

# THE FINANCIAL PREPAREDNESS CHECKLIST



Our Financial Preparedness Checklist can help you assess your current financial situation and take proactive steps toward better preparedness. Here's what's included:

## Emergency Fund

Start building an emergency fund as soon as possible. The most common goal is for three to six months, but I recommend starting with your focus on one month and working your way up from there.

## Budget Review

Look over your spending habits to identify areas where you can cut back and allocate funds to more effective areas, creating a budget that covers your immediate needs and savings for both short-term and long-term goals.

## Debt Review

Review your existing debts, establish priorities based on your capabilities, and then create a structured repayment plan that improves your efforts towards becoming debt-free.

## Insurance Coverage

Make sure you have enough insurance coverage, including health, auto, home, and life insurance, to protect yourself and your loved ones in case of unexpected events. If there have been any major changes in your life, this would be a good time to update your insurance coverage.

## Income Diversification

Explore additional sources of income, like side hustles, to boost your financial stability. This doesn't have to be anything long-term, but you should have a few options readily available.

## Legal Documentation

Make sure your legal documents, such as wills and powers of attorney, are up-to-date to protect your assets and family. You want to make sure these documents are water- and fire-proof to withstand any damage, and you want to make sure at least one person knows where to locate them in an emergency.

## Financial Education

Invest in your financial knowledge by seeking resources to improve your financial literacy. As your circumstances change, you want to continue improving your financial education to meet your new needs.

## Emergency Plan

Create a financial emergency plan outlining the steps you'd take in case of a job loss, medical crisis, or other unexpected financial challenges. These should be realistic and actionable steps to grant you some relief during an emergency.

## Review And Adjust

Regularly review and adjust your financial preparedness plan as circumstances change. This should be done frequently or as often as your circumstances change in your life, for example, having a baby, getting married, decreasing income, increasing expenses, etc.



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