

**Tennessee Society of CPAs**  
201 Powell Place  
Brentwood, TN 37027  
1-800/762-0272  
Visit our Web site at  
[www.tscpa.com](http://www.tscpa.com)

**FOR IMMEDIATE RELEASE**  
Mon., April 20, 2009

**CONTACT:**  
Lindsey Deweese  
Public Relations Coordinator  
[ldeweese@tscpa.com](mailto:ldeweese@tscpa.com)

## **HELPING AGING RELATIVES IN TOUGH ECONOMIC TIMES**

**BRENTWOOD, Tenn.** – The downturn in the economy has taken a toll on everyone, but senior citizens are often hardest hit by a recession. That's because they generally live on a fixed income, including the earnings on retirement plan investments that may have declined sharply in value due to drops in stock prices and interest rates. The Tennessee Society of CPAs provides this advice on how to help your parents or other aging relatives weather a recession.

### **ANTICIPATE THE NEED**

The first step is simply to be aware of the possible effects that the economy has had on an older person's finances. You may already know that their retirement savings could have been hurt by market plunges, but other consequences may not be quite as clear. If your parent owns a home, for example, it may have fallen in value due to drops in real estate prices. That could make it harder to take a home equity loan when it's needed or could limit the benefits of a reverse mortgage. If your parent was hoping to downsize or to move into an assisted living facility, those plans may have to be put on hold if the home can't be sold due to the bleak real estate market.

### **ASK QUESTIONS**

Once you've considered which problems a parent might be facing, it's time to get specific information about their situation. A visit to their home is a good first step, because it will make it easier to see signs that they are scrimping on necessities such as heat or food. It's also a good idea to ask if you can review their financial information, such as checking and savings account statements, retirement account statements and credit card bills. That way you can find out if changes in the stock market or in interest rates have lowered their monthly income and

determine whether they still have enough to cover their costs. As you look over their paperwork, also be alert for notices that they are behind on payments or for demand letters from collection agencies.

### **OFFER TO GET INVOLVED**

If your parent is having financial problems, there are ways that you can help, even if you're unable to pay off the outstanding bills yourself. For example, offer to contact your parent's creditors and try to negotiate new terms on the accounts. Many creditors, including mortgage and credit card companies, are willing to lower customers' monthly payments temporarily to prevent the account from going into default. In addition, you can research programs that offer financial support for senior citizens and enroll them into the ones for which they qualify. More information is available from a Web site sponsored by the National Council on Aging: [www.benefitscheckup.org](http://www.benefitscheckup.org). It offers details on federal, state and local programs that help seniors pay for meals, medications, utility bills, taxes, health care and more. Remember that if your parents' monthly income has declined because of market declines or other factors, they may be eligible for more aid programs than they were in the past.

### ***About Money Management***

*Money Management* is a weekly column on personal finance prepared and distributed by the Tennessee Society of Certified Public Accountants (TSCPA) as a part of its financial literacy initiative.

Members of TSCPA are CPAs residing and practicing primarily in Tennessee in all areas of public accounting, education, government, business and industry. TSCPA offers a speakers bureau for many types of business and educational engagements. For details, visit [www.tscpa.com](http://www.tscpa.com). TSCPA is headquartered in Brentwood, Tenn.

###