



October 2018

Financially preparing for natural disasters

Just last month, Hurricane Florence made landfall in North Carolina causing an estimated \$38 billion in damage. In 2017 alone, natural disasters resulted in a total of \$306 billion in damages across the United States. While safety is an obvious concern during any natural disaster, many underestimate the financial burden that will follow. Here are some financial steps to take today to prepare for a natural disaster.

Assess your insurance coverage

Insurance can be vastly underappreciated until it's finally needed. Unfortunately, once the unexpected does occur, it'll be far too late to add coverage. Take some time to review your current policy coverage and don't hesitate to reach out to your agent with questions. Some of the most frequent damage in coastal natural disasters such as ground movement, wind, and flooding, isn't covered by most standard homeowner policies.

Maintain proper records

Alongside proper insurance coverage, you should maintain proof of ownership of your key possessions. Keeping receipts of major purchases is always a best practice, but credit card statements can serve as a backup in most cases.

Taking photos or video throughout the interior and exterior of your home can help provide further proof of ownership and can also be used when making claims on damages. High ticket items such as artwork, jewelry, electronics, and furniture should be well documented.

Go digital when possible

Though paperwork continues to become a thing of the past, consider what may happen in the event of a mail interruption after a major natural disaster. Important items such as paychecks, Social Security benefits, mortgage payments, and utility bills could be inaccessible for weeks.

Many payments can be set to be paid automatically and direct deposit sends income directly to your account, allowing you to focus on recovering instead of tying loose ends.





Keep emergency cash on hand

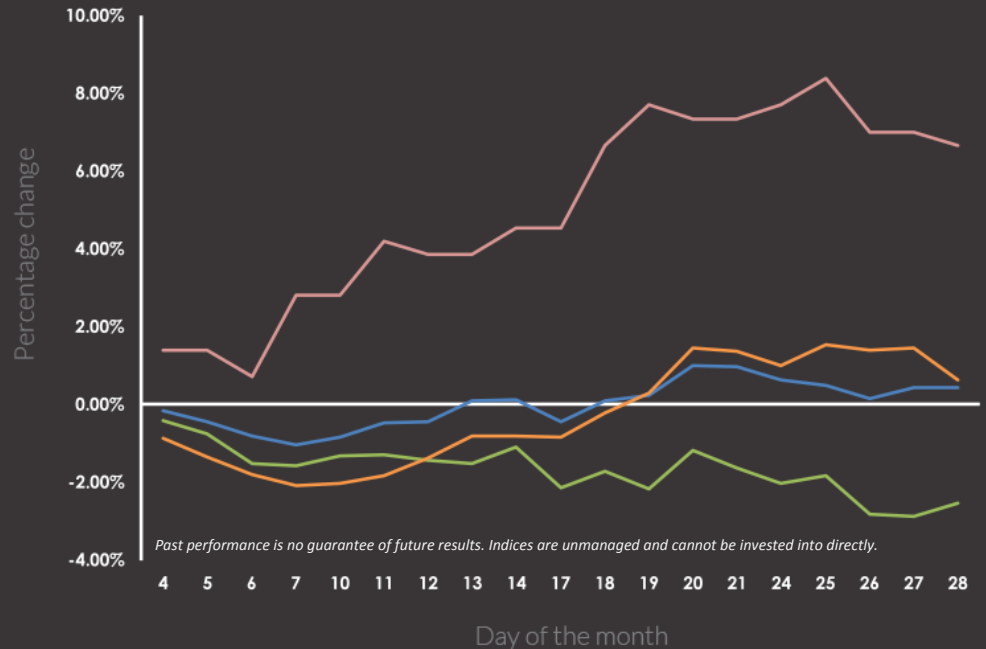
Natural disasters often bring widespread power outages that can limit your ability to get cash from an ATM or for stores to process credit card payments. Keeping an emergency reserve of cash on hand ensures you can make essential purchases. Be sure to have a variety of bill denominations as some stores may be unable to change larger bills.



The market at a glance

September

 U.S. Large Cap (S&P 500)	2,913.98 (0.43%) ▲
 U.S. Mid/Small (Russell 2000)	1,696.57 (-2.54%) ▼
 International Large (NYSE International 100)	5,587.13 (0.62%) ▲
 U.S. Treasuries (U.S. 10-year Treasury yield rate)	3.05 (6.64%) ▲



The market in action

- Hurricane Florence made landfall in North Carolina on September 14th with damages that could total between \$38 and \$50 billion. Despite the devastation, its impact on the U.S. economy is projected to be modest, slowing quarterly growth from the projected 3.9 percent to a still healthy 3.7 percent.
- Amazon became the second American company to reach \$1 trillion in market value following Apple, who hit the mark in early August. In the past 12 months, Amazon stock has more than doubled, which analysts attribute to gains in its web services business, advertising revenue, and Prime membership subscriptions.
- U.S. cable provider Comcast acquired British telecommunications company Sky for \$39 billion, outbidding rival Fox. The company's CEO, Brian Roberts, cited increasing international reach and improving original programming as primary motivations for the deal.
- In response to a lawsuit from the Securities and Exchange Commission, Tesla has agreed to settlement deal including a \$20 million fine alongside Elon Musk stepping down as chairman of the company. The SEC suit claims Musk misled investors with recent comments about taking Tesla private, which caused the company's stock price to soar. Musk will remain CEO under the deal.

Preparing to file the FAFSA

Even with the new school year just getting underway, college students and families should already be preparing for the year ahead. Starting on October 1st, students can begin submitting the Free Application for Federal Student Aid, most commonly known as FAFSA. In this article, find out what you need to know about completing the form.

What is the FAFSA for?

The FAFSA is the form used by the federal and state government, as well as some colleges themselves, to award financial aid. This includes a variety of types such as grants, scholarships, loans, and work-study programs. Though some private scholarships do not require the FAFSA to be completed, roughly \$150 billion of federal and state financial aid is only accessible through the FAFSA.

Who can file the FAFSA?

Nearly every college student with the following is able to file the FAFSA:

- Be a citizen or eligible noncitizen of the United States
- Have a valid Social Security Number
- Have a high school diploma or GED
- Enrolled as a regular student seeking a degree or certificate
- Maintain satisfactory academic performance
- Not owe a refund on a federal student grant or be in default on a federal student loan
- Registered with the Selective Service System, if a male and not currently on active duty in the U.S. Armed Forces
- Not have a conviction for the possession or sale of illegal drugs while receiving federal student aid (*may still be eligible or partially eligible*)

The FAFSA is similar to a credit card application where applicants can get either more or less

financial aid depending on their financial situation.

However, even students who do not qualify for grants or scholarships should file to gain access to attractive student loan rates and higher admission chances.

Does it matter when I file?

While the FAFSA can be completed anytime from October 1st to June 29th for many states, there are different deadlines throughout the country. Last year, there were 13 states that awarded funds on a first-come, first-served basis. Students in these states should complete the application as soon as possible or risk losing out on funds. Additionally, some schools are now processing decisions for admissions and aid applications earlier, which gives early applicants more time to weigh different options.

To determine the deadline for your state, visit <https://fafsa.ed.gov/deadlines.htm>

How do I file?

New this year for the FAFSA is the ability to complete the form via the U.S. Department of Education's official mobile app, myStudentAid. Like previous years, the application can still be completed online at <https://fafsa.ed.gov/> or requested via mail by calling 1-800-433-3243.

What will I need to complete the form?

Students will need the following information for completing the FAFSA:

- Social Security Number
- Alien Registration Number (if not a U.S. citizen)
- Federal income tax returns, W-2s, and other records of money earned
- Bank statements and records of investments (if applicable)
- Records of untaxed income (if applicable)
- An FSA ID to sign the form electronically

Importing tax return information can be expedited by using the IRS Data Retrieval Tool, which can be found within the FAFSA form under the finances section. More information on this can be found at <https://studentaid.ed.gov/sa/resources/irs-drt-text>

If you are a dependent student, then you will also need to submit this information for your parent(s). Most incoming college students are dependent, but more information can be found at <https://fafsa.ed.gov/fotw1819/help/fftoc02k.htm>.

Students who are considering multiple universities should include each on their FAFSA. Doing so will not have a negative impact on your admission chances.

What can I expect after completing the FAFSA?

Within three to five days after submitting the FAFSA, you will be sent a Student Aid Report (SAR) that contains your Expected Family Contribution (EFC), which is a measure of your family's financial strength. Colleges will use this EFC to determine the amount in grants, loans, and work-study you are eligible for. Finally, your college will send you a financial aid award letter that details the total financial aid you are eligible to receive.

Your SAR will be delivered via email, or via postal mail if no valid email address is on file. Should any areas of the application be incomplete, these will be highlighted under the 'Make FAFSA Corrections' tab of your application.



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6725 Kingery Hwy Willowbrook, IL 60527 Tel:
630.789.9653 | Fax: 630.734.1471
www.libertyassetmgt.com

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