



What is Your Money Story?

Creating a Legacy of Intentional Family Wealth and Avoiding Trust Fund Dependency

When you think about your wealth, what comes to mind? Is it simply a figure in a bank account or something far more meaningful—a testament to the hard work, sacrifices, and values that define you? For many, wealth isn't just about accumulating assets; it's a reflection of their life's journey, their "money story." Yet, passing on this wealth can present a challenge—especially when the goal is to avoid creating a generation of trust fund babies, where entitlement overshadows purpose.

To begin a meaningful wealth transfer, we must start by crafting a vision, one that transcends mere dollars and cents. It's about intentionally sharing your financial journey, instilling values, and preparing the next generation to carry the torch, not just inherit a trust. This is the foundation of creating legacy trustees—not just a legacy trust. Here's how to begin this important journey of family financial planning.

Your Money Story: More Than Just a Narrative

At the heart of every family's financial plan is their "money script." A money script is the unconscious beliefs we hold about money, often shaped by experiences from childhood and carried through our adult lives. Some common scripts include:

- "Money brings happiness."
- "Money is the root of all evil."
- "I must work hard to earn every dollar."

These beliefs can influence how we save, spend, and invest. But just like any script, it can be edited and rewritten. So, ask yourself: What is your money story, and how does it shape your financial decisions today?

More importantly, how will you share this story with your family? This conversation is crucial. When children understand where the family's wealth came from, the sacrifices made, and the values behind it, they are more likely to respect and grow it rather than take it for granted.

Creating Legacy Trustees, Not Trust Fund Dependency

We've all heard stories about "trust fund babies"—the dependency of children who inherit wealth without the tools or guidance to manage it responsibly. The challenge in transferring wealth is ensuring that it does more than just sit in an account; it must support a purposeful life for future generations.

So how do you ensure your family legacy thrives? By raising legacy trustees—individuals who understand the value of stewardship, responsibility, and purpose.

Start by crafting a family wealth plan that includes a vision for how wealth is to be used. This plan isn't just a financial document—it's a living testament to your values, intentions, and goals for the family. It may include:

- *Time, Talent, Treasure:* Teach your children the importance of sharing their time, using their talents for good, and wisely managing their treasure. Money is a tool, not an end in itself.
- *The Utility of Money:* What role do you want money to play in your family's future? Is it to provide freedom, security, philanthropy, or all three? Articulating this in a clear, written format provides the roadmap for future generations.
- *Financial Education:* From a young age, involve your children in family financial discussions. Teach them the basics of saving, investing, and giving. Financial literacy empowers them to make informed decisions later in life.

A Family Wealth Transfer Plan: The Journey Ahead

Planning the transfer of wealth should be an intentional process, not an afterthought. Here's a practical agenda for how to begin this journey with your family:

- *Share Your Testimony:* Begin by sharing your own financial journey—how you earned your wealth, the challenges you faced, and the lessons you learned. This personal testimony can serve as a guiding light for your family.
- *Discuss Money Scripts:* Have an open conversation about your family's money beliefs. Are there conflicting scripts? For instance, while one family member may believe that wealth should be saved for the future, another might feel it's meant to be enjoyed in the present. Align these beliefs for a cohesive financial strategy.
- *Set Family Goals Together:* Discuss what wealth should achieve for the family. Is the goal to fund education, philanthropy, or a business venture? When everyone is on the same page, it fosters unity and purpose.
- *Legacy Preparation:* Engage your children in managing small portions of wealth early on, so they can develop their financial acumen under your guidance, rather than after you're gone. They'll learn from their mistakes now, avoiding costly errors later.

Avoiding Co-dependency and Entitlement

A significant risk of passing down wealth is fostering co-dependency or entitlement. To avoid this:

- *Start Early:* Begin the wealth transfer now, while you're still present to guide your children. It can be as simple as gifting small sums of money and watching how they handle it, providing advice and feedback along the way.
- *Teach Responsibility:* Focus on helping your children become financially independent adults. Explain that wealth should not diminish their ambition but instead give them the freedom to pursue their passions.
- *Charity and Philanthropy:* Encourage a giving mindset. By engaging in charitable activities together, you foster a sense of gratitude and purpose, reminding your family that wealth is a tool for good.

The Ultimate Gift: Legacy Beyond Wealth

As you journey through this process, remember that wealth is about more than just money—it's about the ultimate gift: passing on values, experiences, and life lessons. It's the difference between leaving a financial inheritance and creating a lasting legacy.

Drawing inspiration from stories like The Ultimate Gift, we see that true legacy lies not in what is given but in the preparation and growth that comes from receiving. Help your children understand the effort it took to build your wealth, so they can appreciate the responsibility of carrying it forward. Whether your estate is modest or vast, the same principles apply: thoughtful, intentional wealth transfer that equips the next generation to thrive.

In the end, your family legacy should be one of empowerment, not entitlement. Share your story, align your values, and guide your family to become the next generation of thoughtful, purpose-driven trustees.

Use the space below to jot down ideas and inspiration!

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