

# ***NELSONCORP NEWS***



**SPRING 2020**

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# NELSONCORP WEALTH MANAGEMENT TEAM



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Randy Richards




**NelsonCorp**  
Wealth Management

**FINANCIAL FOCUS**

**EVERY WEDNESDAY  
AT 9:00 A.M.**



# From Our Team

*On behalf of the team and our families at NelsonCorp Wealth Management and NelsonCorp Tax Solutions, we hope this note finds you and your family healthy. These are trying times for us all.*

*In recent weeks we have all needed to take extreme steps for the health and well-being of our communities. Our hearts and thoughts are with those who have been affected by the COVID-19 pandemic, and deepest gratitude goes out to the heroes of this moment including the doctors, nurses, health care professionals, pharmacists, fire fighters, police officers, nursing home workers, grocery store employees and all who are on the front lines in our community, state, and country. Their efforts and bravery have set an inspiring example for us all.*

*We support and are following the guidelines set by the World Health Organization and the Center for Disease Control regarding social distancing, and we remain committed to the local and national efforts to try and slow the spread of the virus. For the health and safety of our employees, clients, and community, we suspended face to face meetings at NelsonCorp Wealth Management and NelsonCorp Tax Solutions until further notice. During this time our team members are available for phone calls, Facetime calls, and other forms of communication. We encourage you to call us with any questions or concerns you might have. We are here for you.*

*Over the past 40 years, we have always been committed to assisting our clients during difficult times and we will continue to do so during this unprecedented world event.*

*Together we will get through this challenging time. Be safe, stay healthy, be smart, and be kind to others. Remember, we are all in this together.*

Take care,

*David*



Andy Fergurson, MBA, EA

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## Tax Deadline Extension

The CARES Act was passed into law in late March. As you are probably now well aware, part of the Act was the postponement of the tax deadline to July 15, 2020 without the need for any action on the part of individuals. Of course, as with all things taxes, there is still a lot of confusion about various aspects of that relief. So, with that in mind, here are the answers so some of the most popular questions I'm being asked right now:

**Question: What, exactly, can be delayed until July, 15, 2020?** Among other things, the filing of a personal income tax return, the payment of any 2019 tax liability (without penalty or interest), and the Q1 2020 estimated tax payment (also without penalty or interest).

**Question: Does this mean that I can wait until July 15, 2020, to make my 2019 traditional IRA, Roth IRA and/or HSA contribution?** Yes. The IRS has made clear that the deadline for making any remaining 2019 contributions to IRAs and HSAs is also extended to July 15, 2020.

**Question: If I'm not mistaken, my second quarter 2020 estimated tax payment is due on June 15, 2020. Are you saying that, if I take advantage of this relief, I'm going to have to pay my second quarter 2020 estimated tax payment before I pay my first quarter 2020 estimated tax payment?**

That's correct. 2020 is going to be a weird year in many, many ways.

**Question: So, this means that if I file an extension, the due date for my 2019 return will be January 1, 2021 (six months after July, 15, 2020), right? NO!** If an extension is filed, the due date will continue to be October 15, 2020.

## ***Social Security—Stick to Your Plan, Even Through Adversity***

Layoffs, business downturns, and portfolio losses may be causing individuals to rethink their Social Security claiming decisions. Those who had once been comfortable with the idea of claiming benefits at 70 may now be questioning that decision if the earnings or portfolio gains that were going to support them during the delay have mostly gone away. As they contemplate digging deeper into their own pockets to meet essential living expenses, they may be questioning the wisdom of delaying Social Security.

Here's the question of the moment: Does it still make sense to claim at 70 if it means drawing from a portfolio that is down in value?

First, let's look at the assumption behind this question. An individual who refers to a portfolio that is "down in value" is probably assuming the portfolio will go "up in value" fairly soon. In behavioral finance terms, this is known as anchoring bias. The client is anchored to the portfolio's value at its high and assumes it will get there again. But what if it doesn't? Or what if it takes a very long time? Does the client really want to compound the problem by locking in a reduced Social Security benefit? (By "reduced" I mean any amount that does not include maximum delayed credits.)

I believe the Social Security claiming decision should not be tied to investment returns or portfolio values at all. Of course, individuals will need other sources of income while delaying Social Security, but the relevant number here is the spending need, not the total amount of available assets. Anything above and beyond the amount needed for current spending is irrelevant: those assets will stay invested regardless of when the individual claims Social Security. What is relevant is how much needs to be withdrawn from the portfolio to meet current living expenses. If they delay Social Security to age 70, they'll need to withdraw more now, but less later because the higher Social Security benefit will meet more of the spending need.

**Nate Kreinbrink**

**RICP®**

NelsonCorp Wealth  
Management



## David Nelson

CFP®, CLU®, ChFC®

President & CEO

NelsonCorp Wealth Management



2020 CARES Act

**RMDs**  
**SUSPENDED**

The Coronavirus Aid, Relief, and Economic Security (CARES) Act, became public law on March 27, 2020. It is in response to the COVID-19 outbreak and its impact on the economy, public health, state and local governments, individuals and businesses. The response, intended to provide aid, relief and economic security, includes a waiver of required minimum distributions (RMD's) for 2020.

### Background of RMD's

Owners of traditional IRA's (including SEP IRA's and SIMPLE IRA's) must start taking RMD's from these accounts for the year in which they reach age 70½ (the first RMD year), and continue every year thereafter.

For employer sponsored retirement plans (401k, 403b, government 457b plans), RMD's also begin for the year in which the participant reached age 70½; but the terms of the plan may allow eligible participants to defer RMD's past age 70½ until retirement.

In such cases, the first RMD year for a plan participant would be the year in which the participant reaches age 70½ or retires, whichever is later. (note: for those who did not have a first RMD year by 12/31/19, the age was increased to 72 as part of the SECURE Act. These individuals are not affected by the 2020 RMD waiver under the CARES Act, as the earliest their first RMD would be due is 2021).

### NO RMD's for 2020

Section 2203 of the CARES Act amends IRC Section 401(a)(9) to suspend Required Minimum Distributions (RMDs) during 2020. The relief provided by this provision is broad and applies to Traditional IRAs, SEP IRAs, and SIMPLE IRAs, as well as 401(k), 403(b), and Governmental 457(b) plans. Furthermore, the relief applies to both retirement account owners, themselves, as well as to beneficiaries taking stretch distributions.

Under the CARES Act, all RMDs are

suspended in 2020. That means you can leave that money in your retirement account for the year if you don't need it now. Note that this applies both to retirement account owners and beneficiaries.

People who have already taken their distribution for 2020 can potentially return the money to their account if they want. This could be a slightly complicated process, so I won't cover it here. However, if you want further information about it, let me know.

However, it is worth noting that while Required Minimum Distributions are suspended for 2020, voluntary distributions are still allowed, including Qualified Charitable Distributions (QCDs) for IRA owners and IRA beneficiaries age 70 1/2 or older. And while such a distribution would not, for 2020, offset any amount of a taxpayer's RMD (because they don't have one), it still allows an individual to use entirely pre-tax dollars to satisfy their charitable intent.

# On A Personal Note...

## David Nelson -

Sally and I have some exciting news to share... soon we will be the proud grandparents of 10 grandchildren! Catherine and her husband Mike, who live in Chicago, are expecting their first child and John and Mercedes are expecting their second child. We are so happy for all of them. Sally is busy getting her gardens ready and she can't wait to be outside taking care of them. I'm looking forward to her getting in the gardens too...I love all the fresh fruits and veggies, especially the blue berries, black berries and carrots. The grandkids love grandma's gardens too. I'm pretty sure they eat their body weight in red raspberries!



## Amy Cavanaugh -

I am glad that spring has finally arrived. It was a long and challenging winter for all of us. We were lucky to take a vacation in early March and we returned home just days before they started to shut things down. We were in Key West for a week celebrating a 50th birthday with several friends. We had great weather and a great time. I have adjusted to working from home but I miss seeing our clients in the office. I think of this quote from Maya Angelou: "I do my best because I'm counting on you counting on me". I hope you all stay healthy and we look forward to seeing you again soon.



## Brad Fritz -

Wow! It certainly has been a long winter and spring. Overall a pretty mild winter weather wise, but I think I got a little bit of the winter blues this year. We did travel to Florida in February for our winter getaway and really enjoyed our time away in the sunshine state. The weather was perfect down there and so was the golf. The holidays were pretty quiet as we weren't able to gather as a family until the weekend after Christmas. So, on Christmas day, Carol and I went to the

Fulton Fire Station and helped serve at the community dinner again this year. Here's to looking ahead to a great year for all of us, "may the sun shine on your faces all of the days ahead."

## Gene Krueger -

Welcome to our 2020 Spring Newsletter. It is always with great excitement that we get to bring you, our clients as well as family and friends, up to date on what we have been up to when we go out the doors of NelsonCorp Wealth Management.



Due to health issues that I am experiencing, Susan and I spent 3 1/2 months in Bonita Springs, FL. I can attest that even though the IA/IL area had a fairly mild winter, Southwest Florida's was a tad bit better! HA.

We are now back in Bettendorf and I have returned to my beloved "Day Job". Not that being with Susan 24/7 for those 100+ days was bad but....

I hope this finds you all healthy and enjoying the outdoors. We thank you all for your continued use of our services but most importantly we thank you for your friendships. - Gene'o

## Ken Nelson -

Wedding number two is now in the books. Our youngest son's wedding took place in the middle of October, and it was another fantastic experience we will never forget. They had a beautiful ceremony at a quaint little church in downtown Rock Island, followed by a fantastic reception at a banquet hall across the river in Davenport. They had a tremendous turnout, and a great time to say the least was had by all! My wife and I are truly blessed to now have these two wonderful young ladies as our daughters, and more importantly we have all the confidence in the world in them to keep our sons in line! Hopefully sooner rather than later we will be able to start having a conversation about grandbabies we will be expecting! Wishing you all the best.



# On A Personal Note...

**Val Hill** - Elle is in the 2nd semester of her Junior year at the University of Iowa. Her hard work paid off as she earned Dean's List recognition after 1<sup>st</sup> semester.

She's really enjoying her classes and up until the recent changes, was still volunteering at the Ronald McDonald House and working at the Little Angels Learning Center in Iowa City. Her duties there focus on working with 3, 4 and 5-year old

children. Needless to say, she has a lot of very funny stories to tell. Before traveling was restricted, we spent a fantastic week on the gorgeous island of St. Maarten. Here's a picture of the girls on a very windy sunset cruise! We had a wonderful time with family and friends. Take care and stay healthy.



**James Nelson** - Hello, I hope everyone is

staying healthy during these trying times. It has been interesting working from home with three kids in the house. I am dealing with a few more interruptions than I usually have. We have done our best to get outside and enjoy some of the nice days. I hope all of you are doing well and I look forward to hopefully seeing you at events later this year.



**John Nelson** - I hope this finds you healthy and adjusted to quarantine life. I am fortunate to be able to

continue work from home, although doing this with a one year old can be a challenge. Included is a picture of Will from Easter, and he enjoyed his first Easter egg hunt. We are excited for the arrival of our new baby girl in June. Although we are not having face to face meetings with clients, always feel free to contact me with questions or concerns. I hope you all



stay safe and healthy.

**Nate Kreinbrink** - Spring weather is finally here, and hopefully this time to stay. Since our last note, we enjoyed the Holidays with family, making a trip back to

Ohio. The boys had great basketball seasons, and even Braxtyn was on a team this year. Since then, we have adjusted to our new "normal" of online learning and schoolwork at home. Our days are definitely crazy with 3 different class schedules, Ash's teaching of her own class, and my continued work from home. We each have our own separate area of the



house designated for our "office", but definitely not the way anyone anticipated the end of the school year to be. If nothing else, it makes you appreciate all the little things that were taken for granted. Until the next time, stay healthy and look forward to seeing everyone in the office whenever that time may be.

**Jake Woodcock** - Hello, I hope everyone is

staying healthy during these trying times. It has been interesting working from home with three kids in the house. I am dealing with a few more interruptions than I usually have. We have done our best to get outside and enjoy some of the nice days.



I hope all of you are doing well and I look forward to seeing you at events later this year.

# On A Personal Note...

**Jamie Hugunin** - Hello everyone, what a start

to 2020. It has been the most exciting year for me, as Brian and I welcomed our baby boy, Miles into the world. Miles was born on January 7<sup>th</sup>, weighing 7 pounds 10.1 oz and 20 inches long. We are so blessed to have a healthy, happy boy! Miles has been cooing for quite some time and has been very talkative lately. He is always smiling and loves to giggle. His favorite things are mommy's milk, his swing, and when we act silly! We are so in love! We are glad that we can finally get outside and enjoy some fresh air with the pups. Which brings another announcement that our dog Zeus became a dad and we got one of his puppies; his name is Apollo and he is a sable German Shepherd. It is fun to watch Apollo learn from Zeus and to see their different personalities. We are so excited for our family to grow together!



**Michelle Eversoll** - Happy Spring! My

husband and I have been anxiously awaiting warmer weather so we can get the Jeep out of hibernation. We have a great group of friends, old and new, that we love to go on Jeep cruises with. We have found some of the best hidden gems in Iowa, Illinois and Wisconsin. We can't wait to explore new places this year! Best wishes to all for a warm and wonderful season!



**Travis Morehead** - I hope everyone has

enjoyed some extra family time during the quarantine. I was able to help celebrate my nephew's 1st birthday in early March. Since, the family has become avid users of Facetime calls. My tech savviness has been relied on a bit more, to say the least. I am staying optimistic that we will be able to enjoy baseball this summer. Go Cubs!



**Rich Phelan** - I grew up on the South Side of Chicago so naturally I was a White Sox fan. In high school I started to become a Cardinals fan also. I could get KMOX radio out of St. Louis at our home and I enjoyed Harry Caray's call of the games. Yes, the same Harry Caray that broadcast the Cardinals and the White Sox before he moved to the North Side!

Baseball has always been a rite of spring. A time when we knew that winter was finally over. Well its spring in 2020 and baseball will be back.....SOON! I can be patient. And remember when the season does begin get out and support the LumberKings. What a great asset for our community! And I'll still root hard for the White Sox and Cardinals even though I have Cub fans in my family and throughout the NelsonCorp family.



**Bob Lee**— It was the end of March when we learned we are socially distanced for another month. Thanks to FaceTime and even the telephone we see and hear family, especially grandkids.

Fortunately we can remember our time in Florida in the heart of the winter. Our niece, Courtney, was married in Miami mid January. It was wonderful to have our three children attend the wedding and be together.

Because we were in Florida earlier than normal we spent a week in Naples and one on Long Boat Key. Our normal destination during winter is Anna Maria Island for four weeks. We were able to enjoy sun, wonderful sunsets, and warm days.

After seeing our son and family in Asheville, NC, we returned home in early March. Now, as everyone, we are looking forward to the end of the pandemic and hopefully getting about spring.



# On A Personal Note...

**Randy Richards** - Dolores and I traveled to Zagreb, Croatia earlier this year where I was teaching at the Zagreb School of Economics and Management. This is our twelfth year of going to Zagreb. My class went well, students from all over Europe who were very interested in learning about leading adaptive change. We got to spend time with our friends and their families. Zagreb is a beautiful city with a lively cafe culture. Spring is a bit sooner there than here so the cherry trees, forsythia and pansies were in full bloom, giving us a peek of what was to come.

**Steve Grimes** - Prior to March, the past few months were pretty busy with some trips and grandkids time. In late October my wife Jan and I took a trip to DC and got a tour of the Capital and White House. We also made it to Philadelphia and visited Freedom Hall and the Liberty Bell! We had a great Christmas at our



house with all four grandkids. My goodness how they grow! We visited my daughter and her family and watched our grandson Henry play with one of their 7 goats. I attended my nephew's New Years Eve wedding in Austin, Texas, with 4 of my 5 siblings. I also took two of my grandkids up to watch the Hawkeyes beat Penn State at the end of February. Go Hawks!

**Becky Frederick** - Hello everyone. I hope you have had a good winter! I am so looking forward to the spring weather. We actually are getting some "tufts" of nice green grass that needs to be mowed and some sprouts coming through the ground! I think our family is most looking forward to getting some golf in! My picture is our "Lucy" wanting



to head out to the course with us!

**Andy Furgurson** - Happy Spring everyone! I am hoping this season brings the renewal that we are all hoping for. I love the change from brown to green in the landscape around town and the determination of the early flowers to breakthrough the leaves and overgrowth. It's inspiring. Our family is well. Although, we are pushing the suggested gathering threshold with every family meal. We are safe, healthy and relatively happy. This tax season has been like no other and it is far from over. The automatic extensions from the Fed, Iowa, and Illinois have brought a much needed reprieve this year, but they have also condensed our valuable offseason. I look forward to the time when we can gather again. This picture is from Easter 2020 in our yard.



**Mike VanZuiden** - Life just seems to be flying by, doesn't it? The first few months of 2020 have been a blur and a blessing. Our family had the opportunity to spend a weekend at the University of Iowa in early February to celebrate Dance Marathon 27. Our daughter Taylor is a junior there, and she is involved with Dance Marathon. Our teenage son Trae was battling lymphoma at this time a year ago, so this was a special time for us. It is amazing to see a great group of young adults, pulling together and raising funds for pediatric cancer research and for raising over \$7,500 individually. Christy and I are so proud of our kids. Seeing them spread their wings and make a difference is a blessing. Tax season has kept me quite busy and teaching continues to keep Christy busy as well. We look forward with hope to Trae's high school graduation. Here's to a great spring and summer! Be well!





*As Memorial Day is upon us, I urge you to remember the great men and women who gave everything fighting for the values that they held dear.*

*Remember that many of the privileges you enjoy came with a price. Remember as you spend time enjoying your family and loved ones that our service men and women sacrificed their chance to do so for your freedom. Remember that.*

*This Memorial Day, remember to remember them, and how they fought for you.*

*Please join the team at NelsonCorp Wealth Management and echo the chorus of "Thank You" on this Memorial Day, and take time to remember them in your own way. **THANK YOU!!!***

## **2019 Community Impact Award Recipient**

Since 1981, NelsonCorp Wealth Management has been thrilled to serve people in the community we love. Back then, there were just three associates in a small office in Fulton, Illinois. A lot has changed since then! We now have multiple Eastern Iowa locations and oversee branch offices from Illinois to Hawaii.

We are grateful to all our clients that have been with us along the way. Our growth has allowed us to build a team of over 20 professionals who together have an extensive background of expertise, education and designations including a CPA, CFP, MBA, CLU, ChFC, RICP, RFC and others. This level of education and skills is imperative to effectively assisting our clients in complex situations. The pride in our commitment to the community and dedication to our clients has not changed in 38 years. We know that our clients have a choice in working with us, and that our value as a trusted business comes from that commitment and dedication.

NelsonCorp Wealth Management enjoys being involved and supporting multiple activities, events and civic groups. In doing our part by supporting many charitable organizations through volunteering and giving donations, we hope to make a positive impact on the lives of those who are living here.





**Every Friday, our advisors and staff can wear jeans and pay \$5. At the end of each month, the money collected is donated to a different charity chosen by an advisor or member of the staff. In addition to the money paid by the employees, the office also provides a matching donation. Since starting the promotion in 2013, we have donated nearly \$38,000 to local charitable organizations.**



Oct '19 - Special Olympics Eastern Iowa



Nov '19 - Shop With a Cop Program



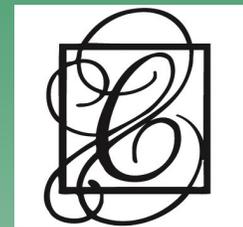
Dec '19 - Children's Therapy Center



Jan '20 - Clinton Fine Arts Assoc. Adopt an Instrument



Feb '20 - Mississippi River Eco Tourism Center



Mar '20 - Clinton Symphony Orchestra



Apr '20 - Clinton Public Library



May '20 - Genesis Foundation Program



PLACE  
STAMP  
HERE

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Management are not affiliated.*

## *The greatest compliment you can give... is to refer family and friends!*

Don't let friends & family make uninformed financial decisions. Let us help others like we help YOU! Be a friend and provide them with financial confidence by:



*Submitting a name to our mail/email list*



*Bring a guest to an upcoming workshop  
or event*



*Recommend a friend schedule a  
complimentary initial meeting*

**CONTACT THE TEAM AT NELSONCORP WEALTH MANAGEMENT**

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