

# Sandwich Generation: Caught in the Middle



Your Children



You



Your Parents

# What is the Sandwich Generation?

***Sandwich Generation*** (noun), also known as “SandGEN”: Adults responsible for the care and support of both their children and elderly family members.

# TYPES OF SANDWICHES



# Where Do You Fit In?



You

- Are you planning for your own retirement?
- Are you responsible for the care of children?
- Are you responsible for the care of elderly family members?



# Considerations for Yourself



You

- 35 - 49% of SandGEN may not have adequate retirement assets.
- Do you plan to retire early, or seek part-time employment?
- Do you plan on leaving a legacy to children or charities?
- Are you aware of the possible pitfalls which could affect your retirement savings?

# You Are Not Alone



You

- 66% of people consider paying for their children's college tuition a parental responsibility
- More than 1 in 8 adults, ages 65 and older, live with one of their children
- An estimated 16 million Americans are members of the Sandwich Generation

# Your Considerations

## Checklist

- ✓ Organize your financial records
- ✓ Plan early – review investments in relation to your goals and risk tolerance
- ✓ Inquire if your financial adviser is registered to sell investments or provide advice
- ✓ Create a realistic budget and control your debt



You

# Considerations for your Children



- Expense of raising child from birth to age eighteen:  
127K – 254K
- Rising cost of educational expenses
- Potential for children to return home

Your Children



# BOOMERANG KIDS



- About 1/3<sup>rd</sup> of 18 to 34 year olds live at home
- 1 in 4 neither work nor attend school
- For the first time since 1880, 18 to 34 year olds more likely to live with a parent than any other arrangement
- Factors: high cost of housing and education; limited job prospects during recession

# Considerations for your Children

## Checklist



Your Children

- ✓ Teach children about finances and model responsible money management
- ✓ Consider impact of using retirement assets for educational expenses
- ✓ Decide if willing / able to pay for your children's education - are there alternate financing options?
- ✓ Set financial ground rules for adult "boomerang" children moving back home

# Considerations for Elderly Family Members



- Rising healthcare costs
- Longer life expectancy
- Heavy cost of funeral expenses
- Consider potential disagreements among family members

Your Parents

# Considerations for Elderly Family Members

## Checklist

- ✓ Initiate dialogue about financial matters with parents
- ✓ Have copies of estate documents and ensure they are current
- ✓ Know about their assets and ensure you can access if required
- ✓ Identify their advisers and other sources of information



Your Parents

# Financial Fraud Spectrum

Family and  
Caregivers



Financial  
Professionals



Unknown  
Scammers



Inappropriate use of POA  
Theft  
Improvident Transfers

Bernie Madoff  
Jordan Belfort

Jamaican Lottery  
Profitable Sunrise



# **Be Aware and Prepare!**

- You can do it
- Be realistic and plan ahead
- Ask for help, identify and utilize resources

# **Help is Available**

**Contact**

**The Maine Office of Securities:**

**Phone: (207) 624-8551**

**Fax: (207) 624-8590**

**[www.investors.maine.gov](http://www.investors.maine.gov)**



**Questions?**