

Advisers in Florida brace for Hurricane Irma's wrath

They are activating business continuity plans and sending out emails to clients about precautions they should take to safeguard their important records

Investment News

By Greg Iacurci | September 6, 2017 - 2:40 pm EST

<http://www.investmentnews.com/article/20170906/FREE/170909959/advisers-in-florida-brace-for-hurricane-irmas-wrath>

Financial advisers in Florida are gearing up for Hurricane Irma as the storm — one of the most powerful ever recorded in the Atlantic — bears down on the region.

"We're in full-contingency, emergency-plan mode here," said Richard Steinberg, president of Steinberg Global Asset Management in Boca Raton, located on the southeast coast of the state.

The hurricane, a Category 5 storm with sustained winds of 185 miles per hour, ravaged islands in the northeast Caribbean early Wednesday. It could hit the Florida Keys and southern parts of the state this weekend, according to the National Hurricane Center.

Irma would only be the fourth Category 5 hurricane to make landfall in the U.S. since the early 1920s, the most recent being Hurricane Andrew, which devastated South Florida when it made landfall there in August 1992.

"It could be a tough next week, or for many weeks ahead, depending on what happens with the storm," Philip Herzberg, a certified financial planner with The Lubitz Financial Group, based in Miami, said.

President Donald J. Trump declared a state of emergency in Puerto Rico, Florida and the U.S. Virgin Islands on Tuesday. Residents of the Florida Keys received mandatory evacuation orders Wednesday.

"We have a very good idea as of now that this area will be affected," said Mr. Herzberg, a past president of the Miami and Florida chapters of the Financial Planning Association. "It could be catastrophic like Hurricane Andrew, or worse," he added.

Advisers have been making a number of preparations for that eventuality.

A staff member at Lubitz Financial Group took cellphone photos of belongings in the firm's office, room by room, as a documentation measure for insurance claims in the event of damage, Mr. Herzberg said. Employees covered computers, moved furniture away from windows and glass doors.

Raymond James, which is based in St. Petersburg, near Tampa in the central-western part of Florida, said in a tweet on Wednesday that it had activated its business continuity plan, which includes options to "shift support to major operation and technology centers in Denver, Detroit and Memphis."

Steinberg Global Asset Management is planning to move its computer and portfolio management systems to a cloud-based system at the end of the day Friday to provide employees with remote access.

The firm will also use WhatsApp, an instant messaging service available on smartphones, as an emergency-text group for employees. The app keeps a trail of all text messages, so if an employee doesn't have cell-phone service at the time he or she tries to send a message, a text would be sent as soon as an employee has cell service, unlike normal iPhone messages, Mr. Steinberg said. The procedure is new for the firm.

"As you go through hurricanes and test your own emergency operations and procedures, you tweak them to make them better each time," he said.

Preparations for Irma come roughly a week after advisers in the Houston area [dealt with the fallout](#) from Hurricane Harvey.

Life Planning Partners Inc., based in Jacksonville in northeastern Florida, sent an e-mail to clients yesterday, prompted by three early-morning calls from worried clients, said Carrie Jones, senior planner and chief compliance officer.

The email contained relevant contact information, and reassurances that the firm has business continuity plans in place, clients' personal information is secure and will continue to have access to account information, trading ability and money movement.

It also contained some recommendations for clients — around 60% of whom live in Florida — such as checking local hurricane evacuation routes now, putting together a to-go bag, securing loose items around the home, and taking a quick video of the home's contents.

"One of the things we found from Hurricane Matthew last year is that it's best for us to over-communicate with this stuff," Ms. Jones said.

The Lubitz Financial Group is planning to send a communication later today or tomorrow to clients, most of whom are in Miami or elsewhere in the state.

Mr. Herzberg recommends clients who are staying in their homes have plenty of cash on hand, in the eventuality they lose electricity and ATM and credit-card machines don't work, and that all clients have copies of important documents such as medical policies in case the originals are rain-damaged or blown away by the storm.

