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THE SANDWICH GENERATION - PART TWO

In last month's newsletter, we discussed ways in which those comprising the Sandwich Generation, who are undergirding both young adult children and aging parents, can manage financial challenges while supporting their children through college and beyond. This month we will explore how these Baby Boomers can help their parents navigate relevant financial concerns.

THREE IMPORTANT GOALS CAN HELP GUIDE ADULT CHILDREN OF AGING PARENTS
1) Increase your knowledge in order to understand your parents' financial condition
2) Become a part of the team by getting to know your parents' trusted advisors.
3) Guard against new threats in order to protect your parents against financial predators

INCREASE YOUR KNOWLEDGE

It is critical to discover and examine your parents' current financial condition. They probably have built up a financial and legal infrastructure that you will need to understand before you can step in and effectively help them manage their affairs. On the other hand, if your parents lack this kind of fundamental framework, you need to be aware of that as well.

Now is a good time to gather the following information:

1. Accounts (bank, brokerage) and account numbers
2. Debt (credit cards, mortgage, auto) and account numbers
3. Insurance policies (life, long term care, etc.)
4. A list of monthly bills
5. Estate planning documents (trust, wills, powers of attorney)
6. Contact information for accountants, attorneys, doctors, insurance agents

In addition to typical financial and legal information, there are other key bits of information about your parents that you and your siblings will want to know. For example, names and phone numbers for a couple of nearby neighbors, current prescriptions, and computer passwords are all vital data elements that will enable you and your siblings to help your parents quickly, if necessary.

Speaking of siblings, it makes sense to come to an early agreement about sharing responsibilities. One sibling may be more willing and able to help parents with finances; another may be in a position to assist with daily activities. Sharing the commitment to support your parents as a team will go a long way toward ensuring that no one sibling shoulders either too much, or not enough, responsibility.

BECOME A PART OF THE TEAM

Your children probably rely on you almost exclusively to support their college and young adult needs, but your parents have likely created their own circle of "trusted advisors" to help them manage their lives. Rather than replacing these individuals, you want to join this circle. An easy way to accomplish this is to voluntarily accompany your parents to key meetings with doctors, accountants, financial advisors and estate planning attorneys. Your role is to be a witness of sorts, to understand the subjects that are most important to your parents, and to be an advocate as well – although you want to be careful not to alienate either your parents or their advisors in the process. Everyone has something valuable to contribute, and everyone is focused on the same goals, even if there are differences of opinion as to how to reach them.

GUARD AGAINST NEW THREATS

Many dynamic issues may unfold to confront your parents as they strive to live healthy, active lives. Social

Security and Medicare are in the midst of current and potential future changes that could significantly impact your parents' income and medical expenses. The volatility of the market may already be affecting your parents' income from retirement assets. A new threat has also emerged fairly recently: the prevalence of financial predators on the Internet. There have always been con artists, but the Internet has opened up a veritable Pandora's Box through which many individuals or groups might approach your parents and attempt to reach into their pockets. While there are numerous detailed tips about how to protect yourself and your parents from fraud, at a minimum you can advise your parents to do two things:

1. Never give out personal information, no matter how trustworthy a person may seem.
2. Don't make any decisions without doing research to support those decisions.

SUMMARY

Your parents have earned your respect, and they no doubt hope to maintain that respect while also living as independently as possible. With this in mind, challenging conversations may surface in the future as you seek to assume a more active supporting role in your parents' lives. However, success will be enhanced for all concerned by forging a partnership where all parties bring knowledge, wisdom and caring to the table. You'll also be setting an excellent example for your children, who may be facing the same Sandwich Generation issues in the future. In fact, this is a great time to assemble your own inventory of information and provide it to your young adult children.

"Sharing the commitment to support your parents as a team will go a long way..."

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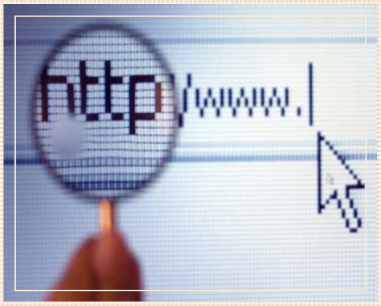
VANTAGE NEWS

Dave Grant, CFP®

2011 INDUSTRY CONTRIBUTOR OF THE YEAR

Vantage is proud to recognize our own Dave Grant who was named by *Financial Planning* magazine as the 2011 Industry Contributor of the Year. Over this past year, Dave has initiated and coordinated a national networking and peer-support group for young fee-only planners: NAPFA Genesis. His work, along with the team he put together, has provided support and resources for the next generation of Fee-Only Planners. Way to go, Dave!

You can read more about Dave's achievement here.



NEWLY-DESIGNED WEBSITE COMING SOON!

We're excited to announce the unveiling of our updated website on December 1st. Our website has been remodeled to a "live-update" format so that updates, information, articles and Vantage news can be readily shared with you. Notifications of postings to the site will be provided through E-alerts to help you stay in tune with what's new. We're looking forward to going live!