

Momentum

Managing relationships and money

Talking about a tough topic: money

Financial feuds can poison a couple's relationship, leading to lasting hurt feelings and a decline in closeness. However, you can learn to get a fresh start and have healthier money talks.

It's common for persons in relationships to have very different views of how to handle money. For example, one person may be a saver, while the other is more of a spender. It's important to learn how to accept your differences and work out money issues together.

- If you're struggling to stick to a budget or your partner doesn't recognize the need to budget, sit down and go over your income and expenses together.
- Review everything from day-to-day expenses to your monthly bills, debts, retirement accounts and other investments.
- If there's a financial problem, acknowledge it and get feelings into the open without interruption or criticism.
- List all possible actions you might take as a couple in order to strengthen your finances.
- Everyone's ideas should be taken into account, so seek middle ground. Record your action plan.
- If solutions seem hard to find, consult with a financial coach who is unbiased and can help defuse difficult disputes.

Set financial goals together

- With your partner, create a list of shared money goals that are right away, short-term (six months to a year) and longer-term (one to five years or more).
- Examples: Would you like to get out of debt in two years? Purchase a new home in five? Save for a child's education? Rank your goals.
- Estimate the cost of reaching each goal and how much you'll need to save monthly. Working together can help unite the family.

Research clearly shows money conflicts damage relationship satisfaction. Strive to have open, honest, blame-free communication to find what's working and not working. Discuss options and make the needed changes in your spending.

Smart money management methods

Are you somewhat clueless about where your money goes every month? You're not alone! Here are some tried-and-true money management tips.

- Create a budget and track your spending. (*See the article below.*)
- Separate wants from needs. For example, you'll save a surprising amount (more than \$100 per month) by replacing that daily \$5 latte with an alternative.
- When you get a windfall such as a tax refund, don't spend it! Save the money or apply it to student loans, other debt or your emergency fund.
- Today's typical household carries \$15,000+ in credit card debt. If much of your monthly spending (e.g., one-third) goes to paying down debt, get help creating a debt reduction/consolidation plan.
- Pay the most money toward debts with the highest interest rates.
- Start small with saving (e.g., \$50 per month) and try to increase that amount. Having a six-month cushion of funds is a worthy target. This can help you handle unforeseen expenses plus build a healthy retirement fund.

Budgeting for the family

You can do it!

Although sticking to a budget may seem challenging at first, it will help you make more informed choices about where your money is going. In turn you'll meet your financial goals sooner. Jointly tracking the family's income, expenses and shortfalls will keep everyone on the same financial page. Teaming up on financial goals works!

Tap an app

There are many free or low-cost smartphone-based tools that simplify budgeting. They allow you to track all of your family's expenses in one convenient place. Some enable you to link your bank and credit card accounts plus monthly bills. Top apps include Mint, PocketGuard, BUDGT, Spendee, You Need a Budget, and Level Money.

Webinar—Join us Wednesday, April 11 for *Relationships and Money*, a webinar that shows you how to de-stress your money conversations. [Register here.](#)

Additional Sources: Psychology Today, U.S. Census Bureau, U.S. Federal Reserve System, CNBC, Investopedia.

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Your program offers helpful resources—available privately and at your convenience—to help you build and improve relationships.

Call today or log on to MagellanHealth.com/member.