



# Girl, I Heard You're Getting Married

## 4-Smart Money Moves For A New Bride

Johnny Maestro never gave up. Born on New York's Lower East Side to a lower-middle class Italian family, humble beginnings singing acapella in city subways in the early 1950s, Johnny Maestro (real name Mastrangelo), honed his craft to eventually be known as one of the finest rich-toned tenors of his time. Johnny was the first artist to form one of the most successful integrated doo-wop groups, The Crests, and their song *Sixteen Candles*, became a national pop sensation. Today, The Crests can still be heard on oldies stations throughout the country. Johnny eventually formed other bands, tried a solo gig and regrettably, fell into obscurity for close to a decade. In 1968, he was the lead on a merger of two bands and the group Brooklyn Bridge had emerged. They debuted on the Ed Sullivan show with a song titled *Worst That Could Happen*. Written by popular wordsmith Jimmy Webb, the tune about the looming marriage of a woman he still loved yet woefully, reluctantly, wished well, the song took off and put Brooklyn Bridge on the map. Great for them. Not so much for my mother. It was the worst that could happen (for her!) You see, this was one of my favorite songs. I was a radio freak. I couldn't get enough of AM talk and music radio which were incredibly rich with content. I owned a prized Emerson hand-held battery-operated transistor beauty, chrome lined and encased in black fake-leather or a 'pleather' case with a wrist strap attached. The portable radio was a gift from my paternal grandmother (also a radio zealot),

who was a casual friend of famous broadcaster John A. Gambling, host of WOR-AM's *Rambling with Gambling*. The program was the longest, continuously-run radio broadcasts in America up when it was cancelled in 2000. A serrated dial on the side of my portable radio, moved securely by thumb, rarely was turned clockwise to **OFF**. As early as 5 years-old I'd sing in high-pitched broken vocals, the chorus, repeatedly to *Worst That Could Happen*.

*And baby if he loves you more than me, And baby if he loves you more than me, Maybe it's the best thing, Maybe it's the best thing for you, But it's the worst that could happen to me.*

It drove mom crazy. Today when I listen to the *Sixties on Six* channel on Sirius Radio, I clearly see my mother shake her head back and forth in surrender; I can hear her scream to the sky, arms pointed toward that dreaded vinyl spinner in the sky **? NOT THIS SONG AGAIN!?** Sadly, for her the tune (yes, back then there were physical records played in studio), was on frequent rotation, spun often by an ensemble of wacky disc jockey personalities who made WABC 77, the most iconic, incredibly popular New-York based AM pop radio station throughout the 60s and 70s. Based on some random system, I guess that the discretion of the radio personalities, the song ran at least once every couple of hours. Now with a child of my own - well, a young adult headed to college, a vision of eventual nuptials gnaws at me. I started a list of financial to-dos: she should embrace early in her marriage. My goal is she takes smart actions from the get-go, immediately after the honeymoon (if Millennials can afford such a luxury). I thought of a few song titles Brooklyn Bridge could have blossomed into top-ten pop hits and designed to help new brides jump-start healthy money habits in their households. **It's mine, his, and ours**. Most likely, husband and wife already maintain separate checking accounts. They should be kept; I'll explain in a few. In addition, a new joint checking and savings account should be established. • Consider these accounts as conduits: receiving and delivering dollars to various accounts. An online FDIC-insured bank for both new joint checking and savings vehicles is the financial savviest choice. For a list of the best online banks or to receive a personalized recommendation, do your homework at Nerdwallet: a rich hub of information about credit cards, banking, mortgages, loans and insurance. Every year they investigate online accounts; check out their top choices at [Best Online Checking Accounts of 2017](#). The couple should link their new checking account to both their jointly-held savings vehicle and existing individual checking accounts. Once accounts are established, a system of *mine, his, and ours* may begin. **Here's how it works**: Joint checking auto-receives payroll deposits direct (which would most likely require new paperwork from employers). From there, until a household emergency cash reserve holds at least six months' worth of living expenses, 15% of every joint deposit should be automatically transferred into the linked jointly-held savings account. Once this basic mechanism is in place, establish a weekly money awareness date which allocates 30 minutes to an hour on an evening or weekend to outline and gain awareness of expenses and establish spending boundaries for separate discretionary or 'fun stuff'. I prefer new couples work with pencil (yes, pencil), paper and printed statements. At least for the first year of marriage. The goal is to become intimate with household cash flow, something I do not witness when electronic methods are used. My suggestion is to order a [Dome Household Budget Planner](#) from Amazon or purchase one at any major office supplies retailer. It's a wire-bound, inexpensive book where expenses can be tracked by categories. I suggest the new bride take the lead on this weekly exercise so she understands completely how money flows into and out of the household. Monitoring also blossoms confidence. Her new husband of course, provides input, helps shape the direction of the money and is fully engaged in the process. These meetings are opportune engagements that blossom communication, break down resistance around money concerns, especially how discretionary dollars should be allocated. Recently, a couple who haven't missed weekly money awareness dates for at least six months, shared their rules about recreational spending. They're impressive. You may consider these tenets a good starting point for you, too.

*We allocate \$300 a month to joint spending on things we love to do together - restaurants, movies, wine bars and weekend road trips. We allow ourselves \$100 a month each for events we like to participate in apart including online subscriptions, work lunches on occasion and boys or girls' nights out. As a couple, we agree that I electronically transfer this \$100 a month to each of our separate checking accounts. If spending is going to be exceeded by \$20, we have an agreement to discuss the expense and jointly decide on the increase and transfer.*

Perfect. Now you understand why I believe husband and wife should maintain separate individual accounts. At least until their weekly money dates are a matter of habit. Most banks allow customers to establish beneficiaries on individual accounts. It's a process called "transfer on death." This feature allows, in case of death, for proceeds in a separate account to be transferred to a beneficiary easily, without a complicated legal process. A wife's beneficiary may be her husband and vice versa. Keep in mind, there may be a one-time nominal charge for setup. Make sure to establish an electronic link from the joint account to each separate one to facilitate transfers to separate checking accounts. The main arteries that flow money through a joint vehicle into a jointly held savings account and two individual checking accounts are now formally established. **Honey, when is our special credit report and score anniversary?** Identity theft is a serious issue and must be monitored. A [recent survey](#) conducted by Experian, one of the three credit bureaus, found that a majority of respondents underestimated the risks of identity theft. Not a wise move. I instruct new brides to place on their calendars a joint annual credit report analysis on a date close to the wedding anniversary so it's never forgotten. Husband and wife can access a free credit report annually from [www.annualcreditreport.com](http://www.annualcreditreport.com). A checklist for what to look for in a credit report is available [here](#). It's easier today to report discrepancies electronically direct from the websites of Equifax, Experian and TransUnion. The higher your credit score the more you'll be sought out by lenders. Husband and wife should attempt to maintain individual credit scores of 770 or better to prepare for a favorable mortgage rate on a new home. According to a Nerdwallet [interview](#) with several mortgage lenders, a credit score of 720 or higher can lead to big savings. For example, a 100-basis point drop in score from 780 to 680 can lead to thousands of dollars in additional interest paid over the life of a mortgage loan. Along with a credit report checkup annually, husband and wife should access a FICO® Score 1B Report. FICO® is the leading score for most lenders. It costs \$19.95 for each report however it's worth the price to access scores and discover the primary factors that affect them. You may also simulate financial decisions to see how they affect a FICO® score. **The lifetime of "love & debt don't mix," mantra.** Money scripts are the messages we internalize early on from our environment. Family, friends, even our culture shape perceptions and actions with money. Unfortunately, I've witnessed poor money scripts that survive multiple generations. Rarely do we ponder our internal money scripts. Partly because they're so much a part of us it's tough to step away and examine objectively. Couples should practice financial vulnerability before marriage where they share their strengths, weaknesses and provide full disclosure of the financials they're bringing to the union. Unfortunately, this isn't a typical outcome. Early on, I suggest the new bride initiate a joint exercise where individual money scripts are outlined and used to form a promise or cast a re-script that blossoms a mutual money philosophy that accelerates wealth creation. Based on my research, the greatest financial synergies come from a similar money philosophy, particularly around debt management. A couple that treats debt as a weight and lives a modest lifestyle, especially when it comes to mortgage liability, can increase their net worth at the least, twice as fast as new couples with comparable incomes. Think of the following as positive money scripts:

*"It's most important to save." "Debt is stress so I pay off my credit cards in full every month." "My parents taught me to respect every dollar." "I always pay myself first."*

Here's a joint money philosophy shared with me:

*?As partners, we want to avoid money stress by saving 10% of our income and pay off student loans in full within 5 years. We will direct 25% of our income to this effort.?*

Keep words simple. Passionate. Narrow down to the accomplishments envisioned. Print the philosophy and secure it to the fridge so it's read on a regular basis. A joint money script will grow, revise as wealth does, life changes and families begin. **Let's do the Social Security Bump.** Per the Center for Retirement Research at Boston College, nearly half of 62-year-old working women didn't make any money for at least one year in their earnings history on record with the Social Security Administration. Most likely, this group took a break from the workforce or cut hours to raise children. To be eligible for Social Security retirement benefits, a future recipient must rack up 35 years of earnings history. Women, based on their life expectancies, have more to gain financially than men for working longer as each zero or low earnings year is replaced by years with greater earnings. In other words, women should do their best to maintain their skill sets and look to return to the workforce and gain a greater bump in future Social Security benefits. According to research by Matt Rutledge and John Lindner of the Center, women who beef up their earnings record and delay collecting benefits until age 70 (not collect early at 62), can increase their monthly Social Security by 12 percent. For men, it's half as they typically have more years of higher earnings during their working period. Social Security planning is a crucial element of an overall financial planning process. Newly married couples are not concerned about Social Security. I agree. They should be focused on becoming human earnings machines. However, it's crucial for new brides to understand upfront that leaving the workforce or curtailing work hours should be considered temporary. Unrequited love is bad enough; financial regrets that can darken a lifelong partnership can be tragic, too. Women should lead, set the tone for household financial boundaries and decisions. Why? Because most likely, they're going to be the ones left behind. Women [live longer than men](#). In all countries *without a single exception*. I bet Johnny Maestro would be happy to know. About the best that could happen.