

## Market Thoughts - The Pain of Uncertainty

As anticipated, we are experiencing a great deal of volatility in the markets. Currently there is quite a bit of fear that the Federal Reserve might decide to raise interest rates even faster than previously predicted. As the Federal Reserve considers its course, it is confronted with the reality of higher prices at the pump and in grocery stores which are felt by everyone. These are just a couple of the many factors that they must consider as they look to recalibrate this tricky course of trying to cool down inflation without grinding the economy to a halt. Our government flooded the economy with a lot of financial support during the worst times of Covid to help individuals, families, and businesses cope with the financial effects of the pandemic. Most will likely agree it was important for our government to turn the spigot on full force to provide that crucial support. However, the effects of that support have now created a challenge for the Federal Reserve to find the sweet spot of determining how much and how quickly to increase interest rates. The reality is it is not an exact science. Therefore, expect this challenge to continue to be one of the contributing factors to the rocky road that we are currently on.

As we write this, the headlines are screaming that we plunged into bear market territory before the markets closed just slightly higher. A bear market is generally defined as a drop in stock prices of 20% over a prolonged period. There are times like these when investor sentiment can turn ugly and can create a situation that acts like a self-fulfilling prophecy. Many individual investors panic and then more selling occurs which contributes to the downward slide of stock prices. On and on it can go until calmer heads prevail. When values for various stocks drop significantly over a short period of time, it is often not because those companies are suddenly less valuable from a consumer standpoint. Instead, the herd mentality is screaming "sell!" and temporarily tramples everything in its path. It is important to focus on seeing beyond the short pain to sit tight and ride it out. Your portfolios and financial plans are designed to endure periods of short pain during extreme volatility. As investors, we need to maintain a clear-eyed focus on the horizon. We do not recommend any wholesale changes to portfolios based on current volatility.

As always, please reach out with any questions or concerns that you may have.

### **Updated Discretionary Advisory Agreements Coming Soon. Please review and sign.**

We will be sending updated Discretionary Advisory Agreements via DocuSign within the next several days from [TheTeam@hartpatterson.com](mailto:TheTeam@hartpatterson.com) email address. Please review and sign it at your earliest convenience noting that your passcode is the last four digits of your Social Security number. There is one agreement per family, so once one member of a household signs, it will automatically forward to the second member. Note that we need to have the Discretionary Investment Advisory Agreement on file in order to continue working together. Should you have any questions, please contact Vikki Lenhart ([vikki@hartpatterson.com](mailto:vikki@hartpatterson.com)) or Sue Patterson ([sue@hartpatterson.com](mailto:sue@hartpatterson.com)).

As a reminder, this agreement outlines our relationship with you, the services we provide, the fees we charge and includes an overview of your financial profile. Updates include the following: (1) We will no longer be charging advisory fees on any cash balances. Advisory fees will now be billed on the average daily account balance of your account(s) for the quarter. There are no changes to how the fee is paid - it will still be paid quarterly, in arrears. (2) For clients who household their accounts with other family

members for fee billing purposes, all members will need to acknowledge consent by signing a document specifically designed to help protect the confidentiality of your information. This document will be sent separately in the coming weeks to those families. It will list all accounts to be householded and will include client signatures of all affected accounts. (3) For those clients with a “Client Directed” subaccount which includes outside holdings we do not manage, we have included a section in the agreement on this topic. The subaccount will also now be included in the list of accounts on page six. As has always been the case, there are no advisory fees charged on these assets as we do not provide advisory or supervisory services on these holdings.

Our goal is that these updates will benefit clients and clarify our procedures in these various areas.

**Shred Day**

Now that tax season is over, it is a great time to spring clean! Please mark your calendar for Friday, October 14 from 12PM-2PM. We are once again planning to have the Pro Shred truck on site to dispose of your documents securely. Remember you don’t need to remove any staples or paper clips. We have included below a suggested list of how long to retain documents.

**Do you Have Piles and Piles of Files?**

**Record Retention:** How long should you keep household, personal, and financial records? Keeping everything forever is the safest answer, but is impractical and unnecessary. The length of time each type of record should be retained varies according to its use. Please note that all records should be shredded when their useful life has been exhausted. Below are some general guidelines for various types of documents. Please note you should contact your lawyer or accountant if you have any specific questions regarding specific documents.

<b>Record Type:</b>	<b>Retention Time:</b>
Bank Deposit Slips	Until reconciled with the bank’s statement
Tax Returns as Filed	Minimum of 7 years
Tax-Related Income and Deduction Documentation	7 years
Documents affecting the basis of asset	Life of the asset
Receipts (major purchases)	Life of the asset
Warranties	Duration of the Warranty or until Asset disposed of
Investment purchase confirmations and 1099s	As long as investment is owned and then retain with other tax documentation for 7 years.
Pay Stubs	Until reconciled with W-2
Brokerage and retirement statements	Hold monthly and quarterly statements until the next statement is received; hold annual statements until investments are sold
-Birth and Death Certificates -Marriage licenses and Divorce decrees -Military Discharge Papers -Social Security Cards	Forever

Vehicle Titles	Until the vehicle is sold
Life-insurance policies	Forever (unless a term policy, then when policy's term is reached)
Retirement and Pension Plan information	Forever
Credit card statements	Assuming you are not carrying a balance, we recommend holding for one year assuming there are no disputes with merchants.

### **Form ADV and Form CRS**

Attached are links to our updated Form ADV, Privacy Policy, and Form CRS (Client Relationship Summary). As a reminder, the Form ADV includes detailed information on our business such as a description of our services, the amount of assets under management, information regarding fees, and key officers of the firm. The Form CRS is a shorter document which also provides an overview of the business as well as conversation starters. Once again, please contact Vikki Lenhart or Sue Patterson with any questions you have.

### **Meeting Scheduling**

If you would like to cancel a meeting or change the time, date or format (Zoom, in person or phone), this change can be made in the email reminder you receive from us. Simply click on the green change/cancel appointment button (see below) located at the bottom of the reminder email. Our office is notified immediately of the change.

You are always welcome to call or email the office if you would like us to make the change for you.



### **Lorraine's Recipe – Grilled Asparagus**

Finally, it's beginning to feel like spring and one of my favorite vegetables will soon be ready for picking so I thought that I would share an simple recipe with you. It's grilled asparagus time!

Ingredients: A bunch of asparagus

Good extra virgin olive oil - a few tablespoons Salt and pepper to taste

1. Snap off the ends of the asparagus stalks. They will snap at the spot where the stalks are just getting tender. Rinse the stalks to remove any sand from the ends. Dry the asparagus thoroughly or they won't roast properly.
2. If roasting in the oven, heat the oven to 400 degrees. Lay the stalks on a cookie sheet and coat them all over with olive oil, salt and pepper and lay them flat on the cookie sheet. If roasting on a grill, lay the stalks flat on a hot grill.
3. Roast for 12-15 minutes and check for doneness by pricking the stalk with a fork. When done, a fork will go in easily and the asparagus will have a nice char. If not done, keep cooking, checking every few minutes until tender.

If you don't manage to eat all of the asparagus at dinner, put leftovers in a flat storage container with a lid. Cover the asparagus with some balsamic vinegar and a crushed garlic clove. Put in the fridge overnight and enjoy it the next day in your green salad!

Wishing you all a wonderful spring season!

Vikki D. Lenhart  
Registered Investment Adviser