Title: Balancing Your Financial and Emotional Wellbeing

>> WILLIAM WESLEY: All right. Thank you very much. We will get into it. My name William Wesley. There's a little bio sheet as we go further along. Before we do that, this is Balancing Your Financial and Emotional Wellbeing -- improving overall wellness by leveraging available resources. We are MSA. I'll tell you about our firm in a moment. This is a very, very important topic. Before the pandemic, many of us would apply for a job and it's salary and benefits and take the job.

After the pandemic, a lot of us have become more aware of the connection of finances and our well-being, the connection of stress and our well-being in our families and our relationships. What we're trying to do with this presentation is sort of tackle two of the most important things. The most important thing is you. But there's this other very important thing called financial matters that help us move through this environment.

So that needs to be addressed. That's what we're going to talk about. We've done surveys. We've encapsulessed surveys. We have done over 1.3 million coaching consultations over the years. We've found some very key things for folks who are managing their emotional and financial life successfully. So let's get into that.

But before we do, just a quick bio. I've been in the financial services industry merely 25 years now. I've been a bank branch manager, a regional investor, and an investment adviser for some of the larger firms on Wall Street. With MSA, or My Secure Advantage, I'm one of the national speakers. I also sit on a team that helps craft the bulk of our content. I'm also an author and I do keynote presentations and I also do presentation skill training for various clients.

Onward. So we'll talk about the five keys. And these five keys -- there may be more keys. But what we've done is encapsulized the major things of people who have financial well-being, being comfortable where you are, making 43,000, living within your means, making 218,000. We coach folks who -- some of our folks make $212,000 and stare at the ceiling because they spend 242.

We coach folks who make 73 and have six months of expenses set aside. My grandmother said, it's not what you make, it's what you spend. When she first said it to me as a teenager I had no idea what she was talking about. As I became a man and a father I really got it. It is a function of what you spend that either solves what's going on, or creates challenges.

We'll talk about the five keys of financial health. Then we'll look at the primary causes of financial stress today and talk about emotional well-being challenges and spend a little bit of time with complementary resources. There's a statement, a penny saved is a penny earned. True, true, true.

Here are the five keys. First, we say the powder blue box, taking control of my spending. That's job one. And the good news about what we are, we are Americans. We have access to everything. The bad news about us is we're Americans and we have access to everything.

So the story is simple. Whatever you make, you need to -- we all need to get our arms around that and say I'm not going to spend more than I make, because that becomes the wheel that begins to turn. It gets bigger and bigger. So we'll talk more about that.

Then we look at my credit, in an environment where many of us have to use credit to buy things. We're not saying get credit, but if you're going to use credit, have the best credit score possible. That reduces the cost of credit.

Then, my protection. When I was 25 years old I had my first daughter. And I took a job at Xerox. And I had great potential, but I didn't have any resources. If something happened, my life at the time and my daughter would pretty much be in a pretty tight state. So I bought a $500,000 term insurance policy that cost about $43 a month.

In other words, I had an estate before I generated the estate. So we talk about protection, but we also talk about plans, like estate planning. These are five keys for financial health or financial well-being or financial comfort saying I understand what's going on in my life. Then my retirement. Statistically, most of you, myself included, will make it to 70 years old.

And statistically, we'll want to eat and live in a place and go on vacations. And what we know is, it's probably going to cost more. If you're 27, 38, 42, you should be setting some money aside for the 70-year-old you. So, build your future, because odds are you will make it to 70 plus. And odds are things will cost more.

Then my game plan incorporates the goals, dreams, and desires. We submit that you can almost do everything you need to do. We just have to do it the right amount. I may have education savings account for my daughter for those 529, I can set money aside, as long as the money is used for her education purposes, there's no tax on the money.

Now, I may want to set aside $198 a month, but my budget may say, at this moment, 43. I do 43. Maybe a few years from now I can get to 57. Then I go from there. I need to craft a budget that makes sense for me to achieve these goals to be incremental over time and increase the contributions so I can get closer to my goals, dreams, and desires.

Here's what we know. 52% -- a year ago, it was 42% -- of adults said money has a negative impact on their mental health and causes stress. The essence of this is simply this. You are you and your money's your money. But we live in an environment and we're conditioned by social media and all of these forces around us to where we judge and we are judged by how we manage money.

And that is a tremendous cause of stress. So if someone down the street buys an $80,000 Tesla, unless you have your mind right in terms of your goals, dreams, and desires, you may want to buy the $80,000 Tesla. That's fine. But does it fit in the budget right now? So, this is a bank rate survey and they found this is a significant cause of stress. A year ago it was 42% and the most recent survey said 52%.

The majority of us are saying money has negative stress. What are some of the sources? One, income insecurity. If you, or a spouse, or someone connected to you financially works in retail or hospitality or something like that, they may suffered a loss of job or a reduction in hours or temporary layoff or whatever. That could be income insecurity. Inflation -- if you've been around, you know that things cost more than they used to.

2022, inflation was 7%. I don't know about you, but I didn't receive a 7% raise. So how do I offset inflation? I cannot offset inflation. But what I can do is say inflation is 7%. Can I cut my cost in my household by 7%? Then inflation doesn't bother me as much.

Now, you folks are working. I'm working. My spouse is working. We are the folks who probably have the ability, if we really hone down our budget, to basically remove some things and reduce our expenses and then inflation doesn't bite us as hard. Market volatility. The stock market long-term goes up. In the short-term, it may shoot up or down. There's always something. It's like the wind.

Is it three miles an hour or 97 miles an hour? It's always blowing. One of the natures of the stock market is it moves. So once you accept that you understand that it moves. So we should not be emotionally attached to the fact, shoot it went up or it went down. It should be this is what happens in terms of the stock market. But it still can be a cause of emotional stress.

Then unexpected expenses. Now and then, something's going to happen that we haven't planned for. We get that. Financial planning says you have an emergency fund dedicated to attack that, from your 401(k). And, of course debt. Many of us don't have the resources to take -- I'm in California -- the $894,000 and buy a new home, not in L.A. or San Francisco, but some of the outlying areas.

We may save 80,000 and ask someone to cover the rest. That's debt. And there's a cost to that. That can be a source of financial stress. And household spending. You have goals, dreams, and desires. Your spouse may look at things differently. That could cause stress. All of these things are pulling on all of us. But there's some good news. And we'll talk about that.

Before we do, why is managing spending so difficult? Because we're bombarded all the time with the fact that we can get anything we want at any time. We have this fear of missing out. We have you only live once. Technically you don't only live once. You only die once. But we have this fear of -- get it now, it's convenient and all of those things.

Social media influences, people pretend to have beautiful lives and some of us succumb to how those lives look. Some of us use retail therapy. Culture and peer pressure, the folks you went to college with may be doing a little better on the surface. You never know anyone's real bank account unless you're married to them.

You really don't know the story. You see them in a vehicle, but what if they're staring at the ceiling all night because they're negative, they're spending more. So, what I have learned, if I've learned anything -- this is not our traditional financial presentation. It's not the block and tackle budget credit debt management investment retirement planning.

This is what is the software that controls or affects our spending, and the psychological stress that comes as a result of when we spend too much. And it's tricky because many of us -- I won't say on the hamster wheel. You get the iPhone 9 and the 10 comes out and 11 comes out and the 12 comes out. That's on the wheel of saying give another 1500 ever year for features that may not be substantially different.

But some of us are on that wheel with technology and other things. We have to say there are some things I need and I'll get. There are some things I may want, but I'm going to have to have the budget that makes sure that makes sense because I don't want to overspend. Overspend is spending more than I make.

Knowing versus doing. Quick example. If you have a brick and mortar bank account, Google the interest rate on your savings account. I don't have a brick and mortar savings account. I mean there's a building somewhere like a B of A, Chase, or Citi Bank. I have an online FDIC-insured bank account. Three years ago I was getting 1.1%. Right now I get 4.35. You can Google what are the highest interest rates online, FDIC-insured bank accounts and see that the average is over 4.5%.

Here's the key. It's FDIC-insured just like your brick and mortar bank account, which is paying some of you now know if you didn't already, .1% or .2 or .5 if you have over $25,000. What does that mean? If you put a thousand dollars in the bank and get 10% that's $100 in a year. If you put a thousand dollars in the bank and get 1% that's $10 in a year. If you get .1%, that's $1 on your thousand dollars.

What is inflation? Last year, 5%. I started the year with $1,000. The year before was 7%, 2022. Last year, 2023, inflation was 5%. If I started last year with a thousand dollars and there was 5% inflation at the end of the year my purchasing power is $950. But wait. I made $1 in my bank account. So this, in terms of knowing versus doing, that says if I can get the same protection, FDIC, the Federal Deposit Insurance Corporation insures your account for $250,000.

If I can go to my brick and mortar bank and get FDIC insurance, or online and get the same FDIC insurance, the premium they pay says if they go bankrupt, you and I get our money back. If it's the same thing, why not get 4.3%? I'm not beating inflation but I'm not losing as much as the person who has their savings in the .1.

You may know this. You may be already doing it. There's a question, what institution is that? I don't give institutions. I will give you Google. Google and pose the question what is the highest -- what are the highest interest rate online FDIC-insured accounts. Or you can go to bankrate.com and they list the highest interest rate online FDIC-insured accounts.

I can't tell you which ones. Just so you know, we're starting to get questions, we don't recommend any one bank or stock. We provide information and then you go out into the marketplace and see what's what. You can go to bankrate.com. There's Capital One, American Express, State Farm Bank, Discover, Ally. They're all over 4%.

In this Google high-yield savings account. If you knew this already, great. You're already taking advantage of it. But if you didn't know, and that's the knowing versus doing. Now that you know, when we finish this session, will you look at this yourself and make sure people you know take advantage of this? I'm not bashing banks, but their business model is to pay you as little as possible so they can make as much as possible.

Can you buy my services? We'll talk about that in a moment. You can't buy my services. I'm one of the national speakers. I travel around the country giving presentations. But go through your employee assistance program and you'll be able to take advantage of what we have as far as a component of our company. And that is coaching.

If you're on this presentation, your company has contracted with Magellan to have employee assistance services that include some versions. We'll talk with your company about that. The market goes up and down. It's always moving. Something's going to happen. The daughter's going to need braces and the copay is 1500. The transmission is going to go out and they'll fix it for 2300.

The only question is did you have the money set aside. If you have the money set aside and something exciting is happening in the market and you have enough, maybe you want to take advantage of something, great. Periodically the market's going to go down. I don't know where you shop. There's Safeway, Albertson's. Let's say chicken is normally 99 cents a sale. It goes on sale for 19 cents. You love chicken. You have a freezer. You can buy ten.

Periodically the stock market goes on sale, when everyone is running around with their hair on fire, like 1987 or 2001 or 2008 or March of 2020 when the pandemic crashed the stock market. Good companies dropped to lower prices. They're still good companies, but the market is on sale. Everyone is screaming the sky is falling. That's when Warren Buffett buy good companies.

You may not be a stock market player, but you may have a 401(k) and the market has crashed and you say I'm going to increase my contribution because the mutual funds in my 401(k) have dropped in price. They were $50 a share, now they're 33. If I go from 5% to 7%, I'm buying these mutual fund shares at lower prices and how do you make money in the stock market? You buy low and sell high.

When is the market low? When everyone's running around with their hair on fire. Then create and stick to a plan. Have some things you want to do. Have a budget and a plan to get there and run calculations on how -- thank you, Melanie. That's exactly right. Run calculations.

Have money conversations. You may have been born into a family that was a spending family. Very little net worth, but you went to Disneyland and did everything. Every time you wanted a new phone your family bought it but there was little liquidity. Your spouse may have been from a saving family. They had net worth. When it's time for the big things, you guys have found each other and you are creating a household.

That's tricky. You love each other, but you handle money different from he or she handles money. And you view money differently. Now, unless you have conversations around how that's going to work, we're going to have two separate accounts and you pay this, or we're going to have one joint about and all the money goes in there. Or you're going to keep two separate accounts for the fun money and have a joint account.

There's not a right or wrong answer, but the answer is whatever makes the most sense for you based on your communication, establishing monthly budget goals, bringing in experts when necessary, using a lot of things like we need to do this or you spent this. And then we do that with our kids. Where do we learn how to handle money or not handle money?

If you were the exception, Mom and Dad would talk about money in the kitchen on Saturday mornings and say get in here, son. I'm going to tell you about budget. If you were in that family you were the lucky one. Most of the rest of us didn't have that. We came out into the world and banged our head against the wall and found don't do that. Now I do this.

If your spouse is sort of like you, you want to be able to have those conversations, learn what you can learn and pass that on to your progeny because they will be the ones taking care of you down the road

and as a parent, we want our kids to do better no matter how good we've done. We want them to do better in these discussions, using things like allowance that teach the concept of budget.
I've given you -- I don't know what you give, my kids are grown. We used to give $20. Let's say $20. I give it to my daughter. You're going to save ten of it. That goes into your account. And you can spend five or ten. We're showing there is some immediate gratification. You can buy this or that or whatever. I don't know what you can buy for $10 now. You can take that and do whatever.
But this other $10 is for the thing you said you wanted. I said if you got to 100, we'd buy it. If you teach them immediate and delayed gratification, we teach them not to be entitled. We want to make sure they understand that money comes from a place. We have a session that talks about money savvy kids.
Emotional well-being challenges -- 2023 Gallup poll said that 44% -- different folks say different things. I think you get the idea. This is a huge thing. Workers said they experienced a lot of stress the previous day and the report noted external factors such as inflation and family health contribute to daily stress. These things were so interrelated it's amazing.
If you're super stressed financially, it is going to come out as a health issue. Chronic stress leads to your body saying that's enough. I'm going to hit you with headaches. We've got to stop this. Or that's enough, I'm going to make you so lazy it's going to -- not lazy. You're going to become depressed because I have to shut down.
Too much stress. Or you're going it start drinking every day so you can ease the pain or begin to change how you are. Before I used to be more easygoing, now you snap every time. Whatever it is, there are tons of manifestations and relationships that have been dissolved as a result of financial stress.
So, let's get into it. Oops, I hit the wrong button. I'm not going to spend more time on the survey. We've already said these problems can lead to all kinds of things. Getting stuck. Look at her earring. Getting stuck can happen at any age. You can be 38, 59, 83 where things become too much. And the good news is there's professional help. There's financial help. There's help through your EAP.
You do not have to do it alone and you are not alone. There are millions of Americans. Every February there's a survey. The survey says, at least last year, 40% of all Americans could not put their hands on a thousand dollars in a financial emergency. These are not the unemployed. 3,000, that is a huge number. If you're under that kind of stress, paycheck to paycheck, CNBC survey last year, people making between 2 and $300,000 a year, 36% are living paycheck to paycheck.
I'm just pointing to the that account that hopefully if you're under financial stress, it can be dealt with. If you're under financial stress, you're not some weird one-off. There are millions of folks under financial stress. The big news is you have resources. I'm flipping through these because I've given you an overview. It could be student loans, buying a house. Sandwich generation -- since a lot of us are living longer and we may have parents or grandparents who are in their 70s or 80s and we now become the primary caregiver.
They may be healthy but they're living with you. You may have kids who are minors. Everyone looks to you for what are we going to do. Where is the money for this or that. Disability can throw you off. Supporting adult children. There are millions of adult children who graduated after the pandemic and now they're living with a parent. Loss of a loved one, new baby, caring for aging parents, all of that.
How do you leverage these resources to make sure things happen? You and your company have benefits. There are counselors, there's money coaching. That's what my firm does. My Secure Advantage. Money coaching, unlike financial advising, money coaching stays 100% in the objective space. We provide financial information.
So, you may have an investment adviser who's told you, Joan, you need an annuity, which is an insurance contract guaranteed to pay your lifetime income. We're not going to tell you whether or not you need an annuity when you call to talk to one of our money coaches, but we will give you the pros and cons of annuities.

So now you have enough information to make an intelligent decision. So just like we're not going to say go to this company or that company, we'll do generic things like go to annualcreditreport.com once a year to pull your credit report. We'll say go to Credit Karma, or use your credit cards. Most will give the credit score on an annual basis. On mine it comes up all the time, weekly or whatever.
We'll say go to bankrate.com to see the highest interest online FDIC-insured bank accounts. We'll say go to Morningstar.com to see the yields and returns of various mutual funds in the marketplace. We do generic information with no leaning, no recommendation. When I say high-yield online FDIC-insured bank accounts I'm talking about a generic category versus brick and mortar bank accounts, and I can compare the average interest rates.
Then it's on you to do the due diligence to look and find what makes the most sense for you. I will say make sure it's FDIC-insured. That's the constant we want to have. That's where the $250,000 worth of federal insurance comes in. We talk about budget, estate planning, divorce planning, school loan payback, that type of thing. Then other employer-sponsored benefits, at your firm you may have a flexible spending account which allows you to set money aside for dependent care.
I travel all across the country. Last month in Vegas. The prior four months, five months I was in South Texas twice and Alabama and I'm based in the West Coast. I ask key questions. One of the key questions I ask is, what is it folks who have children and need dependent care, in the Bay Area, it's over $1,800 a month. South it's $800, Arizona, 1100.
It depends. The point is an FSA, flexible spending account, allows me to set aside up to $5,000 in that account. When I put it in the account it gets subtracted from my income like a pretax 401(k) contributions. For tax purposes, my W2 will say I made 90, which is less than the tax on 95.
The point is I'm going to spend that money for childcare support. I just now converted it to tax-free money that I spend. I reduce my tax on money I was going to spend anyway. That's something you can talk to your coach about. The health savings account allows me to set aside deductible accounts for health-related needs.
They're similar yet different in a couple of key areas. I just want to make sure -- this is one of those things you sign up for during open enrollment. Do your due diligence and all of that. Every company may not have FSA. I'm giving you an overview of the FSA. Then the health savings account, every company may not have that. These are benefits that may be at your employer.
Don't blitz me with questions about your company's FSA. I don't know that your company has one. I'm giving you a general overview and FSAs and HSAs are two of the employer-sponsored benefits that help offset our cost. The HSA allows me to set aside money in a tax-deductible account for health-related expenses. Let's say I look at my family and I have two kids, and a wife. We probably spend -- this is hypothetical -- $1,100 a month.
I decide to set 2,000 a year aside in the FSA. I'm sorry. The HSA. The health savings account. When we have to pay for glasses, and doctor visits, and Johnny broke his arm playing football or something. And it comes to $1,500. I pay it out of the HSA account which is already giving me a tax deduction. We have health-related money to spend anyway.
The only question is do I swipe it on my credit card, do I take it out of my 401(k) or do I use tax-deductible money that's already been set aside in my HSA. And then look at your retirement benefits in addition to your 401(k). How does it work? Is there a match? Look at those details. We can talk to a money coach who will talk to your HR to know what you have.
So we don't have your benefit website. We don't know what you have. We can talk to you all day about how virtually everything out there works.
Important features, HSA, already covered it, but the tax advantages, the dependent care, many employers -- I won't say many. Employers may contribute. We handle a number of different companies and some of the companies do, some of the companies don't. Other benefits. These are things -- they

can't ask me about because I don't have your benefit website. But you do. You have a company that has this stuff and you have a department in your company.
Talk to them about what benefits are available. For most of us, open enrollment happens in the fall. The trigger has already been pulled or not pulled last fall. Life goes on. Next fall will come again. When it does, if you didn't look at FSAs last year because you didn't know what they were -- it's knowing versus doing -- now you have a clue and you can talk to our coach or Google what an FSA is, Google what an HSA is.
When the fall comes or whenever your open enrollment is you're ready to at least consider it if it's an option that makes sense for you and your family. Now, you may have a counselor who can help depending on your company. Teach communication skills, offer insight into underlying thoughts and beliefs that are holding you back, provide coping strategies. You may be the first one in the family to get a college degree and everyone thinks you're making tons of money and they look to you to pay for dinner.
These are tough conversations but they need to be have. You might have a school loan and everything else. You're doing the best you can but you can't heavy lift everyone across the dinner table, whatever. Whatever your story is. This stuff happens. If you can't talk about it and you find yourself constantly being the brunt of the family's expenses, talk to a counselor.
Get some help on how to talk. That's a sample of a number of -- a money coach can help you write and prioritize goals, educate you on tools, techniques, and best practices. We have a plethora of resources on our site. We have video courses that talk about virtually any consumer-related financial topic. We have calculators. You can say if I converted my traditional 401(k) into a Roth, how big is the tax bite. Statistically based on whatever level of return between now, age 47 and 59 1/2 will that make sense and I can plug in the different types of return that I can hypothesize. I'm having trouble with my words. (Chuckling) Also, it helps you become a more confident investor. Most of us -- I was -- used to call them stock brokers. In 2008 the market crashed because -- it's called the mortgage and banking crisis.
I was on the decks work for Merrill Lynch and many of my clients were calling me saying I want to sell my mutual fund. And I had a little over a hundred and change in terms of clients. Probably 40 called. And I was able to talk them off the wall. And they did not jump. The other 20 jumped. Meaning they sold. I worked for them. They said William, I hear what you said but I still want to sell. We sold.
And then we went into -- as an economy -- the biggest bull market in the history of this company from 2009 to March of 2020. Those who got out -- if they didn't get back in within the next couple years -- missed on the biggest bull market in history. What's a bull market? Bull market, if you watch a bull charge, it puts its head down and rears up. It sends its horns up. That's a bull market. The market's going up.
What's a bear market? A bear lifts its arms up and swipes down. Bears are taller than what they're dealing with and they swipe down. Bear market, market is going down. The biggest bull market was 2009, to March of 2020, the pandemic crashed the market.
Now, I didn't know that at the time. But what I did know is I didn't think it was the end of the world. If it wasn't the end of the world, these companies were on sale. I'm watching the big dollars, Warren Buffet buying companies. I increased my 401(k) contribution. It's Mad Max time at the end of the world, but if it's not, the market continues. Life goes on. We have tons of history. 1929, 1972, 1987, 2001, 2008, 2020. We have tons of history that says something happens, then the market takes back off. The long-term trend is up. So how do you become a more confident investor? Understand the history of investing. If you don't have someone helping hold your hand to stop you from jumping off a cliff. Or take advantage of some of these resources. You have access to a coach. And you can have an accountability partner.
It can be the coach or someone else. But if you understand the fundamental history of the stock market, when it dips you don't sell. Your emotions will force you to sell. When we get scared we pull our family and friends closer. We hunker down, which is natural. But this is not that type of thing. When the market

goes down, it tends to -- it's always gone back up. The market has never went down and stayed down. We don't have that history.

The market long-term, based on history, past performance doesn't guarantee future results, but what forces the market up? This is an important historical concept. The market goes up. These are broad strokes. Stay with me. The market goes up because people buy companies that they think are going to do better tomorrow than they did today.

Those companies have stock. Now, every time these companies post their results, ideally they've done more. How can they do more? Because we are consumers. We buy stuff and we consume stuff. I have on a blue shirt. I have several blue shirts. These aren't the same blue shirts I had ten years ago. I had to buy blue shirts. I ate this morning. I'm going to eat again. We charged up our car. We're going to have to do that again.

Everything we do we're going to continue to do. We buy stuff from companies and as long as more of us do it, men and women get together and they create new consumers to the tune of 120 to $150 million a year and they buy stuff. People in rural areas all across the world want the stuff you and I take for granted and they're moving into areas where they can buy it. They buy it from companies traded on the exchanges.

How do you stop the market from going up? Make an indestructible product and fashion goes out the window. I have one blue shirt. I'll never buy another blue shirt. Two, stop making new people. Men and women are not going to stop. Three, don't allow people who don't have stuff to now have it. None of that is going to happen. You're going to buy more stuff. Men and women are going to make babies. People in rural areas can now take advantage of stuff.

If those three things continue, long-term the stock market will continue to go up. You heard it here first. No, you hard it a number of places. That doesn't mean there won't be corrections when the market drops. Money coaching -- what we do is help you understand what's happening. But our coaches are listeners. We don't judge. That's why they call, they have a problem.

The coaches are like, it took years to get to where you are. Here's our plan. We have to suspend, reduce the cable, whatever. Now, it's going to take a little bit of time. It took years to get into debt. It might take months or years to reduce it. If we can say now we live on what we make going forward we're not increasing credit card competition.

That is the behavior change. Before we get into our moments where we're going to have questions, how long -- okay. 2003, I'm working at Charles Schwab, living in San Francisco. So I have the Bay Area. I drive to different places most days. Twice a week I get gas. Looking at my personal expenditures, I stop at stations and go into the snack shack. I would come out with chips and granola and soda or something, six bucks worth.

I don't call it junk, but I wasn't hungry. I was appetite hungry. I went in, saw this stuff and boom, Snicker bar. We've all been conditioned. We see this stuff. It's supposed to taste good or refresh me because it's Coca-Cola or whatever it is. And I come out with eight bucks worth of stuff. I had to realize in terms of behavior change, I wasn't going to walk into that place and exercise discipline.

I just stopped walking into the snack shack. And way back then, I started always just getting my gas on the island. That's a simple thing. Eight bucks a week, 30 bucks a month, 300 bucks a year at 5% over 20 years, that's some money. I don't have money to throw away. If I can look at my life and say I'm still living my life, still enjoying my life.

If you're doing Door Dash seven days a week what if you dropped it to four, 150 bucks a week you're saving is 600 a month, 7200 a year. Some of that money can go to your daughter's education savings account, to credit card debt, to allow you to build a bigger or adequate emergency fund. Then we support you. If you're talking to a coach, depending on your plan, some folks have a 30-day window, some are 180. I don't know your company.

But you can check in periodically with your coach. And then as we review periodically, we have to make adjustments. I chase the tennis ball. I play a bit of tennis. I've been playing for years. I watch TV. Then I go to the wall to learn how to play tennis. Five or six years ago I said maybe I should take lessons. I only have so many bad habits.

I go out. What the guy tells me, let me see your forehand. I show him. Let me see your forehand with top spin. I show him. Let me see your backhand. Let me see your backhand slice. Let me see your serve. Why is he asking those questions? Because he is first taking a sample of what I am. Then he'll institute some type of behavior change and then he'll say you're doing great, but you're dipping your shoulder.

Then you should get some effect. I should be a little more consistent as a player. If that's not working we'll change something else. Don't judge. He's the coach. He's not going to say you're lousy at tennis. If I was great I couldn't be coming for coach. I want to be a little bit better. That's what we do. We're not financial advisers, not going to tell you what to buy, whether you need this, what the best way is for you to do your particular thing.

But we'll say based on our 1.3 million coaching consultations and the fact that our average coach has 22 years of experience, here's what we've found works best when a person's trying to do this.

I wanted to allow a lot of time because I see a lot of questions, but primary causes of financial stress. You are not alone if you're feeling financial stress. But don't live in that space. Chronic stress creates additional cortisol in the body which will help you reach a place that you don't want to be. Look at the emotional well-being challenges and if you're connecting to another person, it's a two-fer.

When you call for coaching, have the significant other on the phone. You guys can do it together. We're not going to say who's right. We're going to say based on our analysis, what you said, we suggest you do this. So even if you are the one saying to do it or your spouse, now you have an impartial third person who is an expert. Then you can gather around this person.

Then take advantage of these resources. Companies spend billions a year on these resources. It's not all philanthropic, they get a tax deduction, but it's still your resource. It's a 401(k) match. That FSA or reduced insurance or health benefits, whatever it is.

My Secure Advantage, you can go to our site, do an action plan, do an assessment. Money coaching, we have a financial wealth site, video courses, calculators, webinars, classes. You can set an appointment. I'm going to hand it back to Melanie. We are right at -- Melanie.

>> FACILITATOR: Thank you so much, William. I'm going to pull up a slide here for everyone to -- can you all hear me okay? Okay.

>> WILLIAM WESLEY: I can.

>> FACILITATOR: The microphone was pinched. I wanted to make sure everybody knows that you can get the MSA benefits information through your program. Your program may be called VIP or something else. It's your employee assistance benefit is what it is. So you want to reach out if you don't know what your phone number, reach out to either your leadership or your HR for that phone number.

But also what you can do is I'm going to share with you a site that you can use to find your benefits. If you click on the link, it's an active link. It will take you out to find your benefits site. It will ask you for your company name. You may need to put your company's parent company name to search that. If you cannot find your website, reach out to your leadership. Ask them for this information.

The stuff that William is talking about is available to you via your program and your benefit. And your employer wants you to use it. With that said, I am going to look at the questions. We're going to get a few of those done today, William. Let me start here. One second. Sorry, it's jumping around a little bit. We've got questions coming in. So, one question about coaching is are the coaches actually going to help us to set up a plan and guide us how to split up our paycheck every month?

>> WILLIAM WESLEY: Yes. So there are some generic things that we suggest. A budget is basically this. You made a certain amount of money. Whatever your fixed amount is. Then it's going to be spent into

three key categories. Before it's spent we do one thing. We pay ourselves first. All the coaches are going to say, okay, you bring in $5,000 a month. We're going to take 500 off the top.
We're going to kick it to an online FDIC-insured or wherever high-interest bank account. Now we're going to draft a budget around 4500. That's where we have the expenses. One will be fixed expenses. Those are the things we have to pay every month, like insurance, rent, that kind of thing. The second is variable expenses. I could spend $2,000 a month to eat food, I could spend $500 a month.
So I have to get around into that number and say what makes the most sense for me and my family. Normally that's where the action is. Then the third category is called irregular expenses. Christmas comes every year. So do anniversaries. So if I craft my budget I'm not only doing the fixed expenses, I'm setting aside an amount for the variable expense and the irregular expense.
The coaches can help you craft a plan around that. We're not going to look at each paycheck, but we will say what do you make. What are your desires. What do you owe. They'll craft a plan to try to get to a comfortable space. Then you set up auto-pay to make sure you do that.
>> FACILITATOR: Great. Thank you. Also, does MSA help with fixing past credit issues or credit card debt?
>> WILLIAM WESLEY: Not really. We'll give you an overview of things like some of the resources that are available. Balance transfer is a strategy but only if you have a crafted plan that ensures you seed the strategy. We can walk through consolidation and debt stacking. All of these are dependent upon you not charging which is dependent upon you having a budget.
So we talk about the five strategies all the way out to credit counseling and bankruptcy, but we're not a firm that does those things. We provide information on those things.
>> FACILITATOR: Okay. As we age, after 60, should we start putting money into lower risks because we have less years to recover during a bear market?
>> WILLIAM WESLEY: Generically, yes. You can do what's called a risk tolerance questionnaire or investor profile. You can Google that. Charles Schwab has a nice one. You should do this every three to five years depending where you are. If you do this at 21 you should be 95% stock because you have 50 years to go. You're doing the same survey at 60 it's probably going to tell you more like 50/50 give or take.
But it's your answers to the questions that creates the pie that prints out and says this much stock, this much bonds, this much cash. By doing a risk tolerance questionnaire you answer those questions. It's going to spit out a recommendation based on not just your age, but your investment philosophy and your timeline.
One other quick point. When folks retire, a lot of folks have the thought your money should be in super conservative things. That depends. When you do the retirement calculation, the calculation I can do quickly is, you say what will my lifestyle be in retirement? Reverse engineer that to what will that cost. Look at what is my guaranteed lifetime income.
Do I have a pension, Social Security. Say we need 7,000 and we find out we are going to get 5200. What covers the other 1800? That's where our 401(k) and all of that come in. Then we pour that in and say 12 times 18 if we're saying $1,800 a month, what is that? That's $21,000 a year.
Then we say how many years will I be in retirement? 20-30 years for a lot of us. Say 25 years. Now we know we need in this rough example without inflation or anything $540,000 just to fill the gap. When we retire we're not going to take that entire $540,000. We're going to take two years' worth, three years' worth, $63,000.
And then we say how do we invest this remainder which I may not touch for seven, ten years? So doing a risk tolerance questionnaire around that I may be 63 but some of that money may be still in the stock market because some of it may not be touched for 12 years. That was a quick example, but hopefully it helped in terms of context. We have experts in this space.
>> FACILITATOR: Thank you, William. I have had a couple questions. People asking different things about resources for student loan debt. Do you have anything that you recommend or is there anything on the website that people can find?

>> WILLIAM WESLEY: Yes. Call a money coach. We have student loan debt experts. And we have resources on our site. And our coaches can send you a PDF that talks about the details. And we are constantly update that because on our team every one of our coaches are qualified in budget credit debt management. On top of that they have their specialty.

My first year, my specialty was investment and retirement but they all do budget but they have something else on top like student loans. Or we have tax preparers and things. So you can go to the site, set an appointment with a student loan specialist coach.

>> FACILITATOR: Great. How about this -- can a 401(k) from a former employer be rolled over into a 529 account or another account that can be used to pay for school?

>> WILLIAM WESLEY: Well, there's new legislation called the Secure Act which won't have time to go into, but talk to one of our education savings experts because there is -- the entire 401(k) normally, depending on the size, but there is some new legislation that's allowing people to use 401(k) money and put some of it in 529s. And that's part of the Secure Act. There were two of those, 1.0, when the pandemic first hit. 2.0 kicked in in 2022. But call a money coach.

>> FACILITATOR: One quick -- I don't know if this will be quick. We have time for one more question. How do you determine or would you figure out what you need, whether it's a money coach, counselor, financial planner, how do you select what you need?

>> WILLIAM WESLEY: Take a snapshot of yourself. I'm married, I have two kids, this is the debt structure. This is what I understand about investing. Do I know enough -- a lot of folks can do this themselves. Then you say what are the different things? What is a money coach? That's what we are. Our coaches are independent experts who know A to Z about their category.

If you need someone who can tell you how stuff works, that's a money coach. If you want someone to tell you what to buy, that's a financial planner who can craft a plan for you and then they often have advising connected to that where they pull the trigger.

A financial planner crafts the plan. A financial adviser says give me your money and I will work with you and then implement the plan. I make commission or a fee or whatever.

>> FACILITATOR: Great. Perfect. William, it looks like we're out of time. We had lots of questions. We knew this was going to be a big event and we would not be able to get to all those questions. But your benefit has access to these coaches and information. If you don't know what your number is or the website please click the link I shared with you. Put your parent company name to search for the website where you will be able to get your toll-free number and benefit information.

If you can't find your company, reach out to your HR department or your leadership and ask them for your employee assistance benefit information. Thanks so much, William, for this excellent information today. You did a wonderful job. I do have a poll question for everyone to answer. Please rate your satisfaction. Click the radio button. It will broadcast to us. We're not broadcasting to all.

If you have any feedback, please feel free to share it. We have a certificate of completion that you can download just like you did the other handouts by hovering over the title and then clicking on the download button. Thank you again, William, for this wonderful presentation. We appreciate you, for sure.

>> WILLIAM WESLEY: It was my pleasure. Let's do it again.

>> FACILITATOR: All right. Sounds good. This does end our session today. Thank you all for joining.