

- ♪ So here we go again ♪ ♪ Here we go ♪ [Narrator] The following program is not intended to be legal, financial, or investment advice. The program is intended to be strictly educational. The opinions of those appearing on the program are those of the subject and not of My Secure Advantage, Inc. For any individual legal, financial, or investment advice, please contact your legal or financial adviser.

- [Vivian] Welcome everyone to today's webinar, Controlling Spending: Part One of Four Ways to Rebuild Money Confidence. We are currently on week seven of quarantine, unfortunately, but today we're gonna talk about just rebuilding, and rebuilding that money confidence to help you to move forward. Before I get started, I want to quickly introduce myself. My name is Vivian Perez, I'm one of the money coaches here with My Secure Advantage. Certified Financial Educator, Certified Credit Counselor, licensed financial professional. Been in the industry now close to a decade and I love this work because ultimately we can help people get from where they are to ideally where they want to be. And I'm being joined by my lovely co-host today, Tiffany Willis. Hi Tiffany.

- [Tiffany] Hi Vivian, thank you so much. Always a pleasure to work with you. I am Tiffany Willis, I'm a Financial Wellness Specialist with My Secure Advantage. I started my career in the financial industry in 2001, working the federal funds market before teaching college-level economics and personal finance for 11 years, and then I became a money coach. I really, really love helping people, especially helping people without a grade attached to it. So, we are so excited to bring you this presentation today. Just before we get started, we're gonna go through a couple of housekeeping items just to make sure that we're all on the same page for this webinar. We're going to stop sharing our webcam, just to preserve the audio quality, as many people, you may know, are working from home now, so there's a lot of pressure on the internet, but we will come back visually at the end of the presentation. If you have a question, go ahead and type your question into the question box. Please do know that unfortunately we won't be able to handle every single question, as some questions really are very personal and at that point, we would really recommend that you have an appointment or set an appointment with a money coach to discuss your personal question. Also, we have, this webinar is offered to many employers across the United States, so we won't be able to give any type of investment advice. That you want to talk with your financial advisor or maybe your financial planner about. So, if you don't find that your question was answered, you might want to go to our My Secure Advantage web page. We do have a Frequently Asked Questions blog, updates that we're getting from the COVID-19 crisis, and we have posted answers to our most frequently asked questions there, so you may just find that your question is actually answered there. So, please feel free to type in the questions and we may answer them even as we go along. Next, if you have missed anything, no worries at all. You are going to get a copy of this webinar in your email in the near future so that you can go back and listen to it at your leisure. This webinar you may want to listen with your family about 'cause we've got some great tips on communication, so don't worry, you'll receive it in your email. Last, we want to make sure that you know your opinion definitely matters to us. If you've been with Vivian and I, and earlier we had tests in these webinars, we have been doing these webinars for about the past four weeks and we're going to continue for the month of May and really updating each series as we move along. We take your opinions and your survey answers and we create the webinar for the next week, so please make sure to answer that survey. We will incorporate those ideas into next week's webinar. So, what are we going to do for this webinar? We're going to start a four part series on ways to rebuild money confidence. Now, I think the key word is here is that emphasis on rebuilding. This pandemic has really shocked us on a global, from a global perspective. So, what we want to do is find a way to rebuild money confidence if we have to go into a new normal, and so one thing that we like to do is kind of build on pillars and these pillars that we have are ways of controlling spending, managing debt, prioritizing savings, and maintaining excellent credit. So, today we're gonna work on controlling spending because no matter how much money you make, the foundation of financial success is the ability to control your cash flow. Next week we'll work on managing debt and the importance of controlling how much you have going out. I always tell my classes, the debt payments you make are revenues for someone else and so when you're making debt payments, ask yourself how much you want to go in revenues to someone else. Prioritizing savings, making sure you've got enough liquidity to stand in case of an emergency. And last, maintaining excellent credit, we'll end with at the end of May. So, we really look forward to hopefully keeping you along with us as we work through this series. Vivian's gonna walk us through the agenda.

- [Vivian] Thank you, Tiffany, and it's so true, we've definitely been all shocked of what's been going on with this pandemic, so hopefully today in today's agenda and what we're gonna discuss, it can give you some

ideas, some tips, things that could help you to continue to just tighten up and just feel better around your finances. We're gonna first start off with the priority goals. From there, we're gonna jump into facing your challenges. And then talk about finding a balance right now, figuring out what the choices for you are, to then looking and reconstructing your budget. And then lastly, we're gonna wrap up with tips to stay the course. And when we talk about priority goals, you know, a lot of us, being with this whole situation that has happened, it really has changed the idea of like, what's really important to us, and I know that for financial planning, everything really boils down to the bigger picture, right? We always talk about, think about everything that you want to create, right? So, looking at what are those bigger goals that you have or even if it's goals that you have for the next couple of months, right? So, really thinking about, like, what's really important, the bigger picture for you of, like, I want to feel comfortable around my emergency fund and have something to always fall back on or getting rid of some of the consumer debt that you may have or paying down student loans, so you want to think about just what is the personal priority goals for you that you want to work on, right? And thinking about just how that all plays into that bigger picture that you're trying to achieve. And you will see that now that you're paying more attention to these things, then you can get them done. I was joking with Tiffany just a couple days ago and you know, I know for myself, not that it's a priority but when I'm like set on the shiny shoes that I want I work harder, I do whatever I need to do in order to get it done, so you want to have that kind of mindset because there's something about just thinking about the goals and the things that you really want to accomplish. It has to be that important to you so that ultimately now you start having a different energy that almost makes you a little more aggressive to make it happen. So, think about like, for yourself, considering what has happened over the last couple of weeks for you, think about what's the most important to you. We talked about the Joneses a couple of weeks ago and we're gonna actually work on their scenario today again but in their case, these were the three things that they were really considering and wanting to work on. These were the priorities for them. So, you want to think about what are the priorities for you so that then you can start back engineering and working the numbers to make it all happen, okay? Now, when it comes to challenges, we all have challenges. I am one of the first to say, you know, different things have come up throughout my lifetime that I'm like, goodness gracious, I wish that this didn't happen 'cause then I could have really achieved my goal. So, you want to take a look at what's keeping you from your goals right now. You know, whether it's temporary income. Maybe there was a layoff in your household, right? Or maybe there's a low credit score, so maybe you might be having a challenge around refinancing some of the loans that you may have. Or it could be just habitual spending. You know, hopefully right now, with the last couple weeks because we have been in quarantine, hopefully you haven't still had those habitual spending habits but ultimately, you've gotta take a look at what's not been working for you or the fact that maybe there was no savings in place and that kind of threw your family off right now to sit here and take care of some of your expenditures, right? So, you want to take a look, not from a judgemental place where you're being hard on yourself but more like, let me identify what that challenge is because then once I can identify what that challenge is, then I could look at how can I work on cutting these things out so that I could really achieve my goals and nothing is really standing in my way, right? So, think about that for yourself. Like, what are some things that are not helping you right now, right? So that you can then start working on those things as quickly as possible. And from here, now Tiffany is actually gonna help you kinda think about just finding that balance.

- [Tiffany] Thank you so much, Vivian. When you were talking about habitual spending, I thought about myself and my grocery shopping through this pandemic. I noticed that I have gotten really off target. I kind of, I think I'm using the grocery store as kind of my social place Right?

- [Vivian] Right.

- [Tiffany] 'Cause I get to talk to other people and so I'm losing sight and I find that every time I get to the register, I'm always shocked. And so, something really simple, like you said, acknowledging that you do it. I need to acknowledge that that is a habitual spending place for me and maybe just go back to basics and go with the list, so

- [Vivian] Right.

- [Tiffany] Thank you for reminding me of that. Now, finding balance. You know, I really thought I was kind of raised in a household, you work, you pay the bills, that's success and that's it. But I think that there is some ways of just introspection to think, you know, are we really happy? Is our money going in the direction

that we want it to go to create the life that we want? And I think in this pandemic, it's okay to acknowledge that this might have led to some anxious feelings about your finances. And so, we need to find a way to find balance, to strike that balance between our goals, our wants, and what helps us to achieve financial security. So, in our example that we're going to work with, if you haven't been with us before, we've worked with this family before, otherwise know as the Joneses here, and in this case, one spouse is unemployed due to this pandemic and so the first thing we want to do in terms of finding balance and a budget is acknowledging which side of the budget has the uncertainty. The case for this couple is the income side has some uncertainty here. So, oftentimes when it comes to budgeting, a lot of people think expenses, expenses, that's what I can control, but when there's income uncertainty, you want to acknowledge the other side and in this case, we do. We don't know if the unemployed spouse is going to go back to their regular employment at their regular salary. And in that case, if that has happened to you or it's happened to your spouse, you really want to take a full scope measure and evaluate how has your industry been affected by this pandemic? Working in the hospitality industry is much different than working in the auto industry or the corporate industry or any other industry, so you want to take a full scope measure and acknowledge that income uncertainty and kind of think about, okay, what are the prospects of returning to that same type of employment after this pandemic is over? Another thing is to recognize, like Vivian and I were just talking about, what are our money habits? And this is acknowledging the how, meaning how did we get to this place? We all kind of know our financial weaknesses but those don't just pop up overnight, right? Those have been created as a result of different habits and sometimes those habits were automatic. Sometimes we brought them in from a childhood or a from another relationship or whatever that may be but it's acknowledging the how did we get to this place and is that serving my best interest and my goals? Next, we want to enjoy life while saving money. I had a great class, it was actually in New Orleans, and a nice young lady talked to me about cutting everything off and she did, she cut off everything. No coffee, no date night, no entertainment for the kids. And she cut off everything and she said, "My life was miserable." She said, "My husband and I argued all of the time, "my kids were arguing with us," and she said, "It was just horrible." And I think there should be something said about finding that balance between yes, we want to enjoy life. The great thing about this economy is there's many different ways to do that, to enjoy life at a cheaper substitute kind of price and still work on your goals, so we're gonna talk about that in this presentation. And last, that's all going to lead to creating the budget that works for you. That's what budgets should do. So, how do we create a budget? Here's some tips that we have for creating a budget. The first thing is find an accountability partner. Now, this can be tough because it can be easy to just say, okay, my spouse, you're my accountability partner, but if I've married my financial opposite and they're going to do more judging than objective accountability, then I may have a problem there, right? So, the first thing is to find an objectable partner, someone who can be objectively accountable for you. Sometimes the spouse is the best fit for that and sometimes they're not, so you just want to properly be able to assess that. If your spouse isn't, I think that that's a great opportunity for the money coach to get involved. You can set up an appointment with your money coach. Oftentimes you can have your spouse in on those phone calls and it's a quick 30 minute check in phone call where you don't have to worry about anyone judging you. All you have to do is discuss and talk and sometimes I acknowledge that money is not all of the time about just numbers and dollars and cents. Sometimes it is qualitative. The money coaches can talk to you about what qualitative habits can help you create the budget that leads to your own financial success. Second, you want to set a new direction. Vivian is great at telling, she reminds me every week and we sat next to each other in office as well, about telling us that money is just money. It doesn't do anything for you unless you give it a direction and where you want it to go. So, that takes a full assessment of what has gotten me here, what habits have led to this current condition, and where do I want to put it so that it is now fulfilling what I want from it. Next is deciding what tracking app is going to be best for you. Now, there is so many budgeting apps. We get this question every single week about what budgeting apps do we recommend and Vivian and I have said, well, you know, we're kind of old school. I like to write things down. Something for me, writing it down clicks it into the brain. We've talked about spreadsheets. But I do want acknowledge, of course, there's a ton of budgeting apps. So, what should you do? I say look at a couple of questions and see how you would answer a couple of questions. What type of budgeting app is going to motivate you to actually go back and track? Do you want a budgeting app that just tells you you're running a low balance? Well, that's great, but where did my money go, right? Do you want a budgeting app that you give it a goal and it tracks your progress to the goal? Do you want a budgeting app that gives you investment advice as well as tells you where your money is going? Do you want a budgeting app that is free? Because some are free, then some come with cost, and then some are free but they come with strings attached. You have a ton of ads, et cetera, all of that. So, ask yourself whether that's going to motivate you to be able to go back and actually

track, serve your best interest, and is it something that you're going to want to go back and do. I have downloaded plenty of budgeting apps and they've been on my phone forever without any data. If you find yourself in that predicament, really weigh the cost of it for you. And this is very important, communication, so key. Getting your house on the same page. I get sometimes a lot of clients tell me that this part is the toughest part because it does involve a certain vulnerability to talk to your spouse or talk to your children or the other members of your household about where you want to go, what's the current position, and how do we all team up and get there. If you think you need any help with that and you have access to the My Secure Advantage benefit through your employer, take a look online on the website. We have some on demand courses. You might see a familiar face and hear a familiar voice there on raising money-savvy kids, right? But that communication is key and we're gonna talk a little bit later about how to best have those household money talks. And now, let's get to our example. Vivian, let's get to this budget.

- [Vivian] Yeah, and you know what's interesting too, Tiffany, and I don't know if you've experienced this in these last couple of weeks but for me personally, I have a lot of my circle, like my friends and family, who have been actually a lot more transparent and vocal around finances which, you know, a lot of times people feel like it's kinda taboo, like, you don't talk about money, you don't talk about your money and what's going on in your household, right?

- Um-hm.

- But I think that with this situation, because so many people have been impacted over the last couple of weeks, people have really been voicing out their frustration, they're just, you know, there are questions around just what to do now, so it's actually really healthy, even if you're feeling frustrated or whatever it is that you're feeling, to communicate that because that's how you start then, like we're talking about today, just rebuilding, right? 'Cause then you can talk to people that, you know, we talked about it last week, but you can talk to people that have had experience in these kind of situations where there have been either economic downturns, pandemics, so on and so forth, because they come up ever so often, right?

- Right.

- And just how to better deal with this situation, right? And I feel like, you know, this time also has brought out a lot of creativity for people, right?

- [Tiffany] Right.

- [Vivian] We figured out a lot of different things that, you know, I was talking to a friend yesterday and I was just like, "Man, if this would've happened maybe 10, 15 years ago, you know, "how would we all be communicating with each other?" You know, we're so lucky that we have these opportunities now to do like these type of presentations and have social media and things like that, but we're getting really creative, even on a, you know, maybe we're not able to go out to dinner but I've seen people grab their takeout and go to the park and sit down and just conversate and have lunch, you know? So, people are doing things differently now and it's opening up a lot of new doors and avenues, which I think is a great thing about this time right now.

- [Tiffany] Yeah.

- [Vivian] But getting back to the topic at hand. You know, we talk about the Joneses, you know, and just this budget that they've been working on, right? And when we're looking at our own budget, we always want to start with the income, taking a look at what is actually coming in, and doing our best to maximize our income. So, making sure that we're getting the most that we can on a monthly basis, you know, to then take a look at our expenses and breaking those expenses down. We typically have the fixed expenses, which those are the ones that we know are coming in every month, nothing changes, it's consistent, and then we have our variable expenses, that those can fluctuate throughout the month, right? And so, most people don't have issues with their fixed expenses, it's always the variable expenses. Why? Because they fluctuate, they change, but if we know that we have a consistent rent amount that we're paying, like, we already know that and it's not changing. Same thing with some of our other payments. If we know that that's the number, then that's just what it is, right? But variable can be tricky for us, right? So, we're gonna examine, you know,

especially entertainment because entertainment is one of those expenses that really are the kickers for us because, you know, part of what we've been talking about, we want to have a social life, we don't want to limit what we're doing, you know? So ultimately, with entertainment, it can be one of our biggest expenses that we have, right? And so here, we're looking at just some typical entertainment expenses. Video game subscriptions or maybe any type of subscription. Golfing, which, you know, is a big sport for a lot of people or just even for relief, you know, people do some golfing, right? And then other streaming type of services. You know, I looked at my own budget and I was like, whoa, I'm paying so much on Hulu and Netflix. When it all adds up, it's like, whoa, I'm spending a lot of money on this stuff. So here, what we're doing is we're gonna be a little bit more strategic and cutting down some of those expenses and kinda looking at how we can maximize but still be able to have our lifestyle, if you will. So here, instead of spending \$250 on golfing, we cut it down to 150, right? And just that's the idea. The idea is to see, how can we cut back on expenses as much as we can with still having that balance that Tiffany talked about, so that we can feel comfortable with our monthly budget. We don't want to sit here and spend every dollar but we don't want to sit here and eat ramen noodles either.

- [Tiffany] Exactly! And you know what I like about these entertainment expenses here too, because I even, when we brought this up to our manager, Mike Hackett, who does the 12 o'clock webinar on investing, and he saw golfing and I remember, he was like, "Oh my goodness, are you guys serious?" And I am in Florida so we golf here. I mean, even my daughter, my nine year old, has gotten involved in golfing, so I say we're not attacking the golfers here but one thing I noticed about the 250 dollars in relationship to the 330 dollars is that 250 dollars accounted for 75% of the cost of entertainment. And so, you have to look at weighting in each category in your budget as well and then kind of ask yourself, am I willing to cut this down or if, for other reasons, it is gonna stay, maybe I look at some other part of my budget, check the weighting in each kind of subcategory and see how it represents the total and here we have 75% of the entertainment budget going to one area, so it makes it a little easier to focus there on the cutback.

- [Vivian] Exactly. It's all about finding that balance and ultimately being creative, you know, looking at ways that you can cut back on some of those variable expenses but still be able to enjoy your life. I agree with that.

- [Vivian] Yeah, yeah. I had a gentleman, I was at a store, I was shopping and he was buying something for his clubs or something and we were talking about you're supposed to be social distancing and he gave me a whole thesis on how golf is social distancing and all of that, so for you golfers, you can keep on. Just a little bit less.

- Right.

- [Vivian] Yeah, and so on top of entertainment expenses, we have the irregular expenses, right? So, that's another one that a lot of people don't realize, that it's one of the things, it's almost kinda like a blind spot because if you're not planning for them, if you don't have that cash available and it comes up, then it's so easy to sit here and put yourself in debt. And we typically say that if you're not including your irregular expenses in your budget, you really don't have a complete budget, right?

- [Tiffany] That's true.

- [Vivian] You want to think about, like, what comes up throughout the year? What comes up throughout the year that you haven't been so mindful of but you need to start incorporating into your budget, right? And then once you figure out, like, what that looks like, whether they're quarterly expenses, biannual, annual, you list them all, you total everything out, and then you divide that by 12 so you can get an idea of how much you need to set aside monthly to build that irregular expense fund. You want to have a separate savings account, in my opinion at least, you want to have a irregular expense savings account that is separate from like your emergency fund, separate from anything else so that you can really monitor that money in there, so that as things come up throughout the year, instead of sitting here and being surprised, that you're prepared and you have that money available in that savings account. You want to think about that in looking at your budget, that part of your expenses, that that category is gonna make a huge difference so that you don't put yourself into debt throughout the year, okay? So, consider that as you're sitting here and working on your irregular expenses. Now, you want to integrate that irregular expense. So,

on the next slide, you want to take a look at, you know, that break down, okay? You know, whether that's a season pass or a summer camp, vehicle registration is a big one that a lot of times people forget about. They're like, oh, the bill, you know? It's happened to me a couple of times. And of course, birthdays. There's so many different things that come up that if you could plan ahead. I always talk about just forecasting, thinking ahead, of like, what are those different expenses throughout the year and even down to quarterly et cetera, so that you can then start cutting things down if you need to or finding clever ways to break some of those expenses down a little bit. You know, we have Groupon, Living Social, there's all these different types of apps now that you can look for better ways to spend on these expenses so that even though you may have 'em, that you could cut them back a little bit, right? So here in this example, that's part of what we're doing is we're cutting back on some of those expenses as well to kinda take a look at, okay, let's do things a little bit differently. Instead of Six Flags, maybe do a camping trip, right? Or maybe instead of doing summer camp throughout the whole summer, that we find other activities, especially because now the kids are gonna be home, so there, just really looking at, are other opportunities, other things that we can do, right? But still, you want to keep the same idea of incorporating these expenses into your new budget that Tiffany's gonna talk about.

- [Tiffany] Right, thank you so much, Vivian, for that because I really think irregular expenses and what you said, if you don't have it in your budget, it's not a complete budget so you have to account for those things that don't occur on a monthly basis. Now, here's what we've done with the Joneses. Now that we have developed some places and analyzed some places that can be cut back, what does their new monthly budget look like? Now, we acknowledge that, especially for the spouse that is unemployed, the unemployment and the CARES Act, we do know that the states are having some time implementing that, so this is kind of in a perfect world but we do acknowledge that that has not been an easy process for most people. But expenses have changed. If you notice auto insurance changed. A lot of auto companies, auto insurance companies, are giving back some of the premium due to less driving and a lot of people working from home, so we cut that by about \$35. You want to check with your auto insurance company to see if that applies to you. Student loans went to zero. Now, this is, the assumption is that they are federal student loans, not private. Federal student loans are in forbearance until October 1st of this year. So, in this case, this family can decide, okay, we know we have one spouse that is unemployed and if we're having trouble getting that money from unemployment and the CARES Act, maybe we stop those student loans for a little bit, there's no penalty or late fees for that, and we pocket some of that to help get us through until those funds can come in. The first thing that we've been hearing from everyone, internal and our clients, is our grocery bill has gone up. We're eating all together in three meals a day and snacks on top of that and I have kids and I tell you, I sometimes think they just eat because they are bored and so, right, grocery bill has gone up. And as we previously discussed, we changed the entertainment expenses, just down by a hundred dollars there, and we've added in the irregular expenses. So, now what do we have? We have a surplus of 983 dollars. Again, notice this is about balance. We didn't cut things down to zero and not give this family a life. We still said, okay, there's some things that they can do, it just may want to be cheaper. We've got to acknowledge what's going on in this household, still give them ways to save and accomplish goals while, you know, going through this pandemic and acknowledging what's happening in this pandemic. So, now they've got a little bit of a bigger surplus here. We're gonna talk about in this series, what are the options that they can do with that surplus and we'll get into that in the rest of May. So, what have we done kind of overall here, in terms of controlling spending to analyze this? I think, first things first, is create balance within the budget. Again, we didn't take the golfing to zero. We didn't say you absolutely can't have any fun this summer. We said, okay, maybe that's a camping trip, maybe it's a different activity, but it's still something that's helping you to find balance. We don't want you to just live and just pay the bills, we want you to be able to find balance and do the things that bring you joy. I can't emphasize irregular expenses enough. Those are the things that happen not on a monthly basis but it may every three months or twice a year or even once a year and oftentimes, I would have clients, I don't know if you have this, but I would have clients just put things like oil change, tune up, and I'd say, "Tell me how you really live," because on my irregular expenses, I know that I have a store that I have a weakness with. I know twice a year there's a semiannual sale and I will through fire to the wind and I, you know, and instead of putting it on my credit card, I was like, Tiffany, it's time you acknowledge that this goes on your irregular expenses.

- [Vivian] Right.

- [Tiffany] You know? So, I say don't judge yourself when it comes to creating that irregular expense

spreadsheet. We have included for this webinar a handout on the irregular expenses, so feel free to utilize it and work with a money coach on how to fill that out and put what you know you're going to do. A budget isn't a budget if you're just trying to fit to imaginary numbers on paper. Do the numbers that you know really create balance for you and help you to live the life you want to live. The household money talk, that's important. We've got the Joneses, they've got two children, and we want to figure out what creates balance for them and then communicate with the children. I've talked about, in the last couple of weeks, that my children have found out about the stimulus last week. One child found out the stimulus check had been deposited and they are a teenager and I'm sure all of us parents on here know what that teenager asked for. Drum roll, please! Boom, it was a , right? And I went, just kind of my mouth dropped, I was like, "You want a phone because you believe "that you've got 500 dollars from a stimulus check?" , right?

- [Vivian] Oh my goodness.

- [Tiffany] And so, we had to have a household money talk about well, my husband talked to me about, well, what's balance here? He knew I'm working on this presentation, he goes, "Well, how would this create balance in this household?" He's like, "This child has been doing everything "you've asked them to do in this quarantine. "They've gotten their grades up." But in my mind, I had already allocated the money towards redoing the patio. So, you know, that was kind of a tough conversation and we found a middle ground there. I think one of the best, after a class I did in South Carolina when we were doing on-site, a gentleman told me one of the best things that I had ever heard about household money and he told me, he said, "Once when I was with my children, "I really just didn't want them to have "the life that I had growing up," he said, "so I said yes to the everything." He said, "I wanted them to have everything that I did not have." And he said, "then they became grown "and they had student loans and they had an economy "where it wasn't as easy to find a job "as it was when I was coming out of college," and he said, "they kept calling home and asking me, 'Dad, how did you do it? 'How did you create this life for us? 'Because I can't do this on my own. 'I can't have everything that I want,'" and he said, "You know what? I wish I would have told them "what my constraints were "as opposed to just saying yes to everything." And I thought that story really stopped me in my tracks because those household money talks are hard to have but what I found out from that gentleman is if you don't have the talk now, you'll have it later, right? So, those are so crucial and so important. Next, again, tracking. Figuring out what tracking system works best for you. Remember, your budget should suit your life, so what type of tracking system is going to help you really get motivated to go back and actually track? And then, last I think is the most important. We have coached many people with high incomes, low incomes, middle of the road incomes, and at the end of the day, and Vivian, I'd love to know what you think of this too, I don't think incomes matter as much, as much as habits, consistency, and discipline do when it comes to financial success. What do you think?

- [Vivian] Absolutely. Absolutely, it definitely starts from the mind and then to the tangible, the numbers, for sure.

- [Tiffany] Right, absolutely. So, how do we put the action plan into place?

- [Vivian] So, that is a great question because we've been doing these webinars like Tiffany mentioned earlier, so you want to continue to attend these weekly webinars because we're gonna keep on diving into the different topics, especially the next upcoming weeks. We have also the ability to help with creating a wellness plan. First you want to look at your own, just what you can do on your own to see if one, if you have a budget in place, and if you don't, take advantage of the budget worksheet that is attached in the handouts on your dashboard, so that you can take a look at your numbers and really start crunching them and making sense of what you have, right? And utilizing the handout for the irregular expenses like Tiffany mentioned too, just to give you some insight of how to plan for those, right? If you still feel like, I don't know if I'm doing this right or I need some more support, you can always talk to a money coach, right? Depending on what your EAP program is or if you have the My Secure Advantage coaching, you definitely want to make sure that you take advantage of it because we have a team here of money coaches that talk about every topic having to do with finances, so whatever that is, there's no limit to the questions that you can ask. We have a great team that can help you with that. So, from there, it's really reaching out, reaching out to your employer to see, you know, what type of access that you have to this program and from there, connect with the coach so that you can dive into whatever it is that you need some support on. So, depending on if it's more around budgeting or debt management strategies or investing and you want to

revisit your retirement plan. Whatever that looks like, you can reach out to a coach so that they can give you some additional support because it's not biased, there is no one selling you anything, it's more about education, teaching you your options, and just giving you some things to work with, some tools so that if you do have to talk to maybe an investment advisor or to your plan administrator, you know the right questions to ask. So, definitely want

- Right.

- [Vivian] to take advantage of that program for sure.

- Absolute.

- Now moving on, just want to remind everyone, a couple of quick, last minute housekeeping things to wrap up is that we have some upcoming events. As we mentioned earlier in the presentation, this was part one, which was more about controlling your spending. The next topic we're gonna cover is about managing your debt. So, we're gonna cover that next Friday which will be May, today's actually May 8th but it will be next week on the 15th. At 9 a.m., We'll cover the managing debt and then in the afternoon, at 12 noon, we're gonna have an investing education class, just How Family Dynamics Influence Investment Goals. So, you want to check out either/or class or both of them if you can, just so that you can stay in the conversation, keep getting familiar with the language, keep learning new tips and ideas that could help you to move forward. Now, don't forget that if you didn't catch everything in today's presentation today, there will be a recording of today's broadcast that'll be available in the next business day, so look out for that if you want to go back, maybe take some notes, or just kind of revisit some of the things that we talked about or just listen to some of the stories that probably you related to, check out the recording next week so that you can have access to that. And then also, in the presentation, once we wrap up here, there's actually gonna be a survey that's gonna basically pop up and just ask you for a couple of thoughts and any opinion, any ideas that you want to share with us, or anything that you want to see more of, so if you saw that, you know, you wanted to talk more in a specific thing about budgeting that we didn't touch on, then definitely let us know 'cause we can incorporate that in some of the upcoming presentations that we have. So, anything that stands out to you, we definitely want to hear from you so that we can continue to put that information into the presentation in the upcoming weeks. And so from here, now we're gonna open up to our favorite part which is the Q&A. I hope you stuck around 'cause this is actually the best part in my opinion, but it gives an opportunity,

- Absolutely.

- [Vivian] Yeah, it gives an opportunity for everyone to just shoot us some questions that are live that we will answer now to help people to kind of, you know, different things that come up but like Tiffany mentioned at the top of the presentation, if they're really personal questions, unfortunately we won't be able to answer those, or if they're like specific investment questions, we won't be able to answer those but it's a great opportunity that you can leverage your money coaching program to reach out to a coach and dive a little bit deeper on your particular case, so that's when it comes to these actual questions. So, we're gonna open it up right now. Let's take a look here.

- [Tiffany] Yep, and I can take a stab at the first one. I do want to just make sure our audience does also understand that we know sometimes when you hear financial counseling or financial anything, it can be difficult to kind of open yourself up and be vulnerable and talk with a money coach about your particular situation but I would tell you from a personal perspective, I mean, I can't lie, I was kind of one of those people that I was like, I know it all, I have a Bachelor's in Economics and a Master's in Finance, I've got it, I don't need any help, and honestly, I will tell you that every single one of my colleagues has made me look at money in a different way. I mean, they have probably become more family than my family that is blood-related to me, so you are in good hands, right? Vivian and I, we sat next to each other and now we kind of virtually sit next to each other every single week and it feels just the same. So, just as Vivian and I are having these conversations, you would have those same type of rapport and conversations with your own money coaches. It's a very beneficial program. So you don't have to be afraid about anybody selling you anything or, you know, kind of trying to get you to go one direction. It's about listening to you and giving you the space and whatever you need to be your best financial self. Our first question is, if you're married, I

think this comes from Iona. I hope I pronounced that correctly, I apologize if I didn't. It says, if you are married, is it realistic to create a budget for the family with your own income or keep it separate? This is a great question and I want to make sure Vivian and I both answer this because I think sometimes it's easy to get into a relationship and feel as if we should combine, we're all one, and then it kind of implodes when people have different spending habits and I always say in relationships, everyone was raised differently when it comes to money. My advice to clients has always been to start out with the discussion of what financial security means to each individual in that relationship and then start off with working on one small goal together, whether that be getting a thousand dollars in savings or paying down debt by a certain amount. If you can work on one small goal together and you're on the same page about how we get there and the techniques and everything, then maybe that kinda opens up the conversation about whether things should be combined or not. In certain cases, in certain relationships, that just doesn't work. It leads to more arguing than not and the number one reason for divorce is actually finances. So, if that doesn't work, don't judge yourself on keeping your accounts separate if that's what works best for the couple, but the joint bills such as the mortgage and the utilities and whatnot is paid and that keeps everyone in harmony, then go for it. Go for it. What do you think, Vivian?

- [Vivian] I super agree. At the end of the day, it's finding what's the best rhythm for your relationship, 'cause every relationship is different, right? But if it works to have your finances separate, just if you're gonna do a budget, just do a household budget, which is just talking about like, what are mutual expenses that you're both contributing to and then putting like how much you're contributing to the household, how much they're contributing to the household, and just having a household budget, and then you can keep everything all separate, you know? And then, the good thing about that is that you could really talk about, like, what are the household goals? And really thinking about, like, what are some things that we want to do? Maybe, you know, part of what a lot of people have been doing lately is home repairs, right? So, maybe you're thinking

- Yeah.

- [Vivian] about some home repairs and things that you want to do and you incorporate that into the budget of like, okay, we need to start setting some money aside to fix the house, or maybe you decide as a household you want to build an emergency fund so that if something comes up, that you have a nest egg to fall back on. So, like really thinking about those goals and prioritizing them to see, okay, how much do I contribute and how much is my partner gonna contribute? So again, like Tiffany was saying, that there's harmony. Because I find, you know, and both Tiffany and I have dealt with it where literally, you know, the two people are like in argument about, you know, "Well, she spends too much," and "Well, he's cheap," and you know, like it winds up being really crazy. But if you talk about, like, what's the common goal here, you know, what does that household budget look like, what are the household goals, you'll have a lot more success if you deal with it on that level because it takes out all of the emotion and the pointing of fingers and really starts to attack, like, what's really important to the two of you. So, I would just say, if you're gonna do a budget, do a household, and if you're considering things that you want to work on, then have a communication about, like, what are those household goals? Always go for the bigger picture.

- [Tiffany] Absolutely, yep.

- [Vivian] Okay, so I have a question here, Tiffany, from Maya. So, the question is, what is the best way to address credit card debt with the current situation? And that's a bit of a loaded question and the only reason is that because with credit card debt and basically the best ways to address it, it really boils down to what your actual financial situation is. In the case that, you know, financially your tight and you don't have the ability to make any payments above what you have, then the best thing is to do the minimum payment or call your credit card companies and basically see what kind of opportunities that they are offering, if they're allowing you to basically not make any payments or they're lowering the interest. You will have talk to them directly to see what they're offering, but if you do have a budget that you have, you know, excess money, then this would be a good time to, you know, maybe look at snowballing. So, basically attacking one credit card at a time. Or it could be looking at consolidation, depending on your credit score. So, if your credit score hasn't been impacted, then looking at some type of consolidation loan, whether it be a personal loan or a balance transfer card, something along those lines. To be honest with you, I'm not a big fan of home equity line of credit. I'm like, that's like worst case scenario. 401K loan, worst, worst case scenario. Try to

use things that are within your credit, so like a personal loan, balance transfer card, or something along those lines, to help you get a better interest rate. The goal is to sit here and cut down the expenses by getting the best interest rate as possible so you could pay it off as quickly as possible. So, depending on your situation, let's say that maybe you fell behind on certain payments and your credit has been impacted, maybe looking at credit counseling or debt settlement programs or, you know, worst case scenario, then looking at bankruptcy. You know, especially with the times right now, nobody's gonna sit here and have any judgment on anybody when, you know, there's been so many people that have been unemployed over the last couple weeks, right? So, that's why I said it's a bit of a loaded question. I would recommend that you talk to a money coach to really explain to them your specific situation so that they can then zero in on what some of those options are and then from there, you can, you know, develop that plan so that you can get yourself out of debt.

- [Tiffany] Right, great answer to that, Vivian. We have a question from Matthew that says, "You mentioned separating savings accounts, "one for emergency and one for longer term. "Did I hear that right and can you elaborate? Matthew, I think what you're talking about is separating savings accounts for irregular expenses. So, what we recommend is having a savings account for emergencies, three to six months worth of living expenses, that is for emergencies, and then having a separate account for just your irregular expenses, so those things that don't consistently come up on a monthly basis. You have an account or I always called it, like, your little pot of gold over there that you can dip into and use for the irregular expenses. The reason I think that that's important in separating those two accounts and creating separate savings for each is because if I have a big irregular expense, let's say my transmission has done something or, you know, that's gonna be an actual emergency. My transmission has gone out. That's going to be an actual emergency. On the other hand, if it's the case that I know something was coming up, then I just need to go ahead and get my money from my irregular expenses, 'cause I planned for it. So, you want to make sure you differentiate between those two and then pull from the appropriate funds, and that's why we recommend separating them.

- [Vivian] Right. It gets a little tricky when you have all of the money combined in one place that like,

- [Tiffany] Yeah.

- [Vivian] What's for what, and then it just, if you can, 'cause especially it depends with your bank that your working with, if you're able to have a couple of savings accounts, that just helps you to see everything a lot clearer, in my opinion. It just makes it easier to manage.

- [Tiffany] Yeah, organization. I think it allows for great organization.

- [Vivian] Yeah, totally. Now, I see a question here from Lee and I think this one is really important. "So, how do you deal with "the emotional component of spending? "How do you increase discipline?" I think this is really important because part of what we were talking about before is that money first is a mental, emotional thing before it's a tangible budget, number, spreadsheet thing, right? So, I think that the first thing's first is acknowledging like how are you dealing with your spending emotionally? Like, are you spending, you know, on eating? Is that the way that you're emotionally spending? So, like really being clear on just how is it that you're spending, so that once you kind of address it, and like how I talked about facing those challenges, then you just take things bite size and think about other creative ways that you can do things so that you're not sitting here, 'cause I think the biggest challenge for people is that they try to change completely overnight when, you know, you've been doing things a certain way for so long that it's gonna take time to change that habit. So, if you just take things bite size and literally just go one step at a time, you'll see the progress over the time. You have to really be gentle with yourself through the process but think about, what is it, how is it that you're behaving? So, if you're spending emotionally, on what? Is it on eating out, is it on entertainment, what is it and is there a different way that you could do it? So maybe, you know, instead of sitting here and going out and doing take out, maybe you use cooking at home as almost kind of like your remedy, you know? Some people say that sitting here and cooking is kind of like healing for them, right? So, maybe doing things just a little bit different and that could help, so just kind of acknowledge what it is that has been working for you, so then you can make those adjustments, and just step by step, don't try to do everything overnight, 'cause we're human, right? So, just take it bite size.

- [Tiffany] Yeah, and thank you for that, Vivian, 'cause I think that that is great to acknowledge, you know, what do I want to change and I tell my clients, let yourself feel the feelings for a moment and then decide if this is something that you want to act on and if so, by how much and when. 'Cause I have tried going, at one time, if you told me to go cold turkey off of going out for coffee, I would have called you all types of names and it would have been very ugly, right?

- [Vivian] Right.

- [Tiffany] It took me some years to get there and so, you can acknowledge that there's some things I'm willing to work on now, that are within my kind of range and emotional range to address, and there's some things that, hey, maybe it's going to take me awhile. Now, very rarely do I go out for coffee but I acknowledge, there was a time where that just, I just wasn't going to do it. So, you have to ask yourself, you know, after you let yourself feel the feelings, is it time to act now? Do you have the capacity to do that now and are you willing to, like Vivian said, take the small steps in a new direction now? And if it's not in one particular category, is it in another category? Where is it within your budget where you're willing to say yes to all of those questions?

- [Vivian] Yeah, that's a good point. There's so many good questions that are coming up, oh my goodness.

- [Tiffany] I know, they're wonderful, right? I'm like, I want to stay on forever.

- [Vivian] Right. So, I do see a quick, well, it's not a quick question but it's a question from Courtney. "With so much stuff to save for between emergency fund, vacation, paying off debt, 401K, investing, it's honestly super overwhelming and we feel you on this one. So, what do you do to make sure that you're accomplishing everything?" I think the biggest thing is prioritizing. So, depending on what's the most important and what's basically coming up in the next couple of months, right? So, look at everything in timeframes, so like how you want to sit here and start prioritizing everything is based on the timeframe. So, if you're planning a vacation that is like a year out, then you have a little bit more time. If you want something that's immediate, like in the next one to three months, then that should be at the top of your list, right? But one of the things that has worked really well for me is automating everything. So literally, out of sight, out of mind. And just look at which is the best way and strategy, especially like with the credit card debt and stuff like that, looking at which strategy you're able to maximize so you can pay it off as quickly as possible. So it's really, that's why the budget is so important. Like, literally everything that you want to do all starts with the budget and how you manage your finances. So, make sure that you're getting the most income that you can out of your paycheck, look at your expenses and see what you can cut out so that you can make more of that money work for the things that are important to you, and then you prioritize those goals, and then you start making sure that the money is going to them monthly so that when you turn around, you're like, sweet, I got my emergency fund done, you know, but I have some money in some investments, you know, so on and so forth, and if that means that yeah, I need to make some extra money to make all this stuff happen, then look at that and just see what works best for you.

- [Tiffany] All right, absolutely. We've got one last question here and I'll take it from George. "what is the best way to communicate to your partner if you're not interested in having joint accounts?" I think with kindness and kind of measuring capacity and that's where you can have some conversations with a money coach. We do have some handouts on relationships and money but I think it's asking them, also your partner, what do you think works best for you? And explaining also, from your perspective, this is what works best for me, and seeing where there's a middle ground. Oftentimes I think we overestimate another person's capacity to feel the same situation like we do, so you may just find that, I found plenty of times where I thought I was gonna have a really hard conversation with my partner, and like yeah, I didn't want to have a joint account with you either. I see you at Bath and Body Works all the time and I was like, oh, perfect, right? So, you may want to actually just kind of brace it with kindness and knowing that they may be feeling the same thing. I always say, curiosity kind of kills conflict. If you're willing to ask questions first, that makes the hard conversations a lot easier and asking them how they feel about money and asking them what tips works best for them and then explaining your perspective, you often find that there's some middle ground there.

- Good story. All right, yeah. So, we have ended our hour. That was fun.

- [Vivian] I know and it went by so fast, too.

- [Tiffany] It did.

- [Vivian] So, thank you everyone that listened in this week. I hope you got some good tips, ideas, and things to help you with your budget. You know, it all starts there so utilize the handouts that we have today so that you can sit here and just better prepare for the next upcoming months. Thank you so much for your time.

- [Tiffany] Yes, thank you. Stay safe, stay healthy, and please stay informed. well, hope you have a great weekend and take care.