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How to Handle Your Cash in a Natural Disaster

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With the horror of Hurricane Harvey and Hurricane Irma fast approaching, disasters are top-of-mind. Be sure your preparation includes a plan for how you'll handle cash in a crisis.

"Five years ago, my part of New Jersey was hit hard by Hurricane Sandy and much of the state was without power for a week or more. ATMs were down and there was no way to get cash. Plus, the few stores and restaurants that managed to open on generator power could only take cash, so credit cards were useless too," says Mike Collins, who runs with his wife, [wealthyturtle.com](#). "After that experience, I started stashing cash away in a few places around the house where it would be easy to grab in an emergency. It's important to have at least a few hundred dollars (in smaller bills) on hand just in case something unexpected comes up. I consider it part of our family emergency fund."

Roman Zrazhevskiy is founder and CEO of Ready To Go Survival, which specializes in personalized emergency preparedness. His company has helped many families prepare for emergencies, including natural disasters, nuclear threats, and supply chain interruptions. He has a few ideas about making sure you can access your money when you need it most. "Keep \$1,000 cash in your bug out bag, preferably in small denominations. During a crisis, change might be scarce by so it's best to carry plenty of singles and fives for small expenses to avoid paying \$20 for a gallon of water."

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You can keep \$200 in your pocket and \$800 tucked away. "Emergencies have the potential to bring out the worst side of people, increasing the rate of robberies, looting, etc. If you get stuck up with no way to defend yourself, give them the wad of cash in your pocket. This way, they'll likely leave you alone and you still have a reserve tucked away," says Zrazhevskiy.

By the way, if you're wondering what a bug out bag is, it's a bag that is packed with essentials and ready to go in case there is a need to evacuate at a moment's notice. "Many bags have compartments that are great to store cash in, especially if you'll be staying in a shelter with many other desperate people. Put the cash inside a pair of socks, rolled in your underwear, or tucked into any non-obvious place. Since you can't depend on mobile banking or ATMs during a Harvey-level crisis -- all that matters is having the right supplies and cash prepared and ready to go," says John Adama, a survival expert who runs [ThePrepared.com](#).

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Nick Sloane, president of Sloane Wealth Management, offers a yardstick for how much cash to have on hand in a natural disaster. "Perhaps as much as one month of living expenses."

Be mindful too, that if you live in a flood prone area, you don't want to store money in your car. "Six inches of water can sweep it away," says Zrazhevskiy.

Another thing to remember, he adds, "After a major disaster, emergency supplies can be worth more than cash. Stock up on extra food, water, and flashlights, etc. There's a high chance you'll be able to use it to barter for services that you need."

A small solar generator can be a good investment. Says Zrazhevskiy, "It will keep your electronics charged if the power goes out. This would allow you to send money via PayPal, Venmo, and other payment providers if ATM's are down."

Sloane says, "Preparedness is planning in advance, and not waiting until the power goes out."

Ideally, says James Barnash, a certified financial planner with SGL Financial, you would have a plan in place and would have researched your bank and its full area of coverage in your state and out. If you have investment accounts, these should be included. Of course, it is best if you can have a way of remembering certain portions of account numbers, logins or passwords so they aren't all in this bag if you lose it. You should have 800#'s, account numbers and passwords stored in something water proof that you can quickly grab and throw in a bag if you must evacuate. You should be able to fit your wallet(s) with driver's license, other id's and credit cards in that bag, as well."