

The Rational Optimist™



Possibilities

**By Mitch Levin, MD, CWPP, CAPP
CEO and Managing Director**

Growing up, it has been said is in large part about adjusting to a narrowing of possibilities. With each year, some say, we surrender what could have been.

According to Jesse Thorn in his book entitled *Mail-Order Mysteries*,

when you are seven, you can become a spaceman as easily as you can become a doctor. When you are a liberal arts major, you still hold onto the possibility of becoming a novelist.

When you become a parent and have a family, your field of choices has slimmed to the private sector structural engineer (good pay) or public sector engineer (good benefits).

(I know that calculus has changed and become lopsided—but, bear with me for the sake of this article.)

For most of us, time appears to speed up. At seven what we did not know was just as wonderful as what we did know. I remember the great big world of exploration as a child. By eleven, many of us were delivering newspapers, mowing lawns, and shoveling snow. Perhaps that was the last time we felt complete financial freedom, without a financial care in the world, no matter how modestly we were raised. We bought candy and baseball cards and comic books with what little money we had.

We read the comic books, and we looked in the back for the cardboard trinkets and their sense of possibility, or new powers, or the chance to conquer fear. What if that possibility could be made real, and arrived

in 4-6 weeks? Just like Charles Atlas' muscles or the X-ray specs or magic tricks did?

Today, I mail order all kinds of things from wine to clothes to furniture to books. We get a much smaller sense of possibility twice. First when we order, and then when we receive the goods. My expectations are managed and constrained by years of experience and maturity.

We all have to grow up and most of us do. We find ways to ask girls for a date and choose a career. While few of us actually do become spacemen. And as we age and with each choice we make, do we lose a little bit of that possibility?

And that is the cycle of life.

"The holidays are coming." The world seems to shut down from November 15 until January 15. The holidays can be painful or joyful. They can be full of family or lonely. They can bring back good memories or create new ones.

Here at Summit, we *Rational Optimists* hope your holidays are full of possibilities!

Mitch



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Social Security Update

Jason Print, CFP

Partner and Financial Wealth Manager

Much has been said and written regarding Social Security, the benefits promised and what can be expected. I won't pretend to know what types of changes Congress may make in the future, but I would like to clarify some of the possible misconceptions surrounding social security retirement benefits. Many times when constructing retirement plans the topic will come up and some clients, regardless of age, are hesitant to include social security in their retirement plans. Is it reasonable to expect there to be any social security available, since we all know the system is bankrupt?

The answer is yes. Let's not ignore the political reality that cutting social security benefits for those that are receiving or about to receive would be highly unlikely and instead, focus on the facts and data from the social security administration.

Many times when we get our social security statements we jump right to the second page to see the estimated dollar amount we can expect. Next time you receive your social security statement estimate, read the fine print at the bottom of the first page. If it's been some time since you have received a social security statement, you can now request one anytime at www.socialsecurity.gov/myaccount/

Not only does the statement provide you with benefit estimates and allows you to check your earnings history for accuracy. Typically about paragraph six on the bottom of page one, you will see a bold "About Social Security's future..." it begins by discussing the financial problems and mentioning that in 2016 it will start paying out more than it collects. Then comes a very important sentence. "Without changes, by 2037 the social security trust fund will be exhausted and there

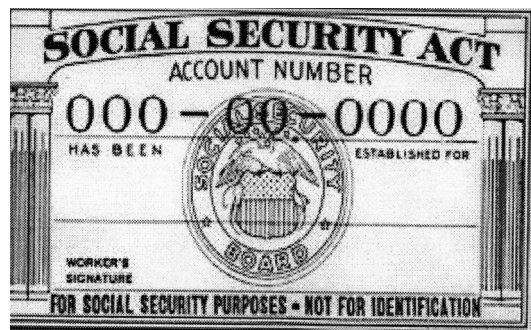
will be enough money to pay only about 76 cents for each dollar of scheduled benefits."

Now, don't get me wrong, this is problematic and should certainly be addressed by members of Congress. I point this out however to provide some sort of comfort. Many people I've spoken with are under the impression that since the system is broken and heading towards significant problems they may not have any benefits available to them. That's a far cry from reality.

For even with no changes, individuals can expect 100% of their benefits for another 23 years and after that more than 75% of their promised benefits.

When it comes time to decide about benefits, often there are more decisions than just "should I take mine earlier?"

Depending upon your situation, it may be worthwhile to consider other alternatives, such as filing and suspending, or collecting from your spousal benefit. The social security administration has also developed a retirement estimator which is available online where you can use your own social security number, the website is www.socialsecurity.gov/estimator. And of course, please call your advisor if you would like to discuss your options and determine which is the best course of action for you and your family.





We've moved from Galleria!

SUMMIT's Naples
office has relocated to
the Vanderbilt Financial Center

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Naples, FL 34109

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The Vanderbilt Financial Center, Naples, Florida



*A True
Bell-Ringing
Day!*





NYSE Bell Ceremony; A Rich Experience

**Chad Warrick, Senior Wealth Advisor
Partner and Chief Investment Officer**

Recently I was invited to participate in the opening bell ceremony of the New York Stock Exchange (NYSE). Not only was this a great honor and fun experience, it was also a childhood dream of mine to walk the floor of the NYSE.

During one of my high school business classes, I was introduced to the stock market; it has always fascinated me. Math was always one of my strongest subjects, primarily statistics. I had such an affinity for the subject that my teacher recommended that I join Junior Achievement to help educate junior high and elementary school students about the stock market, what publicly traded stocks were, and how you could become a partial owner of a company like Home Depot and even Walt Disney.

In addition to my parents, I had two other wonderful role models, my wife's mother Gail and stepdad Randy. I owe my professional and family success to all of them. Keep in mind that I married Meghan, my high school sweetheart; we were dating before we could legally drive.

Both Gail and Randy instilled the importance of saving for a rainy day. At age 16 or 17, I saw my first brokerage account statement. Randy, knowing about my work with Junior Achievement, invited me to his office. He taught me how he worked with a financial advisor and how the financial advisor constructed accounts and the values. Then, I didn't even know the term "portfolio." That was the starting point when I knew that I wanted to work with the stock market.

Meghan, who was a year ahead of me, chose to attend Stetson University. Needless to say, being in love, I too was Stetson bound. Luckily, Stetson had one of the strongest portfolio management programs in the country. I spent my junior and senior years working with a select group of student's managing real money in the stock market. Talk about cloud nine. Coincidentally, it was then that my hair began going grey.

After graduating from Stetson, I knew that I wanted to become a financial advisor and portfolio manager.

Right behind asking for Meghan's hand in marriage, this was my second greatest decision. I knew that with my education, plus my passion for the markets, combined with my desire to help individuals, I would be able to help people plan for the future.

I learned how important planning and portfolio construction was to the success of meeting and succeeding goals and objectives. I gained experience working with organizations and clients that shared the same philosophy.

Please allow me to thank you for entrusting me with your financial goals and dreams. And a special thank you to my wife, my parents, and to Gail and Randy for their support and guidance!

Please know that I will continue to work with and for all of you, our clients. This Summit team is dedicated to providing you with the highest level of service and client satisfaction possible. I wish you and yours wonderful holidays and hope that you get to enjoy them with family and friends.

Did you know that here at Summit Wealth Partners we can help you with your education planning through a 529 plan at no cost to you? This is a service that we proudly offer our clients!



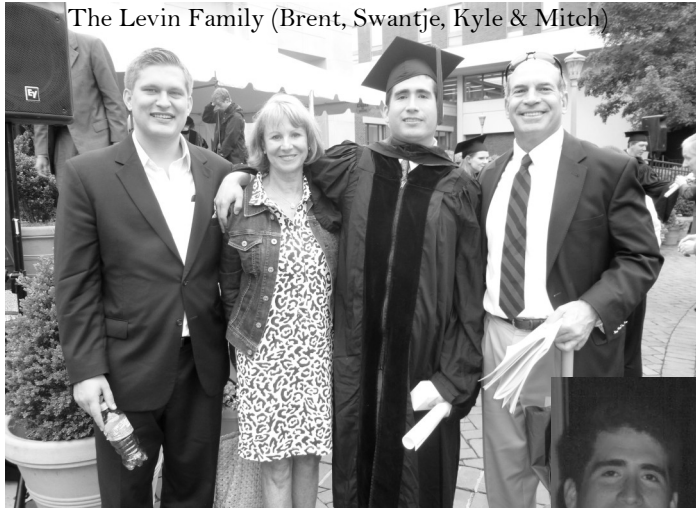
Do You Know About 529 Plans?

Consider This:

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- An Estate Planning Tool
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- College Expenses Continue to Rise making planning more important than ever
- Scholarships Are Not Guaranteed

There are multiple strategies to choose from when planning for a college education. Setting up a 529 plan is just one them. Call us today; we can help! (407) 656-2252

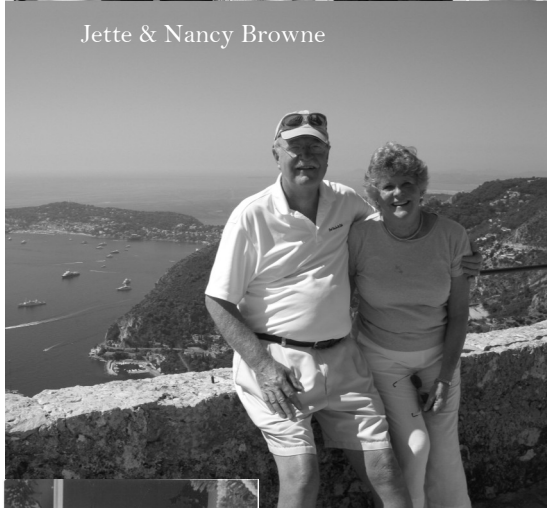
Solid Growth • Safely Managed • Trusted Advice



The Levin Family (Brent, Swantje, Kyle & Mitch)



The Letchford Family



Jette & Nancy Browne



Kyle, Casey, Theresa and Brent
(Theresa and Brent are engaged to be married!)



Steve & Teresa Turner



Anna Cristina & Elena Willeit

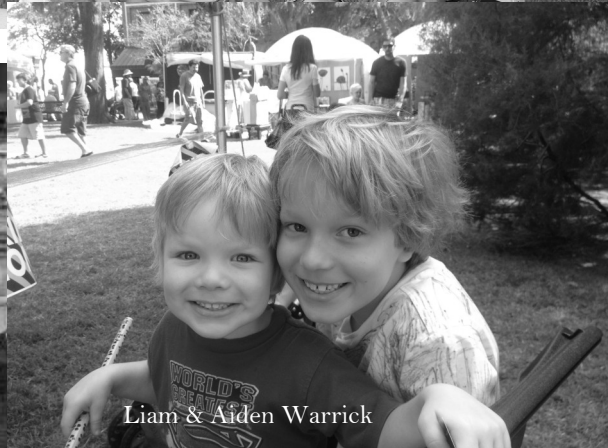


The Print Family

Jason, Sydney, Joseph & Jamie Print



The Brodnax Family



Liam & Aiden Warrick

*From Our Families To Yours,
We wish you the most wonderful
Thanksgiving,
Chanukah/ Hanukkah,
Christmas
and New Year Holidays!*



Joe Summit Team



America's Abundance and the Case for Optimism

By Mitch Levin, MD, CWPP, CAPP

This is the time of year when we many of us reflect, count our blessings and set new goals. Families take center stage, and for many of us the holidays are wonderful, short, and a little stressful. But aside from our families we still spend a large portion of our time focused on business. Not to mention the massive uncertainty and stresses we are experiencing right now both politically and economically.

Already, you have probably read in these pages my belief that there is a coming boom in America due to robotics; nanotechnology; biotechnology and pharmaceuticals and genetic therapy; as well as 3-D printing; and energy production. In addition, the worldwide political and economic liberalization leading to the massive emergence from poverty of over 100 million people a year. Most of whom want what we have, and what we can sell them. That is the equivalent of an additional three new Americas in only eight years. This is all due to abundance.

The nattering nabobs of nay-saying, cannot and will not admit that they have permanently lost the scarcity argument. This is partly because scarcity and fear sell newspapers. Yes, we are also aware of the abundance of taxes, regulations, policing, and political and governmental infighting

Do we lack for anything? Some will say that there is not enough opportunity. I would say to them, tell that to those who risk their lives every day to come to America for their opportunities. And we do not lack for choices. The book entitled *The Paradox of Choice* is about how excessive choice decreases our ability to choose. Abundance does have a downside. In reality, we have to manage the abundance of choices, in contrast to many who have a scarcity mentality.

Scarcity shows up in the writings of Malthus in the 19th century of a billion people, repeated by Erlich in the 20th century of two billion people, scarring us into believing that the world cannot sustain population growth to a present 7.5 billion people, expected to crest at 9 billion earthlings by the year 2050. That is just 37 years from this writing. To put it into perspective, 37

years ago, Jimmy Carter was president and we were told that we would run out of oil by 1990. Yogi Berra said "predictions are difficult to make especially about the future."

"The Age of Oversupply," a book by Daniel Alpert posits that scarcity is not the problem at all because it no longer exists except in pockets. Sure our liberties are becoming scarcer. It is merely the nature of government, to increase its power at the expense of the people. From the Bible to our founding fathers, we have been warned.

There are people in power who are mindful of the warning signs. There are people in our neighborhoods who are willing to take – only up to a point -- the government intrusions for the safety and security that might bring. Beyond that point, the voting likely will swing back again. What a great system we have.

The Great Recession is over. We have come back from the brink. Housing and other assets are back, thanks to the Federal Reserve Bank (which is not a federal government office, has no reserves, and is not a bank—but that is for another article). Regardless of the causes, or the reasons and the people who helped resolve the frightening potential calamity, it is over and our country is back—to a point.

So why am I so very hopeful and thankful? Things are never as good as one hopes, nor as bad as one fears. Why do I feel this way? Because, dear reader, I am thankful for you, for my family, my country, and for the places and times in which we live.

Our nation continues to march towards greater profitability, improved innovation, more resources, increasing stability, and healthier smarter people. Of the top 25 companies in the world, 10 are American. And their profits have increased from their previous peak in 2006 of \$1.35 trillion to an estimated \$1.8 trillion by end of 2013. These great companies are flush with cash and returning it to the shareholders.

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U.S. Rises To No. 1 Energy Producer

By RUSSELL GOLD
AND DANIEL GILBERT

The U.S. is overtaking Russia as the world's largest producer of oil and natural gas, a startling shift that is reshaping markets and eroding the clout of traditional energy-rich nations.

U.S. energy output has been surging in recent years, a comeback fueled by shale-rock formations of oil and natural gas that was unimaginable a decade ago. A Wall Street Journal analysis of global data shows that the U.S. is on track to pass Russia as the world's largest producer of oil and gas combined this year—if it hasn't already.

Complete article published in the Wall Street Journal, A2, Thursday, October 3, 2013

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With regards to innovation, can anyone tell me what has come from any other country in the last 60 years? The iPhone? Lasers? Medicine? Robotics? Computers or the internet? We continue to lead the world in research and development with an emphasis on development.

Resource availability has increased so much that several gold mining companies have gone bankrupt despite substantial amounts of gold in their mines. It is just too costly to mine. Too much supply and not enough demand leads to lower pricing. We have so much agricultural product that we literally must burn our corn—in our cars through ethanol. And America is now a net exporter of energy. Who would have thought? (See clipping of article from the Wall Street Journal on p.8.)

The housing and banking industries are more stable. Perhaps banks are too stable, not making enough loans (the actual business they are in), instead reaping profits from fees. It is not uncommon to see investors plowing back into single-family residential housing, nor to read about the mega wealthy and \$25 million and up sales of individual residences in Miami, Aspen, California, or New York.

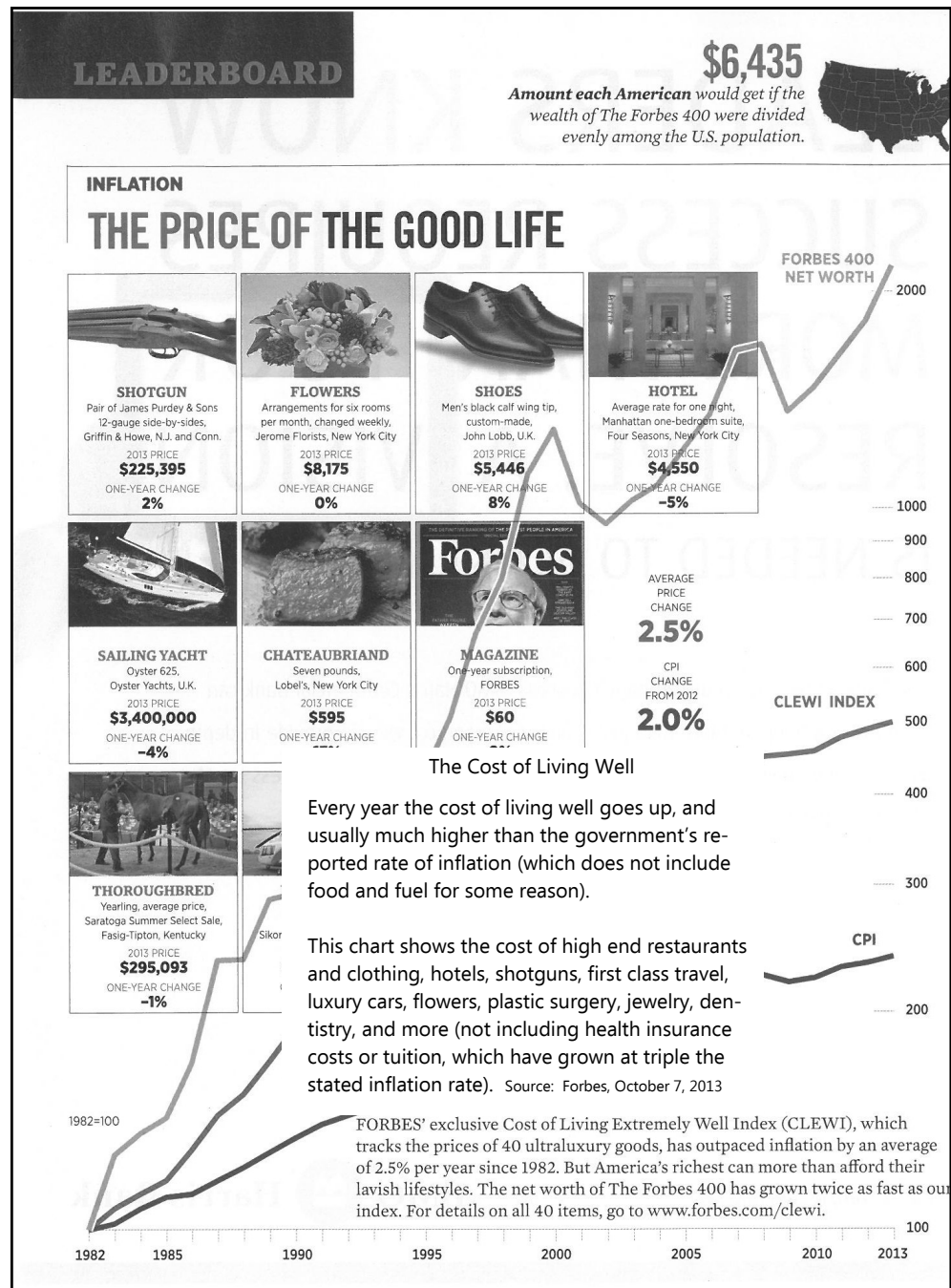
We are number one in the world in computer connectivity to the internet. We have more of the world's leading universities and student populations. We have more valuable companies. We have the world's largest economy—by far. We have the world's reserve cur-

rency. Our long-term equity appreciation remains 4.5-5.5% above inflation.

We have the largest and best equipped and trained military in the world. Other militaries have difficulty even in communications with ours.

It is not easy to stay on top. And our country may not. But we are there now and for a while longer, at least. Thank you America and thank you dear reader.

Let Summit help you to take advantage of these opportunities. Work with us and stay with us for the long haul. Make great decisions!



Milton Friedman 1976 Winner Nobel Prize in Economics



Milton Friedman won the 1976 Nobel Memorial Prize in Economic Sciences “for his achievements in the fields of consumption analysis, monetary history and theory, and for his demonstration of the complexity of stabilization policy.” Milton Friedman was born in Brooklyn, New York and attended Rutgers University. He later earned his Masters of Economics from the University of Chicago.

Friedman worked as an advisor to senior officials of the United States Department of the Treasury where he helped invent the payroll withholding tax system. His political philosophy was that of a free market economic systems with minimal government intervention. He has never been in favor of the Federal Reserve, and even goes as far as to blame them solely for their actions in creating the “Great Depression” which he termed the “Great Contraction.”

Even though winning the Nobel Memorial Prize in Economic Sciences, Friedman believed his greatest accomplishment was eliminating conscription in the United States. In his retirement he served as an unofficial advisor to Ronald Reagan during 1980, and then served on the President’s Economic Policy Advisory Board for the rest of Reagan’s tenure.

The Economist described Milton Friedman as “the most influential economist of the second half of the 20th century...possibly of all of it.” The advisors here at Summit Wealth Partners, Inc. are much the same as Milton Friedman, minus the Nobel Prize of course. The advisors pour in countless hours to help their clients achieve their short-term and long-term monetary and life goals. With minimal intervention, the advisors want your money to work for you. Using theories and policies developed by Milton Friedman, Summit Wealth Partners is dedicated to finding the right solutions for their clients.

Source: *Wikipedia*



“Finglish” (n) Financial English

Catch Up Contribution

Originally, the ability to make catch-up contributions under EFTRRA was set to end at around 2011. However, the Pension Protection Act of 2006 made catch-up contributions and other pension-related provisions permanent.

Although using catch-up contributions is a great way for many people to expand their retirement savings, a report from the Vanguard Center for Retirement Research entitled “Catch-Up Contributions in 2004: Plan Sponsor and Participant Adoption” (2004) found that only 13% of eligible candidates use catch up contributions to expand their savings.

Actuarial Deficit

Actuarial balance is calculated for 66 different valuation periods, beginning with the upcoming 10 year period and growing with each successive year up to the full 75 years projection. If at any point over the 75 year projection the anticipated costs of Social Security exceed the future value of the trust fund’s income, that period would be deemed to be in actuarial deficit.

Source: *Investopedia*

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Look Inside!

*Special Holiday
Double Issue*

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**"The individual investor should act consistently
as an investor and not as a speculator."
- Ben Graham**