

Chapter 1

Summit to New Heights

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“Wealth is not his that has it, but his that enjoys it.”

- Benjamin Franklin

Before you hear from the professionals who have agreed to be interviewed in this book and from my colleagues at Summit Investment Advisors, who will also be sharing valuable insights and information, I'd like to share a little about our firm and me.

I have a passion for helping people achieve their financial goals.

We all have needs, wants, and wishes we want to accomplish with our lives. In many cases, these goals require money to travel, buy a house, retire, and even help others. So whatever your goals are, I help you plan your money around them.

With over 30 years as a financial planner, I bring a lot of wisdom to the table to help you maximize what you have to work with and minimize risks.

My company, Summit Investment Advisors, is a team of professionals with experience and knowledge working with investment, tax, and estate planning all under one roof.

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Summit's motto is, "Invest in Learning, Invest in Life". To invest with purpose successfully, one requires knowledge and collaboration with professionals. That's why I am committed to life-long learning. We host many different workshops and webinars to help you with your planning needs.

As a Certified Financial Planner, I've met the "4 E's" of CFP certification: Education, Exams, Experience, and Ethics. These equip me in over 1,000 different integrated principles to provide comprehensive advice to clients to achieve confidence today and a more stable tomorrow.

Financial Industry Regulatory Authority (FINRA) requires Securities Registrations. I have completed Series 7, 24, 51, 63. These licenses are held through LPL Financial. In addition, I am a Registered Investment Advisor Representative and a Life/Health Agent.

All my education, coupled with my 30 years of experience, helps me to better understand and navigate today's investment, tax, and estate planning environment.

I value my clients and consider them friends; I like to work with people I could have over for dinner. By fostering this kind of relationship, we become partners on life's journey toward financial independence. That viewpoint benefits us both.

My greatest satisfaction is helping my clients live the lives they've imagined. This brand of purpose-driven client experience is the

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hallmark of Summit Investment Advisors. It is who we are and what we do.

Now, let me tell you my personal story. I grew up on a hobby farm in a rural Northern Minnesota community. My dad was a conservation officer- known back then as a game warden. As a result, my parents were quite thrifty on his income. My upbringing taught me the importance of saving, investing, and staying out of debt, which I've passed on to my clients.

When my dad was about 20 years old, he got a call out of the blue from a stockbroker asking him if he wanted to buy some stock. He said he was willing to invest a little money. His first stock was J.C. Penney, which did quite well for him. So he kept investing, a little here and a little there.

Along the way, he got me an early start in the world of investments. When I was young, he bought me \$500 worth of International Dairy Queen stock, which happened to be one of the best-performing stocks of the 1980s. A \$10,000 investment in 1980 would have been worth \$470,000 just ten years later. My \$500 portfolio grew to over \$20,000! I was hooked on finances, and I knew I wanted to become an investment advisor.

While I was in college, majoring in business finance, I worked at a pizza restaurant to make extra money. One night, a financial advisor was treating his clients to a pizza. I struck up a conversation with him, giving him a couple of coupons to save a few dollars. After dinner, he came up to me, gave me his business card, and said, "Sean, give me a call when you're done with

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college. I like you." So I did, and that was my only interview when I graduated because he hired me.

He was an independent advisor. His way of marketing the firm was to go out and teach retirement planning classes at different corporations around the Twin Cities. While working for him, I got my licenses, became credentialed as a Certified Financial Planner, and joined him in teaching these classes. I began cold calling large companies in the area, including ones on the Fortune 500 with thousands of employees, to get myself in the door to teach these educational seminars.

I would teach people about retirement planning, including Social Security, 401(k) investing, IRAs, and so forth. After the class, people could sign up for a financial plan and analysis put together by us, and of course, the goal was to earn their trust and get them to become our client.

After about ten years, I decided I had enough experience to open my own firm, and Summit Investment Advisors was formed in 2000.

Today, I still teach those workshops. I think the longer you do something, the better you become at it. As an example of this, I was in a conversation with one of my clients who was having a knee replacement. I asked him how he chose his orthopedic surgeon. He said he interviewed several and asked them how many knee replacements they had done. One orthopedic surgeon said he had operated on more than 3,000 knees over 30 years. That's the one my client chose because of the experience!

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I can relate to those numbers. Over the last 30 years, I've done more than 3,000 financial plans and have helped countless people with their investment strategies. I've also seen many market ups and downs. That benefits my clients because it's essential to have someone on your side who knows what to do in good and bad times.

Our firm specializes in retirement planning, focusing on four key areas: Retirement Income Planning, Investment Management, Tax Planning, and Estate planning strategies.

Most of our clients come to us as pre-retirees or newly retired. When you're working, it's easy to build up your 401(k), IRA, and other retirement accounts and keep them growing. But when you approach retirement, or are already retired, it becomes much more complex as far as working with all these benefits. For example, when should you draw Social Security? How do you start to take money out of your retirement accounts? How do you diversify and allocate those accounts, so you do not have sleepless nights worrying about the stock market going up and down? How do you make money last the rest of your life? How do the tax laws work, and how do you adjust to the new laws?

To use an analogy based on the name of the firm, we always talk to our clients about climbing a mountain. When you're accumulating in your plans and building up for retirement, it's much easier than after you reach the summit and start to come down because that's when you have to make tough decisions.

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Did you know most climbers die on Mount Everest on the way down, not while climbing? They run out of daylight, or they miss-steps and fall, or get caught when a blizzard moves in.

In a way, that's like the stock market plummeting and suddenly going into a bear market just when you need your assets the most. Or maybe you don't have enough in your retirement accounts. Or possibly you are paying too much in taxes, and it's like sucking your oxygen supply dry.

We not only help people to build up their accounts, but also draw money out. We're able to start that planning process right from the beginning. That's because one of the first things we do when we meet with a new client is learn about them and get to know them. We have a conversation and give them some homework. It's a 30-point questionnaire that helps us identify three key aspects of their financial life: their Needs, Wants, and Wishes? Needs are your essential expenses for day-to-day living. Things like food, clothing, shelter, transportation, household expenses, insurance, and taxes. Wants are costs where you can control how much and when. For example, buying a new car or a pre-owned one and how long you keep that car. Other common wants include travel, recreation, and home improvements. Wishes are financial dreams. I've always loved this quote from Walt Disney: "If you can dream it you can have it." Wishes can include a vacation home, gifts to your family, generous charity donations, or doing something fun and crazy just because you can.

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Once we learn this from them, we can draw up a roadmap for the destination they want to reach.

As long as people come to us in time, we can help them plan for the real and potential expenses they'll face in retirement, and make sure when they do come down that mountain, they'll be safe.

Unfortunately, one of the big mistakes people make in preparing for retirement is not having that team on their side. They do it on their own and make costly mistakes.

It breaks my heart when we can't help someone because they came to us too late. I'll never forget one of those people. She and her husband had both retired. They both had pensions, and they had saved a lot of money for retirement. But then her husband got sick and they didn't have long-term care coverage. The pensions and Social Security weren't enough to cover the cost of his nursing home. He was there a long time, and they went through most of their savings until he could qualify for Medicaid. Then he died. His pension ended because he had chosen the single-life option, meaning it was a higher monthly payment but nothing for a surviving spouse.

She could still live many more years, and all she has is her small pension, one Social Security check, and very few assets.

Our goal is to help you prepare for situations you may not be considering.

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We take a team approach. I think that's so important because just as there are many aspects to your retirement lifestyle, there are many aspects to your retirement plan. That's why we're more than financial advisors, we're life advisors.

I referenced the four key areas of retirement planning we specialize in: income, investments, taxes, and estate planning. Unfortunately, not too many financial services firms can help their clients with those last two, but our team includes specialists in tax planning and estate planning.

Too often, people have a financial advisor and an accountant who operate in a vacuum. Neither knows what the other is doing, which means they can't do the best job possible for that client. As a result, mistakes are made which could be avoided, and the client pays the price.

The old saying, "you don't know what you don't know," is all too true, especially when it comes to retirement planning. We don't expect our clients to be experts in this area. For that matter, we're not experts in every aspect. We're not attorneys, but we know there are legal aspects to an estate plan, and we'll make sure you and your family are prepared.

That's where our team approach pays off; if our clients have a tax advisor or an attorney, we'll work with them. If not, we have experts on our team, and we have relationships with estate planning attorneys and CPAs.

That's why we chose to do this book and do it this way. Whether

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the professionals featured are members of the Summit team or part of our local team of experts; they all believe in that team approach. They all believe that it's all about putting together a winning team, so the client wins in the end when it comes to retirement planning.

If you happen to come up to me down the road and say, "Sean, I read your book six months ago," I hope you finish the sentence this way: "...and I learned a lot from this team of professionals. Reading this book made me realize I needed to take steps now so I can have the future I want."

So let's get started on that.

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