You protect your home and your car, but do you protect your family from the real-world risk of losing your paycheck? You work for numerous reasons, but ultimately, you work to earn an income to support your family's current and future financial needs. If you are unable to work because of illness or injury, a disability income insurance policy can replace a portion of your income to pay your mortgage, buy groceries, pay utility bills, save for college and retirement and so much more.

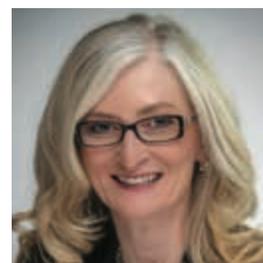
Life Insurance — It's not fun to talk about, and it's not a process that anyone enjoys. However, if someone's life would be adversely affected from a financial standpoint at your death, you need life insurance. Policy proceeds can provide the financial resources to support your surviving spouse, children, parents or business. They can be used to pay off debt, pay for college and weddings, pay for on-going living expenses or keep your business afloat. Typically, the proceeds are income-tax free and available shortly after

your death. Depending on your situation you may need term insurance, permanent insurance or a combination of both.

Long-Term Care Insurance —

Another topic that isn't fun to discuss and is often misunderstood. Policies have evolved and there is not a one-size fits all product solution. The common component is that the cost of long-term care services can be significant. A long-term care policy provides access to tax-free resources to help pay for your care, so your loved ones can manage the process and you do not become a financial or physical burden to them.

If you have questions about a policy you currently own or wonder what coverage you need, give me a call. I can help you cut through the noise and make informed decisions so you can sleep well at night. ■



Diane Gastrow
Director of Insurance Planning
Ellenbecker Investment Group



Hover your phone's camera here to visit moneysenseradio.com and listen to the Money Sense radio show with Diane Gastrow.

Bikes With Electrical Motor Assistance Increase Mobility

A note from friend of EIG, Roger Adams:

"We used to be semi-avid bikers back 10-15 years ago, but it has fallen off a lot because of the fact that as you get older the muscles just don't respond as they used to. Then two years ago we saw an older gentleman navigate a hill like butter and stopped him to ask about how he was able to do it. He told us all about his ebike which started the wheels rolling in our minds and after looking around, we bought a couple of Trek ebikes. Not the least expensive by any means but in the first four weeks, we put on over 180 miles with many more hundreds of miles to follow.

Let me emphasize this is not a motorbike, but is merely an electrical motor assistance which allows you to plain out the more challenging ups and downs of a bike ride. Make no mistake you have to pedal the whole way. Nothing happens until you pedal, it's just that you can feel the level of strain and change the boost to a point where it becomes more aerobic and less muscle challenging.

We bike 8-18 miles every other day, weather permitting, and our ages are now 65 and 69 respectively. With this new hobby we can exercise regularly with physical challenge, but still have energy to do other things, which was

never the case with a conventional bike ride."

There are many different kinds of ebikes and it is important to find the one that fits your needs and is in your price range. Here are a few articles with a list of reviews of the different kinds to choose from:

electricbikereview.com/

bicycling.com/bikes-gear/a22132137/best-electric-bikes/

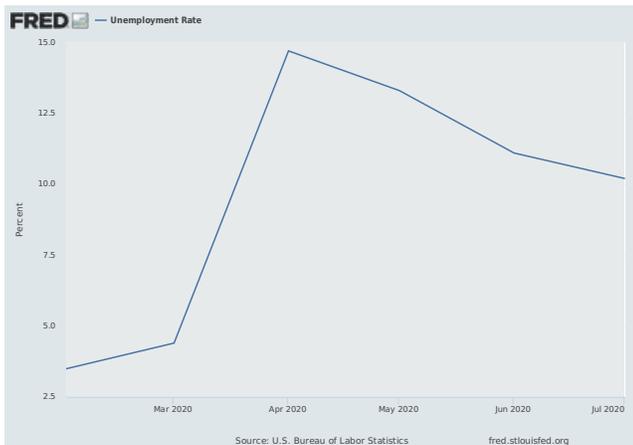
wired.com/gallery/best-electric-bikes/

— Happy Riding!

Getting Back to Work

This pandemic has been far reaching and impacted many individuals, as well as small businesses, throughout our community. We may have family, friends, neighbors or one of the many local restaurants, shops or professionals that we have grown to rely on for our well-being that are feeling the emotional and financial effects. The swift and drastic changes that we have encountered or experienced in some way, shape or form is likely to leave a lasting impression on this generation for years to come.

While the US economy and job markets have been historically strong and going into this year we benefitted from record low unemployment at 3.6%, according to the US Bureau of Labor Statistics, unemployment data at the height of the pandemic in April reached a staggering 14.7%. While much of this is expected to be only temporary and many have since returned to work, July unemployment was recorded at 10.2% and is now at levels consistent with that of the '08-'09 Great Recession. Undoubtedly, the employment landscape will be dramatically different for many as we navigate this recovery.



Source: **U.S. Bureau of Labor Statistics**

The unemployment rate represents the number of unemployed as a percentage of the labor force. Labor force data are restricted to people 16 years of age and older, who currently reside in 1 of the 50 states or the District of Columbia, who do not reside in institutions (e.g., penal and mental facilities, homes for the aged), and who are not on active duty in the Armed Forces.

This rate is also defined as the U-3 measure of labor underutilization. The series comes from the 'Current Population Survey (Household Survey)' U.S. Bureau of Labor Statistics, Unemployment Rate [UNRATE], retrieved from FRED, Federal Reserve Bank of St. Louis; August 23, 2020.

<https://fred.stlouisfed.org/series/UNRATE>

For those affected or experiencing challenges related to their small business, job or career, it is important to know that resources may be available through some local and

national organizations. Here are a few resources that may serve as useful.

For individuals seeking support with employment or career support:

Job Centers of Wisconsin

— The Waukesha County

Workforce Development Center can provide a range of services that will help people with their employment related efforts from finding work to career enhancement. Their specialists can not only help with a recent job loss, but also provide support with the broader impacts to family, household finances and childcare. More information can be found at wisconsinjobcenter.org or by calling (262) 695-7800.

Resources for small business in terms of strategy, support or funding:

SBA — The Small Business Administration has a range of loan programs available for existing businesses, as well as start-ups. These programs are available through most local banks and credit unions. For those businesses that are facing challenges due to COVID-19, the Payroll Protection Program (PPP) is still widely available. This program was created to help operating companies with payroll related expenses. These loans may be forgivable if set up and used as intended within SBA guidelines. More information is available at sba.gov or by calling (800) 827-5722.

WWBIC — The Wisconsin Women's Business Initiative Corporation has been operating as a non-

profit helping business owners since 1987. They have a wide range of resources available for start-ups and existing businesses, as well. They also have a range of locally funded loan programs that may provide additional support where needed. More information can be found at wwbic.com.

Additionally, the Waukesha County Center for Growth (waukeshagrowth.org) and **SCORE.org** are also both great resources to aid with helping small business stakeholders identify strategies to foster stability and growth through these times. ■



Jamie Williams, CFP®
Wealth Advisor
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Hover your phone's camera here and listen to Money Sense "#4 – Wendy Baumann..." for more information about WWBIC

Crossword Puzzle: EIG Charitable Giving

For crossword solutions, visit ellenbecker.com/p/newsletter.



Kelly Whitt
Insurance Advisor Associate
Ellenbecker Investment Group

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EIG Employee Charities of Choice
Charities selected by our employees receive a donation from our EIG Foundation on that employee's work anniversary. We have included a few of these organizations in this quarter's crossword puzzle.

Across

- Found on sailing ships
- Done
- Childhood disease charity supported by EIG
- Oak tree nut
- Broad
- Cleveland's lake
- Primary field of study
- EIG-supported charity, Wisconsin Inmate ___ Association
- Tiny particle
- Financial subj.
- List ending
- Discomfited
- Unit of energy
- Milwaukee to Chicago direction (abbr.)
- ___ favor (please, in Spanish)
- Local animal shelter supported by EIG
- Blondie singer's nickname
- ___ Taylor Loft
- Build
- Tag
- Plant found in marshes

- Anjou and Bosc are two types
- Furthermore
- What comes around goes around
- Humorous
- First aid squad (abbr.)
- "My ___ runneth over"
- ___ for the Poor, charity supported by EIG
- Ready, ___, go!
- DNA's message carrier
- See 45 Down
- Fleas and gnats, for example
- Have a meal
- Actress ___ Rachel Wood
- Untamed
- EIG-supported charity, National Multiple ___ Society
- Secondary field of study
- Time periods
- Frequent Tuesday offering
- Slant
- ___ African Mercy Ministries, EIG-supported charity
- Great heaps
- Plant grass again

Down

- Common first word
- "Like ___ on a hot tin roof" (2 wds.)
- ___ Truth House, EIG-supported charity
- Walk heavily
- Señora's husband (abbr.)
- Be in debt
- Sous ___ steak
- Bring out, develop
- LP, in the 70s
- Airplane
- Uses a towel
- Violent disturbances
- Yard partition
- It may wear a halo
- Murder*, ___ *Wrote*
- Lawman Wyatt ___
- Common jacket fabric
- National ___ Foundation, outdoors charity supported by EIG
- First floor apartment number (2 wds.)
- Neck warmer
- Sheep's bleat

- Armed forces
- ___ in a Backpack, charity supported by EIG
- Matriarch in *Twilight*
- EIG-supported charity, ___ Dogs of Wisconsin
- 80s hip hop group, Run-___
- ___ fizz (with 59 Across)
- Ice fisherman's tool
- Mormon gp.
- Turns the opposite direction
- Fix a hem again
- Mother-of-pearl
- Book of maps
- Type of congestion
- Thin rope
- Kind
- American hurdler Jones
- The ___ Scott Case
- Florida's time zone (abbr.)
- Female pig
- Blemish

Saying “Thanks”

2020 has been a difficult year for many — financially, socially, emotionally and physically. But it’s also been a year of pulling together. Neighbors are helping each other. Essential workers continue to deliver packages, stock shelves, provide healthcare, etc. Nonprofits serve more people on constricted budgets. With so much uncertainty of what lies ahead, energy and motivation to keep going can fade. Expressing gratitude lifts spirits, boosts energy and brings greater happiness to both the giver and receiver.

It’s sometimes hard to know how to say thanks, who to say it to and when to say it.

Handwritten notes and phone calls to share simple words of gratitude can be very meaningful and personal. This may feel easy to share with family, friends and neighbors but don’t hesitate to write to nonprofits, service providers and health providers.

Returning the favor is a great way to show gratitude and help others. Give back through your own talent, hobby or profession. Those who sew can make masks, photographers can offer socially distant photo shoots, etc.

Nonprofits are stretched even thinner as demand for services is higher than ever. Cash donations are always welcome. As an incentive, the CARES Act provides an

additional \$300 above the line deduction (\$600 for joint filers) for charitable contributions in 2020 so keep your receipts. To donate your time, check with your organization on volunteering opportunities and needs.

For essential workers, especially grocery, delivery and restaurant workers, say thanks, show kindness and patience and follow the rules of the establishment to make their work easier and less stressful. Advocating for safety measures in the workplace takes it a step further. Some groups provide meals to hospital workers. Keeping ourselves healthy and safe reduces their load and stress too.

Small businesses and restaurants are especially hard hit. Many won’t make it through the financial impact of reduced sales and business. In addition to shopping at small restaurants and businesses, consider buying a gift card to use later. The cash inflow can help keep them afloat now so you can spend the card later.

Through thanks and appreciation, we can all have a more positive outlook as we keep moving forward. ■



Heather Deaton, CFP®, CSRIC™
Wealth Advisor
Ellenbecker Investment Group

Inspire Retirement: RV Travel Show Recap

It was great to see everyone at our RV show this year! Thanks to Burlington RV Superstore for letting us tour two of their motorhomes.

Save the Date for Next Year:

Thursday, August 5, 2021

*Thanks for
a fun event!*



Tax Planning in 2020

Americans are facing a long list of tax changes for the 2020 tax year ... and it's never too early to start thinking about next year's return. Last quarter we discussed many of the tax law changes included in the CARES Act. This quarter we'd like to dive a little deeper into some of the planning opportunities to take advantage of this pandemic year.

1) Recovery Rebates

The Recovery Rebates or Economic Impact Payments (EIP) impacted a number of individuals. For those with adjusted gross income less than \$99,000 (or \$198,000 for joint filers), this resulted in receiving up to \$1,200 per person plus an additional \$500 per dependent child. This income threshold was determined by the information on record at the time payment was processed, meaning tax information from either 2018 or 2019 was used depending on when you filed your last tax return.

The EIP is an advance of a refundable tax credit on this year's (2020) tax return. If you weren't eligible to claim the EIP based on your 2018 or 2019 tax return but are eligible based on your future 2020 return, you'll be able to claim your benefit next filing season. For those that did not receive payment or received less than \$1,200 per person, planning to reduce income by increasing 401k contributions or reducing IRA distributions could maximize the EIP when your 2020 tax return is filed.

2) Roth Conversions

A Roth conversion is the moving of assets from a Traditional IRA to a Roth IRA. The benefit of a Roth conversion is that all earnings grow tax-free and qualified distributions are not taxed upon withdrawal. Additionally, Roth IRAs pass to your heirs free of income taxes and the owners of Roth IRAs are not subject to required minimum distributions.

Roth IRA conversions may be a very smart move in 2020. With the market volatility that we continue to anticipate, many people's investment portfolios could see a downturn. That's not normally a good thing, but in this case, it is. Converting when the market is down reduces the tax liability associated with the conversion.

This year might also be a good time to do a Roth IRA conversion if you were unable to work during the shutdown and earned less on unemployment than you did while working. Converting in a lower tax bracket reduces the percentage of tax paid on the conversion.

Further, because the CARES Act suspended Required Minimum Distributions (RMDs) for this year, it provides a unique opportunity to convert traditional IRA assets to Roth IRA assets for retirees in addition to traditionally higher-income earners.

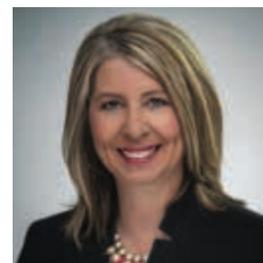
3) Required Minimum Distribution (RMD) Elimination

For retirees in 2020, there's the added bonus of skipping a 2020 RMD, an option the CARES Act allows only for this year.

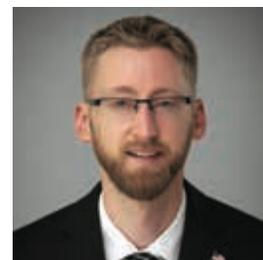
If you are normally subject to RMDs, you might consider converting to a Roth IRA an amount similar to what would have been your 2020 RMD. Be sure to also keep in mind the income bracket thresholds for Medicare premiums. Ideally, your Roth conversion shouldn't increase your IRMAA down the road.

Don't forget that IRA owners over the age of 70 ½ can still make Qualified Charitable Distributions (QCDs) even though RMDs are suspended for 2020. Of course, the distributions would not offset any RMD amounts in 2020 but the benefit still allows you to make charitable contributions using pre-tax dollars.

Proper tax planning requires an awareness of what's new and changed from last year — and there are plenty of tax law changes and updates taking effect in 2020. We are available to discuss your unique tax situation and offer our assistance, especially this year. As we look toward the election and pending legislation, this tax year could look a lot different than it does now — and if we've learned anything from 2020, it's that it probably will. ■



Sandra Geisler, CPA
Director of Tax Planning
Ellenbecker Investment Group



Richard Wolosek, CPA
Tax Planning Advisor
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More 1040 Changes

The 2020 1040 will once again have some updates to include a new cryptocurrency compliance measure and the above-the-line charitable deductions. The draft form also includes a reconciliation for the recovery rebate credit.



Hover your phone's camera over the QR code and click the link that comes up to view the draft of the 2020 1040.

How to Help a Family in Need

I remember a time when I was stressed, overwhelmed and exhausted. We had just welcomed our third child, it was the dead of winter, and my husband was gone on a work assignment for a whole week. Just when I thought it couldn't get any worse, it started to snow. And it snowed ... and it snowed. By the time the first foot had fallen, I had started to panic. How was I going to shovel that much snow with a newborn? I didn't sleep much that night as the snow kept falling. When I woke to my early alarm, I looked outside to see a winter miracle ... someone had snow-blown my driveway! I still don't know which neighbor was responsible, but this small act of kindness helped me when I needed it the most.

It's the little things that sometimes make the biggest difference. As our community still feels the effects of COVID-19, taking one small step to help a family in need can leave a lasting impact.

Here are some things to think about to get started:

- **Home** — Think of your own needs and look outward. When you are out cutting your grass or snow blowing the driveway, take notice if any of the families on your street that look like they could use help with these items. Take a few extra minutes to help out your neighbor.
- **Donating** — With many parents working from home and schools going remote, families are having a hard time finding enough devices to cover the workload. Perhaps you have an extra iPad or laptop you are not using. Check with your local

school to find the families in the greatest need.

- **Volunteer** — Do you have a teaching background? Many families who have never imagined homeschooling their children could use you right now, even for an hour a week to help their children struggling to adjust to a different school environment.

- **Meals** — As a working mom, I know how difficult it can be to put a nutritious, delicious meal on the table. Next time you are making a big meal, double the recipe and see if you can bless a family you know with the gift of time.

- **Seniors** — During this challenging season, seniors in our community are especially at risk for loneliness and isolation.

- Do your kids/grandkids like to color? Send some drawings to your local nursing home to brighten up the resident's hallways!
- Start a pen-pal relationship. It takes just a few minutes to write a quick note and start a relationship with someone who is feeling cut-off from society. Your local nursing home will be able to direct you to a resident who could use a little note of encouragement!

Most importantly, don't just offer your help — provide it. A small act of kindness goes a long way! ■



Kristina Schnuckel, CFP®, AIF®
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If you have EIG family or friends that would like to receive this newsletter or our weekly email, visit ellenbecker.com/newsletter-sign-up.

New Tax Processes Coming

After several years of providing tax planning and preparation to EIG clients, we are excited to announce some new and innovative tax preparation processes for 2021. We are putting together more digital ways for you to interact with us virtually during tax time that will save you time and resources. We want to continue to stay ahead of our ability to handle all of your tax preparation needs this tax season and beyond.

Simplifying Medicare:

Be Prepared, Help Yourself, Do the Research, Work with an Advisor/Agent

It has been said that 10,000 people a day are turning 65. That's a lot of individuals figuring out Medicare! It is confusing and even stressful, understanding all the rules, products and time frames to enroll in Medicare. Who needs more confusion these days?! Let us help you simplify the choices and create a plan.

The first step is to help yourself by being prepared and educated. Let's start with a few basics. The Initial Election Period, or IEP, includes the three months before a person turns 65, the month of the birthday or activation of Part B, and three months after a person turns 65 or activates Part B. During this IEP time frame, a beneficiary can enroll in any health plan or supplement with no medical underwriting. In order to do so, you will need your Red, White & Blue card. This card includes your Medicare ID number and it is needed to sign up for most products. Typically, the Medicare ID card arrives in the mail a couple of months before a person turns 65. If you are enrolled in group benefits and plan to retire, you may have to reach out to the Social Security office to activate your Medicare benefits.

Now that you have Part A & Part B, what about Part D? What is Part C? Is there really a Part F & G?? Yes, there are many strategies to cover the holes in Medicare. Part A & Part B leave you with no limit on your out of pocket expenses. Medicare will cover 80% of their fee schedule and you are responsible for the remaining 20% with no limit. You are also required to have qualified drug coverage (aka Part D).

There is no right or wrong plan — it simply depends on your specific situation. Every individual has their own plan, so if you and your spouse have different medical situations, which many do, you each choose what is best for you.

A licensed agent can simplify the decision process with you and is another member of your team, along with your wealth advisor, CPA, etc. They are there to strategize, to help and to form a complete plan for you. During your appointment, a licensed agent will ask questions and educate you of the options, so you can make the best decision for your situation. They are well trained in the application process and are there to make sure everything is completed properly. Often times, a 30-minute, semi-annual policy review appointment is scheduled, simply to make sure you're happy with the coverage you have.

The Open Enrollment Period, or OEP, is scheduled every year from October 15th through December 7th. Coverage begins January 1st and will then typically last the entire year. The Open Enrollment Period is right around the corner and it is a great opportunity to compare new plan options to your existing coverage. With a little research and the right counsel, you can save big and enjoy great peace of mind. ■



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Milwaukee's Philanthropic Community® Past Guests

Tune in on WISN AM 1130 at 10:00am CST or connect online at newstalk1130.com. Shows can also be heard on demand via Apple Podcasts, Spotify, Stitcher or Google Play.

This quarter's featured organizations include:

- Adaptive Athletes Foundation
- Aging & Disability Resource Center
- Capture Sports Marketing
- City on a Hill
- Disability Rights of WI
- Elmbrook Senior Taxi
- Father Gene's Help Center
- Feast of Caspian
- Feed My Starving Children
- Fisher House
- Food For The Poor
- Friendship Circle
- Gigi's Playhouse
- HAWS
- Healing Warrior Hearts
- Hope Instilled
- Independence First
- MKE Scholars
- Ronald McDonald House
- SHARP Literacy
- Silver Spring Neighborhood Center
- St. Vincent de Paul Society – Milwaukee
- United Neighborhood Centers of Milwaukee
- Vince Lombardi Cancer Foundation
- Waukesha County Business Alliance
- Waukesha County Center for Growth
- WVRC



Hover your phone's camera here to listen to past shows on our website.



Email Jill Economou at jill@ellenbecker.com to recommend a non-profit.

EIG HR Update

Congratulations to:



Heather Deaton, CFP®, CSRIC™
Wealth Advisor

Heather became a Chartered SRI Counselor (CSRIC™), gaining knowledge of the foundations, principles and trends of sustainable, responsible and impact investing.



Amy Schaubel
Tax Planning Associate

Amy successfully passed her Enrolled Agent (EA) certification, making her a federally licensed tax practitioner.



Martha Kolbow
Investment Operations Associate

Martha successfully passed her Series 65 Uniform Investment Adviser Law exam.



Tina Alfini, CDFIA®
Investment Operations Associate

Tina earned the Certified Divorce Financial Analyst® designation.

Welcome to the Team

Learn more about our new faces in the office by visiting ellenbecker.com/team.



Stacie Glaser
Investment Operations Associate



Chris Korenak
Investment Operations Associate



Cathy Roenspies
Wealth Advisor Associate

Creative Holiday Gifting

Holidays are going to look and feel a lot different this year. It has been a year of change, upheaval and new normals. In this year of isolation and disconnection, what are some gifts you can give someone to really make them feel special? Many of these items can be found on Amazon.com or through a quick search online. These are ideas that I have found interesting, but I have not personally tried them.



For the Pet Lover

Get them a portrait of their pet they can hang and cherish for years to come. One of my favorites is turning your pet into Renaissance Royalty (therenaissancepet.com). It is cute, different, and will definitely surprise your loved one.

For the Coffee Lover

Wouldn't it be great if your loved one thought of you every morning? Gift them the coffee of the month club, and they will thank you every morning as they enjoy their "cup of joe". Or better yet, also include a coffee cup with a picture of the family on it.



Stay Connected

If you want to really feel a connection with your loved one, you can give them the Amazon Echo. Both sets of our parents

have this, so we can see or talk with them whenever we want and they love being able to see the grandkids. Or, you

could have a more subtle connection and buy them a friendship lamp. When you touch the lamp at your home, it lights up their lamp at their home to let them know you are thinking of them.



For the Practical Giver Maybe you want to be more practical with your gift. Give them the Tile Mate. They can attach it to their keys or remote, and it will help locate the item when it is lost. If they have trouble finding things in their purse, then the Handbag Light is a must have. It will light up in the purse when it senses their hand.

Give Love Notes

But remember, you don't have to spend a lot to show someone you care. Create a love jar for them. Take a mason jar and add little love notes for them to pull out if they are feeling down or lonely. Or, become pen pals. Buy them some lovely stationery and start mailing letters back and forth. I love when I get a handwritten letter and I bet they will too! ■



Anne Mank, CFP®, CPA
Wealth Advisor
Ellenbecker Investment Group

Charity Casual Day

We will be collecting waterproof gloves and hats in support of Christmas Clearing Council of Waukesha County through December. Drop off a donation at any of our offices.



Hover your phone's camera here to learn more.

Economic Update

By now, nearly everyone has read or heard the media reporting that, in the second quarter, 2020, GDP fell an astounding 32.9%. There are many silver linings here. First, this is an annualized figure. Actual second quarter GDP, in dollars, was \$4.89 trillion vs \$5.36 trillion in the second quarter of 2019, so the year-over-year decline was -8.65%. This isn't great, but it is a far cry from the 32.9% figure, which implies that we lost about one-third of our economy. On top of this, the GDPNow forecasting tool, used by the Federal Reserve Bank of Atlanta, is predicting a gain of 29.6% in the third quarter. And, this forecast has been getting stronger over time — it was 21% in mid-August and 25% in late August. This suggests that the economy is quickly mending from the self-inflicted recession in the second quarter.

This is not a huge surprise because the Federal Reserve and the federal government have been providing massive support for the economy and investment markets (stocks and bonds). At more than \$11 trillion (>50% of GDP), these programs are, by far, the largest in the history of the country. Furthermore, the Fed has recently changed its policy to focus more on full employment and less on inflation. This means borrowing rates are going to remain very low for quite some time and economic growth can accelerate before the Fed "pumps the brakes" by raising interest rates.

The employment picture is also improving rapidly. The chart below plots weekly initial claims for unemployment insurance.

After a huge spike in late March/early April, claims have been rapidly falling and at a rate much faster than in previous recoveries. Furthermore, since the beginning of the year, 54 million people have filed an initial unemployment claim, but the number still receiving benefits is currently 14 million. This means that 40 million people that were collecting unemployment have now found a job and no longer need unemployment benefits.

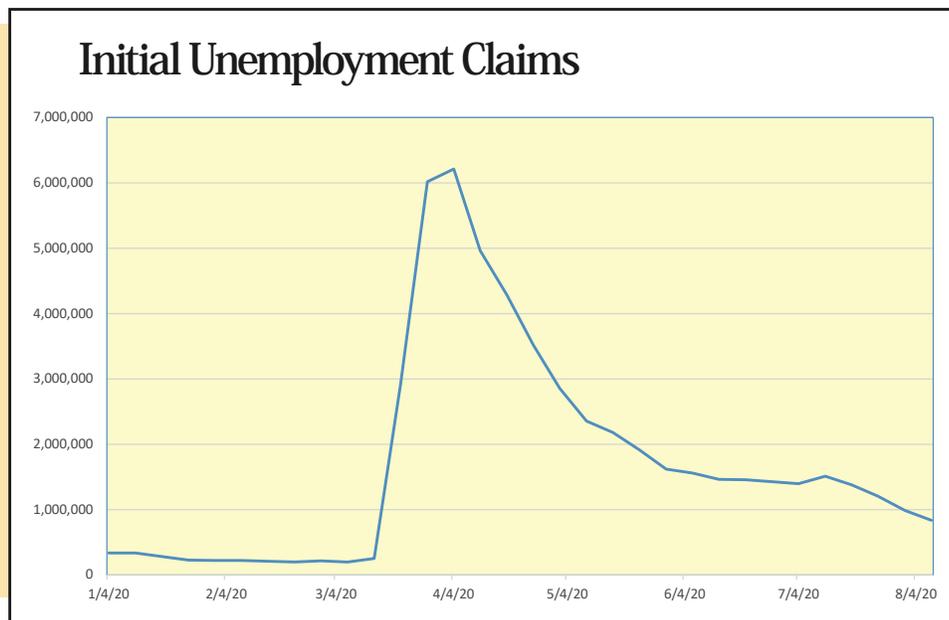
Winter may be coming, but we are starting to feel the warm glow of a rapid and likely persistent economy recovery. ■



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Hover your phone's camera here to visit moneysenseradio.com and listen to the Money Sense radio show with Terry Pavlic.



Campbell Newman

The stock market has recouped most of its pandemic-induced losses as of this mid-August writing. Much of the typical data used to gauge economic and financial health are not the key drivers of stocks' rally. Instead, there have been a number of policies, programs and other developments which provided the much-needed support.

First, the rapid and absolutely massive fiscal and monetary policy responses initiated in March injected over \$5 trillion into the domestic economy to dampen the impact of an unprecedented economic contraction (2Q GDP -33% on an annualized basis with job losses >20 million in April alone) and kept the system liquid. As noted by JPMorgan Chairman, Jamie Dimon, "In the normal recession, unemployment goes up, delinquencies go up, charge-offs go up, home prices go down. None of that is true here. Savings are up, incomes are up, home prices are up. You're not going to see it [the effect of this recession] right away because of all the stimulus and in fact, 60% or 70% of the unemployed are making more money than they were making when they were working. So, it's just very peculiar times."

The economic stimulus from the CARES Act distributed \$2 trillion through cash payments to individuals, forgivable loans to small businesses, aid to State, Local and Tribal governments, as well as further support for large businesses. At the same time, the Federal Reserve kept the financial system moving in a variety of ways, such as lowering interest rates by reducing the Fed Funds target rate to 0%-0.25% in March (from 1.50%-1.75%) and adding to its quantitative easing program through the purchase of roughly \$3 trillion in bonds from the end of February through the beginning of June. Additionally, in some instances, the "we will do whatever it takes" commentary provided the necessary confidence to keep the financial markets functioning without further intervention, such as in the case of Boeing's \$25 billion bond sale in late April.

The news flow regarding COVID-19 improved and it became evident the worst-case health scenarios predicted by the models, and used to rationalize the economic shutdown, were highly unlikely to come to fruition. At the same time, experience with the disease provided treatment breakthroughs and has shown who is at greater risk. Finally, there are roughly 135 different COVID-19 vaccines in development worldwide, with a handful already in the later stages of human testing, thus raising the possibility that one or more could be available for mass consumption by year-end.

Finally, the incredibly quick and smoother-than-expected transition to work-from-home and other online commerce made possible by technology definitely dampened the toll of COVID-19. We believe it also accelerated existing trends in areas such as retail and technology (as seen in the 25 bankruptcies of more traditional brick and mortar retailers so far this year) and appears to be prompting changes in lifestyle trends, especially among the Millennials' attitude toward homeownership and the desirability of living in large city centers. ■



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our passion for
service
defines our *culture*

EIG Volunteer Highlights

Heather Deaton, CFP®, CSRIC™

The Tandem 20/20 Tutoring Program

EIG Volunteered as a team at
Soles for Jesus



Calendar of Events

To register or learn more about our events, please visit: ellenbecker.com/events.
To receive our weekly emails, please email: info@ellenbecker.com.

October 2020

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SAT/SUN
			1	2	3/4 
5	6 EIG Technology Training Seminar 1-3pm or 6-8pm	7 Sustainable Living 5:30-7pm	8	9 EIG Charity Casual Dress Day	10/11 
12	13	14 Women's Bible Study 5:30-7pm	15	16	17/18 
19	20 Armchair Travelers 3-5pm	21 Wisconsin Widows Connected 5:30-7pm	22	23 EIG Charity Casual Dress Day	24/25 
26	27	28 Women's Bible Study 5:30-7pm	29	30	31/1 

November 2020

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SAT/SUN
					31/1 
2	3	4 Sustainable Living 5:30-7pm	5	6	7/8 
9	10	11 Women's Bible Study 5:30-7pm	12	13 EIG Charity Casual Dress Day	14/15 
16	17 Armchair Travelers 3-5pm	18 Wisconsin Widows Connected 5:30-7pm	19	20	21/22 
23/30	24	25 Women's Bible Study 5:30-7pm	26 EIG OFFICE CLOSED - Thanksgiving	27	28/29 

December 2020

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SAT/SUN
	1	2 Sustainable Living 5:30-7pm	3	4	5/6 
7	8	9 Women's Bible Study 5:30-7pm	10	11 EIG Charity Casual Dress Day	12/13 
14	15	16 Wisconsin Widows Connected 5:30-7pm	17	18	19/20 
21	22	23	24 EIG OFFICE CLOSED 1-5pm Christmas Eve	25 EIG OFFICE CLOSED Christmas Day	26/27 
28	29	30	31 EIG OFFICE CLOSED 1-5pm New Year's Eve		

EIG HR Update

Employee of the Month

Congratulations to these employees for going above and beyond and being chosen as EIG's Employee of the Month!

July Karen Miller
August Maureen Holson
September Kristen Cantrell

Employee Anniversaries

July
Pam Peterson 13 years

August
Sandy Miller 7 years
Jamie Williams 1 year
Richard Wolosek 1 year
Martha Kolbow 1 year

September
Maureen Holson 1 year
Anne Mank 3 years
Amy Schaubel 5 years

Anniversary Donations

Our anniversary donations went to:

- Sojourner Truth House
- WVRC – Wisconsin Veterinary Referral Foundation
- Hope MKE
- Soles for Jesus
- Resilience Racing
- Cystic Fibrosis Foundation
- Celiac Disease Foundation
- Share our Strength
- National Diaper Bank Network

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Tune in as Ellenbecker Investment Group Wealth Advisors share their unique financial perspective as they interview local and global economists, attorneys, tax professionals and other interesting guests.

Presented by Ellenbecker Investment Group, this unique show features non-profit organizations each week and explores ways for listeners to have an impact in our local community and the world.

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