



Wedding bells and bills

Planning a wedding can be exhilarating...and expensive. Here are some suggestions to help ensure the big day doesn't undermine your long-term financial plans.

“Wedding bells and bills” is the first article in a new series that explores the financial impacts of pivotal life events. Watch for more articles on life events in future editions of *Solutions*.



Every year, about 160,000 Canadian couples exchange “I dos” in front of family and friends.¹

During the months leading up to the big day, many nearly-weds have their first experience managing a big budget. After all, according to a recent national survey, the average wedding in Canada costs more than \$30,000.²

That cost may be borne by the couple, by their families or by some combination – but any way you slice the cake, it’s a major expense. Depending on the number of guests, the location and a myriad of decisions made along the way, a wedding can cost more than a car or even the down payment on a home. And, as with any major investment, it’s important to make sure the expenditure doesn’t have a negative impact on your future financial security..

Start with a realistic budget

The wedding industry is at least a \$4 billion business in Canada, and about one in four Canadian couples put between \$30,000 and \$75,000 into tying the knot.³ The fact that 75 per cent of surveyed brides acknowledge they are likely to spend more than they expected to on their wedding⁴ underscores the importance of starting out with sound numbers.

However, many couples have no idea how much the various elements of a wedding typically cost. Initial budgets are often “plucked from the sky,” says Karina Lemke, a wedding and event

planner based in Toronto. “If [a couple’s] budget is low based on the type of wedding they want, then often we need to have a very serious talk on what to do – either raise the budget or scale back the wedding.”

The key is to prioritize, says Genève McNally, founding planner at DreamGroup Productions in Vancouver. “You can’t have everything when you are working within a budget, so sit down together and discuss what your top priorities are for the wedding. If family are involved, ask them what’s important. Allocate a realistic amount of money to those areas first and, from there, determine how much you have left to spend on the additional wants and luxuries.”

Clarify who’s paying – and how

“Anxiety over the budget is the number-one stressor when planning a wedding,” says McNally. That’s why it’s important to know who is contributing what, and to set some ground rules from the beginning.

According to Lemke, “Whoever is financially contributing to the wedding gets a say, [so] there has to be a very clear discussion at the same time that the gift is received to say, ‘Okay, well, thank you – what is important to you?’ And maybe decide at the very beginning who gets a say in what ... Don’t accept the gift if you can’t live with the strings.”

^{1,2,4}www.weddingbells.ca/planning/wedding-trends-in-canada-2015 ³www.ctvnews.ca/w5/w5-the-ballooning-cost-of-modern-love-1.1675520

If you're contributing to a wedding budget, whether your own or a family member's, plan where the contribution will come from. Will you take money from a savings account or cash out investments? Borrow from a credit line or put major items on a credit card? Consider how quickly you can recoup withdrawals from long-term savings or repay any wedding debt.

If you're expecting a return on your wedding investment thanks to lavish cash gifts, be cautious. Some guests will give more; some less. It's best not to rely on a windfall that may not materialize.

Don't leave things out

Lemke says that many couples don't include three of the biggest-ticket items in their wedding budget: the bride's dress, the rings and the honeymoon.

"Those are three very elastic figures," she points out. "The dress could be anywhere from \$2,000 to \$10,000. The rings can be anywhere from a simple band for \$600 to diamond-encrusted loveliness for tens of thousands... The honeymoon is \$4,000 or up... That's a significant amount of money to be pretending doesn't exist. Yet, time and time again, those three things are completely not considered to be part of the budget."

The advantage of including everything is, of course, that you get a full picture of costs. This puts the wedding in perspective alongside your other financial commitments and goals. You can



TAKE IT ON THE ROAD

A destination wedding can be a cost-saver – if you keep the number of guests small. Remember, says Lemke, "You're paying for your own travel, for everything that you need to set up the day, for the meal ... That all-inclusive meal is not included for a wedding." Furthermore, there's no expectation for guests to give gifts since they're already incurring significant costs to get to your wedding.

If you're considering getting married outside Canada, carefully research local laws related to marriage and divorce, and any specific requirements that must be met by the engaged couple. Also, Lemke suggests thinking beyond all-inclusive Caribbean resorts. Buy out a well-placed restaurant in the Bahamas for all the charm of a beachfront setting without the requirement that guests stay for a whole week. Or rent a castle in Scotland – where, she says, wedding packages can start at \$25 per person. Just bring boots in case it rains.

decide if the event is worth the number on the page, and whether you're setting yourself up to start married life on a strong financial footing.

"Some people really want to spend the money on the wedding, and that's fine. But I do say consider your whole life, not just that day – if you want to buy a home together, if you want to travel together," says Sandra Morrison, a consultant at a high-end bridal boutique in Toronto. "If you have the money and you always dreamed of a big wedding, then go for it...but if you don't have the biggest budget and it's causing you unhappiness, it's not worth it."

Lemke adds, "Managing my clients' expectations while being mindful of their financial situation is a large part of my job...If it's not manageable for them financially, we try to design a wedding plan for them that will be beautiful and amazing, but will also not cripple them financially."

Include a contingency fund

Within a budget, you have the flexibility to go over in one category while cutting back in another. As long as everything stays in balance, making trade-offs is fine.

Lemke recommends setting aside a contingency fund of between \$2,000 and \$5,000, depending on the overall wedding budget. This money helps cover unexpected expenses.

"I often say that planning a wedding is like renovating a house," she says, noting that it's always a good idea to budget for extras when embarking on a renovation. "You want to be

aware of the cost, but also be aware that there are sometimes hidden things that you hadn't factored in."

Strategies to help trim costs

There are many ways to save money when planning a wedding. "The number-one thing would be your guest list," says Morrison. "Think about whether you need your cousin's cousin at your wedding... You might want to limit it to your closest family members and your closest friends."

Limit the size of your bridal party too. Lemke says that in the past year she's worked on half a dozen weddings with sixteen or more attendants. The cost of gifts, flowers, hair and makeup for each can add up quickly.

Morrison adds that the time, day and season can also make a big difference – so instead of a traditional Saturday night reception during the summer, consider a daytime wedding, a Friday wedding or a winter wedding. You'll save on more than the venue – vendors from photographers to musicians may offer better rates for off-peak work.

When it comes to the dress, consider skipping the beadwork and metres of extra fabric. "A really simple, nice gown, more fitted, can be really beautiful and you'll save a lot of costs with just the style alone," Morrison says, adding, "If it has a corseted back you can save on alterations. [Also] you can have that extra burger and let it out a bit!"

Overall, McNally says, "Mainstream is almost always going to cost more. Vendors with flashy ads who are in demand will naturally charge more than the underdog who is perhaps just starting out or does not have the means to invest in a larger or more formal marketing presence. Be careful,

though! There are some areas where experience is worth the investment.”

If you are looking off the beaten track, don't assume that a do-it-yourself backyard wedding will necessarily be cheaper. When you have to rent everything, set it up and take it down, the costs can add up. Morrison suggests a venue that already has tables, chairs and a kitchen but is less formal than the traditional banquet hall – say, a lovely restaurant with sentimental value to the couple.

Perhaps most important, when looking for ways to cut costs, don't skimp on the things that McNally says are the top priorities for many guests: substantial food and drinks and enough seating.

“A smart couple will put their guests' comfort and needs first,” she says. “Attending a wedding is expensive, with new outfits, babysitting arrangements, gifts, transportation [and] accommodations to account for. Be considerate. That's more important than a bigger centrepiece or chair covers.”

Speak with your advisor

A wedding is a special moment in the lives of a couple and their families, and it deserves to be celebrated in style. That said, the celebration shouldn't become an unmanageable financial burden to anyone. If you or your children are engaged, talk to your advisor about the best ways to handle the expense without compromising your other financial goals. Consider completing and taking along the attached worksheet, which will help you calculate costs and plan financially for the wedding. ■



FIVE WAYS TO HELP STRETCH YOUR WEDDING BUDGET

- 1. Borrow where you can.** Ask around for jewellery, accessories and even venues if you know someone with a pretty backyard or farm.
- 2. Rent where you can't borrow.** If you don't particularly want to own (and store) a wedding dress forever, consider renting; accessories and tuxes can be rented too.
- 3. Look for the deals.** Take time to comparison shop, check out sample dress sales and identify experienced but still up-and-coming vendors that are eager to compete for your business.
- 4. Delegate to willing hands.** Talented family and friends may be able to provide services as their gift, making bridesmaids' dresses, baking the wedding cake, arranging flowers, or serving as photographers, musicians and DJs.
- 5. “Register” for your honeymoon** – but be aware that not all guests want to be part of a group gift.