

Are You Financially Prepared for a Natural Disaster?

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Being prepared to function financially if you have to leave your home in a hurry will give you less to worry about if an unfortunate event happens to you. If you were forced to evacuate your home and only had a few minutes to gather belongings, do you know what you would take first or what would be the most important items to save? Certainly, your first concerns should be the safety of your family and basic needs such as shelter, food and water. But you also need to be ready to deal with financial challenges such as how to pay for supplies or temporary housing.

What to Have Ready

Forms of Identification: Proper forms of identification can be easily evacuated since they are small and can usually fit in your wallet. These primarily include driver's license (or state ID cards), insurance cards, Social Security cards, passports, and birth and marriage certificates. These documents will be crucial if you or your family need to prove to a government agency, a bank or other business that you are who you claim to be.

ATM and Credit Cards: These cards provide access to cash, and allow you to purchase supplies when cash is not available. You will need the PIN numbers for cash withdrawal so keep them in a safe place or better yet, memorize them.

Cash: Don't assume that merchants will have electricity to run an ATM or credit card. Keep enough small bills handy to buy necessary supplies such as drinking water and food. You may also need cash for transportation costs such as taxi or bus fare. Be careful though, keeping large amounts of cash in the house can be easily misplaced or stolen.

The Key to Your Safe Deposit Box: You can't get into your safe deposit box at the bank without your key, no matter how many forms of ID you have. While you may not need the contents at this time, you don't want the key to be lost if your home is destroyed.

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---Natural Disaster cont'd-

Prepare Before the Disaster

Get Your Finances Online: For example, if you use online banking the names of your creditors as well as your account numbers are all stored on your online banking page which you can access from any computer.

Copy Tough-to-Replace Documents: Documents like your past tax records can always be replaced by contacting the IRS. Harder to replace documents like jewelry appraisals, receipts for major home purchases or repairs will be harder to replace. Make copies of these and store in a relative's home out of your geographical area.

Videotape Your Home: A household inventory can be key to making an accurate insurance claim. Take an hour or so and walk through your home videotaping every nook and cranny, verbally describing each item (the cost and where and when you purchased it). Send this tape to a relative's home out of your geographical area and don't forget to update once a year!

Safeguard Family Photos: You can't forget your pictures! Scan old pictures and then download them along with any new digital pictures onto CDs. If you don't have a scanner, you can have this professionally done for a very reasonable price. Send these CDs along with the video of your home to a relative who lives outside of your geographical area.

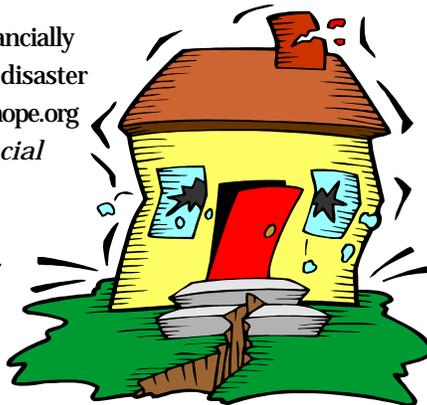
For more help on being financially prepared in the event of a disaster please go to www.operationhope.org for an *Emergency Financial First Aid Kit!*

Sources:

FDIC Consumer News. Winter 2005

Weston, Liz. *5 Ways to Save Your Papers in a Natural*

Disaster



The Retrospective Pretest

The retrospective pretest (also known as the "then and now" survey) has become a widely popular method of collecting data. The question so many have been asking is whether or not this survey method is as effective at a true pretest. Laura Griner Hill and Drew Betz from Washington State University recently published an article entitled "Revisiting the Retrospective Pretest" in the *American Journal of Evaluation* (Vol.26, No.4, Dec. 2005) which tackled this very popular issue. Hill and Betz examined the use of the retrospective pretest by analyzing data collected as part of an evaluation of a family program. Data was collected using a pretest, a posttest and a retrospective pretest from 100 participants. The pair concluded that biases were not eliminated when replacing a true pretest with a retrospective pretest. Based on the results from their study, they can confidently predict when a traditional pretest or when a retrospective pretest is most appropriate. Ultimately, one can never totally eliminate bias but Hill and Betz feel that there are circumstances when a certain method of pretesting can help reduce biases. A retrospective pretest might be appropriate to use if the goal of the evaluation is to study the participant's feelings in regards to the effectiveness of the program. A true pretest is the better choice to use if an evaluation is being done for research purposes or to examine program-level effects.

Source:

Betz, Drew. Hill, Laura. "Revisiting the Retrospective Pretest". *American Journal of Evaluation*. Vol.26, No.4, Dec. 2005

Money Management Quiz for Seniors

What Older-Americans Need to Know About Money

1. Seniors, you should begin receiving your Social Security benefits only after you reach your “full” retirement age (anywhere from age 65-67 under current law), not before then.

True or False

2. If you pledge your home as collateral for a loan (such as with a home equity line of credit), you could lose your home if you can't repay the loan.

True or False

3. If you borrow money using a reverse mortgage (a home equity loan for owners age 62 or older), you don't repay the loan in monthly payments. Instead, the principal and interest payments are due when you move, sell the house, or die.

True or False

4. In general, when you factor in the interest charges and fees, a reverse mortgage is a good choice for retirees to cover small expenses.

True or False

5. If you purchase an annuity at an FDIC-insured bank, and the annuity loses value, the FDIC will protect your investment against your loss.

True or False

6. Suppose you receive a phone call or a letter saying you have won a big prize. Before you can

collect the prize, you must send a check or provide a credit card number to pay for taxes or shipping. You can be sure it's safe to go ahead with the payment to cover those expenses.

True or False

7. Reviewing your credit report is one way to find out if you may be a victim of identity theft because these reports can tell you if a credit card has been wrongfully opened in your name.

True or False

8. A new federal law entitles Americans to three free credit reports each year.

True or False

9. If you're keeping records of bank accounts that are no longer open, clearly mark them as closed. Otherwise, loved ones who discover the information after your death could waste a lot of time researching these old accounts.

True or False

10. To avoid becoming a victim of identity theft, shred papers that contain Social Security numbers or bank account numbers before tossing them away.

True or False



11. The only way a friend or family member can withdraw funds from your bank account if you become ill or incapacitated is if you add that person's name to the bank's records as a co-owner of the account.

True or False

12. FDIC insurance only comes into effect when an FDIC-insured banking institution fails.

True or False

13. John has a payable-on-death trust account naming two people— his wife and a child— as equal beneficiaries. Under current FDIC rules, the account is FDIC-insured for up to \$200,000 (\$100,000 for each beneficiary).

True or False

14. A death in a family can reduce the FDIC insurance coverage of bank accounts for which the deceased was a co-owner or beneficiary.

True or False

15. If an FDIC-insured bank fails, most insurance payments are made within a few days, usually by the next business day.

True or False

-How did you do? Check out the answers and a brief explanation on page 6-

KEEP, TOSS OR REFREEZE?

In the wake of an emergency, the last thing that you want to be worried about is food poisoning. A flood, fire, natural disaster, or the loss of power from high winds, snow, or ice can turn safe foods unsafe very quickly. In the event of a flood: Throw away all food that came into contact with flood waters including canned goods. There is no way to tell if the contaminated water came in contact with the food inside the cans. Toss out all wooden and plastic kitchen utensils, baby bottle nipples, and pacifiers. There is no way to safely clean them. In the event of a fire: Throw away all food that has been near a fire's flames or smoke. The heat of the fire, smoke fumes, and chemicals used to fight the fire are all extremely poisonous. Canned and jarred items may look okay, but the heat from the fire can awaken dangerous bacteria.



-Continued on Page 5-



REFRIDGERATED FOODS



HELD ABOVE
40°F FOR
OVER 2
HOURS

MEAT, POULTRY, SEAFOOD -Raw or Leftover Cooked Meat, Poultry, or Seafood	TOSS
Thawing Meat or Poultry	TOSS
Meat, Tuna, Shrimp, Chicken, or Egg Salad	TOSS
Gravy, Stuffing, Broth	TOSS
Lunchmeats, Hot Dogs, Bacon, Sausage, Dried Beef	TOSS
Pizza- with any topping	TOSS
CHEESE -Soft Cheeses: Blue/Bleu, Brie, Cottage, Cream, Monterey Jack, Mozzarella,	TOSS
Hard Cheese: Cheddar, Colby, Swiss, Parmesan, Provolone, Romano	KEEP
Processed Cheeses	KEEP
Low-Fat Cheeses or Shredded Cheeses (in the bag)	TOSS
Grated Parmesan, Romano, or Combination (in can or jar)	KEEP
DAIRY -Milk, Cream, Sour Cream, Buttermilk, Evaporated Milk, Yogurt, Eggnog, Soymilk, Baby Formula (opened)	TOSS
Butter or Margarine	KEEP
EGGS -Fresh eggs, Hard Cooked in shell, Egg Dishes, Egg Products, Custards, Puddings	TOSS
LEFTOVERS, CASSEROLES, SOUPS, STEWS	TOSS
FRUITS -Fresh Fruits (cut)	TOSS
Fruit Juices (opened), Canned Fruits (opened), Fresh Fruits (whole), Coconut, Raisins, Dried/Candied Fruits, Dates	KEEP
VEGETABLES -Vegetables (raw), Fresh Mushrooms, Herbs, Spices	KEEP
Vegetables (cooked), Tofu, Greens (pre-cut, pre-washed)	TOSS
SAUCES, SPREADS -Opened Mayonnaise, Tartar Sauce, Horseradish (if above 50°F for over 8 hours)	TOSS IF ABOVE 50°F FOR OVER 8 HOURS
Jelly, Relish, Taco Sauce, Mustard, Catsup, Olives, Pickles, Vinegar Based Dressings (opened)	KEEP
Creamy Based Dressings (opened), Spaghetti Sauce (opened)	TOSS



FROZEN FOODS



STILL CONTAINS ICE CRYSTALS

THAWED HELD ABOVE 40°F FOR OVER 2 HOURS



<u>MEAT, POULTRY, SEAFOOD</u> -Beef, Veal, Lamb, Pork, Ground Meats	KEEP & REFREEZE	TOSS
Poultry, Ground Poultry	KEEP & REFREEZE	TOSS
Fish, Shellfish, Breaded Seafood Products	KEEP & REFREEZE*	TOSS
Meat, Casseroles, Stews, Soups	KEEP & REFREEZE	TOSS
<u>DAIRY</u> -Milk	KEEP & REFREEZE*	TOSS
Ice Cream, Frozen Yogurt, Cheesecake	TOSS	TOSS
Soft Cheeses, Shredded Cheeses (in bag)	KEEP & REFREEZE*	TOSS
Hard Cheeses	KEEP & REFREEZE	KEEP & REFREEZE
Eggs (out of shell), Custards, Casseroles containing egg or dairy products	KEEP & REFREEZE	TOSS
<u>FRUITS, VEGETABLES</u> -Juices	KEEP & REFREEZE	TOSS IF KEPT ABOVE 40°F FOR OVER 6 HOURS
Fruits (home or commercially packaged)	KEEP & REFREEZE*	KEEP & REFREEZE IF MOLD OR SLIMINESS DOES NOT DEVELOP
Vegetables (home or commercially packaged or blanched)	KEEP & REFREEZE*	TOSS IF KEPT ABOVE 40°F FOR OVER 6 HOURS
<u>OTHER</u> -Leftovers, Casseroles (pasta or rice based)	KEEP & REFREEZE	TOSS
Breakfast Items (waffles, pancakes, bagels)	KEEP & REFREEZE	KEEP & REFREEZE
Frozen Meals, Entrée, Specialty Items (pizza, sausage and biscuit, meat pie, convenience foods)	KEEP & REFREEZE	TOSS

-Keep, Toss, or Refreeze cont'd-

Often the most dangerous part of a fire are the toxic fumes released from burning material. Foods in packaging like cardboard or package wrap are not safe. Also, the seal on the fridge is not airtight and all food inside cannot be eaten.

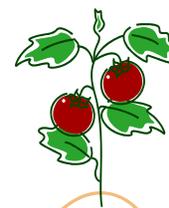
In the event of a storm: Do not ever put food out in the snow to stay cold if your power is knocked out during a storm. The smallest amount of sunshine could cause food to defrost and bacteria to grow. Get creative and use the weather to freeze buckets or cans of water, then put them inside your freezer and refrigerator to keep it cool. The insulation will keep the cold in and your food safe!

Source:
Keeping Food Safe During an Emergency, Food Safety and Inspection Service, 1-2006,

* Refreezing may cause the food to change texture, lose flavor, or both.



For a complete listing of what foods to keep or toss in an emergency situation, visit the United States Department of Agriculture website at: www.fsis.usda.gov!





Answers to: Money Management Quiz for Seniors

-Quiz on Page 3-



1. False: There are advantages and disadvantages to taking your benefit before your full retirement age. The advantage is that you collect benefits for a longer period of time. The disadvantage is your benefit is permanently reduced.

2. True: If you can't make the payments, your home can be taken. Don't risk it, look into other types of credit such as credit cards with fixed low interest rates.

3. True: Reverse mortgages can help in some situations, like when you have large medical bills that are not covered, to make major home repairs, or to help people on low fixed-incomes make ends meet. However, you are reducing your ownership share of the home which could affect the inheritance you are leaving or the amount of money you will have if you plan to buy into a retirement community later on. A reverse mortgage should be used as a last resort.

4. False: Look into a credit card with a low fixed APR.

5. False: Annuities are not insured by the FDIC.

6. False: Never give out credit card or checking account numbers over the phone. If you truly won something, you won't have to pay for shipping or taxes. If it sounds too good to be true, it probably is!

7. True: If there is any wrong information on your credit report, call the reporting agency and tell them that you found an error.

8. True: You are allowed one free copy a year from each of the major credit agencies:

- Equifax: 1-800-525-6285
www.equifax.com
- Experian: 1-888-397-3742
www.experian.com
- Trans Union: 1-800-680-7289
www.tuc.com

9. True: This will make it easier on your loved ones once you are gone.

10. True: A cross shredder which makes the paper into confetti is the best.

11. False: You can make an arrangement with the bank to specify in the account records that you are giving someone the right to withdraw money on your behalf.

If you make them a co-owner of your account you are allowing them full control over your money, and you may not want that to happen.

12. True: The FDIC does not cover money lost at banks not insured by the FDIC.

13. True: The FDIC will insure a bank account for \$100,000 for each owner.

14. True: Remember, the FDIC insures \$100,000 per person on an account. If a co-owner of an account dies and the account total is over \$100,000, the surviving owner of the bank account has a 6 month grace period to redistribute funds so that all the money will be insured.

15. True: Don't believe the misinformation being spread by some investment sellers who claim that the FDIC takes years to pay insured depositors. The FDIC will pay within a few days, and usually within the next business day.

Source:

*FDIC Consumer News: A
Special Guide for Seniors and
Families, Fall 2005*



Californians Are On The Move!

The high rise in home prices in California have caused a mass migration from the high-end coastal cities to inland communities. Some are moving as far as Phoenix and Las Vegas. In 2004, (the latest statistics available) close to 70,000 residents of the Los Angeles area moved east to the Riverside and San Bernardino area while 16, 751 people moved into Riverside from San Diego. The migration has caused Riverside's home prices to sky rocket, more than doubling in the last three years. As a result, Riverside residents are starting to retreat to places like Las Vegas and Phoenix. Below is a chart which describes 3 major California cities and the 3 most popular cities that their residents are moving to. For a list of the 7 major migratory cities in the United States go to:

http://cnn.money.com/2005/12/12real_estate/buying_selling/net_gainers_cities/index.htm

<u>CITY</u>	<u>MEDIAN HOME PRICE</u>	<u>NET MIGRATION</u>
Moving From: <u>Los Angeles</u>	\$553,200	
Moving To: Riverside	\$387,300	69,085
Moving To: Las Vegas	\$313,000	10,975
Moving To: Phoenix	\$268,000	5,433
Moving From: <u>San Francisco</u>	\$721,900	
Moving To: Stockton	\$371,000	9,372
Moving To: Sacramento	\$388,900	8,768
Moving To: Vallejo	\$400,000	3,008
Moving From: <u>San Diego</u>	\$615,000	
Moving To: Riverside	\$387,300	16,751
Moving To: Las Vegas	\$313,000	2,199
Moving To: Phoenix	\$268,000	1,697

Don't Throw Your Electronics in the Trash!

On February 9th a new law went into effect for all Californians, restricting the disposal of everyday electronic devices. The premise behind this law is to reduce the amount of lead, mercury, copper, and other metals that can leak out when electronic devices are crushed in landfills. This pollution is effecting our ground water, streams, oceans, and wildlife. Some of the items which are now illegal to throw away are:

- *batteries
- *printers
- *VCRs
- *microwave ovens
- *fluorescent lighting
- *glass thermometers
- *old thermostats
- *computer monitors



Over the past few years, California has been increasing environmental laws and regulations. A law that took effect January 2005, added a fee of \$6-\$10 on the sale of TV sets and computer monitors, with the money going to fund government and private recycling programs. Also, starting July 2006 a new law will require any store that sells a cell phone to take back an old one from the buyer. There are not any "trash-police", so it is up to the citizens to comply with the laws to help keep their own environment safe and clean.

Source:
Paul Rogers, *State Bans E-Waste From Trash*, Mercury News, 1-24-06

Comments and Requests

Today's Consumer is written primarily for the staff of UC Cooperative Extension. It is available to readers outside of Cooperative Extension for a subscription fee. Send comments and requests to me at: Cooperative Extension, University of California, Riverside, CA 92521; 951-827-5241.

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