

BASICS of Financial Planning

Virus Crisis Edition



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With the ongoing virus crisis, it seems we are continually in a state of flux. Many people may feel out of control. To help you take back some control, below are financial planning-related suggestions you can take action on today and throughout this time of panic, fear and uncertainty.



Budget

Budget your money. Take time to review your current income and expenses. Even if you currently maintain a steady income, we recommend reducing unnecessary expenses to maintain a cushion for riding out the virus crisis. Maximize your liquidity by reviewing low- or no-interest balance transfer offers you may have ignored in the past. This could provide needed flexibility and cash should you have to press pause on credit card payments.



Assess

Assess where you stand during this time of financial uncertainty. Evaluate your cash reserves, debt and health insurance. Based on your budget, how many months of available cash reserves do you have? Do you have access to the information that we and other trusted sources send to you? Have your financial circumstances changed? What kinds of help and support are available if you need it?



Strategize

Strategize with your trusted professionals (financial advisor, CPA, etc.) to make informed decisions. At Cal Cap, we are only able to help you navigate the loss of a job, a new baby or having to care for a family member if we know about the situation. We are in a fluid time, with lots of change happening at a rapid pace. Please stay in contact with your advisors.



Identify

Identify available financial support resources during the virus crisis. The IRS deferred tax filings and payments until July 15th. Does it make sense to file early if you're expecting a refund? Could you refinance your home loan to a lower interest rate and lower your mortgage payment? What are your lender's hardship rules for receiving a mortgage deferral or loan forbearance? Do you qualify for unemployment benefits under virus crisis rules?



Consolidate

Consolidate what you can to help make your life as simple and as easy as possible during this time of high stress. Review your debt, insurance, investment accounts, storage units - anything that could shave some costs, save you time and provide you with peace of mind. If you're able to consolidate more into less, that reduces what you have to track and frees up mind space for other tasks, decisions or just being present with your loved ones.



Survive

To be blunt, our BASIC financial planning recommendations cease to be meaningful if you are not around. Take care of yourself, mentally and physically. Exercise, read, take an online class. Turn OFF the news and step away from your electronic devices for a period of time during the day. If it helps, stop looking at your account balances for a while. Do what you need to do to stay positive and survive.

Remember the three Be's - Be Safe. Be Calm. Be-lieve we will get through this.