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The Top 10 Retirement PLANNING MISTAKES *(and how to avoid them)*

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1

Retiring too early without a solid plan in place. We all dream of retirement and spending our time as we see fit, but making that life changing decision without fully understanding the consequences can be an error. An early retirement could also mean assessing Social Security prior to receiving the maximum benefit. Once Social Security is selected, it cannot be changed. Working even a few years beyond what you've planned can pay a surprisingly large bonus in retirement security.

2

Not taking full advantage of an employer's matching contributions. An employer-sponsored 401(k) or other retirement plan is an easy way to build your portfolio. If your household budget allows for it, contribute the maximum permitted. Why turn down money being given to you with no strings attached?

3

Ignoring advice. Even before the economic crash, the boomer retirement knowledge gap was large, and the need for smart planning has only become more acute in hard times. Do it yourself planning is certainly an option, but a little help from a professional advisor (preferably one who specializes in retirement planning) now may well be worth the time and money and could make a big difference in helping you achieve a happy and healthy retirement.

4

Not understanding life expectancy tables. More than 60% of Americans live longer than they expected*. At age 65, a woman can expect to live to an average of 85 and a male about age 82. It is important to know that those estimates are based on averages and your actual personal life expectancy could be longer. Planning should make sure that your money doesn't expire before you do.

5

Spending more than you make. This will not only make it much more difficult to save for retirement, but can leave you deep in debt. You want to have income and be debt free when you retire, not have a string of credit card bills and other debts to contend with. Remember that if you're truly retired, you're on a fixed income, so as inflation rises, your real income will fall. That doesn't leave room for too much debt.

6

Too much risk with the “set it and forget it” approach. Not understanding risk can affect future results. About 1 in 3 investors approaching retirement age have more than 80 percent of their account balances in the wrong asset allocation.* While there's nothing wrong with a buy and hold strategy when it comes to investing (Warren Buffett's done pretty well, after all), you want to revisit your asset allocation once in a while to ensure that your strategy is the most advantageous for the times. For example, technological, economic, political, and demographic shifts will make some industries have greater potential as times change. You want to be sure that you're taking advantage of this, or at least not getting caught heavily invested in declining industries. Exposure to unseen market trends which are out of most people's control can result in poor performance just as retirement approaches.

7

Funding other things ahead of your retirement. It is important to understand the ramifications of funding decisions that you make. For example, you should not fund your children's college fund at the expense of your retirement fund. All you're really doing is helping to ensure that your children will have the job necessary to help support you in your retirement years, because you won't have enough money.

8

Not understanding or ignoring annuities. Annuities are one of the only financial products available which can provide income for any time period, even lifetime. Some even have the potential for growth with a safety net. Not understanding or using these products may adversely affect the need for income over long periods of time.

9

Gambling on health expense risk. Even for those on Medicare, health-care costs are eroding spending power and economic security; out-of-pocket expenses for people in retirement have jumped 50 percent since 2002* - and that doesn't include the possible need for long-term care insurance. Health-care costs pose one of the most serious risks to retirement security, so it's important to understand how to plan for this major expense, navigate the system and manage your spending.

10

Not planning. Most Americans don't have a good idea of how much they need to save for retirement. Many simply guess at how much they need for a comfortable retirement. You need to find the two things that every plan should incorporate; a goal, and a path to achieve it. You want to figure out when you want to retire, what else (kid's college, vacation property, etc.) you'll have to fund along the way, and how much income you'll need to support you and yours in the lifestyle to which you've become accustomed (or any other lifestyle you may want to retire in). Once you've done that, you can make a step by step plan to achieve your goals. Taking some time to plan today can help put in prospective how much money is needed for retirement.



You have taken an important step for your retirement by learning about the **Top 10 Retirement Planning Mistakes** made by most Americans today. To further assist you, I would like to personally offer you a complementary **20 Minute Retirement Planning Strategy Assessment**. During this session I will listen to your goals and share with you our secrets for a healthy retirement.

I will also help you to answer the following questions:

- ***Is my retirement income secure?***
- ***How can I get more income in retirement?***
- ***When can I afford to retire?***

As a firm we specialize in working with pre-retirees requiring assistance with transitioning into retirement, as well as those already in retirement who are looking to improve upon their existing plans. I hope to have the opportunity to show you how you can benefit from our experience and strategies for a happy, healthy and prosperous retirement.

Please call my assistant Kathy to schedule your **Strategy Assessment** today. Kathy can be reached at **610-552-6102**. If you prefer you can e-mail her at kwielgus@scharfgroup.com with some times that would be convenient for you.

I look forward to speaking with you soon.

Regards,

Glenn P. Scharf
CEO
Scharf Group, LLC



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Do **YOU** value great service and want a professional relationship with an advisor that will stand by you? Let our team provide the solutions for **YOUR** financial situation.

Who **YOU** Are

Our clients' are open minded, intelligent, responsible and successful individuals with important plans for their future. They value service, advice and professional relationships.

Our clients' enjoy peace of mind and live life in accordance with their values, not their fears. They benefit from the clarity that we provide, and gain the confidence to look positively toward their financial future with the freedom to focus on what they enjoy most.

Who **WE** Are

Scharf Group, LLC is an independent financial services company providing customized financial solutions and wealth management to an exclusive group of clients since 1995. We specialize in assisting individuals who are in, or are approaching retirement, as well as those who are in need of comprehensive family wealth management.

To help achieve valuable results for our clients, we are innovative and creative in our planning and investment process, challenging the conventional methodologies used by many advisors and planners. Our clients benefit from our unique team approach which allows our individual team members to focus on the areas where they have the most skill and passion, while working together to provide superior service and support. As a team we are invested in the financial future of each of our clients and are committed to helping our clients lead the lives that they envision.

Our goal is to provide the peace of mind to live life in accordance with your values, not your fears...

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We believe in being an advocate for our client's goals and dreams.



Benefit from the clarity we provide and you could gain the confidence to feel secure about your financial freedom in the future.



We Believe that...

TRUST is the cornerstone of a successful relationship.

- We do what we say we are going to do, and strive to go beyond what is expected.
- Educating our clients is not an option, it is an obligation.



WEALTH is the ability to fully enjoy life and true wealth is about our life's experiences, contribution and values.

- To get what you want from life; you first have to know what you want from life.
- Your life and your finances are inter-related; therefore, the only way to achieve meaningful solutions is to look at the big picture.



GROWTH should come with a safety net to preserve your hard-earned money.

- Managing risk is as important as managing returns.
- Procrastination is the greatest enemy of financial independence.