

# the Little buffalos Savings Club



## Quarterly Newsletter for Kids

December 2022

### **Have you had the inflation talk with your kids?**

Inflation is affecting everyone and everything. Prices are rising and some parents may need to scale back on items like holiday presents this year. Here's a few tips on how to prepare your children for the holidays during a season of inflation.

This is an opportunity to talk to your kids about money and begin building their financial knowledge foundation. Kids are most likely hearing about inflation, but they may not understand what it means or the effects it has on their own lives.

Start the conversation by asking your child how much they think a gallon of milk cost the year they were born. Then ask how much they think a gallon of milk cost now. Explain to them that this price increase is called inflation. Let them know that currently inflation is rising at a faster rate and that when everyday products like a gallon of milk cost more it adds up.

Another way to teach your kids about inflation is with a candy bar. Let your children know that you will give them a quarter for each chore completed and that with 4 quarters they can buy a \$1 candy bar. When it's time for them to cash out for a candy bar, let them know inflation occurred and that the price of a candy bar increased to \$1.50. Let your child know they will have to do 2 more chores before they can buy the candy bar. Once your child is finished and has the candy bar, let them know this is what it is like with inflation. Everyone is making the same amount of money, but everyday products and services become more expensive.

We hope this helps! Happy Holidays!



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## What are you saving for?

**Saving is an important lesson to learn! Color your piggy bank and write down what you're saving for in your piggy bank!**

