



Summer 2023

IMPORTANT DATES

JUNE 19 **CLOSED**
Monday, June 19
Observing Juneteenth

JULY 3 **MARKETS CLOSE EARLY**
AT 12:00 PM CST
Monday, July 3

JULY 4 **CLOSED**
Tuesday, July 4
Observing Independence Day

Summer brings with it opportunities to enjoy the company of friends and family. For my family that means time on the lake, baseball games and backyard barbeques. As we approach this summer season with all its activities and opportunities to gather with friends and family, we want to remind you that we have a full team here that can help you, your family, and friends.

Our team offers comprehensive financial planning, investment management, and trust and estate services. If you are a current client, we hope that we are exceeding your expectations. We believe by guiding our clients through careful planning, you have time to focus on what really matters to you.

We are always appreciative of introductions to those you care about. So much of what we do is built on strong relationships. The trust you place in on our team drives us to always learn, improve and grow our services to you. If you know someone who may benefit from the peace of mind our team provides, please do not hesitate to mention us when you are enjoying the company of others this summer.

Sincerely,

Nicole Rognes Olson, JD, CFP®
Chief Wealth Management Officer



TEAM CELEBRATIONS



Paige VanDusseldorp
Associate Wealth Advisor

While pursuing her Masters in Financial Planning, Paige recently completed the Psychology of Financial Planning Specialist™ certification. Paige's continued commitment to understanding client needs allows her to guide our clients through the financial planning process with ease.

Paige is a great asset to our Wealth Advisory team as she focuses on building strong relationships with clients and those we serve.



Ashley Hagen
Trust Assistant



Ashley recently graduated with an Associate in Arts - STEM from NIACC and Coaching certification. She was awarded the NIACC Ambassador Scholarship for fall semester and received a volunteering cord for her hours of service to the community. She will be attending Waldorf in the fall for Business in Administration.

Ashley supports our Trust Officers in providing excellent fiduciary account administration. We are proud of her continued development.

..... Congratulations to Paige and Ashley on their accomplishments!

Certified Financial Planner Board of Standards Inc. owns the certification marks CFP®, CERTIFIED FINANCIAL PLANNER™ and CFP® in the U.S., which it awards to individuals who successfully complete CFP Board's initial and on-going certification requirements. JD is an educational degree and the holder does not provide legal advice to customers.



RECOGNITIONS

OUR TEAM WORK ANNIVERSARIES

20 YEARS in July



Holly Miller
AVP, Investment Executive

5 YEARS in July



Steve Rowlet, ATOP
Trust Investment Specialist II

1 YEAR in June



Paige VanDusseldorp
Associate Wealth Advisor



Farisa Seidel
Wealth Assistant



Ashley Hagen
Trust Assistant



Cally Peterson
Trust Assistant



FIDUCIARY UPDATE

Summer is often a time for road trips. Driving long distances requires a reliable vehicle. No one (especially a family with small children) wants to be left stranded on the side of the road on a hot summer day. Most people would not hesitate to take their vehicle to a qualified mechanic for regular servicing and maintenance prior to a long road trip. Sure, you may have some mechanical ability, a User guide and access to YouTube “How to” videos but most would agree, it’s better to go to a professional. If the engine light is on, a “do it yourself” fix, is next to impossible with the advanced computer systems in vehicles these days.



Chelsea Frederick
Trust Officer

While it’s easy to understand the need for a qualified mechanic, more and more we see people leaving loved ones “stranded” with an ineffective estate plan created by “do it yourself” planning. While avoiding the time and expense of working with a qualified attorney might seem like a good idea with all the free legal advice available online, we can tell you “do it yourself” estate planning strategies often leave your loved ones confused, angry and dealing with avoidable legal complications and expenses. You may not be around to see this pain, but most wouldn’t want this for their legacy.

So, if you haven’t done so, do your loved ones a favor, and create an estate plan with a qualified attorney. Our Trust Officers can help facilitate the estate planning process by providing complimentary estate planning guidance and working with you and your attorney to ensure your goals are accomplished. We have years of experience to identify potential planning pitfalls and can help you avoid leaving loved ones stranded. For those that choose to name us in their plan (often as Successor Trustee of a Revocable Trust, Executor named in a Will, or Trustee named in a Will) we also can ensure as life changes, the plan continues to be consistent with your wishes and the plan created by your attorney.

Whether you leverage our assistance or not, we strongly encourage (maybe even beg) you to please avoid the “do it yourself” estate plan at all costs, because it will likely cost your loved ones greatly.

OPERATIONS UPDATES

Reduce Paper Clutter & Files of Printed Documents.

GO PAPERLESS.

View transactions and get documents online with **Trust Services Online.**

To access electronic statements:

1. Contact us to let us know you’d like to set up online access.
2. We will grant you access internally.
3. You can complete setup the next day.



Amanda Berding, ATOP
AVP, Trust Operations Officer



Sign in to Your Account

Enter your login credentials below

Username

Enter Username

Password

Enter Password

[Trouble Logging In?](#)

Sign In

INVESTMENT UPDATE

Markets are off to a strong start in 2023 with all major indices in positive territory, driven by lowered rated expectations and resilient economic data. The NASDAQ 100 led all indices in the first quarter, up 20.77%, while the S&P500 was up 7.48% with 7 of the 11 sectors showing positive returns. Earning season is under way and may trigger volatility as the consensus EPS for S&P500 companies is a decrease of 8% year over year, with six sectors expecting negative net income. Companies continue to cut costs as margins remain under pressure from inflation. March headline inflation came in below expectations at 5%, while core CPI was 5.6% as expected. Overall inflation continues to weaken, down from year end 2022 values of 6.5% and 5.7% for headline and core respectively but remains well above the 2% target.

The March federal open market committee meeting (FOMC) delivered a 25 bps increase to the Fed funds rate, pushing the upper band to 5.00%. Expectation are we will see another 25 bps hike at the May meeting with approximately a 25% change of a second hike at the June meeting. Volatility in interest rates has been well above historical averages, reaching levels not seen since the financial crisis, driven

by the collapse of Silicon Valley and Signature banks, as well as the troubles faced by Credit Suisse. Ultimately rates settled lower, with the 2yr around 4% and the 10 year around 3.4%. As a result, the curve inversion has declined from a low of -108bps to -57 bps as the market begins to price in interest rate cuts in the back half of 2023. Through all this the aggregate bond index delivered a positive performance, up 2.96% for the quarter.



Brad Dummett, CFA®
VP, Senior
Investment Officer

Volatility is likely here to stay for the near term as the markets continue to digest the economic data, specifically inflation, labor markets, and earnings. We continue to favor fixed income in the current environment given attractive yield levels and stability in the event negative economic data materializes. Within Equities we maintain a defensive stance, favoring companies with high quality earnings and balance sheets.

This information is intended for use by clients of FCWM. Factual materials obtained from sources believed to be reliable, but cannot be guaranteed.

WEALTH ADVISORY UPDATE

Found within the pages of Seneca's "On the Shortness of Life" a certain passage may be applied to how you mitigate your tax situation, both now and in the future.

"Life is divided into three parts: what was, what is, and what shall be."

Within the context of Seneca's writings, the quote pertains to individuals who squander their time by only living in the present. One must recall their past to understand what has led them to the present and utilize that experience toward advancing their future.

Looking back at history we find that during our lifetime, we are subject to lower tax brackets than our predecessors. According to IRS (Internal Revenue Service) data, the effective tax rate in 1980 was 15.5% for all tax returns while in 2022 that rate was 14.6%. A simple method to determine your effective rate is to divide your total tax burden by your income. For example, if you earned \$75,000 and had a tax liability of \$9,000 your effective rate would be 12%. While we experience lower tax rates today, in 2026 tax brackets are set to revert to previously higher amounts. For reference, the

12% bracket becomes 15%, 22% to 25%, 24% to 28% and so on, about 3% higher in each bracket. For people deferring paying taxes while contributing to a pre-tax 401k, 403b, or IRA (Individual Retirement Account), you need to ask yourself, how do I plan to withdraw these dollars withdraw at 25% your nest egg has eroded without even considering market fluctuations.



Nate Lovik,
CFP®, AIF®, ChSNC®
Wealth Advisor

A major priority should be to "optimize" your tax brackets for both your working and retirement years. Accomplishing such a task requires diligent planning to determine where and how to save for retirement. For instance, under the right circumstance, utilizing a ROTH IRA conversion, taxes are paid now to convert a taxable asset now to provide tax free income later. This is just one of many examples of how strategic tax planning can strive to provide a more tax-efficient retirement. Contact our Wealth Management team today for a complimentary consultation to explore options to possibly save on taxes and keep more of your money.

As always, consult your CPA for specific tax advice.



"The difference between death and taxes is death doesn't get worse every time Congress meets."

–Will Rogers

Thank You FOR CELEBRATING JIM & ROBERTA'S RETIREMENT!

Great time sharing memories with customers and coworkers!



WEALTH MANAGEMENT

CONTACT US

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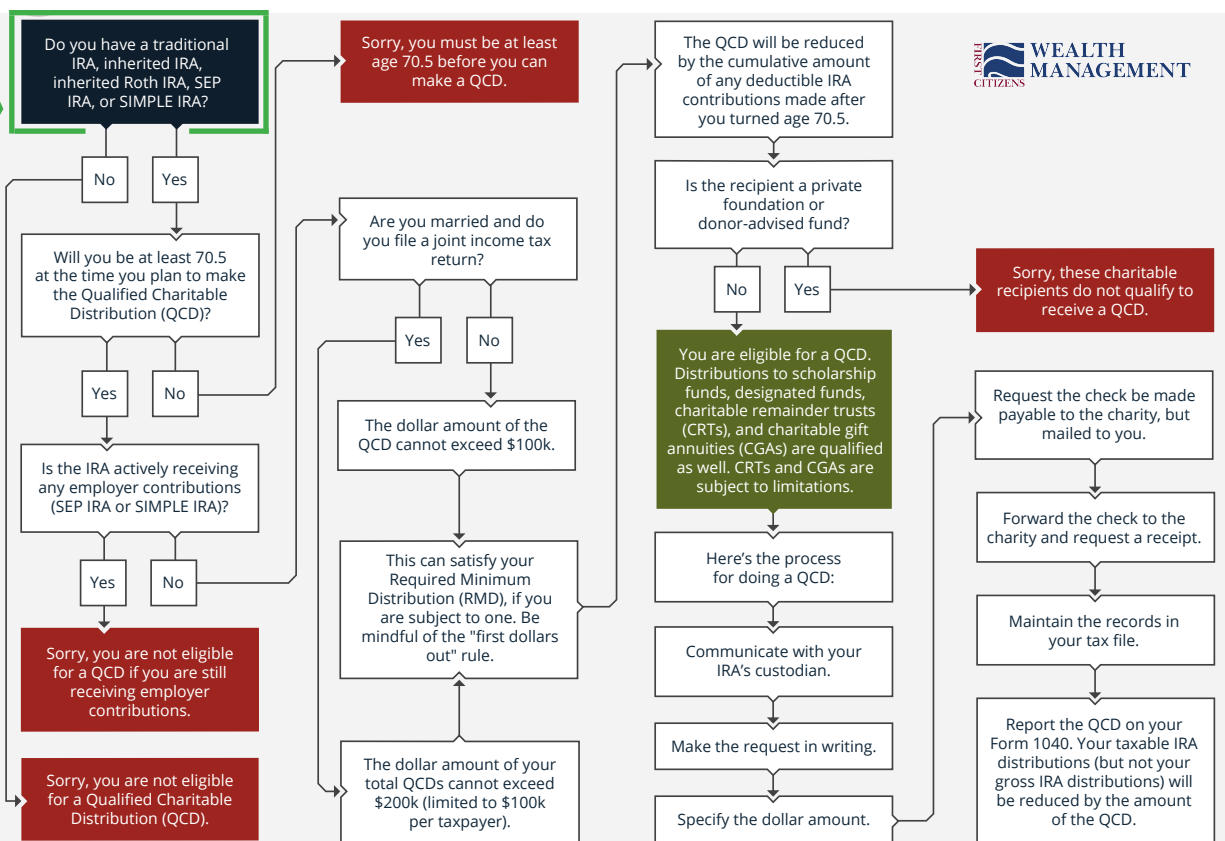


2023

START HERE

Can I do a Qualified Charitable Distribution from my IRA?

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