entrepreneur of the month

Deephaven **Resident** Al Stricker:

A Note About *August Financial Consulting, LLC*


Alycia Faye Photography

August Financial Consulting, LLC was built on a family taught foundation of EARN Trust, care for and respect people, business relationships are not about only winning – but win-win – and it is important to enjoy the process...

Part of the "enjoy" was moving our office into Excelsior, just across Water Street from Lake Minnetonka. There is a lot of energy in Excelsior right now – a good place to be. Through our relationship with Mid Atlantic Capital Corp (MACC) & Mid Atlantic Financial Management (MAFM), August Financial Consulting, LLC is an independent financial services firm specializing in assisting clients in planning for, then living in, retirement and designing retirement plans for small and mid-sized businesses.

The Dow Jones Industrial Average is at record highs... North Korea recently test-fired another ballistic missile, we might build a wall on our southern borders, might start a trade war – with everybody and who knows, maybe we even get tested a bit by Russia, or Iraq, or China... What to do?

The answer is: it depends. In 1952 Harry Markowitz presented the idea of "Modern Portfolio Theory" (published in the Journal of Finance) whereby an investor could essentially allocate a portfolio to manage the level of risk & correspondingly – return. During the mid and later 1990's market run pre-tech-bubble burst in early 2000, sentiment began to question such old and "worn-out" theories. From the period of March 2000 thru a market turn late in 2002, equities in the tech-heavy NASDAQ did not look so good (down 77% from 3/2000 to 10/2002) as compared to bonds. During the second "once in a lifetime" event of the financial crisis in 2008 both bonds and stocks took a bit of a beating – bonds much less so. It could be that many of the "old" theories still apply!

At August Financial Consulting, LLC, the view is that allocation is important. To time the market you have to be right twice – first, by picking the bottom, the second time by identifying the top. A general suggestion – allocate to fit your needs, buy and hold (do not try to time the market) – however, be willing to periodically take some profit and sell losers.

Our job for individuals and families is to structure investment (or withdrawal) plans and strategies to maximize return for each client's specific need and risk tolerance. For business retirement plans, as we evaluate and tailor the plan, it is important to provide company owners and employees with a comprehensive solution including ongoing screening of targeted "best in class" investment choices and indexes along with a plan structure to meet specific objectives of the company management team. Part of the process includes benchmarking for cost and performance of the plan to assure diligence in its construction and operation. This provides employees the opportunity to save for retirement and allocate with their own needs, risk tolerance and goals in mind.

We first listen to your goals and dreams. Then work with you to mold portfolio and life strategies targeted to being successful – by your measure. We use comprehensive financial planning and risk tolerance analysis tools to structure portfolios to match your financial situation. For a glimpse of the risk planning tool we use "Riskalzye," please feel free to check your own risk tolerance by clicking on the "Does my portfolio fit me" tab on the home page of the August Financial Consulting website. If you would like to engage in an initial planning consult or have any questions, please feel free to call or email per below:

952-767-2073
Alan@augustfinancialconsulting.com

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