

and is Dr. Kathleen Gurney's Moneymax questionnaire ([www.financialpsychology.com](http://www.financialpsychology.com)). The questionnaire takes about 10 minutes to complete and at the end assigns one of nine specific money personalities. Knowing your money personality as well as your spouses provides a framework for discussing money issues and conflicts as they arise. It also provides some insight into how you control your money and how you both might be more flexible.

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#### **Separate your Accounts: Yours, Mine, and Ours**

Typically, couples who start out in second marriages have a joint account to which each person contributes funds. This is the "ours" account. Household and living expenses such as food, utilities, and vacations are paid from this fund as well as the mortgage if the house is owned jointly. However, commingling all of your funds can become problematic, particularly with families that include step-children and alimony payments to former spouses.

In addition to the "ours" account, I recommend setting up separate accounts and a cash control system so you can track where the money goes. If your husband has maintenance and child support payments to an ex-spouse, he will pay this out of his separate account. Likewise, if you have child support coming in from an ex-spouse you will deposit those funds into your separate account to pay for the child's expenses.

Keep separate diaries of when you have your children and a financial summary of all the monies spent on each child. Note who has the children and when, and if you are regularly caring for the children when it is not a scheduled visitation you may want to revise your



# Say "I do" to better money management

## the second time down the aisle

#### **A SECOND CHANCE AT LOVE AND MARRIAGE**

can be bliss. Chances are you are older, wiser, and more secure in your career. No matter how many trips you take down the aisle, money remains the major source of conflict in all marriages. Finances become more complex each time you take the plunge. One of the greatest contributions you can make to your new family is to commit to better financial planning and address the money issues you might have avoided in your first marriage.

#### **Your Money Personality**

We each have our own money management style. We learn it from our parents, relatives, and friends. For many of us money can equal love, power, happiness, security, or self-esteem. Your money personality may be very different from your husbands and those differences can affect your financial goals and become stumbling blocks as you attempt to work through financial conflicts.

One tool I recommend often to clients whether it is a first marriage or a sec-

child support agreements.

If you are diligent about maintaining these systems, you will see how much discretionary money is being used for children and step-children and have a basis to discuss different parenting styles and budgets for your blended family. Are you spending your child support only on your children or on his as well? Does your husband like to give the kids a weekly allowance but you frown upon that?

Consistency is very important in this area. Your kids need to understand the money system as well since it may be different than what they were used to in the past. Consider having quarterly meetings to do your exchange of money, talk through the budget, review your short and long term goals, and see where the funds are going and if they are being divided fairly.

### **Divide your Assets and Liabilities**

When you remarry, you are not only pooling together your assets, but you are accepting responsibility for your husband's liabilities as well. This is where pre-nuptial agreements come into play. A pre-nup identifies more than just the division of assets and who owns what. It

come. They also can help determine compatible strategies for retirement and estate planning if you are at different ages and stages in your lives.

If your new spouse is going to live in your house have him buy into the home. Otherwise, make sure you do not use his money to pay the mortgage if you want to keep it as a separate asset. This might be the case if you have inherited the home from your family, or your previous husband still has an ownership. To equalize the living expenses, he could pay utilities instead and contribute more to the family budget each month.

When it comes to credit, apply for a joint credit card if it makes record keeping easier. However it is still important for every woman to have her own separate account so she has her own personal credit history, independent from her spouses.

### **Separate but Equal**

Finally, I also think it is important that each spouse have a "don't ask" account. This account is discretionary

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also can spell out a division of income if one of you has a significantly higher salary, who is responsible for any debt that comes into the marriage, and how you will share the household expenses.

To help you draw up this document, consult a good attorney but also include an experienced financial planner and accountant in developing your plan. They will offer advice on the best way to file your taxes and make sure you have a plan on how to divide the income tax liability based on your share of the in-

money, separate from living expenses and child support that is yours or his to use for whatever purpose you choose. If you are saver, you can keep the money in the account to draw interest or maybe use it for a day at the spa. Likewise, your husband may have a hobby such as golf or boating where he uses his discretionary funds. The idea is that you both have a sense of independence so that you can spend it on whatever makes you happy without feeling guilty or the need to explain your spending.



Commingling all of your funds can become problematic, particularly with families that include step-children and alimony payments to former spouses.

Having counseled more than 3,000 women following their divorces and remarriages, I have found one universal theme—it's important that you rid yourself of those money hang-ups that caused you grief in the past. It takes time, planning, and some work, but once you are able to discuss all the complex financial decisions you will face with a new family, your money becomes a source to feed your passions and dreams and to help you move on with a wonderful new life.

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*Kathleen Miller is a Certified Financial Planner and president of Miller Advisors, Inc., a wealth management firm in Kirkland, Washington. Her books *Fair Share Divorce for Women* and *Fair Share Divorce for Women, Second Edition: The Definitive Guide to Creating a Winning Solution* has sold more than 25,000 copies. Visit her site [www.milleradvisors.com](http://www.milleradvisors.com) for more info.*