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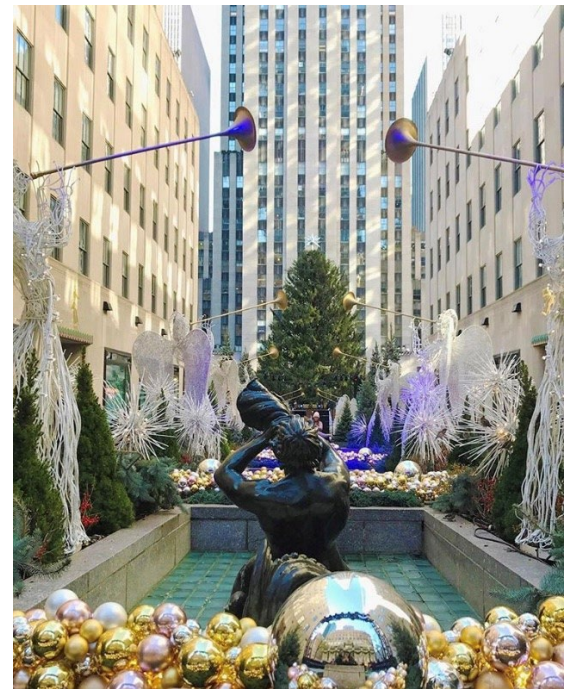
“Wrinkles will only go where the smiles have been”- Jimmy Buffet

As we approach the end of another dynamic year in the world of investments, I find myself reflecting on my first twelve months with KFA. As a new partner of Starboard Advisors, a division of KFA, I have enjoyed the unique opportunity to meet Starboard & KFA clients one on one and through regional events we have hosted. It has been a privilege to be welcomed by the firm’s clients.

It has also been an education in understanding the long-term relationships so many families have with my colleagues as well as new ones that are just now developing. I am grateful to be here and look forward to speaking with more clients in 2024.

Your trust in our fiduciary services has been the driving force behind my commitment to helping deliver sound investment strategies tailored to your unique needs. Together, we are navigating market shifts, celebrating successes, and facing challenges head-on, reinforcing the resilient spirit that defines our community.

As we approach the year-end, please note the comprehensive [year-end to-do list included later in this newsletter](#). This checklist is designed to help you review and optimize your investment portfolio, ensuring that it aligns with your evolving



Rockefeller Center, Photo by A. Ambrosino

financial objectives and all important “intent.” We look forward to discussing your portfolios and future goals as we move towards the onset of the new year.

Looking ahead, I am confident that the coming year will bring new opportunities and challenges, and we are eager to continue working with you to navigate these waters. Our commitment to providing personalized, strategic investment guidance remains steadfast. I look forward to my second year with KFA as well as the camaraderie, growth, and shared success that lies ahead.

*My very best regards,
Neil*



Neil Cataldi
Chief Investment Officer, Starboard Advisors

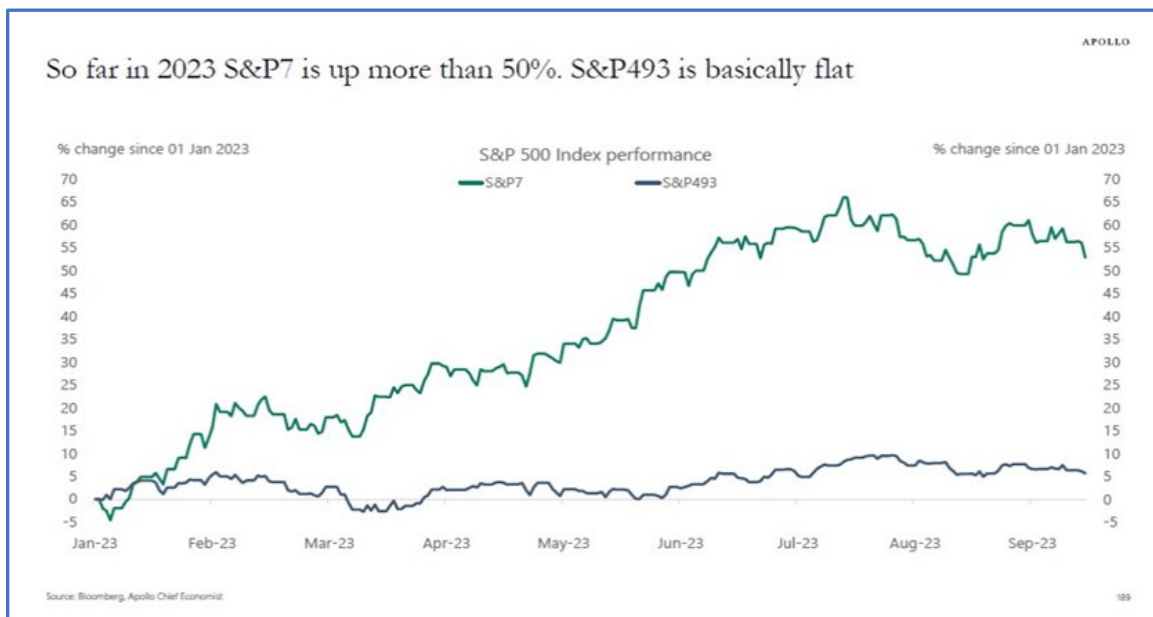
ON TO THE MARKETS *Analysis and Review co-written by [Thomas Burnett, CFA](#), Vice Chairman & Director of Research and [Neil Cataldi](#), Chief Investment Officer, Starboard Advisors.*

Equity indices experienced a decline during the third quarter, yet they maintain modest gains year-to-date. Specifically, the Dow Jones Industrial Average decreased by 2.6%, the Nasdaq by 4.1%, and the S&P 500 Index dropped by 3.7%. The resurgence of investor skepticism and heightened volatility can be attributed, in part, to the ascent of interest rates. Notably, the Ten-Year U.S. Treasury note closed the quarter with a yield of 4.57%, marking its highest level since 2007 (source: WSJ.com). For the year, the Bloomberg U.S. Aggregate Government Index yielded a total return (interest coupon plus price changes) negative 1.21%. Although primary measures of inflation have eased from their 2022 highs, we persistently trend above the 2% goal set by the Federal Reserve. The quarterly downturn in equities was influenced by interest rates and Federal Reserve actions which underscores the market's awareness of the potential impact of a higher interest rate environment on the broader economy.

INDEX	% Change YTD
	as of 9/30/2023
Dow Jones Industrial AVG. (TR)	1.5%
S/P 500 Index (TR)	12.9%
Nasdaq Composite	26.3%
Nikkei Tokyo	22.1%
China (Shanghai)	0.6%
EURO 600	5.9%
GOLD	1.9%
Crude Oil per bbl	12.7%
RATE on Ten-Year T Bond	4.59%
VIX Volatility Index Change	-19.1%
Bloomberg Commodity Index	-7.1%

Source: WSJ.com September 30, 2023

Mega-cap technology companies stand out as the primary subset for significant returns in 2023, painting a divergent picture compared to the broader market. The accompanying graphic illustrates this dichotomy, with the blue line representing 493 of the S&P 500 companies experiencing modest gains, while the remaining seven—Apple, Nvidia, Amazon, Google, Meta, Tesla, and Microsoft—have witnessed remarkable surges, collectively achieving over a 50% surge this year.



Source: Bloomberg, Apollo Chief Economist

As we move through the fourth quarter, the outlook remains uncertain, although the anticipated economic slowdown has not materialized. Earnings projections for 2023 have shown significant improvement throughout the year and estimates for both 2024 and 2025 suggest sustained double-digit growth. Concerns linger regarding lending and credit conditions amid the historic shift in interest rates. While higher interest rates are expected to impact economic growth, their effect has, thus far, been subdued. Lastly, the Federal Reserve remains committed to taming inflation. While future rate hikes are unlikely, the market currently does not anticipate any interest rate cuts until the latter part of 2024.



Thomas Burnett, CFA®
Vice Chairman and Director of Research



Neil Cataldi
Chief Investment Officer, Starboard Advisors

YEAR-END PLANNING CHECKLIST

- **The IRA Contribution Limits** for 2023 are \$6,500 for those under age 50, and \$7,500 for those age 50 or older. The IRA contribution limits above are the combined maximum you can contribute annually across all personal IRAs. This means if you have a traditional IRA and a Roth IRA, you cannot contribute more than this limit across both accounts in a year.

- **The Annual Gift Tax Exclusion** for 2023 allows an individual to gift up to a certain value to an unlimited number of individuals each year with no federal gift or estate tax consequences. Under current law, the annual gift tax exclusion amount is \$17,000. Each spouse in a married couple may give up to the full annual gift exclusion to one individual. As a result, a married couple can make gifts of up to \$34,000 to an unlimited number of individuals in a single year without any tax repercussions. It is not included in your gross income and does not count against the limits on deductions for charitable contributions. These can be significant advantages for certain high-income earners.

- **RMD Guidelines:** Required minimum distributions (RMDs) can be an important part of your retirement-income plan, but it's important to know that they come with some strict rules about the timing of when distributions are taken, and a formula based on your age for the amount you have to take. Generally, if you are age 73, you've reached the age where the IRS mandates you start taking withdrawals from most qualified retirement accounts, such as IRAs and 401(k)s (but not Roth IRAs). If you turned 72 after Jan. 1, 2023, you do not have to start taking RMDs until age 73. The deadline for taking your RMD is December 31 each year.

GIFTING FROM YOUR IRA

- The Year-end charitable gifting deadline is December 31st. Please send in your requests no later than December 1, 2023.

- Gifting from your IRA is not included in your gross income and does not count against the limits on deductions for charitable contributions. These can be significant advantages for certain high-income earners.

- If you have to satisfy an RMD and you would also like to make a gift to charity, then consider a qualified charitable distribution, (QCD). A QCD is a direct transfer of funds from your IRA custodian, payable to a qualified charity. The charity must be a 501(c)(3) organization, eligible to receive tax-deductible contributions. You must be 70½ or older to be eligible to make a QCD. Under prior law, the \$100,000 limit wasn't indexed for inflation. While the limit remains at \$100,000 for 2023 (\$200,000 for a married couple), it will be indexed annually for inflation, starting in 2024.

Source: *Fidelity.com*

ESTIMATED QUARTERLY TAX PAYMENTS

Reminder for those of you who pay estimated quarterly tax payments: 4th quarter payments are due January 15, 2024.

RECENTLY PUBLISHED

During October, Colleen Kelleher Sorrentino, Managing Director at KFA, had her latest article published in Portfolio Summits Viewpoints. This article addresses the decisions involved when investing in securities and what the investor needs to know. You can read the full article by clicking here.

<https://portfoliosummits.com/investing-in-securities-what-to-know/>



NYSE, Photo by A. Ambrosino

NEWS FROM COMPLIANCE

Our Chief Compliance Officer, Keith Marks, recently participated in a speaker panel at the National Society of Compliance Professionals Conference in Dallas, TX on October 17, 2023. Keith presented with Melanie Mendoza, the Chief Compliance Officer of Ranger Investment Management, and Attorney Joseph Simms of Reminger Co. LPA on the topic of “Evolving Custody Responsibilities”, concerning the obligations of registered investment advisers to safeguard client assets.

CLIENT SEMINAR

Our Portland, ME division, Starboard Advisors, recently held their annual client seminar at the Portland Yacht Club, providing an opportunity for clients to meet the team in person and sit in on a discussion panel. The seminar was led by Bart Weisenfluh, CEO and Founder of Starboard Advisors. Featured speakers included:



Photo by P. Lessard

Kevin Walkush, Portfolio Manager & Head of ESG, Jensen Investment Management; Kay Shah, Director Family Office Division at StevenDouglas; Starboard President, Michael Ouellette and Starboard CIO, Neil Cataldi. Topics included navigating the current investment environment and best practices with Family Governance.

ABOUT US

Since 1995, our firm has provided clients with thoughtful and personalized solutions in many areas of financial planning. At KFA, we place our clients at the center of everything we do. And while situations and experiences differ, our belief is that every client deserves the very best of what we have to offer.

Our firm acts as both an adviser, formulating long-term strategies, and as a manager, making specific recommendations and implementing decisions in areas such as portfolio construction, estate planning and investment management.

KFA educates our clients, communicating with them and sharing our rationale and analysis about issues that should be considered on an ongoing basis and ensuring that appropriate actions are taken. We do not sell proprietary financial products and are paid solely by our clients. In this way, KFA is able to recommend and incorporate independent investment vehicles and managers into a portfolio as needed.



Colleen Kelleher Sorrentino, CFA®
Managing Director



Barton W. Weisenfluh, CFP®
CEO, Starboard Advisors



Sean Kelleher
President

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