BETHESDA
SENIOR LIVING COMMUNITIES

Senior Living Financial Planning Guide

The ability to check your bank account balance on a mobile phone or put bills on autopay can make it easy to set-and-forget your finances. Even with these conveniences, paying attention to money matters can help support future peace of mind for older adults getting close to or in the early years of retirement.

Why Should Seniors Invest Time in Financial Planning?

The results of the AARP 2026 Financial Security Trends Survey show that a third of American seniors are financially insecure, and another 60% say they're not sure they have enough money to last.

Numerous factors contribute to these stressors:

- The average monthly Social Security payment is $2,000, an amount that 61% of seniors say isn't enough to cover living expenses.
- Living expenses are increasing faster than incomes in general, and certainly faster than retirement incomes.
- More than half of seniors said health care costs are up year-over-year.

By taking time to document and organize your finances and talk to professionals about plans for the future, you can reduce some of these stresses. Good financial planning can also help older adults on limited incomes make the most of their resources, even as costs increase.

Steps You Can Take Yourself

The first step in financial planning is taking stock of your situation and ensuring you're stewarding your resources to the best of your ability.

Document All of Your Accounts

First, gather information about all your accounts. Document where they are, how you access them, and what passwords and usernames are relevant to each.

Types of accounts to document include:

- Checking and savings accounts

- Credit cards
- Lines of credit and loans, including personal, car and home loans
- Retirement, pension and investment accounts
- Insurance policies
- Utility accounts, including electric, gas, water, cable and mobile phone

If you create a hardcopy list, store it in a safe place, such as a locked document box or filing cabinet. You can also keep the list in a secure file on a computer or flash drive.

Make a Budget

Use your account documentation to make a monthly budget. Write down your monthly income and expenses. If you have money leftover, decide how much you want to save and whether you want "fun money" each month. Try to stick to budgeted spending to stretch your income.

Create a Financial Power of Attorney and Notify Your Potential Agent

Talk to an attorney about creating a financial power of attorney. This document provides someone you name with legal authority to handle finances on your behalf if you're unable to do so. A financial POA can help ensure your bills are paid and your assets are cared for if you're sick, injured or otherwise incapacitated.

Choose someone you trust to act as your financial POA. Let them know you're creating this document and ask them if they're willing to serve in this capacity in the future. Talk to them about your wishes so they're more able to make decisions on your behalf.

Keep Up With Your Mail and Email

Continue to keep up with correspondence as you're able. It's tempting to toss mail aside for another day, but it can add up fast. Instead, sort it daily. You might consider a Sunday system:

- **Go through mail and email daily.** Throw away junk, handle anything urgent, and put the rest in the "Sunday file."
- **Go through the Sunday file once a week.** It doesn't have to be Sunday; choose a time and date that works for you. Pay bills due within the next week or two and handle anything that needs a response within the next two weeks.
- **Repeat weekly.** By handling everything that needs a response or payment in the next 14 days, you stay ahead of administrative tasks.

Continue to Pay Bills on Time and Manage Money Responsibly

Pay bills on time to avoid expensive late fees and negative credit outcomes. Using credit during retirement can help you safeguard your accounts, earn points for travel or other rewards and maintain a good credit score. However, relying too much on credit can have negative effects, so only use credit cards for what you can afford to

pay cash for each month.

Communicate Your Wishes and Needs Regularly to Loved Ones

Talk about your finances with trusted loved ones, especially your designated POA. Ensure they know where to find your paperwork and how your filing system works so they can step in to assist you as needed.

Older adults may also want to discuss their goals and needs with trusted loved ones to get advice or feedback. For example, you might talk to an adult child about options for digitizing your financial records or setting accounts to autopay.

How Professionals Can Help

While older adults can do a lot to maintain their own finances and plan for the future, sometimes it helps to bring in a professional. Depending on your financial situation and goals, some professionals you might want to consult include:

- **Tax preparers or attorneys.** These professionals can help you file your taxes each year and may offer recommendations for optimizing refunds or minimizing tax payments. They can also ensure older adults have better peace of mind when dealing with complex tax issues.
- **Accountants.** Accountants can help you manage complex income and expense structures. You may want to work with an accountant if you have a lot of investments or still own a business.
- **Investment advisors.** Investment advisors can help you make educated choices about retirement assets, including 401(k)s, IRAs and pensions.
- **Long-term financial planners.** These professionals can help older adults understand how to prepare for long-term care needs or protect assets should they need Medicaid benefits in the future.

> If you're ready to get started on financial planning, download the Senior Living Financial Planning Checklist today.