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We hope this letter finds you and your family doing well, staying healthy and enjoying some relief this year.

As licensed fiduciaries of your financial assets, we always place your interests first and make decisions based upon what will benefit you best. This is how we began our business in 1983, working with one client at a time, knowing that everyone has different goals and priorities, which we consider with great care.

It is with this focus and responsibility, that we continually monitor your investments and make changes as needed, should major economic events occur which may influence your financial goals.

The pandemic spurred a global response previously unseen in modern history. The world's nations grappled with different ways to reduce the pandemic's spread, attempting to keep a balance between health directives and business lockdowns. The U.S. Government implemented several initiatives to support businesses and individuals, in an effort to reduce the hardships felt by many Americans due to the initial phases of the lockdowns.

However, the shutdown of the world's economies had an unanticipated effect... higher inflation.

With business activity shut down, the supply of goods was greatly decreased. During this same time, stimulus money provided to aid business and individuals created a high savings rate in anticipation of an unknown future. When business opened back up, there was pent-up demand for goods, but there was also reduced availability of products due to the lack of production during the lockdown periods.

When there exists a lower supply of goods and a higher demand for them, prices rise, causing inflation. In an effort to slow down this effect, the Federal Reserve may need to increase interest rates sooner than anticipated, so that prices do not grow faster than people can afford to buy them.

To address the expectation of interest rates increasing in the future, we are shifting the fixed income bond funds in the portfolios from longer-term periods to shorter-term periods, which tend to have better value stability during periods of rising interest rates.

Before, during, and post-pandemic, our focus has and will continue to be to protect and grow your financial assets. We study the market in search of sustainable, quality investments, that are diversified among several sectors and regions. This strategy increases opportunities for growth and reduces the potential risk to your investments.

Thank you for your continued trust and confidence in us. Please call if you would like to review your financial plan or discuss any changes you may have in your situation or goals.

Sincerely,

A blue ink signature of Richard G. Clifford.

Richard G. Clifford

A blue ink signature of Robert J. Clifford.

Robert J. Clifford

A blue ink signature of Douglas C. Johnson.

Douglas C. Johnson

A blue ink signature of Brian C. Johnson.

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A blue ink signature of Joe Van Ausdle.

Joe Van Ausdle

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