

DISASTER PREPARATION FOR YOUR IMPORTANT FINANCIAL PAPERS

In the recent California wildfires, some residents were ordered to evacuate their homes immediately. If you were given only five minutes to leave your home, what would you do?

The first thing to do would be to gather your family and then get your prepared family disaster plan and disaster supply kit. But what about all your financial and personal papers? What would you take? There are social security cards, insurance records, wills, property titles, automobile titles, birth certificates, marriage licenses, passports, bank and brokerage statements, mortgage papers, tax returns, trust agreements, lists of passwords and many other vital documents. Do you even know where they are? Could you find them all in an emergency?

Think about what would happen to them in a disaster like a fire or flood. Earthquakes and tornadoes cause destruction too. Terrorist attacks can cause devastation that could ruin all your documents.

Whether a disaster occurs naturally or is man-made, people could possibly lose their possessions, their homes, or even their lives. Consider how involved rebuilding your life would be financially, physically, and emotionally, even if you had all of your financial and personal information. But what if it had been destroyed? Think about how you would take care of your bills if you had no records or how you would file your insurance claim if you had no record of what was lost. Imagine the time and work involved in replacing all these essential papers!

Preparation is the key. It is vital that you have a family disaster plan to protect the safety of your family, to arrange communication between family members, and to be ready for the unexpected. However, just as important as preparing a family disaster plan is the preparation of your financial data. You can provide for the safety of your important records by taking a small amount of time now to be ready.

The first step involves gathering together your important financial and personal documents and determining one place in which to keep them. It can be a safety deposit box at your bank or a fireproof holder kept in your home. There are also computer programs available where you can input or scan personal information.

The following list details some of the information that you would want to include in the documentation:

- Credit card numbers
- Bank account numbers
- Insurance policy numbers
- Social security cards and correspondence
- Automobile license plate numbers and registration cards
- Driver's license numbers

Automobile titles
Birth Certificates
Death Certificates
Marriage Licenses
Passports
Copies of wills
Home loan information
Automobile loan information
Personal loan information
Stock/bond certificates
Real estate deeds and titles
Savings Bonds
Divorce/custody/adoption papers
Tax returns
Armed services papers
Benefits information
Medical records
Immunization records
Pharmaceutical prescriptions
Eyeglass prescriptions
Important receipts
Business incorporation records
Business contracts
Computer backups
Household inventory
Funeral wishes
Address book for friends, relatives, attorney, accountant,
broker, doctor
Additional vital records as per your situation

The next step is to complete a household inventory. This inventory should note your possessions and can be done in several different ways. You can go from room to room and write a description of your belongings. Using a video camera, digital camera, or any camera of your choice, you can take pictures of each room. Computer software is also available to simplify this task. Inventory booklets can be purchased to help you record your belongings.

Whichever method you choose, you still need to write a brief description of each item, including cost, age, manufacturer, and model and serial number if available. Open closet doors and photograph or note the contents. If you have any expensive items, try to include receipts or appraisals for them. Be sure that your inventory also includes less expensive items like towels and sheets also. Remember to add any items in the attic, basement, and garage. Include a photograph or video of the outside of your home and note special landscaping, patio, deck, and any other improvements.

This inventory of possessions will not only prove what you owned should there be any emergency that causes destruction of your things, but will also help provide value of items. Your insurance company can respond faster with documentation of your belongings. If you need to claim any loss deductions on your income tax, the inventory helps provide verification.

Before you place all of these materials, personal and financial papers and household inventory, in the location of your choice, make or obtain copies of them all. Get certified copies of those documents that require certification.

Choose a trusted person, a friend, relative, attorney, accountant, etc., to hold on to those papers and send a complete copy of all of them, including any computer disks, to that person.

Keep your originals on file in the chosen location and be sure to update that file regularly as well as the one you have mailed. Be sure to tell your family where they can find both sets of documents.

If you have decided to keep a set of papers in a safety deposit box, keep only one key and give the other to a trusted individual outside your home.

No matter which method you choose to organize your data, be sure to add new information periodically as necessary. Make sure to create and send copies of any new papers also.

By taking the time now to prepare your personal and financial records, you can save yourself and your family from countless hours of work and worry in case the papers are destroyed. While you have no control over natural or manmade disasters, only you can have control over the safety of your important papers. It is simply another way to be prepared and ready for an emergency.

When you are prepared, that five-minute evacuation order should not be a problem. You will not have to worry about your personal and financial papers, but instead will be able to concentrate on your safety and the safety of your family.