

TIME TO SAVE WITH CHRIS & DAVE

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Chris G. Volk, CFP



David J. Lutz Jr.

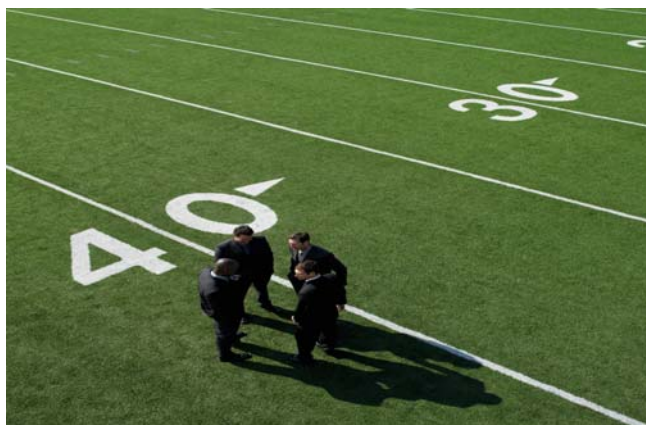
Inside this issue:

THE IMPORTANCE OF PLANNING	1-3
WEBSITE OF THE QUARTER	3
COMPANY & SERVICES LIST	4-5
PRODUCT UPDATE	6
FINAL WORDS	6

“I’m a month behind getting ready for the 2009 season.”

-Coach Mike Tomlin the day after the Pittsburgh Steelers won Super Bowl XVIII

Much to Coach Tomlin’s chagrin, the 2009-2010 NFL football season will begin in a few weeks with the start of training camp. As huge football fans, Chris and I can’t wait to see the Steeler Nation electrified yet again as they vie for another Super Bowl trophy. As evidenced by Coach Tomlin’s quote above, his thoughts turned to preparing for the current season way before ours and immediately after the last game ended. As a veteran coach, he knows the amount of thought and detail that goes into preparing for each practice, conditioning exercise, classroom instruction, and game. For, although thirty two teams have an equal chance of winning the big game each year; the team that prepares and plans the best is usually the one to finish on top.



The importance of planning in football was no more evident than in last year’s Super Bowl when the Arizona Cardinals scored with less than two and a half minutes to go in the game. The Steelers offense, which had prepared and experienced similar situations throughout the season, did not panic or worry. This allowed Ben Roethlisberger to lead a dramatic 8 play, 78 yard, game winning drive that culminated in an amazing toe-dragging touchdown catch by Santonio Holmes that Steeler fans will remember for a very long time.

As investors, I think we can all learn a valuable lesson from how the Pittsburgh Steelers dealt with a challenging moment. As you know, the economy went into full crisis mode last September when major financial institutions like AIG, Lehman Brothers, Fannie Mae, Merrill Lynch, and Washington Mutual quickly realized they had taken on too much high risk mortgage debt and needed bailed out. Over the next few months, uncertainty and fear spread like a wildfire and there was even mention of another Great Depression. Every night there were stories on the news about a new government program, more job layoffs, and home foreclosures which only lead to increased fear and anxiety. A lot of the fear in the hearts and minds of many Americans was born by the media which sensationalized every negative story to make it look like we had never experienced a period like this ever before. As financial advisors, we call this negative news “noise” because all it does is distract you from your long term personal goals and

...continued on page 2

...continued from page 1

take your energies away from the things you have control over. As of June of 2009, the economy is beginning its drive to recover just like the Steelers did in the closing moments of Super Bowl XVIII.

If we learned one thing from the crisis last year it was that there are two distinct sets of investors. On one hand were the worriers. These investors weren't calm and focused like the Steelers, but tended to panic and made decisions regarding their portfolios based purely on emotion and not on company fundamentals or market history. On the other hand, were the rational, calm, experienced investors who remained invested or added to their investments because they understood that stock market declines do happen from time to time, but in every instance it eventually rebounded leading to new prosperity. The main difference between those that panicked and those that did not was the degree of preparation each investor had in dealing with stressful market conditions. Or, another way to put it is, those that understood the basics of investing and had a clear, concise game plan in place were better prepared when the market went down than those that did not.

While training camp may be the best way to plan for a new football season, determining what to do in life and investing is best laid out in advance by having a financial advisor and a comprehensive financial plan. A financial plan is basically a snapshot of where you stand financially today and whether or not the actions you are currently undertaking will get you to where you want to be in the future. This is done through a very thorough, six step process. This quarter, I would like to take a moment of your time to describe the steps in the financial planning process in more detail.

Step 1 - Carefully Choose a Financial Planner - Being that you are going to share your life's dreams and possibly savings with someone requires an enormous amount of trust. The first meeting should be an introductory discussion



where you find out as much as possible about the advisor and he or she asks a lot of questions about you and your situation. Some typical questions an advisor may ask are, what are you looking to accomplish and what are your expectations in this relationship? Some questions that you may want to ask are: What are the fees for the service I am looking for? How often will I receive communication from you? Have there ever been any prior complaints by other investors? Could you provide several references? If the advisor stumbles or is uncomfortable with your line of questioning, this should give you a good idea that this person is not prepared to provide you with the level of trust or service that a life long relationship requires and is just looking to make a fast buck by selling you something.

Step 2 – Gather Information - After choosing a planner, the second step would be to provide him or her with as much information as possible. Some documents that he or she will ask for are your current income and expenses, your assets and debts, and your short and long term goals. In addition a good advisor should be qualified to review your insurance policies, tax returns, and legal documents as well. The recommendations that are ultimately made depend greatly on the input provided and the more concise the information and your goals are; the better the recommendations should be.

Step 3 – Analyze the Data - At this point, the advisor will analyze the data you provided in Step 2 to determine if your current and future goals and needs are adequately being met. This is usually done by entering the data into a financial planning software program and projecting your current figures into the future based upon certain assumptions like inflation. The advisor may also require clarification on certain information you provided or ask for additional items.

...continued on page 3

Step 4 – Review Recommendations – At this stage, the advisor will meet with you again to review the plan and, if he or she feels certain changes need to be made, will not only present them to you clearly; but explain why the particular recommendation is being made.

Step 5 – Implement Plan - At this point a healthy discussion should ensue between you and the advisor. It is quite possible that you won't agree with all of the recommendations made. That is perfectly fine because this is your plan and you should have a stake in the decision process too. While you should not feel pressured into making the recommended changes if you are uncomfortable with them, it should be clear after this step what actions will and will not be undertaken.

Step 6 – Periodic Review – The five steps described above is not one that you go through only once. This is an ongoing service because, as everyone knows, life changes, and you want to try to plan for those changes as best as possible. Some of the major life events that would require a reevaluation of your plan would be the birth or adoption of a child, a marriage or divorce, a new residence or change in existing living arrangement, the death of a loved one, gaining an inheritance, getting a promotion, losing your job, or getting closer to retirement. It is very important that you reach out to your advisor either before or after one of these life events occurs.

In conclusion, the goal of creating a financial plan is to try and coordinate every aspect of your financial life into a clear plan for the future, so that no matter what the future or stock market has in store, you are prepared knowing the direction you are going and what needs to be done to get there. The end result is your life is more organized, you feel more in control knowing that you have an advisor helping you along the way, and you have less stress which allows you to focus your attention on the finer, more enjoyable things in life.

Over the past eight months, Chris and I have been meeting with many people to update numbers to see how the current economic conditions may have affected their plan. If you would like to get together to revisit your plan or start your very first one, please don't hesitate to give us a call at (412) 539-0055 to set up a meeting. We would be more than happy to get together with you to learn more about your situation and to see if we can be of any help in getting your life going in the direction you want it to go.

The goal of creating a financial plan is to try and coordinate every aspect of your financial life into a clear plan for the future.

Website of the Quarter



For those of you looking to buy your first home or make energy efficient home improvements this year, the Federal Government is giving tax credits that can be applied towards your 2009 tax return. You can view all these tax breaks by going to www.energystar.gov/taxcredits or www.irs.gov.

Some of the tax credits include installing new windows, insulation, HVAC, water heaters, and metal and asphalt roofs. For those of you looking to buy your first home, qualifying taxpayers who buy a home after December 31, 2008, and before December 1, 2009, can claim a first-time homebuyer credit of 10% of the home's purchase price, up to \$8,000 (\$4,000 for married filing separately). Likewise, you would not have to repay the credit, provided the home remains their main residence for 36 months after the purchase date.

Please don't hesitate to use the companies and individuals listed on the next two pages to assist in these needs and, as always, please talk to your accountant first to make sure that you qualify for the credit.

COMPANY AND SERVICES LIST

In response to clients who have told us horror stories of people or companies that ended up doing poor work, Chris and I publish a list of companies and services that we know or have personally used that provide good, quality service. With apologies to those who don't live near Pittsburgh, we wanted to publish the list yet again just in case you were looking for someone to service your needs over the next year. If we have omitted anyone and you would like to be added to our list, please don't hesitate to call.

For those of you who regularly meet with us, we would hope you see the value in the services we provide and kindly ask that you keep us in mind if you know of any relatives, friends, neighbors, or co-workers who would benefit from meeting us. Likewise, if you know of someone who may be interested in receiving our quarterly newsletter, please don't hesitate to furnish their contact information.

Accountant	Kramer, Thompson, & Associates	(412) 928-3838
Attorney At Law	DeMarco & Negle LLP, Kiersten Lane	(412) 391-6533
Attorney At Law – Real Estate Representation	Scott Andrew Bell	(412) 341-2008
Automotive Tire and Service (locations in Pleasant Hills, Crafton, Moon, and Kennedy Townships)	Ryan Automotive – John Kokladas	(412) 582-1086
Bed and Breakfast	Grammy Rose's B&B, Rose Lewis	(724) 228-1508
Cleaning Service – Residential or Commercial	Judith Lutz	(412) 885-2008
Concrete Work	TDJ Masonry, Dale McCorkle	(412) 216-4546
Corporate Computer Training	McCarthy Training and Consulting, Mary Pat McCarthy	(412) 921-4240
Dental Laboratory	Lauterbach Dental Lab, Joe Lauterbach	(412) 881-1050
Dry Cleaning	Village Cleaners, Matthew Lutz	(412) 882-3238
Electrician	RAM Electric, Ed Cain or Henry Zang	(412) 486-5800
Embroidery	Fran Haselhoff	(412) 872-4122
Estate Planning Lawyer	Thomas G. Michalek	(412) 922-3331
Golf Instructor	Pine Creek Golf, Jim Villani	(412) 492-9990
Heating & Air Conditioning	Congalton Heating & Air Conditioning, Carolyn or Scott Congalton	(724) 265-3358

...continued on page 5

Hotel Furniture Equipment and Fixture Sales	Three Rivers Purchasing, Mark Shoemaker	(412) 213-2521
Insurance – Auto or Homeowners	Eber & Associates, Stephen Gardiner	(412) 653-0600
	Liberty Mutual, Angelo DiNardo	(866)-871-2671
Insurance – Property and Casualty	Liberty Insurance Agency – Tony Latronica	(412) 571-5700 x237
Landscaping and Firewood Sales, including shrub trimming, mulching, garden installation, downed-tree cleanup, and roto-tilling	Weaver’s Landscaping, Steve Weaver (specializing in Northern Allegheny, Butler, and Southern Mercer counties)	(724) 421-5914
Lumber, Specialty	Specialty Millwork and Hardwood Lumber, Buck Sarver	724-625-2224
Massage Therapist	Holistic Approach 4 Life, Kelly Haywiser	(412) 375-7835
Painter	RJB Painting, David Barone	(412) 901-2520
Commercial Phone System Installation	Ander Communications, Rebecca Anderson	(877) 443-3191
Photography	Photographic Trends, Michael Good	(412) 563-2112
Pool Table Services	Anderson Billiards, Jeff Anderson	(724) 222-6109
Real Estate Agent	Northwood Realty, Cheryl Volchko	(412) 915-0931
	Howard Hanna, Mario Rudolph	(412) 882-9100
Real Estate Appraiser	Albert Kreuzer	(412) 443-5682
Real Estate Financing (residential and commercial)	Cornerstone Funding Services, Craig Grella	(800) 928-0845
Refinishing Wood Floors	Waldo’s Woodworks, Ron Waldo	(412) 884-7020
Residential Window Installation	Eastern Windows, Mary Kramer	(724) 864-2111
Refuse Hauling/Environmental Consulting	Salandros Refuse, Russ Salandro	(724) 668-2020
Restaurant	Getaway Café, Lou or Nancy Manolios	(412) 343-1333
Seamstress	Linda Volk	(412) 462-4894
Swimming Pool/Hot Tub Sales and Installation	Del Suppo Inc., Del “Buster” Suppo	(724) 379-5066
Tanning Salon	Deep Dark Secrets Tanning, Carol Ritz	(412) 563-7400
Veterinarian	Gardens Veterinary Hospital	(724) 779-3630
	Green Valley Veterinary Hospital	(724) 452-6151
	Bakerstown Animal Hospital	(724) 443-8200
	Northview Animal Hospital	(412) 364-5353
Women’s Alternative Exercise Classes	Oh My You’re Gorgeous, Stephanie Babines	(724) 612-7724

Product Update

As you work to save for retirement, it is important to have a retirement income strategy to help ensure that your assets last as long as your retirement. Consider a variable annuity from Ameritas Life Insurance Corp., or The Union Central Life Insurance Company with an optional guaranteed lifetime withdrawal benefit rider* to help reach your goals.

A variable annuity can be an integral part of your long-term retirement strategy, providing direction to help you overcome unnecessary risks and important optional benefits to help protect your financial future. Variable Annuities provide a tax-deferral benefit that can work well with your goal of investing for long-term retirement. Variable annuities offer professionally managed investment options, guaranteed death benefits and payment options to meet your needs, but you should always read the prospectus before investing in variable annuities to make sure you understand the risks and charges involved.

For an additional charge, an optional guaranteed lifetime withdrawal rider can help protect your retirement assets from market downturns and potentially eliminate the risk of outliving your income. You can feel comfortable knowing that you have the potential to receive guaranteed income for life without giving up control of your retirement assets. You retain control and have access to your money when you need it. With our variable annuity and the optional Guaranteed Lifetime Withdrawal Benefit (GLWB) rider, you can choose if you want to focus on tax-deferred accumulation, guaranteed accumulation for retirement income or guaranteed withdrawals.

Whether you have many years left in the workforce, have just started to plan for retirement, or have already entered your retirement years, a variable annuity with guaranteed lifetime withdrawals may be the answer for you.

** Guarantees are based on the claims-paying ability of the issuing company. Withdrawals before age 59 1/2 may result in federal tax penalties. Variable annuities are issued by Ameritas Life Insurance Corp. and the Union Central Life Insurance Company and underwritten by affiliate Ameritas Investment Corp. Variable annuities are suitable for long-term investing and are subject to investment risk including loss of principal. Before investing, carefully consider the investment objectives, risks, charges, and expenses, and other important information about the policy issuer and underlying investment options. This information can be found in the policy and investment option prospectuses. Please read the prospectuses carefully before investing.*

** A Final Word From Dave **

I truly hope that all of you enjoy the rest of your summer. In closing, I just wanted to mention that I will be in the July issue of the Pittsburgh Magazine as I was recently named a 2009 Five Star Best in Client Satisfaction Wealth Manager. I am very honored and humbled by this recognition as it was only given to the top 7% of all advisors in the Pittsburgh region and was voted on by you, the client. For those of you who know me, customer service will always be one of my top priorities because I know that is how I would want to be treated if I was a client. In addition, our mission at The Advisors Group of Pittsburgh is to be your most trusted advisor. I believe this recent award validates that we are earning your trust and meeting your expectations so please mention it when you hear of someone in need of our services. In the meantime, we promise to continue to work as best as we possibly can for you over the days, months, and years ahead and never forget that it is you who we work for. In next quarter's issue we are going to talk about the importance of estate planning. Stay tuned...



David J. Lutz Jr.
The Advisors Group of Pittsburgh
790 Holiday Drive, Foster Plaza 11
Pittsburgh, PA 15220
412-539-0055 x235
fax 412-539-0056
lutz@advisorsgroup-pgh.com

Chris G. Volk
The Advisors Group of Pittsburgh
790 Holiday Drive, Foster Plaza 11
Pittsburgh, PA 15220
412-539-0055 x230
Fax 412-539-0056
volk@advisorsgroup-pgh.com

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