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Women and Wealth: How to Financially Survive the Death of a Spouse **Stuart Vick Smith**

As parents, we continually struggle to pass on knowledge to our children. Unfortunately, sometimes the financial knowledge we want to share with them is either left off the already lengthy list of things to impart or lost in translation. But whether your child is 5 or 25, there are important lessons you can teach about money to give them a strong financial start in the world.

I fondly remember one of my first lessons about money, which came from my father. I had a savings account in which I would deposit birthday money and various other funds acquired throughout the year. Back then, the savings and loan had passbooks to accompany your account. You would bring your passbook to the bank every time you made a deposit, and the teller would print on it the amount of your deposit plus the interest earned since your last visit. On one visit, I realized I had earned \$2. This was a lot of money for an 8-year-old kid in the 70s. I immediately thought about pulling out that \$2 and buying milkshakes for me and my dad. When I told him what I wanted to do, he explained that the wiser course of action was to leave it be. Although we both would have loved the milkshakes, he taught me the importance of savings, interest and letting my money grow for the future.

This lesson is one of many that my parents taught me about money. Through these lessons, I learned the importance and value of a dollar. As part of my role as a wealth manager, I strive to educate my clients about their finances. And in order to help you pass on similar knowledge to your own children, I'd like to share [five financial tips for educating your kids about money](#).

It is never too early to start. Just like saving for retirement, the earlier you start educating your children about money, the better off they will be. A great place to begin is with early lessons about earning and spending. Show your children they can do a job and be rewarded with money of their own. Whether it's setting the kitchen table, emptying the dishwasher, feeding your pets or helping with laundry, if your children earn a \$1 for a week's worth of work and want to buy a toy that costs \$5, they will soon understand it takes five weeks of work to buy that item. Tasks like these will put into perspective how much things cost, and the amount of work needed to afford something they need or desire.

Understand the "Save, Share, Spend" mentality. Children, just like adults, should learn the power of the "Save, Share, Spend" mentality. For every dollar earned, either through an allowance, babysitting or other jobs around the house, teach your children that the money they receive can go into three important buckets. These three buckets represent the amount you want to save for the future, the amount you want to share with others and the amount that is left over for you to spend. Learning this premise will show kids that it's just as important to save for the future and to share with others as it is to spend whatever money makes its way into their pocket.

Be smart about debt. There is an opportunity cost associated with every decision made about money. If you spend it now, you have less to spend later. If you spend more than you have currently, you will incur debt. The hardship of taking on debt is that a portion of your future cash flow will now have to be used to pay off previous spending. This will leave you with less money to spend in the future. In addition, the amount you actually repay is the amount of the debt incurred plus interest charged on the money borrowed. Teach your kids to be patient and thoughtful regarding spending decisions. It is often better to plan and save for future expenditures instead of jeopardizing your future income stream by going into debt.

Teach goal-setting and budgeting. Few people like creating a budget, much less sticking to one. To me, budgeting is like planning out your family activities for the week. Every week, my husband and I sit down and talk through what we have on the agenda with work, school, the kid's activities and family time. How do we fit all these various time commitments into one week? We juggle and sacrifice. Budgeting is the same. You probably have a certain, finite amount you can spend each month to achieve your goals, manage your lifestyle, save for your future and not go into debt. You can show your kids how the process of making choices about money based on a budget actually works, and that it sometimes requires compromise and sacrifice along the way.

Take away the taboo of talking about money. Money is often a very taboo subject. People don't want friends or family to know how much they make, or what they spend it on. Change this trend by sharing age- and maturity-appropriate information with your children about your individual financial situation. Show them your decision-making process as it pertains to your goals and budgeting. Include how you plan to save, share and spend your money in such conversations. Let them help with forming priorities and give them input on the decisions you are making. If you share with them the mistakes you have made and the lessons you have learned, it will go a long way to helping them secure their financial future.

The financial tips my parents shared with me have made me into the individual I am today. Whether it is budgeting or planning for my next large purchase or saving for my own child's education, now I am sharing these decisions with my children. My goal is to help them understand the importance of budgeting, planning and being thoughtful about money. I hope that one day, my children share these same lessons with their children and that the cycle of sharing and education continues.

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Stuart Vick Smith collaborates with women to help them achieve financial freedom. Along with her deep understanding of wealth management and tax, she helps her clients as a holistic planner instead of just an investment advisor. In her 10 years as partner with ML&R Wealth Management, she believes it is important to build and maintain long-term relationships. She connects with her clients on a personal level allowing them to develop a plan to support their long-term dreams for themselves and their families. She has been recognized in her industry and has been asked to speak at national events on the topic of women and wealth. Stuart lives in Austin, Texas and enjoys time with her husband, two kids and two rescue dogs.