



The “Sweet Life” Digest

Fall 2019

Chris Gardner, CEO of Happyness, Brings His Passion to Fairmont.

We were honored to bring Chris Gardner, entrepreneur, international best-selling author, speaker, award-winning film producer and the real-life inspiration for the movie *“The Pursuit of Happyness”* to the Fairmont High School and community. Chris’ presentation was nothing short of inspirational as he delivered the message that, as his mama taught, you can do and be anything you want. We’ve received glowing remarks from his presentation and we are excited to bring a powerful, motivating speaker to our community each year.

Our hope for you through this endeavor is that you are reminded that you have been given this life to live it to the fullest. Your dreams are within reach – don’t let anyone tell you otherwise!

Through this event we were able to team up with the Fairmont Junior/Senior High School to help them raise money for a relaxation room for students who struggle with mental health. We were honored to be able to match \$2,500 of the funds raised. Big thanks to all of you who donated to this worthy cause.

For those that were not able to attend, and anyone looking to hold on to Chris’ message, we encourage you to not only look at how you can apply his insights and experiences to your own life, but how you can share the message of dreaming big with those you care most about.

All of us at Sweet Financial believe that everyone has a right to create their own dreams. While wealth management is what we do, inspiring others to create the life they can’t wait to wake up to is who we are.

So, tell us – *what is your biggest dream?*

“Find something you love to do so much, you can’t wait for the sun to rise to do it all over again.”
– Chris Gardner, CEO of Happyness

Congratulations Bryan on Being a 25-Year Million Dollar Roundtable Member.

2019 marks Bryan Sweet’s 25th Year Membership in Million Dollar Round Table (MDRT). MDRT is a global, independent association of more than 72,000 of the world’s leading life insurance and financial services professionals from more than 500 companies in 70 nations and territories.

Bryan also achieved the prestigious Top of the Table MDRT Qualification, a coveted milestone achievement for his membership in the MDRT organization. Bryan’s membership equips him with tools and resources to better serve his local community.

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Health Insurance For Those Under Age 65 Nearing Retirement.

By Oliver Kollofski, Registered Representative-RJFS, Director of Wealth Services-SFS



When having a conversation with existing or potential clients who are at or near retirement, two topics inevitably come up: taxes and health insurance. While we don't actually sell health insurance, it's a great discussion as they can be inter-related and there lots of ways we can be helpful. A fair amount of time we hear that folks are working "only for the health insurance" and they are going to retire as soon as they attain age 65 and are eligible for Medicare.

It is widely known that health insurance premiums and deductibles have increased greatly in recent years. What's not widely known is that there are ways to purchase the exact same health insurance policy for a fraction of the price.

Let's look at an example of a 63-year-old couple that recently retired in southern Minnesota with a retirement income on their tax return of \$70,000. They will be paying about \$2,000/month (\$1,000 per person) for a policy with an annual out-of-pocket maximum of \$13,000 for a given year. This high level of insurance cost would likely be quite discouraging.

Now let's look at this same couple, but this time, with some careful planning, they are more tax-efficient in terms of how they get their income, so now the income on their tax return only shows \$55,000 (even though they have the same amount to spend as in the prior example). Given their income is now under a threshold, their monthly premium is now \$1,415/month less for the exact same policy, thus saving them \$16,980/year. This is quite the savings!

What are some things you can do to get your income to a point where you qualify? Here are a few:

- Make qualified Roth IRA distributions
- Make Health Savings Account contributions (if eligible)
- Basis withdrawals from life insurance cash value
- Withdrawals from non-IRA accounts where cost basis is similar to value
- Proceeds from loans like a home equity line-of-credit.

To take advantage of this for 2020, you will need to have a plan in place by the end of the year...health insurance for 2020 may be purchased starting November 1st.

Am I On Track to Retire?

By Ty Totzke, ChFC®, AIF®, Wealth Advisor-RJFS



"Can I retire?" is one of the questions we hear most often. That question becomes more pointed as we get older. Can I retire when I am 65? Can I retire early? Or can I retire ever? Most struggle with answering these questions, in fact, most are not confident that they are adequately preparing. They simply do not know how much they will need to live well in their post-work years.

Despite that uncertainty of "when can I retire," most Americans have some lofty goals for their retirement years. According to a recent TD Ameritrade survey of 2,002 adults on their perception of aging and retirement, most envision their retirement years as the most liberating time of their lives. Eighty-one percent

Navigating Your Dreams

By Bryan Sweet, CLU, ChFC, MSFS, CFS
Founder and CEO-SFS, Wealth Advisor-RJFS



Three Powerful Words.

In one of his clever commentaries, journalist David Frost talked about how a certain person has turned his life around. Frost said, "He used to be depressed and miserable. Now he's miserable and depressed." I thought that his comment was both witty and sad at the same time. After all, we all know lots of people who desperately want a great deal more success and happiness in their lives, their careers, and their relationships.

But the sad truth is many of those people simply do not know how to make that happen. If you feel you might be one of those people, then I've got some good news for you. You can have dramatically better outcomes in every part of your life if you will adopt three simple words.

You've probably heard them before. But these three words have power. They are act-as-if.

I believe they are the three most powerful words in the English language. Act the way you want to become and you'll become the way you act. Act confidently, for example, and you will become confident.

- **ACT I: DECIDE to have a good day.**

As silly as it sounds, the only time you're going to have a good day is when you decide to have a good day. After all, happiness is an inside job. It starts in your head; with a decision.

Unfortunately, many folks think happiness comes from the outside. They think their happiness is dependent upon certain things "happening" in their lives ... such as a raise in pay or the acquisition of a customer. But if other things "happen" ... such as a drop in the stock market or a conflict with their spouse ... they're unhappy.

That, my friends, is a lousy way to live. If you wait for happiness, if you wait for certain things to happen, you become the victim of circumstances, rather than the master of them. And you simply cannot do that if you want to be in charge of your own life.

You've got to decide to have a good day ... no matter what is happening all around you. You've got to decide that today and every day is going to be a good day.

- **ACT II: ACT like it's a good day.**

It's simply a matter of taking the right approach.

Three magic words of act-as-if.

Even the world-famous personal development specialist Dale Carnegie wrote about these words. He wrote, "ACT AS IF you were already happy and that will tend to make you happy."

So, you want a good day? Then all you have to do is ACT like it's a good day and you'll tend to have one.

If you act like it's a good day, you're more than likely to have a good day ... or at least a better day than you would have gotten by dwelling on the negative.

- **ACT III: PLAN a good day.**

Most people don't bother to do this. They just go through life on auto-pilot, hoping for a good day, but never planning for it. They're hoping that accidental happiness will somehow land upon them.

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Women Forward
SWEET FINANCIAL



How to Avoid the “Widow’s Tax”

By Lynne Burgraff, CDEA™, WMS, Wealth Advisor–RJFS, and Amber Knips, CFP®, Wealth Advisor–RJFS

The so-called marriage penalty is well known, but the more obscure widow’s penalty is just as bad if steps aren’t taken to mitigate it.

How does it work? Just like a married couple may owe more income tax than two singles, especially if their earnings are equivalent, a widow (or widower) can end up paying more tax after a spouse dies.

You can take steps to guard against these extra taxes that a surviving spouse can end up owing. The penalty can be an added burden for couples whether they are young, middle aged or retired.

When one spouse dies, the survivor typically has similar or only slightly less taxable income than the married couple had reported. Yet the widow or widower generally files singly, rather than on a joint return.

The result is a much higher tax rate. Suppose hypothetical Al and Ann Ball are retired, with \$70,000 in taxable income, after deductions. They’re in the 15% tax bracket.

Then Al dies. Ann files singly, with \$60,000 of taxable income. Now she’s in the 25% bracket. Taxes will take more of her income.

Advance planning can help. “One tactic is to convert traditional IRAs to Roth IRAs,” said Ed Slott, an IRA expert in Rockville Centre, N.Y. After five years, Roth IRA withdrawals are untaxed. You must be at least age 59-1/2.

If the Balls had converted their IRAs, Ann could tap her Roth account tax-free after Al’s death. So her higher tax bracket wouldn’t impact that source of cash flow. And her reduced taxable income could hold down her tax rate.

But Roth IRA conversions trigger tax bills in the year they’re done. That can push you into a higher tax bracket. You might avoid that by doing a series of yearly conversions instead of converting an account all at once.

Say that a working couple have \$200,000 of taxable income this year. Their traditional IRA balances total \$100,000. They’re in the 28% tax bracket, which goes up to \$223,050. They could convert \$23,000 of their IRAs to Roths and stay in the 28% tax bracket. They’d pay as much as \$6,440 on that.

By doing similar conversions over a few years, such a couple could convert most or all of their IRAs to tax-free Roths by the time they retire. That would take the sting out of the future widow’s penalty.

By doing some planning, a future tax burden could be avoided. Talk to us about how planning could help you achieve your goals in a tax efficient way.

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In fact, I find it fascinating that most people plan their vacations with better care than they plan their days or their lives. They approach their days with “another-day-another-dollar” attitude, doing just enough to get by, hoping things will be better today than yesterday.

Well that’s not how you inject more success into your life, work, and relationships. You get more when you plan more. You need to take a few minutes every day to reflect on your priorities so that you make sure you use every minute of every day well.

If you want a good day, every day, you’ve got to DECIDE to have one, ACT as if you’re having one, and PLAN for it.

Staff Training Updates

By *Brittany Anderson, Director of Operations,
Office Manager-RJFS*

As we round out the 2019 year, we reflect back on the amazing opportunities our team has been able to take advantage of to further their education. It has been a year of growth, learning and a little bit of fun!

Recently Oliver Kollofski attended the Ed Slott Elite IRA Advisor workshop in Dallas where he received all of the latest updates around retirement planning from leaders in our industry. Jacob Hartke recently attended the Tax Management Institute program. The one-day comprehensive training course gave us strategies and tools that will help our clients with strategic tax planning. A few weeks later he was able to attend the annual E-Money Summit in Austin, TX where he gained more knowledge in leveraging technology, automation and predictive analytics to enhance our client experience.



Amber Knips attended the Raymond James Women's Symposium in September, where she was able to connect with women advisors from all over the United States. Her favorite session she attended was on the importance of creating a legacy. As they say "When someone dies, a library burns with them." Wealth management is an important part of what we do, but also figuring out your why behind investing, and making sure those thoughts and wishes get passed on to the next generations. She is already working on creating ways to incorporate that into what we do for you.

In November, Bryan and Brittany will be attending the Genius Network annual event where they will be surrounded with some of the brightest business minds from across the globe, learning new ways to enhance not only the business overall, but the client journey, the internal team experience, and much, much more! They will also be hosting a mastermind training in Dallas, TX that is focused on helping other financial advisors across the country to create and build a business that is client focused, efficient while maintaining the highest integrity. Bryan will then be traveling with Ty Totzke to participate in Darren Hardy's High-Performance Academy where they will learn high-impact strategies that will help us to deliver exceptional results to our clients.

We have continued on our quarterly book study internally as an office, where we choose a book and collectively decide on the best ideas for implementation from the reading. 2019 is unlike any other year in that we are constantly focused on excellence and are so fortunate to have a team that is willing to grow and learn as team members and individuals. We'll see you in 2020!

News & Notes

The Sound of Sweet Wedding Bells. Congratulations to our very own Jacob Hartke on his marriage to Sierra Schrader on June 15th, 2019. Welcome to the Sweet family Sierra!

Grand Opening of Fairmont Mini Golf. In late September, Fairmont opened up a new mini golf course located behind Fairmont Aquatic Park on Prairie Ave. SFS is a proud sponsor of Hole #7! (use picture of BJS that MM used on social media)

Congratulations 2019 Scholarship Winners. Madison Boyd & Rodrigo Cordova of Fairmont were this year's winners of the Marilyn Sweet Borchardt Education Scholarship through Fairmont Dollars for Scholars. Both graduated from Fairmont Area Jr/Sr High School. Bryan established this scholarship in honor of his mother, Marilyn, in order to benefit other hard-working single mom's & their children.

Personal Notes

Lynne Burgraff -

I can't believe that the Summer is already over! But it was a busy one. I started the Summer with a trip to Seattle, Washington. I have really never been to Seattle (except to fly in and fly out) and was fascinated by the city itself but also the mountains. I don't see mountains very often. The rest of the summer was spent up and back to the Cities where my sons Philip and Taylor live; trips to Wisconsin to see my parents and a girls' weekend in Hudson, WI. No trips to Sioux Falls where my daughter, Cat, lives so that will have to happen sometime this winter. The biggest event in my life to happen recently was the marriage of my son, Taylor to Haley Sunds in Ames, Iowa on October 12th. This was my first wedding for one of my kids but being the mother of the groom made it a little easier. I have put many decisions aside until "after the wedding" including vacations for next year. Taylor and Haley have also bought a new house in Shoreview, MN so I have already told them they are having Christmas. I look forward to the Holidays but of course not the snow (though I did get a nice all-wheel drive vehicle this summer)! Have a great rest of the year!

Jacob Hartke -



Oh boy, have things changed since I last wrote an update like this. I have now been with the company for over 4 years which is hard to believe...It feels like just yesterday I was the intern in the office, but this summer marked the third time we have had an intern since I came on full-time. Since we began rolling out our Dream Architect Planning process, I have been busy reviewing and creating plans for clients. If this doesn't sound familiar to you be sure to ask your advisor about this at your next review as we would be happy to start this process for you! I have also been attending quite a few conferences since September to continue my education in this ever-changing industry. On the personal side a lot has also changed, we have created a dream wall in the office and I have been busy checking things off my list...on June 15th, 2019, I married my long-time girlfriend Sierra. Our beloved

Cocker Spaniel, Cammie even got to partake in the wedding festivities. It is hard to believe that she is going to be 3 in November and she still keeps us on our toes. If anyone is planning a wedding my advice is let the bride handle everything! Well until the last minute when the forecast decides it needs to rain on your wedding day and she has planned an outdoor ceremony. Then it's all hands-on-deck! But you know what they say about rain on your wedding day. If planning a wedding wasn't enough for us to take on in our free time which also involved Sierra graduating from college and entering the real-world job market, we also decided to sell our house and build a new one on a piece of property we had bought a couple of years ago. Luckily Sierra found a job quickly at Granada-Huntley East Chain School and not so luckily our house sold in a week, so add a move into the picture and I think you're starting to see what life is like outside of the office for me. So, they started our house while we were away on our honeymoon actually and hope to have it move-in ready by Christmas... but you know how construction goes!

When Life Takes An Unexpected Turn

By Jessica Salic, Director of Concierge Services

Here at Sweet Financial Services, we talk a lot about dreams. We only go around once, so why not make it count?

Most of us plan to spend our retirement in bliss—lazy days lying out back reading the latest novel, lunch dates to catch up with old friends over a glass of char-donnay and tapas...

Until something unexpected happens. The death of a loved one; divorce; an unexpected life event; *and your world is turned upside down.*

What was supposed to be you living your life, has turned into a living nightmare.

Few like to prepare for these terrible times, because we don't want to think about them, let alone have to deal with the consequences. So, we put it off. But, when facing the inevitable, it may help to take time to deal with the practical details beforehand.

Talking about death isn't easy, but there is ONE simple step you can take right now to ease the added burden that comes along with it: Speak with your family and friends, along with your advisor.

This can be the key to preparing as much as you can and getting through the inevitable with as little upheaval as possible. But just how do you approach a loved one with the subject of their death? And where do you go from there?

Start slow, and small.

- Start by putting it on the radar. Rather than sitting down for a heavy talk, try simply mentioning the subject and see how it goes.
- Schedule a Family Meeting with us at Sweet Financial. We will help you with these conversations.

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of responders said their retirement years are a prime time to pursue new goals, while 76% said they plan to use those years to pursue passions they neglected during their working years. Some of those passions include spending more time with friends and family, traveling or taking up a new hobby.

Most people are not sure how to align their dreams with their retirement savings. Just over half (51%) of those surveyed, indicated they did not think they had adequate savings to cover their needs. Surprisingly, 60% indicated they didn't know how much they will need to sustain their lifestyle in retirement. Only adding to the uncertainty are rising costs of healthcare and the unknowns around the sustainability of social security. Seventy-two percent of those surveyed did not believe that social security would support all of their financial needs in retirement. Their primary concern, keeping them up at night was declining health, specifically the loss of mental and physical abilities.

Enter The Dream Architect. In our ever-changing world of retirement, aging, healthcare, employment benefits, risk, and the list goes on... The Dream Architect process helps you add clarity to your financial picture. Not everyone has the same retirement vision, the Dream Architect allows you to paint your own retirement portrait, then helps you create the kind of retirement you can't wait to wake up to.

If you or someone you know could benefit from the Dream Architect process, please let us know! We would be happy to send a complimentary copy of the book *Dare to Dream: Design the Retirement You Can't Wait to Wake Up To*, written by Bryan Sweet, that highlights years of experience in helping people live their retirement dreams. Remember, you only get one shot at retirement, let us help you get it right!



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