



PREPARING FOR SEVERE WEATHER



Gallagher

Insurance | Risk Management | Consulting



As the saying goes, “prevention is better than cure,” and this rings especially true when it comes to preparing for natural disasters. In the aftermath of a natural disaster such as a hurricane, wildfire, tornado, or earthquake, rebuilding your life and home can seem like an overwhelming task. However, with the right resources and support, it’s possible to navigate through the challenges. This resource guide provides a list of resources to help you prepare for a natural disaster and take action if you have been impacted. From assistance programs to insurance insights to FEMA advice, we’ve curated a range of resources that will help you consider some of the steps to take to prepare and recover.

Items to prepare before a disaster:

Gather financial and critical personal, household, and medical information

Having this handy in a safe location can help you make the recovery process easier.

Contact your insurance provider

It’s crucial to proactively reach out to your insurance agent now to help ensure that your home and vehicles are adequately covered. By reviewing your policies and discussing potential risks, you can make informed decisions to safeguard your assets against the unforeseen. It is especially important if you haven’t updated your homeowners’ insurance policy within the last 3–5 years. Home prices have risen substantially during this period in most of the US, and if you haven’t increased your coverage amount, it could be problematic.

Confirming your coverage reflects the current rebuilding or replacement cost of your home should be verified on a regular basis. That way, if a natural disaster does occur, you can rebuild or replace items of similar value to prevent lower-cost replacements.

Create a “Go Bag”

Creating a “Go Bag” with important documents is a crucial step in disaster preparedness. Having a prebuilt folder or bag with copies of state-issued IDs, birth certificates, copies of passports, social security cards, marriage certificates, deeds, or titles can make things less stressful in the future. You should also consider including insurance policies, medical records, and contact information for loved ones and emergency services. In the event of a natural disaster, having these documents readily accessible can streamline evacuation procedures and expedite recovery efforts. Storing copies of these documents electronically, or in waterproof containers, adds an extra layer of protection against damage.

Stay informed

Stay informed about potential hazards and emergencies in your area. Sign up for local alerts and warnings and monitor weather forecasts regularly. Understand the risks specific to your region and take appropriate precautions.

Wildfires: save the Fire Information for Resource Management System, [US/Canada](#) website to your favorites.

Tornadoes and hurricanes: sign up for weather alerts from your trusted local weather station and receive alerts via text message or

in the app. If you are traveling, Wireless Emergency Alerts via the National Weather Service will alert you via geolocation to possible dangerous situations.

Download FEMA's Emergency Financial First Aid Kit. This guide is designed to help you organize and secure documents you will need during the recovery process: www.ready.gov/financial-preparedness.

Keep up with needed repairs

Whether it's damage from a storm or just time for a replacement, be sure to keep up with necessary repairs to prevent further damage and costs. If you have storm or hail damage to your roof, have the damage assessed in a timely manner. That way, other parts of your home are not at risk if another storm comes through. If your water heater is getting to the end of its useful life, consider a replacement before it bursts.

Learn to utilize cloud storage

Be sure to include a process for backing up data to the cloud or other remote storage servers that store data and applications. Utilizing cloud storage is crucial for safeguarding important information against natural disasters. Unlike traditional storage methods, cloud solutions offer robust protection by storing data off-site, helping to ensure that it remains accessible even if local systems are compromised. This minimizes the risk of losing previous memories and important documents because of the natural disaster.

Consider purchasing a backup generator

Having a backup generator is helpful for your safety and comfort. Power outages can last for days or even weeks, leaving you without essential services like heating, cooling, and refrigeration. A backup generator provides a reliable source of electricity to keep critical appliances and medical devices running. If you or a loved one has a medical need for electricity, it is even more important to consider a generator. Also, purchasing a generator can significantly reduce stress and disruption during emergencies, helping you maintain a sense of normalcy.

Make financial preparations

Be sure to get some cash so it's on hand should digital payment methods become unavailable or inaccessible.



Your financial recovery to-do list after a disaster:

Contact your mortgage lender

Let the bank know about the damage to your home. If you're going to have trouble making future mortgage payments because of a disruption to your income, it's essential to make them aware of this. When widespread disaster strikes, lenders often create programs to assist those impacted. If your bank has a natural disaster-related program, sign up for it if you need to.

Contact your other creditors

Whether a car loan, a credit card balance, a student loan, or medical bills, an unexplained late payment can complicate your life even more. You can find a list of all your creditors on your free credit report at AnnualCreditReport.com.

Mind your credit

If you need to borrow money to rebuild or repair, your bills MUST be paid on time, or you risk interest rate increases. Additionally, stay organized if you're securing multiple credit cards, whether major credit cards like Visa or MasterCard or simply store credit cards. Credit card balances can add up fast, especially when you're distracted by the stress of a natural disaster. Make purchasing and borrowing decisions concerning your total financial reality, not just your immediate need or situation.

Seek out additional income opportunities

There will be plenty of opportunities to volunteer as your community rebuilds. Still, there may also be opportunities to work overtime at your primary employer or take on additional employment to help rebuild your community.



☑ Watch out for scams

Sadly, criminals often target the most vulnerable. The person who appears to be helping you rebuild could be looking to take advantage of you. This is undoubtedly frustrating because it can compromise the much-needed trust you place in others, but you must remain vigilant. Only hire registered businesses through the appropriate state government and be wary of contractors asking for cash payments. Also, be sure not to pay for repairs fully up front. A deposit is normal before work begins, but you shouldn't pay for everything until the work is completed and you have inspected it.

☑ Get a CarFax

When purchasing a car over the next several years from an impacted area, insist on getting the vehicle's title history. There may be an extraordinary number of automobiles that should have been permanently destroyed but will be sold to unsuspecting buyers.

☑ Re-evaluate your lifestyle

Natural disasters can bring much pain and suffering, but also the opportunity to re-evaluate your relationship with your worldly possessions. If you were living an unsustainable lifestyle prior to the disaster, consider adopting a fresh perspective. The idea of resetting your standard of living may be appealing if you're going to have to go into debt to recreate your former lifestyle. For example, you shouldn't feel obligated to spend the same amount on a car that you did before the natural disaster. This is the perfect opportunity to reset your spending habits.

☑ Make a priority list

With your family, you should determine which areas of your life should receive money and attention first. You may be forced to give tasks attention as they happen in real time, but with some planning, you may be able to make more calculated and prudent decisions. The amount of money you can access — cash and borrowed funds — should help guide your prioritization during the rebuild.

☑ Get on the same page with your significant other

If you share finances with someone, make sure you have a cooperative game plan. A natural disaster is an incredibly emotional experience, and you and your significant other may have different thoughts on how to proceed. Don't assume you agree on all aspects of the rebuild. Set aside a specific time to work through this guide and create your priority list together.

☑ Shut off services you aren't using

Whether it's video streaming services or any other subscription-style service such as cable or internet, call the company and shut it down if you aren't using it. It's possible to waste hundreds, if not thousands, of dollars on services you aren't even able to use while you're rebuilding.



Financial self-check

Just as you're likely taking inventory of which possessions and surroundings you'll need to fix or replace, you must also take inventory of your financial resources to fund those fixes and replacements. In other words, what tools can you use to deal with the financial realities of finding normalcy once again?

It's entirely possible your insurance company won't pay for all the repairs. As a result, you must evaluate what truly needs to be replaced and how you will pay for items not covered by insurance.

Should I take out a payday loan?

Payday loans are almost always a bad idea. Payday loans are designed to hook the borrower on multiple loans, and interest rates can exceed 1,000 percent on some loans. Based on what you've been through during the natural disaster, you may feel compelled to get quick money at a payday loan store; don't do it. Exhaust every other possibility. And if you absolutely must take out a payday loan, know the terms and pay it back as soon as possible.

What do I do if I can't make a current debt payment?

If you can't make a payment on a credit card, medical bill, or any other debt, call your creditor immediately and tell them you were impacted by a natural disaster. Ideally, the institution will have a plan for people in your area. Even if they don't, your call to them will let them know that you aren't in a position to pay. Communicating openly with your creditors is better than leaving them in the dark, especially when you cannot make a payment.

Should I borrow from my 401(k) Retirement Savings Account?

A 401(k) hardship withdrawal is a penalty-free way to withdraw funds from your retirement account in the event of an emergency. 401(k) hardship withdrawals are managed by the IRS and have strict rules and regulations. The IRS will only waive the penalty charge for unexpected, immediate financial expenses that aren't covered by insurance. Be sure to check with your employer, retirement plan provider, or financial planner before considering any type of withdrawal from your employer-provided retirement plan.

Should I file for bankruptcy if I owe too much money due to the natural disaster?

Bankruptcy is a grave decision and should be considered the last step, not the first. A good rule of thumb is that if you can't grind your way out of consumer debt within five years, then you should begin to consider bankruptcy protection. Additionally, if you haven't been making payments on your debts for quite some time, bankruptcy won't provide much cash flow help. The goal of bankruptcy is to provide relief by eliminating or reducing regular monthly payments. If you aren't improving your cash flow (because you currently aren't making payments), then bankruptcy might not be the solution you're seeking.

How can I increase the amount of money coming into my household via my paycheck?

You may benefit from increasing your monthly income now to help you cover your expenses. There are a few different ways to accomplish this:



- If you generally receive a tax refund, consider adjusting your tax withholding for the time being. This will increase your take-home pay and essentially provide your tax refund in small increments now instead of a lump sum later. It's vitally important to put this extra monthly income to good use because you likely won't receive as big of a tax refund at tax time.
- Consider temporarily reducing retirement plan contributions. There are some dangers in doing this, such as simply forgetting to start the contributions back up. But if you need as much cash on hand as possible, you can accomplish this by reducing your plan contributions. Try to at least hit the match and think twice about lowering your contributions below the match.
- **What does the Federal Emergency Management Agency (FEMA) do? FEMA is the nation's leading emergency management and preparedness agency. They provide housing assistance to individuals and families who have lost their homes due to a presidentially declared disaster. If you are a renter or homeowner, you may qualify for assistance. By law, FEMA assistance cannot duplicate the assistance you receive from your insurance company, but you may receive assistance for items not covered by insurance. If a significant disaster impacted your home, we recommend you [apply for assistance](#). You can use [this checklist](#) to prepare to apply.**

Will FEMA assist me if my insurance already covered the loss?

- You will have up to 12 months from the date you registered with FEMA to submit insurance information for review. FEMA cannot provide money to individuals or households for losses already covered by insurance.
- If you have not already contacted your insurance agent to file a claim, do this as soon as possible. Failure to file a claim with your insurance company may affect your eligibility for assistance. After

filing a claim, if any of the following situations occur, FEMA may be able to provide some assistance:

- Your insurance settlement is delayed. Delayed means a decision on your insurance settlement has been delayed longer than 30 days from when you filed the claim. If a decision on your insurance settlement has been delayed, you will need to write a letter to FEMA explaining the circumstances. You should include documentation from the insurance company proving that you filed the claim. If you filed your claim over the telephone, you should include the claim number, the date you applied, and the estimated time it will take to receive your settlement. Any help awarded to you by FEMA would be considered an advance and must be repaid to FEMA once an insurance settlement is received.
- Your insurance settlement is insufficient to meet your disaster-caused needs. If you have received the maximum settlement from your insurance and still have an unmet disaster-caused need, you will need to write a letter to FEMA indicating your unmet need. You will also need to send your insurance company's claim settlement documentation for review.
- You have exhausted the Additional Living Expenses provided by your insurance company. If you have received the maximum settlement from your insurance for Additional Living Expenses (Loss of Use) and still need help with your disaster-caused temporary housing need, write a letter to FEMA indicating why you continue to have a temporary housing need. You will also need to provide documentation to prove the use of Additional Living Expenses from insurance and a permanent housing plan.
- You are unable to locate rental resources in your area. The FEMA Helpline (+1 800 621 3362 or TTY (800) 462 7585) can assist you in finding rental resources in the disaster area by searching online with you. If no resources are available in your county, then the helpline agent can help you search for resources in an adjacent county.



What does individual assistance through FEMA cover?

The following housing needs can be provided through the [Individuals and Households Program](#):

- Temporary housing (a place to live for a limited period): Financial assistance may be available to homeowners or renters to rent a temporary place to live. If no rental properties are available, a government housing unit may be provided, but only as a last resort.
- Repair: Financial assistance may be available to homeowners to repair disaster-caused damage to their primary residence that is not covered by insurance. The goal is to make the damaged home safe, sanitary, and fit to occupy.
- Replacement: Financial assistance may be available to homeowners to replace their homes destroyed in a disaster that is not covered by insurance. The goal is to help the homeowner with the cost of replacing their destroyed home.
- Permanent or semi-permanent housing construction: Direct assistance or money for the construction of a home. This type of help occurs only in limited areas or locations specified by FEMA, where no other kind of housing assistance is possible.

What if I lost wages because of a natural disaster?

You might qualify for Disaster Unemployment Assistance (DUA) if you lost work due to a federally declared disaster. Contact the local office of your state's Unemployment Commission for further information regarding DUA benefits.

Other needs

Assistance is available for necessary expenses and serious needs caused by the disaster. This includes:

- Childcare expenses
- Medical and dental expenses
- Funeral and burial expenses
- Damages to essential household items (room furnishings, appliances); clothing; tools required for your job (specialized or protective clothing and equipment); necessary educational materials (computers, schoolbooks, supplies)
- Clean-up items (wet/dry vacuum, dehumidifier)
- Damage to an essential vehicle
- Moving and storage expenses (moving and storage of personal property while repairs are being made to the primary residence and returning property to the primary address)
- Other necessary expenses or serious needs as determined by FEMA
- Other expenses authorized by law

Share with family, friends, and neighbors

Sharing a disaster preparedness plan with family, friends, and neighbors is essential for collective safety during times of crisis. Begin by initiating open and honest discussions about potential risks and the importance of preparedness. Encourage each member to contribute ideas and concerns to tailor the plan to specific needs and circumstances. Regularly review and practice the plan together to reinforce understanding and readiness. By fostering a culture of collaboration and mutual support, individuals can strengthen their community's ability to respond effectively to disasters and mitigate their impact.

AJG.com The Gallagher Way. Since 1927.



Gallagher Fiduciary Advisors, LLC ("GFA") is an SEC Registered Investment Advisor that provides retirement, investment advisory, discretionary/named and independent fiduciary services. **GFA** is a limited liability company with Gallagher Benefit Services, Inc. as its single member. **GFA** may pay referral fees or other remuneration to employees of AJG or its affiliates or to independent contractors; such payments do not change our fee. Neither Arthur J. Gallagher & Co., **GFA**, their affiliates nor representatives provide accounting, legal or tax advice. Securities offered through **Osaic Wealth, Inc.** member FINRA/SIPC. **Osaic Wealth** is separately owned and other entities and/or marketing names, products or services referenced here are independent of **Osaic Wealth**. Neither **Osaic Wealth** nor their affiliates provide accounting, legal or tax advice. **GFA/Osaic** CD (6851034)(exp072026).