



# Our Quarterly Report

*"In the world of business, the people who are most successful are those who are doing what they love."*

Rewald, Sebranek, & Frawley  
An Independent Firm

October 2023

## Sunflower Cheer



Ready team? Let's go!  
Work together.  
Grow, team, grow!  
Roots, dig deep.  
Soak up showers.  
Stem, hold up our  
Leaves and flowers.  
Leaves, make food  
That each part needs.  
Flowers, bloom and  
Make new seeds.  
Nice work, team!  
Our hard work's showing.  
Little by little....

**WE'RE GROWING!**



Every year the Frawley's plant sunflower seeds with anticipation of wondering how tall they will grow. This year Jake was adamant he wanted a sunflower at "Daddy's office." Grandma Frawley started the seeds and once they were big enough, transplanted three plants to our office – one each for Grace, Jake and Max. Within weeks, one succumbed to drought. A few months later, the remaining plants were knee high but a fierce windstorm snapped one in half. Thus only one remained which led to an argument between Grace and Jake about "who's sunflower survived and who's didn't." Jake would stop by the office weekly to check on the progress of "his" last remaining sunflower. How tall was it? Was it was following the position of the sun like mom had told him? After months of slow growth and extreme weather conditions, a sunflower bloomed.

The sunflower led me to the above poetic reflection. As you are reading this, the RSF team will be back to "full strength" in the month of October as Beth returns from maternity leave. In Beth's absence this summer, we realized what a vital role she plays as well as the need for additional staff as our families grow and our services offered expand. Over the next 4-6 months it is our goal to do an office remodel to make our entrance more welcoming while creating a conference room conducive for large in person and virtual meetings. We're also planning to hire an additional team member to help serve the 200+ client-families. Just like a sunflower, we're patiently and intentionally growing.

### 2023 Index Returns (Year-to-Date)

<u>Major Stock Indices</u>	<u>(As of 9/28/2023)*</u>	<u>Major Bond Indices</u>	<u>(As of 9/28/2023)*</u>
S&P 500	+13.15%	U.S. Aggregate Bond Index	-1.45%
Dow Jones Industrial Ave	+3.36%	U.S. High Yield Bond Index	+5.59%
NASDAQ	+26.14%	U.S. Government—Long	-9.31%
MSCI World ex USA	+4.68%	CPI—Headline	+3.10%

\*Source: MSCI Net Returns, Barclays Capital



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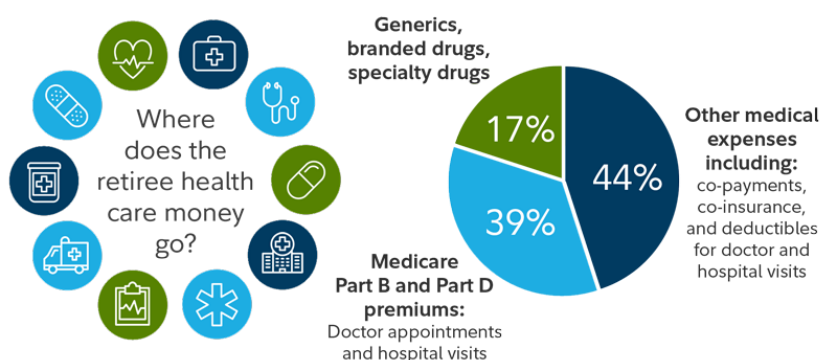
## Financial Planning with Terry

Terry Sebranek, Financial Advisor

### Healthcare in Retirement

For the first year in over a decade, the anticipated healthcare costs for retirees in America has stayed flat year-over-year. According to the annual Retiree Health Care Cost Estimate, 65-year-old retiring today can anticipate spending \$157,000 per person on medical care and health expenses throughout their retirement years. That includes medical insurance (Medicare with a Supplemental Insurance or an Advantage Plan), deductibles, prescription costs, dental and vision care and final illness needs.

Planning for and understanding these costs is essential to a 'successful' retirement! The Inflation Reduction Act, that was passed last year, is a 10-year plan. One of its immediate benefits includes a provision to lower prescription drug costs for individuals on Medicare. Limits on the cost of insulin, vaccines and other prescription drugs will save seniors substantial amounts of money going forward.



In order to help our clients and their families plan for these costs later in life, Rewald, Sebranek and Frawley, along with Commonwealth Financial Network, is working to educate and encourage the use of Health Savings Accounts (HSAs). These accounts are available for individuals and families who are currently covered by a high-deductible health insurance plan. By making contributions to an HSA, you can deduct the amount of the contribution on your tax return, the funds in the account grow tax free AND the funds come out of the account tax free if they are used for qualified medical expenses – It's triple tax advantage, and probably the most important account to contribute the maximum amount of money possible to (even before Roth IRAs!). Many employers offer HSA accounts, but if you have an old HSA account at a bank or would like to have an HSA that you can invest in equities, we can open up a Health Savings Account for you through Commonwealth and link it to the rest of your accounts. For 2023, the contribution limit for an individual is \$3,850. For families, the limit is \$7,750. AND, if you/your spouse are over age 55, you are BOTH eligible to make an additional \$1,000 catch-up contribution to your HSA. The contribution deadline is tax filing deadline (usually April 15<sup>th</sup> of the next calendar year). This is a very important topic to remind your children and grandchildren about – and if we can help you help them, just ask!

As you approach retirement, or decide to transition from employer sponsored healthcare to Medicare, know that RSF is here to guide you through that change. We've been fortunate enough to help clients make this transition for 20 years. You're only going to enroll in Medicare ONCE in your life. Your mailbox will fill up with lots of glossy advertisements as you approach 65. Our office is here to help you enroll in Medicare and make the decision on which Medicare Supplement might be best for you to consider.

If you are retired already – Don't forget to notify your tax preparer of the costs you pay for medical insurance. Even if you're not self-employed or don't itemize on your federal tax return, you may still get a subtraction/deduction on your state income tax return for the costs you pay for Medical Care Insurance (Medicare, Supplement/Advantage Plan and Part D/ Drug Plan).





### Seeking True Contentment

In recent months I've had the opportunity to meet with many client friends of our office. Some who are asking the question "Do I have enough?" and others asking "What does it all mean?" As I've reflected on these questions, what's become more clear to me is the importance of being present and intentional with the people and things you love most! What does "having enough" mean when a loved one receives a terminal diagnosis, when you're alone at night, when you've said goodbye for the last time?

In the home I grew up in, my mother had a sign hanging above our stove. It was literally the first thing you saw when you entered our home through the backdoor and it read: "For what shall it profit a man, if he shall gain the whole world, and lose his own soul?— Mark 8:36" I think that verse has shaped my world view. When my kids ask what's most important in life, I hope they'll not be surprised when they hear something to the affect of: "Loving God, being present with my family, working hard and serving others." To better communicate my thoughts, consider the story of the fisherman:

A wealthy businessman was horrified to see a fisherman sitting beside his boat, playing with a his small child in the sand.

*"Why aren't you out fishing?" asked the businessman.*

*"Because I caught enough fish for one day," replied the fisherman.*

*"Why don't you catch some more?"*

*"What would I do with them?"*

*"You could earn more money," said the businessman.*

*"Then with the extra money, you could buy a bigger boat, go into deeper waters, and catch more fish. Then you would make enough money to buy nylon nets. With the nets, you could catch even more fish and make more money. With that money you could own two boats, maybe three boats. Eventually you could have a whole fleet of boats and be rich like me."*

*"Then what would I do?" asked the fisherman.*

*"Then," said the businessman, "you could really enjoy life."*

The fisherman looked at the businessman quizzically and asked, *"What do you think I am doing now?"*

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## Important Year End Reminders

### Health Care

- Medicare Open Enrollment: October 15th—December 7th
- Marketplace Open Enrollment: November 1st—December 15th
- Employer Group Benefits Enrollment: Annually employees are allowed to review elections for health insurance, life insurance, HRA, Flexible Spending Accounts elections, etc.

### Tax Planning

- Required Minimum Distributions
- Charitable contributions (Donor Advised Fund to Qualified Charitable Distributions via IRA)
- Roth Conversions
- Harvest any Unrealized Capital Losses
- 529 College Savings Plans
- Employer Sponsored Retirement Plan contributions





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## Jesse's Analysis

Jesse Peckham, Business Manager

### The Best Investment You Can Make

When I was about five or six years old (picture below), my dad took me to Oshkosh to the Experimental Aircraft Association's (EAA) annual fly-in, what would later be called "Airventure." For those that don't know, Airventure is the world's largest fly-in, where, for one week, Wittman Field in Oshkosh becomes the busiest airport in the world, bringing in over 10,000 airplanes from all over the United States and beyond.

This annual trip fostered our mutual interest in aviation, to where in more recent years, we would camp on the grounds for the week instead of just driving in for the day. This year, we continued the tradition to a third generation when my son Ben came with me for a day. I met my dad at the campsite as usual and a couple of days into the show, we decided to go out to eat at Red Robin for dinner.

When the check came for our food, I picked up the bill and planned on paying for our dinner. My dad seeing this, said "No, I'll get it," but I insisted, saying it was the least I could do, as he had already paid for my weekly wristband to the show and my parking pass. He pushed back further and insisted on paying for the bill. Reluctantly I gave in, and he said "I don't know how many more times we'll get to do this."

Now my dad, who turned 70 this May, is fortunate to be in very good health. But his comment hit me like a ton of bricks. Until then, I had not ever given much thought to the idea of losing a parent or that someday we would no longer be able to share our love of aviation together. This was further reinforced by a Netflix comedy special I watched recently where the comedian asked the audience:

*Do you see your folks enough? How often do you see them? What? Two, three times a year?  
What do they got left, maybe 20 years? That's 60 more times you get to see them? That's it.  
60 more times. 60 more hangouts. Are you making the most of these hangouts? Are you creating  
cherished memories?*

Try to remember this line of questioning as you sit down for Thanksgiving or your next family gathering this year. Try to remember how little time we really have in this life and then take a moment to ask some deeper questions. Take a moment to get to know your family just a little better. Because once they are gone, you are the one who will have to tell their stories.

The best investment you can make has nothing to do with stocks or bonds, and has everything to do with the quality of your relationships. And the most central relationships we will have throughout our life will likely be your immediate and extended family. As the writer Vic Ketchman is fond of saying, "Memories make us rich."



Jesse, age 5, at the EAA Museum



Benjamin, age 7, at the EAA Museum



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## Beth's Bulletin

Beth Kepler, Financial Services Professional

### Being a Team Player

My oldest is now a freshman and is part of the high school boys' soccer team. A couple of weeks before the school year began, the high school had a guest speaker come in and speak with the athletic students and then with parents and the community if they so wished. The speaker, Mark Horbinski, is a former Wisconsin high school coach and founder of WON80. Much of what he said is applicable outside of sports so I thought I would share some of it with you.

The first session was directed at the athletes. It was called My Coach Plays FAVEs. His key idea was you didn't have to be the best player athletic wise, but more of standing out in multiple ways. FAVEs is an acronym for Faithful, Accountable, Versatile, and Enthusiastic. He said to be faithful, you must have belief in your team; I thought this could apply to any team whether it was your work team or family team. Accountable was being responsible for what you say and do; don't worry about the actions of others but be a role model. This leads into the V – Versatile; take on whatever role your team needs you to take on. This one led me to think of when people say, "That's not my job". Sometimes we need to venture out of our comfort zone and help where we are needed most, even if we are not good at it. It is how we learn and grow as a person. The E stands for Enthusiastic. Here, Mark said you need to have passion about whatever it is you are doing. If you don't enjoy what you are doing, your supervisor or coach will notice; your team and co-workers feed from each other and will take note as well. At the start of this session, the athletes were sitting numbly like most teenagers do. By the end, they were cheering, dancing, and laughing with each other.

The second session was geared toward everyone, not just the athletes. Much of what he said overlapped, but this session was called RISE Up to Sportsmanship. The R stands for Respect; show kindness to others. Be courteous and understanding, show sympathy. The I stands for Influence; be a cheerleader for your team/group. Don't put down a competitor, instead, rally your own teammates. The S is for Support; this ties into the first two letters. Understand there are sacrifices being made by everyone involved. Show gratitude and appreciation for the work being done. The E stands for Enjoy which is similar to being enthusiastic. Have passion and love what you are doing; rather than focusing on the results or work, focus on the strength and determination to achieve your goals.

We are team oriented here at the office and each quarter we have goals we want to reach. But we cannot reach or achieve where we want to be without working together and being each other's cheerleaders. As a team, if one of us is going through some tough stuff, we can sense that. If one of us needs help, we ask them what we can do to alleviate some stress or what is hindering them and how we can assist. It all goes back to the adage of "There is no I in Team".

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### Farm Progress 2023



In August we ventured down to the Farm Progress show in Decatur, IL for a mini trip with the kids. The highlights were the extremely large all-in-one farm tractor, the CLAAS green ice cream and the Calmer corn hats.



### Working With Different Personalities

Earlier this month I read a HumbleDollar blog post written by Marjorie Kondrack titled “Making Us Work.” In the piece she describes the four common money personalities and how they may come up in a marriage – [see below](#). After reading her piece, it had me reflecting on where Maggie and I have had to negotiate and find common ground in our relatively short marriage. Do you recognize yourself or your partner in any of these four categories? You may have elements of each category but in different degrees.

**Avoiders** are people whose eyes glaze over whenever the subject of money comes up. They're satisfied if they know there's enough money coming in to pay the bills. They don't want to talk about money, and they have no interest in money management or investments.

**Spendthrifts** tend to spend impulsively on themselves, while also being generous with others. This category includes big-shot spenders, those who like to dish out dollars for show. They like to be seen and recognized as important.

**Tightwads** are frugal. They keep meticulous records of every purchase they make. Separating them from their money can actually cause them pain. Extreme tightwads can be skinflints – those for whom saving money is their life's primary goal.

**Accumulators** like to save money, are careful with expenditures and never carry credit card balances. They're forward thinkers, investing for specific goals and focusing heavily on financial security.

Maggie is the classic “avoider.” Her main financial responsibility is making sure the credit card bill is paid every month. Maggie's motivated because the credit card cash rewards earned are “her money” and can be spent on anything she wants. This was a tactic Maggie taught herself during her single days, long before she met me, as a means to accumulate her credit card reward points to help pay for special “wants” and it's just continued on during our marriage. Maggie's mindset is, “Kaleb's worrying about and overthinking the financials anyway. Why should I?”

I'm definitely an accumulator to a fault—thinking so far into the future that I miss the present right in front of me. After much reflection, I recently asked Maggie, who at the time was on the floor cleaning up an 18 month old Max potty-training misfire, “Should we pay for our grandchildren's college education?” She glanced up and shot back, “Perhaps we should worry more about the four kids we have NOW versus the grandchildren who haven't been born yet. I think we still have a few years yet.” Once I received her concise feedback I knew she wasn't interested in my next question about when we should go shopping for our gravestone.

The key to all of this is knowing how to manage each other's differences and leveraging those “mismatched personalities” to make a more powerful, diverse married unit. Two becoming one can be an unstoppable force.

Maggie's uncle passed away last year and due to his frugality and her dad's generosity by disclaiming, Maggie was one of seven relatives who received an inheritance of about \$130,000 each. I spent months providing Maggie numerous scenarios on what to do with her inheritance ranging from starting an education scholarship at Sparta High School in her uncle's name to protecting it from our possible future divorce. Maggie was a good sport but these conversations were painful to her, unrealistic at times and usually led to frustration. Maggie's dad's feedback was simple and straightforward “Spend and enjoy it like you won the lottery.” Yet this advice didn't sit well with either of our money personalities and the thought of how to honor a deceased relative's financial legacy. Finally, Maggie discovered a solution. “You know charities have endowments where they can only spend the interest and not the principal. I want that for myself. You invest and grow the principal for the future but every year I want to receive a check on my birthday for the annual interest/dividends earned and can spend it on whatever I want and you can't tell me no because it'll be my birthday present from my uncle.”

Care to guess how Maggie spent her first inheritance birthday check of \$536.18?



## *Back to School*



Grace, Jake & Max Frawley



Peyton, Ellyn &amp; Cameron Brown



Finley, Larkyn, Daryn,  
Avery & Allisyn Kepler



Benjamin Peckham



Desi &amp; Declan Sebranek



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## *Another Frawley Baby*

We are happy to report that on September 22nd at 12:53am a healthy baby boy—Blaise Benedict Frawley—arrived into this world. Blaise weighed in at 8 pounds 15 ounces and 21 inches long. After the initial “shock,” Maggie and Grace have adapted to having another boy around the house. Grace has become quite the mother hen.

