

The Rational Optimist™

That's It; It's Over

by Mitch Levin, MD CWPP, CAPP



I just couldn't believe it. No matter how prepared you think you are, you are never fully prepared. Mom passed away during the early morning hours of June 20, 2014. My wife Swantje reminded me that she had only lived five days longer than her mother. Of course, Dad was all broken up. And you can imagine all the emotions and heartache that surrounded me and my family.

Mom was a very passionate and emotional lady. And I understand, for those of you that know me, it may be hard to believe, because I am so logical. She was a delightful, fun, intelligent, warm, loving, giving person. Family was most important to her and she was a good mother, a terrific mother-in-law to my wife, and a fantastic and involved grandmother, as well as, an exceedingly appreciative wife to my dad.

Mom and I didn't always see eye to eye, but I am very thankful that for the last 30 years we had a very good relationship. In fact, I'm really grateful that I had driv-

en to Deerfield to have dinner with Mom just a couple of days before she passed away. The circumstances were a little unusual. Ever since I can remember, Mom had suffered from one illness or another, and yet simultaneously, she was as healthy as a horse. Almost always happy, upbeat, and positive, Mom tried to see the good in others. During the last four or five years, Mom became depressed; perhaps it was partly due to her serious health issues that had disabled her to the point of living as a shut-in. And Dad, although healthy and fit at age 86, mostly lived as a shut-in with her.



Barbara (1931-2014) and Jess Levin

So when a cardiologist from the University of Miami suggested a procedure that could help her heart and possibly improve her quality of life, she considered it. After years of deliberation, she finally decided that it was time for her to make the effort to undergo the procedure. I'm not sure if I would have encouraged her to do that at her age of 83. Having any type of heart procedure always includes risk. However,

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\$1 A Day Can Make Your Kids Rich

By Chad A. Warrick, Chief Investment Officer

Raising children is a huge responsibility and a big undertaking. And yet, sometimes it just seems so simple. Nearly everyone that has raised children, say to parents with young ones that they grow up very fast. Although I know that it is true, sometimes, as a father, I find that hard to believe.

Our oldest son Aiden is already nine years old. This week he started third grade. Liam, our baby boy is three going on five. Meghan and I are involved with every aspect of our boys' lives. As concerned parents we work hard to make sure that their needs are met and that we give them the training and tools that will help them to be healthy and happy children. And we do try to plan and prepare for their future too, like college, or whatever life throws at them.

Meghan and I work to be in a position to help them financially. Here is an example of a very simple idea that I came across while reading The Wall Street Journal's Market Watch, "Make Your Kid Rich for A \$1 a Day" written by Paul A. Merriman. He illustrates how \$365 a year for 18 years grows to \$20,348. The investment is \$6,570 which is the \$1 a day, or \$365 a year for 18 years plus he calculated the investment compounding at 12% a year.

I don't know why Merriman chose 12%, but I think 7% would be more realistic. He goes on to say that the same result could be achieved if grandparents or other family members made a one-time-only investment of \$2,700 when the child is first born.

Merriman makes the point that if the \$20,348 were left alone at age 18, even with no additional investments, until age 66, and assuming that long-term growth rate of 12%, that nest egg would become worth \$4,185,342 at retirement.



Okay, since I believe 12% is a stretch, let's be very conservative and use 6%; that is still \$2.05 million dollars. Now that is better than a stick in the eye.

It sounds so simple to invest just \$1 a day for 18 years. But you and I know that it is not that easy. Life gets in the way. Statistics show that



Liam (3) and Aiden (9)

more than half of all adults today have little or no retirement savings. I am not suggesting that making your kids rich will make them happy or healthy adults, but I do believe that financial health is essential to living a happy and healthy life.

How many of us actually have put a plan like this into practice for our own children and grandchildren? Planning is the backbone. I have always said, "It is not what you make; it is what you keep" that matters most to your future financial plans. If you haven't already made plans—call us today and let us put this simple idea to work for you and your family.

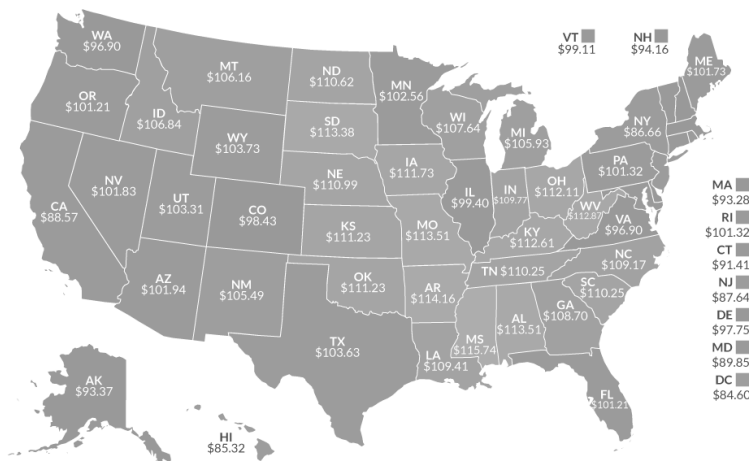
Why Florida?

By Jason Print, Senior Wealth Advisor, CFP®



It is important to understand some of the economic factors that make up our environment. Just this year, Florida was ranked number one for our quality of living environment, which isn't surprising. But what you may not be aware is that Florida ranked fifth in the 2014 State Business Tax Climate Index making our state more attractive than 45 other states for businesses to expand and grow within Florida. The following was taken from the taxfoundation.org article Table 1: 2014 State Business Tax Climate. The complete Table shows rankings for all categories of all 50 states. You can see that we ranked very well compared to most of the United States.

The Relative Value of \$100: Which states offer the biggest bang for your buck?



Notes: Numbers represent value of goods that \$100 dollars can buy in each state compared to the national average. The Bureau of Economic Analysis has developed a methodology using Personal Consumption Expenditure and American Community Survey data to estimate average price levels in each state for household consumption, including rental housing costs. Data as of April 24, 2014. Published Aug 18, 2014.

Source: Bureau of Economic Analysis, Regional Price Parities



taxfoundation.org/maps

Table 1: 2014 State Business Tax Climate Index Ranks and Component Ranks.

State	Overall Rank	Corporate Tax Rank	Individual Income Tax Rank	Sales Tax Rank	Unemployment Insurance Tax Rank	Property Tax Rank
Florida	5	13	1	18	6	16

In another analysis conducted by the Bureau of Economic Analysis, Regional Price Parities, illustrating the value of goods that \$100 dollars can buy in each state, compared to the national average, Florida ranked in the middle. The value of goods that \$100 dollars can buy in Florida is \$101.21 with the highest value found in Mississippi of \$115.74 and the lowest value in Hawaii at \$85.32.

These factors combined confirm what many of us already know. And that is, that Florida is a great place

to live and work. Florida isn't called the Sunshine State for nothing. Our average annual high temperature is 81 degrees, while the annual average low temperature is a fantastic 60 degrees. I'm looking forward to feeling the effect of those low temperatures.

Recently, Education Week ranked Florida's education system fifth in the nation. Did you know that all Florida residents live within 50 miles of a post-secondary educational institution? Considering all that those institutions have to of-

fer students and residents, that is a very nice perk. And we surely cannot forget that Florida offers more than 1,300 golf courses, a multitude of beautiful beaches, thousands of lakes, parks and recreation areas galore.

When you consider all of these factors, plus Florida's cultural amenities, world-class theme parks, and sporting events, you know that living in Florida provides a very healthy and rich lifestyle.

And, in our office, one of the most important factors according to, Amanda and Nicole is that Florida State is ranked number one in NCAA football again this year!



TOUGH CHOICES (Part Two)

by Andrew Dickens, Wealth Advisor

In Part One of Tough Choices, I spoke about our aging population and how more people require extended health care today than ever before. In fact, the U.S. Census recorded that in the next ten years, the population of individuals living into their nineties is expected to quadruple. The decisions made for extended healthcare scenarios can be painful, divisive, and emotionally intense. I have experienced it personally, and have listened to countless stories with a familiar ring.

The one lesson I've learned is how a properly planned and coordinated healthcare event can significantly improve outcomes. That's why I became passionate about it; I saw how quickly a family unit can break down into a divisive, fractured entity with interference and indecision ruling the day. All of which could have been prevented, if only someone had helped us prepare for it.

Here are several things that you can do to help prepare, in the event that you or someone you love and care about develop a need for extended health care. Begin by doing an accounting of your essential estate planning documents, such as:

- Wills or Trusts
- Living Will/DNR

- Health Care Surrogate
- Durable Power of Attorney

Review them to remind yourself of the different roles that need to be assigned and who will be responsible to carry them out. Make sure you also have a backup plan, in the event the person you select cannot fulfill their role. Communicate with the people who will be responsible for making estate decisions. Confirm that they are okay with that appointment and that they know how to access records and accounts. You want them to feel comfortable with their appointment and to know exactly what is expected of them.

Next, consider having an in depth conversation with your designated health care surrogate. This person will be your "care coordinator" and they are responsible for the supervision of care, but not necessarily providing the care themselves. Usually, this is a spouse, but often an adult child will fill this role, sometimes by your choice or not! Nevertheless, this person needs to be in the circle of communication regarding your extended care plan.

The care plan itself can be a little complicated because it is based on several assumptions:

- The level of care required
- Timing
- Financial capabilities, etc.

Developing a plan is best accomplished with someone who has expertise in long term care planning. However, you can start by thinking about:

- Who you want to provide care
- Where you want it to be provided
- How you will pay for it (asset liquidation order, pension/SS income diversion, insurance, etc.)

It is important that you understand the potential costs involved. Often, an extended healthcare situation will quickly decimate an estate, due to the high costs and long time frame. It is always best to prepare in advance, especially when there is a spouse or other dependent supported by the estate.

If you do none of this, at least start the conversation with your spouse or children; find out how they feel and how involved they want to be, should you need their help. Then, when you are ready, sit down with a professional who can help you draft a detailed plan that suits you and your family.

If you need help drafting a plan or you would like to learn more about developing a plan, please reach out to us here at Summit, we can help.

MEET SUMMIT'S NEWEST TEAM MEMBER

by Vicki Brodnax, Editor

Please join us in welcoming Mr. Jeffrey Janson, our newest Senior Wealth Advisor. Summit Wealth Partners, Inc. is proud to announce that Jeff recently relocated from Grand Rapids, Michigan, to become a member of our Naples team.

Jeff is a consummate professional, with over 25 years of experience and expertise in serving successful individuals, business owners, and institutions. His clients also include professionals, closely held corporations, corporate retirement plans and individuals who receive sudden wealth from events such as retirement, legal settlements, or the sale of a business.

Jeff derives great joy from helping clients to understand and utilize money as a tool to accomplish those goals that bring meaning to their lives.



Jeffrey Janson

He is passionate

about using his technical proficiency to serve others and always looks for a way to add value to client relationships.



Jeff's family at his daughter's wedding on June 15, 2014: Taylor (son), Olivia (daughter), Kristiana (bride), Tim Daniels (new son-in-law), Parker (son), Kristen (wife) and Jeff

Jeff's qualifications demonstrate his passion and commitment to serving clients with the highest of standards, having earned his Certified Financial Planner (CFP®), and Accredited Investment Fiduciary Analyst (AIFA®) designations, as well as, Certified Fund Specialist (CFS®), Licensed Insurance Counselor (LIC), Board Certified in Estate Planning (BCE), Board Certified in Mutual Funds (BCMF), and Board Certified in Asset Allocation (BCAA).

Jeff earned his Bachelor of Science Degree in Pastoral Theology from Hyles-Anderson College in Crown Point, Indiana, and a Masters Degree in Financial Services from the Institute of Business and Finance in La Jolla, California.

He and his wife Kristen are excited to make Naples, Florida their new home. Jeff looks forward to bringing great value to our community and we know that he will.



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Barbara with her daughter-in-laws, Mary Ellen, Swantje and Angela.

er, Mom's condition had limited her world to telephone calls with family and occasionally a visit, which was rare.

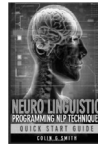
The medical procedure didn't go so well and Mom did not survive. In the early hours, after learning of her passing, the news brought the family together, to hunker down, and support Dad, and to help with making all the arrangements that were necessary.

It was very sad and it brought into greater focus the values that we share in life and the reasons that we do what we do. Here at Summit, we cannot fully prepare you for this final milestone, but we can help to give you and your family peace of mind, knowing that you have your financial house in order and a succession plan for your loved ones.

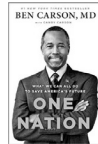
Mitch

IN THE KNOW & ON THE *GO*

BOOKS WE'RE READING



Neuro Linguistic Program NLP Techniques
by Colin G. Smith



One Nation What We Can All Do To Save America's Future
by Ben Carson, M.D.



Business Secrets from the Bible
by Daniel Lapin

PLACES WE'RE GOING



During the week of August 4, Chad and his family traveled to Bimini for a week of fishing and snorkeling.



August 20-21, Amanda visited the Naples office to help bring Nicole up to speed and to help her become acclimated to SWP processes.



Mitch and his family will gather in Highlands, North Carolina during the week of September 26 to celebrate the wedding of their son Holger Brent Levin to Theresa Leigh Smith.



*Congratulations
Theresa and Brent!*

THE SVERIGES RIKSBANK PRIZE IN ECONOMIC SCIENCES IN MEMORY OF ALFRED NOBEL

FIN *GLISH*



Photo: R. Talaie

Edmund S. Phelps 2006 Laureate “for his analysis of intertemporal tradeoffs in macroeconomic policy”

Dr. Phelps was born 1933 (73) in Evanston, IL, USA (US citizen). He earned his PhD in economics in 1959 from Yale University. In 2006, when Dr. Phelps was awarded the Nobel Prize, he was the McVickar Professor of Political Economy at Columbia University, NY, USA.

CONTRIBUTION: Short run – Long run

The work of Edmund Phelps has deepened our understanding of the relation between short-run and long-run effects of economic policy. His contributions have had a decisive impact on economic research as well as policy.

Low unemployment and low inflation are central goals of stabilization policy. During the 1950s and 1960s the view of a stable tradeoff between inflation and unemployment was established, the so-called Phillips curve. According to this, the price for reduced unemployment was a one-time increase of the inflation rate. Phelps challenged this view through a more fundamental analysis of the determination of wages and prices, taking into account problems of information in the economy. Individual agents have incomplete knowledge about the actions of others and must base their decisions on expectations. Phelps formulated the hypothesis of the expectations-augmented Phillips curve, according to which inflation depends on both unemployment and inflation expectations.

As a consequence, the long-run rate of unemployment is not affected by inflation but only determined by the functioning of the labor market. It follows that stabilization policy can only dampen short-term fluctuations in unemployment. Phelps showed how the possibilities of stabilization policy in the future depend on today's policy decisions: low inflation today leads to expectations of low inflation also in the future, thereby facilitating future policy making.

Read More...http://www.nobelprize.org/nobel_prizes/economic-sciences/laureates/2006/

INITIAL PUBLIC OFFERING (IPO), a corporation's first offering of stock to the public. IPOs are almost invariably an opportunity for the existing investors and participating venture capitalists to make big profits, since for the first time their shares will be given a market value reflecting expectations for the company's future growth.

LIVING WILL is a document instructing doctors and family members regarding the continuation of life by artificial means or heroic measures, if incapacitated.

STOP ORDER is an order to a securities broker to buy or sell at the Market Price once the security has traded at a specified price called the stop price. A stop order may be a day order, a good-till-cancelled order, or any other form of time-limit order. A stop order to buy, always at a stop price above the current market price, is usually designed to protect a profit or to limit a loss on a short sale. A stop order to sell, always at a price below the current market price, is usually designed to protect a profit or to limit a loss on a security already purchased at a higher price.

Source: *Barron's Dictionary of Finance and Investment Terms*



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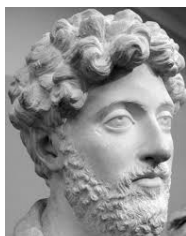
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"Wealth consists not in having great possessions, but in having few wants." — Epictetus (55-135) Greek philosopher

"Epictetus." BrainyQuote.com. Xplore Inc, 2014. 20 August 2014. <http://www.brainyquote.com/quotes/quotes/e/epictetus384225.html>