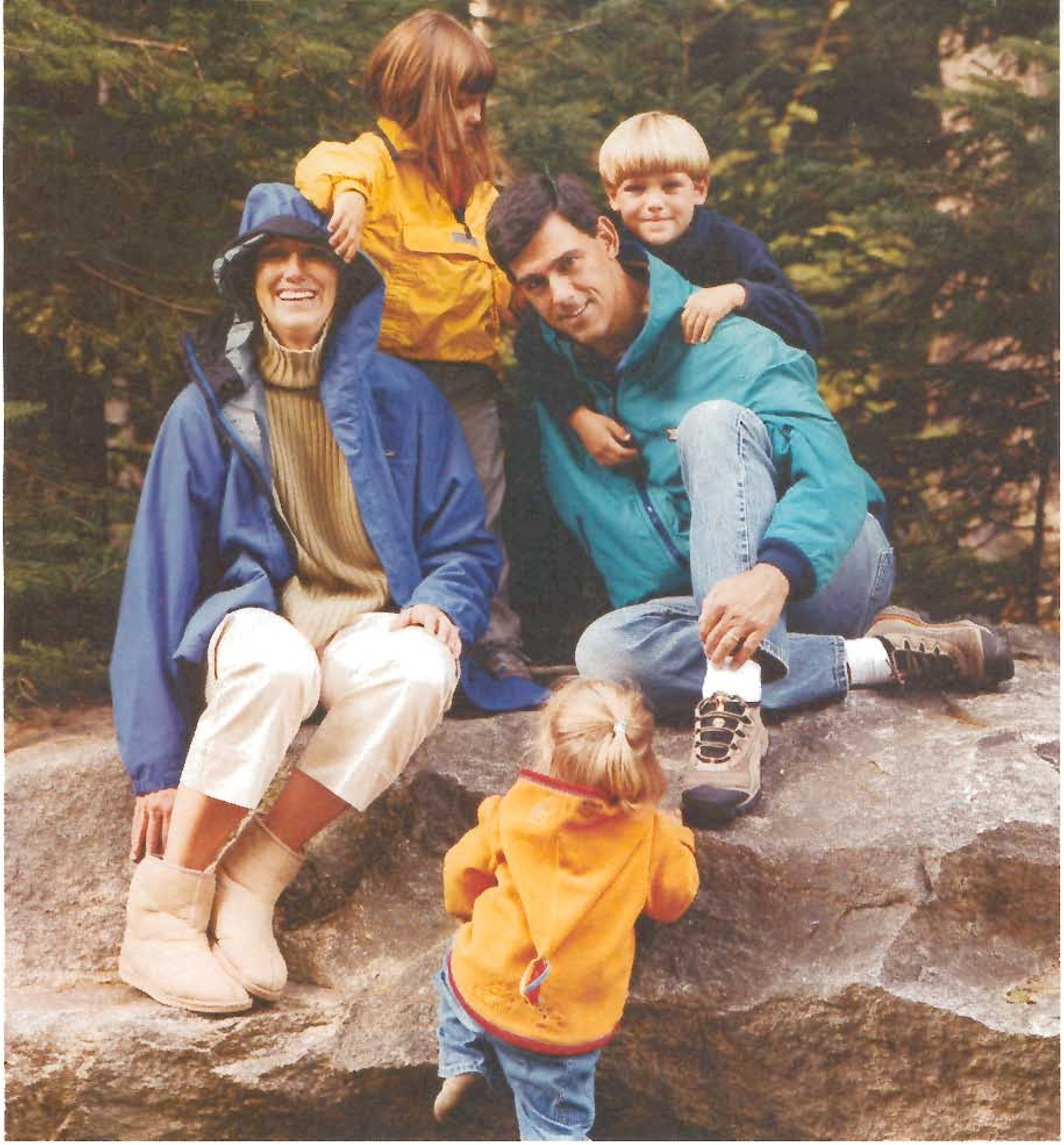

Melissa and Tom Moore with their happy brood (from top): Clara, age four; Lachlan, six; and Alice, nearly two.

For Love or Money

PRIORITIES He is practical about finances, while she cries when they discuss the budget. Our advisers tell them how to reconcile their differences and preserve their relationship

WRITTEN BY **MELANIE HAIKEN**
PHOTOGRAPHS BY **JOHN-FRANCIS BOURKE**

MELISSA AND TOM MOORE, both 41, have what seems to be a remarkably stable, happy marriage. They enjoy many of the same interests, such as white-water kayaking and skiing, and their children—Lachlan, six; Clara, four; and Alice, nearly two—are their number one priority. And after years of saving they recently bought their dream house, a Cape Cod–style home in New London, New Hampshire.

But Melissa and Tom grew up in families with vastly different attitudes toward money. And, not surprisingly, these differences have carried over to their relationship. Today, after nine years of marriage and three children, their conflicting styles of dealing with finances are exhausting both of them. "We are stuck in a bad money pattern that we don't know how to break," Melissa says.

When the couple met at a California cross-country ski resort 13 years ago, Tom

Above: Tom, Melissa, and Alice study a map of Australia. The Moores hope to visit Adelaide, where Tom grew up. Above right: The six-year-old toaster oven that Melissa agonized over replacing.

had already started a retirement account and had a firmly established sense of responsibility about money. Melissa, an art major in college, was working as a ski instructor and had racked up a couple of thousand dollars in credit-card debt. As they began to settle down, Tom helped Melissa get out of debt—which set the stage for a financial relationship that troubles them to this day. "When I met Tom, he taught me how to live within my means," Melissa says with frustration in her voice. "While that has been helpful, learning to limit myself has been a huge adjustment."

Tom grew up near Adelaide, Australia, in a family that he calls "standard suburban middle class," and had little conflict over money. Both his parents worked, and the family lifestyle was comfortable but not lavish. His mom and dad taught their children to work hard and save money, and never to spend more than they earned. From the time he was 16, Tom worked at part-time jobs and saved 25 percent of what he made. When Tom wanted a car, for instance, he saved up until he could buy it with cash. "Money is a very unemotional thing," says Tom. "To me it's basically just numbers on a page." He thinks of money in terms of computer spreadsheets: "You add it up, and it either works or it doesn't."

Melissa's approach to money stems, like Tom's, from her childhood. Growing up in an upper-middle-class family with four children in Rockford, Illinois, she was both indulged and made to feel guilty about money. Her mother spent freely on her children, buying them designer jeans and other pricey items. But Melissa remembers her parents frequently fought over household expenditures. The arguments, usually over whether her mom had spent too much, were so common that one of Melissa's sisters says she avoided asking her mom for anything extra to prevent potential arguments.

Today, Melissa says, she and her sisters all worry constantly about money. When Melissa gets emotional about their finances, Tom is at a loss and doesn't know what to say. "I don't understand why she gets so upset, and I don't know how to make her feel better," Tom says. "So I usually just listen."

Part of the problem for Melissa is that while she does 90 percent of the shopping for the household, she has only a vague idea of how much money the family has in the bank at any given time. Tom manages their money and pays all the bills. The couple have a budget for big or long-term expenses, like insurance or car payments, but Melissa's never sure how much she should be spending on smaller items, such as clothes for the kids. As a result, pur-

The Roles Partners Play

When it comes to couples and money, opposites tend to attract. That's why spenders often end up with savers and so many couples argue about money. "Many times in a relationship we are intuitively seeking a balance of characteristics that we don't have, and financial personalities are no different," says Kay Lesh, coauthor of *Our Money Ourselves for Couples* (Capital Books, $18).

For instance, a saver may be attracted to a spender because he encourages her to treat herself more often or take more vacations. The spender, on the other hand, might enjoy being with the saver because it helps her, say, learn to pay off her credit-card debt and work toward long-term goals, such as buying a house or saving for a new car.

Couples with vastly different approaches to money can help modify each other's extreme positions, says Lesh. But when your partner's differences start to seem more irritating than beneficial, try to keep in mind the positive ramifications of his behavior. Then compliment him when his thriftiness or extravagance (whatever normally drives you crazy) results in something you can enjoy together—like orchestra seats at the theater.

—Lisa Ann Smith

Tom gives ski lessons at a local resort so the whole family can get free seasonal ski passes.

chasing the smallest items sends her into a tailspin.

Case in point: Melissa cites a recent morning when she decided they needed a new toaster oven, because their old one had to rest 10 minutes between slices. "I told her to go buy a new one, that we could afford to spend $30 on a toaster oven," Tom says. But the situation still cost Melissa endless agonizing, and she never could bring herself to make the purchase. "I kept thinking of all the things we might need that cost $30, and the toaster did not seem that high on our list of priorities," says Melissa. "I worried that Tom would question my judgment." She adds: "I'm always afraid that I've spent too much or that Tom will think I've spent money on the wrong things. Every time we have a serious conversation about money, I end up in tears." In fact, when Melissa sees Tom sit down to balance the checkbook—a task he does about once a week—she panics. In the face of this panic, he remains characteristically silent, which only inflames her anxiety.

Complicating the situation, the Moores live on what many would consider a tight budget. Both work for youth-related nonprofits and are willing to sacrifice on salary (their combined income is $82,000) because they are committed to the organizations they work for. Tom is national project director for the Student Conservation Association, which sends high school and college-age students to work on trail maintenance and other wilderness-conservation efforts. Melissa works three days a week as vice president of development for PlusTime New Hampshire, which helps communities launch after-school programs. Their child-care costs alone eat up $15,000 a year, about 18 percent of their net income, but they're not willing to skimp on something so important.

Thanks to Tom's vigilance, though, the Moores are savers. They put 13 percent of their income each year into a slush fund for household emergencies. They also save 3 percent of their income in 403(b) retirement accounts (which are then matched by their employers). Tom also puts 2 percent of his salary into a retirement account in Australia.

Although Melissa has accepted that the family needs to be careful with its money, she would like to be able to enjoy a few indulgences for herself (like, say, a pottery or yoga class) or even just go out to dinner once in a while. In the almost seven years since Lachlan was born, the Moores estimate that they've been on just five dates alone together—which averages out to less than one a year. Without family in the area and with babysitters running $10 an hour, "even going to dinner locally is an investment," Melissa says. Both she and Tom would also love to take the children on a vacation to Australia. The couple have not been able to go since they were married, in 1995.

Tired of their constant struggles over money, Melissa would like some advice on how she and Tom can collaborate more on managing their finances. "We get along so well in the rest of our life. But when we talk about money, Tom always ends up in charge, and I end up feeling like his student," Melissa explains. "We've come so far in recent years. We own our own home and have most of what we need. I just wish we could enjoy it more."

"When I met Tom, he taught me how to live within my means. While that has been helpful, learning to limit myself has been a huge adjustment."

Melissa, who works part-time so she can spend more time with the children, helps Clara with an art project.

HERE'S WHAT THE ADVISERS SAY:

Their Relationship

ADVISER: Jonathan Rich, a clinical psychologist in private practice in Irvine, California, and the author of *The Couple's Guide to Love & Money* (New Harbinger, $19).

OVERVIEW: Tom and Melissa are a strong couple, but Melissa is giving up too much responsibility and control to Tom. They need to learn to function more as equal partners.

1. Don't make it Melissa's problem. When couples have trouble with money, it's common for one partner to be identified as the one with the problem. But Melissa isn't the only one to blame. Tom may need to feel in charge and be reluctant to relinquish control.

2. Share the money management. To create more parity, Rich suggests that Melissa and Tom start splitting the bill paying. For instance, one could pay all the household bills, while the other could supervise all the bills relating to the children. "They can work more as equal partners, and Melissa can feel more confident and comfortable about copiloting the ship," says Rich.

3. Discuss the big picture. The couple should brainstorm about their future as a family: Does that include college for the kids, vacations, or a move? Then they should sketch out how they can accommodate those desires in their budget. These discussions will help them feel more connected.

4. Beware the pitfalls of the past. As the analytical, unemotional one, Tom has functioned as the teacher, and Melissa has been the student. "This dynamic may bring up some of the same fears and frustrations that she saw when her mother interacted with her father," Rich says. If Tom and Melissa can start being more open about their feelings—both positive and negative—when they discuss money, they can avoid reproducing the dynamic of Melissa's parents. Says Rich: "It's possible to express negative feelings in a loving, supportive way, and the process of doing this would help to increase the level of intimacy between the two of them."

5. Check in often. The Moores should begin talking regularly—once or twice a week—about expenses so that tension doesn't build up around the topic. Melissa says she would feel better if she didn't have "a stash of receipts" in her purse, and Tom says he'd feel more relaxed if they could stay on top of their budget better.

Their Money

ADVISER: Jill Gianola, owner of Gianola Financial Planning, in Columbus, Ohio, and the author of *The Young Couple's Guide to Growing Rich Together* (McGraw-Hill, $13).

OVERVIEW: Melissa and Tom's commitment to saving for retirement and living within their means is admirable. But they need to more adequately balance their short-term goals of decreasing their stress over money with their long-term goals of saving for the children's college costs and their own retirement.

1. Free up some "fun" money. Investing in their relationship is important, too. Gianola recommends combing the family budget and looking for small savings, then using that money for monthly dates or pottery classes. The Moores could look for slack in budget categories such as clothing, household items, and gifts.

2. Create a no-questions-asked fund for each partner. Gianola recommends that Melissa and Tom institute a personal-cash stash: Every week, each one could withdraw a certain sum from the ATM—"even if it's just $20"—to spend however he or she chooses, with no need to justify the purchase to the other. Or they could open separate bank accounts that they fund with a monthly withdrawal from their joint checking account.

3. Put retirement first. The Moores should begin gradually to increase their retirement savings to 10 percent of their income from the approximately 4 percent they currently earmark, a goal many retirement experts recommend. And retirement savings should always come before college savings. "There are lots of ways to pay for college, but you can't borrow money for your retirement," Gianola says.

4. Open Roth accounts. Each should open a Roth IRA with a minimum contribution of $50 a month to replace the money Tom currently contributes to an Australian retirement fund. Roth IRAs are particularly useful for parents because they increase retirement savings without jeopardizing financial-aid eligibility. While the earnings must stay in the account for retirement, the contributions can be withdrawn after five years penalty- and tax-free, and can be used for college costs. And Roth IRAs are not considered when colleges evaluate parents' assets to calculate financial aid. ■

Additional reporting by Lisa Ann Smith.