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February 25<sup>th</sup>, 2021

**This brochure provides information about the qualifications and business practices of King Financial Planning & Management, LLC. If you have any questions about the contents of this brochure, please contact us at (719) 302-1088. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about King Financial Planning & Management, LLC also is available on the SEC's website at [adviserinfo.sec.gov](http://adviserinfo.sec.gov), under firm CRD number 148728.**



Fee **FO** Only<sup>®</sup>

## **Material Changes**

We have had no material changes since our last ADV update in February 2020.

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## **Advisory Business**

King Financial Planning & Management, LLC is a fee-only financial planning firm located in Colorado Springs, Colorado. KFPM provides comprehensive financial planning to clients who desire professional advice while minimizing investment expense.

KFPM has a fiduciary relationship with clients, and is compensated on a fee-only basis. We believe that this structure enables us to be as objective as possible in evaluating a client's situation and providing advice. We are committed to doing what is best for our clients, rather than selling them products.

We tailor our services to a client's needs, goals and objectives. Clients are allowed to restrict the types of securities and/or investment classes that we use their portfolios. All restrictions must be provided to us in writing.

Steven J. King is the founder and President of King Financial Planning & Management, LLC. He believes that a strong academic background is essential to giving sound financial advice, and has pursued his educational goals accordingly. He has the following credentials and certifications:

### **Education:**

- MBA in Personal Financial Planning, Georgia State University
- BS in Finance, University of Delaware

### **Certifications and Memberships:**

- CERTIFIED FINANCIAL PLANNER™ (CFP®)
- National Association of Personal Financial Advisors (NAPFA)
- Financial Planning Association (FPA)

Steven began his career as a U. S. Army officer at Fort Carson, first as an M1A1 tank platoon leader, then a maintenance shop officer. He left the Army in 1996 and worked as an operations manager for General Mills, Inc. for six years, managing people in Buffalo, NY, Atlanta, GA and Kansas City, MO. Throughout his years in the Army and at General Mills, Steven pursued an interest in investing and finance, and finally decided to change careers and become a financial planner in 2002. He completed an MBA in Personal Financial Planning at Georgia State University in Atlanta in 2003, then moved to Denver and began working as a Financial Planner for J. F. Williams Co., Inc., an elite fee-only financial planning firm in Denver. Steven was responsible for writing financial plans and managing investments, and was promoted to Vice President in 2007. He left J. F. Williams Co., Inc. and fulfilled the lifetime dream of owning his own financial planning firm when he founded King Financial Planning & Management, LLC in January of 2009.

KFPM offers financial advice in the following areas:

### **Personal Financial Coaching**

We can add value by coaching you through important life events, including buying a home, starting a family, and approaching retirement. A lifetime of careful planning can be compromised by an uninformed decision at a critical moment.

### **Retirement and Financial Independence Planning**

Defining your goals for life and constructing a plan that incorporates those goals. Accumulating wealth is a good thing, but without goals it becomes a meaningless exercise. We will help you answer the question "What does money mean to you?" For many people, money means freedom to pursue their true goals in life.

### **Life and Disability Insurance Needs Analysis**

We will review your insurance needs and make recommendations in the areas of life, disability, and long-term care. We will also offer advice regarding policies, deductibles, and premiums. We will also help with the implementation of insurance plans as desired. Note that KFPM does not sell any insurance products, or receive commissions, but we will recommend reputable insurance brokers for you upon request.

### **Education Funding Planning**

We will assist you in setting up a college plan for each of your children, as well as in determining how much you can afford to spend on education.

### **Income Tax Planning**

We will review your tax returns, examine your current and projected income tax exposure, and make recommendations to optimize your income tax withholding.

### **Estate Tax and Net to Heirs Calculation**

We will assist your attorney in structuring a plan that distributes your assets according to your estate planning objectives. We will calculate your estimated estate taxes and net amount to heirs. We can also provide assistance with implementing your estate plan, as well as referrals to estate planning attorneys to complete any needed documents at your request.

### **Investment Policy Development**

We will develop an Investment Policy Statement, a formal document that codifies how your assets will be managed to meet your goals.

## Fees and Compensation

**Financial Planning Services:** KFPM provides financial planning services for individuals and families, as well as group financial education classes. The hourly rate is currently \$300. This rate is negotiable and may be capped for a period of time or consultation. Fees are payable at the end of the consultation, by check. If the engagement is terminated prior to completion of the work, the client will be billed the hours worked prior to receipt of the termination notice, not to exceed any pre-negotiated cap.

### **Investment Management Services:**

Effective January 1<sup>st</sup>, 2018, KFPM is no longer accepting new clients for investment management. For existing investment-management clients, fees are charged as a percentage of assets under management as follows:

Assets Under Management	Annualized Fee
Up to \$1 Million	1.00%
From \$1 Million to \$2 Million	0.80%
From \$2 Million to \$5 Million	0.70%
From \$5 Million to \$10 Million	0.60%
Over \$10 Million	0.50%

As of February 25<sup>th</sup> 2021, KFPM manages \$2,791,144 for seven investment management clients on a discretionary basis, and \$306,763 for two investment management clients on a non-discretionary basis.

For existing investment management clients, fees are billed in advance at the beginning of each calendar quarter, based on the account balance on the last day of the previous calendar quarter. The fees are withdrawn directly from client accounts. A copy of the invoice is sent to the custodian or trustee at the same time it is sent to the client. The custodian sends quarterly statements to the client showing all disbursements for the custodian account, including the amount of the advisory fee. All clients provide written authorization permitting the withdrawal of advisory fees directly from the accounts. If the advisory relationship is terminated, KFPM will refund the portion of the management fee accrued after the termination date.

**Other fees and expenses incurred by clients:** No-load mutual funds charge a management fee that is embedded in the structure of the fund. Also, the account custodian may charge fees for transactions or account maintenance.

KFPM does not receive any part of these fees, but it should be noted that clients are effectively paying more than one advisory fee.

### **Performance-Based Fees**

No fees are ever based on portfolio performance or capital appreciation of assets.

### **Types of Clients**

KFPM advises a broad range of clients, including individuals and non-profits.

### **Methods of Analysis**

KFPM reviews the performance objectives for each mutual fund held in our investment management client accounts on a quarterly basis. Mutual fund performance is evaluated relative to an appropriate benchmark index (e.g. S&P 500 for a domestic large cap equity fund), as well as the relevant peer group (e.g. domestic large cap mutual funds).

### **Investment Strategies**

KFPM constructs portfolios to provide broad diversification and minimize expenses. Passively managed no-load mutual funds are the typical vehicles utilized. Our philosophy is that the equity exposure of the portfolio is the primary determinant of portfolio performance, and controlling the risk exposure presented to the market is our primary concern.

### **Risk of Loss**

All investments have elements of risk that are borne by the investor. Some types of risk, such as concentrating in specific securities, sectors, industries, or countries, can be mitigated by investing in a diversified portfolio. However, market risk or systematic risk cannot be mitigated with a diversified portfolio. Our strategy is to control the risk exposure presented to the market, with the understanding that higher short-term risk leads to a higher long-term rate of return.

In mutual fund investing, the expense ratio of the mutual funds and trading costs are critical components. KFPM selects mutual funds that are low-cost and seeks to minimize trading frequency and costs for our clients.

### **Disciplinary Information**

King Financial Planning & Management, LLC has never been the subject of any administrative, civil, criminal, or regulatory proceedings.

### **Other Financial Industry Activities and Affiliations**

King Financial Planning & Management, LLC does not have any other financial industry activities or affiliations.

### **Code of Ethics**

KFPM has adopted a Code of Ethics that establishes standards of conduct for all principals and employees. The Code of Ethics also addresses personal trading and requires all employees to report their personal securities holdings. A copy of the Code of Ethics is available to any client or potential client upon request. KFPM has also adopted policies and procedures that prohibit use of material non-public information.

### **Participation or Interest in Client Transactions and Personal Trading**

Advisor or related persons may buy or sell securities in their personal account identical to those recommended for customers. This represents a conflict of interest between the personal securities transactions of firm principals and employees and transactions made on behalf of clients. However, these transactions are insignificant to the market as a whole, are exclusively in open-ended mutual funds, so there is therefore virtually no likelihood that this conflict of interest would influence the decisions of KFPM or its employees. Also, KFPM has a fiduciary duty to put clients' interest first. We have implemented safeguards to monitor our employee's personal securities holdings to ensure we are meeting our duties to clients.

### **Brokerage Practices**

KFPM recommends Fidelity and Vanguard to provide custody and brokerage services for client accounts. Fidelity and Vanguard were selected by KFPM based on costs, capabilities, dependability, reputation, and access to desired investment vehicles. Fidelity and Vanguard may charge fees for transactions or account maintenance, as noted on page 7, which are paid separately from the investment advisory fee. Although we may recommend that clients establish accounts with Fidelity or Vanguard, it is the client's decision to utilize our services and custody assets with Fidelity or Vanguard. We are independently owned and operated, and not affiliated with either Fidelity or Vanguard. For existing investment management clients, all trading and transactions are executed within the



parameters of the established client accounts under a limited power of attorney (LPOA). This method of operation does not present a meaningful opportunity for KFPM to select brokers for individual transactions. Also, KFPM only recommends open-ended mutual fund investments for clients, which are priced at the end of each business day and offer little opportunity to improve execution.

For existing investment management clients, KFPM utilizes Investnet Asset Management to provide performance reporting and billing services for client accounts. KFPM pays Investnet an annual fee for each client account that ranges from 0.1% to 0.2% of account assets, based on the size of the account. This fee is included in the management fee charged to clients, as noted on page 6, and is not charged separately to clients. Working with Investnet enables KFPM to manage client accounts efficiently and maintain control over the total costs clients pay for advisory services.

We do not allow clients to direct us to a specific broker-dealer to execute securities transactions for their accounts. All transactions for existing investment management clients are executed at Fidelity or Vanguard.

### **Review of Accounts**

Managed accounts for existing investment management clients are reviewed no less frequently than quarterly, and a comprehensive review is conducted with each client annually. All accounts are reviewed by Steven J. King, President.

Investment management clients have access to performance reports that are updated daily and available online 24/7. Also, the account custodian sends account statements no less frequently than quarterly. KFPM does not provide performance reports for retainer-based account management, other than the statements provided by the account custodian.

KFPM does not review or monitor the accounts of hourly clients after the completed financial plan is delivered.

### **Client Referrals and Other Compensation**

KFPM does not pay or receive compensation for any client referrals. KFPM may make or receive referrals from other professionals, including CPAs and attorneys. There is no compensation provided for these referrals, and no agreements to provide reciprocating referrals. KFPM may, for example, give a client who requests a referral the names of one or more CPAs that seem appropriate for that client's situation. There is no expectation of return referrals from any other professional, although referrals are appreciated.

## **Custody**

In cases where our clients have authorized us to withdraw our fees from their accounts we do so on a quarterly basis, which constitutes constructive custody. This is not considered actual custody because we follow the procedures below:

- The client has provided written authorization for us to withdraw the fee.
- The fee calculation is described in the client's quarterly invoice each time we withdraw the fee.
- Clients can reconcile the amount of the fee withdrawn by comparing our invoice to the statements received from Fidelity or Vanguard.

See Fees & Compensation above for details on our fees.

Also, clients are urged to compare the account statements received directly from Fidelity or Vanguard to the performance statements provided online by KFPM.

## **Investment Discretion**

For investment management clients, KFPM has discretionary authority to determine the type, amount, and price of securities to be bought or sold on behalf of investment management clients, subject to each client's investment policy and goals. Clients execute a limited power of attorney with the account custodian before KFPM assumes this authority.

For hourly clients, KFPM makes recommendations but does not have discretionary or non-discretionary authority over the account.

## **Voting Client Securities**

KFPM does not vote client securities. Clients will receive proxies and other solicitations directly from the account custodian, and may contact us with questions about a particular situation if desired.

## **Financial Information**

KFPM does not require or solicit the prepayment of more than \$500 in fees per client, six months or more in advance. KFPM has no financial conditions that would impair our ability to meet contractual commitments to clients.

## **Requirements for State-Registered Advisers**

See ADV Part 2B below.



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**February 25<sup>th</sup>, 2021**

**This brochure provides information about Steven J. King that supplements the King Financial Planning & Management, LLC brochure. You should have received a copy of that brochure. Please contact Steven J. King if you did not receive King Financial Planning & Management, LLC's brochure or if you have any questions about the content of this supplement.**

**Additional information about Steven J. King is available on the SEC's website at [adviserinfo.sec.gov](http://adviserinfo.sec.gov), under CRD number 4925318.**



## **Educational Background and Business Experience**

Steven J. King was born in 1970, and his formal education and business background are noted on page 4 of the preceding ADV Part 2A. The CFP® designation is administered by the CFP® Board. The program requires completion of a financial planning education curriculum, a comprehensive two-day certification examination, a minimum three years of work experience in the financial planning business, and adherence to professional practice standards and code of ethics. The CFP® Board also requires Certification Renewal every two years. For more information please visit <https://www.cfp.net/get-certified/certification-process>.

## **Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of each supervised person providing investment advice. No information is applicable to this item.

## **Other Business Activities**

Mr. King provides financial education services to military service members and families through the Personal Financial Counselor network of Zeiders Enterprises, a U.S. government contractor. In order to provide these services, he has a flexible employment status with Zeiders Enterprises, and is paid by Zeiders Enterprises when working with military members. This compensation is paid to Mr. King personally, as a W-2 employee, not to KFPM. This constitutes an outside business activity due to the employee nature of the relationship. Mr. King takes these assignments at his discretion, and is under no obligation to take future assignments. More information on the Zeiders network is available at <https://www.zeiders.com/what-we-do/personal-financial-management/>.

Mr. King is not engaged in any business or occupation other than providing financial planning and investment advice, and does not have any relationship or arrangement with any issuer of securities.

## **Additional Compensation**

Mr. King does not receive any compensation outside of regular salary, bonuses, and dividends. He receives W-2 income when working for Zeiders Enterprises as noted above.

## **Supervision**

Steven J. King is the President and sole investment adviser representative of King Financial Planning & Management, LLC, and is self-supervising.

### **Requirements for State-Registered Advisers**

#### A. Arbitration or Civil, Self-Regulatory Organization or Administrative Proceedings

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
  - a. An investment or an investment-related business or activity;
  - b. Fraud, false statement(s), or omissions;
  - c. Theft, embezzlement, or other wrongful taking of property;
  - d. Bribery, forgery, counterfeiting, or extortion; or
  - e. Dishonest, unfair, or unethical practices.

Mr. King has never been a part of an arbitration proceeding.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
  - a. An investment or an investment-related business or activity;
  - b. Fraud, false statement(s), or omissions;
  - c. Theft, embezzlement, or other wrongful taking of property;
  - d. Bribery, forgery, counterfeiting, or extortion; or
  - e. Dishonest, unfair, or unethical practices.

Mr. King has not been the subject of any civil, self-regulatory or administrative proceeding.

#### B. Bankruptcy History

Mr. King has not been the subject of a bankruptcy petition.