

NELSONCORPNEWS

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2025

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THANKFUL FOR YOU

As you prepare for the Thanksgiving holiday, you may be reflecting on all the things you are grateful for. Your loved ones. Your health. Your country. But as you do this, also take a moment to consider Thanksgiving in a slightly different way — by thinking about all those who are thankful for *you*.

Your family and friends. Your neighbors. Your colleagues.

And add one more group to the list: All of us here at NelsonCorp.

We are so thankful for the relationship that we have with you. You may not know this, but our team has always vowed to only work with people we like and care about. People we truly want to succeed because we know they deserve success. During all the years we've been in business, we have maintained that tradition. We *like* the clients we serve! We cherish seeing you succeed because it is so well-earned.

That's why we are so thankful for the opportunity to help you in any way we can.

So as you celebrate Thanksgiving —
As you give thanks for all you are and all you have —
Remember that others are giving thanks for *you*, too. Including every single one of us.

On behalf of my entire team, I wish you and yours a wonderful Thanksgiving and a happy holiday season!

David Nelson

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THINGS TO NOTE

The NelsonCorp offices will be closed Thursday, November 27th and Friday, November 28th for the Thanksgiving holiday.

NelsonCorp is once again collecting unwrapped toys for local toy distribution programs. Non-perishable food items will be donated to our local food pantries. NelsonCorp will match what is collected with a cash donation. Items can be dropped off at our Clinton office, 880 13th Avenue North, Monday – Friday from 9am to 4pm.

SUPPORT OUR LOCAL CHARITIES & BUSINESSES

Check out what's happening at our area charities, businesses, and communities:

- Coats for Kids, Mississippi Bend Area Education Agency

NelsonCorp Nuggets

67% of people surveyed said their employer offered a 401(k) or similar employer sponsored plan, while 23% of those same individuals chose not to participate.

Source:
www.fa-mag.com

HONORING THE BRAVE

Earlier this year, two dates came and went, largely unnoticed by Americans and mostly uncovered in the media. But they are two of the most important dates in modern history — maybe *all* history.

I'm referring to May 8 and September 2. *Victory in Europe Day* and *Victory Over Japan Day*.

They're not given much attention anymore, but once upon a time, some of the biggest celebrations our country has ever seen took place on those two days. The news that World War II was finally over sparked an unparalleled wave of joy and gratitude around the world. Now, in 2025, I believe it's more important than ever that we remember those days, and that war, and the men and women who served in it.

This year marks the 80th anniversary of the end of World War II. A war that saw America's greatest generation storm beaches in Algeria, Sicily, and Normandy. Swelter and suffer in steamy tropical islands like Guadalcanal, Peleliu, and Okinawa. Risk their lives behind enemy lines in China and India. Even defend U.S. soil in Hawaii, Oregon, and Alaska.

A war that saw 16.4 million Americans serve in one way or another.

Today, eighty years later, there are fewer and fewer people still alive who celebrated those special days. In fact, the National World War II Museum estimates that less than *one* percent of those 16 million veterans are still with us. Less than one percent left to tell their stories. To keep a living record of what they saw, what they accomplished...and why it mattered.



This month is home to another important date. November 11. Veterans Day.

Of course, Veterans Day is for commemorating *all* those who have served, not just those in World War II. But given that this year marks the 80th anniversary of that conflict — and given how few of those veterans we still have left — I think they deserve special attention this year. Whether it's visiting the grave of someone who has departed, or volunteering at the local VA hospital, or even just cracking open a book to learn more about their service and sacrifice, this is a chance for us to make their past an ever-present part of our future. To truly understand and give thanks for the world we are so fortunate to live in. A world we simply would not have without them.

The veterans of World War II liberated towns from tyranny and rescued survivors from concentration camps. They paved the way to greater equality for all Americans. And the effort it took to support them turbocharged our economy in ways never seen before or since. Ways that we are still benefiting from today.

As Father J.P. Lardie, a military chaplain who served in World War II once put it:

One day, when the history of the 20th Century is finally written, it will be recorded that when human society stood at the crossroads and civilization itself was under siege, [they] were there to fill the breach and help give humanity the victory. And all those who had a part in it will have left to posterity a legacy of honour, of courage, and of valour that time can never despoil.

I am so grateful for our veterans. I feel so moved whenever I have the chance to work with them. And I feel so humbled to be lucky enough to share the title of "American" with them. I know you are, too.

For those veterans who served during one of humanity's darkest hours, I am especially grateful this year.

General Douglas MacArthur, who commanded U.S. forces in the Pacific, famously said during his farewell address to Congress, "Old soldiers never die, they just fade away." But most of those who fought with him have died.

Now, it's our job to ensure that they — and everything they stood for — never, ever fades away.

SHARING THE SPIRIT OF THANKSGIVING

I always love stories about those who strive to include others in their holiday celebrations. The family that takes an extra pie or basket of homemade rolls to their neighbors. The person who ensures their coworker, who might otherwise spend the holiday alone, gets invited to dinner. All those who spend Thanksgiving volunteering at a soup kitchen, homeless shelter, hospital, or assisted living facility.

That's why I was so happy when I came across this lovely Thanksgiving story. It's about people working to bring the holiday to a surprising group: Over four hundred shelter dogs and other pets in southern Utah.

With less than 5,000 residents, the city of Kanab is small in size but rich in highlights. It's a gateway to numerous national parks and monuments and has been the shooting location for countless Hollywood films, including *Planet of the Apes* and *The Outlaw Josey Wales*.

It also contains the largest no-kill animal rescue sanctuary in the United States.

The shelter is home to 1,600 dogs, cats, birds, bunnies, horses, pigs, and other animals that have been orphaned or abandoned. On any given day, there are around 400 dogs alone at the sanctuary that either have medical issues or were abused by previous owners.

Once upon a time, the pets at the shelter spent Thanksgiving alone, as most of the staff would take the day off to be with their families. But, while carving turkey or watching football, their thoughts would turn to those

they were closest to who *didn't* have any holiday plans: The furry friends and canine companions at the shelter.

So, the staff decided to bring Thanksgiving to them.

Each year, the shelter hosts a special feast for their shelter pets. People all over the community donate time and food to the animals. One donor frequently contributes anywhere from 500-700 *pounds* of ingredients! Of course, it's not good for animals to eat most human food. So, every Thanksgiving, a local chef takes the ingredients and spends roughly *twenty-six hours* transforming them into a gourmet meal for the dogs to eat. They even factor in each dog's individual nutritional needs! Then, the chef personally delivers the food to the shelter.

Every pet gets its own meal. Just like humans, each has their own preferences and habits. Some dive right in and eat *everything*. Others are more fastidious, intending to savor every bite. But one thing they all have in common is that each receives a generous helping of pumpkin pie to end the meal. (I'm starting to wish that I could get invited to Kanab each Thanksgiving...)

For the staff at the sanctuary, and for many of the people in the community, it's hard to imagine a better way to spend the holiday. As the chef, Shon Foster, says, "Once [the pets] see the food and start to eat, you can see the excitement throughout their whole body. I get to be a hero for a day! It's kind of emotional."

Here's how the sanctuary supervisor, Kayla Riding,

describes it: "Watching them enjoy this meal is just the best feeling. It really makes our hearts soar."

And Ali Waszmer, who takes care of the dogs at the shelter, puts it like this: "It's so important to us to give our dogs as many family-like experiences as possible. To see our dog residents enjoying a tasty holiday meal is incredibly meaningful to us."

It takes a ton of work, a lot of time, and a significant amount of money to give these pets their own special Thanksgiving. But, when you think about it, the same is true for us, isn't it? Some of us will travel hundreds, even thousands of miles to be with family. Some of us will labor in the kitchen for hours, even days, to get everything ready.

But we do it not just because it's tradition, but because of what that tradition gives back to us. Thanksgiving is a chance to connect with others. A chance to see family members we don't often get to see. A chance to better know our neighbors. A chance to make life a little easier for those less fortunate than us. We travel, we work, we cook, we prepare, and we gather

because it's a chance to open up our homes and hearts to those around us.

And the more we let others in, the richer we all will be.

That's why this story really got me in the holiday spirit. Our pets and animal companions love us unconditionally. They love us on our best days and our worst. They love us whether we're old or young, healthy or sick, wealthy or poor. All they ask for is love in return. This Thanksgiving, I'm especially grateful for the animals in our lives and for the people who care for them. And I'm grateful for *all* those who strive to share Thanksgiving with others.

The world we see on the news isn't always the gentlest place. But in every community, there are people working to make it a little kinder, a little warmer, a little more inclusive. Thanksgiving is a day to remember that, and to give thanks for it. So, on behalf of everyone here at NelsonCorp, I wish you a very happy Thanksgiving spent with the people you love...and a warm and tender holiday season.



END-OF-YEAR TAX PLANNING TIPS



The end of the year is fast approaching. It's a time for breathing in the crisp Autumn air; maybe taking a drive to see the fall colors. A time for holiday preparations and indulging in every pumpkin-flavored drink known to man.

But it's also a time for tax planning.

Now, most people don't see it this way. Taxes are for March or April; maybe even January or February if you're feeling particularly ambitious. Right? Well, while that mindset is perfectly understandable, there are actually some very simple — but extremely savvy — steps you should take in Q4 to potentially minimize taxes and maximize your options.

We have our own in-house team of tax professionals that we work closely together with. We feel like the process is so much faster and more accurate when we can team up to look at your overall situation — from investments, taxes, Social Security, Medicare, and more. Or, if you don't get your taxes done here, we can coordinate with your outside CPA or tax professional. So, as the

year winds down, here are seven tax-related items that we find very important to do before the year ends.

1. **Review Your Priorities and Time Horizons.** Tax planning — as opposed to tax *preparation* — is all about looking ahead. It involves determining your priorities, your needs, and your desires, figuring out your timeline for achieving them, and then aligning that timeline with your tax situation. The first part is my job. The second is where the tax professional comes in. That makes this a good time to chat with your tax professional to make sure they are aware of your lifestyle spending needs, philanthropic goals, anticipated liquidity events over the next ten years, and so on. This becomes the steering wheel for every technical choice made later.
2. **Contribute to Retirement Accounts.** One of the most important things you can do, from a tax standpoint, is ensure you have maximized your contributions to any

retirement accounts you own before the end of the year. This is especially true of your 401(k), if you have one. All contributions to your 401(k) must be made by December 31 if you want to deduct them from your 2025 taxes. As a reminder, the 401(k)-contribution limit for 2025 is \$23,500.¹ (People over the age of 50 can contribute an additional \$7,500.)

With IRAs, you technically have a little more time — all the way up until next year's tax deadline, which is April 15, 2026. But my advice is to take care of those contributions now, as it's easy to forget in the hustle and bustle of the spring tax season. (Contributing earlier can also help you potentially take advantage of certain Roth IRA conversion strategies, but this is something we should talk about personally, so I won't go into detail about that here.)

By the way, the IRA contribution limit for 2025 is \$7,000.¹ (People over 50 can also make an additional \$1,000 in "catch-up contributions" if they are behind in saving for retirement.)

3. **Take Advantage of Charitable Contributions.** Most people donate to charity because they want to make a difference in the world. But philanthropy brings tax benefits, too. For example, if you itemize your deductions, as opposed to taking the standard

deduction each year, you can deduct a portion of your donation to qualified organizations. (For the 2026 tax year and beyond, those taking the standard deduction can also claim a deduction on their charitable contributions, but for 2025, this option is solely for those who itemize.)

Those who are age 70½ or older can also make a **qualified charitable distribution (QCD)** of up to \$108,000 from their IRA to the charity of their choice.² This is classified as a tax-free gift and is not considered taxable income. And if you are at least 73 years old, a QCD can apply to your **required minimum distribution (RMD)** for the year, reducing the amount of taxes you'd need to pay on it, and potentially even keeping you from moving into a higher tax bracket.

4. **Harvest Your Losses (the Right Way).** As you know, when you sell an investment that has increased in value, you must pay taxes on your **capital gains**. But when you sell an investment that has decreased, you can declare a **capital loss**. A loss can often be used to offset the taxes you pay on your gains, thus reducing your overall tax bill. This is known as **tax-loss harvesting**, and when done accurately and consistently, it can increase your after-tax returns by 1%.³ Over time, this can make a big difference! But it's important to do this mindfully. You should always keep the wash-sale

rule in mind, which prohibits selling an investment for the tax benefits but then buying a similar security within thirty days before or after the sale. And you should never sell a high-quality investment just for the tax benefits, even at a loss.

5. Optimize the Character and Timing of Investment Income.

Along similar lines, being mindful about when and why you take income for your investments can have a surprisingly large impact on your taxes. By deliberately realizing or deferring gains, and by managing qualified dividend income versus income derived from interest, you can potentially reduce the amount of taxes you need to pay in the future. Now, this step requires some in-depth planning to be done properly, so I would be happy to chat with your tax professional if I can be of any assistance.

6. Audit-Proof Your Documentation.

No one has ever enjoyed going through a tax audit. The good news is that one of the best ways to avoid that stress is relatively simple: Ensure you have a clean, mindful documentation process. This involves the proper storage of your financial documents, knowing how long to keep each one, and most importantly, which documents are most important. Your tax professional should be able to give you guidance on this, but let me know if you have any questions.

7. Build a Baseline Tax Projection Before Tax Filing Season.

Last, but certainly not least, work with your tax professional to determine:

A) What your expected Adjusted Gross Income

will be for 2025

B) What ordinary and capital gains brackets you will likely fall under

C) Whether you will have any exposure to the Alternative Minimum Tax. By doing this now, you will decrease the likelihood of any unpleasant surprises once tax filing season starts next year.

So, there you have it. Before the trees are bare, or you start planning for the holidays in earnest, work with your tax professional on these seven items. Not only will it help you enter 2026 with increased confidence, but it will benefit your financial situation for years to come.

1 "401(k) & IRA limit increases," Internal Revenue Service, <https://www.irs.gov/newsroom/401k-limit-increases-to-23500-for-2025-ira-limit-remains-7000>

2 Eligible IRA owners can donate up to \$105,000 to charity in 2024," Internal Revenue Service, <https://www.irs.gov/newsroom/give-more-tax-free-eligible-ira-owners-can-donate-up-to-105000-to-charity-in-2024>

3 Shomesh Chaudhuri, Terence Burnham, Andrew Lo, "An Empirical Evaluation of Tax-Loss Harvesting Alpha."

NELSONCORP MEDIA APPEARANCES

Be sure to catch our weekly educational content featured locally on television, radio, and the newspaper. You can get this and more at www.nelsoncorp.com/blog.

This month on 4 Your Money, David Nelson looked at the indicators the National Bureau of Economic Research uses to measure the economy. He highlighted the employment and production data as well as spending and growth data. While the economy seems stable for now, he stressed the need to stay alert. David returned to discuss the national debt and interest rates. James Nelson examined the data on consumer spending and how almost half comes from the top 10% of earners. He cautioned that if that group has to reduce their spending, it could impact the economy as a whole. On another segment, David explained the concept of correlation in the market and what it means if stocks are moving along with other stocks or doing their own thing.



4 Your Money airs Tuesday mornings on FOX 18 News at 8am and on WHBF CBS Local 4 News at around 6:10pm and is a paid appearance.

On Financial Focus, Nate Kreinbrink and Mike Steigerwald reminded listeners that the Medicare open enrollment window is open from October 15th to December 7th and the importance of reviewing your coverage. They talked about things to watch for when transitioning to Medicare, especially when one spouse is enrolling and the other isn't. Andy Fergurson joined Nate to talk about what he learned at the IRS Tax Forum. One of the big items was the IRS will be phasing out paper checks for tax payments – for both tax payments owed and tax refunds issued. David Nelson joined Gary Determan and talked about how the markets have reacted to government shutdowns in the past.



Financial Focus airs every Wednesday at 9:00 am on KRQS FM 105.9 and AM 1340.

AVOID THESE FINANCIAL FRIGHTS

We just wrapped up Halloween and all the ghosts, goblins, and scary stories that come with it.

But there's something else that rears its frightening head around this time of year. No, I'm not talking about Frankenstein's monster. I'm talking, of course, about three common "phantoms" that people can run into concerning their finances, all of which can affect retirement planning. Fortunately, you don't need a clove of garlic or some silver to ward off these ghouls — and you don't need to fear them either. All that's required is just a little planning and foresight.

What's Around the Bend: Fighting Financial Vampires

Have you seen the vampires lurking in the night? The image of a bloodthirsty creature that evades sunlight and drains the life force from its victims is probably what came to your mind. They are portrayed as cunning, mysterious, and deadly. They can appear charming, sophisticated, and gain your trust enough to let your guard down.

Thankfully, these vampires are entirely fictional, so there's no real threat. However, there's another type of vampire that is very real — and it'll sink its teeth into your funds.

I'm talking about the *financial* vampire.

Similar to those creatures of the night, these vampires are prowling, waiting for you to make a mistake. Hiding just out of sight every time you reach for your wallet. You may not even notice them, invisible, as they quietly drain your accounts.

What is a *financial vampire*? It's an individual or habit that gradually drains your financial resources. I've gathered a list of a few types of financial vampires you should look out for. Some may not apply to you; others, you may have already encountered.

1. The forgotten vampire.

This one represents paying for unused memberships and subscriptions. This could be a non-committal subscription box that you're sure you can cancel at any time. Or a "sign up now and get a bonus 3-months free!"

streaming service. There's nothing wrong with having a subscription, but it's easy for these "deals" to become deadweight as the services go unused or forgotten. Payments continue as the costs fade into the background.

2. The care-free vampire.

This laid-back vampire represents overpaying for the ease of convenience paired with a lack of planning ahead. Overpaying for the same insurance instead of actively looking for better deals; forgetting to prep snacks and instead buying them at the gas station for your kids' soccer game, using food delivery apps which are always faster than making dinner. It's not that the purchases are unnecessary, but they still add up. Indulging in convenience sometimes comes at a higher cost than we think.

3. The mini-vampire.

When we use credit cards but consistently only pay the minimum back each month, we become prey to this particular creature. There are many reasons people choose to only make minimum payments, but for the majority, this vampire represents delaying immediate pain, only to lead to greater pain later. Not only do people often end up paying a higher interest rate, but the payment terms will also feel truly "immortal," adding several years to pay off the debt, eating into savings and reducing our ability to invest for retirement.

4. The trendy vampire.

Keeping up with the Joneses is a common way people get into debt. The trendy vampire represents our desire to be socially accepted or envied. Outside influences like social media often pressures us to seek the perfect status update. This, in turn, can drive spending habits far past our financial limits, no matter what our net worth. The result? We spend and spend on things we don't need — or even really want — and save very little for the goals we truly care about most.

5. The impulsive vampire.

Every day there seems to be something that we just have to have. These are purchases that are unnecessary, unplanned, and not budgeted for. It's when we grab candy at the register, or buy a TV because of the huge discount, or order take-out for lunch in lieu of the one we packed. An easy way to identify an impulse buy is they typically come with buyer's remorse.

6. The emotional vampire.

The emotional vampire attacks when we are feeling particularly anxious, stressed, worried, or angry. It's during these times that we often seek comfort...and one of the quickest sources of comfort is retail therapy. This is when people look for a distraction or mood boost in the form of expensive purchases, or deals that seem "too good to pass up." It's an easy way to drive up our credit card bills or lock ourselves into contracts that quickly become deadweight.





Financial vampires come in many forms and learning to recognize them can help us all better transform our spending habits. Reviewing our expenses regularly, tracking our spending and keeping any of these spending habits in check can help us stay on budget.

Please let me know if you have any current or potential financial vampires, I am happy to help slay them with you!

What's Over the Next Hill: Staving Off Doom Spending

That creeping feeling of dread. That uneasy sensation that something's not right. Feelings like that seem particularly prevalent right now, don't they? But it has nothing to do with Halloween.

These days, it seems like there's always something scary being talked about on the news. The world feels unsettled, the future uncertain.

If you ever feel this way, you're not alone. One study by the American Psychiatric Association showed that 67% of Americans felt anxious or uncertain about current events happening around the world; 62% felt anxious about "keeping myself or my family safe."¹

These feelings are normal from time to time, but they can have a negative impact on people's finances, including their retirement savings. That's because they can trigger a behavior known as **doom spending**.

According to a report from earlier in the year, as many as one in five Americans are doom spending — making frequent, impulsive purchases driven by fear and anxiety.² Sometimes, these purchases are made by a genuine desire to prepare for an emergency, like stocking up on non-perishable food, toilet paper, or over-the-counter medications. But just as often, they can be driven simply by the rush of dopamine humans get when they spend money or receive something new. The latest gadget or home appliance. Bulk items from Costco because they're a "great deal." Sporting paraphernalia, designer clothes, or that shiny eBike in the store window.

To be clear, there's nothing wrong with spending money on things that bring you joy or make life easier! But the problem with doom spending — or any type of spending made out of pure, emotional impulse — is that it can lengthen the road to the things you truly want *the most*. When people doom-spend, and

then allow that spending to be habitual, it can lead to taking on increased credit card debt or use up dollars that could have been set aside for that dream vacation or invested for retirement.

Fortunately, doom spending is easy to avoid so long as we're always aware of it. Simply taking the time to ask ourselves, "Why am I buying this thing?" is often enough to stave it off. Or, "Do I really want this...or do I want something else more?"

Another handy trick to avoid doom spending is to follow the **48-hour rule**. When thinking about making a major purchase or down payment on something that isn't absolutely essential, simply wait two days before pulling the trigger. This gives emotions a chance to cool... helping you evaluate whether the decision is truly worth the expense.

A third method is to make it a habit to look at your long-term financial plan at least once every two to three months. Remind yourself what you really care about and want the most. Check your progress — have recent decisions helped move you closer, or further away? By doing this, by consistently lifting our heads to see the horizon, we can put what's in front of our noses in proper context...and ensure that emotional spending of *any* sort doesn't fill our entire field of view.

What's On the Horizon: Avoiding Medicare Mistakes

For those who are retired or nearly retired, there are few financial mistakes more frightening than those involving Medicare.

Medicare comes in many shapes and colors, and if you took ten different retirees, you might find ten different ways Medicare

plays a role in their lives. But it's also an absolutely indispensable tool that every retiree should take advantage of in some way.

All tools are liable to misuse, however, and that's why it's important to know about common Medicare mistakes people make, and how to avoid them. We can't cover *all* of them in one short article, of course, but here are four of the most frequent.

Medicare Mistake #1: Confusing Medicare and Medicaid

At this very moment, you may well be thinking, "Well, I know what the difference is!" If so, great! But this is a surprisingly easy mistake to make, even for those who are very financially literate otherwise. After all, they sound similar, they both have to do with health care, and they are both administered by the federal government.

So, if you *don't* know the difference — and that's okay! — here it is:

Medicare is a federal health insurance program specifically for those age 65 and older or who are younger but have specific disabilities or conditions. While you don't have to be retired to take advantage of Medicare, because of the age requirement, financial advisors like me often consider this to be a part of retirement planning.

Medicaid is a health insurance program, overseen by the federal government but administered at the state level, for those with low incomes or limited resources.

The reason this mistake matters so much is because it can lead people to think they:

- Don't qualify for Medicare because they have too much money...or not enough! But while income can play a role in a person's Medicare

costs, it does not affect their Medicare *eligibility*.

- Don't qualify for Medicaid because they are not old enough. But age does not affect Medicaid eligibility.
- Can only take one or the other, when in some cases, they may qualify for both!

As this is a newsletter for people who are either in retirement or working towards it, we are focusing on Medicare for the rest of this article.

Remember: If you are 65 or older, you are eligible for Medicare!

Medicare Mistake #2: Missing Your Enrollment Period

This is a very easy mistake to make...and unfortunately, it can lead to some major repercussions.

Let's clear something up right off the bat: While people automatically become eligible for Medicare at age 65, that does not mean they will be automatically *enrolled*. In fact, only those who have received Social Security benefits at least four months *before* their 65th birthday get automatically enrolled in Medicare.

Everyone else must sign up manually during their initial enrollment period, which starts three months *before* the month they turn 65 and ends three

months after.

The reason this matters so much is because waiting too long to sign up can lead to a 10% **late enrollment penalty** for Medicare Part B.³ Furthermore, the penalty gets levied for each full year you *could* have had Part B but didn't. And worst of all? The penalty *never goes away*, but will continue being levied for as long as you do have Part B.

Now, there are some special exceptions to this, but they are rare and can be a pain to deal with. Instead, treat Medicare like handing in your homework or wishing your spouse a happy anniversary. Don't forget it... and start thinking about it well in advance!

Medicare Mistake #3: Choosing the Wrong Medicare Option

Medicare is complex. There are multiple parts and variants. That's why it's easy for people to choose an option that doesn't really fit their needs or leads to unnecessary expenses.

Here's the basics:

Part A covers hospital costs and some costs associated with nursing facilities, hospice, or home health care. For most people, Part A is free and comes with no premiums.

Part B covers visits to your primary care doctor and most specialists as well as lab tests,

some medical equipment, and preventative services. Unlike A, Part B is *not* free but comes with a monthly premium. (In addition, those above a certain income level must also pay a surcharge *on top* of their premium.)

Part C is commonly referred to as a **Medicare Advantage plan**. This is a private insurance version of Medicare that covers the same things that Parts A, B, and sometimes D do. In addition, many Advantage plans cover things original Medicare *doesn't* cover. (Think vision and dental care.) However, these plans usually come with additional premiums *and* an annual out-of-pocket limit. In addition, Advantage plans often require prior authorization for some treatments, services, and prescriptions.

Part D covers prescription drugs. This coverage is optional, in that you can have Parts A and B *without* D if you so choose. (Thinking that Parts A and B cover prescription drugs is another common Medicare mistake.)

Choosing the right Part or Advantage plan for you requires some careful thought about what you need, what you can afford, and even what your doctor recommends. There's no one-size-fits-all answer here, despite what some resources on the internet may say, so do your due diligence and take your time before deciding what's best for you!

Medicare Mistake #4: Auto-Renewing Your Medicare

It is possible to set up an automatic renewal for your Medicare plan. While that's certainly convenient, it *can* be a mistake. Why? Because, as your life changes, your *needs* may change, and whatever Part or Plan you selected before may no longer be the best option. Instead, take time each year

before open enrollment starts to review your coverage and costs to determine whether a change is needed.

And...that's it for now! Four common Medicare mistakes to avoid...and a plethora of frightening financial mistakes to ward off. Please let us know if you have any questions or if we can help review your policy. We have a great team of Medicare specialists that are happy to help.

1 "Annual Mental Health Poll Reveals Americans Anxious About Current Events," American Psychiatric Association, <https://www.psychiatry.org/newsroom/news-releases/annual-mental-health-poll-2025>

2 "1 in 5 Americans are 'doom spending'," CNBC, <https://www.nbclosangeles.com/news/business/money-report/1-in-5-americans-are-doom-spending-heres-how-that-can-backfire/3642111/>

3 "Avoid late enrollment penalties," Medicare.gov, <https://www.medicare.gov/basics/costs/medicare-costs/avoid-penalties>



NelsonCorp Nuggets

The average age Americans start saving for retirement is 31 years old, while 56% of Americans say they're behind on saving for retirement.

Source:
Bankrate

A QUICK PRIMER ON MARKET INDICES



When most people talk about "the stock market" or "the markets" in general, they're usually referring to something else: A **market index**. There are many market indices in existence, with the most famous probably being the S&P 500 or the Dow Jones Industrial Average. The performance of these and other indices are often what you see covered in the media. But what exactly is a market index, and how do they work? This infographic breaks down the basics, so let's dive in!

WHAT IS A MARKET INDEX?

An index tracks the performance of a group of securities, like stocks, bonds, commodities, or even currencies. Indexes are handy tools because they enable investors to compare current price levels for different segments of the market with past ones, so they can measure performance over time. Some indexes track narrow segments of the market, like companies of a specific size or sector. Others are much broader.

CAN YOU INVEST IN AN INDEX?

Since indices track the performance of securities, it's generally not possible to invest in them directly. However, it is possible to invest in an **index fund**, which is made up of the various securities within a specific index and thus mirrors the index in performance.

WHY DO DIFFERENT INDEXES HAVE DIFFERENT PRICES?

When you look at the various indices, the first thing you'll see is a different price for each. You may notice that those prices can be very different. For example, the price of the Dow Jones is tens of thousands of dollars higher than the S&P 500, even though the latter contains more companies. This is because indices are valued using different methods. For example, the Dow is a **price-weighted** index. Its price is calculated by taking all 30 stocks in the average, adding up their prices, and then dividing by a specific number. The S&P 500, on the other hand, is calculated by first multiplying each company's share price by the number of shares it has available to buy or sell before being divided. This makes it a **capitalization-weighted** index, which has become the standard.

EXAMPLES

Dow Jones Industrial Average:

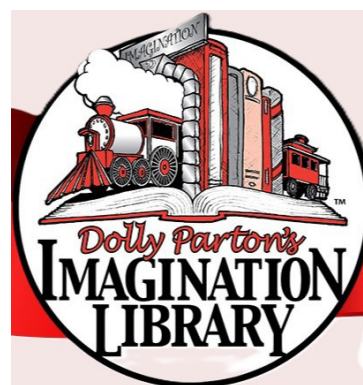
This index tracks 30 of the most prominent companies listed on stock exchanges in America. (As of this writing, think Apple, Coca Cola, and Walmart, among others.) Because it's so narrow, the Dow isn't always a good indicator of how the overall stock market is doing, but it gets a lot of media attention because of how large and well-known its constituent companies are.

S&P 500: This index measures 500 of the largest companies listed on American stock exchanges. Because the S&P 500 tracks so many more companies than the Dow, across a broad range of industries, it is often considered a more reliable snapshot of the overall market than the Dow.

NASDAQ Composite: This index tracks stocks listed on the Nasdaq Stock Exchange and is heavily weighted towards technology companies.

Russell 3000: You don't hear about the Russell as much, but this index represents nearly the entire U.S. stock market. It includes 3,000 of the country's largest publicly held companies.

THIS MONTH'S FEATURED CHARITY IS DOLLY PARTON'S IMAGINATION LIBRARY CLINTON COUNTY



Since 1995, Dolly Parton's Imagination Library has become a leading early childhood book-gifting program, mailing over 1.4 million age-appropriate books each month to children from birth to age five across the U.S. Dolly created the program to spark a lifelong love of reading and inspire children to dream—and research shows it's making a real difference in early literacy.

The program was launched in Clinton County in 2012, and through ongoing grant writing and fundraising efforts, over 138,000 books have been mailed to local children to date.

If you'd like to support this wonderful program:

Make checks payable to: Dolly's Imagination Library Clinton County

Mail to:

LincolnWay Community Foundation

P.O. Box 225

DeWitt, IA 52742

JEANS FOR CHARITY

Every Friday, the team at NelsonCorp Wealth Management wears "Jeans for Charity". In exchange for getting to wear jeans to work, we each pay a \$5 weekly fine. At the end of the month, the fines are donated to a charity. NelsonCorp will match the fines that are collected.

Sources: [S&P 500](#), [Dow Jones Industrial Average](#), [Nasdaq Composite](#)



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