

Family Values: When Your Parents Need Help in Their Retirement Years

The signs may be difficult to spot, because aging parents are seldom forthright about their forgetfulness or declining abilities to take care of their affairs, but when you see telltale signs – bills accumulating on the dining room table or confusion about when to take what medicines – you may realize it's time to repay in kind the assistance they once gave you.

On the assumption that you can diplomatically come to an agreement to help out – a delicate task, because parents may not at first agree they need help, or may be embarrassed to be losing independence – here are some concerns you might address, especially if they are merely slowing down and are not yet plagued with major health problems.

Money Management

First, find out the facts about their expenses, income and savings – then listen to their fears and their wishes. Use what you find out as a guideline on how best to help them. You'll want them to realize you're trying to assist on their terms, not take over their lives.

If they have more or less ignored the Internet, you might try explaining the advantages of having online financial accounts. Direct deposit of dividend payments, pension checks and Social Security will make frequent trips to the bank unnecessary. A joint online checking account, with you as an approved signatory, can prove useful. You can easily check whether bills have been paid, or pay them yourself. And you can show them or provide a printout of the account activity anytime they want to know what's going on.

If they can be persuaded to accept the fact that online payments are less likely to lead to identity theft than their paper counterparts – a fact, but one older generations tend to resist – set up automatic payment of utility, insurance and credit card bills.

Do they have investments with various institutions? You might suggest consolidation to reduce paperwork and make it easier to keep track of the entire portfolio, and look for ways for their assets to work harder for them. Savings earning little interest can become more valuable if switched into a money market fund or short-term bond fund.

If your parents need financial assistance, arrange a family meeting to find out what costs may be shared with siblings or other relatives. Whatever the decisions, they should seem fair to everyone involved.

Vital Paperwork

Finally, ensure that your parents have their paperwork in order – wills, powers of attorney, other documents vital to the family. If they don't, urge them to have these documents drawn up – then make sure you know where they're kept.

Family matters of this kind can be difficult to handle. If you have questions on what vital matters should be discussed, contact your financial advisor or estate planning attorney.

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