Making Financial Decisions after a Disaster: Stay Focused on Your Priorities

As you recover from a disaster, you will be making many decisions. To help you make the best choices in regard to your finances, here are a few important focus areas:

**Stay focused on keeping your money safe until you need it.**
You may have already received or may soon be receiving money from insurance companies, FEMA, etc. Give careful thought as to how you will use that money. While the money will certainly help, in many cases, it will not replace all of the losses that occur in a disaster. Therefore, choose wisely how and when it will be spent. You can quickly become a target for frauds and scams, as well as friends and family members. Remember that it’s okay to say “no.”

**Stay focused on your needs first, then wants.**
If money is tight, especially in the short-run, make meeting your basic needs your highest priority. This typically includes safe housing, healthy food choices and clothing. As financial assistance arrives, it’s easy to let the “wants” creep in to add enjoyment to life. While fun and conveniences are great, be cautious to limit spending in these areas in order to protect your future financial security.

**Stay focused on your goals.**
What do you hope to accomplish with your money? It’s easy to think about goals for the short-term, such as the next six months to one year. But have you thought about long-term goals? Will you want to find different housing? Do you have a college savings fund for your children? Have you started or considered adding to your retirement fund? It will take some self-discipline to avoid the temptation to spend money “now” instead of saving it for “later.”

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