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## WHAT HISTORY TELLS US TO EXPECT IN 2016

**Robert Fragasso, CFP®, AIF®**  
*Chairman and Chief Executive Officer*



No one can predict the future and history is not guaranteed to repeat. But what better guide do we have for our current decisions than the repetitive cycles of history? For this article, we mean economic history so let us examine the ups and downs of the last 85 years, which equates to modern economic recordkeeping.

Most of us are invested in a balanced portfolio of stocks (equities) and bonds (fixed income), yet our fear of price volatility centers on the equity portion of our portfolios. Since the 1920s, there have been 23 down years as measured by the S&P 500, which includes the largest 500 companies in the U.S.<sup>1</sup> During that period, there were 62 up years. So, on average, there was one year down to three years up. Of the down years, most were a single year down and the drop was 10 percent or less.<sup>2</sup> There were two downturns that encompassed two years, one that included three years and one that lasted four years. The last was the early

1930s. Only five of those downturns were larger than 10 percent. Of the upturns, only two were single year upturns and the rest were two to nine years in length. Four of them were five years or longer.

All of that is encouraging data but, so far, no conclusions. We need to recognize two facts. First, most of us aren't invested solely in stocks, so our volatility (severity of up and down price movement) is mitigated by the bond portion of our portfolio. Second, economic, political, military and sociological factors influence market action, so each period is governed by its own dynamic factors. Thus we can take comfort that various lengths of time for upwardly moving markets are historically supportable. Also it is not axiomatic that markets will fall simply because they have gone up for awhile. Other influences must come into play to make that occur. Today's market dynamics do not seem to offer a cataclysmic set of events to precipitate a

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## CHANGING FOUNDATIONS OF PORTFOLIO MANAGEMENT

**Lisa Brignoni, CFA**  
*Director of Portfolio Management*

Every year the investing climate is affected by shifting winds in the growth of global economies, technological innovations and consumer sentiment.

These factors drive the trends that investors experience in portfolio performance. While it is important to fully understand the drivers of these trends, it is also important that we not ignore the longer lasting trends that are currently rattling the foundations and principles of portfolio management industry. Only by acknowledging, understanding and creating solutions for these potentially disruptive, or even opportunistic, forces within the industry can wealth advisors truly unlock maximum value for their clients. Three of these trends come to mind.

### *Rethinking Strategic Allocations*

A simplistic rule of thumb stated that one's equity allocation should be 100 minus their age. This commonly accepted guideline was used to automatically adjust an investor's portfolio within their risk and return objectives as they age. In decades past, this guideline has served investors well. In the 80s, younger investors benefited from rising equity markets and retirees benefited from high yielding income investments. Assessing the current landscape, there are millennials with student loans who are aren't fully participating in equity markets, and longer-living retirees trying to stretch low-yield income portfolios. In this environment general rules of thumb are no longer sufficient.

These changing characteristics of investors requires financial advisors to consider alternative portfolio strategies to meet future spending requirements of this changing demographic. Take those approaching retirement with a 40/60 asset mix for example. With yields at historic lows<sup>1</sup> and bond prices pushed down by rising rates, fixed income managers are struggling to achieve a total return that beats inflation. In order to meet spending

requirements, advisors are utilizing alternative strategies to generate more income without sacrificing safety.

### *Robo-advisor Salvation*

Financial planning in its purest form of the definition is a need for everyone, regardless of their net worth. And for those millennials with fewer assets who haven't fully grasped that need, the industry responded with robo-advisors—online wealth management services that allow investors to use computer models to conduct portfolio management with less guidance from an advisor. As it turns out, this low-cost method of investing is appealing not only to millennials, but to computer savvy investors that have a DIY mentality. Several providers of these services are already in the market and expectations call for rapid growth in this industry in the next few years.<sup>2</sup>

Naturally, one might expect traditional wealth advisors to be worried that this industry shift could make their work obsolete, but there can and should be coexistence. Given the universal need for financial planning and the effort and time the practice requires, robo-advisors can immediately address the needs of markets that traditional advisors can't reach alone, such as millennials. However, one might question: why not market robo-advisors to all investors. Simply put, these robo-advisors excel at strategic allocation, which is only one instrument in an orchestra. Advisors can be there for clients to show them not only how to tune the violin but how it blends with other instruments to complete the whole picture.

### *Socially Responsible Investing*

Socially responsible investing (SRI) is a strategy that seeks to align an investor's personal beliefs to their financial planning strategy by focusing on selecting investments that meet those standards. The concept of SRI is not a new idea, but it is receiving increased attention as it becomes more mainstream with investors who

are motivated by their causes. This increased demand has been acknowledged by portfolio managers who have been focused on creating strategies that screen for environmental, social and corporate governance (ESG) factors to meet the needs of this market. At the beginning of 2014, \$6.57 trillion representing approximately 18 percent of total assets under management, has been invested in assets in the SRI category.<sup>3</sup>

With the increased attention, this investment strategy may seem attractive, but as with all strategies, this may not be the best solution for everyone. Within this category of investments, there are managers that perform well compared to non-SRI counterparts and those that do not. Reasons for potential underperformance range from manager capability to fundamental biases against stocks that perform well, such as "sin stocks." This may lead some investors into the dilemma of sacrificing performance for their beliefs or relaxing their beliefs with the objective that higher returns may allow them to better fulfill their causes through personal donations. Advisors can once again step in to guide clients through this thought process as this need not be a dilemma that investors necessarily have to face. Currently, there is no conclusive evidence that suggests SRI investments either underperform or outperform non-SRI investments.

Technology, personal values and the economy will continue to intersect and influence the decisions we make today on our financial futures. Understanding these structural developments as more than passing trends will drive advisors and clients towards better financial outcomes. ■

1 <http://www.usatoday.com/story/money/personalfinance/2015/11/09/60-40-stock-bond-portfolio-mix-dead-2016/75042316/>

2 <http://money.cnn.com/2015/06/18/investing/robo-advisor-millennials-wealthfront/>

3 [http://www.ussif.org/Files/Publications/SIF\\_Trends\\_14.F.ES.pdf](http://www.ussif.org/Files/Publications/SIF_Trends_14.F.ES.pdf)





# TAX LOSS HARVESTING

*Madison Nestor, CFA*  
Investment Analyst



**I**t's not what you make but what you keep." This old investing adage is perhaps the best way to think about your portfolio value and the tax consequences of realized gains and income. Tax loss harvesting is the process of realizing capital losses in a portfolio by selling positions trading at a loss with the ultimate goal of reducing tax costs for the client. Once the position is "harvested," investors must wait 30 days before repurchasing the original security. This is called the wash sale rule and was instated by the Internal Revenue Service.<sup>1</sup> In order to harvest losses and continue market participation, proceeds are invested in a similar, but not identical, exchange-traded fund before returning to the original security. This allows the investor to maintain desired market exposure throughout the duration of this maneuver.

*At Fragasso Financial Advisors, we proactively reduced tax costs to clients in 2015 by employing tax loss harvesting tactics prior to year end.*

While 2015 was not a stellar year for the broader equity and bond markets alike, it did follow the third longest bull market in U.S. history. This means that many individual stocks and mutual funds had large, unrealized capital gains from previous years that were realized in 2015, and more still that can be realized in 2016. When realized, these capital gains trigger sometimes unexpected taxes for investors. During August 2015, volatility was introduced to the markets after China's economic slowdown triggered concerns of weak global growth. This caused

a sharp sell-off in equities around the world, creating an opportunity for harvesting losses.

Admittedly, positions trading at a loss do not particularly excite investors, but in volatile markets these holdings present an opportunity to reduce and defer taxes. Realized losses generated from tax loss harvesting efforts can be used to offset realized capital gains in a portfolio, thereby reducing or eliminating a tax bill. In less fruitful years when a portfolio has no realized capital gains to offset, harvested losses can be carried forward to use in the future.

The tax loss harvesting process we use for clients goes the extra mile by considering multiple variables that impact non-retirement accounts. Mutual fund distributions, which can be costly to taxable accounts, are avoided when possible. In order to keep costs to clients low, outright trading expenses are also considered. Finally, the benefit of harvesting a loss now is always compared to the likelihood that the position will appreciate in the future. This proactive and thorough process is at the heart of what we do to deliver consistency to our clients. ■

<sup>1</sup> Publication 550 Investment Income and Expenses. (2014, February 12). Retrieved from <https://www.irs.gov/pub/irs-pdf/p550.pdf>

[Continued from cover]

major downturn. For reference, consider the Depression of the 1930s, the oil embargo of the 1970s and the Great Recession of the last decade. This period of time seems more placid and thus corrections can be reasonably assumed to conform to the more normal downturn percentages, if there is to be one at all.

As most portfolios are balanced between stocks and bonds and, further, our portfolios are asset allocated beyond that simple balanced division, the historic downturns would not have been as severe in those portfolios as was illustrated for portfolios dedicated solely to stocks.

So while we don't know what 2016 will bring, we can be more assured in our knowledge of historic returns and downturns and in our textbook principle-driven balanced and asset allocated portfolios. Attempting to predict the future is futile. But properly asset allocating our portfolios and populating them with suitable investments is a potentially productive use of our time and attention. That is what we do here every day of every year for our clients. ■

<sup>1</sup> The S&P 500, or the Standard & Poor's 500, is an American stock market index based on the market capitalizations of 500 large companies having common stock listed on the NYSE or NASDAQ. The S&P 500 index components and their weightings are determined by S&P Dow Jones Indices. Source: [en.wikipedia.org/wiki/S%26P\\_500\\_Index](http://en.wikipedia.org/wiki/S%26P_500_Index)

<sup>2</sup> [www.standardandpoors.com](http://www.standardandpoors.com)





# Top Places to Work in Western, PA

**RANKED NUMBER 3: OCTOBER 2015**

**F**or the 10th time in the past 12 years, Fragasso Financial Advisors has been named one of the “Best Places to Work in Western PA” by the Pittsburgh Business Times. The firm was ranked 12th overall and No. 3 out of 25 companies in the medium category (25 to 49 employees) and was one of 95 Pittsburgh organizations honored in 2015.

*“The most critical element in creating a great work place is encouraging open and honest communication between all employees,” said founder, chairman and CEO Robert Fragasso.*

“Employee retention is a huge priority for us. When we create an enjoyable work environment, we find our employees are happier, more productive and more likely to stick with our firm. This recognition would not be possible without the talented group of professionals at Fragasso, and we’re extremely grateful for this latest honor.

This award marks the latest in a series of recent recognitions for Fragasso Financial Advisors. The Financial Times ranked

Fragasso Financial Advisors as one of the top registered investment advisors in the nation on its list of 2015 Top 400 Financial Advisors. Barron’s ranked Fragasso Financial Advisors founder, chairman and CEO Robert Fragasso as the No. 2 financial advisor in Pittsburgh and the No. 6 advisor in Pennsylvania on its list of the Top 100 Independent Wealth Advisors for 2015. Barron’s also ranked Robert Fragasso as the No. 2 financial advisor in Pittsburgh and the No. 4 financial advisor in the state of Pennsylvania on its 2015 list of America’s Top 1,200 Financial Advisors.

As part of the Best Places to Work program, the firm participates in an employee satisfaction survey to gauge employee engagement, advocacy and retention rates. This year, the employee satisfaction score for those surveyed from Fragasso was 94.16 out of 100.

More than 150 area companies applied to participate in this year’s Best Places to Work program. To qualify, employees from each company participated in an online survey. Omaha, Neb.-based Quantum Market Research was utilized to analyze key workplace considerations to make the final selection. ■



Fragasso Financial Advisors is a proud sponsor of Animal Friends’ annual Black Tie and Tails celebration.

This year the event was held at their own Caryl Gluck Resource Center in the North Hills. Nearly 600 guests partied over two nights. Entertainment included acoustic music by Bill Ivins, Cello Fury and the Harold Betters Quartet as guests tried their luck at great auctions, raffles and of course, enjoyed plenty of time with the furry residents. A record breaking \$603,000 was raised in support of Animal Friends’ mission – to ensure the well being of companion animals, while ending overpopulation, abuse and unwarranted euthanasia. For more information on Animal Friends and upcoming events, visit [thinkingoutsidethecage.org](http://thinkingoutsidethecage.org). ■





## PROFILES IN PROGRESS: ED & LINDA SCHWARTZ

*Bryan Hoover,  
CFP®, AIF®  
Vice President*

When we're young, our parents and elders teach us that we should always be on our best behavior, especially in church. For Ed and Linda Schwartz, love tested that lesson.

Ed and Linda were both raised in Parkersburg, W.Va. They each came from working class families of modesty. Both sets of parents were raised on poor "dirt" farms during the depression. They grew everything they ate. Linda's father served in two wars before settling into a position as a millwright with Union Carbide. Ed's father was more inclined to find his way by moving from job to job in various callings that involved working with his hands. Both Ed's and Linda's mothers worked in addition to raising the children. Ed's mother worked until the boys left home before attending college at age 55. She got her LPN license and did private duty nursing until she retired. In her early married years, Linda's mother worked for a dry cleaner. She later became a book keeper and office manager for an electrical contractor.

Because their families went to the same church, Ed and Linda found themselves together at choir practice at a young age. Ed was older than Linda, but he was always drawn to her. Playing the role of the quintessential love-struck boy, Ed always looked for ways to torment Linda until he finally decided to cut the antics and ask her out on a date. That was nearly 55 years ago. In 2015, they celebrated their 50th wedding anniversary. Ed affectionately claims that the pair remains "best buddies" to this day.

Following high school, Ed won an academic scholarship from The Consolidated Natural Gas Company to the Illinois Institute of

Technology, where he majored in mechanical engineering and minored in natural gas engineering. After graduation, he went to work for Consolidated, where he stayed until he retired. Linda worked as a bookkeeper one until their children were born. She then took on the full-time job of raising Lynnette and Daniel. After the children were grown, Linda went back to work for a small equipment manufacturer before returning to bookkeeping for their church, Trinity United Methodist, until she retired.

Ed takes pride in his work with the Triangle Fraternity, an organization focused on maintaining a fraternity of engineers, architects and scientists. The fraternity works to develop balanced men who cultivate high moral character, foster lifelong friendships and live their lives with integrity. While completing his requirements for an MBA at night and working for the gas company during the day, Ed became one of the founders of the Pitt Chapter of Triangle. Today, he routinely speaks to students at Pitt & CMU about business ethics and the value of the long-term relationships that can result from fraternity membership.

Linda and Ed spend much of their time dedicated to their granddaughters, Alexandria and Samantha. Linda teaches them how to knit and play tennis. Ed is the storyteller, recounting legends such as "How the Chipmunk Got Its Stripes." Linda also spends time volunteering with their church. While she gives her time, Ed donates various items that he creates in his wood shop. The church is full of his designs, including an altar table, a lectern, a baptismal font, seven bell tables and even a library system that he made for the children's Christian school in the building's basement.

In recent years, Ed has turned his focus toward a more personal cause. Following nearly two decades of frustration in treating various symptoms, he was diagnosed with Spinal Cerebellar ATAXIA (SCA) in 2013. He first learned of the rare neuromuscular condition during a visit to Philadelphia for a conference on neurological disorders. This is where he first met others who were dealing with similar symptoms. The diagnosis changed his life and eventually led to a limited number of treatment options that have had a positive impact on his daily activity. The degenerative condition for which there is no known cure impacts motor coordination, speech, swallowing, breathing and sleep for persons of all ages and both sexes.

Today, Ed spends much of his time raising awareness for anyone with ATAXIA symptoms to find the help they need. This includes engaging medical professionals for increased awareness of the disease and working with local members of the National Ataxia Foundation (NAF). In September 2015, the Western PA ATAXIA Support Group, of which Ed is co-chairman, put together a 5K "Walk n' Roll" at South Park to raise funds for ATAXIA research and to share the ATAXIA story.

Five and a half decades into their journey together, it is obvious how much Ed and Linda love each other. Despite the big and small challenges that have presented themselves along the way, they continue to make their family and community stronger. They have also made Fragasso a better company by being valued clients. As they celebrate their 50<sup>th</sup> anniversary, we wish Ed and Linda the best.

For more information about ATAXIA and the 2016 Walk n' Roll event, please visit [www.ataxia.org](http://www.ataxia.org) or contact Ed at [eds@ataxia.org](mailto:eds@ataxia.org) or 724.986.8088.





## THE END OF FILE AND SUSPEND

**Brianne King, AIF®**  
Manager of  
Financial Planning



## DOTTI BECHTOL, NOMINATED FOR ATHENA AWARD

*Dotti Bechtol*, fiduciary asset business development officer, was nominated for the Greater Pittsburgh ATHENA Award, which recognizes exceptional women who demonstrate excellence in their profession, contribute to their community, and help other women to succeed through mentorship. While Dotti was not selected as the award recipient, she was honored and humbled to have been nominated and to be included among a group of exceptional women leaders in this community. Our team at Fragasso Financial Advisors takes such pride in our employees' accomplishments, particularly when they align so well with our firm culture of supporting and helping others. Dotti's commitment to the community has always been remarkable. We are delighted to celebrate this prestigious recognition with our colleague and friend. ■

With a stroke of a pen, a lucrative Social Security strategy for married and divorced couples was eliminated on Nov. 2, 2015 as the Federal budget moved swiftly through Congress to President Obama's desk. If you are not familiar with this Social Security strategy, file and suspend allowed a person at full retirement age to "file and suspend" their Social Security benefit so that their spouse can begin receiving a spousal benefit off their record. By doing this, both individuals are allowing their own Social Security benefit to grow by 8 percent per year until age 70. Under the new law, a person may only collect a spousal benefit if their spouse is already collecting their own Social Security benefit. In addition, they are only allowed to receive the greater benefit of either their own benefit or their spousal benefit. You are no longer allowed to take a spousal benefit while allowing your own benefit to grow.<sup>1</sup>

The Social Security loophole came to be in the year 2000 when President Clinton signed into law the Senior Citizens Freedom to Work Act of 2000. The purpose of this law was to encourage people in their 60s to remain in the workforce while not hindering their Social Security benefits. One of the results of this law is the loophole that became known as file and suspend, which sparked a lot of strategizing on how to maximize Social Security benefits. It is estimated by Larry Kotlikoff, a professor at Boston University who writes extensively on file and suspend, that the strategy had the potential to add as much as \$50,000 to a household's lifetime Social Security income.<sup>2</sup> While Social Security should not be your only means of income in retirement, it is a significant portion of income in retirement for many Americans.

With staggering data regarding the under savings epidemic in America, it is estimated that 41 percent of Americans ages 50-59 are not saving for retirement. Therefore, the closing of this loophole may have a long-lasting ripple effect for many Americans.<sup>3</sup>

The big question now is how Americans should fill in this gap of retirement income versus their retirement expenses. First, it is important to note that anyone who is currently taking advantage of the file and suspend strategy is grandfathered into the system and their benefits will not be affected. Also, those who will be 66 years of age or older by May 1, 2016, and who have not yet filed for Social Security, may opt into the file and suspend strategy. The six-month cushion on utilizing this strategy is meant to lessen the burden this change has on people who are nearing retirement and who were counting on filing and suspending as part of their plan. So if you are 66 years of age or will be by May 1, 2016, now is the time to speak with your financial advisor to help determine if it is advantageous for you and your spouse to enroll in the Social Security program as you had planned. But the best way to guarantee that you have sufficient income in retirement is to continue to personally save money every month. Social Security will continue to go through changes as the government works to find solutions to make the program solvent. While it is my opinion that Social Security will continue to exist in some form, no one can predict what it may look like in 10, 20, or 30 years. Social Security is a variable, which means we need to plan for a change and build a strategy that relies less on Social Security in retirement. ■

1 <https://www.washingtonpost.com/news/get-there/wp/2015/11/03/one-of-the-most-lucrative-social-security-strategies-for-married-couples-is-being-eliminated/>

2 <http://www.pbs.org/newshour/making-sense/houses-proposed-budget-bill-will-devastating-effects-millions-social-security-benefits/>

3 [http://www.huffingtonpost.com/2014/10/27/die-than-retire-poor\\_n\\_6042682.html](http://www.huffingtonpost.com/2014/10/27/die-than-retire-poor_n_6042682.html)



# EMPLOYEE NEWS

## CHUCK MATTIUCCI , PITTSBURGH'S 50 FINEST 2015

On Thursday, Aug. 13, 2015, Fragasso Financial Advisors own *Chuck Mattiucci* was honored at the Grand Ballroom of the Omni William Penn Hotel during a reception for Pittsburgh's 50 Finest 2015: 20th Anniversary. This elite group of men and women are honored each year for their careers and their involvement in the Pittsburgh community. The gala has become one of the most anticipated events in the city, with over 700 guests in attendance each year. The honorees commit to raising funds and awareness for the Cystic Fibrosis Foundation (CFF).

Chuck is a financial advisor for Fragasso Financial Advisors, where he is also affiliated with the Financial Planning Association, United Way and the Pittsburgh Society of Investment Professionals.

The Cystic Fibrosis Foundation's mission is to cure cystic fibrosis and to provide all people who live with the disease the opportunity to lead full, productive lives by funding research and drug development for individualized treatment and access to high-quality, specialized care. All proceeds raised by Pittsburgh's 50 Finest help to support vital CF research, medical and educational programs. It's not too late to donate! Visit <https://finest.cff.org/chuck-mattiuccis-finest!> ■



## WELCOME TO THE FRAGASSO TEAM!

*Gianna Corrao* has joined Fragasso as the Senior Graphic Designer, where she is responsible for all aspects of print, digital and brand design.



Previously, Gianna was a designer for Kessler Collection, a boutique hotel chain in Orlando. Before that, she gained years of design experience with Tavistock Group, a private investment company. Tavistock owns prominent real estate in Orlando, like Lake Nona and Isleworth Golf & Country Club, and also held the Golf Channel's annual pro golf tournament, *The Tavistock Cup*.

Gianna is a graduate of Flagler College in St. Augustine, Fla. with a Bachelor of Arts in graphic design, and dual minors in fine arts and illustration. With a passion for branding and identity, she has helped brand over 20 small businesses and restaurants.

Having just moved to Pittsburgh in 2014, Gianna was born in New Jersey, and has also lived in Maryland and Florida, where her parents currently live. She is on the Social Committee of Pittsburgh Young Professionals and in her spare time, she enjoys trying out the Burgh's Italian events and restaurants. She is a big fan of puppies, pizza and 70's rock. ■

*Michael Godwin, CFA*, is Fragasso's manager of portfolio strategy. In this role, Michael is tasked with reviewing,



monitoring and providing guidance on the asset allocation strategies in our clients' portfolios. Michael spent six years as a trader for a proprietary trading firm specializing in options on the S&P 500 during the turbulent Great Recession, and worked as an associate portfolio manager managing assets for AllianceBernstein in New York City.

Michael is a graduate of James Madison University with a bachelor's degree in business administration. He is a CFA Charterholder and is Series 7 and 66 licensed through LPL Financial.

Born and raised in Mt. Lebanon, Michael has lived in Chicago and NYC. In his spare time, he volunteers at UPMC Children's Hospital. He loves traveling and soccer, and has impressively merged the two by attending the last three World Cup events. His passion for soccer has led him to the field as a coach for the Beadling U12 soccer team. ■

*Matthew Karr, CFA®, MBA*

Matthew joined Fragasso's portfolio management team in 2015 as manager of investment research. Matthew focuses on researching investment opportunities for clients, specializing in stock research. He also researches exchange traded funds, mutual funds and fixed-income instruments.



He earned his bachelor's in finance from Grove City College and his master's degree in business administration with a concentration in finance from University of Pittsburgh. After attaining his MBA, Matthew worked with an independent research firm as an equity research analyst providing coverage, written analysis and stock valuation of companies undergoing restructuring. Most recently, Matthew worked as an equity research analyst and portfolio manager, responsible for researching a variety of (new stock ideas for potential inclusion in the firm's portfolios,) providing ongoing coverage of "live" stocks in the portfolio, analyzing economic conditions and allocation of sector assets.

Matthew is native to Pittsburgh's northern suburbs. Matthew loves to run, play golf and read non-fiction. Most of all, he enjoys spending time with his wife and their dog. ■





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## FRAGASSO'S HOLIDAY MISSION



Each year, our employees work together to benefit a charitable organization during the holiday season. This year, Fragasso was proud to support Ward Home and their mission to help at-risk youth in our region.

Ward Home is a 110-year-old social service agency located in Allegheny County that teaches at-risk youth, ages 16-21, the practical life skills they need to become effective, contributing members of the community. Their motto is "Skills for Living. Hope for Life."

At the three Ward Home-supervised apartment buildings, foster teens and young adults find safety, support and stability—a nurturing place to call home. They learn how to set goals, create safe and healthy relationships and prepare for their future. For some, this means developing the skills needed to become job ready. For others, it's continuing their education and earning a degree.

Fragasso employees collected kitchen items to donate, from teapots and blenders, to oven mitts and cutting boards. With these supplies, Ward Home hosts a cooking enrichment program for the teens to learn some essential culinary skills.

If you'd like to learn more about how you can help, save the date for their annual gala, "Picture This" on Saturday, March 19, 2016 at the Pittsburgh Glass Center. Please contact Corie Turner at [cturner@wardhome.org](mailto:cturner@wardhome.org), 412-722-1404, or visit Ward Home's website at [wardhome.org](http://wardhome.org). ■

### YOUR REFERRALS ARE APPRECIATED!

*As a valued client*, you already know about the benefits of working with Fragasso Financial Advisors. We work hard to propel each client toward their goals, ensuring the best possible client experience that can be provided. Our goal is and has always been 100 percent satisfaction—we want you to be satisfied with the service that we provide to you. If we are meeting this goal for you, then we welcome the opportunity to introduce your family, friends and other important people in your life to our brand of financial planning and investment management.

Thank you in advance for taking the time to think of those in your life whom we may help. We pledge to treat them with the same care and respect that we have you. And we promise that your financial confidentiality and theirs will be preserved. If you have someone in mind, please speak to your financial advisor or contact us at [www.fragassoadvisors.com/about-fragasso/contact-us](http://www.fragassoadvisors.com/about-fragasso/contact-us).



www.pets-for-vets.com

# PETS • FOR • VETS

## PITTSBURGH

### at animal friends

412-847-7000 | [Speak@ThinkingOutsideTheCage.org](mailto:Speak@ThinkingOutsideTheCage.org)  
562 Camp Horne Road | Pittsburgh, PA 15237

## ABOUT ANIMAL FRIENDS

Our progressive programs have been nationally recognized and include humane rescue, shelter and adoption services for homeless pets, humane education, pet behavior classes, pet-assisted therapy, wellness programs and more. In addition, Animal Friends is leading the way towards ending pet overpopulation in western Pennsylvania through comprehensive, community-wide spay/neuter programming.

## ABOUT PETS FOR VETS

Our goal is to help heal the emotional wounds of military veterans by pairing them with a shelter dog that is specially selected to match his or her personality. Professional trainers train the dogs and teach them appropriate manners to fit into the veteran's lifestyle. Training can also include desensitization to wheel chairs or crutches as well as recognizing panic or anxiety disorder behaviors.



### How Can You Help?

In order to mitigate any burden on our veterans, with each veteran-dog match, we provide all of the necessary equipment for them to start their new life together.

**Make a Donation.** Monetary and equipment contributions may be sent to Animal Friends at 526 Camp Horne Road, Pittsburgh, PA 15237. Please mark "Pets for Vets" on your donation.

**Refer a Vet.** You can refer a veteran who may be suffering from PTSD, TBI, or unresolved stress.

## FOR THE PETS

According to the ASPCA, every year between 6 and 8 million dogs and cats are abandoned at shelters.

Four million of these dogs and cats are euthanized every year in shelters across America, typically because there is no one to adopt them.

## FOR THE VETS

Many returning veterans suffer from physical and emotional injuries relating to their time in service, making it difficult to transition back into civilian life.

Post traumatic stress disorder, or PTSD, is a psychiatric disorder that can occur following the experience or witnessing of a life-threatening event such as military combat.

Some estimates state that as many as 20 percent of returning military veterans suffer from PTSD, and only 2/3 who screened positive are currently receiving treatment.

Medical studies have shown that companion animals significantly improve mental and physical health, including reducing stress, depression and anxiety, symptoms often linked with PTSD and combat stress.



## Healing Vets & Saving Pets

Through this program, needy shelter animals receive a second chance at life while giving our returning soldiers a second chance at health and happiness. The bonds of friendship formed between humans and animals have the power to ease the suffering of our troops when they return from overseas.



# HONORS & EVENTS

*Bob received a gold medal for being considered one of ten Lucchesi who had distinguished themselves abroad. Congratulations, Bob!*



## VETERAN'S APPRECIATION EVENT

In celebration of the Veteran's Day holiday, Young Professionals in Energy (YPE) Pittsburgh held its 3rd Annual Veteran's Appreciation Event, Wednesday, Nov. 11, at the Animal Friends Caryl Gates Gluck Resource Center. The event was presented in part by Fragasso Financial Advisors and in conjunction with Animal Friends Pets for Vets program, a program which aims to give shelter animals a second chance at life, and soldiers a second chance at health and happiness.

Guest speakers Bob Fragasso, Congressman Tim Murphy, and Cassandra Dixon of Animal Friends expressed gratitude to the U.S. veterans and active duty military for their selfless service, and raised awareness of the struggles faced by returning troops and shelter pets. The event was a success, raising over \$4,000, with a minimum promise of an additional \$1,000, for the Pets for Vets program.

## BOB'S LUCCA AWARD

Bob Fragasso, CEO and chairman of Fragasso Financial Advisors, was honored in September at the annual Handover Ceremony in Lucca, Italy. At the ceremony, Bob received a gold medal for being considered one of ten Lucchesi who had distinguished themselves abroad. Although born locally, Bob is a descendent through his mother, who emigrated from her home town of Lucca to Pittsburgh in 1923.

The recipients of this esteemed award have excelled in various fields from sports, to music, to the food industry. Bob is recognized for his countless accomplishments: the founding of Fragasso Financial Advisors, which has continually been ranked as one of the nation's top independent advisors, the publishing

of his book, *Starting Your Own Practice: The Independence Guide for Professional Service Providers*, and for over 40 years of generous support to numerous charitable organizations.

## BOB AND JANINE'S AF MATCHING GIFT

Bob and Janine Fragasso touched our hearts late this summer by making a generous commitment: for every dollar donated to Animal Friends, they would give an additional \$0.50 up to \$125,000. The matching gift program spanned from mid-August through mid-October, and all proceeds benefitted the medical wellness fund at Animal Friends.

Bob and Janine were inspired by the story of a pup named Violet, found neglected and in serious need of medical attention. In an email to Fragasso employees, Bob commented, "Violet is one of many dogs, cats and domesticated bunnies who suffer at the hands of uncaring or abusive humans. Animal Friends does not let them suffer in silence and pain. Instead it intervenes and brings them back to health and place in a loving home, like Violet's." Thanks to the generosity of Bob and Janine, a total of \$213,925 was raised to support medical care for the pets residing at Animal Friends.

## MAJOR BENJAMIN H. FOLLANSBEE PETS FOR VETS MEMORIAL FUND AT ANIMAL FRIENDS

Major Ben Follansbee was a decorated Army Ranger and member of Special Forces who passed away in December 2012. He served multiple deployments in Iraq and Afghanistan and was a HALO Jump Master and Special Forces ODA Team Commander. Ben's parents, Dr. Bill and Susan Follansbee, have established a fund in Ben's memory to assist military veterans

suffering from unresolved stress by furnishing them with trained therapy animals.

If you wish to join in honoring Ben's memory, please send your check made payable to Animal Friends and designate it for the Major Ben H. Follansbee Pets for Vets Memorial Fund.

## LPL 1099 DEADLINE EXTENSION

As you prepare information for your 2015 tax returns, we want to remind you that the deadline for LPL to send 1099 reports has been extended to Feb. 16, 2015.

In 2009, the Internal Revenue Service extended the deadline to furnish 1099 Consolidated Reporting statements to clients from Jan. 31 to Feb. 16. As it is common for investment companies to amend tax information, LPL may request a supplemental mailing extension in the event investment companies also abide by the Feb. 16 mail date and do not furnish tax information to LPL in time for its own Feb. 18 mailing deadline. This additional extension attempts to minimize corrected 1099s resulting from amended reporting by investment companies. Mailing dates for the 1099-R will remain the standard deadline of Jan. 31. If you have any questions about your tax information, or need copies of these statements, please contact your Fragasso financial advisor.

## 2016 DATES & DEADLINES YOU NEED TO KNOW

<b>FEBRUARY 1</b>	1099-R Form mailing first wave of 1099 Consolidated Forms mailing
<b>FEBRUARY 16</b>	Second wave of 1099 Consolidated Forms mailing
<b>MARCH 15</b>	Third wave of 1099 Consolidated Forms mailing
<b>APRIL 15</b>	IRS tax filing of extension request deadline
<b>OCTOBER 15</b>	IRS extension tax filing deadline