



## Pandemic Flu Preparation: Saving up for an emergency

Donna Bittiker  
Extension Educator, Family & Consumer Sciences

"Pandemics are global in nature, but their impact is local. When the next pandemic strikes, as it surely will, it is likely to touch the lives of every individual, family, and community. Our task is to make sure that when this happens, we will be a Nation prepared."

Michael O. Leavitt, Secretary  
U.S. Department of Health and Human Services

Yes, we can expect our lives to be "touched" by an avian influenza pandemic. Our diets and daily routines will be altered, and the concern of all of us will be to protect ourselves and our families. Since we don't know how serious the pandemic may be in our communities, it only pays to prepare. Advance planning can make our homes safe and comfortable. It's not an overwhelming task, and there are many guidelines to help. Look at it this way: The better we are prepared, the better we will respond and rebound, and when it's all over, the better and stronger will be our families, community, and state.

### **A little money in your secret kitty can ease some of the pain of a pandemic**

Having an emergency savings fund is an important part of disaster preparedness. A disaster or pandemic is bad enough without creating serious financial hardship too.

How would you pay your bills if the income earners in your family were unable to work for an extended time because they fell ill or their business closed down? Having an emergency savings fund will allow you to cover expenses in case of an emergency, and will give you some peace of mind.

### **But not under the mattress**

In the event of an emergency, you will need easy access to your funds. A bank or credit union savings account

offers easier access to your money than certificates of deposit, United States savings bonds, or mutual funds.

You want easy access to your funds, but not too easy. Keeping your money in a savings account separate from your checking account makes it less likely that you will use your savings to pay for everyday, non-emergency expenses.

Keep a limited amount of cash with your emergency kit in case banking services are disrupted.

### **Where to find money to save**

- Pay yourself first. Get into the habit of depositing money into your savings account on a regular basis. Just like you pay your utility bill monthly, pay your

savings account monthly. Better yet, set up regular electronic transfers from your checking account to your savings account through your bank. Automatic savings are the easiest savings because what you don't ever see, you may never miss.

- Save lump sum payments or windfalls. Tax refunds, inheritances, and gifts are examples of financial payments that can boost your emergency savings fund. If you receive a bonus from your employer, tuck it away in your emergency savings. Save loose change in a jar and deposit it regularly into savings. It adds up faster than you think.
- Examine monthly bills. Look at utility bills and other services for potential savings. Can you go with a cheaper cable package, or are you receiving telephone services that you don't use, such as call waiting?

- Involve your family. Building an emergency fund may be easier if your family takes it on as a challenge. The question of saving for a disaster should come up early in your family planning sessions (ExEx13002). Communicating, sharing, and working together will help your family better understand why changes in spending habits are needed, especially at this time of preparation for a pandemic.

#### Sources

America Saves. Importance of emergency savings.  
<http://www.americasaves.org/strategies/emergencies.asp>

University of Wisconsin-Extension. Disaster handbook: surviving a financial state of emergency.  
<http://www.cft.uwex.edu/ces/news/handbook.html>.

Extension Extras in this Pandemic Flu Preparation series:

- ExEx13002, Hold family meetings
- ExEx13003, Food and water supplies and storage
- ExEx13004, If we don't have utilities how do we cook, keep things clean?
- ExEx13005, Saving up for an emergency
- ExEx13006, The workplace and the community

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<http://agbiopubs.sdstate.edu/articles/ExEx13005.pdf>  
or from the Extension Service Avian Flu/Pandemic Flu Information Website at  
<http://sdces.sdstate.edu/avianflu/>

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ExEx13005, 2006.