



Managing the Financial Trifecta: *Your Retirement, Your Parents & Your Kids*

May 20, 2021

YOU AS CAREGIVER



POLLING QUESTION



THE HIDDEN COST OF CAREGIVING

34 million Americans provide unpaid care



\$325,000

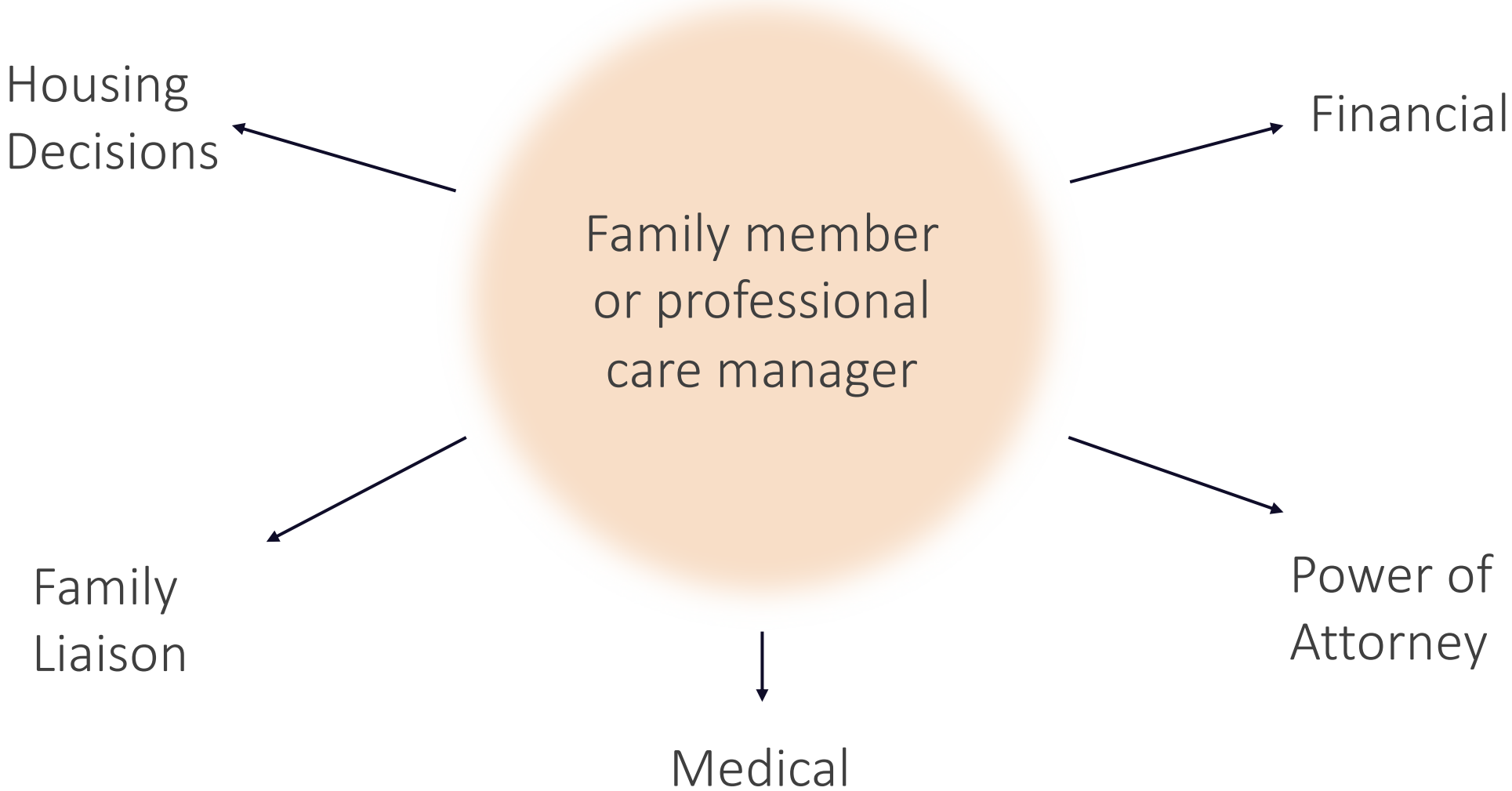
Lost wages

\$7,000 / year

Out of pocket cost

You need a game plan

Designate one care coordinator



Assess the situation

Physical



Medical



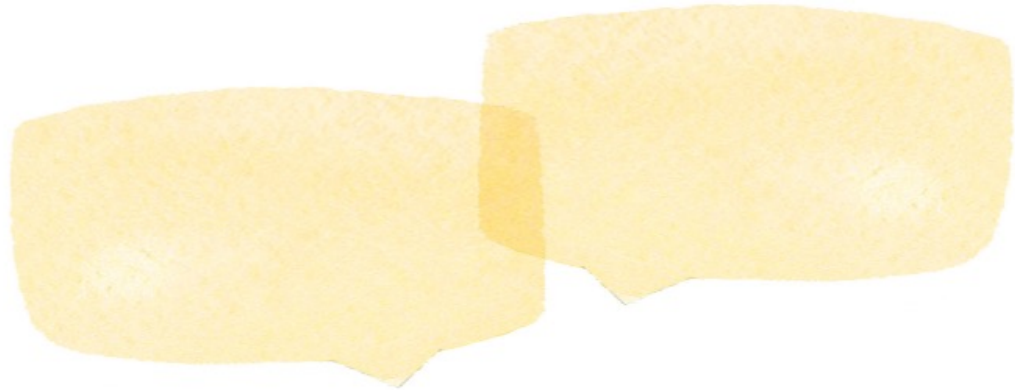
Financial



Start a dialogue

Invoke the 40/70 rule

By the time adult kids are 40 (or parents are 70), they need to have started the conversation.



Put numbers to the care plan

Especially the big-ticket items



Annual Living Expenses

Annual Day Care	\$19,240
Assisted Living	\$51,600
Home Health Care	\$54,912
Private Room/Nursing Home	\$105,850



Healthcare Costs

Unreimbursed Health Care Costs	\$295,000
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Source: <https://www.genworth.com/aging-and-you/finances/cost-of-care.html>.

Source: Fidelity. "How to plan for rising health care costs." Accessed Dec. 22, 2020

GET CRITICAL DOCUMENTS IN PLACE



What we've learned

- Establish a point person
- Assess the situation
- Engage in ongoing dialog
- Put numbers to the plan
- Get critical documents in place



The Difficult Conversation

RAISING KIDS WHO LAUNCH



Teach the difference between wants and needs

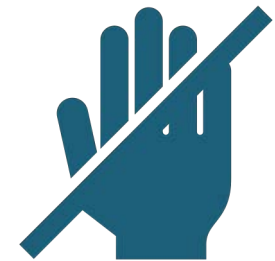
Help them practice making choices



Work towards a goal






Teach them to tell themselves NO



Research shows MONEY HABITS are set BY AGE 7

An allowance can be a powerful learning tool

-  Pony up on time
-  Hand off decision making
-  Don't supplement

When the money is gone, the money is gone

Teach them the
IMPORTANCE OF
SAVING
towards a goal



GOAL SETTING & GAMIFICATION



Digit

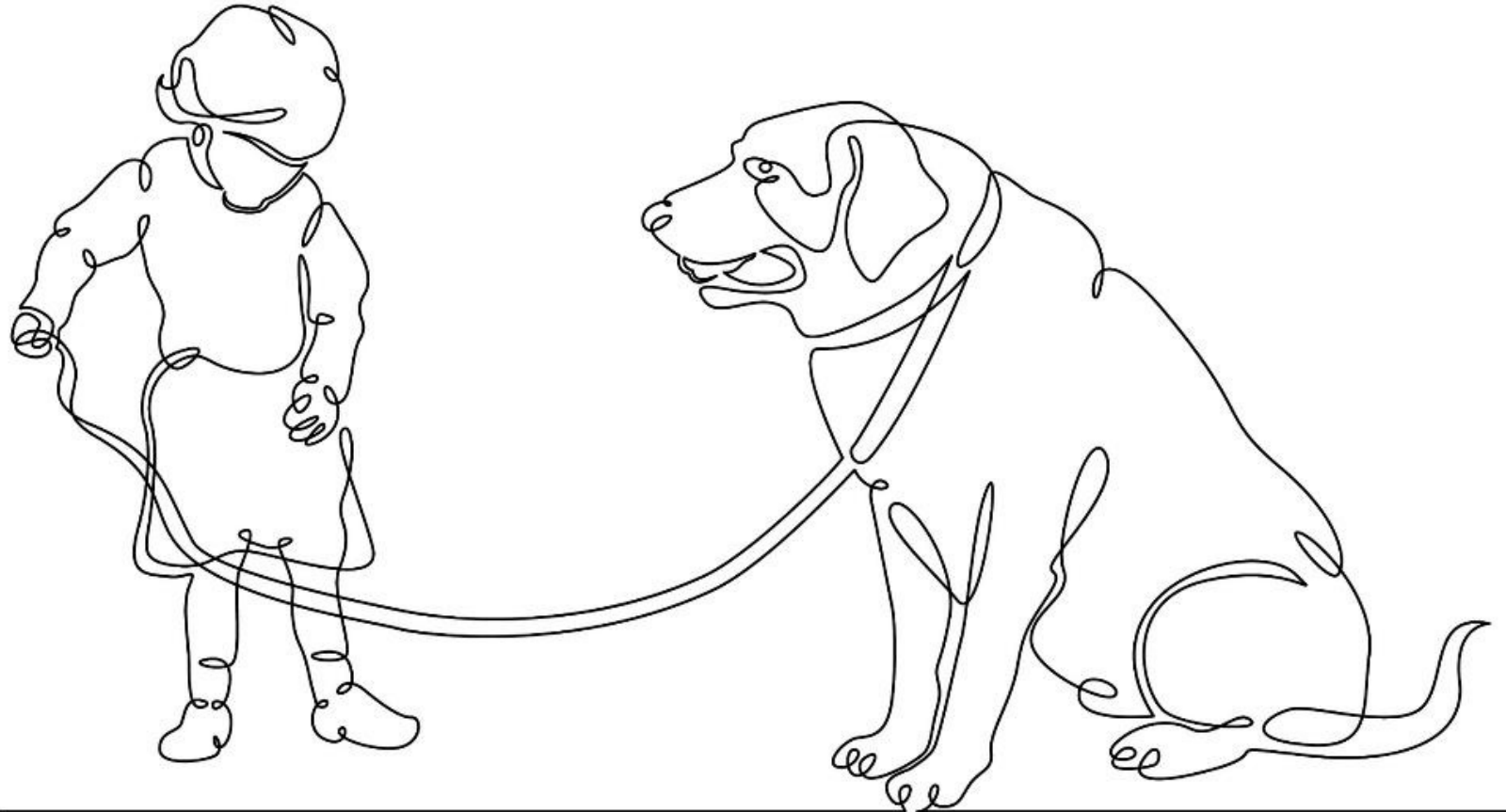


Peak



Chime

Money you
earn yourself is
more valuable
than money
that is given to
you...



College Education & Beyond

Setting expectations is an important first step



Be clear about what you're willing and not willing to pay for



Help them build a budget



Give them advance notice if change is coming

WHAT WE'VE LEARNED



- Teach the difference between needs versus wants
- An allowance is a powerful tool
- Earned money is more valuable than money given
- Set expectations and give notice

How does all of this
affect our retirement?

Questions?

Contact Us



Women Getting Wise About Wealth



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