

MONEY MATTERS

THE (FINANCIAL) WISDOM OF GRANDPARENTS

Have you ever asked your grandfather what his first car cost and how he paid for it? Or asked your grandmother what her first job was and what it paid? Grandparents have years of experience making financial decisions. By asking for their advice and guidance, you not only benefit from their perspective but also learn more about their life and who they are.

You don't have to wait for the perfect time or until you have a long visit planned. Set up an interview by phone or FaceTime with one or multiple grandparents and share the questions you plan to ask in advance. A few questions you might want to share are:



- ? What did you learn about money from your own parents?
- ? What is the biggest financial mistake you have made?
- ? What is the best financial decision you ever made?
- ? What money and financial values/lessons do you hope to pass on to me?

This doesn't have to be a one-time event! Once you start these conversations, you may find that you both really enjoy this new aspect of your relationship.

TIPS FOR YOUNG ENTREPRENEURS

Babysitting, mowing lawns, dog walking and washing cars are all great ways to earn money in the summer and throughout the year. These activities also allow you to be your own boss and set your goals as high as you want. So what are the things you need to think about to get started?

- 1. Find a need that matches your talents.** If patience isn't your strong suit, babysitting toddlers may not be the best fit for you. Figure out what is needed and what you want and are able to do. Ask your parents and potential customers for feedback on your idea before diving in.
- 2. Determine the costs involved in starting your business.** If you will offer to wash your neighbors' cars, what are the supplies you will need – buckets, sponges, car cleaner/soaps, special towels, a handheld vacuum? These are things you will need to pay for up front before you can earn any money. You may need to borrow money from mom and dad to get started and pay them back as business picks up.
- 3. Set your price.** Find out what the going rate is for the service you are offering. You can then decide if you want to compete on price to bring in more business.
- 4. Get the word out.** Create flyers, send emails, post to local social media sites to let people know about your business. Be sure your communications include your contact information, the price for your services and any critical information the customer needs to know for you to work together (for example, must have your own lawn mower or babysitting hours are limited to 10PM.)
- 5. Be organized.** Once you begin to get customers, keep track of where you need to be when and confirm appointments by phone or email as the date comes closer.



Want to learn more?

We want to answer your questions! After asking your parents' permission, write to us at marketing@altairadvisers.com and tell us the money questions and issues you would like to see covered in the next edition of Money Matters.

PAUSE BEFORE PURCHASING

The latest noise-cancelling headphones, the sneakers calling to you from the store shelf – we are all susceptible to impulse buys. We are also good at justifying to ourselves why these things are not wants but truly needs (and retailers/advertisers are happy to help in that justification). So how can you slow down to determine if a purchase will bring real value to your life and is worth the price tag? Here are some simple steps to build into your shopping.



Shop with a purpose.

Go to the mall with a set list of what you are there to purchase, same for online shopping. If you see other items that you like, tag them electronically or write them down to remember them rather than buying them on the spot.

Weigh the cost of the item against your hourly wage or allowance.

How many hours of work or weeks of allowance does it take to pay for this item? Is it worth it? What are the other ways you could use that money?

Practice delayed gratification.

Wait a week before buying the desired item and think about it over that time frame. If you still want it after a week and feel comfortable that you can afford it and have found the best price, then go ahead.

By taking the time to reflect on a purchase you will avoid the regrets that can come from impulse buying and may experience much greater satisfaction with your spending choices.



THE VALUE OF SUMMER/PART-TIME JOBS

Whether scooping ice cream, serving as a camp counselor or assisting in the pro shop at the local golf course, a summer job has long been a rite of passage for American teens. Today, more things are competing for teens' time including intensive summer sports camps, special academic programs and international exchange and travel opportunities. Given these other options, lots of people wonder how to evaluate the value of summer employment.

Put simply, a summer job provides real work experience. Finding work and being successful in a job teaches the following:

- How to conduct a job hunt, interview and negotiate a job offer;
- How to work with colleagues and meet the expectations of a manager;
- Basic employment requirements such as time management and professionalism;
- How to ensure a positive customer service experience and manage unexpected situations;
- Importantly, a job also provides the satisfaction and sense of independence that comes from earning a paycheck.



So while a job may seem to pale in comparison to other summer options, recognize that it provides important training and experience – and you get paid! Below is a list of common teen jobs and the average hourly pay.

Job	Pay Range	Considerations (+/-)
Retail Sales	\$12-15/hr	Sociable, interact with the public, may receive store discounts
Food Service	\$12-16/hr	Fast paced, customer service oriented, possibility of tips
Lifeguard	\$12-14/hr	Certification required, work outdoors, high level of responsibility
Babysitting	\$10-15/hr	Nurturing, energy and patience necessary, high level of responsibility
Golf Caddy	\$50-100/game (approx. 4 hours)	Work outdoors, physical demands of walking and carrying, must have knowledge of the game
Day Camp Counselor	\$15-17/hr	Work outdoors, be a mentor for kids, safety certifications required

YOUR FIRST BANK ACCOUNT

Opening a bank account is a big step towards establishing your own financial life. Your parents can now transfer over your allowance and/or money you earn for doing extra chores and you may have the ability to view how much is in your account through an app.

To make the most of this experience ask questions and keep the following things in mind:

- Being a sub-account on your parents main account may be the only option if you are below age 18.
- A large national or international bank is likely to have the best apps and most branches and ATMs.
- Find out if you are required to keep a minimum amount of money in the account to avoid fees.
- Ask if they give a discount for students.
- Find out what interest rate the bank pays for checking accounts and compare it to other options.
- Ask for a list of all service fees and find out if they charge for ATM usage.

PARENT'S CORNER – CREATING COST AWARENESS

Your son wants a new iPhone. Your daughter is asking to replace her bike. As a parent, it can feel like there is always a request for some non-essential item with little appreciation for what things cost. On the one hand, if you cover the cost every time, it's hard for kids to gain awareness around the expense involved. On the other hand, expecting your child to save up for the full cost of larger items may seem daunting and discouraging to them if they only receive a small allowance each week. A middle-ground option is to have them cover a portion

of the cost with mom and dad covering the balance. It might be a percentage of the full price or a set dollar amount. This approach gives kids the chance to have some skin in the game so that they will consider whether or not they truly want that item without setting expectations that are unrealistic and frustrating. It's always easier to spend mom and dad's money. By having kids participate in the purchase, they will slow down to think about whether an item is a priority or if they want to put their money towards something else.

Once the account is open, remember to check it regularly. If the bank requires a minimum amount of money to be in the account, make sure your balance doesn't fall below that number. Also regularly review all activity on the account to make sure there are no mistakes. Keeping up with your account is a great way to begin tracking your own earning and spending!



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Parents: connect with us!

