

## Finances: Bring additional emotional dimension to relationships

From page 1

before meeting you. Student loans, heavy credit card bills, and even this person's late payments to the electric company will become part of your financial report card. And if you're the person with a stained financial past, you owe it to your spouse to come clean."

"That said, a low credit score doesn't have to scare anyone away from the relationship," said Graff. "But you should wait a while before becoming financially entangled."

Financial issues, also bring a different kind of emotional dimension to a relationship. "If both partners feel that they need to be the one managing the couple's finances, money now becomes a control issue. The one with the money has the control leaving the other feeling powerless," Houlihan said.

"Sometimes even the very trait that captivated you during the dating phase can be the same characteristic that has you seething while married," said Brett. "Take for example the compulsive money-saver who's being courted by someone who affectionately showers them with gifts and dinners. During the dating phase, that can

be pretty exciting. But once married, that money-saver will watch the spender in action — using money from their joint account. The saver gets angry... the spender is destroying that carefully tended bank balance — while the spender wonders why the saver is being so stingy."

Houlihan said: "Communication and negotiation (are key). Keep in mind that (a financial crunch) is a temporary situation. Find ways to be creative. Don't play the blaming game...."

"We need to look at the emotional side of an economic hit," said Houlihan. "We begin to focus on what we did to bring on this loss. We envision ourselves never working again, becoming financial failures and never having the money or the things in our lives that we want... Life is full of peaks and valleys. Remember that the valleys give us tools to climb to the top again."

When the worst happens to a new couple financially, Graff said, "The biggest mistake is to pretend everything is fine. It may be tempting to support your spouse by not admitting that anything major has happened but that wouldn't help anyone

for very long. First, rally together and vow to be strong. Then, sit down and make some financial changes. It's time for re-budgeting and reevaluating."

"Mention budgets... and you see instant panic," said Houlihan. "Many believe that having a budget means that they are in a position of lack... Instead, budget gives you control... to bring into your life the things that you want. In our Financial Stress Reduction workshop we give a new meaning to B.U.D.G.E.T. — Baby U Deserve Getting Every Thing."

"One way we accomplish this is by having our participants work from three budgets; a high, medium and low budget," said Houlihan. "Medium is where they are now. Low is where they would go if they found themselves struggling financially. And the high budget is where they want to go. All budgets can be adjusted monthly as income and expenses change. One young couple we worked with reviews their budget together once a week. They call this their relationship enhancement time."

"(A) huge mistake is to bury your head in the sand

and ignore mail from your creditors and your lenders," said Graff. "Often, you can work out a deal with them but only if you remember to open all their mail and respond to their requests immediately — even if it's not with a check. They'd rather get paid over time then never get any money at all. But if you turn your head, they'll scream louder — with notices and threats that will eventually appear on your credit report. Don't think 'next month I'll have money.' Even if tomorrow brings cash, you'll have to address your creditors today."

Another mistake couples make, said Houlihan is "instead of going to low budget and cutting out any unnecessary expenses until the situation changes, many of us take the immediate gratification route — charge cards."

Graff said: "First priority for all people, and particularly those who have a shaky future, are to pay off any credit card debt. The luxury of buying on credit is the most expensive privilege around — sometimes working out to cost more than whatever it is you wanted to buy but couldn't afford in the first place."

If a couple finds itself on shaky financial ground,

Houlihan said: "After paying your basic living expenses (mortgage, rent, heat, electric, etc) look at your budget and see what you need to do to readjust. Pay particular attention to your debt continuing to make your payments in excess of your minimum payment."

Additionally, Graff said, "Your mortgage payments should remain a priority because presumably you have equity (money) in your home that you won't want to lose to a foreclosure."

Houlihan said: "One big mistake most of us make when we are on shaky ground is we stop paying ourselves. This is one of the most important times to continue to add to your savings. This savings is your cushion if you have a major financial problem or if you have an unexpected, large expense that wasn't in your budget. You want to avoid putting these expenses on your charge card."

Where can couples go for help?

Houlihan said: "Having a fall back plan such as asking family or friends for financial help sometimes is our only viable option. But be careful. If you need to get help write down all your avenues for help. Write down the pros and cons for

each. Once you have decided who you will ask and they have agreed to help out, make sure that all parties are clear on the amount you want to borrow, when you will start paying it back and how much your payments will be."

But, Graff pointed out, "Money issues are stressful enough between spouses. But if borrowing from your personal network becomes unavoidable, at least make the transactions professional. Agree on a fair interest rate and have a lawyer draw up the documents. That way, you can set it aside as a business transaction and not one done with a wink and a smile that everyone will in the end misinterpret."

Additionally, Graff said, "There are many legitimate organizations to help. Find a government approved credit-counseling agency by calling (800) 569-4287 or TTY (800) 877-8339 or visiting [www.hud.gov](http://www.hud.gov).

"When in this position, we need to look at the opportunities that we may have to change and even improve our situation," said Houlihan. "Think outside of the box. Gifts often come to us disguised as hardships."

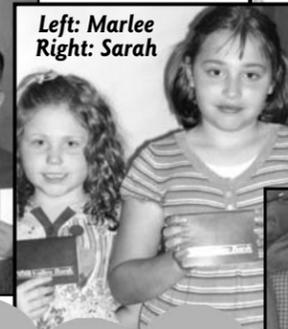
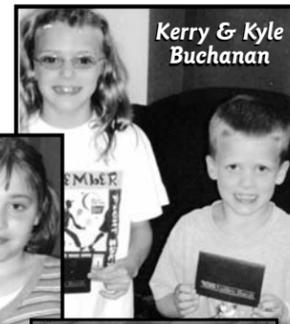
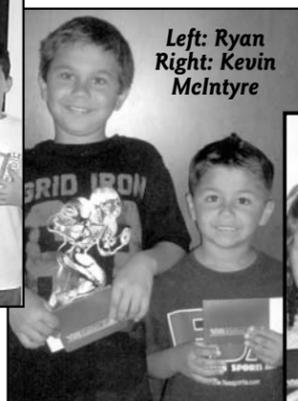
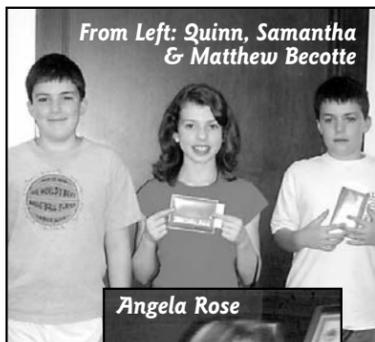
Comments? Email [mchaiken@BristolObserver.com](mailto:mchaiken@BristolObserver.com).

## OPEN A FUTURE DREAMS SAVINGS ACCOUNT..... 5.00%

Annual Percentage Yield \*

- A High Yield Savings Account Designed For Those Special Children In Your Life.
- Parents & Grandparents, Invest In Their Future! Don't forget Birthdays, Graduations or Any Special Lifetime Event.

Open a **Future Dreams Savings Account** in a minor's name or custodial account and receive an APY of 5.00% guaranteed rate for a period of five years. \* \$10.00 Minimum Deposit Required to Open An Account. No Maintenance Fees for Children Under 18 Years of Age. New Money Only. LIMITED TIME ONLY!



## FUTURE DREAMS

**CONTACT (860) 621-6210 or (860) 582-8868 FOR MORE INFORMATION**

# Valley Bank

*We Are Proud To Be Your Bank!*

**98 Main Street, Southington, 4 Riverside Avenue, Bristol,  
888 Farmington Avenue Bristol and 8 South Main Street (Rite Aid Plaza), Terryville**



\* Advertised yield is subject to change without notice. The advertised yield is guaranteed for a period of five years from the time an account is opened or until the child reaches the age of 18 (the lesser of the two). Minimum amount to open an account is \$10.00. APY is accurate as of October 10, 2008. No minimum balance is required to obtain APY. Fees could reduce earnings on this account. Limited Time Only.

