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## **Form ADV, Part 2A Brochure**

March 25, 2024

This brochure provides information about the philosophy and business practices of Walker Financial Advisors, Inc., and the qualifications of the advisors at the firm. The information in this brochure has not been approved or verified by the Securities and Exchange Commission.

Additional information is available at the Investment Adviser Public Disclosure website at:  
<https://adviserinfo.sec.gov>

**Item 2 – Material Changes –** None to report.

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## **Item 4 – Advisory Business**

### **COMPANY OVERVIEW:**

Our company mission is to build and preserve our client's wealth through prudent tax-efficient investment management using liquid marketable securities. Our roots date to 1986, when Scott Walker was working for Penn Mutual and was unable to offer financial planning and wealth management services on a fee basis. So, he founded Walker Financial Consultants, as a Registered Investment Advisor, to provide objective and unbiased financial advice for a fee. The firm transitioned to fee-only asset management in 1992 and established the brokerage and custodial relationship with Schwab Institutional, now Schwab Advisor Services, to house client accounts. The firm was incorporated in 1998 and the name was changed to Walker Financial Advisors, Inc. ("WFA").

WFA's primary function is to serve as a wealth manager and invest money on a discretionary basis for our clients. We specialize in portfolio design and investment management for affluent individuals, many of whom are currently retired. Co-Chief Investment Officers, Scott Walker and Warren Isenberg are both Certified Financial Planner™ professionals and work together as a team to manage client portfolios. Mr. Isenberg has been with the firm since 1998, and currently serves as President of the company. We espouse a conservative balanced asset allocation philosophy, with an emphasis on low investment costs and controlling downside risk.

We have specialized expertise with trust brokerage accounts and tax- advantaged retirement plan accounts including Rollover IRA's, Roth IRA's, i401(k) plans, profit-sharing plans, and defined benefit plans. All client assets are held at Schwab Advisor Services, a subsidiary of Charles Schwab & Co., Inc. in separate accounts registered under the client's name.

As of 12/31/2023, Walker Financial Advisors, Inc. had \$190,258,725 in assets under management. That total consists of \$163,451,963 managed on a discretionary basis for 165 clients. Non-discretionary managed assets include \$26,806,762 held in a 457(b) governmental deferred compensation plan account for the City of Costa Mesa, CA.

Walker Financial Advisors, Inc. operates as a California S-Corporation with 100% of the company stock held by the Walker Family Trust dated 8/14/1996.

### **Advisory Services Offered**

#### **Asset Management:**

This all-inclusive portfolio management service is our primary offering for individual investors. The process begins with a complimentary consultation in our offices so that we may get to know each other. We'll discuss your goals and objectives, past investment experience, risk tolerance, and review your current investments and income tax position. We will then make recommendations with a proposed portfolio design and investment

ideas. Clients give us authority via a limited power of attorney to manage their accounts on a discretionary basis. We favor many of the same securities for client accounts that we hold in our own personal accounts. Individual common stocks and bonds (U.S. Treasury, municipal, or corporate) typically comprise most holdings. Select exchange-traded funds (ETF's), and to a lesser extent, actively managed no-load mutual funds are also woven into the mix for diversified access to a particular theme or portfolio manager.

Existing holdings of new clients are discussed and not automatically sold. A written investment policy statement is completed for each new client which specifies asset allocation targets (i.e., maximum percentage to equity investments) for risk tolerance purposes.

Ancillary financial planning advice includes advice regarding income taxes, retirement planning, and estate planning and is provided at no additional charge. Asset management clients qualify for free access to our E-Money platform with a personal financial website which includes wealth management and retirement planning tools.

### **Financial Planning / Advice:**

For those who desire advice on a one-time or stand-alone basis, we offer this service agreement under an hourly or flat-fee arrangement.

Financial plans are offered for a flat-fee and typically address a specific issue in the areas of investment management, tax planning, retirement planning, estate planning, or risk management (insurance analysis). Services under this agreement are one-time in nature and do not include the ongoing supervision, monitoring, or periodic review of investments.

### **457(b) Governmental Deferred Compensation Plans:**

Walker Financial Advisors, Inc. also does business as California 457 Benefits (CA 457). Under CA 457, we provide plan administration, investment advice, and employee services to governmental deferred compensation plans. Plan administration services include ongoing regulatory compliance support, contribution processing, daily account valuation and reconciliation, inquiry resolution, along with plan and data maintenance. Investment advice includes review and compliance with the plan Investment Policy Statement and designing an appropriate mix of investment options, so the plan sponsor meets its fiduciary duty to employee participants. Employee services include group educational meetings followed by individual consultations to discuss asset allocation and provide investment advice. Participant enrollment, emergency hardship withdrawals, distribution planning and processing, and beneficiary changes are also provided.

## **Item 5 – Fees and Compensation**

Walker Financial Advisors, Inc. is compensated on a fee-only basis by our clients. This is our sole

source of compensation as we avoid products that pay commissions to the advisor. Clients will receive quarterly statements from WFA showing the amount of the fee, the value of assets on which the fee was based, and how the fee was calculated. The quarterly fee is adjusted for cash deposits and withdrawals made during the previous quarter. WFA does not accept any securities commissions or mutual fund expense reimbursement payments. As a fiduciary, we endeavor to minimize investment costs with the use of individual securities. We will also own ETF's and no-load funds and typically favor those with lower expense ratios. Clients invested in those funds do pay a fund management fee in addition to our advisory fee. We present net performance numbers each quarter, so your management fee is fully disclosed. For convenience purposes, the client authorizes Schwab to pay WFA quarterly management fees directly from the client account.

### **Asset Management Agreement:**

The client investment management fee is based on an annual percentage of assets managed and is calculated and billed quarterly in advance. The annual fee for new accounts is as follows:

First \$1,000,000	-	1.00%
Next \$4,000,000	-	0.75%
Next \$5,000,000	-	0.50%
Over \$10,000,000	-	0.25%

Our minimum relationship size is \$500,000, and each client is subject to a minimum fee of \$1250 per quarter. All accounts are aggregated per client to qualify for fee discounts. Under special circumstances, fees are negotiable.

### **Financial Advisory Agreement:**

Hourly consulting fees are \$300 per hour for Warren Isenberg, and \$400 per hour for Scott Walker. Flat fees for financial planning will vary depending upon the complexity and time involved. Fees typically range from \$500 to \$5,000 for specialty plans that address a specific issue. The fee range for comprehensive financial planning is \$5,000 to \$25,000. Flat fees will vary based on the complexity of the situation and estimated time commitment.

### **457 Governmental Deferred Compensation Plan Agreement:**

Fees are based on an annual percentage of plan assets and for new accounts are calculated and paid quarterly in advance. The annual fee for new accounts is as follows:

First	\$30,000,000	-	0.25%
Next	\$20,000,000	-	0.15%
Over	\$50,000,000	-	0.10%

Plans are subject to a minimum fee of \$10,000 per quarter. CA 457 may sub-contract with outside firms to provide record keeping and/or plan administrative services.

Any of our agreements may be terminated by either party at any time without cause. Termination shall consist of written notice to such effect. WFA will reimburse terminated clients on a prorated basis for fees paid in advance when the termination occurs before the fee is earned.

#### **ADDITIONAL COMPENSATION:**

Schwab Advisor Services (“SAS”) makes available to Walker Financial Advisors, Inc. other products and services that benefit WFA. Many of these products and services assist WFA in managing and administering clients’ accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution, and provide securities research, pricing information, and other market data. WFA may receive discounts and fee waivers from SAS on computerized portfolio management services and educational events organized and /or sponsored by SAS.

#### **Item 6 – Performance-Based Fees and Side-By-Side Management**

Walker Financial Advisors, Inc. does not charge or accept performance-based fees based on a share of the growth in value of a client account.

#### **Item 7 – Types of Clients**

Walker Financial Advisors, Inc. provides investment and wealth management services primarily to affluent retirees (\$500,000+ liquid net worth excluding principal residence). In addition, we advise and manage money for trusts, pension and profit-sharing plans, and 457(b) governmental deferred compensation plans. Our minimum relationship account size is \$500,000 for individual asset management.

#### **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss:**

With a variety of on-line research tools, we use both fundamental and technical analysis when making a buy, sell, or hold decision regarding a security. Consideration is also given to the macroeconomic environment, Federal Reserve policy, and the level/trend of interest rates.

We espouse a balanced conservative approach designed around the needs and risk tolerance of each client. We diversify among asset classes (stocks, bonds, and cash) and further diversify our stock exposure by industry. Following an initial meeting, we will recommend an appropriate investment strategy and portfolio design with asset allocation targets and investments to help you reach your objectives. For our own and client accounts we buy primarily individual stocks and bonds, along with select exchange-traded funds (ETF’s). Actively managed mutual funds may also be included to a lesser extent.

We typically prefer large company U.S. domiciled blue chip common stocks that pay dividends and have a history of annual dividend increases, although that is not a prerequisite for purchase. We look to buy when the price of a security has come under pressure and is attractively valued versus its growth prospects. We favor stocks with a strong balance sheet (low debt), along with growing revenue and earnings per share. We like companies with recurring revenue streams, typically industry leaders that possess a unique competitive strength to drive market share gains. We favor stock investments where we have personal experience or knowledge of the company's products or services. Equity ETF's provide tax-efficient low-cost access to a specific index or investment strategy.

We add value with fixed-income securities by purchasing individual bonds (U.S. Treasuries, municipal, and corporate). We build bond ladders with staggered maturities. The maturity date with an individual bond provides an element of certainty regarding return of principal that ETF's and mutual funds do not provide. When conditions dictate, we may buy bond ETF's and/or mutual funds. We are always cognizant of the net asset value and will not hesitate to sell and go to cash when the price turns lower, and the chart warrants an exit.

When opportunities present themselves and market conditions warrant, we may also buy smaller positions in real estate investment trusts (REIT's), preferred stocks, and closed-end bond funds. These securities provide current income and diversification benefits.

Our goal is to make money for our clients, but past performance is no guarantee of future results, and investing in securities may involve the risk of loss that clients should be prepared to bear.

## **Item 9 – Disciplinary Information**

Nothing to report.

## **Item 10 – Other Financial Industry Activities and Affiliations**

Walker Financial Advisors, Inc. also does business as California 457 Benefits. CA 457 is a wholly owned division of Walker Financial Advisors, Inc. that serves as a third-party administrator to governmental deferred compensation plans. CA 457 has an existing relationship with the City of Costa Mesa, CA.

## **Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Walker Financial Advisors, Inc. has adopted a Code of Ethics for all supervised persons of the firm describing its high standards of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Walker Financial Advisors, Inc. must acknowledge the terms of the Code of Ethics annually, or as amended.



Subject to satisfying this policy and applicable laws, officers and employees of WFA may trade for their own accounts in securities which are recommended to and/or purchased for WFA clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of WFA will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Employee trading is continually monitored by both executives under the Code of Ethics, and to reasonably prevent conflicts of interest between WFA and its clients.

Certain WFA affiliated accounts may trade in the same securities as client accounts on an aggregated basis when consistent with WFA's obligation of best execution. In such circumstances, the affiliated and client accounts will receive securities at a total average price. WFA will retain records of the trade order (specifying each participating account) and its allocation. WFA's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Nicholas Walker at [nick@walkerfinancial.com](mailto:nick@walkerfinancial.com)

## **Item 12 – Brokerage Practices**

Walker Financial Advisors, Inc. will establish a brokerage account in the client's name with Schwab Advisor Services "SAS", a division of Charles Schwab & Co., Inc. a registered broker/dealer. WFA and SAS are separate, unaffiliated entities. SAS provides WFA with access to its institutional trading and operations services not available to Schwab's retail customers. SAS services include brokerage, custody, research, access to mutual funds and other investments that are otherwise generally available only to institutional investors and require a significantly higher minimum initial investment than retail-oriented products. WFA does not share in any Schwab transaction fee.

Clients authorize WFA to act under a limited power of attorney to execute trades through a discretionary arrangement. WFA will ordinarily determine which securities are purchased or sold for client accounts and the amount of such purchases and sales. Our authority may be limited by specific instructions from the client to restrict or prohibit transactions in certain securities. Clients may have the opportunity to purchase no-load mutual funds directly from the fund sponsor and not incur a \$15 transaction fee associated with a purchase or sale made through Schwab. We prefer to buy the lowest expense share class offered by a fund and pay the small transaction fee.

Under the Schwab arrangement, WFA may be authorized to direct that funds be disbursed from a client account. Such disbursements may only be directed to the client's address of record or to a financial institution specifically for the client's benefit.

## **Item 13 – Review of Accounts**

Scott Walker and Warren Isenberg review client accounts on a regular basis, with security prices monitored daily. They work as a team developing strategies and managing assets. Together Mr. Walker and Mr. Isenberg manage 165 client relationships and 351 active accounts. As portfolio managers, both Mr. Walker and Mr. Isenberg conduct extensive securities research and implement buy/sell decisions.

Changes in portfolio holdings may be triggered by various factors. Being flexible and open to new information is important as we constantly evaluate our existing positions versus their peer group and competing investments. When a better opportunity is discovered, an existing holding may be sold to free up money for the new position. Each day we monitor fundamental and technical data on all our holdings. With individual stocks, when a position moves against us, we will generally look to cut a loss at 10-15% below our cost to preserve capital and avoid a larger drawdown. On the upside, when our target price is reached, we will typically sell shares to withdraw our original investment, and let the profit ride, assuming our original thesis is still intact. For taxable accounts, year-end tax- loss harvesting to offset realized gains is evaluated.

Clients receive detailed reports on a quarterly basis from WFA. Graphical reports show client's current asset allocation, and net dollar investment gain. A Portfolio Performance Review provides total percentage returns over various time periods net of all fees. A Portfolio Statement provides all pertinent information on each holding by account. A Portfolio Position Summary shows the quarterly returns for each holding ranked by size. A Cash Reconciliation report itemizes all activity in each account. The Billing Summary shows how WFA's management fee was calculated, and the total amount billed.

We typically meet with clients on an annual basis; however, we are available to schedule additional review sessions per client request.

#### **Item 14 – Client Referrals and Other Compensation**

Referrals from clients and other professional advisors provide our primary source of new business. We do not offer any compensation to existing clients or other advisors for new client referrals.

#### **Item 15 – Custody**

Schwab Advisor Services, "SAS", is a division of Charles Schwab & Co., Inc. that we have chosen to hold our client assets. Walker Financial Advisors, Inc. is independently owned and operated. Schwab neither endorses nor recommends any advisor or investment strategy. Schwab has agreements with WFA under which Schwab provides WFA with services related to your account. Schwab does not review the WFA website and makes no representation regarding the content of the website. The information contained in the WFA website should not be considered either a recommendation by Schwab or a solicitation of any offer to purchase or sell any securities.

All client accounts are registered in the name of the client and held at SAS. Clients will receive monthly statements and trade confirmations for any buy or sell transaction directly from Schwab.

WFA may purchase individual municipal bonds from brokerage firms other than Schwab through a prime broker relationship. This allows access to bonds that typically are not available on the Schwab platform. A \$15 Schwab fee is charged on these "Prime Broker" trades.

The Charles Schwab Trust Bank (“CSTB”) serves as custodian under our 457-plan offering.

Advisors deemed to have custody of client’s funds are generally required to obtain a surprise annual examination. Advisors that are deemed to have custody solely as a result of their ability to directly debit advisory fees from clients’ accounts, which is the case with WFA, are not subject to the annual surprise examination. WFA must have a reasonable belief, after “due inquiry”, that the qualified custodian holding the client assets, SAS and CSTB are sending a statement directly to the client, at least quarterly.

## **Item 16 – Investment Discretion**

Clients grant Walker Financial Advisors, Inc. discretionary authority to manage accounts on their behalf via a limited power of attorney that is incorporated in the Schwab new account application and WFA’s Asset Management Agreement. Clients may place parameters or restrictions on this authority with the Investment Policy Statement that is signed at the time an engagement is initiated.

## **Item 17 – Voting Client Securities**

Walker Financial Advisors, Inc. accepts responsibility for voting proxies whenever requested by a client or as required by law. Each client specifies whether WFA is to vote proxies relating to securities held for the client’s account. If the agreement is silent as to the proxy voting and no instructions from the client are on file, WFA will assume responsibility of proxy voting.

**Special Rule in the Case of ERISA Accounts.** Unless proxy voting responsibility has been expressly reserved and is being exercised by another “named fiduciary” for an ERISA plan client, Walker Financial Advisors, Inc., as the investment manager for the account, must vote all proxies relating to securities held for the plan’s account.

In cases in which WFA has proxy voting authority for securities held by its advisory clients, WFA will ensure securities are voted for the exclusive benefit, and in the best economic interest, of those clients and their beneficiaries, subject to any restrictions or directions from a client. Such voting responsibilities will be exercised in a manner that is consistent with the general antifraud provisions of the Advisers Act, and the Proxy Voting rule, Rule 206(4)-6, as well as with WFA’s fiduciary duties under federal and state law to act in the best interests of its clients.

Walker Financial Advisors, Inc. as an investment adviser is a fiduciary that owes each of its client’s duties of care and loyalty with respect to all services undertaken on the client’s behalf. WFA’s policy is to vote the proxies of securities in client’s accounts. WFA has adopted a policy to vote the securities in the best interest of the clients. WFA will exercise discretion at any time when regular voting practice is inconsistent with client interests. WFA may refrain from voting a proxy when it is in the best interest of the client, e.g. if WFA determines that the cost of voting the proxy exceeds the benefit to the client.

## **Item 18 – Financial Information**

Walker Financial Advisors, Inc. has been in business since 1986 and foresees no financial issues or condition that may impair our ability to meet all contractual commitments to clients. WFA generates revenue from quarterly management fees based on calendar quarter end account values.



**Part 2B of Form ADV:  
*Brochure Supplement***

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Mission Viejo, CA 92691

(949) 367-1961

March 25, 2024

This brochure provides information about management personnel that supplements the Walker Financial Advisors, Inc. brochure. Please contact us at (949) 367-1961 or by email at [nick@walkerfinancial.com](mailto:nick@walkerfinancial.com) if you have any questions about the content of this supplement.

Additional information about the management personnel is also available on the SEC's website at <https://adviserinfo.sec.gov>

## **Item 2: Educational Background and Business Experience:**

- Scott D. Walker, CFP®  
Chairman, CEO, & Co-Chief Investment Officer
- Date of Birth: September 4, 1958
- University of Nebraska – Lincoln: Bachelor of Science, Business Administration with emphasis in Finance & Economics – 1980
- College for Financial Planning – Denver, CO: CFP professional designation – 1986
- University of Southern California: Financial Planning Program – 1986
- Chairman, CEO, and Co-Chief Investment Officer – Walker Financial Advisors, Inc. - 1998 to present
- Founder & Owner – Walker Financial Consultants - 1986 to 1997

All investment personnel must have the Certified Financial Planner™ professional designation or be actively working toward it.

## **Description of Professional Designations:**

### *CERTIFIED FINANCIAL PLANNER™*

The CERTIFIED FINANCIAL PLANNER™ and CFP® (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP® Board”). The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. The CFP® is recognized in the United States and several other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients.

To earn the credential, each CFP® candidate must have a bachelor’s degree (or higher) from an accredited college or university and three years of full-time personal financial planning experience. In addition, candidates must take the CFP® Certification examination and complete a CFP® board- registered program or hold an accepted designation, degree, or license. Every two years, CFP® certificate holders must complete a minimum of 30 hours of continuing education. More information regarding the CFP® is available at <http://www.cfp.net>.

## **Item 3: Disciplinary Information**

Mr. Walker has no disciplinary history.

## **Item 4: Other Business Activities**

Mr. Walker’s only business activity is providing investment advice and wealth management services through WFA.

## **Item 5: Additional Compensation**

Mr. Walker's compensation comes from a salary, profit distributions from WFA, and employer retirement plan contributions from WFA.

## **Item 6: Supervision**

As Chairman and CEO, Mr. Walker supervises Warren Isenberg by reviewing all trade related activity. As Co-Chief Investment Officers, Mr. Walker and Mr. Isenberg work as a team developing investment strategies and building client portfolios.

## **Item 2: Educational Background and Business Experience:**

- Warren B. Isenberg, CFP®  
President & Co-Chief Investment Officer
- Date of Birth: July 6, 1966
- University of California – Irvine: Bachelor of Science, Biological Science – 1989
- College for Financial Planning – Denver, CO: CFP professional designation – 1996
- President & Co-Chief Investment Officer – Walker Financial Advisors, Inc. - 1998 to present
- Financial Advisor NASD Series 7 – American Express Financial Advisors - 1997
- Stockbroker NASD Series 7 – Baraban Securities, Inc. - 1994 to 1995

All investment personnel must have the Certified Financial Planner™ professional designation or be actively working toward it.

## **Description of Professional Designations:**

### *CERTIFIED FINANCIAL PLANNER™*

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To earn the credential, each CFP® candidate must have a bachelor’s degree (or higher) from an accredited college or university and three years of full-time personal financial planning experience. In addition, candidates must take the CFP® Certification examination and complete a CFP® board- registered program or hold an accepted designation, degree, or license. Every two years, CFP® certificate holders must complete a minimum of 30 hours of continuing education. More information regarding the CFP® is available at <http://www.cfp.net>.

## **Item 3: Disciplinary Information**

Mr. Isenberg has no disciplinary history.

## **Item 4: Other Business Activities**

Mr. Isenberg provides investment advice and money management services through WFA, and is also responsible for managing California 457 Benefits, which provides administrative services to sponsors and participants of 457(b) plans.



## **Item 5: Additional Compensation**

Mr. Isenberg's compensation comes from a salary, quarterly bonuses from WFA, and employer retirement plan contributions from WFA.

## **Item 6: Supervision**

As Chief Compliance Officer, Mr. Isenberg reviews all trade related activity of Mr. Walker. As Co-Chief Investment Officers, Mr. Isenberg and Mr. Walker work as a team developing investment strategies and building client portfolios.