
RetireEntrepreneur: Robert Klein

By Kerry Pechter *Wed, Dec 18, 2013*

West Coast CFP, CPA and RICP Robert Klein has jumped on the retirement bandwagon, recasting his business as the Retirement Income Center, becoming a MarketWatch RetireMentor and putting fixed indexed annuities at the center of his practice.

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Location: Newport Beach, California
Founded: 2011
Previous firm: Financial Design Center (1998–2011)
Niche: Retirement income planning, mgt., protection
Avocations: Fitness, music, writing, genealogy, travel

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What I do: I'm a retirement income planner who develops and manages strategies for creating and optimizing retirement income. I recommend and implement conservative retirement income planning, management, and protection strategies that aren't available, and often aren't discussed, in traditional stand-alone investment advisory firms. I help my clients maintain their independence and dignity, and increase their opportunities to provide for a legacy for their family, heirs, and charitable organizations, if that's their goal. To me, it's extremely exciting to do this work because this part of the business is relatively new. We've been doing retirement planning forever, but the last several years it became retirement asset planning vs. retirement income planning. It's a thriving, growing field and I feel like a kid again, starting over in this niche.

Who my clients are: Retirement Income Center's clients are generally successful higher net worth individuals who are approaching, or are in, the retirement phase of their life. They understand that retirement income planning is complex and requires expertise and experience to help them achieve their financial goals and have peace of mind. Initially, many of my clients come to me when they have a problem. Some are looking to sell a business, or are contemplating the sale of real estate or stock, and they need help with a large lump sum of money. They want to translate that into an inflation-protected lifetime income stream while minimizing tax consequences.

Why people hire me: My clients appreciate the independent, comprehensive, personal touch I bring to the table. They understand that my attention to detail and responsiveness is second-to-none, and allows them to sleep better at night. Last, but not least, my clients know that I always place their needs first and that I value and respect my professional relationship with them. For our initial meeting, I request that prospective clients don't bring in financial information. I want to get to know them, and allow them a chance to get to know me.

How I get paid: Retirement Income Center, unlike other financial services firms, isn't tied to a single compensation model that it depends on for the majority of its revenue. Our initial retirement income planning analysis and recommendations are generally provided on a fixed-fee basis. All subsequent services are delivered using traditional financial services compensation methods. These include investment advisory

services for which we use an assets-under-management fee schedule. I also offer fixed income annuity and other insurance strategies, including life, long-term care, and disability, as a licensed insurance agent appointed with multiple highly-rated life insurance companies who pay me commissions in connection with sales of their products.

Where I came from: I grew up in New Jersey, received a B.A. in Economics from Rutgers College, an MBA in Accounting from Rutgers Graduate School of Management, and an M.S. in Taxation from Golden Gate University. After obtaining my CPA license and working for CPA and financial planning firms in New York and New Jersey, I earned my CFP designation. I moved to California in 1986 and founded the CPA financial planning firm, Robert Klein, CPA in 1989, which continues to provide income tax and accounting services to its clients. I got my entrepreneurial spirit from my father. When I was growing up, my father had his own insurance business, and his independence rubbed off on me. I saw the benefits of doing things yourself and accomplishing things on your own terms.

My view on annuities: Although I've seen a change in recent years, I feel that annuities are often misrepresented and misunderstood by the public. The annuities that I include in my recommendations are fixed income annuities, which provide sustainable lifetime income. I own fixed income annuities, and a lot of the things I recommend to clients, I've done personally. I always try to put myself in my client's place. In a way, I can say 'I've been there, I've done that and I know that it makes sense for you.'

My personal retirement philosophy: I believe, first and foremost, you should always be striving to grow as a person and obtain the experiences in life that allow you to do this. Planning for retirement is part of this evolution and needs to consider lifestyle as well as financial issues. A retirement income planning mindset should be adopted as early as possible to give us the freedom, flexibility, and ability to choose when, where, and how we want to retire and to continue to live the life we want to live. Finally, when the day comes when we're physically and/or mentally limited in our ability to sustain the life we've cherished, we need to have a plan in place for protecting the assets and income we've accumulated without physically, financially, and emotionally burdening our family and other loved ones.