

Investment Thoughts

Dear Client,

The most popular person in an elementary school isn't the kindergarten teacher or the principal. It's the janitor. I have clear memories of virtually every janitor being kind, funny and helpful. They always had the right tools, knew everyone's name and had the key to everything! If you needed something done, the janitor was the person to turn to.

However, I suspect most school custodians did not start out dreaming of the day they would grow up to be a janitor. And yet, they always had that warm, welcoming smile waiting for me. Life has a funny way of putting you into positions that you didn't see coming...

You may be surprised to learn that this holds true for our team members team as well. Chris describes himself as a "recovering attorney" after his law career lasted roughly 18 months. Jodie has a degree in primatology, dreamed of becoming the next Jane Goodall and worked at the San Diego Zoo after college. I (Greg) might have landed closest to the mark, but even I was planning on a career in public accounting.

We love our jobs. We have coworkers who feel like family, clients we genuinely enjoy and a daily routine that we find interesting, challenging and rewarding even on the worst days. But even so, Buttonwood office life isn't our passion. We gladly pursue other interests on the weekends and view our vacation time as a chance to "get away." Chris loves to see the world with Peggy. Greg loves watching his kids' athletic activities. Jodie loves camping, hiking and curling up with a good book. We enjoy our time in the office, but we're passionate about these other activities.

Our article in this edition of "Investment Thoughts" discusses the role of work in one's life, and finding satisfaction in your role even if it's a position you "didn't see coming." In a world that increasingly emphasizes meaning and "calling," we found it a thought-provoking piece on how to find happiness

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Special points of interest

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Need an After Hours Appointment?

Upcoming opportunities:

Greg
Wednesday Evenings

**Available 4 pm, 4:45 pm,
5:30 pm and 6:15 pm**

March 18

April 22

May 20

Jodie
Saturday Mornings

**Available 9 am, 10 am
and 11am**

March 28

April 11

May 9

Office Closures

Buttonwood Partners Inc. will be closed on the dates below to allow our employees to celebrate with their families.

April 11
Good Friday

Investment Thoughts cont.

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even when your position doesn't rise to that lofty status. If your passion is your work – fantastic! Count your blessings as you head in each day. If it's not, recognize you are not alone and focus on the role work plays in allowing you to pursue your true passions.

While life at the office is rarely perfect, one aspect of Buttonwood life that we are always passionate about is helping you identify and pursue your passions. Our role as financial advisors is to assist you in connecting the two aspects of life, identifying how your productive efforts on behalf of your employer can benefit you personally as well. If there is a goal that is important to you – some dream that has always been out there but never seemed within reach – then we want to show how your daily efforts can help you prepare, plan and ultimately see it become a reality.

The trust that you put in us isn't just to keep your money safe. It is to help it grow so that when you are ready, it is as well. Thank you for letting us help you pursue your passions, whatever they may be.

Sincerely,
Greg Rademacher, Jodie McLellan and Chris Bugg



Total Returns

How well do you know the stock market?

Fill in the number of years each has occurred between
1928-2019 (92 years total)

Loss of 20% or more	_____ years
Loss of 10-20%	_____ years
Loss of 0-10%	_____ years
Gain of 0-10%	_____ years
Gain of 10-20%	_____ years
Gain of 20% or more	_____ years
Total =	92 years

Should Work Be Passion, or Duty?

By Firmin DeBrabander

Sept. 2, 2019

It's worth noting on a national holiday extolling the value and dignity of labor that Americans are uniquely obsessed with work. Could any other nation come up with a product like [Soylent](#), a meal substitute, not for the elderly, the poor or the malnourished, but for software engineers, Wall Street brokers, tech entrepreneurs and others who don't want to be diverted from their work by the time consuming intricacies of a meal? Could you imagine the French conceiving such a thing?

While other wealthy nations have shortened the workweek, given their citizens more free time and schemed to make their lives more pleasant, stress-free and enjoyable, the United States offers a curious paradox: Though the standard of living has risen, and creature comforts are more readily and easily available — and though technological innovations have made it easier to work efficiently — people work *more*, not less.

Why is this?

One theory is that Americans have come to expect work to be a source of meaning in their lives. Our “conception of work has shifted from *jobs* to *careers*, to *callings*,” [explains](#) Derek Thompson, in a recent article in *The Atlantic*. There is a growing expectation, if not insistence, that work is to be your passion, your obsession — a veritable religion that Thompson dubs “Workism.” This is especially pronounced among the upper classes — precisely those people who do not need to obsess over work, at least for material concerns.

A recent study of priorities among young people [found](#) that achieving one's career passion ranks highest of all — more than making money or getting married. Finding a fulfilling job is almost *three times* more

important than having a family, teenagers in the study reported.

It is daunting to contemplate. Most people are certainly guaranteed to fail in this pursuit. Even people who love their jobs will report they must do thankless tasks from time to time. Few, if any, experience nonstop bliss, where sheer passion sustains them through long hours on the job.

Americans have come to expect work to be a source of meaning in their lives.

Whether or not you accept the work as worship analogy — perhaps “meaning” and “fulfillment” in this context are really just the usual raw ambition disguised as virtue — there is plenty of evidence that our high-octane work culture has serious consequences.

It is at least partly responsible for high levels of burnout among millennials. Many young people report having lost the ability to enjoy free time; they [have](#) fewer hobbies. Americans overall today engage in fewer extracurricular social activities than they did in previous generations. More time spent on the job or at the office means less time with family — and with children who crave our attention. There are also [links](#) between long work hours and increased consumption, and a larger carbon footprint.

It seems clear that we need a new approach to work, a different motivation for selecting and performing one's job, and making space for it in life. We might begin by rejecting the

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Should Work Be Passion, Or Duty Continued

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notion that work should consume our lives, define and give meaning to them, and seeing it rather as an opportunity to fulfill something larger, namely our duty.

In a well-known essay called “On the Tranquility of the Mind,” the first-century

“Identify the several jobs you are called to do — inside and outside the home — and do them well.”

Stoic philosopher Seneca offers advice to his friend Serenus, a Roman official who complains that his high post is not fulfilling because it does not allow for glory. Serenus does not see the impact of his grand position, and finds it hard to do his job. He constantly casts about looking for something more captivating and consequential, where his renown may be secured — to no avail. Ultimately, he complains to Seneca, he feels seasick from it all; he is unsettled, unmoored, empty.

Seneca’s advice to Serenus is to focus on doing his *duty*. He must perform the job he is best disposed and able to perform, as determined by his nature, and the needs of those around him. And he must forget about glory or thrill or personal fulfillment — at least in the near term. If he performs his duty, Seneca explains, fulfillment will come as a matter of course.

When the Stoics invoke duty, they have something special in mind. Yes, it involves performing your obligations, but there is more to it. For one thing, the Stoics see duty everywhere — or rather, they see life as a collection of duties, including but not

limited to your job.

Duty is rooted in self understanding. What are you able to do well, the Stoics ask? What service is required? Throw yourself into that. Each of us has undeniable talents and abilities, whether they are physical, emotional or intellectual. More controversially, your natural makeup and disposition suggest there are things you should *not* do — you will never do them well, and they will offer perennial frustration. Hopefully, or ideally, your natural abilities will be cultivated and deployed most effectively and fruitfully. This makes for joy.

In essence, Seneca calls for a change of focus: Instead of straining to discover your one true passion, and devote your life and soul to it, study yourself and the needs of those around you. Frankly assess what you can do, how you are best equipped to serve, and work. Also: identify the several jobs you are called to do — inside and outside the home — and do them well.

Seneca also urges Serenus to avoid pinning his hopes on perceived results; we may not see any. Too often, we throw up our hands in despair when we think our efforts have no impact. Too often, we misjudge the nature and standard of success. But human perception is prone to error, philosophers have long pointed out. We are often ill equipped to measure, much less detect the fruits of our labor. We must, Seneca says, “just act” — just do your duty, and think of little else. To illustrate, Seneca tells the story of the ill-fated Julius Canus, who was condemned to death by the emperor Caligula. In prison, Canus played a game of draughts while awaiting his execution.

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Should Work Be Passion, Or Duty Continued

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When the centurion came to lead him to his doom, “he counted the pieces and said to his companion, ‘Mind you don’t pretend you won after I’m dead,’ then with a nod to the centurion he added ‘You will testify that I was one piece ahead.’ Do you suppose that Canus played a game at that board?”

Life is a game, or a play, the Stoics contend, where we have roles to act out. These are our duties. I, for example, am a professor, sometimes a writer; but also a father, a husband, and son; a colleague, citizen, neighbor and friend. There are certain things I must do in these roles. There are expectations of me and duties to perform beyond my career, as stipulated by my nature and place in society, and they require my attention. And my duties will change with time and age.

Play the role you are given, Seneca urges. Play it seriously, and diligently. But recognize that it is only a role, one among many — and not of your design or choice. When you see your duties as various roles you must play, and your life as a

collection of these roles, this will alleviate the urgency and anxiety that burden any given task — including, or especially, your career.

Work can be therapeutic, Seneca contends, when we take our will and wants out of the equation, and devote ourselves instead to the job at hand — and recognize that we have many callings. There is not only one path to fulfillment, but many.

In America, we fancy ourselves eminently free. We tell our children they can be anything they want, that they can achieve their grandest dreams. We mean this as encouragement, but Seneca would say it is secretly oppressive. In truth, we can’t be anything we want, nor should we try, because dreams are imprecise, and wants are insatiable. It is far better to focus on what we *can* do, where we *can* help. Our duties are a surer guide in life — and we are happier for embracing them.

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Welcome Katie!

This summer, we were fortunate to hire Katie Kalkofen as our summer intern. In the short time she has been with us, she has impressed us with her work ethic, accuracy, intelligence and attitude.

After graduating from UW-Madison in December (and celebrating with a week at Disney World), Katie joined our staff on a full time basis in January. She will be working as our Account Services Associate which will involve preparing the advisors for meetings, researching investments and assembling reports. We are excited to add her as a member of our team!

The SECURE Act

In the closing days of 2019, Congress passed bipartisan legislation that makes some key changes to the country's retirement system. The Setting Every Community Up for Retirement Enhancement Act (or SECURE Act) went into effect on January 1, 2020. Below we've outlined some key provisions and how they may affect you.

Required Minimum Distributions (RMDs) age changed from 70 ½ to 72. This will allow anyone who had not started required annual distributions prior to 12/31/19 to delay doing so until the year they turn 72. Anyone who had a required distribution in 2019 must continue taking annual withdrawals, even if they are not yet 72.

IRA Contributions allowed after age 70 ½. As long as you have earned income, you are now eligible to continue contributing to an IRA or a Roth IRA. Previously, contributions were not allowed once required annual distributions began.

Qualified Charitable Distributions (QCD's). The SECURE Act does not change the age at which you are eligible to make a qualified charitable distribution (QCD) from your IRA (which remains 70 ½). However, there are some restrictions related to making a QCD if you also make IRA contributions after age 70 ½. If you are interested in utilizing both features, we would encourage you to speak to your tax professional before completing the QCD to avoid any unintended consequences.

10-Year Stretch Period on Inherited IRAs. Prior to 2020, if you inherited an IRA from someone other than your spouse, you could take a required minimum distribution each year and stretch out the inherited IRA for life. Under the new law, however, the inherited IRA must be distributed within 10 years. There are exceptions for spouses, minor children, disabled or ill beneficiaries or if there is less than 10 years age difference between the deceased participant and the named beneficiary. This change only applies to accounts inherited after 1/1/2020, but is especially important for IRA's of substantial value and/or with a single non-spouse beneficiary.

Birth and Adoption distributions. Each individual parent can take a distribution of up to \$5,000 without penalty from an IRA or qualified plan within one year of the birth or final adoption of a child.

Student Loans and Apprenticeship Distributions. Up to \$10,000 may be withdrawn from a 529 plan to pay for principal or interest on an education loan for either the beneficiary or his/her siblings. You can also withdraw funds from a 529 to cover the tuition, books, supplies or equipment for qualifying apprenticeship programs.

This covers only a few of the provisions of the SECURE Act. If you have any questions, please call or e-mail and we'll be happy to discuss how these changes may affect your individual circumstances.

Out of Office

“I’m sorry, I’m away at the moment. If you would like to speak to someone urgently, please contact ...” I hate receiving this message. I’m never sure if my issue is urgent or if the person I will be talking to has any clue how to help me. Above all, I just don’t want to be a bother. We wanted to take a moment to clarify how our office operates when someone is away.

We try very hard to make sure at least one advisor – either Jodie, Greg or Chris are here in the office every day. If the advisor that you usually work with is in meetings, away, etc. we want you to ask Linda, Katie or Andrea for help. While they aren’t advisors, they are extremely knowledgeable about your accounts and can help with most issues.

It’s rare for a team member to be gone and out of contact for an extended period of time. When an advisor is away, they do check emails and call in to see if there’s anything they should be aware of. If you need to get a message to your advisor, we can usually find a way to do so.

We pride ourselves in our customer care. We want you to feel comfortable reaching out to any of us when the need arises. Thank you for your continued trust.

Retirement Contribution Limits

There are a few changes to IRA contribution limits for 2020. Most notably, 401(k), 403(b) and 457 plan deferral limits have increased from \$19,000 per year to \$19,500 per year. Catch-up contributions for individuals aged 50 or over have increased from \$6,000 to \$6,500. If you have an automatic contribution plan in place to max out either of these types of contributions, please make sure they are updated accordingly.

2020 Retirement Contribution Limits				
	401(k), 403(b), 457	Simple	Traditional or Roth IRA	SEP
Deferral Limit	\$19,500	\$13,500	\$6,000	N/A
Catch-Up if age 50+	\$6,500	\$3,000	\$1,000	N/A
Employer Contributions	Match or profit sharing	Up to 3% match	N/A	25% of salary or \$57,000, whichever is less
Eligible 2019 Contributions may be made through April 15, 2020				

Source: IRS.gov

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“We make a living by what we get, but we make a life by what we give.” – Winston Churchill