



STARBOARD ADVISORS
— YOUR RIGHT OF WAY —
A DIVISION OF KELLEHER FINANCIAL ADVISORS, LLC

Starboard Advisors

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“There is no better tool or equipment you can have on board than a well-trained crew.” -Larry Pardey

It was exactly five (5) years ago this past October when I crossed Union Street and opened the doors at Starboard Advisors.



There are moments that seem like yesterday, but more often it feels like a lifetime ago. It has been a humbling journey, not without its share of challenges, but certainly the most rewarding of my professional career thus far. During that period of time our assets under management along with those from our colleagues at KFA have grown to over half a billion dollars. New clients have joined us along the way while at the same time we are beginning to push into our third decade of service with legacy relationships. It is this endurance and steadfastness of which I am most proud.

As a good friend and colleague of mine reminds me frequently, “It’s all about the people.” He could not be more right. I feel blessed for the opportunities our friends and client families have provided us to serve them and as importantly for my working colleagues who helped open the doors at Starboard, Rita Newland and Hannah Andrews. We are a team at 2 Union Street, a tight crew, and is often what I point to as the “secret sauce” in serving families.

I am pleased to announce that Neil Cataldi and Pam Lessard have joined the firm – you will be hearing more about them further down in the newsletter. They join Mike Ouellette who stepped onboard Starboard this past January as part of our new team in 2022. Starboard’s capacity and skillsets have expanded significantly, and I could not be more pleased with the early returns. If you haven’t already, I invite you to meet our new crew members at Starboard.

The markets and world continue the march of volatility as the bubble of speculation from 2021 unwinds. We have been working with clients as appropriate on restructuring bond portfolios to take advantage of the current rates of 1 year U.S. Treasuries that are yielding +4.5%. These yields in low-risk U.S. Treasuries have not occurred in almost a generation and are one of the few bright spots in the investment markets this year. My colleague Tom Burnett will provide the precise numbers on the markets YTD, and we have included a few helpful reminders as we head into year end.

As always, we thank you for your confidence and support and we look forward to our next five years – it will happen in a “snap!”

My very best regards,

Bart

Barton W. Weisenfluh, CFP ®
Founder & CEO

ON TO THE MARKETS

We are pleased to be partnering with the Kelleher Family and [Kelleher Financial Advisors, LLC](#). Together and in collaboration with our [Investment Committee](#) we will be providing quarterly (and as needed) commentary on the capital markets. [Thomas Burnett, CFA, Vice Chairman and Director of Research at Kelleher Financial Advisors](#), will be helping lead the charge for this portion of our client communications.

<u>INDEX</u>	<u>% Change YTD as of 09/30/2022</u>
Dow Jones Industrial AVG. (TR)	-19.3%
S/P 500 Index (TR)	-23.3%
Nasdaq Composite	-32.4%
Nikkei Tokyo	-9.9%
China (Shanghai)	-16.9%
EURO Stoxx 600	-23.9%
Crude Oil per bbl	5.7%
RATE on Ten-Year T Bond	3.81%
VIX Volatility Index Change	81.3%

Source: WSJ.com October 3, 2022

Treasury bond which began 2022 at 1.51% has increased to 3.80% by Thanksgiving. The spike in interest rates has created a significant headwind for fixed income markets to overcome throughout the year which is reflected in returns where the 20+ year Treasury Bond Index, for example, is off by 29%. Municipal indices are performing poorly, down 11% for the year (WSJ Muni Master 12-22 Year Index) and international bond indices are not faring better with declines of 12% (WSJ Global Government Index).

U.S. investors have their collective vision focused on the Federal Reserve who has implemented interest rate increases at an unprecedented pace throughout the year and is expected to continue doing so, at the least, through the next two meetings. Many observers are watching corporate earnings reports carefully as the anticipated global slowdown begins to pressure earnings lower. Analyst consensus estimates have begun to weaken as warnings and reduced forecast targets are expected as we move into the new year. The rationale for higher interest rates by the Federal Reserve is predicated on elevated inflation. Central banks across the world have pushed interest rates higher to

Investors have faced a challenging year during the first three quarters of 2022. Equity indices are all down sharply, interest rates have risen, and the fixed income markets have not provided a safe haven as they typically do. The yield on the 10-Year

slow economic growth. As growth decelerates, the price of goods and services should follow lower. The results have been mixed thus far but there are signs of improvement in the United States as many categories have begun to roll over.

What comes next? We are focused first on inflation metrics improving in 2023, in addition to interest rates stabilizing at their new higher levels. Treasury yields have moved higher at a historic pace which allows investors to capture a ~4.5% low risk yield today over a one-year duration, a level not seen in over 15 years. Markets have begun to price in the likelihood of a pause to the interest hike cycle by the Federal Reserve early in 2023 which may bode well for investor sentiment and reduced market volatility. Equity valuations should recover as this takes place. We believe investors should remain patient in equities with a focus on higher quality exposure across companies whose balance sheets and market positions will allow them to remain successful through future challenging market environments like the one we have experienced this year.

NEW TEAM MEMBERS AT STARBOARD

We are pleased to announce two new crew members at Starboard Advisors, Neil Cataldi and Pamela Lessard. Both Neil and Pam are excited to be part of our growing team.



NEIL CATALDI, Managing Director, previously served as Vice President and led the investment process for \$250Million+ in holdings at the Viking Group, a family office in Cherry Hill, NJ. Mr. Cataldi has over 20 years of Wall Street industry experience across equities, options, alternatives, and Family Office governance. He began his career on the floor of the Philadelphia Stock Exchange where he worked for both TFM Investment Group and Goldman Sachs. He then worked as a derivatives strategist at Susquehanna International Group, generating stock and option trading ideas, mainly within the Consumer sector. Neil has also consulted for multiple private Family Offices managing a range of investments, including actively managed equity and fixed income portfolios, as well as the oversight and management of a large portfolio of hedge funds.



PAM LESSARD, Principal, joined Starboard Advisors in September 2022. Before joining the Starboard crew, Pam worked at Simon Pearce in Quechee, VT for over 9 years as Executive Assistant to the Founder and his family. Prior to that Pam was the Accountant & Grants Manager for the Woodstock, VT School District and a Sales Assistant with Goldman Sachs on their Institutional Corporate Bond desk in Boston. Pam holds a B.A. in Business and Fine Arts from Skidmore College. She and her husband Kevin have two sons, Taylor and Curtis. She enjoys skiing and spending time with her family in Bozeman, Montana.

EVENTS

In early September, to help us better serve our clients, we hosted a Family Office Workshop meeting with industry professionals. If you are interested in receiving any of the material covered and/or presented, we would be happy to provide. Material can also be accessed by [clicking here](#).



ADVISORY BOARD MEMBERS IN THE NEWS



JOAN BENOIT SAMUELSON, the first Olympic women’s marathon champion in 1984, ran her first 26.2-mile race in three years at the recent London Marathon and won her age group. Benoit Samuelson, 65, clocked 3 hours, 20 minutes, 20 seconds to top the women’s 65-69 age group by 7 minutes, 52 seconds. Benoit Samuelson raced the 1987 Boston Marathon while three months pregnant with her daughter Abby. Before that, she won the first Olympic women’s marathon at the 1984 Los Angeles Games, plus the Boston Marathon in 1979 and 1983 and the Chicago Marathon in 1985.

Her personal best — 2:21:21 — still holds up. She ranks sixth in U.S. women’s history.

Benoit Samuelson plans to race the Tokyo Marathon to complete her set of doing all six annual World Marathon Majors. The others are Berlin, Boston, Chicago and New York City.

“I’m happy to finish this race and make it to Tokyo, but I did it today on a wing and a prayer,” she said, according to organizers. “I’m blessed to have longevity in this sport. It doesn’t owe me anything, but I feel I owe my sport.”

~ **Source: NBC Sports October 3, 2022**

YEAR-END PLANNING CHECKLIST

- The Year-end charitable gifting deadline is December 31st. Please send in your requests no later than December 19, 2022.
- For 2022, the Annual Exclusion from Gift Tax is \$16k per person from an individual or \$32k per person from a married couple.

It's 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.



GIFTING FROM YOUR IRA

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. Once you've reached age 72, the QCD amount counts toward your RMD for the year, up to an annual maximum of \$100,000 per individual, or \$200,000 for a married couple filing jointly (\$100,000 from each of their respective IRAs). It's 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.

Due to changes enacted by the Tax Cuts and Jobs Act, a number of retirees may now choose to take the standard deduction when filing taxes (\$12,950 for singles; \$25,900 for couples in 2022) rather than itemize. For those people, QCDs may be a useful alternative.

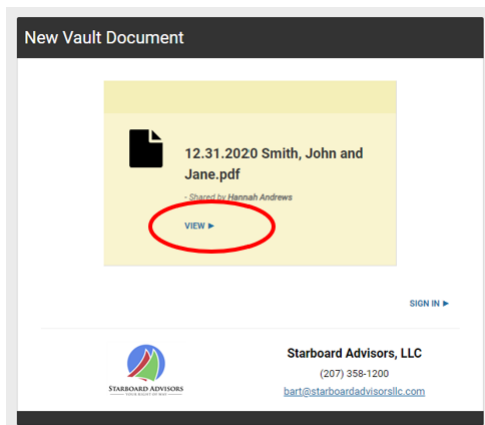
~ **Source: Fidelity.com November 2022**

SOCIAL SECURITY BENEFITS INCREASING IN 2023

Social Security checks will be 8.7% bigger in 2023, the largest cost of living adjustment (COLA) to benefits in four decades. The Social Security Administration also said the maximum amount of earnings subject to the Social Security tax will increase to \$160,200 in 2023, from \$147,000 this year. ~ **Source: WSJ.com October 13, 2022**

3Q2022 PORTFOLIO APPRAISAL & PERFORMANCE REPORTS

3Q2022 Portfolio Appraisal & Performance Reports are now available. We have uploaded your reports to your online vault in Starboard's eMoney. You should have received an email notification from "notification@emoneyadvisor.com" with the subject "New Vault Document".



From the email, click "View" and you'll be taken to the login screen, (which can also be accessed by [clicking here](#)).

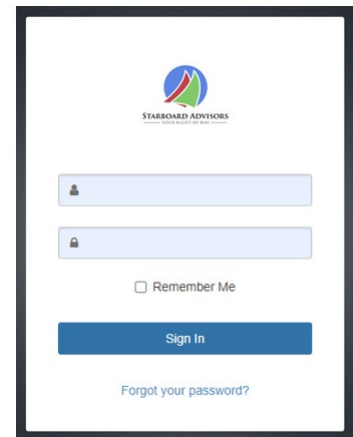
If you log in through the email notification link, you'll be taken directly to your vault. From there, you can click on the name of the report you want to view. If you want to log in another time and view the report, you'll need to go to your vault first, by clicking "Vault" and then click through to "Reports" -> "Portfolio Appraisal and Performance Reports" and then the report you wish to view.

Please contact [Rita](#) or [Pam](#) if you have any questions or need assistance in accessing your report.

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PORTFOLIO APPRAISAL &
PERFORMANCE REPORT



ABOUT US

Definition of Star•board: *Starboard is the traditional nautical term for the "right" side of a ship's hull and represented by the color green for navigational purposes. In addition, sailing vessels must give the "right of way" to sailboats on starboard tack (where the wind is coming over the right side of the vessel) and be provided clearance for safe passage.*

Starboard Advisors was founded by Barton Weisenfluh and partners with the Kelleher Family and Kelleher Financial Advisors, LLC, a registered investment advisor with the United States Securities and Exchange Commission. The firm provides a dedicated platform exclusively serving families as a single point of accountability for the stewardship of their financial lives.

The Kelleher Family business interests were founded by Denis Kelleher and have grown into a diversified financial service enterprise that strives to be one of the best managed and best capitalized independent firms in the industry. Today the entrepreneurial spirit is alive and well where the second generation, led by Sean Kelleher, continues to press on with secure and sustained growth with likeminded professionals.

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