HERITAGE HIGHLIGHTS

Find Your Freedom

HERITAGE FINANCIAL

2022 YEAR IN REVIEW

ACCOMPLISHMENTS AND MILESTONES

We celebrated our 30 year anniversary!

We welcomed 7 new households to the Heritage Family. Welcome aboard!

20 FAMILES
WORKED WITH ESTATE PLANNING ATTORNEYS TO CREATE OR UPDATE CRITICAL LEGAL DOCUMENTS

168 INCOME TAX RETURNS PROVIDED TO ANALYZE FOR PLANNING STRATEGIES
93 TAX LOSS HARVESTING CASES

QCDs
$144,547
Qualified Charitable Distributions to support 56 charities and save taxes

Withdrawals
$5,955,453
for retirement spending, purchases of homes, mortgage payoffs, tuition, etc.

40 ROTH CONVERSIONS
$1,100,000
TO SAVE ON LIFETIME INCOME TAXES AND MOVE MORE MONEY TO TAX-FREE ACCOUNTS

101 NEW ACCOUNTS

RMDs
$1,700,000
You took 237 Required Minimum Distributions

Deposits
$19,600,000
saved, deposited, or rolled over into your investment accounts

9 HOMES AND BUSINESSES
PURCHASED OR SOLD

171 CX LOGINS
178 ADVISORCLIENT LOGINS

6 SOCIAL SECURITY APPLICATIONS
AFTER ANALYZING THE BEST TIMING AND OPTIONS TO GET THE MOST BENEFITS

9 NEW RETIREES
CONGRATULATIONS!

MANAGED ASSETS

$192,433,027
invested at TD Ameritrade under our management.

$41,481,326
additional funds in in 401ks, 403(b)s and other accounts under our management

Our team completed 88 hours of continuing education!

Inside This Issue

2022, A Year for the History Books

By Doug Gjerde MBA, CFP®, CEPA - Managing Partner, Wealth Advisor

2022 was a monumental year for us as we celebrated 30 years of success and relationships! It was a pleasure to see so many of you at the Green Bay Botanical Garden, along with our former colleagues! We enjoyed some fantastic music and food as we took in the stunning scenery. We are so grateful for being part of your lives over the years. We are thrilled to have shared this with you and anticipate many more opportunities to do so in the future.

Throughout the past three decades, we've taken immense pride in being there for you through the highs and lows of life. This year we have aided some of you through a variety of life changes, such as getting married and having babies, sending your kids off to college, changing jobs or starting businesses, retiring and moving into assisted living facilities - even helping survivors after the loss of spouses, siblings, parents, and children. If you're facing a time of transition or difficulty, please do not hesitate to reach out and give us a call — we'll be here for you.

Despite the many triumphs this past year, one of its most remarkable features was the incredible market fluctuations. This market drop was different than the garden variety that happens every few years. Accompanied by the highest inflation rate in four decades, this one was particularly difficult. Some have called it the perfect storm of market factors. This has been a tumultuous year for investors, as the effects of inflation and market correction have made this one of the worst since 1972 in terms of diversified portfolio performance. We were kept on our toes!

Our devoted team has been the major driving force behind our success over the past three decades. As the legendary Michael Jordan said, "Talent wins games, but teamwork and intelligence win championships." This past year has been exceptionally rewarding as we welcomed Ian and Alicia to the team. We are sincerely grateful for their contributions!

We strongly prioritize education and personal growth. As we continue to work hard and strive for excellence, we must remain apprised of the rapidly shifting regulations, tax laws, estate laws, and overall changes in our world. As a few of many examples: Ian is dedicated to achieving the Financial Paraplanner Qualified Professional® designation, Chris is diligently studying for the 6-hour, 170-question CFP® exam after recently finishing a Certified Financial Planner program, and Stephanie is busy completing all of the necessary courses to become a Certified Financial Planner.

This past year has been a rollercoaster of trials and triumphs, yet we remain dedicated to supporting you as the new year begins. We are excited to see what 2023 brings!

Tax Updates

By: Thalia Karl FPQP®-Financial Operations Specialist

As we begin preparing for 2022 tax returns and planning for 2023, we have some updated limits for you to keep in mind.

Standard Deductions – Increased Again!

With each passing year since the Tax Cuts and Jobs Act of 2017, the standard deduction amounts have continued to rise. Here is what you may see on your 2022 returns and what you can expect for 2023*:*

	2022	2023
Single	$12,950	$13,850
Married, Filing Jointly & Qualifying Widow	$25,900	$27,700
Head of Household	$19,400	$20,800
Married Individuals Filing Separate	$12,950	$13,850

(2022) Blind or over 65: add $1,400 if married, $1,750 if single or HOH
(2023) Blind or over 65: add $1,500 if married, $1,850 if single or HOH

With the rising standard deduction amounts, the number of filers who itemize deductions continues to decrease – even filers who double up or "bunch" deductions like property taxes are finding they no longer exceed standard deductions amounts. On the topic of itemized deductions, it's important to note property taxes can qualify as an itemized deduction, but only up to $10,000. As for medical, only eligible expenses exceeding 7.5% of your Adjusted Gross Income are eligible for itemized deductions.

Contribution Limits Are Up!

In addition to rising standard deduction amounts, the contribution limits for various accounts have also risen. Here are the contribution limits for common accounts:
Catch up contributions apply to individuals above 50 by end of calendar year

	2022	2023
Social Security Taxable Wage Basis	$147,000	$160,200
Maximum Elective Contributions For 401(k), 403(b), 457(b)	$20,500	$22,500
"Catch-up contribution"	$6,500	$7,500
Simple 401(k)	$14,000	$15,500
"Catch-up contribution"	$3,000	$3,500
IRA Contribution	$6,000	$6,500
"Catch-up contribution"	$1,000	$1,000
SEP-IRA	25% of compensation or $61,000, whichever is less	25% of compensation or $66,000, whichever is less

If you haven't maxed out your IRA or Roth IRA with us, give us a call! Contributions for 2022 can be made up to Tuesday, April 18th (Tax Day).

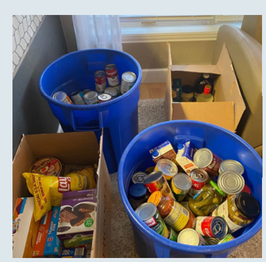
Who is CWM LLC?

From time to time you may see communications that reference "CWM, LLC". This stands for Carson Wealth Management LLC, Investment Advisor registered with the U.S. Securities and Exchange Commission. Heritage Financial is part of a national partnership with Carson Wealth Management, which grants us access to an array of tools, education, and resources.

Rest assured that any decisions regarding your financial plan come from our team here at Heritage Financial–Carson's resources simply assist us in doing so.

Thanksgiving Food Drive

Thanks to your incredibly generous donations, we were able to supply Paul's Pantry in Green Bay with two bins and two large boxes of food. Thank you to all who contributed; it is greatly appreciated!!



Personal Happenings!

Doug Gjerde

I have summarized the last half of the year for us in some bullet items. The pictures are highlights of our time with family.

- Long weekends in Iowa to see our new grandson and the new parents.
- A few choir concerts at UW-Madison during Eric's senior year.
- Camping and biking with nieces and nephews and their children.
- Holidays with our adult children (and new grandson) who came from St. Louis, Iowa City, and Madison.
- Two national conferences with a lot of education on tax law changes, new regulations, and the economy and markets.
- Anita has endured another year of mandatory work-from-home, which, being a people person, she is not a fan of.

Jeremy Weller

Emily and I officially joined the "empty nesters club" with Jeremy's departure to UW-Madison this fall. As it was when Kyleigh left for UW-Platteville last fall, the change has been bittersweet. Fortunately, the kids are close to one another as the schools are only about an hour apart. They've had several opportunities to visit each other's campus, such as for a Badger game in October and Kyleigh's honors choir concert in November. Before leaving for college, Jeremy & I, along with Emily's dad, had a chance to take a trip to the Boundary Waters Canoe Area in northern Minnesota. We were fortunate to have good weather and even better fishing…many great memories were made. Kyleigh is enjoying her sophomore year in the Forensic Investigation degree program while Jeremy is somewhat undecided – something in finance but exactly which path remains unknown. Emily is enjoying her change from 6th grade math to science & social studies. Adjusting to an undoubtedly quieter home has been harder and yet easier than we imagined. Em & I enjoyed an impromptu day of kayaking in Door County before the weather cooled this Fall, which is something we wouldn't have been able to do when the kids were home. From our family to yours, we wish you a wonderful holiday season and a healthy & prosperous New Year.

Chris Schuler

Summer and Fall flew by, as usual. Back in July, my brother-in-law, Andy Shallow, invited me to play in the annual Member-Guest golf tournament at Wausau Country Club. Sixty teams of two were put into ten flights. We won our flight by a hair and then won an elimination shootout against the nine other flight winners. A lot of things fell into place for two mediocre golfers like us to hold the trophy at the end!
The kids have been busy with lots of activities. Leo is in 1st grade and Cora in Kindergarten. Cora is very proud of how quickly she's learning to read. She has also been doing gymnastics and dance classes. Cora recently told me that when she grows up, she'd like to be a teacher, a doctor, or work at Uncle Mike's Bake Shop "because it smells sooo good." Leo's reports about his school day mostly include recess, but he's doing very well in the classroom, too. He played soccer outdoors in summer and fall and now indoors until spring. He's also about to start flag football. Leo wants to be a professional soccer player or football player when he grows up. Amanda and I enjoy running around and spending time with them at all the different places they need to be.

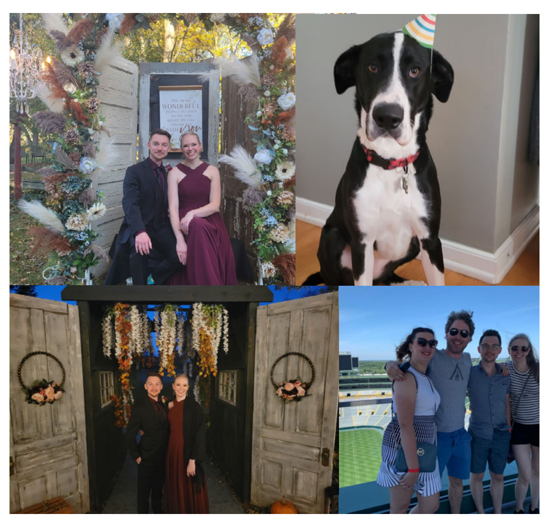
Stephanie Lee

The latter half of 2022 flew by for us. Beatrice celebrated her 5th birthday and started 4k in the fall. She has transitioned well into her new school. Max just entered into double digits and turned 10 in December, and William showed us all just how hard it truly is to get family pictures done with a 3 year old (pictured). Max and my husbands face says it all, Ha! We helped my sister in law celebrate their upcoming baby, this will be my brothers 1st child and we are all very excited for them. The kids all enjoyed an oddly warm Halloween this year. My husband and I got in on the fun and dressed up with them. The boys were all dinosaurs and Beatrice and I dressed as Ariel and Ursula from one of her favorite Disney movies, The Little Mermaid (pictured). I completed training and started volunteering for CASA of Brown County where we help advocate for abused and neglected children. It has been a very eye-opening experience thus far and I look forward to helping where I can. Our family has also adopted a new kitten named Norman ("Norm") who is now Williams right hand buddy, getting into mischief with him every time we turn around!

Thalia Karl (Naniot)

I think the photos speak for themselves - Kaci and I had the wedding of our dreams in September! We held our celebration at Olde 41 (Harley Davidson) with over 100 of our close family and friends. Everything about our wedding was simply incredible and we wish it could have lasted longer! The very next morning Kaci and I caught a plane to Florida for our honeymoon where we intended to spend a week soaking up Disney and other sites… until hurricane Ian arrived. To play it safe, we drove up to Albany, GA just before Ian hit Orlando and spent a few days experiencing Waffle House, Pretoria Brewing, and roaming around town before heading back for more Disney time. Although Albany wasn't in the plans, we had an absolute blast! To further test the strength of our marriage, Kaci and I both developed COVID for the first time since the pandemic and spent a week confined in the house together – yes, we are still married (haha)! Despite all of this, I couldn't be happier and I am looking forward to this wonderful chapter in our lives.

Ian Hayward



My favorite season is upon us: winter! While my wife, Ashleigh, and I do not have any plans to go skiing this year, we're still excited to have the snow. Winter means warm fires on the hearth, comfort foods, and many hot beverages. As mentioned in my previous personal note, we were lucky enough to attend two weddings this autumn: our very own Thalia (and Kaci) as well as my best friend Tyler (and Rachel). I was even honored to be the Best Man for Tyler's wedding and delivered a heart-felt, yet side-splitting speech about the man of the hour. Beyond the large to-dos, Ashleigh and I spent the latter part of the year celebrating dog birthdays, socializing with friends, and relaxing at home. I hope all of you have enjoyed your holidays and wish you a happy, healthy 2023.

Introducing Our New Addition to the Team

Alicia Van Lanen

Hello! I joined the Heritage Family in early November as the Client Experience Coordinator. I loved meeting so many of you at the Thanksgiving Pie event and appreciate the warm welcome. Prior to joining Heritage, I worked as a Holistic Nutritionist/Weight Loss counselor. Although new to the industry, my experience in customer service comprises over a decade. I am excited to learn, support you in your financial journey and make every interaction feel like we're family.

I live in Bellevue with my boyfriend, Neil, and my furchild, Roscoe. Roscoe turned two last month and enjoyed his PB and banana cake. (pictured) If you ask any of my family and friends, they will describe me as a health nut to the point of slight obsession (and they're not wrong). Which is why most of my time outside of work is spent being active and in nature. This year Neil and I attended six weddings, including my little brother's, which we both had the honor of standing up in. When we weren't showing off our dance moves, we enjoyed time on Legend Lake at my Dad and Stepmom's new Lakehouse and in Minocqua at Neil's parent's cabin. We golfed almost every weekend and attended the first ever soccer game at Lambeau Field. This fall, Neil, Roscoe, and I took his parents RV camping for the first time. It was the coldest weekend in fall and snowed once, BUT we enjoyed the beautiful colors, AND we didn't break anything. This winter, I am looking forward to trying ice fishing for the first time and going on some beautiful winter hikes.

Looking for More Heritage Financial Updates?

By Alicia Van Lanen, Client Experience Coordinator

In addition to this twice-per-year mailed newsletter, every Monday we send out a weekly email briefing that includes news like this, plus economic and market updates.

Would you like to be added to the weekly newsletter list?
Simply email Alicia@HeritageFinancialLLC.com

Visit Our Website!

More than just a portal to view your accounts online, our website is your one-stop location for up-to-date information from Heritage Financial Partners.

Visit us at HeritageFinancialLLC.com to see our latest blog posts, upcoming events, helpful financial tools and more!

Find us on Social Media!

We also have multiple social media accounts that we post exclusive content on regularly! You can find us on...

Facebook: www.facebook.com/HeritageFinancialPartnersWI

Twitter: @HeritageFinPart

LinkedIn: www.linkedin.com/company/heritage-financial-partners-llc

TD Ameritrade Updates

Your 1099 Tax Forms for 2022

Did you register for TD Ameritrades online platform AdvisorClient last year? If so, you may have elected to switch to edelivery for all of your documents – **including your 1099 tax forms!** Regardless of your delivery preferences, your 1099 tax forms from TDA can be found in AdvisorClient.

If you would like your 1099 tax forms to arrive via mail, you will need to log into AdvisorClient to make this change – <u>our team is unable to change delivery preferences for tax forms.</u>

TD Ameritrade Delivery Preferences

Delivery preferences for TD Ameritrade documents can be updated through the TDA online platform, AdvisorClient. Still need to register for AdvisorClient? Navigate to <u>www.AdvisorClient.com</u> and follow the prompts to setup a profile. You will need one of your account numbers handy and access to the phone number on file to finalize the registration – if your phone number has changed from what TD Ameritrade has listed, please give our office a call at 920.435.8436 for assistance.

TD Ameritrade & Schwab Merge

The merge between TD Ameritrade and Charles Schwab has been set for Labor Day Weekend of 2023! Our team will be learning more about this transition in the coming months and will update you once we know the details of the merge.

We're Here to Help

For many questions, there is no need to talk to your advisor – we have team members that are equipped to help and are driven to provide you exemplary service!

Thalia Karl (Naniot) FPQP®
Financial Operations Specialist
Thalia@HeritageFinancialLLC.com

Thalia is the go-to resource for distribution requests, beneficiary updates, and other miscellaneous paperwork needs. As a Financial Paraplanner Qualified Professional (FPQP)®, she can also answer general questions relating to retirement, taxes and income, and will support your Advisors in various aspects of financial planning.

Ian Hayward
Financial Operations Associate
Ian@HeritageFinancialLLC.com

In addition to Thalia, Ian is available to assist with distribution requests, updating account information, and can walk you through accessing your accounts online.

Alicia Van Lanen
Client Experience Coordinator
Alicia@HeritageFinancialLLC.com

As our Client Experience Coordinator, Alicia is your expert for marketing and events. If you need assistance and are unsure who can help, she can guide you in the right direction. Need to set up a time with your advisor? She can help you with this! Alicia can also assist with online access, general service requests, and acts as a facilitator between you and your advisor.

Market Holidays

Our office will be closed along with the markets on …

<u>Martin Luther King Jr. Day</u>
Monday, January 16

<u>Washington's Birthday</u>
Monday, February 20

<u>Good Friday</u>
Friday, April 7

<u>Memorial Day</u>
Monday, May 29

<u>Juneteenth</u>
Monday, June 19

<u>Independence Day</u>
Tuesday, July 4

<u>Labor Day</u>
Monday, September 4

<u>Thanksgiving</u>
Thursday, November 23
Friday, November 24

<u>Christmas Day</u>
Monday, December 25

<u>New Years Day (2024)</u>
Monday, January 1

If you have a question or concern while the office is closed please call and leave a voicemail or send us an email and we will get back to you as soon as the office reopens.

HERITAGE
FINANCIAL

2021 S. Webster Ave.
Green Bay, WI 54301

Heritage Highlights

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