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SZABO**

Certified Financial Planner

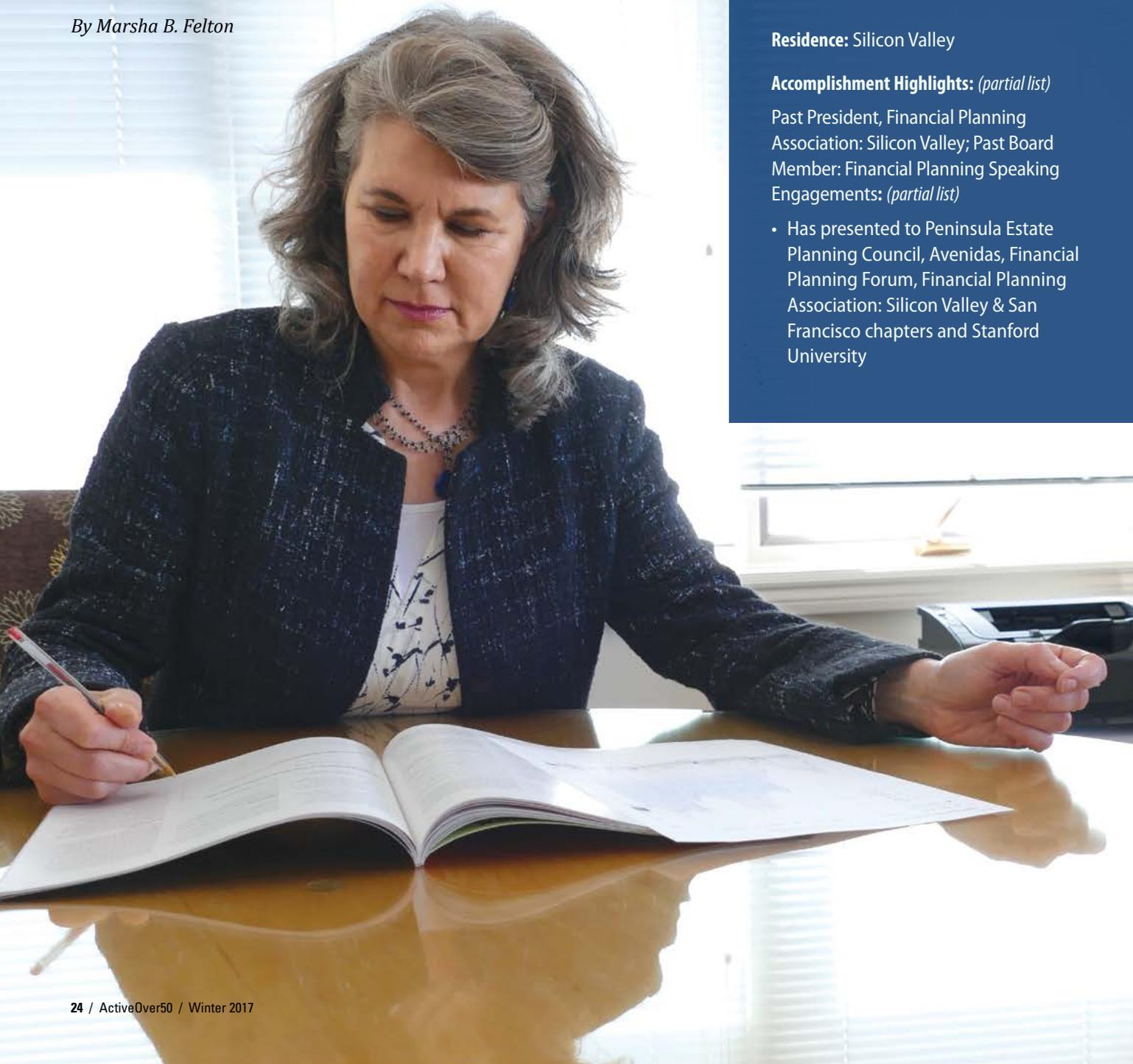
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Winter 2017 Issue

# Getting to Know Esther Szabo, Financial Advisor, Certified Financial Planner® &... An Inspiration!

By Marsha B. Felton



## K. Esther Szabo

**Age:** 52

**Family:** Widow, 19-year marriage (1995-2014) to David N. Webber, Jr. (deceased)

**Education:** BS, Family & Consumer Resources, 1995 University of Arizona, Summa Cum Laude

**Occupations:** Financial Advisor, CEO Gates Pass Advisors, LLC; Certified Financial Planner®

**Residence:** Silicon Valley

**Accomplishment Highlights:** *(partial list)*

Past President, Financial Planning Association: Silicon Valley; Past Board Member: Financial Planning Speaking Engagements: *(partial list)*

- Has presented to Peninsula Estate Planning Council, Avenidas, Financial Planning Forum, Financial Planning Association: Silicon Valley & San Francisco chapters and Stanford University

## Presentations:

- **“Planning a Prosperous Retirement”**

A 5-step method designed to clarify your definition of prosperity and plan a thriving second half.

- **“When Life Falls Apart: How to Adjust Your Financial Strategy”**

The critical personal financial actions to take and when to take them while going through a life changing event so that your financial foundation remains solid.

- **“Don’t Drive Off Your Financial Roadmap!”**

A review of common irrational financial decision-making mistakes that can undermine a financial strategy

Bring the subconscious conscious to reduce financial reactivity, using behavioral finance

**In this Cover Profile, you will get to know Esther... In addition to making a positive difference for so many in their personal and financial well-being, you will learn how Esther has also overcome personal tragedy with palpable spirit, courage and inspiring fortitude.**

### **MBF: What life experiences led you to become a financial advisor?**

**ES:** I grew up in an affluent county outside of Manhattan. When I was 8 years old, my mother told me about our financial problems, my Dad’s spending and paying this thing called a ‘mortgage.’

Hoping I could solve this challenge for my mom, I did chores for an hourly wage for our next-door neighbors but couldn’t save us from my father’s

bankruptcy and the loss of our home when I was 16. I left home at 17 and started college at 21 to become a psychotherapist. When I took an elective in ‘Personal Finance,’ it was a “light bulb moment.” I learned there were practical ways to have a strong personal financial foundation without your home being taken away!

I attained a ‘Family Financial Counseling’ sub-specialty that allowed me to work for an entire school year counseling men and women in a Personal Financial Management Program at an Air Force Base in Arizona. After 25 years, I still love the combination of practical and technical with the personal to attain financial peace of mind.

### **MBF: What about financial planning makes you so excited and passionate?**

**ES:** Collaborating with clients and presenting the perspective that planning provides. Together we see where the current path is leading and test out various options to estimate impact. Therefore, there is time to “course correct”... what a time and energy saver this is! Even during challenging financial periods like 2000-2003 and 2008-2009, our prior planning allowed us to move through life with goals intact.

### **MBF: Why are women going through major life transitions one of your main clientele?**

**ES:** Women appreciate collaborating with another woman who has gone through challenging life transitions herself. Even today, some men unconsciously patronize a female client. When going through major life changes, such as death or illness of a spouse, divorce or wealth attained through a successful IPO or an inheritance, women want to have confidence and understanding



Esther with 92 year old mom

about what is happening with their money. They know I have heard them, as I caringly and diligently provide answers and strategies for their present and future goals.

### **MBF: How do you think your approach may differ from other firms who state they provide similar financial planning and investment management services?**

**ES:** It is not uncommon for a financial advisor to focus primarily on investments. Customized financial planning is time intensive; it requires specified experience and knowledge to guide the process realistically.

I incorporate valuable tools learned from George Kinder, author of *Seven Stages of Money Maturity*, as an efficient part of our client data gathering process. These include responding to three questions and two grids that bring clarity to what one is seeking in one’s life or has attained and doesn’t want to lose.

It lets me understand “Heart’s Core,” or non-negotiable, bottom line



Vacationing in Europe shortly before David's death

experiences, possessions or roles that are personally essential to one's successful life experiences.

Furthermore, what differentiates us is that we gain clarity around the drivers for each client's personal well being and provide consistent support with ongoing planning. With our expert ability to do this, we integrate the technical skill required of investment management.

**MBF: How have you incorporated the above approach into your own personal financial management?**

**ES:** Thank you for asking me this question! My husband, David, and I went through these same exercises together. Travel was very much part of David's "Heart's Core." He wanted to experience every part of the world! I thought it would be wiser for us to save our money and focus on travel after our retirement.

One of the exercises I incorporate strategizes timing for different goals and requires one to list one's age along the way. David was 10 years older than me. I realized that my personal financial conservatism, instilled in me as I lived the destruction of my family's finances, would impact

David being able to experience what was most important to him.

I couldn't ask him to wait until his 70's to experience something that was so critical to his vitality.

As a result, we traveled together from Hawaii to Eastern Europe to Bali, South America and Russia. I'm so grateful we did because David was diagnosed with congestive heart failure in 2011 at age 56 and died three years later at age 59. If we hadn't shared these exercises, we would not have had as many meaningful and joyous experiences together.

**MBF: Why do you think some boomers and seniors resist talking about their finances or seeking guidance?**

**ES:** Boomers in particular are concerned that there will be limitations put on them that may be worse than a poor outcome. It's hard to know whom to trust to give effective guidance. Besides the news stories about unscrupulous advisors, it is a very personal thing to discuss one's finances... think about who knows your most intimate financial matters? Practically no one.

As a Registered Investment Advisor and a Certified Financial Planner, we are held to the highest fiduciary standard which means that we must place clients' interests ahead of our own.

**MBF: You are a fee-only financial planner and wealth manager, a "preferred professional" that is recommended by Jane Bryant Quinn (former ActiveOver50 cover profile). What is the minimum client portfolio you manage at Gates Pass Advisors? What if ActiveOver50 readers are not in this bracket?**

**ES:** Our clients have a minimum liquid net worth of \$2,000,000. Of course, vital financial planning is not just for the wealthy. The website of my professional organization, Financial Planning Association, is full of information, including a search tool to find a certified financial planner: [www.plannersearch.org](http://www.plannersearch.org)



**MBF: Jane Bryant Quinn recommends index funds over actively managed ones. What is your opinion of these?**

**ES:** I appreciate index funds but don't think they are the best choice in all environments and for all types of

**MBF: What do you think are the most common mistakes boomers, seniors and their families make when it comes to their personal finances?**

**ES: 1) Deferring and delaying.**

I have often heard from clients "I should have done this sooner!" Having an accurate strategy would have saved them years of worry. They would have spent more wisely.

**2) Assuming the market is what makes** or breaks personal financial security and thus always trying to buy or sell the 'right' investments at the 'right' time.

Not being diversified, especially in Silicon Valley.

**3) It's an old story... but not saving enough.** Thinking that maxing out a 401k will be enough to take one through a long retirement period.

**4) Not building a personal financial team** that includes a tax advisor, a financial planner and advisor, an estate planning attorney and an insurance advisor.

investments. It's hard to beat the U.S large cap indices; our portfolios typically incorporate at least one. In other areas, such as emerging markets, small cap and international, we use active management since these can be especially volatile. I'm also a fan of 'bond ladders,' a passive and low cost option whereby bonds are actively selected and then held until maturity in most cases.

**MBF: What are current economic risks you think ActiveOver50 readers need to be concerned about?**

ES: Inflation and limited economic expansion. Even with increasing rates, if one is just invested in cash and bonds, it will be hard to not use principal to meet needs. Because of issues such as our aging population and debt levels, it will be hard to grow our economy.



Working out to stay in shape

**MBF: At the time of this interview, March 2017, what do you recommend regarding annuities, pros and cons?**

ES: Annuities can be a source of guaranteed income for life. Guarantee is a great word for personal finance but it comes at a cost. Whether that cost is flexibility, limited estate planning choices, high commissions and underlying ongoing expenses.

**MBF: What do you recommend for those eligible for reverse mortgages?**

ES: I also recommend reverse mortgages more than I used to; they've changed drastically for the consumer's benefit over 25 years. Our current real estate environment means that seniors can have limited ability to downsize in later years. A reverse mortgage can provide access to substantial equity for home maintenance or for long term care.

**MBF: How do you stay fit and active?**

ES: I love being outdoors and walk and hike. I maintain a vegetable and flower garden at

home and also work out with a trainer three early mornings a week. And, I make sure I get enough rest and sleep!

**MBF: What are among your proudest moments, professionally and personally?**

ES: Moving through my tragic loss with personal balance and solid mental, spiritual and physical health. Just like my clients need to do with me, I reached out to others for the

help that I needed. I am very grateful for their support as I navigated this transition.

David's passing made me step back and again evaluate my "Heart's Core" but this time alone. Leading a firm is something I'd wanted to do but fear held me back. I practice what I preach so my finances were sound. 16 months after he passed, I opened the firm. I'm very proud of my practice and have never been so joyful and satisfied in my career!



**ABOUT MARSHA B. FELTON**

"I'm on the 'inspiring and motivating' beat. I cover exciting people and uplifting endeavors."

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