

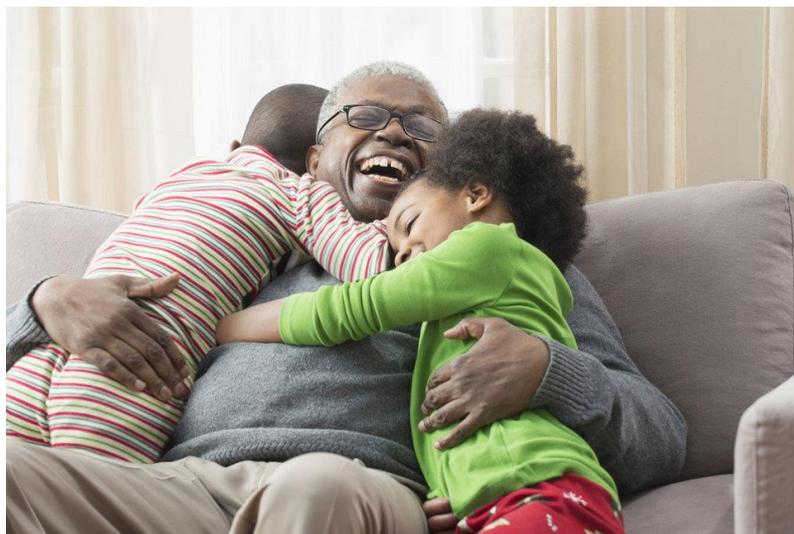


11 Ways to Support Family Members While in Retirement

Many retirees want to help loved ones, but make sure the support doesn't overstretch your budget.



By [Rachel Hartman](#), Contributor | April 25, 2018, at 9:02 a.m.



Offering to provide child care for your grandchildren gives you a chance to develop a bond with them while saving your adult kids money. (Getty Images)

Retirement marks the start of a new phase of life when you no longer need to show up at the office every day. Now that you have more free time, there will likely be many individuals in your life who look to you for help. Many retirees are sandwiched between aging parents who need care and children and grandchildren who require financial support, says **Michele Lee Fine, president of Cornerstone Wealth Advisory in New York.**

It's understandable to want to support loved ones, but the process can get complicated. Often, the sort of help relatives are hoping for has a price tag attached to it. You'll want to make sure your own finances are stable before extending resources to others. And you may find that some of the best ways to help don't involve dollars. Here are some ways to lend a hand to family members during your retirement years without breaking the budget.

1. Plan a visit with a financial advisor. If your grown child asks you for a loan, consider providing a financial lesson instead. Take your family member to a [meeting with a financial advisor](#) to learn more about budgeting, saving and preparing for the future. "Providing this opportunity for the sage advice of a trusted advisor can pay off many times over and help instill healthy financial habits," Fine says.

2. Extend meal invitations. [Inviting relatives over](#) on a regular basis gives you the chance to stay in tune with each other's lives and happenings. You may be able to relate concerns and resolve financial issues before they get out of hand. If you want to keep costs low, try a pot luck, suggests April Masini, a relationship and etiquette expert.

3. Watch the grandkids. If your adult children work and have little ones of their own, consider [offering to provide child care](#). You'll have a chance to connect with your grandchildren, and your adult children will save some funds that otherwise would be spent on child care or after school support. Your kids will also appreciate leaving their children with someone they trust, **Fine** says.

4. Contribute to a 529 plan. With college costs on the rise, one key way to assist grandchildren is to help fund their future years of education. You may opt to set up a 529 plan in your grandchild's name or contribute to a 529 plan your adult children have already established for your grandson or granddaughter. Keep taxes in mind when it comes to contributions: The annual gift tax exclusion for a 529 plan is \$15,000 in 2018. If you exceed that amount, you'll need to file a gift tax return.

5. Set up a family trust. To pass funds on to family members or future generations in a responsible way, a trust fund might be a wise option. But before you [set up a trust fund](#), "Be clear about your purpose with your attorney or advisor so the trust meets your needs," says Adrienne Penta, executive director of the Center for Women and Wealth at Brown Brothers Harriman in Boston. You might want funds from the trust used to help cover medical expenses for a grandchild with a specific health condition, or you may choose to have funds distributed for annual family trips.

6. Teach healthy habits. If you are caring for aging parents, one way to help involves focusing on their overall well-being. Check if your loved ones are eating well, getting enough exercise and staying active. "Helping them receive the nutritional and health care support they may need is a preventive measure to avoid greater problems down the line that can exhaust greater dollars in the future," **Fine** says.

7. Take a trip together. One of the most rewarding ways to spend funds during retirement can involve [traveling](#) with relatives. Set aside time with your children to map out a

weekend getaway or plan an outing far in advance so extended family members can put it in their schedule. You'll get a chance to catch up during the trip, and you will also create memories that will last for years to come.

8. Provide assistance with conditions. If you have a relative who regularly asks for financial help, try sitting down and talking about the future and your expectations. Consider discussing that financial assistance provided now will be counted against their inheritance, suggests William Stack, owner of Stack Financial Services in Salem, Missouri. "This makes the division of assets more equitable and also inspires those requesting help to realize they will not be double-dipping later on. Often they then learn how to use more financial discipline in their own lives."

9. Give an heirloom. Instead of giving gifts of toys or cash for birthdays and holidays, consider using these opportunities to pass on meaningful items. "Whether it's a piece of jewelry, a piece of furniture or an antique framed photo, giving gifts that have been in the family make wonderful contemporary presents," Masini says. If you have more than one child or grandchild, make a plan to divide up items before you start giving gifts so keepsakes are distributed evenly.

10. Offer handyman services. If you've always enjoyed painting or [tackling home repairs](#), you might ask family members who want to update their home if they are interested in your help. However, when lending your labor, be sure to set your own hours. "If you feel like working 15 to 20 hours a week, don't feel like you need to do 30 to 40 hours," Stack says. "To be fair, you should indicate your limits, so everyone has clear expectations of what you are doing."

11. Stress the importance of an emergency fund. If you have extra cash set aside for emergencies, be careful to not draw from it for other family members. "Since unknown emergencies can come at any time, you don't want to spend that for someone else's emergency and then have nothing to turn to when your own crisis hits," Stack says. If family members ask for an amount from your own funds, use the opportunity as a chance to teach them how to set up and maintain an emergency fund of their own.