

# INFORMATIONAL

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Everyone's talking about it – what does it really mean? And what should you do, if anything?

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If you are of Italian heritage or are a fan of *The Godfather*, you know this refers to preparing for battle. Read on to get ready!



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## LEGACY LETTER

by *Luke Kuchenberg, CFP®, CPWA®*

**This one life, that's all we have.** One life to live, one life to share, one life to make a difference. If you are reading this, there is no doubt you are already doing these things and continue to plan for more. But, as we all know, our lives here on earth will end at some point and all we are able to leave behind is the impact we made with each other. But what if there was a way to keep your story going? What if you could continue to speak to your children and grandchildren and even those further down the line? Well, there is a way and it is called your Legacy Letter.

**It's a place to share history.** We all have a family history. What is yours? What facts or stories from those family and friends who came before you would you like to share to make sure they live on? When did your family move into the area or when did your family come to this country? With all the wonderful ancestry tools out there today, this has never been easier. But how about something more personal? What traditions are important to your family? What recipes lived only in Grandma Mable's head that now you solely carry? That dumpling recipe is too good to lose to future family cooks. Write it down and pass it on. Include pictures and funny stories which will bring the history to life for the next generation. If our history is our roots, then this collage of important memories and tales are the foundation of what is to come.

**It's a place to share values.** Who are you and what do you believe? What is important to you and with what purpose did you build your life? Values are the very fabric of all of us; it truly makes us who we are. As my Grandpa used to say, it's not your words but your actions that define you. Your values are

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**“I can't change the direction of the wind, but I can adjust my sails to always reach my destination.”**

– JIMMY DEAN



Right now, in places all around the world, a parent is watching their child slowly die of starvation.

Right now, all around the world, a child is hungry, crying out for someone to feed their empty belly. We at Children's World Impact have met these mothers and fathers and we have heard the cries of their hungry children. In response, over the past several years, we have worked to raise the funds needed to create over a million meals to send out to help these parents nourish these children. In 2019, we are bringing back the annual food packaging event to continue this tradition in Lake Geneva. Mark your calendars now for the first weekend in December for years to come.

CWI has always been amazed at the willing hands of the hundreds of volunteers who show up and give their time, working to break down large 50 pound bags of ingredients to individual sealed bags for easy distribution and preservation of these meals. Each year CWI raises the needed funds to cover the cost of these meals. This is not a fundraising event for CWI, as every dollar raised goes to purchase these meals. Sponsors help by supporting meal packets.

We are asking you to consider helping parents feed their children. We are giving you the opportunity to fund the work of the volunteers who will give their time to package these meals.

We are also asking you to consider being one of the many volunteers who will give of their time to make an impact and a difference. This year's event will take place at Lakeland Community Church, located at N3181 Highway 67, Lake Geneva. There are 5 shifts available. Volunteers are also asked to bring a jar of peanut butter which will be donated to the Walworth County Food Pantry, providing a local impact.

Additional information and opportunities to participate can be found at our website: [www.cwi.org](http://www.cwi.org) or call 262-686-3131 to volunteer or donate. ■

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## SPONSOR MEALS

**\$2,500**

Feed a Community  
Sponsor provides

**10,000 MEALS**

**\$1,000**

Feed a Village  
Sponsor provides

**4,000 MEALS**

**\$500**

Feed a Family  
Sponsor provides

**2,000 MEALS**

**\$100**

Feed a Child  
Sponsor provides

**400 MEALS**

## DATES:

### Friday, Dec. 6

4:00 - 5:30 PM

6:00 - 7:30 PM

### Saturday, Dec. 7

8:00 - 9:30 AM

10:00 - 11:30 AM

12:30 - 2:00 PM

## LOCATION:

Lakeland Community Church  
N3181 State Road 67  
Lake Geneva, WI 53147





## RECESSION SURVIVAL GUIDE

by Tyson Ray, CFP®

### STEP 1 – Define Recession

In order to understand how to survive a Recession, you first need to understand what a Recession actually is - and what it is not. It is not, as is commonly believed, “two consecutive quarterly declines in real Gross Domestic Product (GDP).” A Recession is, thanks to the National Bureau of Economic Research (NBER) defined as “a significant decline in economic activity spread across the economy, lasting more than a few months, normally visible in real GDP, real income, employment, industrial production, and wholesale-retail sales.”

In the normal ups and downs of the economy and business cycles, a recession begins as the economy starts to decline and ends when the economy begins to grow again. The NBER's Business Cycle Data Committee declares starting and ending dates for Recessions. Its job is to be definitive, not timely, and it may be a year or more (allowing for revisions to the economic data) before an official pronouncement is made.

### STEP 2 – Know your History

Recessions are not new, in fact we have had as many as 47 recessions in the United States dating back to the Articles of Confederation. However major modern economic statistics were not compiled on a regular basis until after World War II. So let's use those because they offer data that can be used to compare one recession to another.

From 1945 to 2001 there were 10 different recessions, which lasted an average of 10 months of decline and expansions averaging 57 months. So from 1945 to 2001 about once every 5 years you would experience a recession.

I would like to use the 2001 recession because I was actually a young financial advisor working under my mentor senior stockbroker, Dick Honeyager, who just turned 90 by the way. The 2001 Recession was not announced by the National Bureau of Economic Research until in November 2001 and then announced to the world the recession was over in March 2003.

So from November 2001 until March of 2003, it appears the US economy was in recession.

However there is more to it, as the details matter, and so do the facts. Please notice in November 2001 as we were told we were in a recession, NBER also announced the recession started in March 2001. So from March 2001 until November 2001, we were actually in a recession but no one officially knew it. Moreover, in March of 2003, NBER announced we were out of the recession, and they also informed us the recession actually ended in November of 2001.

Did you catch that? By the time the agency officially responsible for declaring a recession actually announced that we were in fact in a recession, it also happened to be the time the recession ended.

### STEP 3 – Create an Action Plan

Jack Bogle was the founder of Vanguard. I very much agree with his advice to investors, “Don't do something, just stand there!” When it comes to investing, at the time you really feel you should do something, don't do it. Often the right thing to do is Nothing.

Because in order to protect yourself, you would have to guess. Because in 2001 the markets were in decline for months before it was announced, and then the same month you are told facts which you could actually act on, it was over. The mistake would have been to sell your market investments when they actually announced a recession and miss 18 months of recovery only to have to buy your investment back at higher levels. The great recession is what most everyone is worried about. The 2007-2009 Recession, which ran from December 2007 to June 2009, was not declared until December 2008,

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## WHY DOES ESTATE PLANNING MATTER?

by Tyson Ray, CFP®

**In 2008, Congress recognized the need for the public to understand the importance and benefits of estate planning**

by passing House Resolution 1499, which designated the third week of October as National Estate Planning Awareness Week. However, according to a 2019 survey carried out by Caring.com, 57% of adults in the United States have not prepared any estate planning documents, such as a will or trust, despite the fact that 76% viewed these documents as important. Many of the respondents said this was due to procrastination, but many others mistakenly believed they did not need them because they did not have many assets.

Estate Planning Awareness Week is a great reminder of the need to explain what estate planning is and why it is critical for people to put an estate plan in place, regardless of the size of their estate.

### **What Is Estate Planning?**

Estate planning is an important part of financial planning because the creation of an estate plan enables the growth, protection, and transfer of wealth in accordance with one's identified goals. It involves much more than simply designating who they would like to receive their property when they die. An estate plan will help provide financial stability for a surviving spouse, preserve and protect the assets, minimize tax liability and other costs, support designated charities, and name trusted individuals to make decisions on one's behalf in the event they become incapacitated.

A good estate plan typically consists of multiple components and some of the most commonly used estate planning tools, including:

**Last Will and Testament.** It is essential for you to have a will. If you do not, your property will be distributed according to state law rather than in

the way you would choose. Although the results are occasionally the same as you would have wanted, more often they are not. Most people would rather make these decisions themselves so their intended wishes can be carried out. In a will, you can name an executor—also called a personal representative—who will help carry out your wishes as specified in the will and designate a guardian for minor children or other dependents.

**Trust.** A trust may also be appropriate for those who seek privacy and wish to avoid probate. Many people find a revocable living trust to be beneficial, as you can retain control of your assets prior to your death, but those assets can pass immediately to your named beneficiaries without probate after your death. Trusts are often superior tools for incapacity planning. Some types of trusts also provide tax advantages or asset protection.

**Powers of attorney.** A financial power of attorney will allow you to designate an individual to make financial and property decisions on your behalf. Financial powers of attorney enable a trusted individual to file taxes, pay bills, apply for government benefits, and much more. Financial powers of attorney can be customized to meet your unique situation and goals. Similarly, a medical power of attorney enables you to designate a person you trust to make medical decisions for you when you are incapacitated or otherwise unable to communicate.

**Advance directives.** Also known as a living will, an advanced directive is a legal document used to provide instructions for your family, doctor, or other healthcare provider if you are unable to communicate the information yourself, including, for example, whether or not you wish to remain on life support if you

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## LEGACY LETTER

*continued from page 1*

at the heart of those actions and your Legacy Letter is a great place to share those. Why do you believe what you believe? Tell your spiritual beliefs, work ethic, or any other ideas you wish to share. This is a place where your great-grandchildren can read how you approached your life and what centered you. If our values are our compass, then this collection of beliefs detail the direction of the life you created and why.

### **It's a place to share your vision.**

What would you like to see carried on beyond your life here? What memories would you like your family and friends to know were important to you? How do you see your family's future? While none of us can predict future events, we can certainly provide thoughts or plan for things we would like to see continue.

Perhaps you built a family business and have thoughts you would like to share here. Or maybe you have a family cabin or property and would like to share how you envision its continued use by generations of your family in the future. Lastly, maybe you have a dream or a passion that is still under construction for a non-profit, scholarship or conservation project and you would like to leave behind your ideas on how that dream could be fulfilled by your family and estate. This is the place to tell them that dream. If our vision is the future, then let this serve as your call to action to the generations beyond to carry on your legacy.

**What do you think?** I know some of you may be thinking this sounds like a lot of work and you may be right. But think about the value of it going forward. I look at pictures of my great-grandfather on my office wall from his football days as a Marquette

Hilltopper (yes, they had a team in the early 1900's) and his framed Certificate of Admission to the Bar from August 1922. I would love to know more about him, his history, what his values and beliefs were and how he envisioned his or our family's legacy. To read his words and hear his voice would be priceless to me.

**Legacy is too often only denominated in dollars.** While many want to leave a financial estate behind for our loved ones, what about those things that we can't leave behind in an account or in a will? Often, the most important things of our life do not show up on any net worth summary. This Legacy Letter is a place for those thoughts, the stories and the impact you wish to continue to make well after your life here has passed. Do those generations of the future a favor and leave them your words. You won't regret it, and they will appreciate it more than you will ever know. ■



## RECESSION SURVIVAL GUIDE

*continued from page 3*

while the ending data was not declared until September 2010. Here again you we were in a recession for a year before it was officially announced and out of the recession for almost two years before we were told it was over.

The point is this... You do not know you are in a recession until you are in a recession. You do not know you are out of a recession until you are out of a recession. Also when you have a prefunded cash reserve account, which we define as 12 -24 months of expenses, there should be nothing to do in a recession.

### **STEP 4 – Everyone might be wrong, again.**

It is my opinion that everyone is often wrong. Everyone as defined by the average investor, media, etc. Why? Because my career has spanned just over 20 years so far, and there are two very different decades in those 20 years.

According to the Investment Company Institute (ICI) From 12/31/2008 – 12/31/2018 investors liquidated a net \$784 billion from

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## WHY DOES ESTATE PLANNING MATTER *continued from page 4*

are in a persistent vegetative state or terminal condition.

**Beneficiary designations.** Some property, including trust assets, can pass to your beneficiaries without having to be mentioned in a will or going through the probate process. This includes funds held in IRAs and 401(k)s, and life insurance. For some types of accounts, such as 401(k)s, a spouse is the primary beneficiary by law unless the spouse signs a waiver. Nevertheless, it is essential for you to name a primary beneficiary, as well as a contingent beneficiary, to receive the funds upon your death for these accounts or policies. Otherwise, the funds held in these accounts, or the death benefit in the case of a life insurance policy, may be distributed according to state law or pursuant to the terms of the retirement plan rather than according to your wishes.

### Let's Work Together

We, along with your estate planning attorney, can work as a team. We can work together to make sure that you have an up-to-date estate plan that provides financial security for you and those you love and makes arrangements for your care should you become incapacitated.

Contact us if you'd like to discuss how we can collaborate and help make life better for you and your loved ones. ■

## RECESSION SURVIVAL GUIDE *continued from page 5*

Equity Funds, compared to pouring a net \$1.41 Trillion into Bond Funds. So they were net sellers of stocks and for every dollar they sold out of the market, they put one into bonds and then added another dollar. Please notice that from 12/21/2008 – 12/31/2018 the market had a cumulative a total return of about 275%, compared to 30.3% for the ICE BofAML 7-10 Treasury Index, according to Bloomberg. Bottom line everyone was wrong - they sold what went up. Why?

Because from 12/31/1998-12-31-2008, investors poured a net \$953 billion into Equity Funds, compared to net inflows of \$418 billion into bond funds, according to ICI. So investors added over 2 dollars to equities funds for every dollar into bonds. Over that period, the market posted a cumulative total return of -13%, compared to a 93.1% for the ICE BofAML 7-10 Treasury Index, according to Bloomberg.

From 1998 until 2008, investors were wrong being overweight in equities. From 2008-2018, investors were wrong being overweight bonds. I know at times it feels like everyone is doing something that you want to do, but everyone has been wrong, twice. No one can predict the future; everyone can guess. We seek to do neither and have found it to be a much better way to help make life better for our clients. ■

Sources: Raymond James Economic Brief  
01/22/2019 and NBER.ORG

## CREAMY TOMATO SOUP

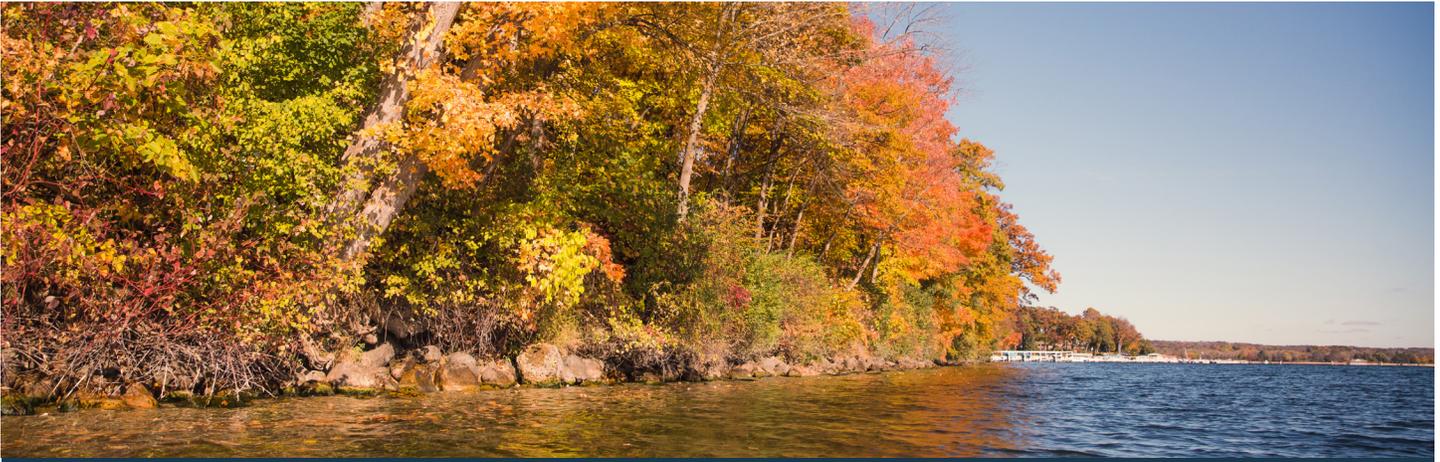
### Ingredients

- 1 medium white or yellow onion
- 6 tablespoons (3/4 stick) unsalted butter
- Two 14.5-ounce cans diced tomatoes, not drained
- One 46-ounce bottle or can tomato juice
- 3 to 6 tablespoons sugar
- 2 to 3 chicken bouillon cubes
- Freshly ground black pepper
- 1 cup sherry, optional
- 1 1/2 cups heavy cream (or half & half if calorie conscious)
- 1/4 cup chopped fresh basil
- 1/4 cup chopped flat-leaf parsley

### Directions

1. To begin, dice the onion. Melt the butter in a large pot or Dutch oven. Throw in the onion and cook until translucent.
2. Now dump in the diced tomatoes and stir to combine. Add the tomato juice.
3. Next add 3 to 6 tablespoons of sugar, enough to combat the acidity of the tomatoes. Start with less, then taste and add more as needed.
4. Add chicken bouillon to taste. Bouillon adds a lot of salt, so start with less.
5. Add several grinds of black pepper. Stir to combine, then heat almost to a boil. Turn off the heat.
6. Add in the sherry if desired. Stir in the cream. Add the basil and parsley and stir.
7. Serve the soup warm with a nice grilled cheese sandwich on the side!





## GO TO THE MATTRESSES!

by Luke Kuchenberg, CFP®, CPWA®

While you would have to really dig to find anything on it, there is an election that is coming up next year. Just kidding...how could we not know...

*With this super-charged topic, I will not give a thought nor recommend any action be sought.  
Instead, I take time and look to ole Dr. Suess, to give inspiration; put my words to good use.  
Thus, take the below for whatever it be, this fella's attempt to make light-hearted glee.*

*Hark! It is time, to listen and know, the candidates all are lining up for the show.  
While to vote is a gift and a hard fought-for right, each of the sides make it feel like a fight.  
If it were Woodstock, it'd be far-out or groovy. Unfortunately it seems this is more like a movie.  
You've all seen the Godfather so you know it's no ruse, the Don's got an offer you just can't refuse.  
When all heck hits the fan and life looks disastrous, Clemenza tells Michael, "Go to the Mattresses!"*

*That means go to war, to act without restraint - dealing in pleasantries and manners it ain't!  
The boxing ring's there, all lit up, can't you see? An elephant on one side, on the other a donkey.  
Each have their people, their narrative and stories, all spun up for us nicely to surround them in glory.  
The man in orange is there, against who do you say? One of many right now, still much time to play.  
Iowa and New Hampshire will soon be the news, to tell us who's winning and who's got the blues.*

*Each will stand at the podium and debate their case, how they're better to take on the one now in place.  
They remind me of peacocks you see at the zoo, all blown up and strutting, exclaiming what they can do.  
The term super delegate and caucus come out, for big groups of people to gather and shout.*

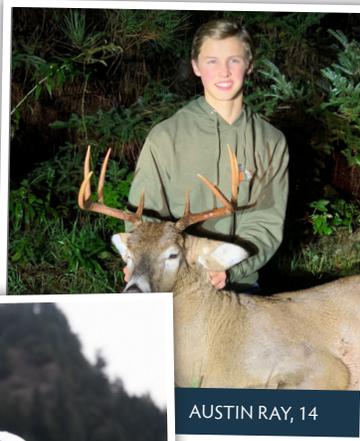
*When the nomination is in, we should all get ready, for the course ahead will be anything but steady.  
Debates fill the evenings and small town halls, while children who are smarter just stare at us all.  
The sides will dig in on the left and the right, each looking to lead in this long drawn-out fight.  
Time will not fly, but drag on like a cold, the mud slinging and rhetoric getting so very old.*

*In times like these it's best to hide, to turn off the noise and take it all in stride,  
To remember we're all neighbors in this one big place, no matter the outcome of this upcoming race.  
For when it's all over, that's just what it will be - no one knows who yet, we all have to see.  
To wrap it all up, let's end with a pledge, to keep it together and stand back from the edge.  
Whether your red, blue or green, you'll put in your vote, make your mark in this world, however remote.  
Then take a step back and sigh with relief, another election is over, all hail the commander in chief! ■*

## FORM FAMILY Fall 2019



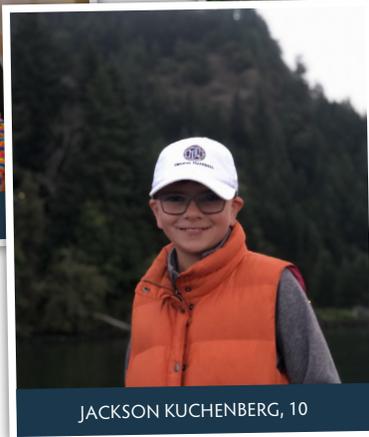
NELSON RAY, 16



AUSTIN RAY, 14



CARSON RAY, 11



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LAUREN KUCHENBERG, 8

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