CONFIDENT CONVERSATIONS® on Retirement: Strategies to Balance Retirement Savings with Multigeneration Care

Jessica Sclafani: Welcome to T. Rowe Price's CONFIDENT CONVERSATIONS® on Retirement. I'm Jessica Sclafani and I'm excited to be your host this season. As a retirement strategist, I've spent years helping people make sense of retirement, both the numbers and the emotions behind them. Together with my colleagues, we'll explore practical insights to help you retire confidently.

Today's conversation is all about planning for your own retirement while also caring for children and aging parents, a reality for so many in midlife, including me, I'm raising my hand at the table here. We'll explore the unique financial and emotional dynamics of the sandwich generation and share practical strategies to help you stay confident and in control as you manage caregiving responsibilities and your own future. I'm joined by two amazing voices in financial planning, CERTIFIED FINANCIAL PLANNER® professionals, Mycha Marshall and Emily Herstein. Welcome, Mycha and Emily.

Mycha Marshall: Glad to be here. Thank you.

Emily Herstein: Happy to be here. Excited for the conversation.

Jessica Sclafani: All right, ladies, let's start by exploring what this dual caregiving landscape, in other words, caring for children and aging parents or family members, really looks like. My first question. What makes retirement planning more complex for caregivers supporting both older parents and younger children?

Mycha Marshall: So, caregivers supporting both older parents and younger children are generally referred to as the sandwich generation, just like you said, because they're caring for people who are older as well as they're caring for their children. And so, they have to balance multiple responsibilities, which can often restrict their ability to maximize income, to save aggressively or even maintain full-time employment. And this topic is actually part of my story, as well. So, I am raising my hand, too.

Jessica Sclafani: Love it.

Emily Herstein: Me too.

Jessica Sclafani: Yeah, we got three hands raised here. Yeah, I'm willing to guess. We have listeners right now who are also raising their hand…

Mycha Marshall: I'm sure.

Emily Herstein: I'm sure.

Jessica Sclafani: We see you.

Mycha Marshall: Yes. So, when my children were young, I actually stepped away from my career to be a stay-at-home mom. So, I did that for several years and then as they got older and I returned to work, I also had to reduce my work schedule on two separate occasions to care for older family members. And so that really had a direct impact on both my earnings as well as my retirement savings. So, I know that is just like we said, that is a story for many people…

Jessica Sclafani: So many.

Mycha Marshall: …and it's just the situations are, you know, so common and they often bring feelings of guilt and stress as we try to navigate the financial compromises made to support our loved ones. But ultimately, the competing demands of caregiving can make it challenging to prioritize, as well as achieve long-term financial and retirement goals.

Jessica Sclafani: Thank you for sharing that story, Mycha, because so much of what we talk about can feel kind of abstract. And then once you hear how someone has lived it, it just feels that much more real and relatable.

Emily Herstein: Definitely. And the numbers really tell this story. Nearly a quarter of adults are in this sandwich generation. We were saying many listeners at home are probably raising their hands, we all have done that. Including over half of people in their 40s, according to academic research in 2023. And I can say I barely fit into that category of being in my 40s, but I'm in that situation myself.

Jessica Sclafani: You're in.

Emily Herstein: And in 2022, Pew Research Center found that 60% of caregivers are women. So, it's no surprise we all raised our hand at this table. And many are still paying down debt and trying to fund education for their kids. I know I said I'm barely in that 40s age range, but I decided to have my daughter a little later in life, as did a lot of my friends. So, we're in our 40s raising young children but also caring for parents or family members. And I remember thinking before I had my daughter, "how can I do it all? How can I focus on my career and deal with childcare expenses? Save for college?" And now that I'm into it, my daughter's almost 12 or 12, almost 13, I'm realizing not only do I have to think about my retirement, her education, but also helping aging parents. So, I think a lot of my peers, this comes up a lot in our conversations. How are we managing what we thought was doing it all was two things, and now it's three things, right? So, it's you're often stretching your budget in both directions, and that can leave your own retirement savings in the lurch, feeling like that's the first thing to go, because it's the easiest to give up.

Jessica Sclafani: So, I have to say way to bring the numbers, Emily. Those stats were really helpful. This is just an issue that affects so many, I'm really glad we're talking about it. I mean, to your point, Emily, it's clear that caregivers are being asked to do more and more with less, and that can really take a toll both, on your finances and your peace of mind. So, let's really dig into how those pressures affect long term planning. And keeping in mind that this is a confident conversation on retirement, we'll narrow our focus to retirement, and I'll just ask you, maybe I'll start with you, Emily, what are the biggest risks to retirement security for this sandwich generation?

Emily Herstein: One major risk is tapping into your retirement savings early. I think that's a natural, easy thing that people do in this situation because their own needs they're thinking about last. And additionally, retirement in their mind is further out. So, it's easy to say, “that's the first place I can take money from because my retirement is still five, ten, 15, 20 years away.” A 2023 employee benefit survey found that over half of working caregivers and more than a third of retired ones, are financially supporting someone they care for. And it's easy to say, “I'm going to take a little money from my retirement plan, stop my retirement savings,” because it seems so far away and they're making a sacrifice to pay for something now by sacrificing something that is in their future.

You know, another risk is putting college savings ahead of retirement. I talk to a lot of my friends when we talk about this, and that's a priority for them, is saving for their kid’s college. One thing I tell them is that's a great loving instinct, but you have to remember there are loans for college, there are not loans for retirement. You cannot walk into the bank and say, “I just retired today. I have no income, give me a loan.” But there are many options for lending in terms of college, so I always urge people to keep that in mind, not to sacrifice their own retirement to pay for somebody’s college or care for their family members, because that's the one thing you can't get a loan for is your own retirement.

Jessica Sclafani: I appreciate that you described it as a loving instinct because it is, and we can appreciate that for what it is, but also acknowledge that it might not be the best financial decision.

Emily Herstein: Exactly.

Jessica Sclafani: Also, in our in our conversations recently, we've done a lot of discussion around your current self and your future self. And what you just talked about now made me think of that. So, your current self might feel like it's the right thing to do to tap into those retirement savings, but I'm willing to guess that your future self might regret that decision.

Emily Herstein: Yeah, once you do it, you can't unchange it, unfortunately.

Mycha Marshall: I once saw something written that says we focus on our current self and sometimes our future self is as distant as a neighbor down the street that you don't know. And so that's what kind of makes it so much easier, because you're not really tapped into your future self. And one of the things I like to suggest for people is to really envision what that retirement is going to look like, because that can help you really understand what you're working towards. You know, give it, paint a picture, what you want to be doing, what you want to be seeing, who you want to be with when you're in retirement. So that that can be vivid in your mind, and you know, you know what you're going to need to do to make that happen.

Jessica Sclafani: Your retirement vision, I love it. What else would you add in terms of some of the risks to consider for retirement security, again, for this sandwich generation?

Mycha Marshall: So, like Emily had said, I really echo what she said about the, scaling back or limiting your retirement contributions because this seems to be the most viable option. But it's also common for caregivers to opt for lower paying jobs, more flexible jobs, and often that cuts off benefits and insurance for many people. Another point is really the emotional exhaustion and decision fatigue that can really lead to procrastination and suboptimal decisions because it's really just harder to stay focused and motivated when you're mentally drained. And that can really have a detrimental effect on the decisions that you make.

Emily Herstein: I think that's why people go to their retirement first, it's the path of least resistance. It's the easiest. Oftentimes they see it as the largest, you know, maybe one of their largest assets. So, they think taking a little bit from that isn't going to be that impactful. But as we've talked about in other podcasts, you know, there's power of compounding, staying invested, staying focused, there's all these other concepts that come into play. So, it may seem like the biggest bucket, the easiest place, they have decision fatigue, but thinking about their future self is important, right? Instead of going the path of least resistance, is really sitting down and thinking about a plan for how to tackle both of these, you know, caring for someone who's younger and someone who's older, you know, coming up with a solid plan on how to manage that.

Mycha Marshall: Yes, absolutely.

Jessica Sclafani: And really, who doesn't love a good plan? Right? I love that.

Mycha Marshall: I love a good plan.

Jessica Sclafani: So, I feel like, I like to think of myself as a glass half full person. And so far, we've talked about the risks. Right. So, I think we have to be balanced and maybe address some potential solutions here. So, what strategies can help caregivers support their families and protect their own financial future?

Mycha Marshall: So, I always like to start with clarity.

Jessica Sclafani: Love it.

Mycha Marshall: It's imperative that you know where you stand financially. So, you can really determine what kind of support you can give to your family members or other people that you're caring for. And one thing that really helps is really prioritizing that emergency fund. I see a lot of people who really don't put forth the effort to maybe prioritize that, and that is something that can help you when you're looking at some of these unexpected costs for aging relatives, as well as for your kids and helping you to also have that balance.

I also suggest that you don't stop making those retirement contributions. They are so important. And I feel like that compound growth, that systematic contribution, that being automated and going in every pay period, it is really what's going to keep things going. And so, when you stop that, you lose out on many fronts. So, one is the compound growth. The other is the consistency, which you're used to seeing those contributions go in. And you can always reduce it somewhat, it's not really a suggestion, but do what you have to do to not stop those contributions. Because when you stop, it's really difficult to start back in. You know, once you cut that cord, it's just hard to get back to a point where you're fully making those contributions on a regular basis again.

Emily Herstein: Yeah. Once you stop, it's hard to restart, even if that's your intention. I was thinking about this the other day. When thinking about like the difference between paring it down versus completely stopping. Right? And, and I was, as a lot of us do, counting my calories and logging. I'm going to put this in some relatable terms I think for most of us.

Jessica Sclafani: Yep, I'm relating.

Emily Herstein: And I had something that wasn't within my caloric budget.

Jessica Sclafani: No, no…(sarcastically)

Emily Herstein: But instead of stopping counting for the day, I had to just keep going.

Jessica Sclafani: Yep.

Emily Herstein: And I think that's very similar with retirement savings. If we just stop, you know, it's easy when you're on a diet or watching your calories to say, "oh, I had a bad day. I'm just going to give up." But a lot of health care professionals and different things you'll read, nutritionists will tell you that's not the thing you should do. You need to just get over that blip and keep going. And I think it's similar with savings, right?

Mycha Marshall: Absolutely.

Emily Herstein: You may have to reduce it a little bit, but don't completely give up…

Mycha Marshall: Don't give up.

Emily Herstein: …because you're not going to restart. And same thing with my, you know, eating habits. I could have easily just said, "well the whole day's blown. Let me just go eat all the things I shouldn't eat." But you have to stay the course. And I think that that's kind of what you're saying, Mycha is, keep going.

Mycha Marshall: Keep going.

Emily Herstein: Because once you stop, you lose out on a lot of benefits, but one of the biggest is momentum.

Mycha Marhsall: Momentum.

Emily Herstein: You know you have the best intentions, but that still doesn't make things the way that, you know, intentions are different than actions.

Jessica Sclafani: Not to be fresh, but I'm going to be a little fresh here. Does anyone else want to cupcake right now?

Emily Herstein: I know, I feel like I shouldn't have brought that up.

Mycha Marshall: You're not the only one. I could use a cupcake at any point in time.

Emily Herstein: Yeah, it was a munchkin, not a cupcake.

Jessica Sclafani: Oh, girl, you can have the munchkin. You know, I will point out that one of the common themes across the episodes this season has been the power of automation. And I think in saving for retirement, automation is your friend.

Mycha Marshall: It is. It's key.

Jessica Sclafani: Embrace it. It just it can make such a difference.

Mycha Marshall: And I would also just add to that, I know we're talking about the financial planning aspect, but also just maintaining proper insurances, because sometimes that is another one that can be quick to go, you know, and so, and insurance can really, prevent a setback from becoming a financial disaster. So that is something else that you…it's important to continue to make those payments and understand that that is also part of the financial plan.

Emily Herstein: I think that goes back to your future self versus your current self. It may seem like, the path of least resistance, but your future self or depending, your beneficiaries, your whoever else that insurance was intended to protect your future self is not going to be happy with your current self that you did that.

Jessica Sclafani: Yeah.

Emily Herstein: I think that's you know, part of what we're talking about is being realistic, and setting proactive boundaries. If you're helping adult children or parents financially, even caring for your young children, you have to make it part of the plan and set expectations, timelines and limits. I set limits with my child who's younger, I think I mentioned she's almost 13. She'll ask for something and I have to bring her back to the bigger picture, right? So, it's even with small things when you're caring for them. “Mom, can I have this?” “No, you can't.” Or aging parents, “can you help me with this?” “I can't, because these are my limitations.” So, I think we need to figure out what our own limits are and stick to them and have realistic expectations and part of that is having conversations.

And Mycha, you mentioned insurance. Which leads me to think about benefits. A lot of companies offer great workplace benefits, and we need to take advantage of those. Talk to your HR about caregiver leave, dependent care FSAs, mental health resources. They may have access to mental health professionals or groups, support groups, you can join other resources that aren't necessarily directly financial, but that could help you in your financial planning in your journey around this.

Jessica Sclafani: And don't forget about that employer match potentially amongst the retirement savings plan.

Emily Herstein: And that’s the other thing is, if you stop the contributions, you’re missing out on that match, which if you don't restart, then you're giving up that that match, you know, potentially permanently, which can be very impactful.

Mycha Marshall: And we all like free money. We all want that match.

Jessica Sclafani: I do.

Emily Herstein: We all like free money. We like anything free. I also think to utilize, talking about free things, utilize resources from where if you're caring for aging parents or family members, resources from where they're receiving care. So maybe if they're in a nursing home, there may be social workers, and they may be able to provide financial assistance or give you options for other avenues to explore. And there may be support groups there.

If you're dual caregiving, definitely consider working with a financial professional because they can help you prioritize these competing parts of your life, and coordinate these competing priorities and find ways to balance and be realistic. I talked about setting those boundaries, working with a professional can help you do that. And I think just having a plan and putting it out on paper to realize what your priorities are and what your boundaries are, is going to help with that decision fatigue with some of the emotional side that gets in the way of those financial decisions.

Jessica Sclafani: I know I can't be the only woman at this table that hears the word boundaries and kind of goes, “oh, that sounds hard,” right?

Emily Herstein: It's hard.

Jessica Sclafani: Boundaries are hard, but they are so important. And they sound like they're really important to the plan. I keep hearing both of you reference the plan. So, the plan is in all capital letters in my mind. Just understanding that so much of this conversation can be a little bit sensitive and challenging, I think it's important for us to just spend some time on how can caregivers step in to help their aging parents, but without losing sight of their own long-term financial needs, priorities, goals?

Emily Herstein: I think that's why boundaries, it gives you a little bit of the cringe, because it is sensitive, right?

Jessica Sclafani: Right.

Emily Herstein: It's not an easy conversation to have.

Jessica Sclafani: Well, I want the boundaries. Like I'm right here with you, Emily.

Emily Herstein: Yeah.

Jessica Sclafani: I want them. But they do sound hard.

Emily Herstein: They do. And I think a lot of it is starting with open conversations and asking, especially if you're caring for aging parents or aging family members to ask about their finances, their debt, their health care plans, what are their long-term care preferences? And these are all very sensitive conversations. Sometimes it's hard to have money conversations with family members. To ask about their intentions. But we have to do that so, you know, it's questions: do they want to stay in their home? Do they have long term care insurance? Do they have power of attorney set up in case they can't make decisions? Where are their financial accounts? These are all important questions, but they're hard to ask, but we have to get it all at the table. Our table here, and then the table for our listeners at home as well.

And my parents moved a couple of years ago from Florida, here to Baltimore, in part so I could help with their caregiving, and we had to have some of those conversations. And a lot of it was me asking not just about the financial side, but the intention. So, what are you looking to do? Do you want to go somewhere that provides care? Are you looking to age in place where you, you know, get a condo or a house or an apartment and have someone come in? What are your intentions and then what are your resources? Which goes back to their finances, their debt. Do they have long term care insurance? That all comes into play and I can help them make the decision and set their own boundaries as well, but not without knowing all this information.

Mycha Marshall: So, it sounds like smart choices and honest conversations rule the day, right?

Emily Herstein: Exactly.

Jessica Sclafani: Well done.

Emily Herstein: I think, additionally, if they're looking, you know, in my situation, my parents were looking to move into a continuing care facility, I toured the places with them because I was going to be part of their aging plan, right? How they're going to receive care. I'm going to be helping to step in at times. It was important that I knew where they were looking and that I was on board with those decisions as well. So that it could flow a little better. You know, if they had moved someplace that I didn't like, that I didn't think provided them the support they need, that's going to cause another ripple, in the plan. So go with people, if you're caring for someone. Go with them to tour places they may be looking at, ask the questions because they may not know the right questions to ask. And if possible, share the responsibility with siblings or other extended family. Don't try to do it…

Jessica Sclafani: Spread the love.

Emily Herstein: Spread the love. Don't try to do it all by yourself, because it can be overwhelming. And we all know when we get overwhelmed, sometimes we just shut down. Just like it's easy to shut down those automatic contributions because you get overwhelmed, it's easy to shut down all of it. The emotional side of it, the financial side of it. So, seek support.

Jessica Sclafani: Yeah. Full stop.

Emily Herstein: Full stop.

Mycha Marshall: I also had to do the same thing with my mom as she was aging. And I think it's important to really let them know that, you know, we're on the same team, because sometimes you'll find that as people who are aging and sort of those roles tend to shift a little bit that they feel like they're losing control, and so you get more push back than you might expect originally. And so I know when I framed it, you know, with my mom, it was just like, you know, "we're going to go see what works for you" so that she felt like she still had some control over what was going on and it wasn't me trying to push her into a situation that she felt wasn't going to be pleasing to her. So I think that going with them, helping them to understand what they want and what is going to be conducive to their aging process that gives them some of that, keeps some of that power within them, and then they feel more amenable to going ahead and you know, looking into those different options that could be helpful.

Jessica Sclafani: "What works for you?" That's a helpful phrase to keep in your back pocket. That's what I'm hearing here. It also, I can't help but reflect on just listening to both of you. Emily, Mycha share your stories, it's it just goes to underscore it's not just about the numbers. It's not just about the financials or what the market's doing, it's equal parts emotions. Control is another word that comes up a lot. So, I'm just so grateful to have you both here so that we can address both sides of the coin.

Emily Herstein: Yeah. And they go hand in hand.

Mycha Marshall: They do. And I just want to piggyback on something else that Emily has stated, and she was talking about the long term care and, you know, maybe looking at other resources and I really feel as though, people should really look into those options probably sooner than they think, because a lot of times people don't start to think about long term care until it may not be financially feasible. So, the time to really look into long term care is typically between your mid 50s and your early 60s. And a lot of people at those ages are not looking at long term care because you still feel good, you still feel like you have a lot of time. But if you consider those things at that age, it is definitely going to be probably more financially feasible, and you can also really think about what your future needs are going to be and determine a plan that's going to be helpful for you.

And another thing with this sandwich generation is really speaking to a tax professional, maybe about ways to determine if you qualify for any caregiver tax deductions and/or credits, that can be able to help offset some of the financial costs associated with providing care for your dependents. And some common options in that area are the dependent care credit, medical expense deductions. Emily, you talked about flexible spending accounts, and then there's health savings accounts. HSAs are really a powerful tool. The contributions are tax deductible; your growth is tax deferred and qualified withdrawals are tax free. And I like to call this a triple threat. There are very few, actually I don't even know anything else that is as good as this, when there are three tax benefits to this HSA. And so, in addition to the significant tax benefits that I just mentioned, it offers investment opportunities, there's generally an opportunity to invest some of what you have put into the HSA. And there's so much flexibility. There's flexibility with actually when you pay costs, your health care costs, you can allow that money to grow. The HSA is yours. You take it with you. It's not limited, like the flexible spending accounts. The one thing is you do have to have a high-deductible health plan to be able to contribute to an HSA, but I like to think of the HSA as both a health care safety net, as well as a powerful long-term savings tool. And so, this is something else where it may be a good idea for you to speak with your tax professional to determine if this is a tool that you should add to your toolkit.

And there are also some state and local programs that we shouldn't forget that those can be looked into, because there might be other resources in that arena as well.

Emily Herstein: I love calling it a triple threat. Yeah, that's I'm going to remember that, Mycha. So…

Jessica Sclafani: Yep. And long serve long term savings tool, but also help you in retirement too, right? So, it's another piece of your overall retirement savings plan.

Mycha Marshall: Absolutely.

Jessica Sclafani: So, in other episodes I've described myself as a Post-it queen. It is my way of making it through the day, Post-its everywhere. But they are really helpful when you hear something that you know you want to remember. So, I'm just going to make a mental Post-it for myself and for the audience here to check with my tax professional to understand if I can claim caregiver tax deductions or qualify for dependent care credits. So glad you brought that up, not everyone would think of that. So, there's our Post-it. I think it would also help for us to address, we've talked a lot about caring for our older relatives or parents. Maybe we need to also talk about the children.

Mycha Marshall: Absolutely, we do.

Emily Herstein: We do.

Jessica Sclafani: We do. Okay. Yeah. No, I have two children. I love my children. For the record. Let's maybe switch gears just a little bit and talk about how parents can continue supporting their children while keeping retirement and other financial goals on track. That's a big one.

Emily Herstein: I think we've talked about it many times in the however long we've been having this conversation, but it's maintaining momentum. So, we need to keep prioritizing savings for retirement and other goals, even if it's modest. Right? So, it's it goes back to that mindset of a little bit is better than nothing. Something is better than nothing. Right? So, I don't want us or our listeners to think, "if I can't put, as an example, the max into my 401(k), I'm just not going to do it." Every little bit helps. So even if it's modest, your future security benefits everyone.

Jessica Sclafani: So true.

Emily Herstein: So, it's back to…I think we keep going back to this future self and current self, but your future self will be happy. And if you don't keep that momentum going, it's likely we're going to be back in this cycle, and your kids are going to have to support you. So I think when we're talking about the sandwich generation, and many of us are dealing with caring for aging parents or other family members and kids, if we don't maintain momentum as the people in this, you know, the middle of the sandwich, we're going to be back in the same situation when we're older and our kids are going to be caring for us. So, keep that momentum with your savings so that you have more financial independence and your children have more financial independence, or whoever the younger part of your caregiving sandwich is here, make sure that they're not back in this situation when they're older. So, maintaining momentum.

We've talked about automatic contributions. That's a great way to stay consistent even during expensive seasons of life, right? So, out of sight, out of mind. Once you start getting used to that money coming out into your 401(k) or going into savings, you don't miss it anymore because you're used to that happening and you live off what you're used to living off of, right? You can manipulate your expenses based on what I'll say is almost your "take home pay," even if it's that money is going automatically into savings, whatever's going into your checking or whatever other type of account you have, that's what you learn to live off of. So, keep those automatic contributions out of sight, out of mind, pay yourself first. Consider it an expense, a non-discretionary expense. Leave that where it is.

Jessica Sclafani: Pay yourself first.

Emily Herstein: Pay yourself first.

Mycha Marshall: Pay yourself first.

Jessica Sclafani: We all said it.

Emily Herstein: It goes back to us making ourselves a priority, right? Setting those goals and boundaries. Pay yourself first. I would also say if college is a goal, explore 529 plans early. It's the same concept. Do a little bit, even if you can't do a lot because it's there's benefits to doing something. Even small contributions can grow meaningfully over time. And 529 assets can now be used for qualified K to 12 tuition, as well, so I know a lot of people in our audience are exploring private school, not just college expenses, and certain student loan repayment options. Some states also offer tax deductions or credits for contributions. So, it goes back to what Mycha just said about checking with your tax professional. If you have younger children and you're concerned about over-funding a 529 plan, which would be a great situation to be in, recent changes under the SECURE Act 2.0 may offer some peace of mind because starting in 2024, up to $35,000 in unused 529 funds can be rolled into a Roth IRA. So that can be a way to battle college savings and retirement, knowing that can be rolled into a Roth IRA for the beneficiary under certain conditions, helping reduce the risk of, quote unquote, “losing the money” if not used for education. I used to hear that a lot from clients. “What if my child doesn't want to go to college.”

Jessica Sclafani: Right.

Emily Herstein: What if they get a full ride, which, you know, is the dream for all of us? I don't want to waste that money, and we don't have to worry about that anymore. And for older children whose college costs are already covered for whatever reason, this flexibility can be a really powerful tool in building long term wealth and giving them a head start on their own retirement savings. Which goes back to my first point then they're not in this situation that we're all talking about right now. It's almost like, let's break the cycle.

And I think the last thing is to establish healthy boundaries for adult children. I talked about establishing boundaries with my non-adult child. It continues through. Financial support should be time bound if we're talking about adult children and goal oriented. You know, for example, “I'll help you with rent for six months while you job hunt. But after that we're going to have to revisit it.” Attaching expectations and clear timelines goes back to that B word, the boundaries, helps avoid long term strain on your own retirement savings.

Jessica Sclafani: It also makes me think back to that concept you mentioned of the loving instinct, but maybe not the best financial decision.

Emily Herstein: Exactly.

Jessica Sclafani: How about you Mycha?

Mycha Marshall: I would start with financial literacy. I love the idea of really helping the next generation learn about budgeting, about saving, about the power of compound growth. Like when they figure that out early, it's a win-win. Right? And so, research actually shows that early financial education leads to better long term money habits. And that can also reduce the likelihood of the boomerang. I know we've all probably heard of people saying that, maybe not as much you, but people of my age are generally talking about their kids coming back home and needing that financial support. So, providing that education early is just going to be helpful for them to be able to manage their finances and be able to save and prioritize those things as well. And I would say be transparent about college costs and family limits. Have the candid conversations about how much you can contribute. And help older kids explore scholarships, part-time work, as well as student loan options so they can really take an active role in financing their education and it's not just left up to the parents to decide and to fund everything. I know when my son was getting prepared for college, we sat down, we had a conversation about what the family contribution was going to be so that we knew, as we were looking at different colleges, what that funding gap would be upfront. So, it's not a surprise and he's not looking for, you know, something that was not planned because I hear a lot of parents say, "if you get in, we'll figure we'll figure it out."

Jessica Sclafani: figure it out.

Emily Herstein: find it.

Jessica Sclafani: make it happen.

Mycha Marshall: Right, and so, I feel like that's just…it's noble to want to do that because you're excited that your children were able to get into their dream school.

Jessica Sclafani: It's that loving instinct. It's coming back.

Mycha Marshall: It's that loving instinct. But if you have those honest conversations upfront, if you know, it goes back to that clarity, know where you stand already financially, know where you can support, know what options, you know, "it's fine, we can be searching for scholarships together," right? If there is some type of deficit or, you know, there's some additional funding that's needed, but know where you stand, so that, like Emily said, we're not repeating this cycle. I help you pay for college to the detriment of my retirement. And now I need you to come back and help me. And I know people who have lived it, who have lived it. And well into their 50s and 60s and still paying back student loans for their kids.

Jessica Sclafani: Oh, yeah.

Mycha Marshall: And so, I just implore you to really consider what that really looks like and the impact that it really has on your finances, especially if you are, defraying your retirement contributions to pay for it. And another thing is to, you know, revisit your budget, align your resources with your values. You know, for example, if supporting kids through graduate school would jeopardize your ability to maintain retirement contributions, it may be time to reset expectations. A financial professional can help you find that right balance and uncover any blind spots that you may be missing.

Jessica Sclafani: If I just reflect on maybe some of the things both of you have shared, one of the things that occurs to me is that caregiving doesn't necessarily mean losing yourself in the process. And if anything, I hope that everyone takes away from this discussion, caregiving doesn't mean putting yourself last.

Emily Herstein: Exactly.

Jessica Sclafani: Right. In the end, that doesn't help anyone. So, we're almost coming up on time here. Mycha, let's start with you, I'd love to hear if you just have any parting words of wisdom for our audience, particularly those in the sandwich generation.

Mycha Marshall: Sure. So, I would say, first of all, to give yourself grace. You're juggling a lot and so, acknowledge that planning for your future is really an act of care, it's not selfish. Also, delegate when you can, both at home and with your finances. Be okay with asking for help.

Jessica Sclafani: Can I get like a weekly session with you? I mean, that’s what I’m hearing here.

Emily Herstein: Financial therapist.

Mycha Marshall: Yeah, yeah. And I would also add that and we've honed in on this quite a bit. Is that the consistency. Even small consistent steps like increasing your retirement contributions by 1% can create a big impact over time. So, start where you are, but get started and don't stop. Don't stop. I also think it's important to keep your goals visible.

We talked about having that retirement vision. Really keep that sort of in your mind about what you're striving towards. We all want to be confident in our retirement opportunities and be able to reap the benefits of what we've all done. You know, we've sown seeds, we have worked hard. We have, you know, have done all the things. And so, it's time that we have that opportunity to enjoy that retirement, be able to take that travel, but also to make sure that we're not leaving the next generation, you know, holding the bag. We want to, you know, allow them to thrive in their lives as we are thriving in our retirement. Right? So, keeping those priorities visible, keeping them in your head. You know, maybe put maybe put a Post-it note up there, with some pictures of exactly what you want to be doing.

Jessica Sclafani: Yes.

Emily Herstein: That’s exactly what I was thinking.

Mycha Marshall: Yes, So, what do you what do you expect to be doing? And I tell people, use your senses. What do you want to see? What do you want to smell? What do you want to feel?

What do you want to hear? What do you want to be touching? Really envision it. Feel, feel that. Put yourself in that place so that it's not that distant stranger that you're not, prioritizing, caring for.

Emily Herstein: I echo all that. And now I'm picturing my feet in the sand.

Jessica Sclafani: Oh, me too.

Emily Herstein: I’m smelling the ocean. Waves are crashing.

Jessica Sclafani: I'm there. Yeah, we're in the same place.

Emily Herstein: We can get together and have a drink.

Jessica Sclafani: Yes.

Emily Herstein: Okay. I agree with everything Mycha said, and she mentioned this and we've talked about it during this time together. Don't do it alone. A financial, professional and/or workplace benefits can help you simplify decisions and ease the stress. So, we're already dealing with stress if we're helping aging parents and we're caring for children and we're going to work every day or just normal life stress, that's stressful. Let's help ease some of the other stress by having a partner in this who maybe is not as emotionally attached as you are. Having a financial professional, it's an objective third party. It's emotional when you're caring for people. I know I get emotional about my children. I get emotional about my parents. I need somebody to ground me and help take away from some of that stress.

Which kind of leads into my next thought is, is to build a support network. Emotional and practical help matters, we've said this throughout this time as well, just as much as financial planning. So, ask for help before you burn out, because once you're burned out, you're not helping either your aging parents, your children, or yourself. So having someone objective is very important because they can help you with those emotional decisions, which a lot of times are the financial decisions. And remember that your security matters. Your current self and your future self matter. So, a strong foundation for yourself is going to allow you to care for others without sacrificing your future and without keeping this cycle going of having people in this sandwich generation. So just remember what you're working for. Remember what your goals are and create that strong foundation, so that you can care for yourself and care for others.

Jessica Sclafani: Oh my goodness, ladies, I just so much vigorous head nodding and I'm soaking up all of your words and wisdom. Thank you so much for sharing these insightful and ultimately practical, insights. Your guidance underscores an important truth. While the challenges of caring for two generations are real, so are the solutions. If you're someone feeling stretched between generations, know that you're not alone. Millions are navigating the same circumstances. Every small step you take today brings you closer to a secure retirement and a future where you can care for others without sacrificing your own well-being. Without sacrificing your own well-being.

Mycha Marshall: Yes, I think that deserves a double click.

Jessica Sclafani: Yeah, okay.

Emily Herstein: Say it louder for people in the back.

Jessica Sclafani: Yeah. Love it. Okay. Thank you so much, Mycha, Emily.

Again, I'm Jessica Sclafani, thank you for listening. Please tune in to our next episode when we'll be discussing practical steps to hiring the right financial professional for your needs. And if you like this podcast, and I know you do, please rate us and subscribe wherever you get your podcasts. And remember, the numbers matter, but so does knowing you have the freedom to live with purpose and peace of mind.

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