



THE FINANCIAL PLANNING ASSOCIATION

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2013 FPA NorCal Speaker Spotlight

Value Proposition (Part 1): What Makes Employees Truly Valuable?

by Angie Herbers

In the coming months, we will feature articles from experts who will be speaking at the 2013 FPA NorCal Conference. We are excited to introduce Angie Herbers to the FPA NorCal community. Herbers is an expert in human capital and works with advisory firms across the country. In her two-part series, she will talk about four key principles to developing great employees. For the most current information about the 2013 FPA NorCal Conference, please visit www.FPANorCal.org.



Angie Herbers is a columnist for *Investment Advisor* magazine and President of Angie Herbers Inc. a human capital consulting firm.

Our P4 Program is based on the principles of building great advisory businesses by creating great employees. Through extensive experience working with independent advisory firms and their employees and our proprietary research, we've determined that great firms result from focusing on four key principles for working with employees: Preparation, Pay, Perks, and Productivity.

While each of our four strategies is essential in maximizing success, today's heightened demand for talented young advisors to help firms grow and to transition clients as owner-advisors approach retirement age, is giving the second principle, Pay, in the form of compensation packages, an added level of importance in the growth and success of today's firms: the right comp package will lay the foundation for the successful integration of new advisor into the firm—and for the eventual transition of firm ownership to them.

In this first of a two-part article, we'll identify the factors that truly make new advisors valuable to their new firms.

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2013 FPA NorCal Conference
Tuesday, May 28 & Wednesday, May 29
The Palace Hotel in San Francisco
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Stephen Gray	Spokane, WA
Milo Hanke	San Francisco, CA
Salvador Martinez	Roseville, CA
Dena Kobata	Santa Rosa, CA

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SPEAKER SPOTLIGHT

Value Proposition *Cont'd*

One of the biggest human capital challenges that advisory firms face is overpaying their professional staff. Owner-advisors tend to wait too long too long to hire younger advisors, then, they look to hire a “superstar” employee who can hit the ground running, and make a major impact on the firm with very little training or supervision. To get this star as soon as possible, they usually pay way outside the going pay range.

This creates a two-fold problem. First, this “star” mentality combined with “top dollar” compensation usually creates an expectation in an owner-advisor’s mind that no one could live up to. As the new employee struggles to learn their new job within their new firm (no two firms are alike, and all require time for orientation and systems training), their boss becomes increasingly disappointed in the lack of productivity from their high-priced “star.” Then, as the employee becomes frustrated, their performance falls further, and eventually they’ll leave or get let go.

The solution to this high-expectation/dwindling performance downward spiral is to pay all employees generous, but not over-the-top, compensation packages,

and then tie future increases in to the employee’s growing ability to contribute to the success of the firm. This, of course, brings us to the need for employers in all businesses—including independent advisory firms—to know what the going rate is for every employee position.

The problem is that in the independent advisory world, useful compensation information is virtually impossible to get. During the past ten years, our experience in finding and hiring the right employees into the right jobs for our client firms, we’ve found that existing industry “salary tables” to be very little help. That’s because there is an astonishing lack of consistency in—and confusion about—job titles across the industry, among the existing compensation tables, and all too often even within some compensation reports.

There are at least two-dozen different tasks and responsibilities at advisory firms that are divided between advisors and staff in different configurations at every firm, so no two “jobs” are exactly the same. Without detailed job descriptions to explain each job title, they are left to each survey respondent and each reader to interpret their own way. Consequently, determining whether the salary ranges given for any of those “jobs” is applicable to someone working in given firm is difficult if not impossible.

After years of the usual trial and error hiring practices so pervasive in

our industry, we came to realize that creating useful job descriptions for advisory firms required a new approach. To help our clients determine what they should actually be paying their employees, we finally bit the bullet and created our own system of calculating employee compensation ranges. For our compensation structures, we rely on clear, detailed job descriptions, rather than titles.

Instead of asking what advisors pay for this or that job, we took a step back, asking: “What makes employees more or less valuable to their firm?” We found is that despite the fact that most firm owners, advisors, managers, and staff employees wear many hats, the amount of employee compensation depends on just four factors: training, industry (or related) experience, responsibility, and the size of the firm the employee works for. In Part II, of this two-part article, we’ll explain each of these four factors, and how owner-advisors can use them to determine the right compensation level to motivate their professional employees and incentivize their great performance.

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SPONSOR SPOTLIGHT

Buy, Sell, Hold? No, Not Stocks – Your Practice

by David Selig

Much has been written over the past five years about the climate for selling independent wealth management firms. As markets rise and fall, the perceived promise for sellers to make a move tends to rise and fall as well. For some wealth management advisors, the time for selling never feels right.

Sellers come up with any number of reasons for kicking the tires and waiting:

“I’m going to hold off until the markets get less choppy.”

“If the business is worth a dollar now, I’ll wait until it’s worth a dollar twenty.”

“Nobody could run this firm except me!”

“The entire selling process is a mystery – I don’t want to make a mistake.”

“My daughter seems to like what I do -- she could very well be my successor.” (She’s in middle school now.)

The predicament is similar to that of a couple contemplating having their first child. Waiting until the stars perfectly align with their careers, their finances, and their housing situation probably means they’ll be waiting for kids for a long time. (There may be some deep-rooted fear that

they need to overcome too, but, as the saying goes, that is beyond scope for this article.) For that nervous or overly analytical couple, the soundest advice might be to prepare as properly as possible – and then to get on with it.

The bottom line is that selling your wealth management business is neither a simple matter nor an easy choice. And there is no cookie cutter formula to follow, no single white paper to read, no template to download. No two deals ever look identical because no two advisors or advisory firms are the same. But when it’s



David Selig is the CEO and Founder of Advice Dynamics Partners, a full-service mergers & acquisitions consultancy. David has twenty years experience in strategy, consulting and financial services and works with financial advisory firms seeking to sell, to merge, or to grow through acquisition. More at: www.advisedynamicspartners.com

time to sell or to implement your transition plan, strategy should guide you and empower you to take action. As one of our firm’s clients has put it, “Everyone has an exit plan; either you make it happen or it happens to you!”

Turning back to your decision: practice what you preach. When designing and investing client portfolios, your investment strategy supports your clients’ long-term financial goals, and you don’t pretend you have a crystal ball for timing the market. The same should hold true when you plan for your own business’s future.

The purpose of this article isn’t to press the “cobbler’s kids have no shoes” argument, as much has been written about this already. Rather, this article aims to demystify the selling process by placing everything in

the context of you, your goals, and an ideal outcome for your practice.

How many buyers are out there?

If you believe what one prominent industry consultancy espouses, there are nearly 30 buyers for every seller. It must be a seller’s market! Dig a little deeper and you’ll see that this statistic is quite misleading. If you operate a financial planning firm in Ft. Washington, PA, would you really consider selling to a large cap growth manager operating out of Phoenix, AZ? Well, no. If you are a fee only wealth manager in Miami, Florida, would you consider selling to an independent broker dealer in Portland, Oregon, who specializes in insurance products? Again, not likely. The consultancy that speaks of the 30:1 ratio only achieves this eye-popping statistic by mixing apples and oranges. Statistics can be lovely, can’t they?

Am I worth anything?

According to another industry veteran, only 200-400 wealth management firms (out of 18,000-19,000) have any enterprise value, so the balance of firms basically have zero value at all. From this perspective, there truly aren’t a lot of buyers for every seller, for if there were, the law of supply and demand would say that price (i.e. your firm’s enterprise value), should rise as high demand outstrips meager supply. A logical extension of this argument would be that there must currently be no demand, explaining why those thousands of firms have no value.

So which one is it? Are we really in a seller’s market or do sellers, in fact, have no value because there’s no demand for what they’re selling? The answer is probably neither. From experience, I know that selling a

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SPONSOR SPOTLIGHT

Buy, Sell, Hold? No, Not Stocks – Your Practice *Cont'd*

wealth management firm is no easy task. In addition to handling the financial side of things, strategic and cultural hurdles have to be cleared—cleanly—in order for the right buyer-seller match to occur.

The important point to remember is that you are a match for someone. There's another firm out there, a buyer who will value what you've built and will pay you for it. And while it would be an ego boost to receive dozens of offers for your practice, you can only sell yourself once. So focus on finding the right match and you should be able to uncover one to three potential buyers who truly align with your strategic vision, provide a great home for your clients and staff, and are willing to pay you a fair price for your business.

For Example:

A current sell-side case for our company involves an investment management firm that had no succession strategy. The senior partners of this firm have been putting off succession planning for years, but they're now ready to retire. After learning about the personal and business outcomes they wanted, we soon understood that their top priority is to find a great home for their clients and staff, with financial considerations, although important, a secondary concern. Since many of their clients have been with them for decades, the principals consider them to be

not only clients but friends.

We embarked upon a six month process with this firm that started with performing a valuation, analyzing each partner's goals for the firm – in essence, the legacy they wanted to leave behind, and determining what type of buyer would be a good fit for their goals. Much of this process we coached them on as they'd never engaged in this kind of analysis before, but by the end of this first phase, the discovery phase, each partner agreed that the sale process was on track, understood how long the whole process should take, and had an idea of what the ideal outcomes might be.

Our firm then developed a list of fifteen potential buyers who met our client's stringent criteria. Through a rigorous interview and assessment process, fifteen possibilities became seven, which became three (the short list), which, ultimately, became one.

By going through this process, our client knew they had found "the one." As their M&A advisor, we ensured that the buyer passed due diligence and that the transaction was properly structured. The deal is scheduled to close by the end of the first quarter, 2011.

Preparing to Find Your Match

You can think of finding a match as a series of steps.

Step one is committing to making a sale happen, even without perfect data or ideal market conditions! Remember the couple who is waiting for the stars to align before having their first child.

Step two is determining why you are considering selling or merging with another advisor. Here are some questions to ask yourself: Are you

looking to retire and need to find a good home for your clients? Is your business stagnating and you seek to spark growth? Are regulatory issues becoming overly burdensome? Do you have health problems or is another life event driving your decision to sell?

Step three is surveying the landscape. Do you know who might be interested in your practice? Do you know who you'd want to be interested? Who has the capital to actually do a deal? Are you familiar the various models out there for selling or partnering with advisory firms? Here is a partial list of firms to get familiar with that have well-crafted acquisition strategies; at the very least, by studying their models, you can get a sense of how deals are structured: United Capital Financial Partners, Burns Advisory Group, Hightower Advisors, Concert Wealth Management, and Focus Financial Partners.

Step four is determining if you need your own advisor on the deal. How much M&A experience do you have? Do you have enough contacts at other firms in your area that you can engage with multiple potential buyers? Can you remain dispassionate during a potentially emotional business transaction that has large personal ramifications? Have you had a valuation completed on your business so you know what a fair sale price might be? Have you compared the costs and timeline of going it alone vs. costs and timeline of hiring an M&A advisor?

Step five is following a disciplined process. Hold yourself accountable to hitting key milestones and the timeline you set for yourself.

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SPONSOR SPOTLIGHT

Buy, Sell, Hold? No, Not Stocks – Your Practice *Cont'd*

Making it happen

Once you start down this road, you will quickly get an education on the potential market for your firm. You will begin to realize how unique you are and how some possible options just don't feel right. Now you're getting somewhere. My advice to you is not to be discouraged and to recognize that this process can be a long one. By starting and sticking with this process, you will learn something valuable along the way. And eventually, you will find the right fit.

Five Steps From a Veteran M&A Advisor

1. **Commit to it!**
 2. **Focus inward: why are you selling or merging?**
 3. **Focus outward: who is doing the buying? How are deals structured?**
 4. **Decide whether to hire an M&A adviser or to go it alone**
 5. **Follow a disciplined process and hold yourself accountable**
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BOARD BLURB

FPA SF

Tanya Steinhof, CFA, CFP®
2013 President of FPA SF

The board of the San Francisco chapter of the Financial Planning Association has implemented a new strategic planning process this year modeled on the one FPA National used to create its new strategic plan. The process started in June with an off-site where we revisited our mission statement, created a vision statement and conducted a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis. In case you were wondering, the FPA SF vision is to be the premier professional organization for Bay Area financial planners (sorry other chapters!). Our mission is to advance the financial planning profession in accordance with the highest ethical and professional standards by providing education, community, networking and leadership for our Bay Area members and through them the public they serve.

From this SWOT analysis, we then defined our two cornerstones (i.e., Member & Profession) and created four strategic initiatives to realize our mission for these stakeholders. Our four strategic initiatives for the next year or so are:

1. Grow membership
2. Enhance practice management
3. Strengthen allied relationships
4. Be the bridge to new entrants



Tanya Steinhof, CFA, CFP® is the 2013 President of FPA SF.

After this big picture strategic work, each committee designed their own plan of work to implement our strategic initiatives. We reviewed these plans of work in September and finalized them at our board meeting after the Alamo regional strategic planning meeting in early November. The committees all came up with exciting strategies and actions in support of our strategic initiatives. For example, our Programs committee will be planning more practice management sessions than in years' past and will continue to organize events with allied professional groups to both strengthen these allied relationships, but also enhance practice management of our members through stronger referral and professional networks. Another example is the Membership committee, which is focused on improving the new member experience, retaining existing members and recruiting new members.

From my perspective as 2013 President, it seems that our board is now moving forward in a cohesive manner with shared goals and renewed energy. I look forward to seeing our strategic plan take shape and to revisiting it next year to see how much progress we've made and what changes we'd like to make. We view the strategic planning process much like the financial planning process – as an on-going, dynamic process that will evolve as we gather new information from member feedback, the dynamics of our profession, and industry trends. Our ultimate goal is to continue to better serve our members and keep them coming back year after year.

SHARPEN THE SAW

A Succession Plan for Growth

by Eric Solve, President
FPA Silicon Valley

In case you missed it, on October 12, after our regularly scheduled lunch meeting of the Silicon Valley Chapter, we hosted a discussion for our members, and any other interested individuals on the topic of, “Succession Planning”. We invited a guest speaker, Eric Leeper, with FP Transitions. Here’s a summary of the topic discussed.

The decision to become an independent financial services professional assumes a preference for taking control of your own business, your work week and your income level. In the cross-roads between the current generation of aging advisors and the post-recessionary environment, a new level of independence and business acumen is approaching as the next generation in this industry forgoes starting their own practices in deference to the superior opportunity of building on top of an existing practice or business.

Conventional wisdom suggests an advisor should choose between an internal succession plan and an external sale to a third-party (as in a peer, a competitor, a bank or a CPA firm). In truth, the smart plan allows for both options, but always includes consideration of the internal ownership transition strategy. Setting up an internal ownership track provides for a stronger and more stable business, which in turn provides higher value in the

future regardless of your exit strategy. It can also provide excellent protection against the founder’s short-term or even permanent disability. Attracting, retaining and properly rewarding next-generation talent is an essential step in moving beyond a typical practice to a more valuable business model.

For most investment professionals, the reward to be earned from a lifetime of work does not focus on a lump sum payment derived from selling the business and walking away. Instead, the reward often results from the benefits of perpetuating their business while creating an ongoing stream of income for 10 to 20 years past the typical retirement age. To be clear, most internal ownership plans are not the sale of 100% of the business all at one time to the next generation of advisors or key employees.

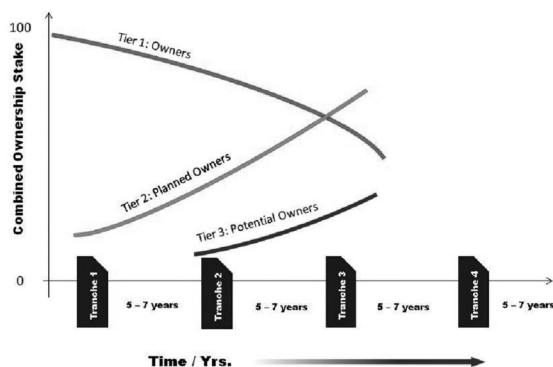
Implementing an internal ownership transition strategy typically requires transferring ownership incrementally to multiple next generation owners or partners. Focusing on the vertical axis, for every founding owner (the tier-one owner level), plan for two owners at the second tier level, and for two or three potential owners at the tier-three level (understand that these individuals are part of a broad and far reaching plan designed to be gradual-

ly implemented over many years). These multiple levels of ownership are intended to provide for business growth and stability as well as a “safety net” for each succeeding level of ownership in other words, a continuity plan.

It should be noted that one of the biggest threats to a small business with one owner (the most common ownership structure among independent financial service professionals), is not the lack of a succession or retirement plan for the founding owner, it is the lack of a plan to protect the clients and the owner’s value in the event of the owner’s sudden death or disability (temporary or permanent). Continuity planning seeks to address the question of who will serve as advisor to the clients if their primary advisor is incapacitated.

Internal ownership plans are not without risk and the possibility of unanticipated results. The best approach is to plan well in advance, and leave yourself with options – always plan for both an internal and external exit strategy. Second, place the failure of your internal succession plan in the context of its original goals (growth and stability of the business, protecting business value with a practical continuity arrangement, and perhaps a long-range succession plan). If the founder(s) and next generation advisors do not succeed in transitioning the entire business over time from one generation to the next, an external sale or merger remains a distinct possibility.

For more information about planning for and structuring an internal transition, contact FP Transitions at (800) 934-3303 or email Christine@businessstrans.com



MEMBER MINUTE

Ora Citron: When the Unthinkable Happens—to a Planner

FPA East Bay Member

On June 9, 2009, Ora R. Citron's life was turned upside down. An unexplained fire ripped through her home, decimating nearly 60% of the structure, destroying every personal item she had and taking the life of one of her dogs.

Thankfully, her elderly father, who lives with her, and another dog escaped without harm but the damage was done. A long and difficult three years began to unfold for Ora.

"This is life in motion," reflects Ora. "It is difficult and there is nothing easy about the process."

After losing so much, she and her father had to move out for two years while her home was rebuilt. The fire had a more dramatic effect on her life than she could have anticipated. She was obviously upset about the fire, found herself distracted from work and watched as her father's health deteriorated.

"The fire took a lot out of him," she remembers. Her father, 94, was quite independent before the fire but was greatly impacted after the blaze. Ora's parents moved in with her 15 years ago and her mother had since passed away.

Now it's just Ora, her father and two newly adopted Labrador Retrievers. Chloe and Clyde were adopted from Golden Gate Labrador Rescue shortly after they moved back into the house. Sadly, her second dog who survived the fire had to be put to sleep just after they moved back in.

"Dogs have always been important in my life. They are such wonderful companions and a great mood elevator," laughs Ora. "They help keep sanity in my life."

Her life now has settled but she's still dealing with the insurance company, a process that has been agonizing. Her struggles on this front led her to work with a property and casualty broker to develop a presentation to help financial planners work with their clients and prepare them for the worst.

Ora's clients are well versed in all matters relating to home insurance, a lesson she had to learn the hard way.

There have been many difficult lessons along the way. After getting her home rebuilt, she had to completely refurnish it, everything from clothes and comforters to furniture and fixtures.

"I've realized that human beings have reference points with objects," says Ora. "Having everything new isn't always wonderful because you have no relationship with the objects; it's just new stuff."

Beyond her home, Ora found herself distracted from work and her professional activities. She had just completed the coursework to get her CFP right before the fire happened. She took the exam but found that she couldn't focus and was so frustrated that all her hard work was frittering away.

But she hasn't given up hope and plans to take the exam again — this time with the support of an FPA scholarship. She was one of two recipients to receive the scholarship and has found the level of support through her ordeal to be astonishing.

In fact, just after the fire, she was amazed by the support of professional colleagues. The team she worked with on the FPA NorCal conference

all rallied and supported Ora and her father through donations of gift cards, cash and good deeds.

"I felt such a connection with my work life," says Ora. "The support I received from colleagues astonished me."

Prior to becoming a financial planner a decade ago, Ora worked as a management consultant in various industries, including telecommunications. She realized the industry was changing and began to seek a new career path.

"It has always been important that my work makes a difference in our community. I came to financial planning after a lengthy career working for major corporations as a strategic planner and product management professional," shares Ora. "A point came when I needed to see the impact of my efforts on the lives of individuals more directly."

She enjoys the personal nature of work and finds that meeting over a kitchen table more rewarding than a corporate boardroom. It is a very different environment for her but she appreciates the fact that it's very clear when she is helping someone. Her niche is supporting women in transition through divorce, widowhood and retirement.

"Ora has a unique knack for being able to relate on both a technical and emotional level with her peers and clients," says Chuck Bowes, wealth manager and partner at Waypoint Wealth Partners and a fellow FPA member. "Ora is a shining example of being able to compassionately care for her father, give back to her community and build her business at the same time."

Hopefully the next three years will allow Ora to focus on growing her business, continue to give back to the community and find happiness in her father and furry friends.



Ora Citron

So Much More than Toys

by Nancy Gire

FPA East Bay Member

Yesterday a chapter member delivered his toy to my office, and asked how and why we chose this particular church in Concord as our partner for the annual holiday toy drive outreach for 14 years, when there are so many organizations with a broader appeal doing the same work. He also expressed some of the fatigue many of us experience at the sheer volume of all these groups raising toys, toys, toys to hand out. He was surprised to hear the story, and thrilled at our Chapter's involvement. Here's what he hadn't heard before.

Salvation Army in Concord serves over 3,200 families in need every year, not just at the holidays but year-round, and in a special way. The spirit of their giving is to help families take pride and responsibility in their efforts. They offer a hand up, not a hand-out. How do they make this vision real?

Families who come to the church for assistance are treated with dignity and responsible for meaningful participation from the beginning of the process. Each family meets with Salvation Army members and volunteers who review their situation and needs, including not just toys for their children, but food and clothing issues as well. As part of the process, they "reserve" toys for each of their children through age 14.

Approximately a week before Christmas the magic begins. Toys are arranged in a large, clean rented vacant store in a popular Concord shopping center, and arranged neatly on tables, by age and gender of child. The Salvation Army makes sure that all families have a special appointment time to do their shopping. Toys are carefully monitored and re-stocked periodically, so every family has a good choice of toys for their children. And the variety of toys is astounding – from bikes to basketballs to laptops and other learning toys, books and games.

After choosing their toys, the families are also given wrapping paper and supplies if needed, and now the real magic begins. This isn't a charity handout, with the kids gathering in large crowds waiting for arbitrary toys which may not be appropriate for them to be handed out. Instead, the parents pick carefully for their

own children, then take the toys home, wrap them, and make them a part of their private family holiday. The graciousness of this arrangement is such that families develop proud traditions in their own homes, cooking and preparing their holiday meal, and sharing gifts with their children at home. The amount of responsibility, confidence and pride that develops is inspiring. Many of these families become volunteers themselves. And the true spirit of giving lives on – a hand up, not a hand out. I'm proud of our chapter for our contributions to this effort, and hope to remain active for many years to come. So next year when you're assisting in the toy drive, remember it's about so very much more than just toys.



A very small sample of the toys donated by members of the FPA East Bay Chapter this year. Head elf Nancy Gire (right) and Major Linda Madsen from the Salvation Army of Concord.

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2012 FPA East Bay Scholarships Awarded

by Beth McClelland, Co-Chair
FPA East Bay Career Development

The great news is we had eight very qualified applicants for our scholarships this year. The challenge was we had eight very qualified applicants for two scholarships. In the end, the committee selected the recipients based on their academic performance, commitment to the profession, strength of their recommendations, and involvement in the financial planning community.

The two deserving recipients were each awarded \$1,500 scholarships to continue their financial planning coursework. The proceeds from the East Bay Chapter's annual golf tournament are the primary source of

funding for the scholarships.

Our 2012 scholarship recipients are *Jason Cotcher* and *Ora Citron* – congratulations!

Jason Cotcher is a student in the Masters in Financial Planning program at Golden Gate University in SF. He is noted to be passionate about financial planning and helping others through his knowledge. We are told he is a young man who will be a credit to our profession and is deserving of our chapter's support.



Beth McClelland

Ora Citron has been a very active member of the FPA NorCal committee and put her heart into her work on planning the NorCal conference. She has also shown commitment in both her client and in the community

and pro bono work through the FPA. We are told she epitomizes what the CFP designation stands for, and that a scholarship would be well spent in supporting her on her way toward her goal to become a CFP. Thank you to the chapter for making these scholarships available to CFP students!

Cheers



Left to Right: Career Development Co-Chair Susan Danzig, Scholarship Award Winner Ora Citron, Scholarship Award Winner Jason Cotcher and Career Development Co-Chair Beth McClelland

FPA East Bay Chapter Meeting

“U.S. Monetary Policy and National Economic Outlook”

Yelena Takhtamanova, San Francisco Federal Reserve

Date:

January 9, 2013

Time:

7:15 am

Location:

Round Hill Country Club,
3169 Round Hill Rd.,
Alamo, CA

CE Credits:

1 Hour – Approved

Cost:

General Meeting:

\$30 FPA Members –

Advance Registration

\$40 Non Members –

Advance Registration

\$40 FPA Members –

At the Door Registration

\$50 Non Members –

At the Door Registration

Overview: This presentation will focus on monetary policies recently conducted by the Federal Reserve. The speaker will talk about the U.S. economy, noting signs of improvement, as well as headwinds that have hindered the rebound. She will present the national economic forecast prepared by the Federal Reserve Bank of San Francisco. The presentation will end with a discussion of the steps taken by the Federal Reserve to move the economy towards the Federal Reserve’s congressionally mandated goals of maximum employment and price stability, with the focus on the recent use of forward policy guidance and large-scale asset purchases. The speaker will discuss the rationale behind Fed’s use of unconventional monetary policy and the impact of these policies on the economy.

- Roles of the Federal Reserve
- Goals of U.S. monetary policy
- Current U.S. economic situation
- U.S. economic forecast (Federal Reserve Bank of San Francisco)
- Risks to the forecast
- Monetary policy actions

Presenter's Bio: Yelena Takhtamanova joined the Federal Reserve Bank of San Francisco in 2005. As an economist, her research, analysis, and outreach activities support both the Economic Research and Public Information Departments.

Yelena's current research focuses on topics in macroeconomics, monetary economics and international economics. Information on her research papers is available on the Bank’s website (www.frbsf.org).

Yelena holds a Ph.D. in Economics from the Johns Hopkins University. Prior to joining the Federal Reserve Bank of San Francisco, she has been an assistant professor at the California State University, Sacramento. She also lectured on macroeconomics and international monetary economics at the Johns Hopkins University.

How to register:

You can register for the General Meeting with check or credit card online at:
<https://www.123signup.com/register?id=bxxjn>

For more information:

For more information go to www.FPAEastBay.org or contact Krysta Patterson
925.935.9691

This meeting is sponsored by our 2013 Gold Sponsor Doug Stockslager of Lord Abbett

*For information on future meetings please refer to the Chapter Meeting Calendar at the back of this issue.

East Bay Chapter Partners

Gold

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David Shaffer Insurance Services David Shaffer (925) 944-7100 ShafferI@PacBell.net	Putnam Investments Alex Hayes (415) 730-3941 alex_hayes@putnam.com	Strategic Capital Roshan Weeramantry (408) 314-7895 Roshan.Weeramantry@sbcglobal.net	
Redwood Mortgage Investors Tom Burwell (650) 365-5341 ext. 237 thomas.burwell@redwoodmortgage.com	Franklin Templeton JB Walker (925) 708-4672 JBWalker@frk.com	Lord Abbett & Company, LLC Douglas Stockslager (201) 827-2897 dstockslager@lordabbett.com	

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SEI Mark Scanlan (925) 667-7865 MScanlan@seic.com	Signet Mortgage Corporation Clay Selland (925) 807-1500 xt.303 clay@signetmortgage.com	JP Morgan Funds Jack Roddy (415) 772-3052 jack.rodny@jpmorgan.com	TransAmerica Loi Yu & John Devlin (415) 250.0916/ (510) 851.9944 LYu@TransAmerica.com / JDevlin@TransAmerica.com
Black Rock Michael Wade (415) 264-8346 Michael.Wade@blackrock.com	Wells Fargo Advantage Funds Kristina Page (510) 932-2304 Kristina.Page@WellsFargo.com	Stonecrest Managers Todd Feldman (408) 557.0700 ext. 234 TFeldman@Stonecrest.net	Hennessy Funds AJ Hennessy (800) 966-4354 aj@hennessyfunds.com
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East Bay Chapter Executive Director

Krysta Patterson / EastBayFPA@gmail.com / 925-935-9691

New address? Has your membership information changed?

2013 FPA NorCal Conference

Tuesday, May 28 & Wednesday, May 29

The Palace Hotel in San Francisco

www.FPANorCal.org

FPA Silicon Valley Chapter Meeting

Tax Stuff Planners Need to Know Now!

Kent Noard, CFP®, EA

Date:

January 11, 2013

Time:

11:30 am - 1:30 pm

Location:

TechMart, 5201 Great America Parkway, Santa Clara

CE credits:

1.5 hr. CE available pending approval by the CFP Board.

Cost:

Early Registration:

\$40.00 members,
\$45.00 non-members.

At the Door:

60.00 members,
\$65.00 non-members.

Overview:

At the present time, the “Fiscal Cliff” looms over taxpayers making it difficult to plan for 2012 and 2013. Depending on the results of the negotiations, your clients’ tax liabilities may be severely impacted not only for those years but future years as well.

Although there may not be much that can be done about the 2012 tax year, planning for 2013 is going to be very important, especially relative to investment income. During this session, Kent will be discussing these changes and how they will affect your clients. He will also include tax planning issues that are not affected by Congressional action, or the lack thereof. Included will be the new Medicare tax for wages and investment income and the retroactive application of the state tax increase for higher income taxpayers.

Presenter's Bio:

Kent E. Noard is the principal of KLN Financial Group and has been in private practice since 1981 providing tax preparation and planning, and financial planning and consulting. He is a Certified Financial Planner practitioner and an Enrolled Agent. He was formerly an instructor and coordinator of the PFP Certificate program at the University of California at Santa Cruz Extension. At UC Extension, he taught the Income Tax Planning and Practicum courses, and has previously taught the Survey of Personal Financial Planning, Mathematics of Financial Planning and Employment Benefits and Retirement Planning classes.

Prior to entering private practice, Kent was employed with the Internal Revenue Service. During his career with the IRS, he was a collection representative, an office auditor, a revenue agent, and the Assistant Tax Shelter Coordinator for the San Francisco District.

Kent earned his Master’s degree in Taxation from Golden Gate University and his Bachelor’s degree in Accounting from San Jose State University.

How to register: Register now via credit card at www.fpasv.org

For more information: www.fpasv.org

*For information on future meetings please refer to the Chapter Meeting Calendar at the back of this issue.

Upcoming Silicon Valley FPA Brown Bag Lunch Events

Note: Silicon Valley FPA Brown Bag Lunch Events require FPA membership to attend. FPA members from other chapters are welcome to attend as well as guests of FPA members.

Title: Retirement Strategies Seminar

Speakers: Sandra Wales, President of Wales Investments, MBA, CFP®, CMA

Date: Thursday, January 24th, 2013

Time: 12:00 noon to 1:30 pm

Location: San Jose (near Valley Fair)

RSVP to: Skip Frenzel at Info@AgapeLTC.com

Cost: \$10

CEUs: 1 CEU approved by the CFP® Board

Do you want to understand the latest retirement strategies so you can counsel your clients on retirement? Do you want to learn how to help them put a plan in place in order to retire?

Sandra Wales, a retirement strategies professional teaching at UCSC, will walk you through the various considerations and pathways to retirement. This session will also help those of you with clients currently in retirement to put strategies in place that will enable them to maintain their retirement lifestyle and protect it for the long run.

Speaker's Biography:

As President of Wales Investments, Inc., a Registered Investment Advisory firm with the SEC, Sandra specializes in retirement planning and investment services for individuals, corporate employees, business owners and retirees. She holds a Bachelors Degree in Music History from the University of Western Ontario, and an MBA in Finance from Santa Clara University. She has earned CFP® and Certified Management Accountant (CMA) designations and is a Registered Insurance Agent with the State of California. She also holds Real Estate Association licenses in California and Florida.

She has served on the Board of the Financial Planning Association (FPA) of Silicon Valley and has taught Pension and Benefits planning for the last 7 years at UC Santa Cruz Extension. She was also a recent national finalist in the American Express Make Mine a Million women entrepreneurs' recognition program.

*Seating is limited. To reserve your seat, please RSVP early to Skip Frenzel at Info@AgapeLTC.com
A \$10 fee will be charged at the door.*

Title: Real Estate Investments in Diversified Portfolios

Speakers: Christina Gray, Investor Relations Manager, Stonecrest Managers Inc.

Date: Friday, February 15th, 2013,

Time: 12:00 – 1:30pm

Location: San Jose

RSVP to: Dan Taylor at DanTaylor@Yahoo.com

Explore the multifaceted world of real estate investing with Christina Gray from Stonecrest Managers, a leading real estate investment company serving the California market since 1986. She will discuss the different types of real estate investment opportunities available including individual properties, apartment buildings, and REO, highlighting the pros and cons of each. She will also talk about the real estate investment funds available at Stonecrest and other firms, including how the Stonecrest funds are put together, what type of investor they are suitable for, and how to evaluate alternative real estate funds. In addition, Christina will discuss the pros and cons of liquid versus illiquid real estate investments, how to position real estate in a diversified portfolio, and what due diligence a planner should conduct before recommending a real estate investment to a client. A \$10 fee will be collected at the door. RSVP required.

Silicon Valley Chapter Partners

Platinum

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Gold

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Silicon Valley Chapter Executive Director

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2013 FPA NorCal Conference

Tuesday, May 28 & Wednesday, May 29

The Palace Hotel in San Francisco

www.FPANorCal.org

FPA San Francisco Chapter Meeting

"Explaining Reinhart and Rogoff -- Why the US Economy Will Improve in 2013"

Paul Kasriel

Date:

January 8th, 2013

Time:

11:30 a.m. – 1:30 p.m.

Location:

City Club of San Francisco, 155 Sansome Street

CE credits: 1

Cost:

Early Registration

\$45 members \$65 non members.

At the door

\$65.00 for FPA members,

\$85.00 non-members.

Overview:

Amid the much publicized talk of "Taxmageddon" and impending fiscal policies, attendees will gain insight as to how and why the US economy will improve in 2013. The outlook of global economies impacting the US economy will be addressed.

Presenter's Bio:

Paul Kasriel is highly recognized for his accurate economic forecasts. He has a loyal following in the financial community for his straightforward and often non-consensus analysis. He retired last April as the former Chief Economist of The Northern Trust Company.

For more information: www.fpasf.org

How to register: www.fpasf.org

This meeting is sponsored by Northern Trust & Security 1 Lending

*For information on future meetings please refer to the Chapter Meeting Calendar at the back of this issue.

FPA SF Marin Event

Transitioning Your Wealth Advisory Business: Current Trends and Maximizing Value David Selig, CEO, About Advice Dynamics Partners, LLC

Date:

Wednesday January
23rd
(rescheduled)

Time:

4:00 p.m. – 6:00 p.m.

Location:

Wood Island, 80 E.
Sir Francis Drake Blvd,
Larkspur

Cost:

\$20

Overview: Please join FPA SF at our 1st Marin event of 2013, as we explore the evolving exit environment for advisory firms. In this session, Marin-based David Selig, M&A and succession planning expert, will explain the steps you can take to determine the right transition path for your business. Internal succession? External transaction? Either way it's never too early to prepare. David will also explain current M&A trends in the wealth advisory industry, as well as cover steps you can take to optimize your firm's value. Beverages and light appetizers will be served, so come mingle and get caught up with fellow North Bay FPA members.

Presenter's Bio: David Selig has over twenty years' experience in M&A, management consulting and financial services. Mr. Selig has authored two whitepapers on the subject of mergers & acquisitions, is regularly quoted in the press, and is a featured speaker at conferences and industry events around the country. Prior to founding Advice Dynamics Partners, David worked for Pershing Advisor Solutions. Before this, Mr. Selig worked for Deloitte Consulting and for high profile technology companies. David holds an MBA in Strategy and Management of Organizations from the Graduate School of Business at Columbia University and a BA from University of California at Santa Barbara.

**Note: Seating is limited and no walk-ins are allowed, so advance registration is required. To reserve your seat, please RSVP at fpasf.org. No CEs are available for this event. FPA SF Marin Events require FPA membership to attend. FPA members from other chapters are welcome to attend, as well as guests of FPA members.*

San Francisco Chapter Partners
Gold

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Chapter Meeting Calendar

2013	East Bay FPAEastBay.org	San Francisco FPASF.org	Silicon Valley FPASV.org	San Joaquin Valley FPASJV.org
JANUARY	Wednesday, January 2nd 7:15 a.m. Round Hill CC <i>2013 Economic Outlook</i> Yelena Takhtamanova	Tuesday, January 8th, 11:30am - 1:30pm SF City Club <i>State of the Economy</i> Paul Kasriel	Friday, January 11th, 11:30 am - 1:30 pm TechMart <i>Tax Stuff Planners Need to Know Now</i> Kent Noard	
FEBRUARY	Wednesday, February 6th 7:15 a.m. Round Hill CC <i>Tax Stuff Financial Advisors Need to Know</i> Kent Noard	Tuesday, February 12th, 11:30am - 1:30pm SF City Club <i>Accessible Alternatives for Advisors</i> TBD	Friday, February 8th, 11:30 am - 1:30 pm TechMart <i>ETF Essentials – Navigating the ETF Landscape</i> Amy Barnes, CIMA®	
MARCH	Wednesday, March 6th 7:15 a.m. Round Hill CC <i>Running Better Client Meetings</i> David Richman	Tuesday, March 12th, 9:30am - 1:30pm SF City Club <i>Retirement Planning – Preparing for the Worst Case Scenario</i> TBD	Friday, March 8th, 11:30 am - 1:30 pm TechMart <i>Long-Term Care</i> Allen Hamm	

For advertising opportunities, please contact
 Brenda Herrington at 650-851-4414 or brenda@greatorgs.com
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