

## PREPARE FOR A FIRST FINANCIAL ADVISOR MEETING

The first meeting with a financial advisor is a two-way interview.



By: Coryanne Hicks - December 17, 2020

THE FIRST MEETING WITH a financial advisor is pivotal. It will not only help set the stage for your professional relationship, but also help determine whether that stage should be set at all. You should walk away from your first meeting feeling confident that this is someone with whom you can and want to work going forward.

Before that first meeting, do some online research to get background information on the advisor, says Andrew Crowell, vice chairman of wealth management at D.A. Davidson & Co. This is your chance to put those social media stalking skills to use.

"Searching the advisor on the internet, in addition to visiting their firm's website and the advisor's personal website and social media accounts, can reveal a great deal about their experience, professionalism (and) outside interests," Crowell says.

You should also review the advisor's public record on [brokercheck.finra.org](http://brokercheck.finra.org), the Financial Industry Regulatory Authority's free tool for researching advisors and firms. "This public record shows any disciplinary actions (that) the advisor may have experienced during their career, as well as revealing firm and licensing history and outside business activities," Crowell says.

Once you are confident that the financial advisor you're about to meet is a good match, it's time to prepare for that first meeting.

### What to Expect at Your First Meeting With a Financial Advisor

The first meeting with a financial advisor establishes the relationship. It should give you a clear understanding of the needs, expectations and goals of your professional partnership, Crowell says.

At the beginning of his first meeting with clients, Stein Olavsrud, executive vice president at FBB Capital Partners, tells clients this is their meeting. He, as the advisor, is there to learn about the client's needs and objectives and provide information on the firm's services.

You can glean important insights into advisors' client engagement from how they conduct their first meeting with you, including the questions they ask and the amount of

talking they do, says Dawn Doebler, principal and senior wealth advisor at The Colony Group.

Pay close attention to whether the advisor listens to your opinions and takes time to learn the details of your life and values before recommending solutions. "This is the best way to know that the advisor will listen to you and tailor solutions accordingly, rather than offering cookie-cutter advice," Doebler says.

Perhaps the most crucial part of the first meeting with a financial advisor is gaining an understanding of whether you feel comfortable with this person. An advisory relationship is incredibly personal, says Brian Bruggeman, vice president and director of financial planning at Baker Boyer Bank. You're likely to share more information with your advisor than with 99% of the people in your life, he says, so it's vital that you trust your financial advisor.

### What to Bring to Your First Financial Advisor Meeting

The first meeting with a financial advisor can feel overwhelming. Chances are you'll be processing a lot of information as you enter into a new planning relationship. You may be going through a life transition or trying to sort out your financial picture. "As a result, we don't want to burden (clients) with too much homework before they get to have a feel for the firm and the people within it," Olavsrud says.

That said, the more information you can give an advisor about your situation and goals, the better able they'll be to offer guidance. To help your advisor help you, Juan Carlos Cruz, founder of Britewater Financial Group, tells clients to bring the following documents to their first meeting:

- Your most recent financial statements, including retirement and nonretirement accounts, health savings accounts and certificates of deposit
- Life insurance and annuity policy documents
- Your budget, including expenses for your children, such as college room and board, and for any elderly parents or relatives you help support
- Your most recent mortgage statements (if you have a mortgage), plus statements showing your property taxes, insurance and any home equity lines of credit
- Statements for other outstanding debt such as credit cards and loans
- Your most recent complete tax return and business return if you're self-employed

"Your federal tax return provides the best snapshot for your advisor to understand your financial situation," Doe-

bler says. Even if you have a solid relationship with a certified public accountant, "a financial advisor needs to be aware of your tax status in order to make sure the strategies they recommend, and ultimately the decisions they make on your behalf, do not compromise your overall tax burden," Doebler says.

Lisa Bamburg, co-owner of Insurance Advantage & LMA Financial Services, suggests bringing information on any future inheritance, whether monetary or property, and copies of your own will, trust and power of attorney documents, if you have them.

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### Questions to Ask at Your First Financial Advisor Meeting

The first meeting with a financial advisor is not a one-way interview. You should be interviewing the advisor just as extensively as he or she is interviewing you. Questions to ask in your first meeting with a financial advisor include:

- What is your experience and investment philosophy?
- What services do you and your firm offer?
- How will you determine what I should do or how I should invest?
- Who else is on your team and what are their roles? Who will be my primary point of contact?
- How often will we meet?
- How do you charge for your services?
- Are you a fiduciary?

A fiduciary is required to put the client's interests ahead of their own," Bruggeman says. "If an advisor doesn't have a clear answer to that question, it should be a red flag."

Make sure the advisor has experience helping people in situations similar to yours, Bamburg says. Asking about an advisor's services and the types of clients he or she works best with can give you a feel for the advisor's experience in the areas with which you want help.

"It's also important to understand how they will interact with their advisor and how many clients that advisor works with," Bruggeman says. If you're expecting frequent phone calls, but the advisor has too many clients to offer phone checks, you may be disappointed.

"You may want to ask how many clients a particular advisor has," Doebler says. "You likely won't get a lot of personal attention if an advisor has 100-plus clients."

Read the whole article at <https://bit.ly/2WmNVsQ>

Lisa Bamburg, co-owner of Insurance Advantage, has over 8 years of experience helping clients protect what they've worked hard to build.



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