00:00:09:10 - 00:00:20:19

Speaker 1

Welcome, my name is Andrew Barron, and this is Well… It Depends! The podcast where I address financial decisions that can't be answered with a simple yes or no.

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Speaker 1

In this episode, I ask the question, how do I financially support aging parents? But before we begin a short disclaimer. This is being recorded on November 2nd, 2023, the contents of this podcast are strictly for informational purposes only, and nothing said should be taken as investment, tax or legal advice. It's important to consult with a professional before making any financial decisions as the strategies discussed may not be suitable for you specifically.

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Speaker 1

Getting into it. Let's start off by examining the needs of your aging parents. This goes beyond looking at the numbers and involves taking a comprehensive look at their lifestyle, health and expectations. Perhaps your parent’s dream of a retirement is filled with travel, hobbies and seeing their loved ones.

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Speaker 1

Recognizing this and quantifying it is the first step.

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Speaker 1

Now let's shine a light on your finances. How will assisting your parents affect you? It's important to strike a balance between generosity and financial viability. Think about it this way. You don't want to risk needing financial support yourself down the line simply because you overextended yourself today.

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Speaker 1

And then we have the emotional dimension. Financial caregiving can bring with it feelings of guilt, pressure, and the challenges of navigating family dynamics. The stress can be significant. So it's crucial to acknowledge his feelings and process them appropriately.

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Speaker 1

To recap, before making any commitments, it's important to ask yourself the following questions. How well do you really know what your parents need financially?

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Speaker 1

Their comfort with money matters and their expectations need to be clear to you. And then, how secure are your finances? Take a hard look at your cash flow and assets and then ask yourself if these are robust enough to handle the extra stress. And finally, are you emotionally ready? This may be a long term commitment and can change family dynamics.

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Speaker 1

So to answer the question, how do I financially support aging parents? Well… It Depends!

Speaker 1: Andrew Baron, CFP®, EA