NOTES TO AGENTS: This release is part of the Money Matters series offered by the Family Financial Education Team. This release will not be sent to statewide media.
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Vow to talk about money before the wedding

MADISON, Wis.—Money talk before "I do" can keep the flame burning longer in your marriage. Before you walk down the aisle together, take time for an admittedly non-romantic discussion about finances.

"As difficult as it may seem, discussing past money troubles, income disparities, and financial obligations before you tie the knot can help you avoid major marital conflicts in the future," says Gayle Rose Martinez, Clark County University of Wisconsin-Extension family living educator [YOUR NAME, TITLE, COUNTY, UW-Extension]. "Exploring each of your money styles and financial histories will help you create a money system that fits both of your needs."

The best way to find out where you each stand on important money matters is to put all your cards on the table in a discussion about the financial decisions you'll be making together. Talk about how you'll manage your income(s) and spending, along with important issues like saving, investing, insurance and planning for common goals. An honest discussion of these issues before the wedding will help build respect for each other's opinions later on.

One way to prepare for this discussion is to separately gather important documents and records that will help you answer basic financial questions about your assets, your current income, and your current and potential liabilities. Set aside time to have a frank conversation in which you will both share your money management style, previous financial problems, tax liabilities, financial commitments and retirement savings.

Martinez [YOUR NAME] offers these questions to get the conversation started:

-- When you make a purchase do you start saving for it, research it, shop around for the best deal, or purchase it immediately?

-- Do you track your finances on a regular basis so you know the details of your financial situation at all times, periodically, or not at all?

-- If you received money unexpectedly would you invest it, save it, or spend it?

-- Do you pay your bills as soon as they arrive, when they are due, or when you get around to it? Do you spend what's left after the bills are paid or save it?

-- Do you pay your credit card balance in full each month, as much as you can, or the minimum amount needed to maintain the account?

-- When it comes to managing money together would you rather pool your resources and divide the money management responsibilities, share responsibility for some expenses and maintain separate accounts, or keep all assets separated to the maximum extent possible?

To keep day-to-day issues in perspective, have regular money meetings. Reviewing how things are going with your finances can help couples stay on track and resolve problems before they become overwhelming. Money meetings should be at a specific time that is convenient for both of you, in a quiet place, and focus only on finances. You may want to set some ground rules to help the meeting go smoothly, such as: talk about finances not people or each other, state concerns clearly without blame, and if you become emotional during the meeting, stop and either reschedule or take a break.

Martinez [YOUR NAME] recommends this problem-solving technique for talking about money:

1. Each person states clearly how he or she sees the problem.

2. Brainstorm solutions, one person makes a list, all ideas are acceptable. Do not judge ideas as they are given.

3. Review and evaluate the solutions, crossing out those that would not work for one or more reasons, accepting those ideas that are workable and agreeable to all involved.

4. Select one solution to work on first.

5. Outline steps needed to accomplish this solution.

6. Identify problems that might arise and how you will deal with them.

7. Set up a time to review the problem and see if you are making progress.

By talking about goals early on, couples can improve their chances of making long-term financial plans come true. At one of your money meetings discuss retirement plans. (Other goals might include: purchasing a car or home, saving for a child's college education, or taking an anniversary vacation.) Discuss what you see yourselves doing when you retire. Determine your financial goals for retirement. Review your benefits and savings plans. Estimate what your benefits will be and decide whether you think that is enough to cover your needs and whether your investments are where you want them.

In Wisconsin, assets acquired during marriage are considered community property. The 1986 Wisconsin Marital Property Law states that all earned income, property and family purpose debt acquired during marriage could be recognized as belonging to both spouses. Individual property is provided for in the marital property law. Property owned before the marriage, or property, gifts or inheritances received after the marriage can be excluded from this law if you keep good records like bank statements, canceled checks, title transfer and proofs of purchases. You may want to consider a marital property agreement, which can legally determine which properties will be kept individual and which will be marital.

To learn more about the implications of the Wisconsin Marital Property Law, see the UW-Extension publication "Look Before You Leap" (#B2707) at http://cecommerce.uwex.edu/; click on Home and Family, then Financial/Consumer publications. To learn more about family financial management, contact your county UW-Extension office.

Money is an issue for nearly every couple. Taking time before the wedding to have an honest discussion of money matters is the best starting point to keep finances from becoming a point of conflict in your marriage.
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