FAIRPORT ASSET MANAGEMENT
A WEALTHTRUST COMPANY

Confident navigation for high net worth clients.

RAISING FINANCIALLY RESPONSIBLE KIDS

Challenges (we may not be able to influence)

The Preschool Years

Lack of understanding and cognitive skills to connect money and value.

Cannot differentiate between a **need** and a **want**.

Commercial TV can create unhealthy doses of desire.

Acceptance of their mistakes and sharing of our mistakes and lessons learned.

Ages 7 to 12

Awareness and understanding by your child that money can provide the material things they desire.

Everything feels like a **need**.

Acceptance of their mistakes and sharing of our mistakes and lessons learned.

Ages 13 to 17

Our brains undergo a massive reorganization between our 12th & 25th years. Teenagers display a neural and physical awkwardness and are less capable than adults to spot errors, plan and stay focused. *

Can easily differentiate between a **need** and a **want**, but look to Dad and Mom to provide both.

Acceptance of their mistakes and sharing of our mistakes and lessons learned.

Ages 18 & Beyond

The average Tween (Generation Z born after 1994) has 3 characteristics: instant gratification, success as a given and liberal social views. Tweens have $43 billion in spending power and influence an additional $600 billion of family spending. **

Easy access to credit encourages impulsive behavior whether acquiring a **need** or a **want**.

Acceptance of their mistakes and sharing of our mistakes and lessons learned.

Opportunities (we can influence)

The Preschool Years

Teach money and responsibility through positive messages and fun.

Spend cash, not only use credit cards, at the store or your child's favorite restaurant.

Share with others. With your child, knock on a neighbor's door to share homemade cookies that your child helped you bake.

Save by walking into a bank and making a deposit. Start a piggy bank at home.

Participation by your young child in simple household chores like picking up their toys to enjoy the security of belonging to a family.

Ages 7 to 12

Teach money skills by open communication. Give simple examples of your experiences.

Spend by setting limits and priorities around money. Would you rather go out to a movie or pizza?

Share with others. Take an active role in your children's school sponsored charity outreach events.

Save with a goal of delayed gratification. Recognize your child's initiative to save by providing a matching contribution.

Participation by your child in jobs at home for pay (allowance) & outside the home through entrepreneurial activities (shovel snow/Girl Scout cookies).

Ages 13 to 17

Teach smart consumerism. Make time for conversation.

Spend within a set budget or limit.

Share with others. Engage in family philanthropy.

Save by exploring investments.

Participation by your teenager in summer employment. Recognize your teenager's initiative by funding their Roth IRA.

Ages 18 & Beyond

Teach and communicate long-term financial ramifications of actions.

Spend within a set and more detailed budget. Do not use consumer debt to fund a lifestyle otherwise not obtainable.

Share with others. Encourage your young adult to take the initiative in identifying and participating in charitable causes.

Save with long-term goals in mind.

Participation and commitment to a process which is on-going and will inevitably change. Refer to books and articles for guidance.

Sources:
* "Beautiful Brains," *National Geographic*, October 2011
** "Marketing to the Generations," *Journal of Behavioral Studies in Business*, April 2011