

# FINANCIAL HEALTH CHECKUP: REMINDERS

## IMPROVE YOUR DEBT

### MORTGAGE

- Can you lower the rate on your current mortgage? Or drop it to a shorter term?**  
If you have a 30-year mortgage that you have been paying on for 5-10 years, you may be able to refinance to a 15-year at a lower rate and keep the payment close to what it is now, but shorten the term.
- Do you have a floating rate or Adjustable Rate Mortgage (fixed for a period, then becomes a floating rate mortgage)?**  
Now may be a good time to lock into a low fixed rate.

### LINE OF CREDIT

- Check the rate on your current line of credit.**  
Determine if the rate is competitive. Evaluate if you should use the line of credit to pay off higher rate credit cards.

### AUTO AND STUDENT LOANS

- What rate are you currently paying? Should you consider refinancing?**
- Do you qualify for deferment?**  
Right now, due to The CARES Act (the fiscal stimulative package recently passed by Congress), many parents and students can defer payment on their student loans for a short period of time without accruing interest. Learn more at the following website - [studentaid.gov/announcements-events/coronavirus#forbearance-questions](https://studentaid.gov/announcements-events/coronavirus#forbearance-questions)

### CREDIT CARDS

- Do you have any automatic payments set up for products/services you no longer use?**
- Do you know what the rates are on all of your credit cards?**  
Consider making a spreadsheet with each credit cards' rate and when/if there are special rates that expire.
- Do you know of a competitor with a lower rate?**  
Sometimes you can call with a competitor card's rate and see if they will match or lower your rate.

HAVERFORD

QUALITY INVESTING

THE HAVERFORD TRUST COMPANY

# OPTIMIZE EXPENSES

## HOME/AUTO INSURANCE

- Are your home and auto policy at the same company?**  
If not, call each company they are at and see what discount you would get it consolidating to one company.
- Are there any drivers (grown kids) that should be dropped (or added) to your policy?**
- Are there any new discounts or rebates available?**  
Safe driver? Straight-A student? Student who completed driver's ed?
- Has enough time passed since a previous claim where your rate could be lowered by moving the policy to a different company?**  
If so, consider moving the policies or asking your current provider to match the rate.

## CELL PHONE

- Are there any better plans?**  
Now that there are a few more competitors, your current provider may lower your rate if you call and ask.
- Do you use all of your minutes or data? If not, is a cheaper plan a better alternative?**

## CABLE

- Can your current provider match a competitor's rate?**
- If they cannot lower the rate, are there any free channels or services that they can throw in?**
- With the availability of streaming options (i.e., Hulu, Netflix, etc.), do you need as many cable channels?**

## SIRIUS XM/SATELLITE RADIO

- Can they lower the rate or offer any promotional discounts?**

# KNOW THE SCORE

## CREDIT SCORE

- Check your score to see if it is where you would expect it to be.**  
If not, is there a reason? For example, a payment that was not applied?
- Review the open accounts.**  
Do you recognize all of them? Are there accounts you thought you closed that are still open?
- Where do I get my credit report?**  
Get a free report yearly from Equifax, Experian, and TransUnion at the official site [AnnualCreditReport.com](http://AnnualCreditReport.com). This report does not include your credit score, which you can check for free on your credit card statement or online account, or buy from a reporting agency.
- Are there recommendations for improvements?**  
The credit report may list suggestions for improving your credit or highlight items affecting it negatively (i.e. if you have too much available credit, you may want to close some credit cards or reduce the limit).

## BUDGET

- Create a budget and review against expenses.**  
It is typically a good idea to create a budget and then after 1-2 months, check it against your actual expenses.

HAVERFORD

QUALITY INVESTING

THE HAVERFORD TRUST COMPANY