

Talking Money with Your Honey

Money is a main source of stress in many relationships, but it doesn't have to be that way. Combining finances with your significant other can be — and should be— just as fun as sharing a bottle of wine.

You may have very different attitudes about saving and spending. If so, it's best to know so ahead of time and find a mutually agreeable approach. Here are some suggestions on how to look at money matters together.



Reveal Your Financial Status — Start by sitting down and honestly telling each other where you stand financially — this is a full disclosure discussion of earnings, retirement accounts, credit scores and other assets. And on the flip side, list all of your debt. This is especially important if you plan on walking down the aisle as that debt is shared along with the assets when you're married. Also acknowledge any trouble you may have had with money. Just get everything on the table so you can move forward with a clear sense of where you both stand financially.

Discuss Your Spending Styles — Are you a saver or a spender? When you're willing to talk about — and perhaps compromise — your spending goals, you can balance your respective financial needs. Be

aware, though, that men and women can see basic facts differently.

Talk About Long-Term Goals — Money should not be about buying stuff — it should be about what that stuff can ultimately create for you. Do you want to travel? Own a home? Have kids? Stay home with those kids? Be able to care for your parents one day? Help fund an important cause? If you and your significant other can get excited about some long-term goals and dreams you both share, you're more likely to put up with some of the less enjoyable aspects of managing your finances. By setting goals — and keeping them part of your regular discussions about money — you've got a good reason to work together.

Financial Planning

Create a Budget—Most likely, you won't reach your goals without a plan that you follow. In financial matters that plan is known as a budget. You need to track what you're spending, particularly if you have high debt levels that are holding you back from reaching your goals. While you don't need to tell each other how you spend every dollar, you might require that any spending above a certain dollar limit requires discussion first or just give each other an allowance. Hold weekly or monthly meetings to see how well you're tracking with the budget and to keep the long-term goals in mind.

Mixing Accounts—You'll need to figure out what to do with the checking and savings accounts you've had separately. You can merge them into one account or have one joint account and two separate

accounts. It doesn't really matter as long as the system you choose lines up with all your other financial goals and planning.

Have a System—How will you manage money as a couple? Who will take responsibility to pay bills, stay knowledgeable about investments and monitor the general flow of money? A system of assigning tasks and making sure each spouse takes over some financial responsibilities tends to generate the best financial results.

Healthy communication is the key to a solid financial relationship. It might not be a fun conversation, but it can make the difference between a relationship that thrives and one that falls apart. ■

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