

Financial Confidence is On the Horizon...

THE VAUGHN/MCLAUGHLIN TEAM

QUARTERLY NEWSLETTER FOR FRIENDS & CLIENTS

First Quarter 2010

Our mission...

To build a partnership that will help our clients meet their financial goals and enjoy a more secure future. Our goal is your 100% satisfaction with the advice and service you receive – and the **confidence** that this can bring.

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NOTES FROM JIM'S DESK

December 28, 2009

I start this newsletter with an excerpt from a song by Steely Dan: "Are you reelin' in the years, stowin' away the time / Are you gatherin' up the tears, have you had enough of mine." The thing I think I enjoy most about my part of the newsletter is I can do some free associating (without paying a Freudian Analyst \$500 / hour)! Frankly, it was the first line of the excerpt that for some reason resonated in my mind as consonant with some of what we've all been through- though not sure Steely Dan would see the connection. We'll never know as they have not returned my calls.

My thought was the two years certainly sent us reeling and yes, there were tears gathered. Pressing on, were we "stowin' away the time"? For this I'm projecting, had we stored up enough time to weather the maelstrom? Shouldn't I be asking, had we stored enough assets? Perhaps it's an easier metric in some ways, but for me, so much about investing is human behavior and one of the greatest attributes an investor can possess is patience, and patience is all about time. Much of the patience required to be a successful investor is measured in years, not in days, weeks or months.

As I pen this note, the major averages are sitting at their 2009 highs after hitting their lows in March of 2009. We have recaptured over 50% of the loss from the very peak in 2007 and about 75% lost after the failure of Lehman Brothers in September of 2009. I can tell you that there were many pundits and media calling for much worse things to come even past the March lows. There are still a generous number who remain negative, and we wouldn't have it any other way. It's always the same; things get better while many are forecasting "this time it's different." Our much more optimistic outlook in no way trivializes the pain of the last two years, or for that matter, the last 10 years. But we have talked at length about that. For this newsletter, we want to emphasize the opportunity to participate in a worldwide expansion over the next five to 10 years is very much at hand in our estimation. You say there are still big problems? As an investor, we wouldn't have it any other way. Again, this not to turn a blind eye to the pain and suffering of lost jobs, lost homes, soaring deficits, etc. These do exist, but even if this is worse than other bad times, it is what creates opportunity and matter of factly, it happens.

One sage money manager of some fame recently remarked that almost all investors would do much better than the averages if they would just take an age-appropriate, diversified, asset allocation model that's watched over all the time by program managers, and then just let it work, through thick and *thin*. For once I can say, I've had enough *thin* for a while. And oh by the way, we've been preaching diversification and asset allocating models for a long time.

Finally, while we would certainly have more allocation of a portfolio outside the U.S. than ever before, those who have given up on the U.S. as the greatest engine the world has ever seen- we think they're wrong. Warren Buffet said so just recently at Columbia University. We've got problems, real

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IDENTITY THEFT PREVENTION: *Protecting Your Financial Information*

At speaking engagements we've hosted or small gatherings between team members and friends, identity theft prevention continues to be a topic of interest. So for this newsletter, we wanted to share some prevention tips, as well as how client accounts are protected at Raymond James.

The dangers of identity theft are not new. The Internet has made the thieves of old look amateurish compared to today's computer whizzes who create spyware or employ other digital tools to gain access to secure financial and personal information.

Maintaining security is difficult in the face of the constant assault most of us experience. Pleasant telephone voices request vital personal information, e-mails pretending to come from financial institutions you recognize ask for your passwords and PINs. Once thieves have enough information, they can do real damage. In addition to running up your credit card bills or cleaning out your financial accounts, they can obtain false credentials in your name and do the kind of mischief that can take you months or years to straighten out.

While Raymond James and other financial firms employ the most up-to-date safeguards to protect client account numbers and other important profile information, you play a vital role in keeping your information secure. There is much you can do.

- * **Protect Passwords, PINs** and answers to any security questions by not sharing them with anyone you don't want to have access to your accounts. Avoid easily guessed passwords (family members' names, birthdates, Social Security numbers).
- * **Keep firewalls and security software up to date**, and use encryption software on your laptops.
- * **Use your personal computer for financial transactions**, avoiding public-use computers if at all possible.
- * **Do not give out vital information over the phone**, by e-mail or through in-person requests. Type in the URL of the site you want rather than clicking a link provided in an e-mail.
- * **Check your financial accounts regularly** to ensure no unauthorized activity is taking place. Contact your credit card company or financial account institution immediately if you notice anything suspicious.

Raymond James devotes considerable resources to keeping your information secure. Using technological and human resources, we:

- * Secure access to our building and restrict access to critical areas using security personnel and constant video surveillance, among other measures.
- * Employ and constantly upgrade information safeguard software, including firewalls, anti-virus programs and intrusion-detection tools. We monitor our data systems 24/7, looking for signs of any unauthorized activity.
- * Use business continuity planning to ensure all data remains secure in the event of a natural disaster or other emergency.
- * Maintain connections with other firms to share data security strategies and information.

Despite the fact that we all call this kind of thievery "identity theft," in most instances, the scammer or thief just wants to "borrow" your information long enough to serve his or her purpose. We encourage you to take every measure you can – even some you may regard as inconvenient – in order to protect yourself against this sort of "borrowing." As always, we'll be happy to discuss these and other aspects of financial and personal information security. Just give us a call as questions arise.

COMMUNITY SPOTLIGHT: *Jeff Dawsey*

Occupation? Citrus County Sheriff **Years in Position?** Over 13 years. **Family?** *Wife:* Gail, *Children:* Stacey, Brian, Destin, *Grand-child:* Nathan. **How long have you lived in Citrus County?** Moved here in 1973. **Hobbies / Interests?** Weightlifting, running, Tampa Bay Buccaneers. **Community Involvement / Causes You Are Passionate About?** Anything that deals with kids. Numerous groups: Boys & Girls Club, Big Brothers / Big Sisters **Favorite place you've travelled to?** South America, Peru. **Place you'd still like to visit?** Australia. **Career that interests you besides your own?** Working in Federal government in major disaster coordination. **Career accomplishments most proud of?** Established many educational programs for our school system; modernization of the sheriff's office through educational benchmarks, equipment, personnel and facilities. **How old were you when you became interested in your profession?** Very young- 3 years. **What do you enjoy most about your profession?** Instant ability to help people. **Biggest challenge in your profession?** Several– maintaining a balance in professional and personal life. **Do you want to continue your education in any way? What do you want to learn more about?** I would like to speak Spanish fluently. Other opportunities will avail themselves as my career opportunities change. **If you had complete financial security, how you spend your time?** Travelling and volunteering with my kids.

What do you strive for most in life? In my professional life, not to fall prey to the negativity (you must understand you are not going to make everyone happy). Personal life– to keep my family as my first priority. **What do you try to avoid?** Complacency– no room in this profession. Always must challenge your position. This is the most important aspect of government (people's safety). **What do you want your legacy to be? How would you like to be remembered?** That the citizens and the employees were always my priority and would spare nothing to keep them safe. **What values or philosophies would you like to pass on?** The people of your agency are the most important part. Treat them with integrity, ethically, and value what they do. **Identity Theft Prevention tips?** First Tip– lock your cars, vehicles and home. If it's too good to be true, it is. Protect yourself by arming yourself with knowledge.



Jeff Dawsey

IN OUR COMMUNITY: *The Dunnellon Kiwanis Club presents Monte Carlo Night*

The Kiwanis Club of Dunnellon is proud to announce the 20th Annual Monte Carlo Night. The event will be held at Rainbow Springs Golf and Country Club on Saturday, February 20, 2010 from 6:00 to 9:00 pm.

Guests will join in the fun, food, live music, gaming and live auction. Proceeds from the evening will help to fund Kiwanis programs such as:

- * College scholarships to graduating seniors
- * Recognition programs including "Terrific Kids" and "Bringing up Grades" in elementary schools
- * "Aktion Club," a Kiwanis club for challenged adults
- * Reading is Fundamental at local day care centers
- * The American Cancer Association

We are thrilled to see some of the newer businesses in town going the extra mile to support us. Many others have dug deep to help year after year and tough times have not changed their commitment to the children of Dunnellon.

The Kiwanis Club of Dunnellon is part of Kiwanis International, which is a global organization of volunteers dedicated to changing the world one child and one community at a time. Kiwanis and its youth-oriented Service Leadership Programs serve communities in more than 70 countries and geographic areas.

The six permanent objectives of Kiwanis International were approved by Kiwanis Club delegates at the 1924 Convention in Denver Colorado. Through the succeeding decades, they have remain unchanged:

- * To give primacy to the human and spiritual rather than to the material values of life.
- * To encourage the daily living of the Golden Rule in all human relationships.
- * To promote the adoption and the application of higher social, business, and professional standards.
- * To develop, by precept and example, a more intelligent, aggressive, and serviceable citizenship.
- * To provide, through Kiwanis clubs, a practical means to form enduring friendships, to render altruistic service, and to build better communities.
- * To cooperate in creating and maintaining that sound public opinion and high idealism which make possible the increase of righteousness, justice, patriotism, and goodwill.

The Dunnellon club has been serving the needs of children in the community for over 25 years. Focus is put on education, health screening, and basic needs of children and families. This close knit group meets weekly on Wednesdays at 7:30 am in the library of Rainbow Springs Golf & Country Club. For more information on Monte Carlo Night or Kiwanis please call Tracy Vaughn at 352-322-0522.

NOTES FROM JIM'S DESK *Continued*

problems, big problems- but those who have bet against us in the past, have lost. I wish I could tell you what it is we'll develop to take the commanding world lead in (maybe alternative energy, maybe preventative medicine, maybe cleaning up the planet), but of course I can't.

I think most would concede that money is not the most important thing. Studies have shown that after a certain point, it doesn't buy one more ounce of happiness. Still, we want each person, each couple, each family to make enough to enjoy a lifestyle that brings dignity and quality of life. With 2010 only a few days away, we resolve to work harder to bring the best financial planning to our clients so that they can enjoy a happy new year for years to come.

At last thought, have you ever noticed in thinking back to a vacation or a get-together with family that the memory seems so much better in retrospect than it did while you were actually in the event? This happens to me all that time. My take away from this, though hardly original, is make an effort to enjoy the moment you are in, every day, every minute. It doesn't mean every minute is good or without great challenge, only that someday in the future, we'll be looking back saying- I wish I was more aware of all those little things I'd give anything to enjoy again!

We care deeply about our clients and truly wish a wonderful New Year. It is our privilege to work with you; we never forget it.

KIWANIS CLUB OF DUNNELLON PRESENTS THE 20TH ANNUAL

Monte Carlo Night

SATURDAY, FEBRUARY 20TH, 6:00-9:00PM
RAINBOW SPRINGS COUNTRY CLUB





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SAVE THE DATE

- ◆ **January 3rd:** Tampa Bay Buccaneers vs. Atlanta Falcons, 1:00pm at Raymond James Stadium in Tampa.
- ◆ **January 6th:** Wall Street Coffee Club, 8:30am to 9:30am in our office. Open to the public.
- ◆ **January 22nd – February 7th:** “Blithe Spirit” playing at Raymond James Theatre in St. Petersburg.
- ◆ **January 28th:** The Citrus County Education Foundation presents Galaxy of the Stars to honor the teachers and staff of Citrus County Schools. 6:00pm at the Citrus Hills Golf & Country Club. Tickets are \$25 and include a sit-down dinner. Call 726-1931 (x 2240) for tickets.
- ◆ **February 3rd:** Wall Street Coffee Club, 8:30am to 9:30am in our office. Open to the public.
- ◆ **February 10th:** Client Advisory Board meeting, 11:00am to 1:00pm in our office.
- ◆ **February 20th:** The Dunnellon Chapter of Kiwanis presents Monte Carlo Night. See Page 3 of this newsletter for more information.
- ◆ **March 1st:** The 5th Annual Randall Jenkins Memorial Golf Tournament at the Black Diamond Golf Course. For more information or to register to play, visit cmhfoundation.com or call 344-6560.
- ◆ **March 3rd:** Wall Street Coffee Club, 8:30am to 9:30am in our office. Open to the public.
- ◆ **March 12th – March 28th:** “Driving Miss Daisy” playing at Raymond James Theatre in St. Petersburg
- ◆ **March (Date TBD):** Vaughn / McLaughlin Team golf tournament for clients and their teams. Details to come.
- ◆ **April 7th:** Wall Street Coffee Club, 8:30am to 9:30am in our office. Open to the public.
- ◆ **April 23rd – May 16th:** “Hair” playing at Raymond James Theatre in St. Petersburg.
- ◆ **May 5th:** Wall Street Coffee Club, 8:30am to 9:30am in our office. Open to the public.
- ◆ **May 10th:** Symphony Under the Stars at Raymond James Stadium featuring the Florida Orchestra. Contact us for your complimentary tickets while supplies last.
- ◆ **May 12th:** Client Advisory Board meeting, 11:00am to 1:00pm, offsite restaurant.
- ◆ **May 15th:** 5th Annual Citrus Memorial Ball at the Black Diamond Clubhouse. For more information or tickets, visit cmhfoundation.com or call 344-6560.

Call us with questions on any of the above events or if you would like to feature your organization's upcoming events in our next newsletter. Ticket prices apply to events held at the Raymond James Theatre and Raymond James Stadium.