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'Til debt do us part

The No. 1 problem for newlyweds -- especially big spenders -- during the first months of their marriage is money

Tuesday, September 26, 2006

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STATEN ISLAND ADVANCE

To her, money in the bank is peace of mind, a security deposit for the future. She's looking ahead to buy a house or condo with her spouse, hopefully sooner rather than later, and settle down and raise a family. She's the typical newlywed saver.

Her husband, however, is just the opposite. He'll get a raise at his job and splurge on a new car, a tropical vacation or a big-ticket electronic or entertainment item. He's the big spender.

It isn't necessarily a gender thing. Sometimes it's the opposite and he's the saver and she, the spender.

Either way, financial planning experts agree: Managing money is the biggest post-wedding challenge couples face during their first months, or even years, of marriage. Managing finances "the No. 1 problem couples fight about," a Consumer's Almanac report cites. "It's often the spark that ignites bickering about ambitions, fears for the future and the inevitable power struggle."

Indeed, money is a very sensitive subject, said the former Christine Barsoum of Bulls Head. "If you don't sit down and discuss it together, you can wind up fighting."

She and her husband, Moheb Anwar, 27, butted heads about finances when they first got married a year ago in June. The couple is saving to buy a house, but Mrs. Anwar likes to treat herself to nice things.

"I'm the spender and he's the saver," explained Mrs. Anwar, 26, of Bulls Head.

"I like to shop for clothes. I like to decorate. I've even started to shop for stuff for the house, even though we haven't bought a house yet," Mrs. Anwar confessed. "He scolds me, but I know if I see something I like, I don't have the patience to wait to buy it," she said.

Mr. Anwar now has the couple on a budget.

DEEPLY EMBEDDED ATTITUDE

Still, it's a problem for many newlyweds who have different attitudes toward money. If one partner is tipping the scales on the savings side and the other on the spending side, it's easy for resentment to rear its head in the relationship.

"Our attitudes toward spending money are so deeply embedded that we tend to believe we are right and our partner is wrong," observed Diane McCurdy, a certified financial planner and author of the newly published "How Much Is Enough? Balancing Today's Needs with Tomorrow's Retirement Goals" (www.how-much-is-enough.com).

Savers will think, "You know, 'I'm a responsible adult and you're a spoiled child,'" Ms. McCurdy continued, whereas spenders will believe, "'I like to have some fun in life and you're a miserly joy-killer.'"

"You can get caught up in pointing the finger at each other, sure," agreed Marianne Hicks Kelly, 27, of

Rosebank.

She and her husband, Paul, 37, were married in June.

Before tying the knot, they were both spenders, Mrs. Kelly explained. "We both love to travel, eat out and shop. He'd shop for electronic and entertainment stuff and I'd buy clothes."

The couple found they had to adjust their spending habits. Today they combine their money to pay monthly bills and have retirement and investments savings deducted electronically from their paychecks. They have also learned to shop carefully for bargains and to pay off credit-card purchases in full each month to avoid carrying a revolving balance and interest payments.

IN DEBT

According to the National Endowment for Financial Education (www.nefe.org), newlyweds today are more likely to head into marriage in debt than previous generations, mainly because they are paying off credit-card bills and education loans -- not to mention lavish weddings. On the other hand, the organization also reported, with many couples waiting to get married until their late 20s and early 30s, it's also more likely that at least one partner will have some savings put away.

Kay Pesile, a New Dorp financial planner who teaches a class in personal finance at the College of Staten Island, disagreed: Saving is not a priority for newlyweds.

Since she developed the class 11 years ago, she's seen more people in their 20s and early 30s spend well beyond their means through credit cards.

She recently polled married students in her class about how they manage their finances with their spouses. The results were enlightening.

Many of her students said they first put aside their monetary wedding gifts to pay off the reception, honeymoon and furniture expenses. When asked who handles the household finances, most said they combine their efforts if both work, or the wife does the household expenses and the husband any investment, savings or debt consolidation.

And very few said they have been able to set aside money for savings and investments.

Spending money is in our culture, Alexandria Merola, 29, of Richmond, one of Ms. Pesile's students, explained as to why very few her age are squirreling away money for the future. "Most people see something they want, and they want it now," she noted, adding that we get a strong message from the media, telling us "we can have it now," too.

She said people will spend a lot on a big-ticket item and will not consider the costs at all. "It's kind of scary when you do stop to think about it," she said.

One of the pitfalls young married couples encounter, Ms. Pesile said, is using their credit cards too quickly for vacations, entertaining and spontaneous shopping.

"They do not understand the ramifications of a poor credit rating on potential employment considerations, especially if they seek employment in the financial services industry," Ms. Pesile reported.

On a positive note, she added, young people are more aware of personal wealth accumulation opportunities today than when she first started teaching.

"They understand the need for a ROTH IRA, 401K participation and term life insurance," she explained. "They are eager to learn about personal investing."

However, they lack the discipline and self-control that are required of saving.

Ms. Pesile urges her students to check with their employer as to what payroll savings deductions are available to them, such as a 401K savings plan, which allows them to automatically put away money from their paycheck before taxes. Some companies will also match or contribute to a 401K plan.

She also encourages students to set an expense budget for household and personal expenses and entertainment; to pay for items in cash whenever possible, and to pay credit-card bills in full each month to avoid crushing interest and finance charges.

Mrs. Merola credits her husband, Gary, 38, for organizing the couple's finances, including savings, retirement investments and the household bills. He also handled getting together the down payment and mortgage on the house they bought three years ago. "He's the saver. He worries about the future," Ms.

Merola said. "He says we need to save money now so we can live comfortably when we retire."

She has a different opinion: "My attitude is that you have to live for today because you can't take your money with you when you go to your grave."

"Still, because of my husband, I know I will not have to worry about being able to retire some day," she added.

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