

# Ferguson Wellman Capital Management

## 2022 ANNUAL REPORT

Outlook 2022: Extraordinary to Ordinary • Santa Claus is Leaving Town • Valuing the Resources of Time and Money • Under the Hood of Capital Markets • Preparing to Sell a Business • The Fed Is Raising Rates ... Now What? • Return to Ordinary • Considerations for Strategic Tax and Wealth Planning in 2022 • Raising Rates for the Right Reasons •

Gaining Altitude: Alternative Assets • Market Turbulence: Focus on the Fundamentals • Basic Tax Considerations When

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Crisis • U.S. Economy

Through • Under

### YEAR IN REVIEW

Changes for IRA

SECURE Act • The Fed

Kryptonite • What Really

• Considerations For

Gifts to Minors • When It

Pays Off • Mixed Reviews

of War • Understanding

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Change in Planning • The

Shifting Demand • Have



Navigating a Geopolitical

Continues To Power

Pressure • We Have

Liftoff • Proposed

Beneficiaries Under the

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Uniform Transfers and

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• Fear and Greed • Tug

the Impact of Ownership

### THE VIEW AHEAD

Plan Update: A Material

Correction Deepens •

Yields Peaked? • Too Hot

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• A Year Like No Other • When Good News is Bad News • Inflation Redux • The Funambulist Fed • No Blinking in the

Tetons • Where Are the Missing Workers? • Higher Rates to the Rescue • Can't Catch a Break • Fed Pain • Round Trip •

Q4 2022: Bad News is Good News • The Bear Market Bounce • King Dollar • Third Quarter Earnings Season Kicks Off

• The Fed's Conundrum • Groundhog Day • Reviewing Existing Life Insurance Policies • Divided We Stand • Planning

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Strategic Tax and Philanthropic Planning • The Fed Holds Fast • This Too Shall Pass • Housing Crisis 2.0? •

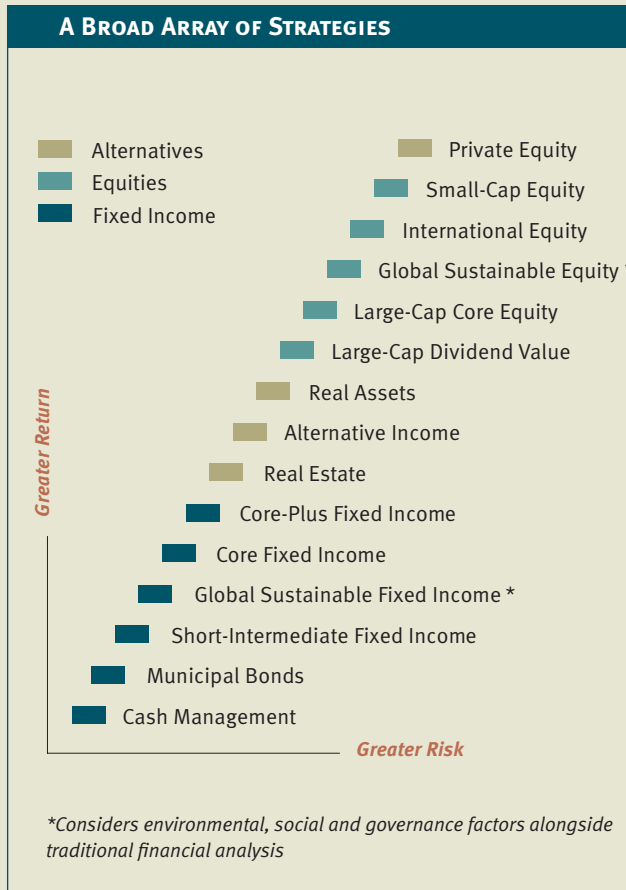
# FERGUSON WELLMAN CLIENT OFFERINGS

*Each strategy and service designed by our team is customized to the needs and goals of our clients. Working collaboratively with professional partners, our portfolio managers take a measured, holistic approach to investment management, wealth planning and our private family office services.*

## Managing Your Assets

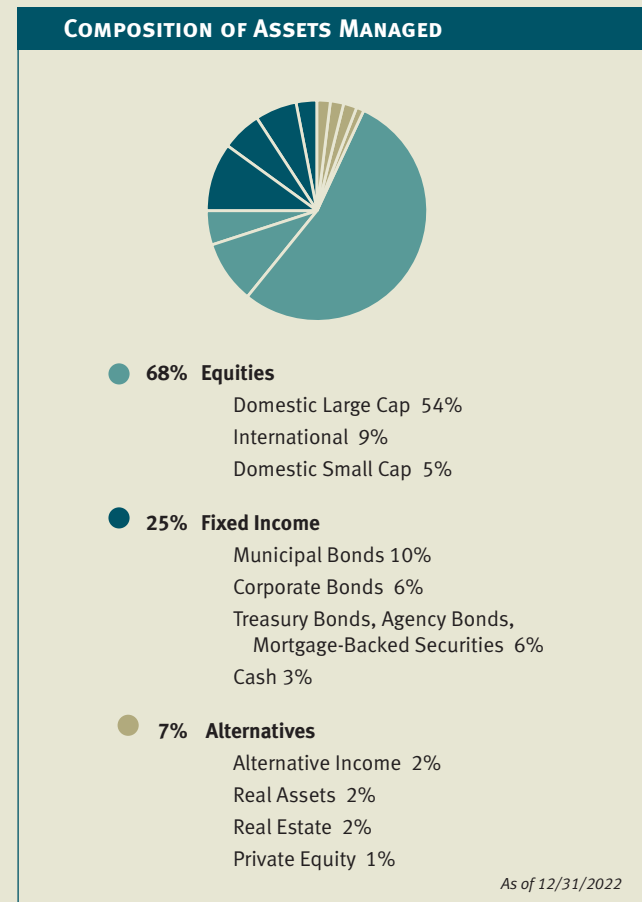
### INVESTMENT STRATEGIES

Depending on the clients' investment objectives and circumstances, alternative assets may appear at different points on this risk/return chart. Balanced portfolios are also customized to meet clients' needs. As such, balanced portfolios may be positioned across a wide portion of the scale.



In 2022, our allocation to alternative assets in client portfolios improved returns during a time when bonds were dragging down performance.

The global economy and capital markets continually influence client portfolios. Each year, tax and policy changes, life events and unique moments in history can inform discussions and decisions between a client and their portfolio manager.



## Making Informed Decisions

### WEALTH MANAGEMENT

Every Ferguson Wellman and West Bearing client is in a unique place in the wealth planning process. Our customized investment portfolios are designed to align with each client's income needs, tax circumstances and values. Recognizing the impact of decisions beyond investments, our team ensures each client has resources to address eight financial disciplines in concert with their other professional advisors.

**Wealth Planning** | Our *Wealth Horizon*™ planning process helps clients evaluate their current financial circumstances and how their wealth is likely to evolve.

**Retirement** | Whether saving for, transitioning to, or living in retirement, there are myriad tax, spending, Social Security and insurance decisions our team can help evaluate.

**Life Events** | Thoughtful planning empowers our clients to thrive through life transitions.

**Estate and Trust Review** | We help clients explore their personal financial values and legacy goals, provide education on common planning strategies, and connect with legal advisors to update or establish estate plans.

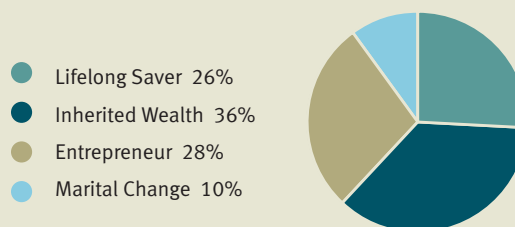
**Tax-Efficient Investing** | We manage portfolios to optimize after-tax returns and work with our clients' tax and legal advisors to evaluate opportunities to mitigate capital gains, as well as income and estate taxes.

**Philanthropic Strategies** | We support our clients in identifying, establishing and implementing their philanthropic goals.

**Risk Management** | Protecting wealth through risk mitigation strategies, such as insurance or entity structuring, helps our clients stay on their planned course when faced with unforeseen events.

**Education Planning and Funding** | Our team can provide guidance and projections for funding education and can facilitate 529 college savings plans.

### SOURCE OF INDIVIDUAL CLIENT WEALTH



## Providing Order and Clarity

### PRIVATE FAMILY OFFICE

Octavia Group provides a suite of services to foster financial peace of mind for affluent individuals and families, busy executives and clients who face a life-changing event. Our private family office helps clients feel more resilient and confident about their entire financial well-being. Each service has been carefully vetted and is managed with the utmost confidentiality.

They include:

- Daily expense management
- Consolidated financial reporting
- Risk and insurance assessment
- Medical expense tracking and negotiation
- Cybersecurity and personal security assessment
- Technology support
- Tax document coordination
- Lifebook: financial document organization
- Concierge services

Octavia Group is only available to Ferguson Wellman and West Bearing clients with a minimum of \$10 million managed by our firm. The minimum monthly fee is \$1,000 and each relationship is billed based on the time and complexity of the client's needs.

## ABOUT OUR REPORT

**Words matter.** They are a meaningful driver of the investment industry, allowing us to build credibility, create context—and connect with our clients. **Numbers also matter.** But at times they can stir emotion, cause fear or create paralysis.

We believe in the interdependency of numbers and words. Throughout the year, we employ both to give perspective, motivate action and keep clients' goals at the forefront.

We recognize some clients are more comfortable with numbers than words, or vice versa. On the cover of our annual report, the titles of blogs, videos, webinars and quarterly client reports represent our broad communication topics in 2022. Subsequent pages include data reflecting world events and company milestones that shaped the year.

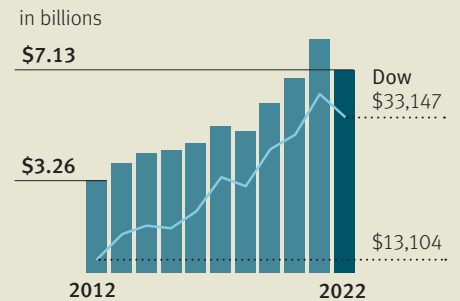
For our firm, one of the most memorable moments in 2022 was **coming together** after working remotely for two years. As we progress through 2023, our team continues to leverage the power of numbers and words to serve clients, provide transparency and earn trust.



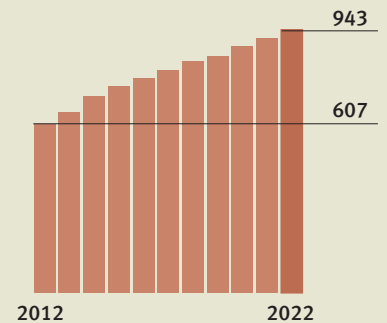
We celebrated our office reopening with Sam Watt who oversees security at the Pioneer Tower in Portland.

### CLIENT ASSETS UNDER MANAGEMENT

in relation to equity markets

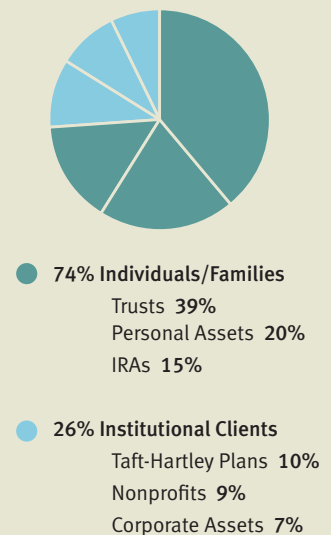


### STEADY CLIENT GROWTH



### BROAD CLIENT BASE

by assets under management





## To Our Clients

*Our annual report is a company tradition* dating back to 1997 when Jim Rudd, our recently retired CEO, said, “We should publish an annual report to share the events of the past year with our clients.” The first report was only one page, but over the years it grew. It has become an important medium for sharing our company’s growth, initiatives and focus with our clients and the broader community.

Our opening letter provides a reflective opportunity to feature specific aspects from the year as valuable reminders to our clients regarding our priorities and goals. We highlight four key achievements in 2022:

**1. Our entire firm returned to the office full time.**

Ferguson Wellman is a work-from-work company and we serve our clients better when our employees are together every day in our Portland and Bellevue offices. We realize this approach isn’t for every company, but it certainly is for us. April 4, 2022, marked the day we all returned: not two, not three, but five days a week.

**2. We had an active year welcoming new clients.**

We exceeded our goal of one new client each week. We monitor and track the number of new clients who hire us for three key reasons. First, it is direct market feedback of the value of our brand and service. Second, if the number of new clients increases beyond our current pace, it is an indication we need to control our growth by raising our minimum account sizes. Third, growth adds to our financial success, which allows us to reinvest in our company and people for the benefit of our clients.

**3. We hired seven individuals, ending the year with 55 employees.**

These new hires joined our client service, marketing and operations teams. We track our client-to-employee ratio as a measure of the people it takes to provide the service our clients expect. The ratio has remained between 12 and 16 clients per employee for over two decades. We anticipate adding four more employees in 2023 to add capacity to support our steady growth.

**4. Our private family office continues to grow.**

As anticipated, Octavia Group has grown steadily since 2021, delivering high-touch services we hope have enhanced clients’ quality of life. Designed for clients with \$10 million in assets managed by our firm, our team strives to be a trusted resource managing all household financial affairs. Octavia’s clients fit into three client categories: those navigating a life event, those wanting more organization with their finances and those simply wanting to free up time for travel and other life activities.

As always, thank you for your trust and confidence. We look forward to serving you and seeing you throughout the year.

Best regards,

*Ferguson Wellman Board of Directors*

# Q1

Over the past two years, we witnessed the sharpest and shortest recession in history, followed by the fastest and steepest recovery—truly an *extraordinary* economic cycle. 2022 begins with a desire to return monetary policy to *ordinary* times. Of all the macroeconomic events during the pandemic, the one with the greatest impact was the unprecedented stimulus from the Federal Reserve. As inflation and interest rates begin to rise, we anticipate muted capital market returns coupled with elevated volatility.

## INTERNATIONAL AND DOMESTIC EVENTS

- 1/17 The omicron variant wave of **COVID-19 peaks** in 25 countries and 19 U.S. states.
- 2/4 Beijing is the first city to host both the **Summer and Winter Olympic Games** in 2008 and 2022, respectively.
- 2/24 Russia invades **Ukraine**, creating Europe's largest refugee crisis since World War II.



## ECONOMIC INFLUENCES AND MARKET ACTIVITY

- 2/7 U.S. Bureau of Economic Analysis reports a **record trade deficit** of \$948.1 billion, impacting GDP as it starts to shrink for the first time since 2020.
- 3/31 Markets start to plunge in 2022 with the **S&P declining** 12.5% in the first quarter.

## AT FERGUSON WELLMAN

- 1/3 **Becky Horvat** promoted to chief financial officer
- 1/20 Our **2022 Investment Outlook** webinar for clients and professional partners
- 3/28 Opening of our **Puget Sound office** in the City Center Bellevue building

**New employees:** Melinda Harrah, Melissa Lamproe, Emilie Ma, Leslie Nuñez

**Work anniversary:** Beth Brown, 10 years

**New shareholders:** Kirstin Havnaer

Fed-fund rate hike  
3/17 +.25%

Inflation rate: 7.5%  
Gallon of milk price: \$3.82  
30-year mortgage rate: 3.2%  
Gallon of gas price: \$3.28

Sources on page 11

### Highlights of our investment and wealth planning communication

*Extraordinary to Ordinary (1/5)*

*Preparing to Sell a Business (1/19)*

*Basic Tax Considerations When Selling Real Estate (2/24)*

*Valuing the Resources of Time and Money (1/13)*

*Raising Rates for the Right Reasons (2/4)*

*Navigating a Geopolitical Crisis (2/25)*

Dow open 1/3: 36,321

# Q2

April begins with the first quarterly loss for the S&P 500 in two years. We use “kryptonite” to describe inflation—the biggest risk to our outlook for the year. As inflation continues to strengthen, the Fed is forced to take bolder steps to contain it. The economic impact of inflation is further accelerated by the invasion of Ukraine which prompts unease, uncertainty and disruption—particularly for the energy sector.

## INTERNATIONAL AND DOMESTIC EVENTS

- 5/7 Thoroughbred **Rich Strike** wins the Kentucky Derby and is one of the biggest long shots ever to win the race, with 80-1 closing odds.
- 5/23 Germany sends 78,000 pounds of **infant formula** to the U.S. to offset sudden shortages.
- 6/21 A near-complete 30,000-year-old mummified **baby woolly mammoth** is found in the Yukon Permafrost.



## ECONOMIC INFLUENCES AND MARKET ACTIVITY

- 4/29 GlobalData reports total **merger and acquisition** transaction value down \$725 billion, a 23% drop in the first quarter of 2022 compared to 2021's fourth quarter.
- 5/12 The price of **bitcoin** falls below \$26,000, hitting the lowest level in 16 months.
- 6/2 U.S. Bureau of Labor Statistics announces all-time low **unemployment rates** in 10 states.
- 6/28 Case-Shiller Home Price Indices reaches an all-time high of 318.62 points, followed in July by the **end of a 124-month streak** of positive home price growth.

## AT FERGUSON WELLMAN

- 4/4 Employees return to **in-office work** in Portland office
- 6/1 Our first in-person **Investment Outlook** event for clients since the pandemic
- 6/2 **Jake Gradwohl** moves from an associate role to trading
- 6/17 Enrollment begins for our new client education program, **DollarSense™**

**New employees:** Becca Marvin, Brian Smith, Jacqui Thompson

**New shareholder:** Melanie Franck

Fed-fund rate hikes

5/5 +.50%

5/16 +.75%

Inflation rate: 8.3%

Gallon of milk price: \$4.21

30-year mortgage rate: 4.7%

Gallon of gas price: \$4.17

*Kryptonite (4/8)*

*Proposed Changes to IRA Beneficiaries Under the SECURE Act (4/11)*

*Understanding the Impact of Ownership and Beneficiary Designations (5/16)*

*529 Plan Update: A Material Change in College Savings (5/18)*

*The Correction Deepens (5/20)*

*Have Yields Peaked? (6/3)*

Dow open 4/1: 34,740

# Q3

*It becomes evident that the Federal Reserve is chasing inflation rather than taming it. Accelerating interest rate hikes to get inflation under control without tilting the economy into recession is becoming a **balancing act**. Although the economy contracted in real terms in the first two quarters of the year, the U.S. is technically not in a recession.*

## INTERNATIONAL AND DOMESTIC EVENTS

- 7/11** More than 32% of land in western states classified by the U.S. Department of Agriculture as experiencing extreme or **exceptional drought**.
- 9/6** In her last official meeting, **Queen Elizabeth** meets **Liz Truss** at Balmoral Castle in Scotland. The longest-serving monarch in British history dies two days later and on October 20, Truss becomes the shortest-serving prime minister.
- 9/13** **Serena Williams** plays her last professional tennis tournament. Ten days later, **Roger Federer** announces plans to retire.
- 9/22** The G7 group of nations agrees to cap the price of **Russian oil**, with the European Union and Australia supporting the sanctions.



## ECONOMIC INFLUENCES AND MARKET ACTIVITY

- 8/24** The Biden administration announces plans to provide targeted **student debt relief** based on annual income. Total student debt loans total \$1.76 trillion in September of 2022.
- 9/23** **Hurricane Ian** is the fifth strongest in history to hit the U.S.; Lowe's and Home Depot stocks rally in response.
- 9/26** **U.S. Dollar Index** peaks to a 20-year high at \$114.

### Fed-fund rate hikes

7/27 +.75%

9/21 +.75%

## AT FERGUSON WELLMAN

- 7/13** Our investment team presents at *Portland Business Journal's* Mid-Year Outlook
- 8/9** **West Bearing** welcomes its 250th client

Inflation rate: 8.5%

Gallon of milk price: \$4.48

30-year mortgage rate: 5.3%

Gallon of gas price: \$4.77

### Highlights of our investment and wealth planning communication

*Balancing Act (7/6)*

*Bonds Acting Like Bonds (7/8)*

*Higher Rates to the Rescue (9/9)*

*Making the Most of All Your Benefits (7/20)*

*The Funambulist Fed (8/19)*

Dow open 7/1: 30,737

*Social Security Claiming Fundamentals (7/22)*

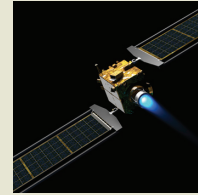


# Q4

As 2022 draws to a close, we **believe bad news is good news** should the economy start to soften. Inflation is stubbornly strong, creating a challenging environment for every asset class, aside from alternatives. Aggressive rate hikes continue and all eyes are on the Fed as 2023 approaches.

## INTERNATIONAL AND DOMESTIC EVENTS

- 10/11** NASA confirms **DART mission** impact redirects an asteroid.
- 10/22** Xi Jinping secures historic third term as **leader of China**.
- 11/8** **U.S. midterm elections** give Republicans control of the House and Democrats control of the Senate.
- 11/15** **World population** reaches 8 billion.



NASA/Johns Hopkins APL

## ECONOMIC INFLUENCES AND MARKET ACTIVITY

- 10/27** The world's richest man, **Elon Musk**, takes control of Twitter in a \$44 billion deal. Twitter shares are suspended from trading by the New York Stock Exchange the following day.
- 12/30** **Stocks fall** on the last trading day to finish the worst year since 2008, S&P 500 ends 2022 down nearly 20%.

## AT FERGUSON WELLMAN

- 11/10** **Don Rainer's** retirement celebration
- 12/1** Our Founders Day, recognizing **47 years serving clients**
- 12/12** **Danielle Hart** and **Naomi Walsh's** vice president promotions are announced
- 12/30** To date, **Octavia Group** processes \$4.5 million in bills for clients

**New shareholder:** Casia Chappell

### Fed-fund rate hikes

**11/2** +.75%

**12/14** +.50%

**Inflation rate:** 7.7%

**Gallon of milk price:** \$4.41

**30-year mortgage rate:** 6.6%

**Gallon of gas price:** \$3.78

*Bad News is Good News (10/3)*

*The Bear Market Bounce (10/7)*

*Planning for a Successful Tax Filing (11/14)*

*Reviewing Existing Life Insurance Policies (11/4)*

*JOLT to the Job Market (12/2)*

*Strategic Tax and Philanthropic Planning (12/14)*

Dow open 10/3: 28,855

Dow close 12/30: 33,147

# LOOKING BACK

2022

*As 2022 drew to a close, our team reflected on the year in review. Challenging markets led the conversation, then shifted to strategies for helping clients stay the course and focus on long-term planning. Following are some key reflections from that discussion.*

*The ordinary times we were hoping for did not happen in our “Extraordinary to Ordinary” investment outlook theme. Persistent inflation and the aggressive pace of rate hikes were unexpected.*

—RALPH COLE, CFA

*Our team of associates benefited from more time in the office once the threat of COVID declined in 2022. Building strong internal relationships and sharing best practices enhances our client service.*

—KATIE GRAHAM

*Our alternative strategies served as ballast through a volatile market. Both bonds and equities declined, but we were prepared with solutions to help provide some stability.*

—JOE HERRLE, CFA, CAIA

*Our clients showed patience and resilience during market volatility. Despite the unique year, they remained focused on their goals, risk tolerance and time horizons.*

—CHARISSA ANDERSON, CFP®, CDFA®

*West Bearing continues to grow primarily through referrals from clients and their professional partners. We closed the year managing \$524 million for clients and remain focused on exemplary service.*

—JOSH FRANKEL, CFP®

*For the first time in decades, bond yields were front and center in conversations with clients in the fourth quarter of 2022, bringing a new focus to our allocation to fixed income.*

—BLAINE DICKASON

*The negative news on inflation and rising interest rates dampened our clients' hope that the pandemic's economic effects were behind us. Our content was designed to give perspective on market volatility and keep clients on course with their planning and long-term objectives.*

—TARA KINATEDER

*We have lived with “easy money” for quite some time and it is perhaps the duration of this loose-money interval that has created the most significant problem for the Fed to resolve.*

—DEAN DORDEVIC

*It was a great year to see more clients face to face, but Zoom continues to be an important way to stay connected. The challenges associated with COVID continue to prompt more discussions around holistic wealth planning.*

—SCOTT CHRISTIANSON, CFP®

*Similar to COVID, the impact of the Ukraine invasion was more devastating than anyone expected. We had to evolve our strategy while watching how international markets, the energy sector and sanctions against Russia progressed.*

—SAMANTHA PAHLOW, CTFA, AWMA®

*In 2022, our Octavia Group clients utilized our expense management and technology support services the most, giving them peace of mind and fewer things to address in their daily lives.*

—KIRSTIN HAVNAER

*The last time we had a bond market as bad as 2022 was in 1791 when bonds were handwritten on parchment with a quill pen.*

—BRAD HOULE, CFA

# LOOKING FORWARD

2023

*The consideration of the year ahead brought hope that interest rates would continue to curb inflation in the first quarter. There are new issues to navigate in 2023, such as the impact of a rising interest-rate environment and liquidity issues for some banks. We continue to provide clients the resources to address challenges, such as cash management for nonprofits and businesses.*

*With interest rates reaching decade highs, bonds offer a more significant opportunity than in the past.*

—NATHAN AYOTTE, CFP®

*If the Fed stops raising interest rates this year, history tells us it could take up to nine months before we see the start of a rate-cutting cycle.*

—JADE THOMASON

*Recent and potential tax changes, as well as changes in market conditions, may leave clients feeling they don't have control of their future when in fact there are opportunities through coordinated planning of their investments as well as estate and income-tax planning.*

—MARY LAGO, CFP®, CTFA

*Every department in our firm continues to undergo training to identify suspicious activity. We have a structured protocol for verifying requests before any transactions occur.*

—NAOMI WALSH

*With banks feeling the effects of interest rate hikes from March of 2022, we will continue to monitor the Fed's explicit mandate to curb inflation with their implicit mandate to ensure financial stability in the banking system.*

—GEORGE HOSFIELD, CFA

*Our nonprofit clients continue to navigate questions about aligning their mission and values through their investments and the fiduciary role of their trustees. We can help them take a targeted approach by divesting from companies or providing a broader solution through our Global Sustainable Investing strategy.*

—JASON NORRIS, CFA

*The tech sector has experienced significant swings throughout the pandemic. This year, tech companies will continue to rightsize business strategies from their rapid expansion due to demand.*

*We continue to focus on high-quality companies that we believe can remain resilient in various economic and industry conditions.*

—KRYSTAL DAIBES HIGGINS, CFA

*In our work with nonprofit clients, we will continue to help guide conversations around risk, diversification and drawdown rates to support their mission in these market conditions.*

—JIM COATS

*With updates to the SECURE Act from Congress in 2022, we have had the opportunity to work with clients, along with their tax and legal advisors, on enhanced retirement strategies.*

—CHRIS BIXBY, CFP®, EA

*One of the most rewarding aspects of establishing our private family office is when portfolio managers hear client concerns about managing their personal finances and we can offer an immediate solution.*

—KATHERINE RUSSELL, IACCP®

*Welcoming new clients and helping them develop strategies for reaching their goals fosters productive relationships. It helps us keep clients' goals top of mind when new opportunities arise for investing and wealth planning.*

—NATHAN PUTNAM, CFP®

*For some clients, we see change on the horizon and plan for it. For others, an unexpected event can create uncertainty. We strive to be one of the first calls a client makes so we can navigate the situation together.*

—SANDY FENDALL

## CONNECTING WITH COMMUNITIES

*In addition to our ongoing client communication, our team spoke at various events and with media in Idaho, Oregon and Washington in 2022. Our firm was also recognized by publications based on criteria listed in the footnote below.*

### SPEAKING ENGAGEMENTS

**January 25:** Samantha Pahlow and Jason Norris give a virtual personal finance presentation to Mt. Hood Community College.

**February 9:** Charissa Anderson and Tara Kinateder present, “Women, Wealth and Wellness” in Boise and one month later in Bellevue at an in-person Charles Schwab event.

**March 14:** Shawn Narancich and Blaine Dickason present our outlook at an in-person Charles Schwab event in Spokane.

**April 6:** Mary Lago presents, “Is There a Silver Lining for Retirement and Legacy Planning” at an OHSU Foundation webinar.

**April 27:** Krystal Daibes Higgins and Scott Christianson give an investment, tax and estate planning update at a Charles Schwab event in Medford.

**June 14:** Peter Jones presents our outlook to Portland Rotary.

**November 7:** Chris Bixby and Jim Coats give an executive compensation presentation for a Charles Schwab webinar in Vancouver.

**November 10:** Peter Jones presents our investment outlook at Cascade Seed Fund’s annual meeting in Bend.

**December 13:** Ralph Cole moderates the Portland Business Alliance Economic Forecast.

### MEDIA PARTICIPATION

Bellevue’s 425 Business Magazine  
Boise Public Radio  
Cascade Business News  
Medford’s KDRV TV  
Portland’s KOIN TV Wallet Wednesday  
Portland Business Journal  
Portland KXL Radio  
Spokane Journal of Business  
Vancouver Business Journal

## Ferguson Wellman Team

*The celebration of work anniversaries is an important part of our culture. Each year we acknowledge the impact of longevity on client service and institutional knowledge we build for our company. Employee photographs on the following pages are in order of their start-date anniversary.*

**Charissa Anderson, CFP®, CFA® \***  
Senior Vice President  
Portfolio and Wealth Management

**Nathan Ayotte, CFP® \***  
Principal  
Portfolio and Wealth Management

**Chris Bixby, CFP®, EA**  
Senior Vice President  
Portfolio and Wealth Management

**Joe Brooks \***  
Vice President  
Tax-Exempt Trading and Portfolio Management

**Beth Brown \***  
Client Relationship Associate

**Casia Chappell, CFP®, CPWA® \***  
Vice President  
Wealth Planning

**Scott Christianson, CFP® \***  
Executive Vice President  
Portfolio and Wealth Management

**Jim Coats \***  
Executive Vice President  
Portfolio Management

**Ralph Cole, CFA \***  
Director  
Equity Strategy and Portfolio Management

**Chelsea Diamond**  
Client Relationship Associate

**Blaine Dickason \***  
Senior Vice President  
Trading and Fixed Income Portfolio Management

**Dean Dordevic \***  
Principal  
Portfolio Management

**Mary Faulkner \***  
Executive Vice President  
Branding and Communications

**Sandy Fendall \***  
Client Relationship Associate

**Lori Ferraro \***  
Administrative Associate and Private  
Events Planner

**Warren Foltz \***  
Operations Associate

**Melanie Franck \***  
Office Coordinator

**Josh Frankel, CFP® \***  
Principal  
Portfolio and Wealth Management

**Michael Garcia \***  
Chief Technology Officer

**Jake Gradwohl**  
Equity Trader

**Katie Graham**  
Vice President  
Administrative Services

**Alex Harding, CFA \***  
Vice President  
Equity Research

**Melinda Harrah**  
Client Relationship Associate

**Danielle Hart \***  
Vice President  
Marketing and Business  
Development

**Kirstin Havnaer \***  
Senior Vice President  
Private Family Office

**Joe Herrle, CFA, CAIA**  
Vice President  
Alternative Assets

**Krystal Daibes Higgins, CFA**  
Vice President  
Equity Research

**Steve Holwerda, CFA \***  
Managing Director

**Becky Horvat \***  
Chief Financial Officer

**George Hosfield, CFA \***  
Director  
Chief Investment Officer

**Brad Houle, CFA \***  
Principal  
Fixed Income Research and  
Portfolio Management

## AWARD RECOGNITION

### TOPICS WE COVERED

2022 Outlook  
Ukraine invasion and economy  
What to do when a loved one dies  
Inflation  
Fed rate hikes  
ESG investing  
Electric vehicles  
Gas prices, budgeting  
Graduation gifts, 529 plans  
Housing  
Jobs report  
Market volatility  
TikTok financial advice  
Charitable contributions and taxes

Listed 75/100 in **Barron's** annual "2022 Top 100 RIA Firms" list and in **The Wall Street Journal**. **Ferguson Wellman** was the only RIA firm recognized in Oregon.

Listed 17/100 by **CNBC** and **Financial Advisor** in their "Top 100 Financial Advisors" ranking.

*Award disclosures:* Barron's and The Wall Street Journal are owned by Dow Jones & Company, L.P. Barron's is a registered trademark of Dow Jones & Company, L.P. All rights reserved. Participation in this ranking is by invitation only and limited to firms that meet the minimum eligibility requirements, spending, number of clients, size of staff, diversity across staff, and placement of a succession plan. The ranking may not be representative of any one client's experience, is not an endorsement, and is not indicative of Ferguson Wellman's future performance. The ranking was created and conducted by Barron's and Ferguson Wellman did not pay a fee to participate.

CNBC and Financial Advisor produced this list by gathering data from ADV forms filed with the Securities and Exchange Commission. Next, they used data received via survey from each firm that included assets under management, number of accounts and other proprietary weighted categorization to refine the list and rank them from 1 to 100. Ferguson Wellman (the firm) is not aware of any facts that would call into question the validity of the ranking. The firm does not believe this advertisement is inappropriate and is not aware of any unfavorable rating towards the firm. The rating category is FA 100 top-rated financial advisory firms of 2022. CNBC and Financial Advisor considered 39,818 advisers and the considered number of firms was then cut to 904, then to 100. The percentage of advisers that received the rating of top RIAs by CNBC and Financial Advisor was .025%. The rating is not representative of any one client's experience and is not indicative of Ferguson Wellman's future performance. Ferguson Wellman did not pay a fee to participate in this survey.

*Sources in our annual report:* Bloomberg News, Bureau of Labor Statistics, CNN, New York Times, St. Louis Federal Reserve Bank of St. Louis, U.S. Department of Agriculture, U.S. Energy Information Administration, The Wall Street Journal. All economic data at the bottom of pages 2–5 reflect national averages at the beginning of each quarter in 2022.

#### Peter Jones, CFA \*

Senior Vice President  
Equity Research and Portfolio Management

#### Tara Kinatader \*

Principal  
Portfolio Management

#### Dinesh Kirpalani

Equity Trader

#### Ezra Kover, IACCP®

Chief Compliance Officer

#### Mary Lago, CFP®, CTFA \*

Principal  
Wealth Management Chair

#### Melissa Lamproe

Accounting Associate

#### Emilie Ma

Sales and Marketing Associate

#### Julie Mark \*

Client Relationship Associate

#### Becca Marvin

Client Relationship Associate

#### Shawn Narancich, CFA \*

Executive Vice President  
Equity Research and Portfolio Management

#### Jason Norris, CFA \*

Principal  
Equity Research and Portfolio Management

#### Leslie Nuñez

Onboarding Associate

#### Liz Swagerty Olsen \*

Vice President  
Marketing and Communications

#### Samantha Pahlow, CTFA, AWMA® \*

Senior Vice President  
Portfolio and Wealth Management

#### Nathan Putnam, CFP®

Vice President  
Portfolio and Wealth Management

#### Hilary Russell

Client Relationship Associate

#### Katherine Russell, IACCP® \*

Senior Vice President  
Private Family Office

#### Brian Smith

Operations Analyst

#### Jade Thomason

Trader

#### Jacqui Thompson

Client Relationship Associate

#### Naomi Walsh

Vice President  
Information Systems

#### Dan Whitaker

Client Relationship Associate

\* denotes shareholder



#### JEANENE WINE

In March of 2022, we lost our colleague and friend, Jeanene Wine. She was with our firm for nearly 23 years and was a member of our operations team. Jeanene was known in the office for her work ethic, generosity and sharp wit. Her love of family, faith and charity will be always be remembered.

Our 2022 Annual Report team: Mary Faulkner and consultants Martha Gannett, Maree Healy and Kirsten Leonard. This is the 20th report Martha has designed for our firm.

# Ferguson Wellman Team

Employees are listed in order of their start-date anniversaries.



Peter Jones  
1/1/15



Steve Holwerda  
1/3/89



Mary Faulkner  
1/19/06



Melinda Harrah  
1/21/22



Brad Houle  
2/4/2013



Julie Mark  
2/27/2008



Charissa Anderson  
2/27/2017



Naomi Walsh  
2/28/2019



Dean Dordevic  
3/1/1994



Kirstin Havnaer  
3/6/17



Beth Brown  
3/12/12



Lori Ferraro  
3/19/04



Alex Harding  
3/20/17



Melissa Lamproe  
3/28/22



Emilie Ma  
3/28/2022



Leslie Nuñez  
3/28/2022



Shawn Narancich  
4/1/2008



Krystal Daibes Higgins  
4/1/2021



Melanie Franck  
4/3/2017



Jim Coats  
4/10/2006



Jacqui Thompson  
4/25/2022



Hilary Russell  
4/26/2021



Michael Garcia  
5/16/2016



Blaine Dickason  
5/18/2018



Becca Marvin  
5/23/2022





Brian Smith  
5/23/2022



Jason Norris  
5/31/2001



Ralph Cole  
6/1/1998



Ezra Kover  
6/1/2020



Joe Herrle  
6/1/2021



Danielle Hart  
6/10/2015



Scott Christianson  
6/23/2008



Liz Swagerty Olsen  
6/24/2013



Jade Thomason  
6/30/2021



Tara Kinateder  
7/6/2017



Nathan Ayotte  
7/7/2008



Josh Frankel  
7/9/2013



Joe Brooks  
7/10/2006



Jake Gradwohl  
7/13/2020



Becky Horvat  
7/24/2008



Chelsea Diamond  
7/30/2018



Casia Chappell  
8/5/2019



Katie Graham  
8/13/2018



Sandy Fendall  
9/6/2007



Dinesh Kirpalani  
9/15/2020



Katherine Russell  
9/17/2018



George Hosfield  
10/1/1991



Samantha Pahlow  
10/1/2018



Dan Whitaker  
11/4/2019



Nate Putnam  
11/18/2021



Mary Lago  
11/30/2015

Outlook 2022: Extraordinary to Ordinary • Santa Claus is Leaving Town • Valuing the Resources of Time and Money  
 • Under the Hood of Capital Markets • Preparing to Sell a Business • The Fed Is Raising Rates ... Now What? • Return  
 to Ordinary • Considerations for Strategic Tax and Wealth Planning in 2022 • Raising Rates for the Right Reasons •  
 Gaining Altitude: Alternative Assets • Market Turbulence: Focus on the Fundamentals • Basic Tax Considerations  
 When Selling Real Estate • Navigating a  
 Geopolitical Crisis • U.S. Economy Continues  
 To Power Through • We  
 Have Liftoff • Proposed Under Pressure • We  
 Beneficiaries Under the Changes for IRA  
 Hike Begins • Q2 2022: SECURE Act • The Fed  
 Matters • Back to Work Kryptonite • What Really  
 Uniform Transfers and • Considerations For  
 Rains It Pours • Patience Gifts to Minors • When It  
 • Fear and Greed • Tug Pays Off • Mixed Reviews  
 the Impact of Ownership of War • Understanding  
 Designations • 529 and Beneficiary  
 Change in Planning • Plan Update: A Material  
 • Shifting Demand • The Correction Deepens  
 Too Hot to Handle • Party Have Yields Peaked? •  
 Like It's 1994 • The Calm  
 After The Storm • Q3 2022: Balancing Act • Paranoid • Bonds Acting Like Bonds • Rearview Mirror • Making the Most  
 of All Your Benefits • Social Security Claiming Fundamentals • Dry Powder • A Year Like No Other • When Good News  
 is Bad News • Inflation Redux • The Funambulist Fed • No Blinking in the Tetons • Where Are the Missing Workers? •  
 Higher Rates to the Rescue • Can't Catch a Break • Fed Pain • Round Trip • Q4 2022: Bad News is Good News • The  
 Bear Market Bounce • King Dollar • Third Quarter Earnings Season Kicks Off • The Fed's Conundrum • Groundhog Day  
 • Reviewing Existing Life Insurance Policies • Divided We Stand • Planning for a Successful Tax Filing • Mixed Signals  
 • The Return of Yield • JOLT to the Job Market • A December to Remember • Strategic Tax and Philanthropic Planning •  
 The Fed Holds Fast • This Too Shall Pass • Housing Crisis 2.0? •

**MISSION**

*Investment Excellence • Lifelong Relationships*

**CORE VALUES**

*Exceed expectations*

*Act with uncompromising ethics and reliability*

*Advocate innovation and manage change*

*Foster a collegial environment*

*Enjoy the journey*

**INVESTMENT PRINCIPLES**

*Know the environment*

*Seek opportunities*

*Manage risk*

*Focus on the long term*

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888 Southwest Fifth Avenue, Suite 1200, Portland, Oregon 97204 | 500 108th Avenue NE, Suite 950, Bellevue, Washington 98004

fergusonwellman.com (800) 327-5765