



## Comprehensive Services

SilverOak Wealth Management, LLC (SilverOak) is an independent boutique advisory firm serving individuals and families throughout the United States. Our comprehensive and customized approach to financial planning utilizes the knowledge and expertise of our team by integrating services such as income tax strategies, investment advice, cash flow management, estate planning, and many others. We believe that providing prudent and thoughtful financial advice can only be accomplished by thoroughly understanding our clients' personal values, beliefs and long-term goals. Our multi-disciplinary team of experienced, thoughtful advisors partner with each of our clients throughout their life's journey. The members of our team have achieved a wide range of professional accomplishments and credentials, such as CFP, CPA, CFA, and MBT. We are always expanding and broadening our collective knowledge base through a variety of continuing education opportunities, further certifications, and advanced degrees. Our culture fuels our team's passion to learn and expand their knowledge so we can continue to provide the best client experience possible.

SilverOak acts as a fiduciary to our clients, which is the highest level of care. This means that we have a professional duty to always act in the client's best interests, and to put their interests ahead of our own. Though it may seem like standard practice, this level of care is not universal in the financial services industry. At SilverOak, we welcome and embrace this higher standard of care. We also have made the conscious decision to be a fee only advisor. Why is that important? It means we are compensated only by our clients. We do not accept any commissions, 12b-1 fees or other forms of trailing compensation. Our advice will always be thoughtful, objective and tailored to the fulfillment of each client's unique life goals. This transparency is a guiding principle of our organization and highlights our commitment to those we serve.



## Financial Planning

In its most basic form, a Financial Plan revolves around making individual decisions about how to save, invest, spend and share. Our analysis begins with a complete understanding of each client's assets, liabilities, income and expenses. We engage in detailed conversations about their short and long-term goals and objectives as well as how these may change over time. We listen closely to their plans for the future and carefully note the people, activities and causes that are important. We consider how various factors such as rates of return, inflation and taxes will impact the ability to achieve their goals.

Financial Plans provide a summarized picture of a client's financial health and retirement readiness. Scenario analysis is incorporated to measure the sensitivity of the inputs, which allows clients to make any necessary changes in order to adjust the course of the plan (such as saving more, spending less or delaying retirement). We consider this to be a continual process, and we partner with our clients to make sure the Financial Plan is always up-to-date and reflects all aspects of the client's current situation.

A key component of this partnership, and a major philosophy of the firm, is helping the client focus on the parts of the Plan that are under their control, such as creating a proper investment strategy and saving effectively. Focusing on these controllable factors is key since consistently saving and investing prudently typically have the biggest impact on the success of a Financial Plan. However, we also incorporate those factors that are beyond anyone's control, such as market returns and government policies, and factors that are somewhat controllable, such as employment earnings and duration of employment.

We also help clients to optimize their insurance coverage to manage financial risk. Insurance is a critical component of our clients' financial health. Wealth can evaporate in the blink of an eye without the proper insurance coverage. There are many different types of insurance such as life insurance, disability insurance, property insurance (auto, home and umbrella), medical insurance and long term care insurance. We work together with our clients and their insurance professional to review various insurance coverages to mitigate the potential financial impact of a claim.

We also provide stock option, restricted stock, and employee benefit plan analysis to ensure our clients are maximizing the benefits available through their employer. By analyzing our client's cash flows and assessing risk we can create a proper retirement withdrawal strategy that helps to ensure their plan will be a success. At the conclusion of the financial planning process, our clients have a better understanding of how they are positioned to achieve financial independence and the steps they can take to influence the outcome.

## Wealth Transfer and Estate Planning

There are many different types of legacies that can be left to families, friends and the causes that one supports. Although some of the most impactful and lasting legacies may have nothing to do with finances, preparing financially for the transition of assets is vitally important. Just as it takes time and effort to build a

financial legacy, it also takes time and effort to prepare an estate plan to provide for loved ones and distribute wealth either during a person's life or at their passing.

We work in partnership with our clients to create a comprehensive net worth statement which is updated frequently. This document is an invaluable tool which helps organize our clients' financial information and highlights estate planning opportunities and issues. Having this clear, concise picture of a client's comprehensive net worth allows us to strategize and create actionable tasks to formulate an estate plan that meets all of a client's goals.

Estate planning is a continual process that needs to be reassessed and updated as life circumstances and laws change. We collaborate with estate planning attorneys to identify and incorporate legally actionable strategies - such as the creation of wills, trusts, health care directives and powers of attorney - to ensure that a client's wishes for their estate are met.

The execution of the estate plan can be complicated, time intensive and emotional. A well prepared and thoughtful estate plan is one of the greatest gifts a person can give to their loved ones. We provide our clients the peace of mind and comfort of knowing that their financial affairs are in order, allowing them to fully enjoy today. Then, when the inevitable happens, we assist our clients' loved-ones through the estate administration process minimizing stress during a very difficult time.

### **Individual Income Tax Planning and Consulting**

Estate planning, financial planning, and investing are all intertwined with income tax planning. Individuals shouldn't consider one of these very technical areas without considering the others. Our vast expertise in each of these areas, coupled with our thorough understanding of our clients' unique situations and opportunities, allows us to analyze each income tax situation from multiple vantage points to create optimal solutions for each client.

Working with our in-house team of tax professionals, we provide customized tax advice to reduce our clients' current and future taxes. We incorporate tax deferral and tax bracket arbitrage strategies, when necessary, as well as tax-loss harvesting. In order to provide the best ongoing service for our clients, we are continuously reviewing these strategies to ensure that they reflect both the current tax environment and the client's best interests for their overall financial plan.

Although we have the internal technical resources to provide a true "one-stop shop", including tax planning and preparation services, we recognize many of our clients have longstanding relationships with a tax professional outside of SilverOak. We respect these relationships and embrace a collaborative process in working with these outside tax professionals on our clients' behalf to ensure our clients continue to benefit from our comprehensive approach.

## Investment Advisory Services

We understand that investment decisions are influenced by many factors, such as a client's current life stage, unique life experiences and their perceptions about investing and taking risk. We work with our clients to develop a complete understanding of these factors, as well as their specific financial goals and their time frame for achieving those goals. Once we have gained this understanding, and before making any investment recommendations, we collaborate with our clients to develop a personalized investment policy. This Investment Policy Statement establishes the parameters and expectations for their investment portfolio, as well as provides guidance for making consistent informed decisions.

Once the investment policy has been established, we work with the client to design a diversified investment portfolio that integrates their unique objectives with their risk profile. Historical market returns show that, over long periods of time, there is a positive relationship between the level of risk taken and the level of return that can be expected. This means that, generally, the higher the level of risk taken, the higher return one can expect. While it may be easy to take higher risk when the markets are doing well, it can become very difficult for investors to do so when markets are down considerably. We work extensively with our clients to find the right mix of investments, allowing them to achieve their long-term goals without keeping them awake at night.

Why is diversification so important? Think of diversification as another way of saying, "don't put all of your eggs in one basket." A diversified portfolio provides the potential to prudently grow the portfolio, while providing income and reducing losses in more difficult market environments. Research has shown that deciding how to allocate among the various asset classes is often more important than the underlying security selection or market-timing. Thus, at SilverOak, we are not "stock-pickers" nor "market-timers". Our approach provides clients with a thoughtful, objective and disciplined strategy for prudently managing and building wealth. Our portfolios consist of a customized mix of multiple asset classes and strategies, including actively-managed investments to maximize performance relative to the markets, and passive investments to lower overall portfolio costs. While we are agnostic to both active and passive investments, all of the investments we utilize must be low-cost, transparent and tax efficient. In addition, we only hold high quality liquid investments. We do not invest in hedge funds, private real estate funds, private equity funds, venture capital funds or other illiquid investments.

Long before a potential investment option is considered for inclusion in a client's portfolio, it is put through our rigorous proprietary Investment Quality Scoring System<sup>™</sup> (IQSS<sup>™</sup>) process. We thoroughly analyze the short-term and long-term investment returns of each investment while looking at how it compares against relevant benchmarks and peer groups, as well as whether the return compares favorably to the risk taken. We are in regular communication with the investment management teams in order to better understand their overall investment strategy and evaluate whether their process will likely continue to generate superior returns. Once selected, our investments are continually reviewed to ensure they are meeting our high standards.

After a client's portfolio has been constructed and implemented, we schedule periodic meetings to discuss how their portfolio is performing relative to the markets and their long-term goals. We review how

their current portfolio allocation compares to the long-term targets that were established in the Investment Policy Statement and whether any adjustments need to be made. While we are “buy and hold” investors, we rebalance portfolios periodically to adjust for fluctuations in the markets. We believe that doing this will balance the overall long-term risk of the portfolio thereby helping the client achieve their long-term goals. We also make adjustments to the portfolio as a client grows older, utilizing “glide-paths” to lower risk and keep the portfolio in-line with the client’s goals through every stage of life.

Our advisors provide continual investment education and coaching to help reduce behavioral biases that are common among investors and which can significantly impact their ability to reach personal goals. Our firm hosts quarterly webinars in which we highlight the economy, market events, and other timely topics that are relevant to our clients. The investment process should not be a one time “set it and forget it” plan. Rather, it evolves over time and requires ongoing monitoring of the portfolio and the periodic reassessment of changes in goals, constraints and expectations.

## Working Together

Our clients are all unique. Each person or family has a different financial story, distinct hopes and dreams and a very personal definition of success. We are privileged and honored to be part of our clients’ lives, and we treat each relationship with professionalism, care and personal attention.

We recognize that great relationships don’t just happen; they require time, collaboration and commitment. It’s important for us to know as much about our clients as possible because their life history influences their financial goals and dreams, both today and into the future. SilverOak ensures that progress towards each client’s goals is being made efficiently and effectively, allowing our clients to feel at ease and free up their time for the pleasures in life.

Disclaimer:

Information and analysis provided in this white paper are for general and educational purposes only. Any opinions expressed in this summary are not intended to be accounting, legal, tax or investment advice.

Investment decisions should be made based on an investor’s specific circumstances taking into account items such as, risk tolerance, time horizon and goals and objectives. All investments have some level of risk associated with them and past performance is no guarantee of future success.

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