

Do You Have Your Financial Documents Ready for a Disaster?

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“Wilma regains major status and smashes Florida.” This was the headline from a news story just after Hurricane Wilma swept through the state of Florida in late October 2005. Damage estimates at the time of this article were upwards of \$10 billion.

In the year 2005 alone, there were more tropical storms than names allotted, forcing weather forecasters to start using the Greek alphabet. Unfortunately, hurricanes and tropical storms are not the only disasters we need to be aware of today. Earthquakes, tornados, flooding and terrorist acts are all disasters that could affect our everyday lives.

The last thing on your mind during this stressful time is the safety of your financial documents, but having your documents with you will make applying for benefits, relocating, rebuilding, and surviving much easier for you and your family.

If you are like most people, you have your important papers somewhere in your home, but you may not know exactly where. If you live in an area prone to natural disaster, accumulating these documents now is critical and you will be thankful if the unthinkable should happen.

The first step is to purchase or create your Financial Document Evacuation Kit. Preferably, this kit should be fireproof and/or waterproof, durable and secure. This kit should be kept somewhere in your home near an exit. It should be easily transported into your vehicle and carried either by handle or in a back pack.

Below are some tips and items that should be stored in your “*Financial Document Evacuation Kit.*”

Cash or traveler’s checks When disaster strikes in your area most, if not all, banks may be closed and ATM machines inoperable. Having enough cash to live on for a few days would be optimal. Also, consider including a bag of coins for those things that do not accept paper money, such as pay phones, vending machines, etc. Carrying a credit card with a zero balance will also be helpful, especially when reaching your evacuation point where you may be forced to stay in a hotel for a prolonged period of time.

Key to your safe deposit box If you have one, this is where you should keep your important original documents and extra cash. Having a safe deposit box in a place other than where you live would be ideal. You could also provide similar protection by placing copies of these same materials with family members living in other locations. A safe deposit box is a good place to keep original

documents, such as deeds, titles, leases, contracts, mortgages, stock and bond certificates, home inventory, birth and marriage certificates, divorce decrees, etc.

Insurance policies Originals or copies of your homeowners, renters, flood, vehicle, medical, long-term care, life, disability, and other insurance policies need to be included. You should also have a separate list of coverage amounts, policy numbers and contact numbers for each policy. This will save you the time of sifting through each policy while on the road, in a shelter or hotel room.

Legal documents Copies of wills, trusts, powers of attorney, passports, cemetery deeds, social security cards, marriage and birth certificates, military records, naturalization and adoption papers, titles to your home and other assets should be included. Original wills, trusts, powers of attorney, and health care directives are usually held at your attorney's office. You can also ask your CPA and/or financial planner to hold copies of these important documents in your permanent file.

Financial accounts Document your bank accounts, investment accounts, pension, 401(k), IRA and other retirement accounts. Having a list of account numbers, including passwords, PINs and contact information is vital. Also, keeping a current budget or list of household expenses will help keep you current during the time you are away from home. Although your mortgage company may give you a grace period on payment, any other expenses not localized, such as a cell phone provider, may not.

Household inventory Take an inventory of your household items, if you have not compiled one already. Documenting either by photograph, video, or notepad is extremely important for insurance purposes. Keeping a list with values will prove invaluable when submitting a claim or returning to salvage what is left.

As we near the beginning of hurricane season for 2006, investing the time and money now to prepare yourself will be priceless going forward. Talk to your financial advisor about setting up an emergency fund, reviewing your insurance coverage, updating your documents and creating a family document evacuation kit.

The information contained in this article should not be considered professional advice, but is presented for informational purposes only. Please consult your financial advisor.