



Oxford Harriman & Company

Your Life, Our Guidance

How Financial Advisors Can Deliver Value
In Multiple Ways





When your “check engine” light flashes, you’ll go to the mechanic.

If your tooth aches, you’ll visit the dentist.

But you might hesitate—even outright refuse—to see a financial advisor... even though we all need money for just about everything.

Believe it or not, we get it.

Maybe you don’t want to share your financial secrets with a stranger.

Maybe you’re afraid of being judged about your current investment plan.

Or you might enjoy being a DIY-er when it comes to managing your wealth.

But unlike the mechanic or dentist who focuses in one area, meeting with a financial advisor can help improve **your life fiscally, mentally and emotionally.**

We have the data to help illuminate our thinking. By the time you finish reading, we hope you’ll be more receptive to scheduling a consultation with a professional you can trust.

Tim Adams, CIMA®
Owner, President
The Princeton Group

HOW FINANCIAL ADVISORS DELIVER VALUE:

You Have A Professional Working For You

“Everyone is a genius in a bull market.”

- Mark Cuban



Not long ago, it seemed like all you had to do was close your eyes, pick a stock, and watch its price go up.

Just last year, the S&P500 hit record-high after record-high. 70 to be exact, the most since 1995.¹

But for every euphoric melt up, there can be a hard-hitting downturn.

It's during those times you might wish you had a financial advisor.

Why?

We believe there are many reasons, most of which stem from advising clients day in and out.

Here are a few:



Asset Allocation –

Advisors can help identify potentially promising markets or sectors that align with your risk tolerance



Structuring Withdrawals –

Advisors are proficient with distributing your assets in some of the most tax-advantageous ways, so you're able to keep more of your principal (more on this later)



Rebalancing –

Advisors usually have more experience knowing when and by what amount to divert funds from one investment to another



Expense Ratio Efficiency –

Advisors look for investments to achieve your investment objectives with the lowest expense ratios possible. Those lower expenses might positively affect your net worth.

THE PRINCETON PERSPECTIVE: Your investments deserve thoughtful planning and follow-through. Working with a financial advisor means you have someone who puts industry knowledge and expertise you might lack to work on your behalf.

HOW FINANCIAL ADVISORS DELIVER VALUE:

You Might Feel More Confident

“Wealth is the ability to fully experience life.”

- Henry David Thoreau



People worry about money matters more than anything else.

A 2023 World Economic Forum survey³ indicates two of the top three crises facing the world are related to money or finances. Further, an energy supply crisis would lead to rising associated prices.

TOP GLOBAL RISKS FOR 2023

1. ENERGY SUPPLY CRISIS

2. COST-OF-LIVING CRISIS

3. RISING INFLATION

Source: World Economic Forum Global Risks Perception Survey 2022-2023

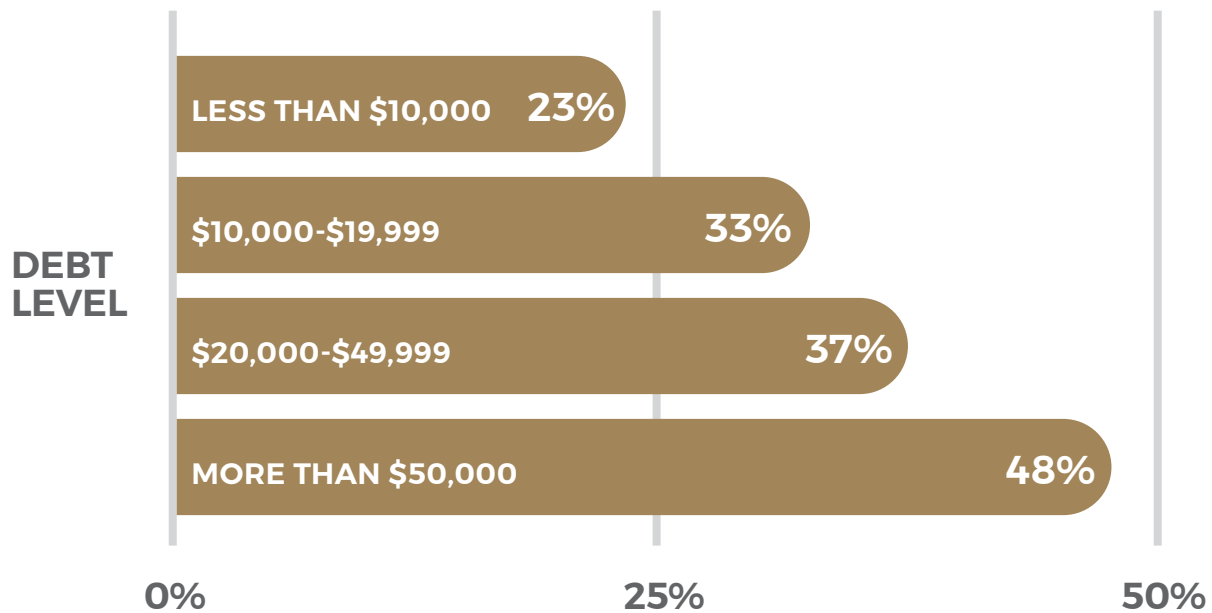
Even high earners share these concerns.

According to a Bankrate survey,⁴ 30% of those with salaries more than \$100,000 view money as a negative factor in their mental health.



And those money-induced concerns can spill over into personal relationships. Even couples with relatively small amounts of debt⁶ cite money as being their main source of arguing.

AMERICANS WHO SAY MONEY IS A TOP ISSUE THEY FIGHT ABOUT WITH THEIR SPOUSE



2017 STATE OF FINANCES IN THE AMERICAN HOUSEHOLD SURVEY
CONDUCTED BY RAMSEY SOLUTIONS



THE PRINCETON PERSPECTIVE: You can't buy happiness, but having a go-to source to discuss complex financial matters can prove invaluable from a mental or emotional standpoint.

And we believe that kind of benefit is practically priceless.

HOW FINANCIAL ADVISORS DELIVER VALUE:

You'll Gain A Teacher

“Today the greatest single source of wealth is between your ears.”

- Brian Tracy



There is a profound difference between a retirement plan and a retirement **PLAN**.

The former is *where* you put your retirement savings. The latter is *how* your hard-earned money needs to work: Outlined, ordered, written down and followed to the last detail. So, why do so many investors have a plan without a **PLAN**?

Maybe because they don't know how to make one or might be hesitant from making a previous mistake. And that's where a financial advisor can teach you.

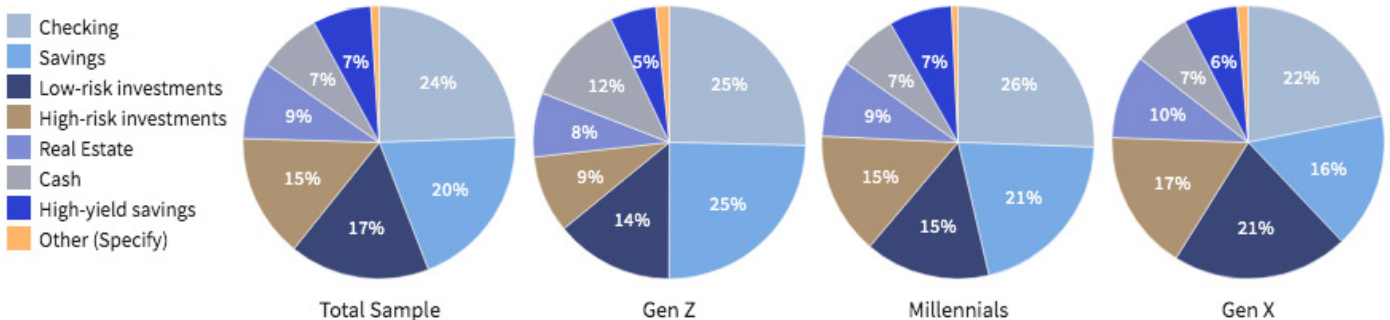
Data shows that people who feel confident in their financial literacy are **3X more likely** to take control of their financial well-being.⁶

At the same time, **only 37%** feel knowledgeable about finances.

This lack of education can lead investors—even Millennials and Gen X-ers— to be too cautious with their investment strategy. And that can reduce lifetime earnings by a substantial amount.

Where Do Gen Z, Millennials & Gen X Allocate Their Money?

Affluent millennials are more likely to allocate their income to a low-yield savings account than GenX, but less likely to own high-risk investments.



Investopedia. (2022, September 27). Investopedia Affluent Millennials Study. <https://www.investopedia.com/the-investopedia-affluent-millennials-study-4769751>

Working with a financial advisor can help improve your financial literacy.

- Your overall financial picture
- Investment terms and their meaning
- How your investment strategy could improve
- A fuller understanding of your true risk tolerance

More importantly, you'll hopefully feel more poised mastering the financial decisions you make.

THE PRINCETON PERSPECTIVE: Your financial advisor can teach you new things: About yourself, your priorities and your true purpose for the wealth you accumulate.

HOW FINANCIAL ADVISORS DELIVER VALUE:

You'll Have A Coach

“If you cannot control your emotions, you cannot control your money.”

- Warren Buffett



When it comes to wealth, you experience just about every emotion on the spectrum. Elation at getting a big pay bump. Sweat-inducing worry from a black swan economic event.

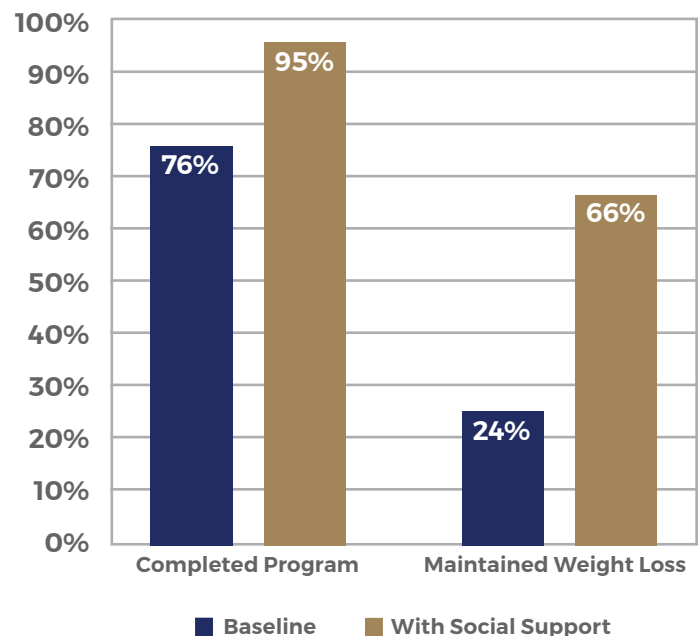
You might even be stuck in “The Boring Middle,” where your plan is going as it should, but your goal seems so far away.

To spice things up, you might be tempted to splurge on a luxury item that brings fleeting joy. Or your panic might make you sell assets that wouldn't be in your best interest.

In these cases, you need an accountability partner. Someone who provides the human-to-human connection that improves your behavioral outcomes.

Let's use weight loss as an example. Those who had social support were more likely to complete the program they enrolled in **and** maintain their new weight.

The Power of Human-To-Human Accountability: Weight Loss Outcomes With and Without Social Support



© Michael Kitces, www.kitces.com
Source: Wing and Jeffrey (1999)

Working with a financial advisor can be similar.

Sure, you *could* afford that boat, but how will that affect your retirement income? Yes, you *could* sell an asset that's in a corrective phase, but what would be the effects?

THE PRINCETON PERSPECTIVE: A financial advisor can be your informal psychologist who provides level-headed clarity when your emotions run hot or cold. **Make no mistake: You're the boss in this relationship.** However, don't be surprised if you're told some hard truths or get some cheers when you reach milestones to hold you accountable.

HOW FINANCIAL ADVISORS DELIVER VALUE:

They Can Help Take The Sting Out Of Tax Season

“A person doesn’t know how much he has to be thankful for until he has to pay taxes on it.” - Ann Landers



Most people circle April 15th on their calendar. But planning your taxes isn't a once-a-year event—at least it shouldn't be.

Efficient tax planning is an on-going effort, something you should revisit quarterly to improve your overall fiscal health. After all, you want to keep as much of what you earn as possible, right? A financial advisor can help you do exactly that.

How The Average Investor Might Approach Taxes



- Following tax-preparing software
- Itemizing deductions
- Claiming tax credits
- Writing off work expenses



Wells Fargo Advisors Financial Network is not a legal or tax advisor.

How We Approach Taxes

- **Sequencing investments** into tax-deferred, tax-exempt or taxable accounts. This is especially important for high-salaried earners.
- **Sequencing withdrawals** to enhance the longevity of a portfolio and/or give you greater lifetime income after taxes
- **Using tax-loss harvesting** as an advanced strategy to reduce taxes on capital gains or your taxable income
- **Taking advantage of Qualified Charitable Deductions (QCDs) or Donor Advised Funds (DAFs)** to reduce your adjustable gross income (AGI), which minimizes the taxes you owe

THE PRINCETON PERSPECTIVE: While not every financial advisor offers tax preparation, they can partner with your CPA to create tax-efficient strategies. And your financial advisor won't charge an hourly fee, unlike some accountants.

HOW FINANCIAL ADVISORS DELIVER VALUE:

You'll Aim To Make The Most Of Your Inheritance

"I don't want to leave my kids an inheritance, I want to leave them a legacy."

- Daymond John



Americans in retirement expect to leave a little more than \$177,000 to their heirs in the form of stocks, money and other assets.

Now, you probably don't want to think of *why* you might receive an inheritance, but at the same time you might not mind dreaming of *what* you'll do with yours.



Build up your savings



Pay down debt



Invest



Travel



Donate to a deeply-held cause

This type of windfall deserves to be treated with sincerity and respect. It could be the only time you receive so much at once—and you'll likely have questions that need to be answered by professionals.



What should you do if there is a will?

What should you do if there *isn't* a will?

How much will you have left after estate taxes are levied?

How will this affect your own taxes?

THE PRINCETON PERSPECTIVE: Whether you want to make the most of any inheritance you receive (or want to leave something sizable behind yourself), a financial advisor can help advise what makes most sense based on your goals.



How Much Do You Value Your Potential?

One zero-obligation conversation with a financial advisor can drastically improve your life.

Even if you're confident in your retirement plan. Even if you've never once felt a tinge of worry about your investments.

You owe it to yourself and your family to meet with a professional to see if your life could be even better than it is today.

We'd honor the opportunity to meet with you virtually or in-person when you call one of our locations.

Yardley, PA

267.392.5189

Philadelphia, PA

267.758.9944

Collegeville, PA

267.227.0935

Cherry Hill, NJ

856.452.7100

Margate, NJ

609.246.7601

Wilkes-Barre, PA

570.852.5500

Clarks Summit, PA

272.722.2092

Norcross, GA

678.585.6513

Arlington Heights, IL

866.870.8750

Bluffton, SC

854.429.0037

There's nothing more valuable than knowing you're doing everything to lead your most fulfilling life.

1. <https://www.cnbc.com/2021/12/28/stock-market-news-futures-open-to-close.html>
2. <https://www.financialverse.com/post/248-news-you-can-really-use>
3. <https://www.weforum.org/publications/global-risks-report-2023/in-full/1-global-risks-2023-today-s-crisis/>
4. <https://www.bankrate.com/personal-finance/financial-wellness-survey/>
5. <https://www.herbersandcompany.com/trending/the-value-of-a-financial-advisor>
6. <https://www.ramseysolutions.com/relationships/money-marriage-communication-research#:~:text=STUDY%20SUMMARY,are%20to%20argue%20about%20money,https://www.investopedia.com/the-investopedia-affluent-millennials-study-4769751>
7. <https://www.investopedia.com/the-investopedia-affluent-millennials-study-4769751>

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