

Financial Planning • Corporate Benefits • Wealth Management

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Are you an “aging parent?” A rather impertinent question, perhaps. But if you are currently experiencing the joys and exhaustion of parenting a newborn or toddlers, in the throes of the busyness of elementary and middle schoolers or living with emotional teenagers, you might quickly and laughingly say “yes” to that question. Truthfully, though, it seems that when we reach the “empty nest” phase, we begin to be referred to as “aging parents,” “older parents” or my favorite – “elderly parents” – none of which appeal to me though I certainly now seem to fall into THAT category. (you can see I still hedge a bit in saying “seem to”....)

Falling into THAT category does come with responsibility and a need to address potential aging issues on a sooner rather than later basis. In researching ways to begin a conversation with adult children about money management for “aging parents,” all articles and information addressed this discussion from the adult child’s point of view – nothing approached this topic from the parents’ side of this relationship. As financial planners and advisors, we encourage our clients that identify as “aging parents” to be the initiators of the “money talk” with their adult children.

As a client of Matson Financial Advisors, you are encouraged to think and plan as you move toward retirement and financial independence. It can now become difficult to think about having to relinquish some of that independence at some point. Adult children may also be uncomfortable in bringing up the topic of their parents’ money and finances. We understand that as we age, we all begin to need help whether with yard work, home repairs or transportation. Financial assistance is no exception. Having a conversation and planning before a crisis occurs can avoid unnecessary stress and panic for everyone and ensure loved ones are aware of your wishes.

Perhaps a first step helpful to everyone – parents, spouses and adult children – is for parents to take on the task of becoming organized. We suggest creating a binder to collect and hold all pertinent information someone might need in a crisis to be able to provide needed support and direction. Important documents include but are not limited to Powers of Attorney, healthcare directives, wills, investment and bank account information, insurance policies and, in our online world, log-in information as well as lists of medications, pharmacies and doctors’ names. Once all this is in one place, it can be a starting point for the conversation by letting your family know of its existence and location. Think of this as a handy checklist that can assist you and family members identify key information.

A next step might be to discuss who might be the “on standby” family member that knows about the bills, credit cards, insurance, investments and has access to the accounts to be able to step in in an emergency. Naming someone as Power of Attorney allows them to act on your behalf if incapacitated.

If you are the adult child with aging parents and have concerns they may need assistance with their financial matters and they have not initiated the discussion, begin this conversation with loving intention. Let your parents know you want to discuss their financial life because you care. Find a quiet time for discussion, avoiding busy holiday times or family events where there are likely to be distractions. Be specific about your concerns and ask permission to help. Parents may be more likely to understand your concerns and actions and want your assistance. Keep the conversations brief and don't overwhelm with too many questions. Be reassuring that you are not attempting to replace them as the key decision maker but rather adding you as part of their team. You will take direction from them. It is your intent to help simplify their financial duties while offering help and support.

At whatever stage you are in, communication with other family members and loved ones and planning ahead is key to navigating what might come next and assuring everyone's wishes are known and being met. As your financial advisors, we encourage these conversations and are here to assist you with these planning needs.

Enclosed is your current asset allocation. Please review and contact our office if you have any questions.



Audrey Himebaugh

Resources:

[www.pbs.org/newshour/economy/making-sense/7-tips-for-talking-to-you-aging-parents-about-money](http://www.pbs.org/newshour/economy/making-sense/7-tips-for-talking-to-you-aging-parents-about-money)

[www.forbes.com/sites/carolynrosenblatt/2013/08/19/smart-ways-to-talk-to-aging-parents-about-finances#565ad2c4624d](http://www.forbes.com/sites/carolynrosenblatt/2013/08/19/smart-ways-to-talk-to-aging-parents-about-finances#565ad2c4624d)

[The Wall Street Journal](#), May 7, 2018 – “When to Step in with an Older Parent”