



# ELEVATE YOUR LIFE

The official newsletter of  
Elevate Private Wealth Management

[www.elevatepwm.com](http://www.elevatepwm.com)

## Inside This Month's Issue

Permission to Unplug | AI's Influence on GDP |  
Ghoulish Delights for Trick-or-Treaters | The Power  
of Roth Conversions | Elevate at Conferences

AUGUST, 2024 | VOL. 4



## AS WE READY OURSELVES FOR THE UPCOMING HOLIDAY SEASON, GIVE YOURSELF PERMISSION TO UNPLUG

BY MIKE MURRAY

### Family & Lifestyle

*4 ways you can ward off relaxation-induced anxiety.*

Have you heard the term “stresslaxation” before? It affects some people, especially high performers, who have a hard time relaxing. It strikes when they’ve finally taken time away from work and other responsibilities to engage in self-care activities – but can’t get in the headspace to actually enjoy them.

Stresslaxation is nothing new. This phenomenon, more formally known as relaxation-induced anxiety, has been studied for years. One study concluded that it affects worriers because relaxation interrupts the act of worrying. A different theory suggests it’s an association between relaxation and lack of control. Yet another blames it on an addiction to productivity.

The bottom line? Stresslaxation is not healthy. Trying so hard to fit in time to “relax” that it becomes yet another stressful exercise leads to, at best, what some call the Sunday scaries. At worst, it can lead to complete burnout. Here’s how you can combat stresslaxation.

### Understand the connection.

Sometimes just understanding that you have a hard time getting into the mindset to relax is enough to help you overcome the feeling. Taking time to reflect on why you’re experiencing anxiety as you approach relaxation (and even writing down your observations in a journal) will help you better address the feeling and break the pattern.

### Consider a chill activity (one that’s productive).

You can trick your brain into thinking you’re still being



productive by choosing a low-key activity that will give you a sense of accomplishment. Some ideas include teaching yourself something new with a book, recipe, documentary, or website; creating something artistic from start to finish in one sitting; or completing a light stretch or walk.

### **Be active but unplugged.**

Downtime doesn't need to be physically relaxing. Often, removing yourself from your environment (especially if you work from home) and doing something active or adventurous will force your brain to take a break. You may feel more accomplished getting outside and taking a bike ride or hiking a new trail.

### **Keep a list of go-to activities.**

You may feel stressed just thinking about what you should do to relax. Having to plan can add to the pressure. Creating a list of your favorite calming activities takes the brain power out of deciding what you should do with your downtime. The key is to make these blocks of time – pencil them into your calendar if you can – as easy and enjoyable as you can.

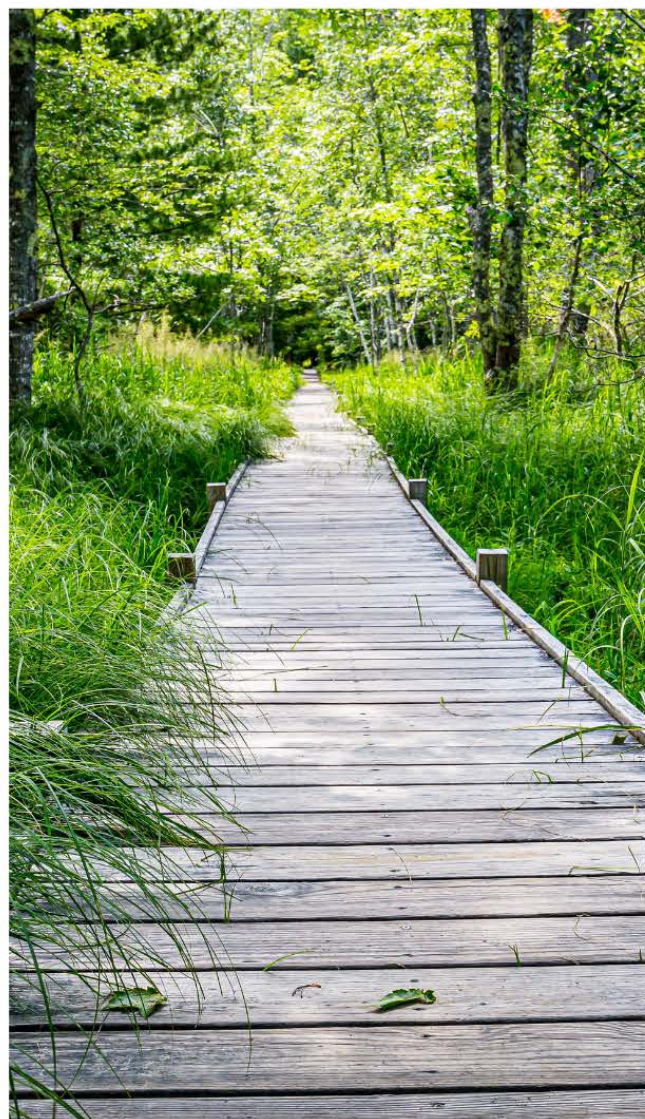
Turning off work mode can be challenging. But the benefits of prioritizing downtime and making space to reenergize will pay dividends when Monday rolls around. These tips will help you overcome relaxation-induced anxiety and give you permission to achieve a healthy, more fulfilling balance in life.

If you tend to have trouble turning off your mind and enjoying a little “me” time, try these

methods for getting in the groove of relaxation:

- Block off your calendar to indicate this is time you planned to take it easy
- Plan ahead by creating a list of go-to activities you enjoy for relaxation
- Consider active or adventurous downtime, like hiking a new trail

Sources: [cnn.com](https://www.cnn.com); [insighttimer.com](https://www.insighttimer.com); [hbr.org](https://www.hbr.org); [medicalnewstoday.com](https://www.medicalnewstoday.com); [forbes.com](https://www.forbes.com); [fastcompany.com](https://www.fastcompany.com)







# AI'S INFLUENCE ON GDP

BY NICK COLUMBUS

Technology has historically driven economic growth, with AI poised to revolutionize the economy on an unprecedented scale. From DaVinci's innovations to the Industrial Revolution, technological advancements have reshaped economies and workforces for years.

AI enhances productivity, personalization, and product quality, potentially boosting global GDP by \$15.7 trillion by 2030.

While AI may automate certain tasks, human labor remains essential, akin to past technological transitions in agriculture and manufacturing. Fear of job displacement by AI echoes historical resistance to technological advancements, yet adaptation and realignment of labor have historically occurred.

AI, like DaVinci Surgical Systems, exemplifies symbiotic synergy between technology and human expertise, indicating a continued evolution of labor roles.

AI represents the next chapter in the ongoing story of creative destruction, shaping the labor force, global economy, and financial markets in the years to come.

"We're at the beginning of a golden age of AI. Recent advancements have already led to invention that previously lived in the realm of science fiction - we've only scratched the surface of what's possible"

JEFF BEZOS





# GHOULISH DELIGHTS FOR TRICK-OR-TREATERS

BY MARY JO CLAFFY

Halloween festivities are fast approaching, and it's about time to decide which treats you'll give to the kids crowding around your door this year. While most of us find it hard to resist a classic chocolate bar, coming up with new treats to dole out can add a fun twist to the trick-or-treating tradition.



If you've been racking your brain for alternatives to candy bars and lollipops, keep these options in mind when picking up Halloween supplies:

- **Stickers and removable tattoos** – Goblins, ghouls and other spooky characters are all the rage around Halloween. Hand out some temporary tattoos or stickers and your house is sure to be a hit.
- **Individually wrapped snacks** – There's an assortment of lunchbox treats that can double as Halloween goodies, including gummy fruit snacks, granola bars and small chip bags.
- **Bubble bottles** – Adorn your neighborhood with the whimsical sight of bubbles on Halloween by giving out this classic party favor.
- **Glow sticks** – Available as bracelets, necklaces and traditional glow sticks, these handouts can help trick-or-treaters light their way for the rest of the night.
- **Sweet drinks or water bottles** – Walking door to door with a pillowcase full of candy can tire anyone out. Fill a tub with ice and your drinks of choice, such as small water bottles, mini soda cans and natural fruit juice boxes, and then offer them to children and parents alike.

Picking one of the items above – or thinking up a Halloween handout of your own – can make it easier to offer non-candy options that kids will still want in their treat bags. You might even save yourself a few dollars in the process.

I wish you and your loved ones a hair-raising Halloween, filled with tricks, treats and time spent with those who matter most.



# THE POWER OF THE ROTH CONVERSION: HELPING YOU MAXIMIZE YOUR WEALTH AND TAX EFFICIENCY

BY MICHAEL MURRAY



When planning for a confident financial future, Roth conversions can be one of the most powerful strategies available to investors. By converting traditional retirement accounts into a Roth IRA investors can take advantage of the long-term benefits compound tax-free growth. In this article, we'll explore what a Roth IRA is, the power of tax-free compound growth, historical tax trends, along with how converting some qualified dollars today could save money in the long run.

## 1. What is a Roth IRA?

A Roth IRA is a type of individual retirement account (IRA) where contributions are made with after-tax dollars, meaning the money has already been taxed. The key advantage of a Roth IRA is that once the money is inside the account, it grows tax-free, and qualified withdrawals during retirement are not subject to any federal income taxes.

This differs from a traditional IRA or 401(k), where contributions are made with pre-tax dollars, offering a tax deduction in the year of contribution. However, with a traditional IRA, taxes must be paid upon withdrawal in retirement. In contrast, Roth IRAs offer the benefit of completely tax-free withdrawals after age 59½, provided the account has been open for at least five years.

## 2. The Power of Compound Interest and Long-Term Tax-Free Growth

One of the most compelling reasons to utilize a Roth IRA is the power of compound interest combined with tax-free growth. Compound interest is the concept where your investment earnings generate even more earnings over time. With a Roth IRA, the earnings from your contributions (e.g., dividends, interest, and capital gains) grow tax-free for decades.

Consider this: In a traditional IRA, investment earnings would be taxed upon withdrawal in retirement, diminishing the effective rate of return. In a Roth IRA, however, the full amount of growth remains untouched by taxes, meaning you retain the entire gain. Over a long enough time horizon, this tax-free compounding can lead to significantly higher after-tax wealth compared to traditional retirement accounts.





### 3. Historical Tax Trends: The Likelihood of Rising Taxes

Taxes have historically shown a tendency to increase over time. While tax rates fluctuate based on economic conditions and political changes, historical data suggests that tax rates have generally risen, particularly during times of large government spending, such as wars or economic crises. This trend is crucial to consider when thinking about your long-term retirement strategy.

A study from the Tax Foundation has shown that U.S. federal income tax rates have been highly variable but with a general upward trend during periods of high national spending. This historical context suggests that deferring taxes to retirement—when rates may be higher—could result in larger tax bills down the road.

### 4. How Roth Conversions Can Save You Money in the Long Run

Given the historical trends of rising taxes and the power of tax-free compounding, converting some of your traditional retirement dollars into a Roth IRA today can be a wise financial move. When you execute a Roth conversion, you pay taxes on the amount converted at today's tax rate, but all future growth in the Roth IRA is tax-free.

For example, if you believe you'll be in a higher tax bracket in retirement, converting to a Roth IRA now allows you to lock in today's lower rates. Additionally, with current federal income tax rates near historic lows due to the Tax Cuts and Jobs Act of 2017 (which is set to expire in 2026), paying taxes now at a lower rate can prevent you from paying a higher rate later when tax brackets may rise. Moreover, Roth conversions can also help you manage your required minimum distributions (RMDs). Traditional IRAs and 401(k)s require RMDs starting at age 73, which can push retirees into higher tax brackets and increase the overall tax burden. Roth IRAs, however, have no RMDs, providing more flexibility and control over your taxable income in retirement.

### 5. When a Roth Conversion Makes Sense

While the advantages of Roth conversions are clear, they may not be the best option for everyone. The decision to convert should be based on several factors, including your current tax bracket, your expected future tax bracket, and how long you plan to keep your funds invested.

A Roth conversion makes the most sense if:

- You believe taxes will be higher in the future.
- You can pay the conversion taxes from non-retirement assets.
- You have a long investment horizon to allow the converted funds to grow tax-free.
- You want to reduce RMDs and maintain flexibility in managing your retirement income.





## ELEVATE AT CONFERENCES

BY BRYAN BERTANI

Earlier this year, Mike, Michael, and I attended the Raymond James (RJ) National Conference in National Harbor, MD. It's an annual 4-day event involving RJ's top financial advisors from around the country. It is a busy, but fun week! Attending as a team allows us to split up and attend different sessions. During our down time, we meet up to discuss what we've learned and how we can apply new ideas to better serve our clients at Elevate. Above is a photo of us with a

few other advisors who have become great friends of Mike's over the years. What amazes me about these RJ conferences is the endless opportunity to collaborate with and learn from some of the top professionals in the industry. They are generous and willing to take time out of their day to share ideas. It's been such a benefit to us that we plan ahead each year to ensure we're making time to spend time around other great financial planning firms. Staying consistent with this helps us continue to evolve our practice and better serve you.

## YOUR MORNING CUP OF VALUE



In this section of each newsletter, we will be highlighting a different way we are dedicated to bringing you value. In this month's edition, we will be featuring our Client Access "How To" videos. Many of you already utilize Client Access on a regular basis - but have you ever asked yourself "Am I fully leveraging all of the features on Client Access?" If that's the case then the

"How To" videos on our website are a great resource for you. In them you'll find information on features that you may not have known existed like mobile check deposit, market research, financial planning tools, amongst others. If you would like to learn more, please visit [www.raymondjames.com/elevatepwm/resources/client-access-videos](http://www.raymondjames.com/elevatepwm/resources/client-access-videos)





# SAVE THE DATE

ELEVATE'S  
ANNUAL CLIENT APPRECIATION  
**CHRISTMAS BRUNCH**

SATURDAY | DEC 7 | 9AM-12PM  
2024

**Mistwood Golf Club**  
**1700 W Renwick Rd, Romeoville, IL**  
**60446**

Bring the kids, SANTA  
will be there!!



## **DISCLOSURES:**

INVESTMENT ADVISORY SERVICES OFFERED THROUGH RAYMOND JAMES FINANCIAL SERVICES ADVISORS, INC. ELEVATE PRIVATE WEALTH MANAGEMENT IS NOT A REGISTERED BROKER/DEALER AND IS INDEPENDENT OF RAYMOND JAMES FINANCIAL SERVICES. SECURITIES OFFERED THROUGH RAYMOND JAMES FINANCIAL SERVICES, INC., MEMBER FINRA / SIPC

ANY OPINIONS ARE THOSE OF ELEVATE PRIVATE WEALTH MANAGEMENT AND NOT NECESSARILY THOSE RAYMOND JAMES FINANCIAL SERVICES, INC., OR OF RAYMOND JAMES. THE INFORMATION CONTAINED IN THIS PRESENTATION DOES NOT PURPORT TO BE A COMPLETE DESCRIPTION OF THE SECURITIES, MARKETS, OR DEVELOPMENTS REFERRED TO IN THIS MATERIAL. THERE IS NO ASSURANCE ANY OF THE TRENDS MENTIONED WILL CONTINUE OR FORECASTS WILL OCCUR. PAST PERFORMANCE MAY NOT BE INDICATIVE OF FUTURE RESULTS. THE INFORMATION HAS BEEN OBTAINED FROM SOURCES CONSIDERED TO BE RELIABLE, BUT RAYMOND JAMES DOES NOT GUARANTEE THAT THE FOREGOING MATERIAL IS ACCURATE OR COMPLETE. ANY INFORMATION IS NOT A COMPLETE SUMMARY OR STATEMENT OF ALL AVAILABLE DATA NECESSARY FOR MAKING AN INVESTMENT DECISION AND DOES NOT CONSTITUTE A RECOMMENDATION. INVESTING INVOLVES RISK AND YOU MAY INCUR A PROFIT OR LOSS REGARDLESS OF STRATEGY SELECTED.

NEITHER RAYMOND JAMES FINANCIAL SERVICES NOR ANY RAYMOND JAMES FINANCIAL ADVISOR RENDERS ADVICE ON TAX ISSUES, THESE MATTERS SHOULD BE DISCUSSED WITH THE APPROPRIATE PROFESSIONAL.

UNLESS CERTAIN CRITERIA ARE MET, ROTH IRA OWNERS MUST BE 59½ OR OLDER AND HAVE HELD THE IRA FOR FIVE YEARS BEFORE TAX-FREE WITHDRAWALS ARE PERMITTED. ADDITIONALLY, EACH CONVERTED AMOUNT MAY BE SUBJECT TO ITS OWN FIVE-YEAR HOLDING PERIOD. CONVERTING A TRADITIONAL IRA INTO A ROTH IRA HAS TAX IMPLICATIONS. INVESTORS SHOULD CONSULT A TAX ADVISOR BEFORE DECIDING TO DO A CONVERSION.

LIKE TRADITIONAL IRAS, CONTRIBUTION LIMITS APPLY TO ROTH IRAS. IN ADDITION, WITH A ROTH IRA, YOUR ALLOWABLE CONTRIBUTION MAY BE REDUCED OR ELIMINATED IF YOUR ANNUAL INCOME EXCEEDS CERTAIN LIMITS. CONTRIBUTIONS TO A ROTH IRA ARE NEVER TAX DEDUCTIBLE, BUT IF CERTAIN CONDITIONS ARE MET, DISTRIBUTIONS WILL BE COMPLETELY INCOME TAX FREE

THANK  
YOU

ELEVATE  
Private Wealth Management

3296 Executive Dr Ste 200 Joliet, IL 60431-8502 | TF: 815.725.4630