

HOW TO HELP SENIORS WITH FINANCIAL PLANNING

AWARENESS



Financial Planning
for Seniors

Managing Money as an Older Adult

One-third of seniors don't have money left over at the end of each month. This and other monetary concerns make financial planning especially important for seniors. ([NCOA](#))

About 1 in 20 seniors have experienced financial mistreatment. Since many seniors already face uncertainties and struggles financially, seniors need an understanding of how to plan financially and how to protect themselves from financial risks. ([NAPSA](#))

Financial Safety Tips for Older Adults

Seniors are often the targets of financial scammers. Additionally, seniors can be financially vulnerable due to changing technology and issues related to aging. For example, seniors with hearing problems may struggle with communication about their finances and seniors with memory loss may have trouble managing their budget.

Use these tips to stay financially safe:

- Work with a financial advisor (be sure they are licensed and a fiduciary)
- Use unique passwords for accounts (and record and store the information electronically or on paper)
- Entrust a loved one with access to accounts in case of emergency
- Keep finances in multiple secure accounts
- Always call the numbers listed on account information (do not return calls as they may be scams)
- Get details about financial decisions in writing for review
- Check credit reports once a year
- Sign up for notifications when payments over a certain amount are made
- Never give confidential information, such as a social security number, over the phone unless you initiated the call

([American Bankers Association](#))

Estimating Cost of Living During Retirement Years



Look up these tools online to better understand planning for retirement budgeting.

- Blackrock's Retirement Expense Worksheet
- T. Rowe Price's Retirement Income Calculator
- Social Security's Retirement Estimator
- Mymoney.gov

([CNN Money](#))

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Budgeting as a Senior

Many seniors are retired, which often leads to living on a smaller income than when employed full-time. As a result, they tend to live on a carefully managed budget. The most common living expenses include:

- Housing
- Food
- Medical
- Personal care/living assistance
- Moving
- Travel and leisure
- Gifts/support of loved ones

To live within means, seniors can adhere to a reasonable budget by:

- Downsizing to save on housing and utilities
- Asking for senior discounts on food, travel, leisure, and more
- Looking into insurance, supplemental insurance, and health savings account (HSA) options to reduce costs
- Reducing insurance, such as auto insurance, by reporting no daily commute as a retiree
- Maintaining traditional saving accounts in order to avoid withdrawals from retirement accounts in emergencies or for unexpected large expenses
- Restricting credit card spending to maintain more awareness of budgeting and reduce potential credit card fraud
- Choosing one account to pay all regular cost of living expenses, while maintaining additional accounts for specific other expenses
- Switching to online and automatic billing, direct deposit, and other simple processes that make management easy (and may include incentives for switching)

(FDIC)

Common Sources of Senior Income

- Social security checks
- Retirement accounts
- Savings
- Stocks
- Pensions
- Annuities or insurance
- Home equity
- Part-time jobs
- Seasonal or temporary work
- Consulting work

([US News Money](#))



Home Care Tip

Encourage seniors to keep legal documents up to date, especially those giving power of attorney (POA). In the case a senior is unable to manage their own finances, a POA can step in and help. If one is not assigned, such processes are longer and can be costly.