4 money lessons every teenagers needs to know

1. How to create a budget

Experts recommended teaching kids how to track their money before they start earning paychecks and the stakes are higher.

If a teen has a cash flow from a part-time job or an allowance, set up a budget that documents how much money is coming in and how much is designated for savings and spending.

2. The real cost of life

Our increasingly cash-less society can make it hard for children to understand the true cost of their spending. Experts recommend parents take the time to walk teenagers through their financial transactions.

For instance, the 16th birthday milestone is often marked with a driver's license and freedom to hit the road. But this new freedom comes at a hefty cost to parents. Beck recommended sharing the insurance policy with a teen. "Share the policy and the huge jump in rates for the child compared to the parents. Don't forget to also show the cost of gas and maintenance."

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Having a child watch you pay bills can also help show the importance of living within your means, said Murset. Have them watch from start to finish: show them your bank account balance, the bill amount and then the pending transaction in your bank account where the payment will come from.

3. How to read a paycheck

It's important to show children the source of the funds that cover all those credit card swipes, bill payments and cash injections, said Van Sant.

Show them how much is taken out for taxes, retirement and health insurance, he recommended. "This shows there isn't an endless amount of money," he said.

Teaching a kid how to read a paycheck can also avoid future head scratching when the first one comes in and it's a lot less than what they expected

4. The difference between "good" vs. bad debt

Debt can be a necessary part of adulthood, but parents should teach their children how to distinguish the "good debt" from the bad.

Money borrowed at a relatively low interest rate that helps you grow wealth over the long run -- like a mortgage or a student loan -- is considered good debt. High-interest consumer debt is the "bad" kind.

"If you borrowed money on a credit card for a road trip, that might be a good memory, but you should be using debt to acquire an asset or skill that is going to prove to serve you, Beck said. "Look at what you are getting over time from the debt."