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SPRING 2015

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WHAT'S NEW

Change is Good!

*Client Advisory Board Helps
OneSource Stay One Step Ahead*

You may have heard about OneSource Retirement Advisors' Client Advisory Board, and some of you may have even participated. Many more of you certainly have seen the recent changes to our brand, our services, and even our operations. In fact, changes are still underway. I'd like to explain how the Client Advisory Board and these changes go hand-in-hand.

First, this advisory board comprises a representative group of our clients. We first brought them together in the summer of 2014 and solicited their guidance on the direction of our practice. We brought in a professional advisory group "coach" who specializes in facilitating advisory boards exclusively for financial advisors in order to get the most value from this unique occasion.

Board Meeting

From that first meeting, we learned that our name (Ortner, O'Brien and Ortner) was a bit confusing, our array of services were not clear, and that our quarterly statement needed to be improved, among other things.

THE **ONESOURCE** TAX STRATEGY IS TAYLORED TO YOUR GOALS AND REVIEWED THROUGHOUT THE YEAR.

[LEARN MORE](#)



OneSourceRetirement.com. continues to improve. Look for better content to support all the services offered by OneSource.

I am pleased to say that we heard you and that we acted upon the advice. For the first time, we solicited help from a professional marketing team. In fact, that move led to the hiring of Kitty Pierce, who you will read about elsewhere in this newsletter. With some professional marketing counsel, we developed our new name, began working on new services in support of retirement transition, and undertook an effort to improve our documents and communications, including our reformatted quarterly report.

Further, we are not resting on our laurels. We held a second Client Advisory Board meeting earlier this year, and once again learned from the experience. Among other things, we need to focus

our marketing message, enhance our existing services, and add new programs that reinforce our unique position in the marketplace. Overall, we can do (and we will do) even more to support affluent customers that need a full range of retirement transition and retirement living wealth management services.

All in all, the Client Advisory Board has become a powerful way to strengthen our identity, deepen our client relationships, do more business, and receive great referrals. Thank you to all who have participated and stay tuned for new ideas as we continue to build our business and service you. 🙏

We're listening, let us know how we're doing, email kitty@onesourceretirement.com.

"They always say time changes things, but you actually have to change them yourself." –Andy Warhol, *The Philosophy of Andy Warhol*

ADVANCED PLANNING

Social Security Planning

William Schalleur shares the truths about Social Security.

Q: Bill, what is most common misunderstanding that you see people have about SS?

A: How extremely VALUABLE it is as benefit! More than one million dollars. That is what Social Security can be worth to a retiring couple today over their lifetime. For many people, SS is a huge part of their retirement income.

Q: What do you tell people to maximize their benefit?

A: Well the first thing is: many Americans take their SS early. And this is a big mistake; people just don't know how much this costs them. Now, for your educated clients, they may know their SS grows by 8%-9% each year they delay commencing their benefit.

Another consideration is planning for a married couple where one spouse has earned less money over a career. In my case, I had significantly more earnings history than my wife. Therefore, I found it quite important to maximize my "card" or my SS

benefit. Why? Because my "card" is going to be valuable to both of us in retirement, and it's also going to be valuable to my wife if I pre-decease her — as she steps into my "card" at my demise.

So it depends on the marriage, life expectancy and earnings history situation.

Q: So it depends?

A: Yes, it always depends. Let me give you another example. Say you have a younger spouse wife, aged 62, and an older husband, aged 66. He has reached full retirement age 66 and does what we call a "file and suspend". She begins collecting her half of his benefit when she reaches age 62. He suspends his benefit and plans to wait to age 70 to allow his SS benefit (his "card") to continue to grow. She is happily collecting a SS check at her early age 62 which is her spousal benefit on "his card". Sounds good right? But wait. She has permanently elected a low benefit by taking her SS early at age 62. Had she waited until she was 66, she would have received

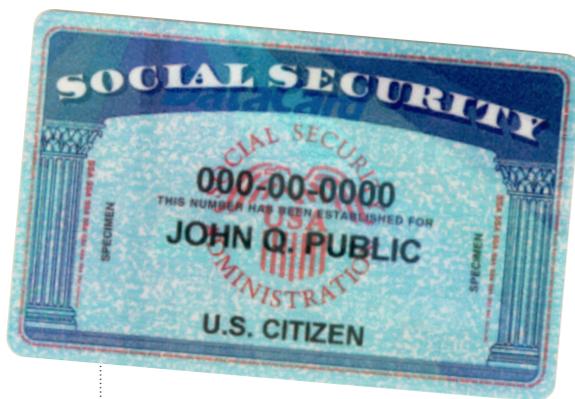
33% more money; and by waiting to her age 70 more like 70% more money. Sure, it's nice for her to have a monthly allowance and spending money early, but maybe using some savings or investments might make more sense. These are things we have to look at.

In addition, the amounts you receive from Social Security are also inflation protected and that makes Social Security one of your most important sources of retirement income. You and your spouse have paid into Social Security's trust fund throughout your working years. So, it's your money, and you should treat it as you would any other savings. You can do this by becoming knowledgeable about your benefits and making all decisions carefully.

Q: Bill, as a CPA, you work with other advisors. What do you hear them talking about with regard to Social Security?

A: Unfortunately not enough. I believe our industry needs to do much more when it comes to analyzing the how much SS means to a client's retirement portfolio and lifetime income. 🙏

William Schalleur, MBA, CPA is a renowned speaker, author and expert on the subject of Social Security. He is Partner Emeritus at GMS Surgent CPA's & Advisors - Gallagher, McDevitt, Schalleur & Surgent, LLC located in Devon, PA.



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INVESTMENT STRATEGY

A Fire Drill for Your Portfolio

When to rebalance your portfolio

The current bull market is now entering its fifth year and is the fourth longest in history (65 months currently). Although we don't like to dwell on the possibilities of future stock market declines, we do want to be prepared for the eventuality. We think it makes sense to run a practice fire drill for your investment assets so you can be prepared by understanding the loss potential.

For almost everyone reading this article, the amount of volatility your portfolio will incur is dependent on your asset allocation. Your asset allocation - how much of your money is invested in stocks vs. fixed income - is going to tell us how your portfolio will weather a storm.

Let's take a look at the historical performance of and volatility of various portfolios of our OneSource Model Portfolios. Most of you hold some form of a balanced portfolios, and we show three different asset allocations (see chart below).

After determining your asset allocation, we then ask: "How would you respond to another market correction like we experienced in 2008?" You will recall that 2008 brought together a unique set of hurricane force winds, but we want to be prepared nonetheless should we be struck again. For



this practice fire drill, we will consider a loss in absolute dollar terms. For example, if you have \$1 MM invested overall, this means a 15% loss would result in a depletion of \$150k.

Perhaps more important than the emotional weight that drags on during periods of market correction is HOW will we handle the challenge of providing retirement income? Mission critical to a successful fire drill is a plan which provides emergency financial reserves.

As important as stocks are to your long term growth; fixed income is our critical tool for dealing with short- to medium-term spending needs. Our model at OneSource Retirement Advisors employs a combination of bonds, TIAA-CREF or John Hancock accounts. These funds are available to be tapped in the event of a stock market selloff and period of correction in the economy.

Nobody knows when the next bear market will appear. But, we know preparation is the key to performance. The biggest mistakes investors make, aside from not having enough reserves or fixed income, is trying to predict the market and tinkering with their portfolios. 🌊

PORTFOLIO ALLOCATION

Largest Loss in a Year (2008-2009)

ALLOCATION	ASSET LOSS
100% Stock	-43%
60% Stock	-32%
40% Stock OSRA Model Portfolio	-18%



Q: I have read articles suggesting the rise in the U.S dollar is bad news; you would think a stronger dollar would be good for America?

A: A rising dollar definitely makes for cheaper vacations; because your dollar will buy more in Canada or Europe. However, the opposite is true for a big global company like Coca-Cola since it must convert its overseas sales and profits back into the U.S. dollar. The favorable exchange rate actually hurts its profits. A rising dollar typically goes along with lower commodity prices, and we are seeing lower prices for oil, copper, and corn. So, to your point, this is a benefit for Americans. Keep in mind, the stock market is a fairly accurate voting machine, and stock prices will continually reflect the data we discussed and much more.

Q: Which investment surprises do you see this year?

A: The most interesting occurrence so far has been the rise in foreign stocks. Through the first quarter, we see foreign stocks +5.5% while U.S. stocks earned just +1%. The European Central Bank president, Mario Draghi, announced a quantitative easing program to revitalize the euro zone by buying one trillion euro assets (bonds). This will add a tremendous amount of liquidity to the European markets, and foreign stock prices are now on the rise.

The other surprise so far has been the strength in bond prices. The Fed is keeping interest rates low for now. 🌊

ONESOURCE

What's New?

Kitty Pierce joins OneSource.



Kitty Pierce is OneSource Retirement Advisors' most recent associate. She begins her career with us as a Junior Advisor, assisting with the planning and follow-up of client meetings. She is enrolled in the CFP program, and has quickly become a productive team member!

Before joining us, Kitty operated her own marketing business, served as marketing vice president for PatientPoint, and was the art director for several trade magazines. In all of these roles, she brought creativity, an aptitude for management, a dedication to customer service, and a winning personality.

Although Kitty is a new employee, she is hardly new to our firm. Soon after we opened our doors, Kitty was instrumental in developing the Ortner, O'Brien and Ortner brand, graphics and marketing materials. She did the same last year when we introduced OneSource Retirement Advisors to the world. Her work on the new logo, marketing materials and website helped her gain terrific insight into our industry, our company, our team, and our customers.

The combination of great personality, talent, organizational skills, and OneSource knowledge makes her a natural addition to the team! Welcome, Kitty! 🍷

Thank You for the Referrals!

Thank you to our clients for referring your family and friends! Having your endorsement is a powerful statement about OneSource business. We wish to continue to serve our clients well and sincerely appreciate the trust and confidence you have placed in our team and services.



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LIFESTYLE CORNER

Retirement Mastery™

How summer can change your kids' future.

Do you have a college student in your family? You may want to try to help them network to land a summer internship, rather than spending time together at the beach.



New research shows a summer internship may be more important to job prospects than what your kid does in the classroom. Economics researchers Nunley, Pugh, Romero & Seals sent 9,400 fictitious resumes to 2,000 online job openings. What mattered significantly if a college graduate was invited back for an interview? The summer internship. An English major with a poor GPA who had a summer internship at a bank, was more likely to get a job interview than an outstanding finance major at big name school with no banking internship.

Facebook, LinkedIn and your network of friends can all uncover leads to an internship. Let us know if we can be helpful in talking with your college student. 🍷



MEET THE ONESOURCE TEAM

Seated left to right, front: Frank Ortner, III, CPA, PFS, Vice President; Frank Ortner, Jr., JD, Chairman; Seated left to right, middle: Heidi Milowicki, Legal Assistant; Roseanne Teti, Tax & Planning Specialist; Amanda Holden, New Business Specialist; Eileen Paci, Client Relationship Specialist. Standing left to right: Bill Helstowski, Relationship Manager; John O'Brien, CFP®, President; Kitty Pierce, Jr Financial Planner & Marketing