
JANUARY 2016



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REPEALING MATH

The other day I was talking to a man who spent most of the conversation bragging about his ‘ability to time the market’, and how he didn’t need advice from anyone.’ The man went on and on about how he maintains his spreadsheets, checks the market daily, even hourly, and how that had yielded his ‘large portfolio’.

I listened for a while and then asked him how he planned to have this ‘stash’ pay him for the rest of his life. He replied: ‘I plan to take the earnings every quarter and put them in my checkbook’

My follow-up question was this: ‘what happens if the market falls from 18,000 to say 15,000 or lower?’ His response was this: ‘well I survived the crashes of 2001 and 2008. I’ll be fine in this one if it ever happens.’

I asked: ‘What happens to your income if there is a protracted correction?’ He replied: ‘My plan is foolproof! Why pay fees to an advisor or tie my money up when the market always comes back! I can’t spend what I have now!’

I asked: ‘No matter how long you live and in all conditions?’ He replied: ‘Yes.’

The man was a genius! He had just repealed Math.

Some said it could ‘never happen again’. A stockbroker will say that ‘everything people lost in 1987 came back inside of 18 months.’. The difference today is that we have 6 times the debt, a decade of low to no economic growth, budget deficits in excess of \$500 BILLION a year, and weak pretentious leadership . My belief is this: there are great headwinds to the market as a safe place to guarantee your retirement income.

SIMPLE WAYS TO MAKE YOUR GOALS WORK FOR YOU! By Chris Widener

Goals. Most people have a love-hate relationship with goals. They love them because they are such a great idea and a wonderful way to motivate us to achieve, as well as evaluate our progress, but hate them because for many, they more often than not go unattained and simply frustrate them. This isn't what goals should do! So here are some simple ways to set goals so that we achieve them! After all, what good is a goal if it isn't something you achieve?

Narrow your focus. That's right, start small. Pick two or three areas tops, that you want to work on. Most of what you do throughout your day can be done without a lot of mental or emotional exertion, but change isn't one of them. So focus down to a couple. This way you can get some victory in these areas. Here are some areas to think about: Physical, Intellectual, Emotional, Spiritual, Financial, and Relational. What areas need some work? Now, what one thing should be the first item on the change list? The others will come later, but for now, you should focus on two or three total.

Keep the long-term in mind, but set your sights on achieving your goals in the short-term.

Do you want to lose 75 pounds? Good. Long-term you will. But for now, think short-term. Don't think about losing 75 pound by the summer. Think about losing 5 pounds by a month from now. This does two things. This is better in terms of reaching your goal. Secondly, as you reach these shorter goals, it gives you regular victories instead of regular progress. Progress feels good, but achieving a goal is awesome! Reward yourself when you achieve the goal. Then get back to your goal for the next month.

That's it. I truly believe it can be that simple for you

UPCOMING EVENTS:

1. January 26th and 28st, Retirement Planning Seminar, Chart House, Lakeville, 5PM
2. February 9th and 11th, Retirement Planning Seminar, Boca's, St. Paul, 5pm
3. February 23rd and 25th, Retirement Planning Seminar, Axels' Bonfire, Savage, 5pm.
4. March 10th, and 15th, Retirement Planning Seminar, Redstone Restaurant, Eden Prairie, 5pm.
5. March 30th, 31st, Retirement Planning Seminar, Lakeside Supper Club, Montgomery, 5pm

TOOLS FOR THOUGHT.

I am not a person who makes New Years' resolutions. I'm the kind of person who draws a line in the sand, and in the words of 'Captain Picard' of Star Trek fame, I'll put my foot down and say "This Far, No farther!"

My 'This Far, No further!' resolution is this I am not going to let prospects lose their future retirement dreams to the Stock Market. In the past I have heard every excuse:

"I gotta think about it."

"My broker has it covered."

"I've lost so much I can't make a change now."

"Call me in six months when I'm ready."

Now we seem to be on the cusp of a series of corrections that may alter the way many people are able to retire. I refuse to let my clients and people I meet lose their chance at guaranteed lifetime income.

I know change is hard. To refocus from market gains to protection, guarantees, and a good night's sleep is hard. As human beings we often don't have the courage to change. It takes intestinal fortitude, vision, and faith.

Some people have it, some don't. Those who don't will fail. Those who do, will have a happy and successful retirement.

"This Far, (no more losses) No farther!"

Naming an IRA Beneficiary

When you open an IRA account, you are asked to name a beneficiary or beneficiaries to receive the value of the IRA at your death. You can also change beneficiaries during your lifetime. There are generally three classes of beneficiaries:

v Primary Beneficiaries: A primary beneficiary is your first choice of who you want to receive the IRA value at your death.

v Secondary Beneficiaries: A secondary beneficiary receives the IRA value if your primary beneficiary does not survive you.

v Final Beneficiaries: A final beneficiary receives the IRA value if none of your primary or secondary beneficiaries survive you.

If you do not have a named beneficiary who survives you, your estate becomes the beneficiary, which may produce less advantageous tax and distribution outcomes.

If you're married, you can name your spouse as your IRA beneficiary.

Alternatively, you can name multiple beneficiaries. If, for example, you have three children, you could name them as the three primary beneficiaries, specifying the percentage of the IRA each will receive.

Or, you could name your spouse as the primary beneficiary and your children as the secondary beneficiaries. Keep in mind that a spouse who is the sole beneficiary of an IRA has the option of treating the Inherited IRA as his/her own, meaning that the assets in the Inherited IRA need not be distributed prior to the surviving spouse attaining age 70-1/2.

Keep in mind that beneficiary designations drive where the IRA benefits go. At 'Scheiber & Associates' we provide guidance on this as well as estate planning tools regarding 'Multigenerational IRAs'. This is critical when considering your options and planning regarding your estate.

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