Aaron Goldberg ([00:57](https://www.rev.com/transcript-editor/Edit?token=6hRuZ3h9j6bGpjNd-9pJ2Ej5SmbzxFMPpFAyDlLa6bmayjdyFnUIqe3x8SYgdMqpreAtozGTu6BUc0YJxABNH_GkGwo&loadFrom=DocumentDeeplink&ts=57.04)):

Hey everyone. Welcome to the PGA Players Podcast. I'm your host, Aaron Goldberg, certified financial planner and private wealth advisor at AWM Capital. Today, I'm joined by my business partner at AWM, Erik Averill. Erik, welcome to the show.

Erik Averill ([01:13](https://www.rev.com/transcript-editor/Edit?token=uc3xVT3wgdvOwDih9nuJuqh4148lfLE88QY6IM-n3nKGSqvWdFyUbzNuI1lXKKpmzDMSIWvV12mNfZCAZhQmJKkfeLU&loadFrom=DocumentDeeplink&ts=73.02)):

Thanks for having me on. I'm excited to get this launched. Obviously, this is something that we've done for MLB players for a very long time, and it's about time that we expand into the PGA, so excited to have this conversation. And the whole reason for this podcast that you would talk to me about wanting to launch, was from a player's perspective, what are the questions and things that they need to know about from a financial perspective? Just because with all athletes, they're very unique. They are very different than the normal person and would love just have you share, Aaron, kicking us off, how are golfers unique and different than really the everyday person when it comes to their financial world?

Aaron Goldberg ([01:59](https://www.rev.com/transcript-editor/Edit?token=PNtnEvbV4OfrR9sS_L_Qdt6lhwMmQcNw9gbtggJwW6QbaFOil_xX8o_f-sFQQzjNZVz6Ug_G2WzYNuvSmzZQX6zxOS8&loadFrom=DocumentDeeplink&ts=119.68)):

Yeah, that's one of the first questions I get asked when I'm talking to athletes, especially golfers, is who's qualified to be my financial advisor? And it's a really important question to ask because we get a broad spectrum of people that will call themselves financial advisors. And they span from really good advice to mediocre advice, to really, really bad advice. And we see all the horror stories out there.

Aaron Goldberg ([02:24](https://www.rev.com/transcript-editor/Edit?token=xUZQFthSij5p1chohWpOGey-LAL9LHTz8vI1SZvxjZQ9Jp7rlLUiSDyBfRRcnhQkjMe9kM6ybxKo5BQDiGShcTYKbUI&loadFrom=DocumentDeeplink&ts=144.18)):

But what makes you as an athlete and as a golfer unique is, all the different things that construct your financial structure and how you make money and then how you're taxed on that money, too. So it's really important to have somebody that's experienced, both on the side of being in your shoes possibly, but also taking care of people in your shoes, so they understand the nuances that go into keeping as much money as you make as possible. And then, maximizing that net worth as you grow not only a player, but as a family and as a overall financial structure.

Erik Averill ([03:04](https://www.rev.com/transcript-editor/Edit?token=PirZfGCa7LlsmhukESCIIZB9XlF2gA3AzI5fOHG_IFy2oAhIqzNIaLZUFwtkJnaYgOejawv6F2z8RzQbLS7Xmp1W178&loadFrom=DocumentDeeplink&ts=184.86)):

One of the things you hit on there that blows me away, that a lot of times we just don't have context around, is how many people are actually in the highest tax bracket? As a golfer you're on the tour, you're making a lot of money, and you may not feel like you're making a lot of money, but compared to the rest of the world and the United States, you are in the top 1%. So it's a staggering stat that 0.7% of singles are in the highest tax bracket. Said another way is 99.3% of other single people are not in the highest tax bracket.

Erik Averill ([03:39](https://www.rev.com/transcript-editor/Edit?token=MF-vQePy4IYuHKdqj_gXypv7uHNMY-KWjl_97mKyRR1wD-FuVncn5JfilXYK6CyJQQ1E9LfDUx0ZzmIU-aBZbOT9joA&loadFrom=DocumentDeeplink&ts=219.79)):

And so, they're just asking and answering different questions, which is why I think when we see mass financial advice out there, the Dave Ramseys of the world, the Susie Ormans, the Merrill Lynchs, the Morgan Stanleys, the UBSs, the Wells Fargos, it's not that those are necessarily bad. They're just different, and they're just wrong. What are some of the other really unique things that golfers are facing that the general public just doesn't face?

Aaron Goldberg ([04:08](https://www.rev.com/transcript-editor/Edit?token=H9fDuIOf7icOGOIxFj0S6D90YTSiisN9AiNJUC1KRNSHybchLJuMY-BgusqZwGLO-RCufSFISkeMv4_jL3ujpL5Gr2Q&loadFrom=DocumentDeeplink&ts=248)):

I think it's the complexity of their overall situation. A perfect example is something I found myself in is I didn't have disability insurance. To be honest, I'd never even heard of it when I was playing. I didn't know what it was or if I should have it. And unfortunately, I got hurt. And I didn't have full status at the time, so my access to disability insurance through the tour was nothing. But whether you have no disability insurance through the tour, or you even have the tour disability insurance, it's probably not enough to cover what you need from a month-to-month spending standpoint. So it's really important to have somebody that understands what that need is and can show you, look, here's what you have. Here's what you're spending. If you get hurt, if you're not able to play for months or years, here's what you have access to for pennies on the dollar to cover yourself.

Aaron Goldberg ([05:01](https://www.rev.com/transcript-editor/Edit?token=CG6MiJtYBKYWHm3Nw9KnWi5aQqKw48FZRIddvoAhdlprGsypPA4U7LoRT-webQddT1KjGejqfRwV_Oj738tIdFgEGM8&loadFrom=DocumentDeeplink&ts=301.54)):

And not that we like insurance, but for some things like this, if we can guarantee or protect some of our income for the future against injury, then a lot of times it can be worth at least investigating it. So I wish someone would have had that conversation with me. I know my family, we'd be in a completely different financial situation if that had happened, because mine was a career ending injury. I would have probably had something along the lines of half a million to a million dollars worth of coverage for a career ending injury. And it wouldn't have cost me much on a year-to-year basis, but I did not have that. And if you see my house, you can probably tell that I didn't have the million dollar disability insurance.

Erik Averill ([05:44](https://www.rev.com/transcript-editor/Edit?token=kQ-vZH3uuLdTd1CrJhHs7RMvENn77o0o2UBdcATOGTT1OHVKhRJV0pcUEzL1Kv-F3y3LppvGHR20HXIZ3tGX6OTwSnw&loadFrom=DocumentDeeplink&ts=344.13)):

No, and it's not a laughing matter, right? Because it truly impacted someone like you, who you have this career, this trajectory of what it could be, but we talk so much about that the majority of our clients' wealth is tied up in their human capital. It's their ability to convert this potential on the tour into career earnings. And we'll do an entire podcast in the future on the disability insurance options. So you want to make sure to head over to pgaplayerspodcast.com. Make sure that you subscribe to the newsletter so that you know when that information does come out.

Erik Averill ([06:22](https://www.rev.com/transcript-editor/Edit?token=1m5Dvmrj2HiCr6Zm8jLo_8M0PVfVuztLBa-8xySNczgZgH-0cCaaYAi5LNZbxuKP-K7dKH8_VGHDBlfthLbWRoQ33e4&loadFrom=DocumentDeeplink&ts=382.57)):

But Aaron, one of the things that struck me is you said you didn't know. Yet you had an agent, you were on the tour with other players. Are these just conversations that aren't happening out on the course between players or your agent? What's the advice you would give to the players listening of where they should be getting this information from?

Aaron Goldberg ([06:43](https://www.rev.com/transcript-editor/Edit?token=GXc5u5vvhDK69LnUB_HaRU7RBYr_VABYpJOaP5Z8jp-q02M0QU7PMZXBkMOfMatVQax4ikFwIYVJwglxbwX9XFjavXw&loadFrom=DocumentDeeplink&ts=403.81)):

Yeah, I mean, I was young. I thought I knew everything. I got a finance degree in college, so I know everything there is to know. And so, I hired my parents' accountant who had zero experience in athletes, let alone golfers. So I was not covered any by any means. Unfortunately, my agent had just started learning about disability insurance, and it didn't really come up with me yet. Fortunately, they are having that conversation with their players now but using me as a case study.

Aaron Goldberg ([07:15](https://www.rev.com/transcript-editor/Edit?token=XZrWYjYj_fEmCOztdTMQhvAhacwiIORndx4KfP2mZomLPfP4YGerDsLieaipdOWtVPMvkY72EG5ABAMJ2KhPd0IFr5A&loadFrom=DocumentDeeplink&ts=435)):

But I think it comes back to one of the other questions I get a lot is, "Well, my parents have a good financial advisor. Shouldn't I just use them?" And they may be great for your parents that work a normal job. I don't know what they do. Maybe they own a business, or whatever they do. But if your parents aren't professional athletes, they're financial advisor's probably not right for you because they don't know what to look for. And like I alluded to earlier in the show, we've all heard the horror stories of the guys that get swindled out of their money with a bad advisor that's a crook. But what I think is almost equally dangerous is the mediocre advisors, the ones that don't know what they don't know.

Aaron Goldberg ([07:54](https://www.rev.com/transcript-editor/Edit?token=rIxfCZ2LYcfRWTJfn7QRZGqV0LZDCZ1qs4w5_SQu7W96qzVl0pX8WYQ5_JollBLD5c6BC3RN2ogGC4T8nyB4m-Cob4k&loadFrom=DocumentDeeplink&ts=474.24)):

For you as the athlete, your job isn't to know everything that goes into your financial world and what your advisor should be telling you. That's their job. That's what you are hiring them to do. But what's really dangerous is if they don't know the things they don't know, then how are they going to look out for you? And so, when you hire people that have had that experience with other athletes, whether it be baseball players, whether it be football players, whether it be golfers, they know the pitfalls that come up and the ways that we can maximize net worth for our clients by capitalizing on their human capital and making sure that we take advantage of every opportunity that they have. It really hits home why there are specialties and advisors that really should be taken care of set groups of people like athletes.

Erik Averill ([08:47](https://www.rev.com/transcript-editor/Edit?token=Dd3Ojy6y1o940dvz4GBJa0iFt67-bofogqLWryCyYQ-pYq9S7RLVs_2c7EA9PcE84eEYUEoGsIGWXyLLXsQpOkWON80&loadFrom=DocumentDeeplink&ts=527.84)):

Two things you hit on that struck out to me. I love it, is really, the danger of the average of anything, right? It's this joke, it's, you're the best of the worst options. And you're the worst of the best options when you're the average advisor. And when you're the best in the world at what you do, when you're one of 100 in the world of what you're doing, you should demand the same from an expertise standpoint, especially when it comes to something as important as your family's financial future.

Erik Averill ([09:16](https://www.rev.com/transcript-editor/Edit?token=Jf2AdjKGRc1CgYIbFIb1zl51rEpgV3we2IUblmh_leD3UxtrLztfdHLKJDzbHKbtda8BrPptMISdVVRdiNUXeq4eaRc&loadFrom=DocumentDeeplink&ts=556.02)):

And just hitting on those differences of it's not necessarily good or bad, it's just different. And we know this from a specialization standpoint. One of the first things we learn as a professional athlete early on, is the importance of specialized advice when it comes to our strength and conditioning, when it comes to our rehab, when it comes to our recovery, when it comes to our nutrition is none of us rolled down to LA Fitness, asked the guy on the bench next to us, "Hey, what workout are you doing?" Absolutely not. Nor do you actually pick up Golf Digest magazine and say, "Hey, what tips and techniques are we going to try and implement on the tour?"

Erik Averill ([09:55](https://www.rev.com/transcript-editor/Edit?token=uVXTlSb9KE37BzRlzkOuoE4e-r3mIk-5tE4olfEYF_1e_EWNdfoc0DAbUy_UiJmF6kMoHW1vzDE3WAIJ8Ov_RQtQh-s&loadFrom=DocumentDeeplink&ts=595.21)):

We laugh at these things. Yet, we see this being done when it comes to your financial future, and something that you hit on there that I think is really important is, how different are golfers when it comes to taxes?

Aaron Goldberg ([10:09](https://www.rev.com/transcript-editor/Edit?token=qhc-VblZEVgpPpbbk3gcz162e5v6CD2YWrq-EI20cEGv0ShQPDw7LJvcsoNQmtznwVSMwDafoJcn09eZ9d6dpuYs-4Q&loadFrom=DocumentDeeplink&ts=609.67)):

They're completely different. If you think about it, where as a golfer, you're almost completely backwards to the normal everyday worker. The everyday worker starts at a lower salary, works their way up. They probably make the most money at the end of their career, '60s, and that's when they end up retiring. For a golfer, you're going to peak early. And hopefully, you have a nice long career out on tour and you're making money into your 50s, but it might be in your 30s. It might not even make it to your 30s, but you're going to be able to front load that and make a lot of money the early years. But you're also doing that as your own entity, so whether you form a corporation or not, that's something we'll hit on in a future podcast, but you're going to be taxed based on what you earn.

Aaron Goldberg ([10:54](https://www.rev.com/transcript-editor/Edit?token=ma336Y7rSZEp9Tsxgv8-SfTLQlhtN8kD0DGiIkLrselQe2hSfsALUeMvEYn-CrsBLp5EGauvgNxnbPzwoHtowPxn2I8&loadFrom=DocumentDeeplink&ts=654.7)):

You have some opportunities there, so you want to put away as much money on the side into a tax type sheltered account or tax-deferred account, so that we're avoiding those high taxes early on. So if your advisor hasn't talked to you about an individual 401k or a backdoor Roth conversion, at least the SEP IRA, then those are the things that we need to at least explore and take advantage of so that we're saving ourselves as much money on the tax side and maximizing our after tax take home, the money that we're able to do things with.

Aaron Goldberg ([11:29](https://www.rev.com/transcript-editor/Edit?token=xostL2qWmVKb1rgMV63xLcrm41i7nJhR7ABpU07doSMNVLisaWsAjQyYfLksFQEEE85LXlz1BsoVJ7DMSCuzSnhguek&loadFrom=DocumentDeeplink&ts=689.66)):

And really, in the beginning of your career, what you want to be doing with that money is investing it in yourself. You are the business, your game is the business. You're going to be the biggest driver of your financial future as a player. So we want to make sure that you have as much of the earnings that you make in your own pocket to reinvest in yourself.

Erik Averill ([11:53](https://www.rev.com/transcript-editor/Edit?token=LdWl7TS5ImZw267YvpYn7zVntohsiCVavkxHL1MXv2jwXBl1lgTeTTm9W1NsZwDp8K3fzmdUn3c3Pri-CIMIeLoQ0d0&loadFrom=DocumentDeeplink&ts=713.13)):

You hit on so many important things there. And what the main takeaway that I hear from you talking about, is where it comes to specialization of working with the best in the world at what they do is, you have complex needs. And trying to take an average, massive fluent approach to just saying, I'm only going to care about your publicly traded investment portfolio, doesn't work. Because it's actually about outcomes. It's actually about how do we convert your hard work into after tax dollars that hit your pocketbook, to make sure that you can use that money for maximum impact? Whether that's buying things on a financial side or leaving a legacy and doing your charitable efforts, is you've worked so hard to put yourself in a position, and you have a very small window of opportunity to convert those earnings, that you want to surround yourself with experts who have demonstrated the expertise and the experience to actually be able to offer that.

Erik Averill ([12:52](https://www.rev.com/transcript-editor/Edit?token=UkAr6pnzDkiGyCH1eJ5jC3IwxUu8k5PaDBms4ymu0i07ivhIbPufJOxv5eBo3fdGCaM7IdWzGTLiOP101gsTfSsGZGE&loadFrom=DocumentDeeplink&ts=772.54)):

And that's what I tell all of our clients, right? Isn't that true? Peace of mind and freedom to go out and perform on the course because you have confidence that you don't have to worry about everything off the course, because you have a team of experts in your corner. And so, Aaron, I think that for PGA players, every week, we're going to be breaking down whether they need corporations, what type of tax planning they need, the disability insurance, how do you monetize your off the course income, talking about endorsements.

Erik Averill ([13:29](https://www.rev.com/transcript-editor/Edit?token=O-q5AOHKq__4y4PteCdB2UCb9q5YewlhqyvCz4NFP5eaJO2Ggzte14MA5tu7WwGUGmZwfhK8jkXd-B6tYWmKu4um0uw&loadFrom=DocumentDeeplink&ts=809.48)):

And so, if you had to put a bow on it, if you only have a five-minute conversation with the PGA player walking off of the course, and they ask you that one question, what's the one most important question I should be asking of my financial advisor to see if they're qualified? What's a question that they could be asking?

Aaron Goldberg ([13:51](https://www.rev.com/transcript-editor/Edit?token=u6tvKKkgvbxibX3jVYtWHj-DYikr3DeQQF7tQVrh6NKD1jSG1YWhGTRAzDZsP85CiBZ4lOCoKMi5dKNTLAuL7dy3RqE&loadFrom=DocumentDeeplink&ts=831.33)):

It's hard to narrow it down to one, but if I'm going to ask an advisor one question of if they're qualified, it's how many other athletes do you represent and have you taken care of in the past? Because that right there, is going to let you know, are they able to understand the nuances that go into what my financial world is? And it doesn't mean that the guy or the gal that hasn't taken care of athletes in the past, isn't qualified, or isn't able to do it, but they're not going to understand. They're going to be learning with you as opposed to have already learned it and have that knowledge base to help you maximize what you bring to the table and what you can do with that financial legacy that you have. So that's probably the number one question.

Aaron Goldberg ([14:48](https://www.rev.com/transcript-editor/Edit?token=END653TbO0cByBuDzjbcZ8U9UHJAx5uhtFhI7Wz6aw5HvuWJ70TpvskGzZEC-7HIK4_g5PPdFy8zt2u6Tf5mJy-PhFM&loadFrom=DocumentDeeplink&ts=888.07)):

And then after that, you really want to make that, what type of company are they with? Are they a fiduciary? Which means are they acting in your best interest at all times? The last thing you want, is somebody that's selling you stuff and that's a salesman.

Erik Averill ([15:03](https://www.rev.com/transcript-editor/Edit?token=M6gKixM0eY0oRco2a8ZYNZ--3i8YZTow7tOn2_MIObnWxb6eBtX6EYqie8qvljqOYav9bTctf2_I0dEhGcve4RyRCLM&loadFrom=DocumentDeeplink&ts=903.36)):

Yeah, we'll get into that in future episodes. The whole purpose of this podcast is to equip and educate so that you, as the PGA player, feel empowered to make sure that you're making the right decisions with your financial future. And as we always leave it, we know this as athletes, is that professional sports is a business. And if you don't come through, if you don't have success on the course, no type of relationship is going to keep you on the tour. It's move on to the next. And that can be cold and calculated, but we expect that level of expertise out of a player. We believe that you should demand the same out of your professional financial team, out of your agents and everybody that you surround yourself with.

Erik Averill ([15:52](https://www.rev.com/transcript-editor/Edit?token=WDnz5kHaQFEV0mssegOGXqH175He0phHGJ8Sz6XuR1L-BCwVnKb4-EVMkqqSd0iVfEOkk-bnG-kHibR1ccxEB_Z19uI&loadFrom=DocumentDeeplink&ts=952.73)):

You have put yourself in a position. You've worked extremely hard for your money, and you should not accept anything but the best. And so, we appreciate you guys taking time to tune in. We hope that this has been valuable. Like I said, make sure you head over to pgaplayerspodcast.com. Drop your email in there so you're getting access to all of the resources that we're going to be sharing in the future. And until next time, stay humble, stay hungry and always be a pro.