

From rumble to rubble in the space of a few minutes. The recent Laguna Beach landslides brought back memories of the horrible fires in '93. We were fortunate, as our Emerald Beach home sustained only minor damage while our closest neighbors' homes were reduced to ash and rubble. It's funny how unimportant

the material things become when faced with tragedy, yet in our daily lives they often take our focus.

Part of this is due to the "wealth effect," a documented phenomenon of well-being in which spending increases and lifestyle requirements rise. To a large extent this is the result of a dramatic increase in our personal net worth due to skyrocketing real estate values. And the

fact is, the "wealth effect"

can turn into "affluenza" for our children. In my article on financial parenting last month, I mentioned some ideas for fighting "affluenza" and based on the feedback I received, I'd like to pass on another possibility.



training in school until after I had made my career choice – and then it was relevant to my profession.

It is so very important to help our children learn what they need to become financially responsible adults – perhaps here even more so because of the wealth that surrounds us. Our children have the resources to make a significant impact. Just what that impact is for themselves, their families, their community depends to a large extent on their financial competence and confidence. So what's a good way to develop financial competency?

So glad you asked. In addition to what I mentioned last month, you should know about the UCI Financial Lifeskills Summer Retreat August 14-19. The program, put on by the Paul Merage School of Business and IFF, LLC, is designed to give young adults (college and post college age) content and financial skills in an interactive format. Learning is one thing, doing is quite another, and the participants will break into teams and work on challenges to demonstrate what they've learned. The participants will continue their learning even after the week via periodic emails and phone conferences with the facilitators. I have the pleasure of being one of those facilitators along with Dr. Andy Policano, Dean of the Paul Merage School of Business and Doug Freeman, Esq. and Dr. Lee Hausner from IFF, LLC here in Irvine. I can tell you first hand that this program will be valuable and enjoyable at the same time. For more details, contact Beverly Poland at UCI, (949) 824-4943 or bjpoland@uci.edu.

The topics for the retreat include: managing credit, debt and cash flow; understanding the economy and how it impacts you personally; building and managing an investment portfolio; evaluating, selecting and working with advisors; understanding property rights, titling, inheritance; identifying career choices and effective interviewing techniques; negotiation skills (great for buying a car or home); communication and presentation skills.

These are all integral skills for financially responsible, competent and confident young adults, and I believe this is a program well worth considering. ☺

Lessons in Financial Parenting Part 2

Let's take a journey back in time for a moment. What is your first memory of handling money? When did you get your first loan? Was it to buy a car, a home, start a business? When did you buy your very first investment? How did you learn to reconcile your checking account, to do a balance sheet or net worth statement, fill out your tax return? Who taught you these skills?

If you're like me, it's difficult to put a time, a place, a person to these skills that I now take for granted in my adult life. I must have learned them sometime, somehow – and I'm sure I made many mistakes along the way. I didn't take financial

Victoria Collins, Ph.D., CFP was named among the nation's 100 top wealth advisors in the country by *Robb Report/Worth Magazine*. Call her at (949) 622-3790 or email victoria@iffadvisors.com.