



PRIME TIMES



A Newsletter for our Family and Friends from Michael White and Amanda Manske

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Our mission is to guide our clients through the financial transitions of life by helping them make smart decisions.

Volatile Markets: We Are Here to Help

At times our nation can appear sharply divided; divided by generations, by left and right, by our beliefs, and also by our differences. Sometimes circumstances arise that compel us to either rise together as one or be shattered. We are facing unexpected times and the emergence of a new abnormal, normal. Children are out of school, businesses are closed, and we are strongly advised to protect ourselves by remaining isolated in our homes.

In the midst of this challenging time, heroes have emerged. Medical personnel are on the front lines of a pandemic, doing whatever they can to heal the sick and preserve lives. Police and firefighters are rushing in to help when everyone else is rushing away, and teachers are tirelessly looking for creative ways to continue educating students. Elected representatives from both parties came together, after a little negotiation of course, and passed a Coronavirus stimulus bill, which was signed into law by President Trump on March 27th, 2020.

The coronavirus pandemic has affected virtually every facet of American life and severely impacted the markets and economy. Our goal here at Prime is to provide relief for you - we are here to help. Our entire staff is working, and we are committed to providing guidance, support, confidence and answers to all of your questions.

Times like this really show why a financial plan is so important. It allows the ability to endure the down markets while still being able to gain with the good ones. We diversify your investment holdings, guide you by formulating a solid investment strategy and help you stay committed to the plan. While it looks unlikely that we will hold 'face to face' meetings until the end of May, we are available for phone calls or video conference appointments. We always appreciate your business and look forward to seeing you all soon.

Take care,
Mike

P.S. Be sure to check out our website under the Resource Center tab for the email we sent out April 2nd detailing much of the CARES Act.

www.primefinancialservices.com/cares-act

NEW DATE SHREDDING EVENT!!

Saturday, May 30th, 10am - 12 noon

Client and staff safety continues to be our top priority, so this will be an no contact event. Please feel free to stop by to pick up your tax packets during this time. We look forward to seeing you all again (even if it's through the car window).

Client Profile: Meet Mike & Nancy Duwe



Prime Financial is fortunate to have friends that turn into clients, and clients that turn into friends. Mike Duwe and Mike White have been friends for many years, and when Mike and Nancy needed financial guidance, they turned to Mike.

In 1973, Mike joined the New Berlin Police Department and worked in public law enforcement for 15 years. He thoroughly enjoyed his time there but chose to switch gears and work in private security for Marriott International as an Investigator. He continued working countless hours and moved up the chain to manage international security of Sodexo Marriott in 2000. He eventually became the Vice-President of Corporate Security for the North American branch. He dedicated 32 ½ years at the company and just retired in late February.

Mike is staying on as a consultant full-time for Sodexo at this time but hopes to be enjoying full retirement by the end of the year.

Mike's other half, Nancy, has been a Registered Nurse at Froedtert Hospital since 1987. For over 33 years, she has helped patients in the Neuroscience unit and continues to work there today.

The Duwes live on a lake and look forward to all summer activities of boating, fishing and relaxing by the water. They have two children, Shannon and Colton, and enjoy all the family time they can get. When Nancy retires, they hope to snowbird during the winter months in Arizona or Florida, and they want to travel around the country. Until then, Mike looks forward to golfing, fishing and most importantly, relaxing!

Congratulations Mike! We look forward to hearing what the future brings for your family.

Time for a Roth IRA Conversion?

Tim Windler



Simply stated, a Roth IRA Conversion is taking pre-tax investment assets from a Traditional IRA and converting them to after-tax investment assets in a Roth IRA. The caveat - you are on the hook for paying taxes on the amount you convert. So why now?

1. Converting While the Market is Low

Although attempting to time the market is near impossible, history has shown that after pullbacks, we see recoveries. If your Traditional IRA was worth \$30,000 but is now worth \$25,000, you can convert your entire account balance of \$25,000 to a Roth IRA. If the market recovers, you will have paid tax on the lesser amount and will not have to pay any tax on your Roth monies in retirement.

2. Tax Rates Are Likely to Increase

With the CARES Act being passed by Congress for 2 trillion dollars, it is not unimaginable to see tax rates increase in the future to help pay for our country's increased debt.

3. Required Minimum Distributions (RMD)

RMDs do not apply to Roth IRAs.

4. Your Beneficiaries and the SECURE Act

The SECURE Act brought sweeping changes to retirement accounts. One of those changes requires non-spousal beneficiaries to withdraw all monies from the account within 10 years. Distributions from a traditional IRA account over those 10 years will be taxable to your beneficiary(s), and Roth IRA's will not.

Ideally, if you decide to convert, paying the taxes from cash reserves is more favorable than paying taxes directly out of the amount converted.

A Roth IRA Conversion is not right for everyone, but it is worth considering given the circumstances. Our team has the tools to help you make an informed decision, so please reach out to us if you think a Roth IRA Conversion is worth discussing.

? ASK AMANDA

What Questions Are Others Asking?

Over the last two months, we have all been faced with uncertainties and new challenges to navigate. Undoubtedly, you have new or “renewed” questions about what the future may hold and how it may impact multiple facets of your life, including your financial future. I wanted to take this opportunity to answer a few questions clients have recently had for us. Perhaps these questions have been on your mind as well.

I want to retire soon, should I move all my investments into a fixed account or money market?

Usually, no. If you have always had a low risk tolerance, most of your retirement assets are likely already in fixed income investments. However, if you have been comfortable with exposure to the stock market, it is usually not our recommendation to make a sweeping shift in the short term. As you are nearing retirement, a portion of your portfolio should already be allocated to a fixed income option, but not the entire account. When you retire, you

will not need to use all your investments immediately for income. In fact, a large percentage of your retirement investments will have a longer-term time horizon and should be invested to support your initial long-term plan.

Can I lose all my investments?

All Prime clients are invested in assets that are diversified within multiple mutual funds, equities, bonds, insurance strategies, etc. Even if you did just own one mutual fund, for example, you may own stock of over 250 different companies. In order to lose all your money in that mutual fund, all 250 companies would have to go bankrupt. We will see companies perish due to this current crisis, but we will see others recover, thrive, and innovate.



Should I discontinue adding money to my 401k/investments for a while?

It is prudent to consistently invest into the market because timing it is nearly impossible, but corrections such as this can provide opportunity. If you have the means to continue contributing to your retirement account(s), now is as good a time as any to continue investing. Each time you contribute to your retirement account(s) during a market correction you are buying shares “on sale.” Even though you may feel your contributions are “lost” if the market continues to decline, you are buying more shares at a lower price. History tells us the short-term pain of investing in a down market is worth it in the long run.

Continue to let us be your sounding board. Call with questions. Your plan is designed to meet your goals and balance your needs both short-term and long-term. We know adjustments may be needed as your lives change, and we are committed to guiding you along the way.

“In every crisis, doubt or confusion, take the higher path - the path of compassion, courage, understanding and love.” - Amit Ray, author

Welcome New Clients:

Taylor Ashworth

Dustin & Gia Aubert

Mike & Mary Gara

Michael & Kathryn Gleesing
Referred by Dori Manske

Lynette Gressle
Referred by Ron Rozek

Matt & Nicky Favour
Referred by Dave & Kathy Van Thiel

Kevin & Gloria Olson
Referred by Bob & Linda Julick;
George & Teresa Hakola

Lauren Perow
Referred by Brian & Jessica Takach

Joel & Jamie Rogers
Referred by Matt & Nicky Favour

Austin & Sarah Stueck

**Many thanks to our clients
for all their referrals!**

SPECIAL Announcements!

Congrats to our New Retirees:

Traci Bero retired as a Registered Nurse from Elmbrook Memorial Hospital where she spent 30 of her 38 year career. The majority of her work was in the Labor and Delivery Unit, but she finished her career in Post Anesthesia Care. Congrats!

John Cimuchowski retired after dedicating 32 years as a Fabricator at Quad Graphics. It's time to relax!

Debbie Fast has been a Sales Associate at Kohl's for the past 23 years. Awesome job!

For nearly 40 years **John Holt** worked in Sales Management and Engineering in the Manufacturing Equipment industry. Congratulations!

Kathy Kline retired from Mercury Marine as on Office Manager after spending 2 years at the company, and dedicated her time at mutliple companies throughout her career. Great job!

After 42 years at AT&T **Patricia Pridemore** finished her career as a Telecommunications Specialist. Relax and enjoy!

Linda Scheffler dedicated 13 years as an Accounting Coordinator at Wisconsin State Golf Association. Way to go!

SPECIAL ANNIVERSARIES!

50 Years

Lee & Janyce Hranicka

40 Years

Pete & Diana Giljohann
Bronco & Jill Lukic

30 Years

Jerry & Patty Lovas
Jim & Robin Patin
Cary & Karen Henson
Gary & Vicki Dimond

25 Years

Steve & Carol Fedewa

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