

MONEY SENSE

Genesis
FINANCIAL MANAGEMENT INC.

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NEW BEGINNINGS, DEBT FREE

Talking to Your Honey About Money

June makes us think of weddings, and weddings make us think of.... joint checking accounts?

Ok, so maybe you're more concerned with what to serve at the reception than you are with merging bank accounts, but the reality is that money issues are still identified as the number one cause of conflict in marriage. The ideal time to initiate a conversation with your partner about money is before you walk down the aisle, but the following tips can help any couple open the door to less stressful, more productive communication.

- 1) **Just Do It!**- Ok, so you may both feel uncomfortable having this conversation. Acknowledge that fact and then identify a comfortable time and place where you can relax and start talking. Make sure to set aside time when you know you won't be disturbed by other things and don't feel pressured to rush.
- 2) **Reminisce**- An easy way to begin the conversation is by talking about your past experiences with money. What was your first job? Did you get an allowance? Did your parents pay for everything or were you expected to cover some of your own expenses?
- 3) **Think Family**- Growing up, how was money talked about in your

home? Do you know how major financial decisions- like buying a house and investing- were made and by whom? Who paid the bills in your family? If there were arguments about money, what usually caused them and how might you have been involved?

- 4) **Face Your Fear**- What is your biggest fear about money? If you can, share the story of what caused that fear?
- 5) **Share the Past**- How would you describe your financial past? Do you have a history of saving, investing or going into debt? Have you ever declared bankruptcy or had major credit card debt? Have you traditionally saved up for big ticket items or paid them off over time?
- 6) **Clarify Expectations**- Make sure you're both on the same page. What would it take for each of you to feel financially secure? How do you both feel about giving money to your church, a charity or to help friends and family? How much debt are you comfortable carrying from month to month? How do you each envision using a credit card? What kind

of lifestyle is important to each of you?

- 7) **Talk Money**- How much do each of you make and how much is being deducted for taxes, retirement accounts, etc.? Where do you each keep your money right now? What do each of you own and owe? Where are your assets?
- 8) **Have a System**- It's important to come to an agreement on who does what in a relationship. During this step, you should talk about how you will manage money as a couple, from bill-paying to making decisions about investments, insurance, etc. Will you have joint bank accounts? How will you split expenses? Remember, even though tasks may be divided, both partners should be knowledgeable about the state of the household finances at all times. Schedule regular, brief check-in sessions.

Tips taken from an article by Syble Solomon of Lifewise/Money Habitudes. More information can be found at www.moneyhabitudes.com

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Just a reminder that we have moved! All written correspondence should be sent to us at:

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(Payments still go to our PO Box)



Websites Worth Checking Out

Bagborroworsteal.com—you've always wondered what it would feel like to carry a Kate Spade purse. Here's your chance! Rent a top-of-the-line handbag.

Borrowedbling.com—For a monthly membership fee, you gain access to a wide variety of fancy baubles that you can borrow and return as needed.

Rentahusband.com and *angieslist.com*—Rent-A-Husband is a franchise-based business that specializes in home maintenance. Angie's list can help you find reputable services and repair people nationwide.

An allowance can be a powerful teaching tool for your child. Just make sure the rules are clear.

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An allowance can serve as a useful tool

for teaching children how to handle money responsibly, but experts agree that giving money arbitrarily can actually be counterproductive. In other words, an allowance is only as effective as the system and context in which you place it. The system that you set up will depend on a number of factors, including the age of your children, the number of children in your family, and the amount you can comfortably afford to give your children each week. Hashing out the particulars can be easier when you follow a few general guidelines.

First, avoid giving money to your children on a whim while on a trip to the mall or supermarket—doing so can undermine the discipline an allowance can impart. Instead, give children a set weekly allowance at home and explain what they will be responsible for purchasing with their own money. For preschoolers,

this may be their own pack of gum, a small toy, or movie that they wish to buy. Older children may decide to use their allowance on a night out at the movies or on lunch with friends. Within this system, children can learn to make trade-offs, anticipate spending needs, and will begin to understand that instant gratification is not always best—or even possible.

Once the system for giving an allowance is in place, then it becomes easier to teach children about the value of saving. The key to doing this well is to help children learn this value without forcing them to set aside a certain amount of their allowance each month. If a child is forced to save money, he or she can end up resenting the process. On the other hand, when experience is the teacher, a child who does not have enough money to purchase something he or she desires can begin to see how saving for the item is worthwhile. Younger children may benefit from a clear glass jar with a picture of the

desired item taped on the outside; this will allow them to see their money grow and to remind them of their goal. You may want to discuss written goals with older children. In both cases, children can begin to see money as a tool to getting more of the things they want.

Children will gain the most value from receiving an allowance when they can make their own decisions about how to spend their money. In your view, a new video game, skateboard, or piece of plastic costume jewelry may be a waste of money, but a child who is free to choose can learn to prioritize his or her wants. While you may highlight other choices for your child, resist allowing your own feelings to steer purchases. No doubt, your children will make numerous “money mistakes,” but these can prove valuable financial lessons, particularly when you make it a point to discuss these lessons with your children.

Please Note: Accurate Payments Are Important

The benefits you enjoy and have worked so hard to maintain on the debt management program are dependent on your creditors receiving timely and accurate payments each month.

Lately we've noticed an increase in the number of payments coming in that do not meet the minimum payment requirements as outlined in your plan.

To avoid late fees and a potential loss of benefits,

please review your monthly statement from us each month to ensure you are sending in or having debited the correct amount.

We realize that times are tough right now and may be for a while. Gas prices show no sign of going down. Groceries and other essentials cost more as well. We've heard from many folks who have lost jobs or seen their incomes shrink as a result of fewer hours, slower business growth or

having to take a pay cut.

We understand that there may be times when it's difficult, if not impossible, to make your monthly payment, and we're here to help. Please call our Client Services department about possible options for staying on track. Remember that some payment is better than no payment when it comes to keeping up with your debts in this case.

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