

Start Them Young to Learn the Savings Game . . .

Join the savings team and your Kids will score big! By teaching kids how to save for their goals, they'll have one of the most difficult aspects of saving under their belt by the time they're teens—being a consistent saver.

Here are just a few examples to help teach kids of different ages about the savings game:

- * Have young children—preschool age—sort different types of money into piles by color and size.
- * Play grocery store or credit union/bank. Help them use a pretend cash register.
- * At the grocery store, let kids of all ages help you shop. Teach them how to comparison shop—for example, show them that for every \$4.99 box of cereal, there may be similar brands on sale for half as much.
- * As kids get older, let them know what things cost. Share sales receipts and bills that you receive for items or services you've purchased for them.
- * If you decide to pay your kids an allowance, include them in the decision. Discuss allowance amounts and what they should use their allowance for. The amount is your call, but allow them input. One idea is to have children set aside part of their allowance for spending, part for saving, and part for sharing. Clarify what you'll pay for and what they should be responsible for. For example, when you're at the movies, maybe you agree to pay for a small drink and popcorn, but the Milk Duds are on them.
- * Show children what compounding interest means. Explain that as kids save, they're constantly earning dividends on their savings—on top of that, they're earning dividends on their dividends.
- * As kids reach high-school age, clarify what you will pay for and what your children are responsible for. For example, your kids may want the newest cell phone that comes with a really high price tag. Establish your spending limit. If they still want the more expensive version, have them make up the difference. Often, once the responsibility of paying for items is on kids, the "latest and greatest" aren't so important.

Get your kids started right financially and see how they can get in the savings game at Greensboro Municipal Credit Union.

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