



Spring 2024

We hope this letter finds you and your family in good health and doing well, looking forward to an exciting Leap Year.

This year continues to provide us with confidence as we look forward at the state of the economy and the market.

In 2022, we felt the impact of the Federal Reserve's aggressive interest rate hike policy to lower inflation, which had a strong devaluation effect on our investments. And yet, the economy remained strong with the vast majority of S&P 500 companies outperforming their revenue expectations and dividend payout projections. Despite this outperformance, stock prices continued to fall, which provided an excellent opportunity for the active investment managers, that we intensely research and continue to monitor for you, to buy more shares of great companies at a lower price.

In 2023, the Federal Reserve saw inflation drop drastically and they halted their aggressive rate hike policy to allow the effects of their deflationary actions to be felt throughout the economy. As a result, we have seen an increase in the value of our investments due to the securities market anticipating future interest rate cuts. Once the Federal Reserve determines that inflation is sufficiently reduced, they will begin the process of lowering interest rates.

Simply put, lower rates generally help an economy, and our investment values. It makes things more affordable for consumers to buy goods and it helps businesses save money on their financing expenses as well. This increases the probability of greater dividend payouts and higher stock valuations.

There are some other beneficial changes this year:

- Traditional & Roth IRA contribution limits **increased by \$500** to \$7,000, and if over age 50, up to \$8,000
  - Contributions made **by April 15, 2024** can still count toward the 2023 IRA & Roth IRA maximums.
- Retirement Plan Changes
  - Employer retirement plan contribution limits **increased by \$500** to an annual maximum of \$23,000
    - If age 50 and older, the catch-up contribution **provides an additional \$7,500** up to \$30,500
  - SIMPLE IRA contribution limits **increased by \$500** to an annual maximum of \$16,000.
    - If age 50 and older, the catch-up contribution **provides an additional \$3,500** up to \$19,500
- The annual gift amount has **increased by \$1,000** to a maximum of \$18,000 (if single), or \$36,000 (if married)

We wish to convey our sincere and humble appreciation for the opportunity to serve you. Through over 40 years of serving our clients - each with their own unique needs, desires and goals - it gives us a great sense of purpose to work hard and do our very best, to help you achieve your individual long-term financial goals. Thank you.

Sincerely,

Handwritten signature of Richard G. Clifford in blue ink.

Richard G. Clifford

Handwritten signature of Robert J. Clifford in blue ink.

Robert J. Clifford

Handwritten signature of Douglas C. Johnson in blue ink.

Douglas C. Johnson

Handwritten signature of Brian C. Johnson in blue ink.

Brian C. Johnson

Handwritten signature of Joe Van Ausdle in blue ink.

Joe Van Ausdle

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