

Preparing your Finances for a Disaster



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EXERCISE #1

HOW MUCH DO YOU NEED?

Fill in how much **PER MONTH** you spend on these basic (and not so basic) necessities:

	Cost per month:	
Electric:	\$ _____	<div style="border: 2px dashed black; padding: 10px;"> Total per month: _____ Times 3 months: _____ "Special" additions: (upcoming weddings, prom dress, major repairs you know are overdue...) _____ _____ _____ _____ 3 Months living expense plus "special" additions: \$ _____ </div>
Gas/Propane:	\$ _____	
Water/Trash:	\$ _____	
Internet:	\$ _____	
Landline Phone:	\$ _____	
Cell Phone:	\$ _____	
Television (Cable/dish/Netflix):	\$ _____	
Groceries:	\$ _____	
Eating Out:	\$ _____	
Monthly memberships:	\$ _____	
School/daycare/babysitting	\$ _____	
Kids' activities	\$ _____	
Clothing	\$ _____	
Beauty (hair, nails, etc)	\$ _____	
Entertainment (movies, books, sports, hobbies)	\$ _____	
Auto/home repairs	\$ _____	
Home maintenance (toilet paper, cleaning, etc)	\$ _____	
Pets: (food, vet, grooming)	\$ _____	
Insurance	_____	
Auto:	\$ _____	
Home:	\$ _____	
Farm:	\$ _____	
Other:	\$ _____	
Mortgage payment:	\$ _____	
Loan Payment:	_____	
Auto:	\$ _____	
School:	\$ _____	
Equipment:	\$ _____	
Line of Credit:	\$ _____	
_____	\$ _____	
_____	\$ _____	

Lessons Learned from Noah's Ark

1. Plan Ahead... It wasn't raining when Noah built the ark.

~ Author Unknown ~

Insurance:

Replacement Cost (RC) vs Actual Cash Value (ACV)

***Cost to replace NOW vs Depreciated value (garage sale price)**

House: (Normally included coverages)

- Dwelling – house & outbuildings (garage/shed)
- Personal Property – Items “inside” the house
- Liability – protects you from being sued personally (for actions by you/family or an incident on your property)
- Medical for others – only for non-immediate family
- Loss of Use – Payment to stay in a hotel if your home is unlivable

Options:

- Replacement Coverage – the price to replace your home NOW (no depreciated value)
- Personal Property Schedule – listing exactly what needs insured; good for expensive/rare items (jewelry, collectibles, etc)
- Inflation Guard – Insurance value increases as the value of your home inflates over time
- Theft coverage – protects property against theft from your car/boat/camper
- Hazard Coverage – Earthquake and Flood are not “normal” perils
- Wind/Hail coverage – protects against straight-line winds and hail damage

NOTES _____

INSURANCE

Farm: (Specified Perils only)

- **Scheduled Farm Property (D) – listed equipment only; ACV**
- **Unscheduled Farm Property (E) – blanket coverage for equipment, livestock, tools; ACV**
- **Farm Buildings (F) – barn, shed, outbuildings, lean-to (but NOT your home)**
- **Liability (L) – if something goes wrong on the farm, or by your farm hands**
- **Medical Payments (M) – payable to others for incidents ON your farm**

Options:

- **Umbrella (liability limits) – increases liability payments; usually \$1-2 million**
- **Deductible for Cab Glass – Specific deductibles for tractor/combine cab glass repair**
- **Animal Collision – for livestock not covered under D/E**
- **Chemical Drift- increases coverage amount**
- **Crop Dusting -**
- **Earthquake**
- **Equipment Breakdown (boilers, electric generators, pasteurization, ventilation, etc)**
- **Fire on growing grain**
- **Hired auto**
- **Loss of Earnings**
- **Livestock semen/embryos**

NOTES _____

INSURANCE.

Farm coverage:

Specified Perils:

- *Fire/lightning
- *Wind/Hail
- *Theft
- *Smoke
- *Vandalism
- *Collision
- *Explosion
- *Vehicles
- *Aircraft
- *Riot/civil commotion
- *Building collapse

Livestock:

- *Attack by wild animal/dog
- *Accidental drowning
- *Accidental shooting
- *Electrocution

NOTES:

Livestock:

Comprehensive Coverage – covers accidents, sickness, disease, injury, theft usually
Limited Coverage – specific incidents...

Limited:

- **Accident – Drowning, shooting, loading/unloading, falling objects, smoke, FIRE, electrocution, explosion**
- **Weather – Flood, lightening, wind, hail**
- **Natural Disaster – Earthquake, volcano, sinkholes, TORNADO**
- **Crimes & Civil Unrest**
 Theft, vandalism
- **Animal Attacks**
 Collision (or other death) while Transporting

INSURANCE

Crop:

Crop-Hail:

- *Can buy at any time
- *High-yield crops
- *Private Insurance
- *Perils included:
 - Hail

MPCI:

- *Buy prior to planting
- *All crops
- *Federally insured
- *Perils included:
 - Drought
 - Freeze
 - Disease
 - Excess Moisture
 - Insects
 - Loss of Revenue

Notes:



Household Inventory Checklist

The following checklist may help you make a complete inventory of each room.

Instructions: Click on the box next to an item to mark it with an X. You can add additional items on the next page.

For Every Room:

- Furniture
- Floor coverings
- Window treatments
- Accessories and lighting fixtures

Living Room:

- Fireplace equipment
- Accessories and fine arts
- Entertainment equipment

Kitchen and Utility:

- Major appliances
- Large equipment
- Portable electric equipment
- Food preparation equipment
- Baking equipment
- Top-of-stove equipment
- Cleaning equipment
- Laundry equipment
- Flatware and glassware
- Supplies

Family Room, Den, or Office:

- Computer
- Entertainment equipment
- Bar and bar accessories
- Desk equipment and accessories
- Recreational equipment

Dining Room:

- Tableware
- Linens
- Dishes and glasses
- Silverware

Hallway and Linen Closet

- Linens
- Extra pillows and quilts

Each Bedroom:

- Linens
- Personal electric appliances
- Jewelry
- Electronic and computer equipment

Each Bathroom:

- Linens and supplies
- Personal electric appliances

Clothing for All Family Members

Other Special Items:

- Books
- Works of art
- Phonograph records, tapes, CDs
- Jewelry
- Antiques
- Collections
- Photographic equipment

Garage, Cellar, Workroom, Auxiliary Buildings

Household Inventory

Room: Living Room

Page:

Date completed/updated:

Item*	Date Purchased	Purchase Price	Current Cash Value	Repair/Alteration and Cost
Sample: TV set, Sony model ###, serial number, condition (type over this entry to change it)	12/20/2004	\$450	\$300	None.
	mmmm	mmm	ddddddd ddd	llllllllllllllllllllll llllllll

*List the item and provide a short description, such as the name of the manufacturer, the model, serial number, and information regarding condition, color, etc.

Exercise 2: Record that!

CHECKLIST OF IMPORTANT DOCUMENTS: FINANCIAL INFORMATION

Type of Document	Have	Need	N/A	Date Added / Updated	Tips
<i>HOUSING PAYMENTS</i>					
Lease or Rental Agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Proof of housing rental may be required to receive disaster assistance
Mortgage or Real Estate Deed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Proof of homeownership may be required to receive assistance; You must continue to pay your mortgage even if your home is damaged or destroyed.
Home Equity Line of Credit (LOC)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Include copies of other loans tied to your home
<i>OTHER PAYMENTS/FINANCIAL OBLIGATIONS</i>					
Utility bills (gas, electric, water, phone)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	If you do not have a copy of lease/mortgage, this can help prove your residency
Loan payments for autos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Include copy of loan agreement
Credit Card	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Credit Card	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Include account number and phone numbers to report lost or stolen cards
Credit Card	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Student Loan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Include copy of loan agreement
Child Support Payments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Include copy of payment agreement
Type of Document	Have	Need	N/A	Date Added / Updated	Tips

Elder Care Facilities

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Include copy of payment agreement

Automatic Payments (such as gym memberships, Netflix, etc)

--	--	--	--

Include copy of payment agreement if have one

FINANCIAL ACCOUNTS/OTHER ASSETS

Bank/credit union/Debit card statement

--	--	--	--

Retirement Accounts (401k, TSP, IRA)

--	--	--	--

Investment accounts (stocks, bonds, mutual funds, annuities)

--	--	--	--

Vehicle Registration

--	--	--	--

Many people do banking electronically. Periodically download electronic copies of your statements to a flash drive. The main goal of this is to document proof that you have an account, your account number, and banks contact info

If you do not have your registration or title, you can apply for a reissued title at your local DMV

INSURANCE POLICIES

Property/homeowners/farm/crop

--	--	--	--

Photos/inventory of household belongings

--	--	--	--

Auto Insurance

--	--	--	--

Life Insurance

--	--	--	--

Professional appraisals of personal property

--	--	--	--

Call the claims numbers on your insurance policies to verify that the policy numbers are correct. Retain a copy of the claims call number with your records. Review policies coverage to make sure they are adequate

SOURCES OF INCOME

Type of Document

Have	Need	N/A	Date Added / Updated

Tips

Employment

Include employment contract or 2-3 of your most recent pay stubs

Government Benefits (Social Security, Veterans Benefits)

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Having proof of your income sources will be important if an emergency interrupts your income. If you receive paper checks for any of your benefits, consider direct deposit.

Alimony/Child Support income

--	--	--	--

Keep copies of the court order stating amount

Rewards accounts (hotels, airlines, etc)

--	--	--	--

TAX STATEMENTS

Previous year's return

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Tax returns from the previous 3 years may be required to apply for loans. It is recommended to keep tax returns for 7 years.

Property Tax Statement

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Personal property tax

--	--	--	--

ESTATE PLANNING

Will or Trust

--	--	--	--

This needs updated/reviewed every 3-5 years

Power of Attorney

--	--	--	--

This authorizes someone to act upon your behalf. This can be broad or specific

Notes:

FINANCIAL ACCOUNT INFORMATION:

(Note: If you have safeguarded copies of policies/accounts/etc above, you don't need to list them here. This is an alternative to the above method)

Financial Account Information (Banks, Credit Unions, Retirement Accounts)

Name of Institution: _____ Type of account: _____

Last 4 digits of account: _____ Phone number: _____

Website or address: _____

Financial Account Information (Banks, Credit Unions, Retirement Accounts)

Name of Institution: _____ Type of account: _____

Last 4 digits of account: _____ Phone number: _____

Website or address: _____

Credit/Debit card information

Card Type: (MC/VISA/etc): _____ Card number: _____

Issuer: _____

Cancellation phone number: _____

Website: _____

Credit/Debit card information

Card Type: (MC/VISA/etc): _____ Card number: _____

Issuer: _____

Cancellation phone number: _____

Website: _____

INSURANCE POLICY

Firm/Institution Name: _____

Name of Policy Holder: _____

Policy Type: _____ Value: _____ Coverage Period: _____

Policy #: _____ Claims phone: _____

Website: _____ Rep: _____

FINANCIAL OBLIGATIONS (Annual, Quarterly, Monthly pymts):

Payee: _____ Account # _____

Account Holder: _____

Payment Amount: _____ Frequency/Due Date: _____

Contact info: _____

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FINANCIAL OBLIGATIONS (Annual, Quarterly, Monthly pymts):

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Account Holder: _____

Payment Amount: _____ Frequency/Due Date: _____

Contact info: _____

EMERGENCY CONTACTS

It is important to have contact information for all your financial advisors, health professionals and service providers in the case of an emergency. This information serves as a backup in case your contact list or address book is lost or damaged (including contacts in your cell phone). These can include the following:

**Landlord or mortgage company*

** Insurance Agent*

**Person in charge of retirement/military benefits*

** Local disability service provider or case manager*

** Social Services representative (social security, disability, etc)*

** Lawyer*

** Financial advisor*

** Banking institutions*

** Household service providers (plumber, electrician, etc)*

Point of Contact:

Type: _____ Name: _____

Company/Firm: _____

Address: _____

Phone: _____ Cell: _____

Add'l info: _____

Point of Contact:

Type: _____ Name: _____

Company/Firm: _____

Address: _____

Phone: _____ Cell: _____

Add'l info: _____

SAFEGUARDING YOUR INFORMATION

Helpful tips to protect your identity and important information

The Federal Trade Commission (FTC) has established a dedicated website (www.consumer.ftc.gov/topics/repairing-identity-theft) to provide individuals with tips and guidance that they can use in the event of identity theft, the misuse of checking accounts, the theft of financial documents, or the loss of debit/credit cards or government-issued identification.

For example, in the case of a lost credit or debit card, you should do the following:

- Immediately report the loss to your financial institution via phone
- Send a follow-up letter or email to the institution with the details of the card loss, including your account information, when you first noticed the loss, and when you reported the loss. This should be done within 10 days of the phone notification
- Check your statements on a regular basis and report to your card issuer any transactions you did not authorize
- Determine if your homeowners insurance policy provides liability coverage for card loss or theft
- Review your credit score or credit report each year to monitor for potential unauthorized access to your accounts and potential identity theft

HELP!

In consideration of the types of disasters that could happen in Kansas, here is a list of organizations that may provide assistance:

- **FSA Office**
 - **This is the central hub for government assistance.**
 - **There's a multitude of programs you may qualify for, such as:**
 - **Emergency Conservation Program (rebuilding fence)**
 - **Livestock Indemnity Program**
 - **Emergency Assistance for Livestock**
- **Kansas Livestock Association (KLA)**
 - **This agency has been a major organizer during the Clark County fires, arranging delivery and donations of feed/hay/fencing materials**
- **Red Cross**
- **Farm Bureau agent**
- **Your Insurance Agent**
- **Your local church**
- **County food bank**
- **Department of Children and Families (DCF) for temporary financial assistance**
- **County Extension Agent**
- **Farm Management economist**