

YOUR FINANCIAL CHECKLIST



Navigating Uncertain Times With Information and Advice

During emergencies and times of crisis, like the outbreak of the COVID-19 virus, it's important to revisit and organize your finances. We've put together a quick checklist of tasks and considerations that may help alleviate some of your stress and allow you to focus on what's most important – taking care of you and your family.

Look at your cash flow and budget

Perhaps most importantly, this is the time to review your current finances. If you're currently employed or you are a two-income household, how has this time impacted your budget? If you're retired on a fixed income, are you able to continue on with your current cost of living? What changes should you make to plan for a potential loss of income during the short term? Creating a spreadsheet (or working with your financial advisor) can help you paint a full picture of your finances.

Prioritize your expenses

While we certainly don't advocate not covering your expenses, there are certain costs that must be covered first. Make sure your bills are prioritized and check into which companies may be [deferring payments](#) in the short term. You could also look at cutting back on spending that may no longer be essential to you. Reevaluate that list every few weeks to see what has changed and where you may need to adjust. Things like 529 plan contributions, custodial account contributions, and discretionary expenses can be put on hold for the short-term with very little impact on long-term success.



Review your insurance coverage

First and foremost, look into your health insurance coverage. Does it cover everyone in your family in case of hospitalization? Do your adult-aged children have suitable health insurance? What would be the impact should you or a family member need emergency care? Also, we recommend looking into homeowners insurance. What does it cover in times of emergency? (It should be noted that mortgage giants Fannie Mae and Freddie Mac have both called for more flexibility with borrowers, reducing or suspending mortgage payments for up to 12 months.) For those with renters of additional properties, confirm if your tenants have renter's insurance.



Review your investment portfolio

Making emotional decisions can be costly, so instead we recommend reviewing your long-term objectives in light of these tumultuous times. Have your personal or financial goals changed at all? How are your investments matching your objectives today, and what should be done to keep you on track?



Make sure your estate plans are up to date

As we have seen in these past few weeks and months, things can change very quickly. There has been a surge in DIY wills through online channels recently, and one trust firm in San Diego noted a 50% uptick in clients in the past few weeks alone. If you have an estate plan in place, now is a good time to review that plan to ensure it still reflects your wishes. If you don't have one, rather than using online services, finding a reliable trust attorney can help you formalize all of your wishes and take care of your family.



Create a circle of reliable resources

Who can you lean on for sound, unbiased advice during these times? We often say that emotion can cloud our decisions – whether they are related to finances or otherwise. It's helpful to make a list of the professionals you can count on – your financial advisor, your accountant, perhaps an attorney – to get solid answers to your questions. Don't let the internet make your decisions for you. The best “wisdom of the crowd” is to know that you are not the crowd, your circumstances are personal to you and your family.



Meet as a family to review your finances

Once you've gathered information about your cash flow, expenses, and reviewed your insurance coverage, it's important to share this with those closest to you. It's a great reminder that you (and your spouse or partner) are not alone during this time. Empower your family members to help make decisions and prioritize what matters most, and plan for both the short and long term.



Explore your options for emergency funds

Our advisors often advise our clients on keeping an emergency fund – that is, a separate savings account for times just like this one to help us feel protected and in control of our finances. There are a number of strategies to make emergency fund accounts work for you, and we would be happy to share them with you.

While we are all unique in our experiences during these times, we believe that focusing on what we can control – and not the unknown – may help us better get through this together. Please feel free to contact one of our advisors with any questions, and we encourage you to share this with your friends and family.

Sources:

- <https://fortune.com/2020/03/23/mortgage-deferment-forbearance-modification-coronavirus/>
- <https://abc7ny.com/6046582/>
- <https://www.cnbc.com/2020/03/25/coronavirus-pandemic-triggers-rush-by-americans-to-make-online-wills.html>



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