911 Central Avenue, PO Box 429 • Nebraska City, NE 68410 • 402-873-3388
716 Illinois, PO Box 189 • Sidney, IA 51652 • 712-374-2622
301 Oakland Ave, PO Box 68 • Oakland, IA 51560 • 712-482-6431
2945 S 132nd St. • Omaha, NE 68144 • 402-964-0595
Arbor Banking Group, 16820 Frances St, Ste 102 • Omaha, NE 68130 • 402-933-7632

## ARBOR ADVICE

## Helpful financial tips provided by Arbor Bank

## For "Richer or Poorer"

July 5, 2012

Wedding season is in full swing. It's very easy for recently engaged couples and newlyweds to get caught up in the excitement of their future without considering the challenges that occur when combining finances. It doesn't matter if you bring in a modest income or a large salary - if the two of you have different spending habits and savings goals, financial problems will eventually surface in your marriage. Here are some tips to help you make it through the first years of joint financial planning and beyond.

- 1. Start Talking About Finances. It's important to discuss finances with your new spouse as soon as possible. You'll need to go over what accounts you have and how much debt you carry. You'll also want to be clear on how you expect money to be handled. For example, let your spouse know if you expect him or her to discuss purchases over a certain amount with you first.
- **2. Write Down Goals**. After you have determined your financial status, have an in-depth discussion about your long term financial goals. For example, do you plan to retire at a certain age or stay out of debt? Do you want to be able to afford one spouse to be able to be a stay-at-home parent? Building an emergency fund of 3-6 months worth of household expense should be a priority on your list.
- **3. Discuss Bank Accounts**. There are pros and cons to both opening a joint account or maintaining individual accounts after you're married. Combining accounts can simplify your finances and may help breed trust in a marriage; however, some level of independence may be preferable, though it can also make it easier to hide certain purchases or spending habits. Discuss this at length with your spouse to make sure you're both comfortable with whatever you decide.
- **4.Track Your Budget**. It's not enough to just create a budget. You need to make sure you stay within your spending allotment and adjust accordingly as your situation, expenses and incomes change. Find the system that works best for you, whether that's the envelope budgeting system, a spreadsheet or something else that fits your lifestyle.
- **5. Work as a Team**. When a sticky situation arises that upsets you, bring it up to your spouse with care and out of love. View yourself as a team and look at what the team needs to do to improve. Work together to find ways to accomplish your goals. Always encourage each other, and whatever you do, don't point the finger. Be aware of your own weaknesses and strengths, and play off the strengths of your spouse to bring synergy to what you are trying to accomplish.



