



Financial Spring Cleaning:

Three areas to address



by Matt Sampson,
CFP®
Senior Investment
Advisor

The days are becoming longer, and the Portland Rose Garden is blooming. This can mean only one thing: spring has sprung! The warmer weather reminds us that spring offers a wonderful opportunity to start fresh. There is no time like the present to tackle your to-do items, and Senior Investment Advisor Matt Sampson, CFP®, offers some tips to set out on a useful spring cleaning with the renewed optimism that is uniquely inherent to this beautiful season.

REVIEW YOUR EMPLOYER BENEFITS & TAX PLANNING STRATEGIES

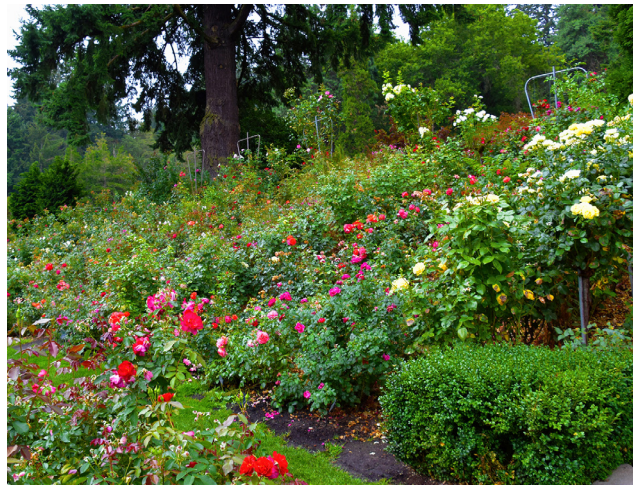
Ensuring that you are maximizing the benefits afforded by your employer is a great first step. Were you surprised by the tax bill you owed in April? Consider ways to reduce your current income tax liability, such as maximizing your pre-tax 401(k) contributions, contributing to a Health Savings Account, or deferring income into a non-qualified deferred compensation plan (if available). If the reverse is true and you are now in a lower tax bracket, look for ways to accelerate income such as contributing to Roth accounts or realizing capital gains.

REVIEW YOUR INSURANCE COVERAGE

How much has your life changed since you last reviewed your insurance coverage? Have you or your spouse started a new job, perhaps with higher compensation? Review your life insurance coverage to ensure that it is still aligned with your current needs for income replacement.

This same line of thinking also applies to those nearing or in retirement who have accumulated assets sufficient to self-insure. It may be difficult to part ways with a life insurance policy you have maintained for years, but doing so could allow you to redirect savings to higher-priority areas.

How about changes to your net worth? Even with the challenging year for investors that was 2022, many



Americans have seen their wealth increase since last reviewing their property/casualty coverage. As a general rule, we suggest carrying umbrella coverage equal to at least your net worth (exceptions apply to net worth in excess of \$10 million).

ASK THE TOUGH QUESTIONS OF YOUR BANKING RELATIONSHIP

America has awoken to the nasty truth that not all banks are created equal. Aside from the realization that the Fed has a clear preference (intended or not)

for large systemically important banks, nearly every client has asked us some variation of this year's burning question: are my deposits safe? Read our recent article, by Senior Wealth Strategist Glen Goland, JD, CFP®, about how to protect your bank deposits [here](#). If you do not already have a strategy in place for protecting your cash deposits above the insured limits, now is the time to do so.

Many clients are also finding that their banks are no longer offering competitive lending rates, partially due to the fallout from the SVB failure. If you have plans of purchasing a new home or taking out a business loan, we recommend contacting your banker to confirm that their current offerings meet your expectations. On the other side of the coin, yields offered on cash deposits vary widely from one bank to the next. If your bank is still paying you less than one percent on your cash deposits, it is worth exploring additional options.

Although many of these suggestions will likely take time and effort to complete, rest assured that you will feel a sense of accomplishment and — more importantly — will have placed yourself in a stronger financial position.

