



“SPRING IS THE TIME OF PLANS AND PROJECTS”

ANNA KARENINA/LEO TOLSTOY

1ST QUARTER 2024 COMMENTARY • KORI ALLEN, CFP®

Isn't it funny, how January 1st comes around and we make lists of goals or resolutions of what we intend to accomplish in the new year. We find that the first quarter is more about reviewing the *past* year, so perhaps the first is a bit premature.

This review happens organically while gathering documents for tax preparation and it provides a great opportunity to assess progress towards long-term financial goals. Are savings adequate? Are investments aligned with goals and values? Is the asset mix and returns in line with expectations and goals? Sometimes, questions from the tax preparer can also provoke other planning considerations. (We welcome collaboration with your tax advisors, estate attorneys and even insurance professionals.)

Since Pearl Wealth is registered with the SEC and our fiscal year also ends on December 31st, we must complete our regulatory filings by March 31st of every year. This provides an opportunity and framework for reviewing our business practices in addition to the business's tax matters.

We started 2023 with our first SEC audit as Pearl Wealth. While we are comfortable with our processes and integrity, just like IRS audits, there is a level of insecurity that something was misunderstood or inadvertently missed. The audit was benign and as any good regulatory review, they provided areas for improvement. That stress however illuminated or reinforced our preferences in managing our business. We would prefer spending more time working with and for you, our clients, and less with regulatory administration.

To that end, this Fall we engaged with an outsourced compliance firm and they will now provide support keeping us current with record keeping, regulations and educating us on any changes to the regulatory landscape. I (Kori) remain Chief Compliance Officer. With their help, we have revised our Security and Exchange (SEC) disclosures, the ADV's. As you will see in the accompanying documents much remains the same. We have worked to simplify language while also communicating necessary information and disclosures. With a new set of eyes, and hopefully more accessible language, you'll find the information useful or at least a beneficial refresh.

In the past, without significant changes to our practice, we've simply provided a disclosure of material changes. That disclosure had been focused on our assets under management (AUM). We started 2023 with \$111,421,857 AUM and now with market appreciation and getting to serve even more individuals and families, our AUM on December 31st, 2023, was valued at \$133,702,051.

As Gretchen mentions in her cover letter, technology companies continue to dominate market returns. Technological advances and applications continue to evolve and dominate our personal and business lives as well. In addition to hiring compliance experts last year, we added another member to our team, Reilly Thompson. Reilly brings a background in data management and a personal interest in the markets. (Another area of interest is kickboxing!). She's helping us to maximize the utility of our programs, especially the portfolio management software on which we rely for trading decisions and preparing reports.

We now have four on our team. Gretchen and I are the registered professionals and are included in the accompanying ADV filing. Reilly and Christina Perron have important supporting roles. (If you have not yet met



Christina, she helps me manage email, schedule and keeps the office in order. When not helping us out a couple days a week, you'll find her selling her culinary and vegetable starts at farmers markets around town.)

With taxes and record keeping fresh on our minds, you'll find some financial "spring cleaning" ideas below:

1. **REVIEW AND REFRESH YOUR BUDGET:** Take a close look at your current budget. Have there been any changes in your income or expenses since your last review? Adjust your budget to reflect these changes and identify areas where you can save more.
2. **DECLUTTER YOUR EXPENSES:** Examine your monthly expenditures and identify non-essential items you can reduce or eliminate. This might include unused subscriptions, recurring memberships, or finding more affordable alternatives to them.
3. **CONSIDER CONSOLIDATION:** If you have multiple credit card accounts, you may want to consider consolidating them. This can simplify the debt repayment process, reduce fees, and lower interest rates.
4. **UPDATE YOUR FINANCIAL GOALS:** Reflect on your short-term and long-term financial goals. Most likely, they have changed and grown over the last year. Adjust them as needed, and we can strategize ways to reach them.
5. **CHECK YOUR CREDIT REPORT:** Ensure your credit report is accurate and up-to-date. Report any discrepancies immediately with your credit bureau as soon as possible. (AnnualCreditReport.com; 877-322-8228)
6. **REVIEW YOUR ESTATE PLAN.**
7. **UPDATE PASSWORDS** on financial account websites and activate two or multi-factor authentication when available. Make sure to close out all apps after use.
8. **"AUDIT" YOUR WALLET, PURSE AND FILES** and remove any cards and information you don't need to carry and shred anything that has expired. Make copies of anything you do need to carry and keep those in a safe place.
9. **CONSIDER UPDATING** the contacts on your mobile phone and then update your phone settings to automatically silence unknown callers sending them directly to voicemail.

"Is the spring coming?" he said. "What is it like?..."

"It is the sun shining on the rain and the rain falling on the sunshine..."

FRANCES HODGSON BURNETT, THE SECRET GARDEN

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Additional information, including management fees and expenses, is provided on our Form ADV Part 2 available upon request or at the SEC's Investment Adviser Public Disclosure website. www.adviserinfo.sec.gov. Past performance is not a guarantee of future results.

