

# Gothenburg State Bank

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## Early Money Management Habits for Kids

There are many events in children's lives when good money management skills can be fostered. By constant repetition, these skills will develop into life-long habits. Consider a few opportunities to reinforce messages:

- **Piggy Banks — The First Lesson in Saving**  
The arrival of a child's first piggy bank teaches at an early age that pennies, dimes, and nickels can add up to dollars pretty quickly.
- **Weekly Allowance — Spend Some & Save Some**  
Help children see the value of spending a little now and putting some aside to spend later. Giving some to a worthy cause can also be suggested. If you provide your children with an allowance, you can start them off right by requiring them to budget and save a portion of it.
- **That First Job — Time to Open a Bank Account and an IRA!**  
Ask a young person what he or she will do with the income from their first job, such as babysitting or doing yard work for the neighbors. Encourage them to think about their spending and savings options. Many teenagers today make enough money to open their own checking account or a joint one with their parents. It's even possible to open a retirement account.
- **The Big Things They Want — What it Takes to Buy Them**  
So they want the latest game console or MP3 player. Or maybe it's a special school trip or even a car someday. Saving for these takes time. Now's the time to talk about being disciplined to save for what we want and being realistic about our needs and wants.
- **Protect Your Financial Information — Don't Give Away Account Information**  
Tell children that bank account numbers are secret numbers and should never be given away. Never "mail" letters by putting them into your own mailbox for the postman to pick up. Sometimes thieves look for secret bank numbers in outgoing mail. Tear up or shred any papers with your secret bank numbers, rather than throwing them in the trash. Tell kids that believe it or not, thieves will even go through your garbage to steal your financial secrets.

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