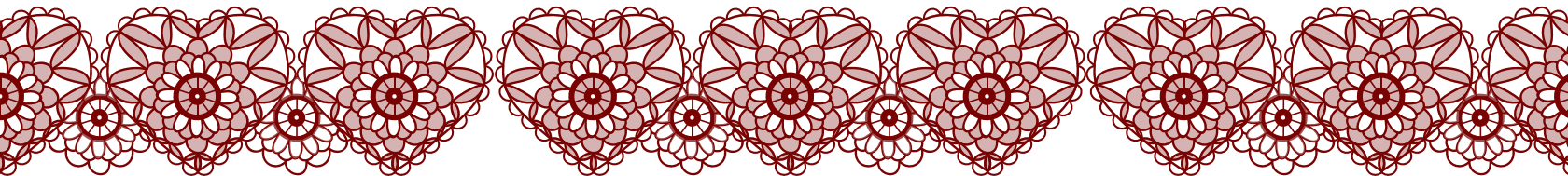


Fries Financial Services, LLC



Happy Valentine's Day!

February 14, 2024

I hope this finds you doing well. There is no doubt that we have all heard the traditional American wedding vows “I take you as my lawfully wedded wife/husband, for better, or for worse, for richer, or for poorer, in sickness, and in health, until death do us part. I will love you and honor you all the days of my life.” Recently a client asked me what it was like for Fries Financial Services to be their financial advisor for over 35 years of it’s 40-year history. I thought for a moment and replied that being a financial advisor is like being in a “marriage” with the client and their family. There are actually a startling number of similarities. The biggest being the need to be able to adapt and be what is needed at every phase of the relationship. Perhaps starting when the client is young and carefree and evolving through their own marriages and children and job changes in times of plenty and times of lean.

Being married means putting the other person’s needs ahead of your own. Long before the recent changes in the laws that dictate the conduct of financial planners it has always been our practice to put our clients’ needs first.

Just like a marriage we welcome children and grandchildren into the circle and work to ensure their well-being. We celebrate their accomplishments and take pride in their graduations and weddings that we hope were made more affordable by proper planning. Seeing you happy and confident in your future is one of our greatest rewards and we rejoice in your happiness. And we are here to listen and guide you through difficult decisions when life doesn’t go as planned. Being a good listener is important in a marriage and sometimes you just need someone who doesn’t judge you to talk to.

Good marriages need good communication. I started this business before fax machines, and we can now text our clients! But “communication” does not just mean the technology involved – it means the actual listening and talking that brings clarity. We are always eager to “talk” the way you want to (in person meetings, phone, Zoom, email, or text). We want to communicate with you in clear, easy to understand words that leave out lingo that may only make sense to us. While our clients are brilliant in their chosen field, it is our responsibility to speak your language, not ours. And if it is on your mind, or impacting your life, we want to hear from you about it.

Most people have seen what happens when good health departs and illness enters the daily life of a relationship and while it’s a hard and often emotional part of our job to prepare you financially for the “in sickness” phase of our marriage, we tackle the unthinkable because we are equipped to do it. We want to talk about things long before they are upon you because having a plan is always better than being caught without alternatives.

While we are not attorneys, we encourage our clients to share their will and powers of attorney with us to review to try to prevent a disconnect between what they say they want and what their documents say. Once legal documents are signed, they are tucked away and rarely reviewed. It is an attorney’s job to write the document, but they have no way of knowing if it is still what the client needs or wants years down the road. Every marriage needs that person who worries about obscure “what if” scenarios and tries to prevent problems before they occur for the people you love.

A wedding ring symbolizes the unbroken circle of commitment. And while we have not exchanged rings, we do not take you for granted, and we continually strive to remain relevant in your life. You are relevant to us. Valentine’s Day is a great day to tell people in our lives that they are important to us, and that we are dedicated to their happiness. Together, our team at Fries Financial Services wishes you a happy Valentine’s Day, and we remain committed to our ongoing warm and personal relationship.

Kindest Regards,

Denise Fries

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Our Thoughts on if There Will be a Recession in 2024

By Mike Albert, CFP®, AAMS®, AWMA®, CRPC®
Chief Investment Strategist

In an effort to reduce the highest global inflation levels that we had seen in about 40 years, the U.S. Federal Reserve, like many other countries' central banks, aggressively raised interest rates in an attempt to slow economic activity so that inflation could be reduced to more acceptable levels. Thankfully the most recent CPI report that was released for December 2023 was 3.4% which is down significantly from the 9.1% CPI report that was released last year for June 2022. Our expectation is that by the end of 2024 inflation rates will be reduced to the 2% level that the Federal Reserve is targeting.

However, there is always a concern that this raising of interest rates may cause a recession. A recession is a period of temporary economic decline when trade and industrial activity are reduced and is generally identified by a fall in gross domestic product (GDP) in two successive quarters. There have been 7 recessions in the last 50 years, and the last one was from February 2020 to April 2020. One thing to mention about recessions is that it is the National Bureau of Economic Research (NBER) who makes the official determination of whether or not we had a recession, and how long it lasted, but by the time they are able to determine if we had a recession, it is usually at least six months after the recession has already started. So, even though the NBER has not yet determined that we had a recession, they could determine at a later date that the period we are in now was after the recession started, but we do not think that this will be the case. We do not believe that we are currently in a recession because the economy has been much more resilient than anyone could have predicted given the historic impact of COVID-19 and the world's economic response. For example, GDP is a measure of overall economic activity, and the most recent reading that we got for GDP in the 4th Quarter of 2023 was a very strong 3.3% annualized rate, and the prior GDP reading for the 3rd Quarter of 2023 was also a very robust 4.9% annualized rate. Also, the jobs market continues to be very strong, which has resulted in the unemployment rate continuing to remain at a historically low level.

Having said this, there may be a slight possibility of a mild short-lived recession which starts later this year. Since the unemployment rate is at a historically low level, consumer finances would be in much better shape than previous recessionary periods where the unemployment rate was much higher. Similarly, corporate finances at an aggregate level would also be in much better shape than previous recessionary periods because many corporations have done a very good job of managing their costs and maintaining their profit margins.

Finally, since our Pentegra retirement account model portfolios are actively managed, we are monitoring them and making changes as needed to take advantage of opportunities in the markets as they present themselves. This also includes reducing the risk in these portfolios when we think it is warranted based on our outlook.

Disclosures: The opinions and forecasts expressed are those of the author and may not actually come to pass. This information is subject to change at any time, based on market and other conditions and should not be construed as a recommendation of any specific security or investment plan. Past performance does not guarantee future results.

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A great
way to
give:

BRAZOS VALLEY
GIVES ♥

A Day of Giving Powered by
Community Foundation of the Brazos Valley

We are thankful to live and work in a community that benefits from the wonderful charities that enhance our quality of life. For the last 5 years there has been a community wide day of giving organized by the Community Foundation of the Brazos Valley that has made it easy for folks to learn more about local charities and make online or in-person gifts. Over the last five years, Brazos Valley Gives Day has raised over \$4.7 million for local nonprofits. This year, Fries Financial Services made matching grants to 3 charities, and each employee also selected a charity to support. It is our way of helping our neighbors. Mark your calendar for the 2024 event which will occur on Tuesday, October 15th, 2024. **In 2023, 168 charities participated and \$1,251,621 was raised.**

Finding Allergies more Frequent and Severe?

By Ann Cain



It seems like almost everyone is suffering from allergies and that the suffering season is getting longer each year! Try these things to decrease the pain:

Prevention - Start allergy medications several weeks before symptoms begin. For fall ragweed start in August; put it in your phone or calendar as a reminder for each fall.

Medication – Try nasal steroid sprays and add antihistamines if sprays are not enough. Year-round treatment may suppress allergic flare-ups and improve overall immunity.

Avoid - Avoiding the outdoors during peak pollen release on windy and warm days, 5 - 10 a.m. and after 4 p.m. - dusk.

Remove - Removing shoes and outdoor clothing when going into your home prevents carrying it inside.

Masking up – Now that wearing a mask is a more common event, grab one when you are doing yard work.

Inflation Adjusted IRS Numbers

By Bill Hoffman

The IRS announced the tax year 2024 annual inflation adjustments for more than 60 tax provisions.

	Married Couples Filing Jointly	Singles & Married Filing Separately	Heads of Household
2024 Standard Deduction	\$29,200	\$14,600	\$21,900
Increase from 2023	\$1,500	\$750	\$1,100

Maximize Your Retirement Savings

By Bill Hoffman



The IRS announced that the 2024 maximum contribution limits will INCREASE for retirement plans including 403(b), 401(k), and IRAs.

Plan Type	New Annual Contribution Limits	
	Under Age 50	Age 50+
401(k)/Roth 401(k), 403(b)/Roth 403(b), 457/Roth 457, TSP	\$23,000	\$30,500
IRA/Roth IRA	\$7,000	\$8,000

- Before-tax contributions to Traditional IRA and TSA/403(b) accounts act to reduce taxable income today; account holders will pay income taxes on all money distributed in retirement.
- Roth IRA and Roth TSA/403(b) contributions will not reduce taxable income right now. But the contributions, and the earnings on them, are tax-free income at retirement, if the account holder is at least age 59 1/2, and their Roth account is at least five years old when they make the withdrawals. Roth IRA contributions are limited if your income exceeds a certain level. Please consult your CPA.
- You can contribute to a Traditional or Roth IRA even if you participate in another retirement plan through your employer or business. However, you might not be able to deduct all your Traditional IRA contributions if you or your spouse max out another retirement plan at work.

Contact our office today to discuss what retirement plan works best for you. If you are contributing to one of the above retirement plans and want to increase your contributions in 2024, please contact our office and we will tell you how to make those increases.

Why should you consider Long Term Care Insurance? By Denise Fries



As Financial Planners it is our job to help you plan for your future financial needs. The biggest need is to provide you with sufficient retirement income both “in sickness and in health.” And

usually later in life that is the way it is – with one spouse in frail health and the caregiver in better health – sometimes they take turns in each role! It is often challenging to get clients to seriously discuss the benefits of having Long Term Care insurance while they are still healthy and able to get the coverage. Sometimes we are “shut down” from this topic because clients think it is too expensive, they heard a “bad story” about a friend’s mother who had it but couldn’t ever use it, or “they don’t want to go to a nursing home” – it’s not a surprise to know that no one wants to go to a nursing home. Here are some benefits of LTC:

- Stay at home safer, longer – almost all policies provide cash to have help come to you – this provides a much needed break to your caregiver AND increases quality of life to the patient. People with policies spare their children and spouse from carrying 100% of the load.
- For our clients without LTC it is difficult to feel free to spend money while they are healthy, because they are concerned they will need it when their health deteriorates. So, they lose out on the quality of life NOW because they are afraid of what may happen. It is different when a policy is in place because you can enjoy your money now and the policy will help with what may happen.

We recommend buying a policy as early as possible since premiums are based on age and health; 40 is not too young, and attempting to lock in a premium at a younger age makes good sense. To pay premiums we can take distributions from investments if needed.

How to Make a Charitable Gift Using Your RMD

We have published articles about this topic in the past, but most of our clients are still doing this “wrong” so we want to bring it up again. Please read this if:

- You make charitable contributions AND
- You are taking a Required Minimum Distribution (RMD).

If you are NOT giving your gifts out of your RMD as a Qualified Charitable Distribution (QCD) then you are paying more in income taxes than you have to. That is OK if Uncle Sam is your favorite charity. But if he is not, please contact us so we can explain how we can help make your giving less taxing!

This year’s featured charity:



The Children’s Museum of the Brazos Valley (CMBV) aims to provide a child-centered, hands on, interactive environment for learning and discovery, for ages 0-14. They offer a variety of activities including summer camps, weekly story hour, STEAM (Science, Technology, Engineering, Art, and Math) activities, an annual daddy-daughter dance, and more. Right now, they are located at Lake Walk in Bryan. They have a “Little Library” and would love a donation of new or used children’s books. Visit cmbv.org to sign up for their newsletter, see upcoming events, become a member, or to donate. A great gift is an annual membership for 4 for only \$120.

You can now communicate with our office via text

You can now text us to schedule an appointment or to have a brief conversation with your advisor. Texting with us can also be helpful when you need to send in documents like voided checks, old statements, or driver’s licenses. Our texting technology utilizes picture encryption so the information on your documents is protected. If Bill Hoffman is your advisor, text 979-314-3535. If Travis Vollmering is your advisor, text 979-985-2629.

Want to sell your property, but don’t want to pay Capital Gains taxes?

If you own a rent house, or other investment property, and are tired of being a landlord, you now have the opportunity to sell the property and delay or avoid Capital Gains taxes. A 1031 Exchange, named after section 1031 of the U.S. Internal Revenue Service Code, is a way to postpone or eliminate Capital Gains taxes on the sale of an investment property by using the proceeds to buy a similar “property” of greater or equal value. Instead of purchasing a physical property, Fries Financial Services, LLC can help you purchase a financial product consisting of a fund of income producing properties, without the headache of managing a property yourself. You earn an income stream without the calls from tenants! If you pass the asset on to your heirs at your death, they are likely to inherit the asset free of Capital Gains taxes and free of Estate taxes based on the rules in the year of your death. Contact our office BEFORE you list it for sale so we can discuss your options.

Important! Please Share This: Free Legal Documents Available Online



By Kassidy Poole

During our meetings we often ask you questions about whether you have a Will, Power of Attorney or Health Care Power of Attorney. Often the answer is “no” or “yes, I have one, but my Executor has dementia”

... We then remind you of how important it is to have these documents and how expensive and difficult it is for your family when you don't. Now, for the first time ever, you can get basic legal documents for free at www.txcourts.gov/forms under “Probate and Guardianship”. This comes in the form of a downloadable PDF that you can fill in directly online and print. You will need 2 witnesses and a notary to sign your Will. It also has Transfer on Death Deeds to pass on a home, land, or car without them going through probate. This will not affect the ownership of your property during your lifetime. Step-by-step instructions are included. This can be cancelled at any time. Many people do not realize that even if you are married, your spouse will not automatically inherit your property; it will still go through probate. Having these legal documents will make the process smoother. If you have a complicated situation, such as “mine, yours and ours” children, out of state property or any beneficiary with health problems or special needs, you would be best to consult an attorney.

Update on Student Loan Debt

By Duane Dailey



Living in the U.S. affords us educational opportunities that can provide a lifetime of increased income and quality of life. Sometimes, that leads to student loan debt needing to be repaid. Payment due dates

and the accruing of interest were both paused in 2020 due to COVID. They resumed accruing interest on 9-1-23. Student loan payments had their first payment due date on 10-1-23, unless you have recently graduated or are in a grace period. There is a one year “on-ramp” period from 10-1-23 – 9-30-24, when anyone not paying their loans will continue to accrue interest, but there will not be a negative report on one's credit. Any missed payments are still due when the “on-ramp” period ends. Making payments is highly recommended, though there is some grace for those struggling. This is automatic, and no application is necessary. Finally, the SAVE program considers income when generating monthly payment requirements, and also accounts for family size. Studentaid.gov has an easy-to-follow explanation of the SAVE program.

CD's and Fixed Rate Investments

By Travis Vollmering



In an effort to reduce inflation the Federal Reserve raised interest rates 11 times. Money Markets, CD's, and Treasury Bonds had significantly higher rates in 2023 than in the last 3 decades. In fact, just 3 years ago a 1 year CD paid less than 1%. Sometimes it makes sense for our clients to own this type of account and we have competitive rate products available for you in both “regular savings” and retirement accounts.

How Long Will You Live?

Most people significantly underestimate how long they will live. It is true that the longer you live, the longer you will live! For example, a newborn boy has a life expectancy of 76. If you only took that statistic into consideration when trying to plan for your long-term need for money it would be erroneous information. For example, a 65-year-old man is likely to live to 84; and if you are a 65-year-old married couple, there is a 47% chance that one of you will reach age 90! These numbers are useful to help you understand how long your resources will need to last.

How well do you know our employees?

Match the quote to the name:

Travis, Denise, Bill, Kassidy, Ann

- Both of my grandsons really like dinosaurs. They seem to like just plain, plastic dinosaurs - nothing mechanical or fancy. They like to make the dinosaur noises. I also read them dinosaur books.
- My daughter is now in kindergarten; time flies for sure! I am the coach of her soccer team and was asked to coach again this spring which I happily accepted.
- Since I sold most of my rent houses in 2022 I needed a new hobby to put all my hand tools and carpentry skills to use. I have enjoyed turning antique furniture into new pieces. I recently turned an old organ destroyed in a flood into an armoire with shelves and storage. The 150 year old oak was like cutting through granite! But the craftsmanship in the original carvings was too beautiful to leave sitting on the curb.
- I am usually helping or visiting family back in South Texas near Corpus Christi. When I am not with family, I like to travel to places where I can spend time outdoors like Colorado or the beaches in Mexico. While staying home I am working on home upgrades or maintenance since I do not like hiring people to help with things I feel I can learn to do myself.
- In 2023 I got engaged and we have been very busy planning our wedding for this April. We plan to honeymoon in Montana and do as much sightseeing and hiking as we can.



Taylor's Column

I hope this year was filled with love and happiness. We had a great year with friends and family and have experienced many new things. Kyle and Aubree have joined me and Denise in our love for traveling. Going on adventures with my kids is sure to be my life's joy. In June, we took a big family train trip to Alaska, where we got to experience rafting among the glaciers, dog sledding, and seeing many moose and bears. In September, I was blessed to turn 30 and to celebrate the big 3-0 as my mom and I set off with friends to Italy, Croatia and Greece. In October, Zach and I embarked on our first ever family road trip with the kids to North and South Carolina where we were all enamored with the fall colors and beautiful countryside. There, Aubree and Kyle made the cutest flower girl and ring bearer or "the bear guy" as Kyle called it. Wishing you many adventures and a Happy Valentine's Day! Love, Taylor

Health Benefits of Buckwheat

Most Americans do not know what it is, where to buy it, how to use it, or why they should eat it. Buckwheat is a gluten free seed that is known to provide significant health benefits. It is full of nutrients and easily digestible. Buckwheat is one of the few plant-based sources of complete protein – meaning it contains all 9 essential amino acids in balanced amounts. It has a nutty taste, and it can be used in savory or sweet recipes replacing rice or used in a flour form in baked goods. Millions worldwide eat it as a breakfast food instead of oatmeal.



- Buckwheat is the richest source of "rutin," an antioxidant that cuts your risk of heart disease by preventing the formation of blood clots and decreasing inflammation and blood pressure. Its "quercetin" protects against free radicals, prevents inflammation, and helps reduce allergy symptoms. The enzyme "trypsin" has antimicrobial and antibacterial effects.
- It stabilizes blood sugar and can reduce the risk of type 2 diabetes. It has a high level of resistant starch which lowers the glycemic index. It allows carbohydrates to be absorbed slowly into the bloodstream, providing a steady amount of energy, and preventing spikes in insulin.
- It is high in fiber and contributes to a feeling of fullness promoting weight loss.
- It contains energy boosting B vitamins, and it is full of manganese, magnesium, potassium, calcium, zinc, iron, folate, phosphorus and copper. It is a prebiotic and good for gut health.
- Studies indicate that people who regularly eat buckwheat have lower cholesterol, triglycerides and blood glucose levels. This protects against hypertension and improves heart health.

Find it in the flour and cereal aisle of the grocery store and online in many forms – as waffle mix, flour, whole grain, and as a breakfast food.

Welcome the Newest Member of our Team

Christina Owens-Stark joined our team at Fries Financial Services in May of 2023 as an Administrative Assistant and has undertaken the great responsibilities of scheduling account reviews and client paperwork preparation and processing. She is originally from the Dallas area but moved here in 2003, where she has been in the local workforce since. She and her husband have been married for 15 years and have two beautiful daughters, six dairy goats, three dogs and one barn cat. She is incredibly talented and makes all-natural goat's milk soap and lotion, which she created to help her daughter with skin issues. When she isn't working on her property, she enjoys crafting by sewing custom clothes, costumes, quilts, making leather crafts and oil painting. We are so happy to have Christina on our team because her attention to detail in all things makes her a wonderful person for this job!

