

WEBVTT

00:02:30.000 --> 00:02:32.000

All the questions that are here.

00:02:32.000 --> 00:02:44.000

Okay, so the live transcript is now going so if you want that if you want to be able to see that there should be a button at the bottom where you can turn that on.

00:02:44.000 --> 00:02:51.000

So, Dorothy, why don't we start with you because I have your question here.

00:02:51.000 --> 00:03:08.000

So you started your question with. Oh, I love the sound effects but you guys. Can you guys send me I try to, I try to really envision what it is that you're saying, but so you said you pay down some family credit card debt from your money market account

00:03:08.000 --> 00:03:14.000

earlier this year, raising your credit score. Fabulous. Good job.

00:03:14.000 --> 00:03:34.000

Now, your car is starting to fall apart. You said I've already put 1200 dollars in it. it needs at least \$600 more to be dependable, it's barely worth \$2,000, at this point, my credit union has a great car loan offer of 2.49%.

00:03:34.000 --> 00:03:38.000

I'm wondering if Now is the time to buy.

00:03:38.000 --> 00:04:03.000

And so, Great question, right, because what I really feel when it comes to deciding when we buy a car is that everything we teach in this program becomes so critical, because we have to be able to see when buying a new vehicle, financially, totally out

00:04:03.000 --> 00:04:20.000

what you're putting into the car. Okay. So, there are a couple questions that I would want you to answer in order to clarify so first what is your credit score at this point, Dorothy.

00:04:20.000 --> 00:04:31.000

Um, it's in the high sixes like it's almost too excellent but it's in good and what's interesting is when I went through, because I'm on savvy money, I have that through my credit union.

00:04:31.000 --> 00:04:43.000

And the only thing that's like keeping me from going into excellent

does everything is like top best best best is the fact that I don't have any loans, right at all.

00:04:43.000 --> 00:04:52.000

I've got fascinating, fascinating. Yes, only did that was like a dean It was literally a day. Yeah.

00:04:52.000 --> 00:05:06.000

So, we, we, there have been many Q and A's and you guys can go back and scan, if that is something and building your credit score is something you're really focused on although we're going to talk about it today because there were a number of questions

00:05:06.000 --> 00:05:30.000

relevant to this, but it's a game. and there are aspects of the game Dorothy, just don't seem fair, right, we sort of feel like if I'm not using credit, shouldn't I have a strong credit score, I guess, actually, the purpose of our credit score is to show

00:05:30.000 --> 00:05:51.000

lenders, whether we manage credit, well, and they hold against stuff not actually using credit and one of the things that we've talked about before is that yes, one of the big things that will likely boost your score up into that 700 range is what is

00:05:51.000 --> 00:06:09.000

usually referred to as credit variety. Right. So, they want to see you have some credit cards. They want to see that you have some loan. Right. And that's why I've often said, when it's time to make a purchase.

00:06:09.000 --> 00:06:23.000

So we don't do this, when we don't need to make a purchase, but when it's time to make the purchase. It can absolutely make sense to do it using one of those loans.

00:06:23.000 --> 00:06:38.000

So we've had people who have needed to buy new computers or need to buy perhaps a new mattress. Right. And even if you have the money, it's even better if you actually have the money.

00:06:38.000 --> 00:06:55.000

What's a great strategy would be, you go and buy the mattress, you take the no interest loan that they're offering you you calculate how many months are they offering you that loan so let's say they're saying no interest for six months or a year.

00:06:55.000 --> 00:07:08.000

What I would have you do is take the loan, pay a big chunk of the loan, right away, and then divide the remaining amount into if they've

given you six months.

00:07:08.000 --> 00:07:14.000

Let's pay it off in five months if they've given you a year. Let's pay it off in 10 months.

00:07:14.000 --> 00:07:34.000

So, if you're in the position and it seems that you are, where it doesn't make sense to continue putting money into this vehicle. Generally, and this is where you sort of have to make a determination with your mechanic.

00:07:34.000 --> 00:07:52.000

Generally, once we start having to put in 1500 to \$2,000 a year just to keep the car running. It means that's probably going to only get worse. Each year.

00:07:52.000 --> 00:08:11.000

Right. Yeah. So when you're looking at \$2,000 a year, let's just make it easy and say 20 \$400 a year just to keep the car running, but we also have to remember now you're having time in the shop where you may have to rent a car, or you may have to overlap

00:08:11.000 --> 00:08:35.000

more generally with older vehicles, their gas efficiency is really not that good. So now you're spending more money on gas. So, now, because of the tracking that you do Dorothy, you should be able to go look at a vehicle and make some comparison to decide

00:08:35.000 --> 00:08:39.000

is this now, the time, right.

00:08:39.000 --> 00:08:47.000

So, what I would want you to look at is I would really want you to look at what is the vehicle that you're interested in.

00:08:47.000 --> 00:09:04.000

That makes sense, right, that makes sense for where you are in your life. I guys I so want to fall when we're taking on car loans. We got to keep those payments as low as possible, as I shared in this community.

00:09:04.000 --> 00:09:12.000

It's stunning the national average on car loans, is now over \$600.

00:09:12.000 --> 00:09:27.000

You know what it's like, Ah, right. That's what we want to really be looking at cars that would allow car payments. \$250.

00:09:27.000 --> 00:09:48.000

But obviously, you want to say vehicle you want a reliable vehicle you want to be a vehicle that gets decent gas mileage, right. So, I would definitely based on you know this information, I would definitely say that if you can qualify for great interest

00:09:48.000 --> 00:10:10.000

rate, 2.49 is great. You want to make sure what the rate is if you buy a car new, or if you buy a car use. It's the same actually perfect, perfect, because everyone just doesn't know, there are definitely lenders who have much higher interest rates for

00:10:10.000 --> 00:10:30.000

used cars. So then, even though I believe it is generally wiser to buy us, we want to actually really do the math on that because sometimes it's not. So, I would be as long as your credit score can qualify you for that loan, I would absolutely suggest

00:10:30.000 --> 00:10:35.000

that now is the time to be shopping.

00:10:35.000 --> 00:10:52.000

And, and hopefully getting a vehicle that you'll have the confidence that it's going to work for you that you're not going to have to worry about it. But, that it's a set monthly cost in terms of the car payment, that is well within what you have in mind

00:10:52.000 --> 00:10:54.000

for your forecast.

00:10:54.000 --> 00:10:55.000

Okay.

00:10:55.000 --> 00:11:02.000

Alright, cool there any other clarification that you feel you need as you go forward on that.

00:11:02.000 --> 00:11:13.000

Um, I don't think so I'm going to. I'll keep you all posted I'm going to probably use the first entertainment credit unions.

00:11:13.000 --> 00:11:24.000

Auto purchasing thing because they'll kind of roll it into the loan, as well, and deliver so I'll keep everybody posted about how that goes.

00:11:24.000 --> 00:11:36.000

And you guys do. That's fabulous, and there are. That's great. If they have a program also where you're doing the lending there have been some others and people feel free to send.

00:11:36.000 --> 00:11:55.000

Sorry everyone feel free to share in the chat if you've had a wonderful experience buying a car. Recently, we use the triple A program, multiple times to purchase our cars, and they have already.

00:11:55.000 --> 00:12:11.000

It's the set price that they've agreed to with the dealer, so there's no haggling or anything like that. I know that Costco members have also done really well with their car program, but I'd love it if you keep us posted Dorothy use the term unity to

00:12:11.000 --> 00:12:21.000

share, because this is something we all come up against at some point. All right, thank you. Thank you so much. Thank you, Kim.

00:12:21.000 --> 00:12:26.000

How can we help today.

00:12:26.000 --> 00:12:44.000

Let me unmute myself. I have one quick question and then one a little more complex question. Okay, um, but I, and I think I've already know the answer to one of it, I picked up on an additional part time job that's actually going under a W nine so it's

00:12:44.000 --> 00:12:55.000

going to be a 1099 payments. And I think we're supposed to kind of a lot about 25% set aside for taxes towards the end of the year is that right as opposed to 20% or.

00:12:55.000 --> 00:13:11.000

Yes, yes. okay definitely 25%, and what I do need you to be aware of is are you likely to have a decent number of deductions that you can put against your 1099 income.

00:13:11.000 --> 00:13:15.000

No. Okay.

00:13:15.000 --> 00:13:29.000

Then, and we'll post an article that will help you calculate the self employment tax. Because the truth is, is that then you may need to be thinking about more like 35%.

00:13:29.000 --> 00:13:50.000

Okay. Because what the 25% allows for its it allows for the fact that many of us when we're earning 1099 income or non tax income, we're going to have a good number of business deductions, which is going to lower our taxable income, which will then mean

00:13:50.000 --> 00:14:09.000

that 25% should more than cover it. When you earn 1099 income and you

don't have deductions. The problem is that once you calculate in the self employment tax and what will post Kim's you can see exactly what percentage is that self employment taxes i

00:14:09.000 --> 00:14:33.000

think it comes to like an additional 15% or 15.3% on top of your tax bracket. Then, 25% can end up not being enough. Okay, because you my w two income I always get money back so I'm thinking, you know it might be okay, balancing out the.

00:14:33.000 --> 00:14:51.000

might balance it out. And what I love to say is that we're definitely better safe than sorry right so what I generally do, is I save very aggressively for taxes and then at the end of the year. I almost always 0h left.

00:14:51.000 --> 00:15:03.000

And that then can pad, my planned savings or, you know, some other important place that I'd like to to Roth IRA or something.

00:15:03.000 --> 00:15:14.000

Exactly, greatly. Great, I just wanted like a rough figure for that, and my other question might be a little more detailed and I open it up to any other couples in the group

00:15:14.000 --> 00:15:20.000

pending marriage coming up. We've always filed separately.

00:15:20.000 --> 00:15:34.000

We've been engaged for like ever, but we ended up making a movie instead of having a wedding for the first. So it's been a long time coming but wedding may cost about the same, maybe more.

00:15:34.000 --> 00:15:41.000

Anyway, now the movie was more question his.

00:15:41.000 --> 00:15:43.000

How to phrases.

00:15:43.000 --> 00:15:59.000

I know that we know end up his, his, his debts are my debts my debts are his debts. I have no deaths. He's got a lot on one of them actually being the movie, even though it's under his company do.

00:15:59.000 --> 00:16:07.000

My question is do I become responsible for that, if it's a it's a separate LLC.

00:16:07.000 --> 00:16:13.000

And what about all of his credit card debt. His loans.

00:16:13.000 --> 00:16:27.000

And my question is, do also my does my income factor into his student loan payment, because he he's deferred with a student loans because he doesn't make enough.

00:16:27.000 --> 00:16:43.000

Do they start factoring in my income to pay for his student loans. And is this only something that we have to consider when we're filing taxes because if we are married filing filing separately.

00:16:43.000 --> 00:16:46.000

Is this not, this is point moot.

00:16:46.000 --> 00:17:07.000

So, there are definitely aspects to this question that I am not certain about the piece that I'm definitely not certain about is, Will your income be taken into account when factoring the student loan payment that he is expected to pay.

00:17:07.000 --> 00:17:30.000

I, I have never, I don't think I've ever encountered that situation. So the income based repayment. We'll definitely do some looking Kim, to see if we can post with the recording, whether the Income Based Repayment considers your joint income, because

00:17:30.000 --> 00:17:33.000

I'm not sure about that.

00:17:33.000 --> 00:17:48.000

married filing separately can end up being extremely expensive. Okay, so most accountants most CPA is are not ever going to recommend that you do that.

00:17:48.000 --> 00:17:53.000

I do believe that in terms of the law.

00:17:53.000 --> 00:18:10.000

You could be ultimately held liable for his credit card debts and loads, right, there's sort of two separate issues which is how does a couple decide to manage their debt moving forward.

00:18:10.000 --> 00:18:37.000

And in the case of any sort of unfortunate event, the loss of a partner or a marriage, not working, that the, the spouse can be pursued legally. If the debtors decided to do that.

00:18:37.000 --> 00:18:52.000

So, we will will definitely do some checking to give you the that really accurate information on what you're going to be looking at the

LLC, debt, should be separate.

00:18:52.000 --> 00:19:13.000

Right. And the LLC debt what you're going to want to look at is once you get married. There will be an adjustment I'm sure there's a more legal word, but it's going to need to be made to the LLC operating agreement.

00:19:13.000 --> 00:19:24.000

So for instance, whenever any of the abundance bound corporations, but particularly our LLC, when we make a change any change to our operating agreement.

00:19:24.000 --> 00:19:51.000

My husband actually has to sign that he is aware of those changes. Because he would be the recipient on my part, right, of any if something were to happen to me, he would become the recipient of my portion of that, LLC.

00:19:51.000 --> 00:20:12.000

However, your operating agreement should also very clearly state that, spouses, and members of the LLC who are not managers are not liable for any debt that the LLC should take on.

00:20:12.000 --> 00:20:26.000

So you'll definitely want to have that operating agreement looked at, because that would then definitely allow you to put that piece, aside, right in terms of your concerns about the debt.

00:20:26.000 --> 00:20:45.000

But beyond the sort of legal xR you moved on my beyond the sort of the legal obligations, and obviously that's something that we want to be aware of when we enter a partnership.

00:20:45.000 --> 00:21:01.000

I would really focus you guys on how you intend to build your financial future together. So really having a very clear forecast. Right.

00:21:01.000 --> 00:21:15.000

We're going to talk more about this later connected to some other questions, but Kim because you've just celebrated two years in the financial empowerment program, I know you're very familiar with the forecast right but what I would want.

00:21:15.000 --> 00:21:39.000

It's I would want for you to have a very clear family forecast what are all of your costs together on a monthly basis. And then the decision that you want to make is you want to make the decision as to which of those expenses are only one of you responsible

00:21:39.000 --> 00:21:55.000

for the other one responsible for, and which expenses are you responsible for together, right, so what that would allow Kim and her husband, to be clear on is I'm just making this up.

00:21:55.000 --> 00:22:16.000

Let's say that your total household expenses are \$6,000 a month, including debt payments and everything. What you would then want to calculate based on how you guys want to operate moving forward, is you would want to calculate, is that \$6,000 a month,

00:22:16.000 --> 00:22:39.000

being simply split 5050, everybody has an obligation of contributing a minimum of \$3,000, a month to the household account, or are you deciding which expenses fallen Kim's column which expenses fall in her partner's column, and which expenses fall in

00:22:39.000 --> 00:23:02.000

joint column. And then what many couples will do is they'll allocate a percentage split of the joint column. It's not necessarily 5050 right if one partner, make 75% more than the other partner, then that joint column may be allocated differently, but

00:23:02.000 --> 00:23:27.000

then you would each also be responsible for your individual columns. so you would then know your monthly responsibility is your column, and it is the your portion of the shared column, and you really want to have just, it's wonderful to have these discussions

00:23:27.000 --> 00:23:49.000

before there's a problem, right, you want to have a conversation about how are things going to be handled. If either partner gets into a situation where they're on able to either meet their column, or to contribute to the household column, and in a given

00:23:49.000 --> 00:23:57.000

month or a series of months. And how will you handle that as a couple, right.

00:23:57.000 --> 00:24:15.000

So, I will definitely try to get you more clarity on what the actual laws are about what a spouse takes on. But I think the biggest thing that we see is that couples, don't have these conversations beforehand.

00:24:15.000 --> 00:24:27.000

And that is what tends to really lead to attention, moving forward. Right, right, great. Okay. Thank you so much. You're welcome, you're welcome.

00:24:27.000 --> 00:24:38.000

Alright, so let me just check really quickly to see Roma, are you here Roma.

00:24:38.000 --> 00:24:45.000

I had a question okay now Rome is not here yet so we'll hold off on that.

00:24:45.000 --> 00:24:53.000

And so, I see, Elizabeth Your hand is up.

00:24:53.000 --> 00:24:57.000

Hi Amy. Hi. Good to see you too.

00:24:57.000 --> 00:25:01.000

Okay you moved on my screen to everyone.

00:25:01.000 --> 00:25:15.000

So, yes, my question is, basically my unemployment is about to end up end of August, or my hand on unemployment assistance, and I am pregnant and expecting at the end of October.

00:25:15.000 --> 00:25:31.000

I am very, luckily being gifted some family money to sustain me for basically a year while I become a new mom and deal with all of that and.

00:25:31.000 --> 00:25:49.000

Yeah. So basically I'm going to be getting like a fairly like large chunk of money from a trust. And I'm wondering if you could help me figure out, like, you know, it obviously like brings up lots of anxiety to be getting this like big chunk of money,

00:25:49.000 --> 00:26:07.000

and then being like, Okay, how can I like being a power cycle and really like allocate this in a way that feels like really mindful and conscious so I know, like, you know, I know like having a forecast number will help but in terms of like allocating

00:26:07.000 --> 00:26:20.000

that money for myself, like a where would be the best place for me to put it, and like, I'm wondering just what your thoughts are on kind of like I was thinking about like paying myself a monthly like salary or something.

00:26:20.000 --> 00:26:31.000

Yes, the way I set up a transfer and maybe I put it in my Capital One account but I'd love to just hear your thoughts. You're spot on, Elizabeth you've absolutely got it and so congratulations.

00:26:31.000 --> 00:26:43.000

That is absolutely wonderful so happy for you. And so, this is exactly what I would want you to do.

00:26:43.000 --> 00:26:56.000

I want you to go into baby being born, being clear as clear as possible on your monthly forecast. Okay.

00:26:56.000 --> 00:27:04.000

And what you're going to want to do is estimate what you think.

00:27:04.000 --> 00:27:22.000

Baby expenses are going to add to that. Right. The good news is that, believe it or not, babies are actually not incredibly expensive. The biggest thing, generally being diapers.

00:27:22.000 --> 00:27:41.000

And if nursing is not what you choose to do, then formula. Right. So I have a lot of clients who will talk about when babies out of diapers and baby it's done with the formula, the big raise, but they got every month right because those costs can be so

00:27:41.000 --> 00:27:52.000

sizable, but so you would want to just make an estimate on what you expect your forecast to be post, baby.

00:27:52.000 --> 00:28:04.000

And then what I would absolutely do is I would put the chunk of money in your use of Capital One, and your capital one account.

00:28:04.000 --> 00:28:24.000

Because I love the way that Capital One has the ability to differentiate to create sort of sub accounts, you might call it sort of baby and me living expenses for 2021 2222.

00:28:24.000 --> 00:28:45.000

Right. And then what I would do is I would set up whatever works for you in terms of a stable system for paying your bills so what you would probably do is set up an automatic transfer twice a month, and decide what that amount is going to be, and have

00:28:45.000 --> 00:28:48.000

that automatic transfer come in.

00:28:48.000 --> 00:29:06.000

I have shared that I pay my bills on the first, and then I pay them again on the 15th, so that what I would want to do is I would want to have money arrive in my account round about the 29th of the 30th, and then I would want it to arrive in my account,

00:29:06.000 --> 00:29:24.000

again, around the 13th or 14th, so that you can pay those bills. Okay. And that means that the chunk of money is not living in your checking account. It's also earning a more reasonable interest rate.

00:29:24.000 --> 00:29:25.000

Right.

00:29:25.000 --> 00:29:44.000

And sorry one addition I would make Elizabeth is I would probably take a month's worth, whatever the month amount is, I'm you know going to go with \$5,000, and I would put that in your checking account to start and then do the BI monthly 20 \$500 payment.

00:29:44.000 --> 00:30:02.000

That just means that you're not ever getting down to zero, we've got a cushion there, if a transfer is late, or there's a little bit of a higher expense one month, you're able to cover that without any panic.

00:30:02.000 --> 00:30:06.000

And this should allow you to be super clear.

00:30:06.000 --> 00:30:27.000

Does the fund, absolutely allow you to cover a year, just so that there aren't any surprises at all. And it will also make you super aware that if something comes up, that is genuinely unexpected and outside of your forecast that it's now cut down on

00:30:27.000 --> 00:30:46.000

the amount of time that you have, so that you have time to respond to that you can have conversations with anybody who might help with that. And it just keeps you in a, in a very calm state which is obviously but we want for your first year as a new mom.

00:30:46.000 --> 00:31:01.000

Yeah, okay, I love that that's basically, I had that idea in my head just nice like habit like very clear, like that breakdown. And then this is kind of like a sidebar question to the forecast so I've been updating my forecast just because a lot has changed

00:31:01.000 --> 00:31:15.000

in the last six months, and I've been using that Google Doc spreadsheet, which is like Amazing love it. But I'm wondering, there's like a, there's a flaw I think in one of the month.

00:31:15.000 --> 00:31:26.000

And I, I don't know if you can speak on that or if there's someone, somewhere you can direct me to adjust it cuz I'm like I know I'm not spending \$1,000 a month on my acting career like That's correct.

00:31:26.000 --> 00:31:44.000

Got it. So it depends on when you download the spreadsheet, because I definitely I know that the creator did find some flaws. Okay, what I can do Elizabeth is if you send the team an email, send it to info at abundance bound calm, I will share with you

00:31:44.000 --> 00:32:00.000

the name of the person who created the spreadsheet and just here's the thing, you know, he did it at absolutely no cost to right. But, but he's also a wonderful kind person, and if there is a relatively easy fix.

00:32:00.000 --> 00:32:07.000

Hopefully he could help you straighten that out, and, and make that make that correction.

00:32:07.000 --> 00:32:16.000

Okay, great. I actually did I went in and saw the conversation that y'all had about the different tracking systems and I reached out to him.

00:32:16.000 --> 00:32:28.000

So I'll just I'll just wait to hear back okay but I recently reached out recently I reached out like a week ago. Okay, okay. Yeah, so I'll give him some time.

00:32:28.000 --> 00:32:49.000

Yeah. and let's see I know he started a new job and all of that stuff so totally. But also, I just wanted to say and you probably already have this, I would highly recommend getting as many of your bills on automatic pay as possible and this time getting

00:32:49.000 --> 00:33:05.000

the E reminders as opposed to paper just all the things you can do to Super simplify. I'm pretty automated already an amendment, so I'm just, I'm catching up on all my event tracking to make sure that, worst case like I have that for my forecast absolutely

00:33:05.000 --> 00:33:09.000

get sorted out. Absolutely. Okay, great. thank you.

00:33:09.000 --> 00:33:28.000

You're so so welcome. And I also just sorry guys because this popped into my head, Dorothy, I just wanted to add to your question. When you take out the car loan, don't be surprised if you see your credit score take a hit, right, because they probably

00:33:28.000 --> 00:33:44.000

but it will quickly rebound, and then improve. From there, because

you'll have added the diversity to your credit score. Okay, perfect just wanted to throw that in. Great, Tanya, I saw your hand up.

00:33:44.000 --> 00:33:47.000

Yes, hi me.

00:33:47.000 --> 00:34:01.000

Like it's been forever since I've seen you, and thank you for the reminder to update my forecast it's been probably a year since I crunched the numbers because things have been going well.

00:34:01.000 --> 00:34:17.000

So my question is twofold. And one may seem like it's sort of like personal in terms of the direction so if you need to have this conversation, outside of this, you know forum then let me know.

00:34:17.000 --> 00:34:34.000

Um, but it is abundance bound related So, um, you know my backstory. For those of you who don't know, I met me out of years ago, through some of the casting networks and then was reintroduced to her work through the Actors Fund, a couple years ago, and

00:34:34.000 --> 00:34:40.000

one of my goals has been to it, my goal has been to like retire in Europe.

00:34:40.000 --> 00:34:55.000

And so I've had a couple of opportunities that have been presented to me, the most recent one was going there to teach theatre and performance and various things obstacles or roles that I couldn't get there and so now.

00:34:55.000 --> 00:35:10.000

Two years later, I'm actually in the position. Thanks to abundance found and a bunch of other stuff that has transpired that actually, gotta go but I can't get into the UK right now because of the pandemic restrictions.

00:35:10.000 --> 00:35:27.000

I have a story about that but sorry Go on, that's sort of what I want to talk to you about because I, I think I understand that your daughters in college in Scotland and I'm so I'm researching, that it sort of has some ideas exactly where I'm going to

00:35:27.000 --> 00:35:36.000

wind up, and I don't know if she's, University of Edinburgh, Glasgow.

00:35:36.000 --> 00:35:49.000

I probably won't like wind up in Scotland, I think it's beautiful and bars beautiful but I'll probably wind up in England as opposed to

Scott, and so I was just trying to get some feedback with regard to that.

00:35:49.000 --> 00:35:58.000

And so that was the one fold of the conversation, and as it relates to that.

00:35:58.000 --> 00:36:06.000

Currently I'm scheduled to go to the UK in January, if the restrictions are lifted so that I can actually go there.

00:36:06.000 --> 00:36:12.000

So this is sort of piggybacking off of Dorothy's conversation about the car.

00:36:12.000 --> 00:36:23.000

And at the time of the pandemic because of the stay at home restrictions, I literally was not going anywhere. Right. So I was fortunate enough where I could just turn in my car least.

00:36:23.000 --> 00:36:33.000

So now that things are starting to you know get going a little more I want my transportation so I'm sort of like, I don't want to get into a two or three year Carly's.

00:36:33.000 --> 00:36:37.000

So, and renting the cars can be expensive.

00:36:37.000 --> 00:36:56.000

There are ways that I can do it that's a little more affordable, you know, kind of as a side gig employee I can still get discounted rates which is cheaper than the average rental car rates but it's still quite expensive so I'm just wondering if anyone

00:36:56.000 --> 00:37:17.000

you know has any experience or suggestions I'm looking at various options. So far I've not seen anything better than the sort of gig economy rates that will allow you to rent cars on a week to week, or you know monthly basis, which is still quite hot.

00:37:17.000 --> 00:37:24.000

Yeah, so I'm just wondering if there's anyone who's had any other experiences or any feedback for.

00:37:24.000 --> 00:37:31.000

Ideally, um, you know, six to eight months that I will still be here in the United Way.

00:37:31.000 --> 00:37:32.000

Fingers crossed.

00:37:32.000 --> 00:37:45.000

So, um, no not and that's the my best option, you know the gig economy, rentals is my best option then that's my best option but I'm just open to other possibilities.

00:37:45.000 --> 00:37:53.000

Okay, fabulous. So, these are interesting questions that I do actually have some recent quite personal experience.

00:37:53.000 --> 00:37:54.000

So.

00:37:54.000 --> 00:38:09.000

So first of all, in general, right, Tanya's question. It's really a great opportunity for us to examine big transitions right when we're preparing to make a big transition.

00:38:09.000 --> 00:38:26.000

and how do we both prepare financially for the big transition, but also not have that transition itself. Put us significantly in the hole. Before the transition, right.

00:38:26.000 --> 00:38:41.000

So, first, and you already seem to have that and be on your way to creating it. We want to have as much clarity as possible about the move, itself, right.

00:38:41.000 --> 00:39:09.000

So, when you ideally would go, right. And what income source you'll have when you go and what your you expect your set costs to be when you go, there is a good amount that you will have to be tracking, and then redoing your forecast for three months after

00:39:09.000 --> 00:39:23.000

you make the move six months after you make the move to get really clear, right, as many of you know, we my family made a huge move to Panama. At the end of January.

00:39:23.000 --> 00:39:45.000

And so we're now here for six months, which has allowed me now just now to get very clear on what our new forecast is here, right at three months that was sort of clear but now it's six months, I definitely have all of the information that I need.

00:39:45.000 --> 00:39:50.000

So that's kind of the first piece, the United Kingdom.

00:39:50.000 --> 00:39:56.000

Unfortunately, can really be much more expensive.

00:39:56.000 --> 00:40:08.000

Right, than the United States, and so you want to just be clear on that. In terms of what your income is going to be, and what your forecast is going to be.

00:40:08.000 --> 00:40:11.000

Now, in terms of the quarantine.

00:40:11.000 --> 00:40:26.000

I am actually leaving in less than two weeks to take my daughter to her first year of university and she'll be at St. Andrews, which is in Scotland, it's about 40 miles outside of Edinburgh.

00:40:26.000 --> 00:40:47.000

Actually, the United Kingdom has just significantly changed its quarantine requirements for anyone coming from a green or amber country, and the United States for many political reasons, is a noun a green country.

00:40:47.000 --> 00:41:01.000

And so, if you are fully vaccinated. in the United States, you can actually now enter the United Kingdom, with very very limited restrictions.

00:41:01.000 --> 00:41:12.000

I, unfortunately, will be coming from, what is a red country, Panama political has nothing to do with the numbers here versus the numbers in the United States of coded.

00:41:12.000 --> 00:41:35.000

But, so, even though my daughter and I are fully vaccinated, we will be required to spend 11 nights in a mandated hotel quarantine to the outrageous cost about 30 \$400 to be in a hotel room, you are not allowed to leave.

00:41:35.000 --> 00:41:37.000

it's going to be interesting.

00:41:37.000 --> 00:41:48.000

So, obviously, that's an expense that you would want to avoid that mandatory hotel quarantine.

00:41:48.000 --> 00:42:06.000

If at all possible, right shouldn't wouldn't be a problem. My understanding is the objective is to go, and then come back and then make the official. Okay, coming back, is where I would have to be tested and you've gone fully vaccinated.

00:42:06.000 --> 00:42:15.000

So, yeah. So, um, so in terms of, you know, going and visiting.

00:42:15.000 --> 00:42:26.000

Again, because of the politics and the fact that they actually want to increase tourism. I do think that you should now be able to do that actually relatively easily.

00:42:26.000 --> 00:42:43.000

Okay. Now, the car. That's tricky, right, because for six to eight months. You really need to figure out how you're not ending up with a really sizable car expense.

00:42:43.000 --> 00:43:06.000

Over that time. And this is where my recommendation is always going to be, we're running the numbers. So, for that length of time, what is likely going to be the most cost effective thing for you to do would be to buy a very inexpensive used car that

00:43:06.000 --> 00:43:19.000

passes a basic inspection, that there's not going to be anything major crossing fingers, that should come up in that time.

00:43:19.000 --> 00:43:36.000

My husband is in LA at this point, because he booked an HBO job so he is actually working in Los Angeles, and we faced this very question, because he's there for three months, and rentals are outrageous.

00:43:36.000 --> 00:43:49.000

And we thought about buying a used car and weighing all of that now what we ended up doing, and I can post the link, he found a place in Los Angeles called rent a wreck.

00:43:49.000 --> 00:44:00.000

And that was and Dorothy Yes, it is actually a wreck. He said, No, but he says it's like if it says, it says perfectly safe car.

00:44:00.000 --> 00:44:03.000

Yeah, they were, they were not kidding.

00:44:03.000 --> 00:44:21.000

I bought that price. Those still not and I can't remember exactly, but it was definitely lower than anything we found in terms of rentals, and they rent by the month.

00:44:21.000 --> 00:44:42.000

So, what you could do is you could basically look at, Are there any available cars being sold us that it would be a low amount of money you take out the loan for that, and calculate eight months of that payment to cover the car, right, unless it's so

00:44:42.000 --> 00:44:53.000

low that you actually have the funds to pay for it. And then the idea would be that before you leave you sell the car.

00:44:53.000 --> 00:45:05.000

Again, getting back some a little bit of whatever you invested into it and compare that against rent a wreck.

00:45:05.000 --> 00:45:13.000

Or if anybody else has any places where they found great monthly rentals.

00:45:13.000 --> 00:45:15.000

Okay, I like the idea of rent direct I.

00:45:15.000 --> 00:45:28.000

The idea of you to sell a car when I'm ready to go again it's just it just no I totally get it. So, yeah, call them, they were incredible they were so fast they got back to us right away.

00:45:28.000 --> 00:45:44.000

They gave us a monthly quote yours might even be lower, because you are thinking about six months. And the good news with them, obviously, anything goes wrong with the car, he takes it back to them, and he gets another one, you know it's not his job to

00:45:44.000 --> 00:46:00.000

fix it so that I definitely was thrilled to find it, and could be a solution. Thank you so much. So it sounds like I mean, I could just go to the UK and if I need to take a cobra test and I come back then so be it.

00:46:00.000 --> 00:46:17.000

But yeah, who knows, maybe coming back is not going to be a problem for you at all. And now as of the last week, it's not going to be a problem for you even to go, you can all just say prayers for me as I'm locked in a hotel room with my 19 year old or

00:46:17.000 --> 00:46:21.000

11 days.

00:46:21.000 --> 00:46:25.000

Great stuff. Thank you, Tanya, thank you.

00:46:25.000 --> 00:46:37.000

I want to and I know we have some other hands raised, I want to address some of the questions that we were sent, and then I'll absolutely take more questions from folks are here.

00:46:37.000 --> 00:46:45.000

So, this is one that's going to allow us to dive into a few things. So this person shared.

00:46:45.000 --> 00:47:04.000

I'm working on paying off my debt, while also building my credit. I have a question about a loan I took out what is the best way for me to pay off this loan, while also building my credit, the balance is still significant, it's almost \$10,000.

00:47:04.000 --> 00:47:23.000

I'm thinking of offering them a lower amount to close the account, but I've heard that can affect your overall credit score. Even that though feels like a better option than paying over nine over \$9,000 it's close to \$10,000, assuming they would even

00:47:23.000 --> 00:47:24.000

accept my offer.

00:47:24.000 --> 00:47:37.000

So, would love any thoughts on paying off this loan, I do have some money right now, where I could put a chunk of change towards it. Okay. So, um, the.

00:47:37.000 --> 00:47:53.000

They also shared some infer specific information about the loan. The first thing that I want to say is that we would want to avoid settling this debt at almost all costs.

00:47:53.000 --> 00:48:08.000

Because the impact to your credit score. This person shared that their current credit score is about 655, the impact to your credit score is likely to be 100 points, minimum.

00:48:08.000 --> 00:48:26.000

Okay. And we have seen with debt settlement it be even more like it can be up to 140 points. And so, although with debt settlement. the impact of it on your score will be reduced.

00:48:26.000 --> 00:48:49.000

As time passes, it's going to sit on your credit report for seven years. And I'm really, you will be paying for that, in, in ways for way too long, that I think far outweighs settling, even if they take a settlement offer, right.

00:48:49.000 --> 00:49:03.000

So, just this person didn't suggest this but I just want to throw this out, that if you're looking at settlement, I would never settle with one of those companies, I would absolutely do it on your own.

00:49:03.000 --> 00:49:19.000

So you would be going directly to them and offering the settlement, however, that also reduces your chances that they're even going to take it, because they want to hold out for the full amount.

00:49:19.000 --> 00:49:39.000

But again, the cost of that I think is going to be way too much and so I would only be looking at settlement. If we really were looking at a punishing amount of debt, that was keeping a person from moving forward, right, as opposed to the uncomfortableness

00:49:39.000 --> 00:49:46.000

of having the debt, which of course, I completely completely understand.

00:49:46.000 --> 00:49:58.000

So, I will post an article about how debt settlement, specifically affects your score, but I would want you to be recognizing that it's probably going to be about 100 points.

00:49:58.000 --> 00:50:01.000

So here's the loan info.

00:50:01.000 --> 00:50:22.000

And for anyone who wants to write down these numbers because we're going to do a little bit of calculation. Okay. So, the original loan amount was \$12,439 and 10 cents.

00:50:22.000 --> 00:50:30.000

Okay, so I'm going to just post that in the chat. okay so let's say original loan them out.

00:50:30.000 --> 00:50:44.000

The balance is now, \$9,901, and 47 cents. Okay, great.

00:50:44.000 --> 00:50:57.000

the monthly payment that is currently being made is \$249 and 86th sense.

00:50:57.000 --> 00:51:09.000

The interest rate on the loan is 17.3575% APR.

00:51:09.000 --> 00:51:14.000

Okay, I'm gonna post that as well.

00:51:14.000 --> 00:51:15.000

Okay.

00:51:15.000 --> 00:51:25.000

So, the, the, this individual also shared, and this is I think what makes us all.

00:51:25.000 --> 00:51:53.000

It makes it so difficult when you're paying off the debt. At this point, they have paid off, \$2,758, and 57 cents. Okay, so that's great. However, in the meantime, they have paid, \$3,289, and 94 cents interest.

00:51:53.000 --> 00:52:12.000

Okay, so that's where it's so frustrating, right, because the interest on this question, and if a larger amount of what it's going to interest was going to be actual death, then we would feel much better about continuing to pay this off.

00:52:12.000 --> 00:52:23.000

Okay, so there's other pieces to this question which, I think, help us really look at all of this. But first, let's just look at these initial payments.

00:52:23.000 --> 00:52:44.000

And I want to make sure that everyone understands how to calculate what the monthly interest is on the loan, right. So, the way that we would do this is you would simply take the amount still owed.

00:52:44.000 --> 00:52:56.000

Right, so it would be interesting for anyone who wants to practice this to figure out what the monthly interest was on the phone loan amount, \$12,439 and 10 cents.

00:52:56.000 --> 00:53:18.000

But now we're down to 9901 47, right, so we're going to go 9901 47, and we're going to times that multiply that by 17.3575%.

00:53:18.000 --> 00:53:38.000

And make sure you do the percent. Right. And what that shows us is annually right now based on the balance, it's costing this person, \$1,718, and 65 cents annually interest.

00:53:38.000 --> 00:53:39.000

Okay.

00:53:39.000 --> 00:53:43.000

And you would then divide that by 12.

00:53:43.000 --> 00:53:56.000

And you would see that the interest is about \$143 and 22 cents, every month. Okay.

00:53:56.000 --> 00:54:16.000

So, with the current monthly payment of 249 86. What we want to do is subtract the 143 22, so let's remember that number 143 22. So 249 86,

minus one.

00:54:16.000 --> 00:54:22.000

What did I just say, 143 22, thank you, Kate.

00:54:22.000 --> 00:54:41.000

And that means that only \$106 and 64 cents, every month is going to actually reducing this balance. Right. And so, that is, obviously, where it gets very very frustrating.

00:54:41.000 --> 00:54:52.000

So, the reason why I always like walking us through these calculations and definitely let me know Do not be shy. if there's anything in the calculations that you missed.

00:54:52.000 --> 00:55:15.000

Because when it comes to debt, taking on loans, we want to really be able to quickly do this calculation, so we see what the debt is costing us every month debt in itself isn't bad, right, using other people's money in ways that either get us through

00:55:15.000 --> 00:55:31.000

tight times, or allow us to move forward, can be advantageous and a wise thing to do, but we want to be able to do it at as low cost as possible. Right.

00:55:31.000 --> 00:55:50.000

So, in this case what we see is that right now, only about \$106 and 64 cents is going towards reducing that number. Okay, so hang on to that for a second because there's a second piece to the question and I kind of want to pull it all together.

00:55:50.000 --> 00:55:57.000

So, I'm also working on paying off my credit cards and building my credit.

00:55:57.000 --> 00:56:18.000

If I pay off all of my credit cards to a zero balance, and keep the accounts, open, will my score go up or down. I've just been paying off big chunks and watching my score, because I'm afraid, paying all six cards I have down to zero, will negatively

00:56:18.000 --> 00:56:21.000

affect my score.

00:56:21.000 --> 00:56:43.000

Is that true or is the best way to build credit to use your cards, and then pay them off in full every month. Okay, so I love this question, because it is a huge myth that we must keep a balance on our cards in order to improve our credit score.

00:56:43.000 --> 00:56:56.000

That is absolutely not true. And unfortunately it's something that just sort of continues to be out there, and it has us not using credit in a way that's really advantageous.

00:56:56.000 --> 00:57:14.000

So, one of the biggest things that is going to positively affect your credit is, what is the total amount of credit that you have available to you. Okay.

00:57:14.000 --> 00:57:20.000

And then what percentage of that credit. Are you currently using.

00:57:20.000 --> 00:57:32.000

So, what I would want is I want for everybody who has credit cards right and and it is a good thing to have credit cards, because we're playing that credit game.

00:57:32.000 --> 00:57:52.000

I would want you to look at what is the total credit limit on each of the cards that you have. Okay, so you absolutely want to know that what is the total credit limit on every card that they've given you, and you're going to add that up.

00:57:52.000 --> 00:57:53.000

Okay.

00:57:53.000 --> 00:58:09.000

So, this person has six cards. Okay. Now, I don't have any idea what the credit limit is on each of those cards, but just to keep numbers very very easy.

00:58:09.000 --> 00:58:22.000

Let's say that each card has a \$3,000 limit. Well then that person would have \$18,000 of available credit. Okay.

00:58:22.000 --> 00:58:40.000

The lower the percentage of that credit that you were using the higher your score will be right. And that you owe, right, the lower the amount that the percentage based on the amount that you owe to what your total credit limit is.

00:58:40.000 --> 00:59:02.000

Okay, so let's say that I have \$18,000 worth of available credit, not available credit. Yeah, worth of yes credit that has been total credit limit that has been offered to me, so I have \$18,000, and let's say I'm using right now, I'm carrying debt of

00:59:02.000 --> 00:59:32.000

\$9,000, right, that would mean that I'm using 50% of my available credit. Right. And my score is going to be much lower. At that point, then, if I'm using \$1,000 of it, right, because \$1,000 is, I would take \$1,000 and I would divide it by \$18,000 because

00:59:32.000 --> 00:59:38.000

again, we're just making this up that this person has \$18,000 worth of credit.

00:59:38.000 --> 00:59:56.000

That would be that they are using only 5.5% of their available credit. Okay. So when we're when we have a lot of debt, and we're paying down we're paying down the debt.

00:59:56.000 --> 01:00:09.000

The place where you're going to see your score take the biggest jump is when you drop below 30% of your available credit, that's where you're going to see your score take the biggest step.

01:00:09.000 --> 01:00:31.000

So for instance, I had about \$85,000 worth of credit. But I was using about 80,000 of it, right. So, my credit score was rapidly dropping, because I was using such a massive amount percentage wise, of my available credit.

01:00:31.000 --> 01:00:57.000

Right. But, I will never forget the big jump that happened in my score, when I dropped below that, 30%, okay. But truthfully, guys, what we want is we want to have lots of credit available to us and be using a tiny amount of it, if at all.

01:00:57.000 --> 01:01:17.000

So when this person asks, What will my score, go down. If I pay them down to zero. Absolutely not. Your score will actually go up. Okay, if. Now, in this case, I don't know, again what the credit limits are.

01:01:17.000 --> 01:01:28.000

But the total amount of debt on the cards is \$1,669 and 79 cents. Okay.

01:01:28.000 --> 01:01:51.000

That is the current amount that is owed on the cards. So, what you would want to calculate if you would want to calculate how much credit, do I have, what percentage of that credit that I have is the \$1,669, but our goal is absolutely to have lots of

01:01:51.000 --> 01:02:12.000

credit and to be using the credit cards, paying them off in full, using the credit cards paying them off in full. Okay. Now the one thing that will hurt your score is obviously if those cards get closed

because that will lower your available credit.

01:02:12.000 --> 01:02:25.000

So what I generally say is that for ease of tracking purposes. I'd really like you to only be using regularly for your expenses, one maybe two of those cards.

01:02:25.000 --> 01:02:38.000

But then the other cards, what I want you to do is I want you to set them up to have one bill happen on them every month, and set it up so that you pay that bill, automatically, right.

01:02:38.000 --> 01:02:57.000

So, I like going with the bill where I know the amount. If I know my Netflix is \$14 and 99 cents every month. I'll have a card so I don't even need to have it in my wallet, that gets charged that 1499 every month, and I'll set up my bank account automatically

01:02:57.000 --> 01:03:11.000

to pay that 1499 every month. That is going to keep you off of their non usage radar. Because what they're non usage radar, they will swoop in and close the account.

01:03:11.000 --> 01:03:28.000

Okay. What we also want to do guys and this is where the game comes in the Dorothy and I were talking about at the start. What we also want to do is when you have had the cards for while you want to call them once a year, and you want to ask them to increase

01:03:28.000 --> 01:03:41.000

your credit limit, right, not because we're going to use it, but because it continues to boost our available credit, and that continues to boost our score.

01:03:41.000 --> 01:04:08.000

Okay, so what would my recommendation be. Now, what this individual did share is they did share that they have some savings. Okay. And in, there's a lot that I don't know but based on what I see, the amount of savings feels like a comfortable amount to

01:04:08.000 --> 01:04:25.000

still have some security, right. So, what I would be recommending in this case, okay based on what I know about the amount of savings is my recommendation would be that they take \$7,000 from their savings.

01:04:25.000 --> 01:04:27.000

Okay.

01:04:27.000 --> 01:04:33.000

And in this case, I would suggest that they pay the credit cards,

often.

01:04:33.000 --> 01:04:48.000

Okay. So if we take \$7,000 from their savings, based on the total amount of debt on the credit cards, that is going to leave them with \$5,330 and 21 cents.

01:04:48.000 --> 01:05:16.000

I would then take that 5330 21, and I would pay it towards the 9901 47, that is outstanding on that loan. Okay. What that is going to do is it's going to significantly reduce the monthly amount of interest that they're paying on that loan.

01:05:16.000 --> 01:05:40.000

Okay, that would bring the loan down to just about 40 \$600 and my suggestion would be that the goal then be to pay \$400 a month, towards that loan. So, what I'm assuming is that, because we take away the credit cards.

01:05:40.000 --> 01:06:02.000

Right. And whatever was being put towards that debt on a monthly basis. What I'm assuming is we could now bump up the 250 that is currently being paid towards that loan by about 150, once we take away all of that credit card to anything that may have

01:06:02.000 --> 01:06:15.000

been going towards the credit card. Okay. If we then put \$400 towards the loan. It should take just about a year, including some interest to pay it off in full.

01:06:15.000 --> 01:06:30.000

And at the end of that time, I can guarantee this person who currently has about a 655, we are going to be looking at a credit score high seven hundreds, if not low 800.

01:06:30.000 --> 01:06:37.000

Okay. So, obviously, everyone. our strategy is going to be different.

01:06:37.000 --> 01:06:55.000

If we don't have any savings, then what we're going to be doing is we really are going to be looking at what are our options to reduce the interest, that's being paid on that loan, we would look to see, is there any other loan with something even if we

01:06:55.000 --> 01:07:12.000

get it down to 14%, right, is there any other way to be paying back that debt at a lower amount. I also always like to remind everyone, we don't all have these kinds of friends and family.

01:07:12.000 --> 01:07:20.000

But when you look at paying 17.3575% and interest.

01:07:20.000 --> 01:07:41.000

Some of us might have people in our lives who would be very interested in making a \$10,000 loan at 7% interest, right, which would be far more than any one is earning right now in any kind of savings account.

01:07:41.000 --> 01:07:58.000

And so, this wasn't a part of the person's question but I just like to throw that out because there are sometimes situations where there can be a win win for both people, right where you're significantly reducing your interest, while also giving someone

01:07:58.000 --> 01:08:25.000

a very good interest rate. Okay. So that would be my recommendation. In this particular case, and I feel like when we weigh the difference between this credit score potentially dropping to low 500 settling the debt for maybe \$4,000 or \$5,000, verse and

01:08:25.000 --> 01:08:47.000

then spending the next easily four or five years before you see a significant rebound from that versus, taking some money from savings and knocking that down for me, those two would absolutely not be equal, I would really want to see you actually pay

01:08:47.000 --> 01:09:05.000

off this debt. Okay, so that would be my suggestion for that question. Okay, another one that is one of my favorites is. I am still really struggling with figuring out how to do a budget.

01:09:05.000 --> 01:09:19.000

When I work just as an actor, right, or as all the other things that we all do in this world. Okay, so there's some additional information that came in with this question.

01:09:19.000 --> 01:09:31.000

I don't remember my current monthly expenses. I'm still not really proficient at figuring this out my income varies, so much. Okay.

01:09:31.000 --> 01:09:46.000

I don't have a savings account. I just have a business checking account, and this individual is incorporated that account currently has about \$50,000 in it.

01:09:46.000 --> 01:09:54.000

I want to open a savings account. I tried ally, they wouldn't let me do it because I only have a business banking account.

01:09:54.000 --> 01:10:10.000

Opening a regular banking account and savings is on my to do list, but

I'm not sure how I would know which money to transfer into those accounts. I don't have payroll currently set up on my Corporation.

01:10:10.000 --> 01:10:24.000

Okay. So, this is actually remarkably connected to Elizabeth question right about what should Elizabeth do with this chunk of money and she pay herself a salary.

01:10:24.000 --> 01:10:49.000

Okay, so the first thing that I want to really hit and stress is guys, figuring out a budget right now first of all we don't we don't use that word, not because it's a bad word, but because budgets, don't work for people like most of us.

01:10:49.000 --> 01:11:08.000

Budgets are designed for people who earn this amount of money every single month I earn \$4,000 a month, and I decide exactly where every penny of that \$4,000 is going to be allocated.

01:11:08.000 --> 01:11:21.000

Notice I don't say spent allocated because some of it is hopefully going to go to savings and to building wealth, but if I know I have \$4,000 every month, then this budget thing can work.

01:11:21.000 --> 01:11:34.000

The reason why you're struggling with figuring out how to do a budget is because you can't, you cannot, right, which is why we don't use the word budget.

01:11:34.000 --> 01:11:41.000

But what you absolutely can do is you can create your forecast.

01:11:41.000 --> 01:12:04.000

We do not need to know how much we're spending to figure out, sorry, I said that wrong, we do not need to know how much we are earning, in order to figure out how much we are spending and, as a community, this is probably the most critical change that

01:12:04.000 --> 01:12:16.000

you have to make in order to successfully manage your money, moving forward. I used to share this a lot, but I'm going to say it again, there was an interview that was done.

01:12:16.000 --> 01:12:33.000

And they interviewed a millionaire, and they asked him, do you have a budget. And his answer wasn't yeah I have a budget his answer was, I can tell you where every penny of my household income is going for the next five years.

01:12:33.000 --> 01:12:56.000

I have never forgotten that answer, because, to my view. His answer was, I have a forecast. I have a plan for where my money is going. So, even if you don't have the faintest idea how much money you are going to earn.

01:12:56.000 --> 01:13:14.000

You can absolutely sit down and figure out how much you're spending there two reasons why we don't do that, we don't do it cuz we don't want to, right, like, that's just the truth we don't want to we don't want to see how much we're spending, but the

01:13:14.000 --> 01:13:34.000

information is absolutely there, right, you could simply hire somebody right and you could give them your records, and they may have some questions about what categories or what, but they could calculate exactly how much you're spending.

01:13:34.000 --> 01:13:48.000

I don't recommend that because I want us to be really connected to how much we're spending and I want us to know, right, but that job has absolutely nothing to do with how much you're earning.

01:13:48.000 --> 01:14:00.000

The other reason we don't do it is because we continue to link.

01:14:00.000 --> 01:14:16.000

And I then differently. Right. And then I have a month where things are not good, and I try to rein it in, I try to really be tight. Right. And that's a really difficult way to live.

01:14:16.000 --> 01:14:25.000

What we want to do is figure out how are we living and get really clear and honest on how we're living.

01:14:25.000 --> 01:14:42.000

Then once we're really clear and honest on how we're living, we want to change anything that we're willing and or able to change. Right, so when I look at it clearly then I can say oh wow, that's what I'm spending on eating out, that's what I'm spending

01:14:42.000 --> 01:14:52.000

on clothes. Wow. Right. I don't really want to consciously spend that amount. so then I can decide.

01:14:52.000 --> 01:15:12.000

I choose to spend this amount on clothes I choose to spend this amount on dining out. And that's where more of the traditional sense of budgeting comes in because now I'm going to monitor myself and I'm going to say, I've given myself, \$150 a month to

01:15:12.000 --> 01:15:29.000

spend on this, and I'm going to monitor to keep myself on track with what it is that I have decided to do. Okay, so what I need is I need for us all to do our forecast.

01:15:29.000 --> 01:15:42.000

Right. Those of you who've been around for a while you're like, shut up Yeah right, but it really, it, it will change everything about how you're managing your money.

01:15:42.000 --> 01:15:48.000

Okay. So, to continue this question.

01:15:48.000 --> 01:15:50.000

Absolutely.

01:15:50.000 --> 01:16:02.000

We need to have a business checking account, and a personal checking account. Absolutely. At a bare minimum.

01:16:02.000 --> 01:16:20.000

In, if you have taken money management live or if I offered it anywhere else that may have been called managing cash flow or the money management course that is available on your dashboard, you'll be able to see clearly how I show you your columns, and

01:16:20.000 --> 01:16:35.000

every single one of us. We have a personal column, and we have a business, column. Okay. And another huge mistake is that we act like we only have one column.

01:16:35.000 --> 01:16:53.000

Okay, so there isn't a person alive, who only has a business column, right, that that doesn't exist because we all have a personal life, we do have expenses that are not in any way legitimately considered business.

01:16:53.000 --> 01:17:13.000

Okay. And so, there are people who only have a personal column. There were in this particular community because we tend to be freelancers and creatives, but a person with just a personal column would be a person who has a personal life, and they have

01:17:13.000 --> 01:17:27.000

a job, right, they just have a job, like, I'm not saying that in a negative way at all right it's just, they have a job, they don't own that job they're paid a salary, and it covers hopefully their personal expenses.

01:17:27.000 --> 01:17:38.000

But for most of us, at a minimum, we have our personal column, and we have our business columns so in the case of this person their business column is they're acting column.

01:17:38.000 --> 01:17:47.000

Okay, so what I need you to have is I need you to have a forecast of your whole life.

01:17:47.000 --> 01:18:09.000

And then I need you to have clarity about what of that total is personal. And what of that total is business, and this is critical for any successful business, you guys know I always love to use the analogy where I say, if someone came to invest in your

01:18:09.000 --> 01:18:22.000

business. Imagine if they saw like modest morning coffees are in there in the business account and she took her kids to buy school clothes and it's in there in the business account, like, they would be appalled.

01:18:22.000 --> 01:18:38.000

There's no way that they would invest in that business, and they wouldn't invest in that business because one because they'd be like she's totally breaking the law but second because they wouldn't be saying she doesn't have the business structures in

01:18:38.000 --> 01:18:52.000

place that this business can ever truly be successful. And yet we invest in our businesses all the time without running them like they are successful.

01:18:52.000 --> 01:19:12.000

Okay, so once you get clear on what is your personal forecast. And what is your business forecast. That is how we then decide how much money needs to be transferred monthly to your personal checking.

01:19:12.000 --> 01:19:27.000

And even if you're not in the place yet to formally run payroll. That means that what you're taking it means that the end of the year, you're basically your taxes are being calculated based on a what is called an owner draw.

01:19:27.000 --> 01:19:48.000

Okay. And that's more complicated than I'm going to go into in this moment, but you're, you're, you're taking money, you're not, there's no you would get into big trouble if you try to treat every piece of income as inexpensive as 100% business expenses,

01:19:48.000 --> 01:20:07.000

right. So, what you would be doing is you would be salary in yourself,

even if it is not a formal payroll, just like Elizabeth is going to do, you would decide what the amount is that you need to pay your personal expenses, and you would have that amount

01:20:07.000 --> 01:20:25.000

transferred every month into your personal account, and what you could you can call it owner draw. And then at the end of the year your accountants, will help you determine whether any of that amount needs to be subject to payroll taxes and that kind

01:20:25.000 --> 01:20:45.000

of thing, right, but you would take the amount that you need to take every month to cover your personal expenses and yes it's very wise for us to keep as much as we can legitimately keeping the business because businesses are taxed in a more advantageous

01:20:45.000 --> 01:21:05.000

way than we are individually, but the IRS is always going to hold that you must take a reasonable salary. Now I think one of the big multi billionaires got away with taking a \$48,000 annual salary.

01:21:05.000 --> 01:21:22.000

Right, so your reasonable salary. Doesn't have to be huge. But you do have to give yourself a reasonable amount of money to pay your personal expenses.

01:21:22.000 --> 01:21:39.000

Okay. So, if you really dive into how you create a forecast and the money management course can really help you with that. And I'm also so happy to take any specific questions in these calls about creating your forecasts.

01:21:39.000 --> 01:21:57.000

But if you really dive into doing that, that will give you the clarity around what your life cost, and then more specifically, what your personal life costs do versus what your business costs you and that is what will allow you to know, how much do

01:21:57.000 --> 01:22:18.000

you need to be giving to your personal account, and whether you want to have that personal account includes some personal savings, right, or whether you're going to do all of your savings in a business, kind of investment fund.

01:22:18.000 --> 01:22:23.000

Okay, so that would be how I would answer that question.

01:22:23.000 --> 01:22:40.000

The, that this person also shared I invest my residual checks into crypto currencies, since I do not need that money to live right now.

And the only thing that I wanted to say about this guy's is.

01:22:40.000 --> 01:23:09.000

I absolutely want us to really focus on creating stability before, right, we focus on investing in these kinds of things. I, I completely understand the belief and possibility that cryptocurrency may be huge and it doesn't matter to me that this specific

01:23:09.000 --> 01:23:20.000

person has chosen cryptocurrency. But what does matter to me is that when we call it investing before we've created stability.

01:23:20.000 --> 01:23:39.000

We're not really being clear, or accurate before we've created stability. This is actually gambling. Right. And I'm not making a judgment on gambling, but I want us to be honest that that's what we're doing.

01:23:39.000 --> 01:23:52.000

So, overall, what I would suggest is I would really suggest that everyone. You have your business account. You have your personal account.

01:23:52.000 --> 01:24:14.000

You have a planned savings account, and that planned savings account, are, we're working steadily right this isn't going to happen overnight, but we definitely want a target to be three months of our monthly forecast in our plan, savings, because that's

01:24:14.000 --> 01:24:33.000

when we start to get stable as freelancers we ultimately want to have six months of our monthly forecast in our plan, saving and, ultimately, even a year, because that is what allows us to, it doesn't take a pandemic.

01:24:33.000 --> 01:24:48.000

It just takes a dropping work, which is very frequent for those of us who work these kinds of jobs and have these kinds of careers. So why would want you to have a plan for building that plan savings.

01:24:48.000 --> 01:25:00.000

I would want us all to be maxing out our IRAs. So that's \$6,000 a year 7000 if you're over 50.

01:25:00.000 --> 01:25:05.000

And so I would maybe 55, do a check me on that.

01:25:05.000 --> 01:25:22.000

So, I would want us to be maxing out our retirement and having that invested in a very stable kind of the simple path to wealth, you guys

know it's always, my suggestion there for someone who has a corporation.

01:25:22.000 --> 01:25:37.000

There are additional ways and you don't even have to have a corporation, but there are additional ways that as freelancers that we can build wealth, with steps self employed pension plans solo 401k case, right, and I am absolutely not someone who feels

01:25:37.000 --> 01:25:55.000

Right. And I am absolutely not someone who feels that all of our investing should be focused on retirement, we absolutely many of us have lots of goals and dreams for long before retirement, but these are all things that I certainly want us to be educating

01:25:55.000 --> 01:26:16.000

ourselves on and focusing on building the stability, that's going to give us lots and lots of choices in our future. Once we have once we're at a minimum, we're building our plan savings regularly every month, we have a very clear forecast at, and we

01:26:16.000 --> 01:26:31.000

are, in my opinion, funding our IRAs, to the max every year, should be \$6,000. Once you have that base level of stability. At that point, I would say any additional income.

01:26:31.000 --> 01:26:45.000

That is where you get to make the choices, right, about how you invest that money, and some of us are going to choose to do it in riskier but things that have a great chance of great return.

01:26:45.000 --> 01:26:57.000

Others of us are not going to want to go that route. But I just want us to be very very clear that, because I've done it, you guys know I've lost lots of money and investments that were not investments.

01:26:57.000 --> 01:27:22.000

They were gambling, and we want to be aware that that is where our psychology comes in. Okay. But when we say, I'm investing, because I do not need that money to live on right now, but you're also sharing at the same time that you don't yet have clarity

01:27:22.000 --> 01:27:41.000

around your forecast. Those two things don't match up. Does that make sense. In other words, you're not needing that money right now we don't actually know that if we, we may feel that way, right, but because we haven't created the forecast and the plan,

01:27:41.000 --> 01:27:48.000

we don't 100% now. Okay. So I hope that is helpful.

01:27:48.000 --> 01:28:02.000

I know guys that I'm coming close to time and don't worry I'm going to stay and answer all of these questions. But, Melissa I see your name, your hand up, and I also got some other questions that were sent in that I'm definitely going to address.

01:28:02.000 --> 01:28:05.000

Yeah.

01:28:05.000 --> 01:28:09.000

Melissa Can you unmute

01:28:09.000 --> 01:28:32.000

and mute. There we go. Um, yeah, I just wanted to know because I did open my high yield savings account.

01:28:32.000 --> 01:28:50.000

I continue to fund that, though I, I should Yeah, absolutely, absolutely. So we want to be doing both simultaneously Melissa ideally I love how you have been building your plan savings you did amazing with that throughout the pandemic.

01:28:50.000 --> 01:29:04.000

And I would say you definitely want to also set the target of funding, your IRA every year on the limit, again it's like six grand.

01:29:04.000 --> 01:29:17.000

And so you want to make that a goal as well, that would be \$500 a month so that may be way beyond what many of us can do at this point, but you want to be regularly funding that because it is a tax advantaged account.

01:29:17.000 --> 01:29:19.000

Okay. Okay.

01:29:19.000 --> 01:29:33.000

Perfect. And I think that's it and and it was great about the credit cards thank you because I'm, I'm getting at the end where I'm at the point where I could pay him off now, right but you know me, like to see that money in those accounts.

01:29:33.000 --> 01:29:45.000

I see it there I don't want to put it up. I know, but yeah. So thank you, Melissa and guys, you know, I'm, I, I am not.

01:29:45.000 --> 01:30:04.000

I don't say we take all of our money from savings, and we pay off the credit cards. In this particular case, this person has money sitting in savings were there, I'm certainly not, it's a checking account not

making much an interest while simultaneously

01:30:04.000 --> 01:30:24.000

paying, quite a bit in interest. So for them. That's why we definitely want to see less going towards interest, a solid payment plan to pay down our debt and reduce the interest that we're paying is always a good strategy, because my credit cards, you

01:30:24.000 --> 01:30:38.000

know, kind of to plan to that, um, I am at the point they're high interest rates are high interest I can't get them Lord which is fine, right, I do have the money to pay them off, if I need to.

01:30:38.000 --> 01:30:52.000

But my credit score has gone from the 402 I'm now 750, but the main.

01:30:52.000 --> 01:31:06.000

I've been like well Should I go and ask for you pay these off, you know, and beat them down us a little bit like you said, and then ask for more credit where credit line well.

01:31:06.000 --> 01:31:19.000

The other thing that you could do because you're now in a really good place in terms of your credit score is you can pay them off right if you have the funds to do that you can pay them off your score is going to probably jump even higher.

01:31:19.000 --> 01:31:41.000

And at that point, you're definitely going to get offers for much lower interest loans, right. So, if you were in a pinch of any kind, where you couldn't use the cards and pay them off, you could, you're at that with that kind of credit score you're going

01:31:41.000 --> 01:32:03.000

to be able, so we don't want to be paying punishing interest rates, just because with a 750 credit score, you should qualify for much better offers, and I would want to be looking into this awesome I available credit even though that is gone out the credit

01:32:03.000 --> 01:32:19.000

cards one of them I've got a credit limit of 4000, right, and the other I've got a credit limit of like 2000 or something like that so what you know is you might look at Credit Karma, and you might see what they think you'll qualify for because what you

01:32:19.000 --> 01:32:38.000

what you could do is you could take out like a personal loan. Right. And at a low interest rate, use the personal loan to pay off the credit cards, and then make your regular payments on that personal loan at a lower interest rate.

01:32:38.000 --> 01:32:53.000

And at that point, you'll probably start getting offers for cards with better interest rates, and then we can play a little bit of the game where we basically don't close the horrible ones, but we really don't give them our business we put a tiny thing

01:32:53.000 --> 01:32:58.000

on it every month and pay it off. Okay, thank you. Melissa. Thanks.

01:32:58.000 --> 01:33:10.000

Alright, Pamela, let me take your question. I think that I found my answer in cage notes here but let me just really quickly, there's really it's a short question.

01:33:10.000 --> 01:33:18.000

The three months, six months in the one year of, of our, where does this really have our monthly savings.

01:33:18.000 --> 01:33:31.000

It's, it's of the month of the, it's up the monthly forecast if we're not separating our forecast from our plan savings, our plans savings is part of our monthly forecast, is that correct.

01:33:31.000 --> 01:33:50.000

Okay, so here's where it gets a little bit specific, and we really break this down in the management course, the way that we this community, the way that we initially build our plan saving, is we build it by going through our forecast.

01:33:50.000 --> 01:34:09.000

Right. And we identify all of those expenses that we know, don't happen every month. right. So, I look and I have a forecast for \$150 in car repair I look and I have a forecast for my union dues I look and I have a forecast for travel every year, maybe

01:34:09.000 --> 01:34:11.000

right after the pandemic.

01:34:11.000 --> 01:34:31.000

And I add up all of those things that don't happen every month but that I recognize I need to plan for. And that is an amount that I treat it like a bill every month, I take that amount and I put it into my plan savings.

01:34:31.000 --> 01:34:33.000

Right.

01:34:33.000 --> 01:34:50.000

but then what we do Pamela is whenever extra money comes in, beyond

our forecast. You remember that I teach a system where we divide that extra money into four.

01:34:50.000 --> 01:35:08.000

And what I say is, you're going to make an extra payment to your plan savings, you're going to make an extra payment to any debt that you have, if you have debt, you're going to make an extra payment to your wealth savings, and you're going to use some

01:35:08.000 --> 01:35:25.000

money for something that you want, or saving towards right now if you don't have debt, then you only have to divide it into three, but these are the, and it doesn't have to be even the mouse right but these are the places where we learn to pad.

01:35:25.000 --> 01:35:45.000

Our planned savings. So then what happens. And we've seen it right it absolutely happens, the car doesn't break down to the tune of \$150, a month, your travel ends up being a little bit less, and you've been following the system and padding that plan

01:35:45.000 --> 01:36:07.000

savings. And what ends up happening is that it grows, it grows steadily. We hit one month of our total forecast, two months, three months. And that is how we build what has been traditionally called an emergency fund is by starting to build that plan

01:36:07.000 --> 01:36:23.000

savings for the truly unexpected things, but you know how you can read it anywhere you go online, every single financial person tells us, we should have six months of emergency savings.

01:36:23.000 --> 01:36:41.000

Right. And yet, more than 80% know, online, more than 60%, of Americans have less than \$500 in savings. So what we're saying is that this whole idea of emergency savings it's not actually working.

01:36:41.000 --> 01:36:53.000

But what we've seen is that in this community by using the plan, saving structure, people are hitting one month, two months, three months, and even beyond that.

01:36:53.000 --> 01:37:04.000

Does that help Pamela. Yes, thank you. Thank you. You're so welcome, so Okay guys, I need to address a couple of other questions that came in and then I still see some hands.

01:37:04.000 --> 01:37:20.000

Peter center question, he said, I know for unemployment, we now have to be reporting, our search for work. As of this past month so during

coven, they gave us a break from having to say you're searching for work because no one was searching for.

01:37:20.000 --> 01:37:37.000

However, prior to coven Peter has never been on on employment, so this is his first time having to work with this requirement. Okay, I've tried to do some research on what this looks like for actors reporting a search for work, but I've had trouble finding

01:37:37.000 --> 01:37:47.000

any good resources, outside of reporting when I have auditions. Do you have any insight on what is acceptable to the add here.

01:37:47.000 --> 01:38:01.000

So the first thing I would ask, is that if anybody here has direct experience with reporting your search for work, please put it in the chat, because we will share the chat.

01:38:01.000 --> 01:38:21.000

I also want to hit here, that this is a brilliant kind of question to ask in our community, if you're not using the mighty networks community, this kind of question will get you a ton of extremely educated and experienced answers so I really want to encourage

01:38:21.000 --> 01:38:39.000

you guys to join the community if you haven't already, but the third thing I want to say is with this recording, we will post sag AFTRA has a very extensive guide on applying for unemployment, as an actor, and they even give some very simple templates,

01:38:39.000 --> 01:38:57.000

because it is fundamentally about reporting additions that you've had. If your agent shares lists of submissions things you've been submitted on, usually they will also accept classes, training, right.

01:38:57.000 --> 01:39:15.000

So, there is, they're not not familiar with this, there are some there's sometimes some push that as actors we should also be forced to get other kinds of work that that has never actually held up in any way.

01:39:15.000 --> 01:39:34.000

So documenting the normal actors search for work should absolutely cover you the worst thing that happens is you get called in for hearing, in which case you would go in and you would simply present this information, but we yes sag has a guide for unemployment

01:39:34.000 --> 01:39:46.000

for filing on employment. It's pretty long, and it's it's solid, so we will post the link to that guide, along with this recording so that

everybody can download it.

01:39:46.000 --> 01:39:47.000

Okay.

01:39:47.000 --> 01:40:03.000

Very quickly Dorothy, Roma, Roma said I've been using an Excel spreadsheet to track my finances, but I have the QuickBooks 2019 desktop version. When is the best time to switch over.

01:40:03.000 --> 01:40:21.000

Is it more efficient for me to wait until the end of the year. So my answer to that question would be, especially when it comes to QuickBooks, I would say, yes, that what I would want you to do is to be using these next few months to get QuickBooks setup

01:40:21.000 --> 01:40:41.000

to make sure you understand it, to get any coaching or free class that you might take to just make sure I don't know Romo specifically whether you already have familiarity with QuickBooks, to get your accounts hooked up all of those things, but I would

01:40:41.000 --> 01:41:00.000

officially start using it in January, just so that you have a full and clean year, you certainly can start using software at any point in the year, my caution here would just be that QuickBooks can be complicated.

01:41:00.000 --> 01:41:16.000

And so I'd want you to be able to play around with it a little bit and just be ready to launch in the new year. Okay. So, I still superintendents up and then here we threw them How can I help.

01:41:16.000 --> 01:41:24.000

Hey, so this goes back to the, the, you know, the quote unquote emergency or forecasted savings.

01:41:24.000 --> 01:41:29.000

And now as you were talking, even though I had once saved up six months worth.

01:41:29.000 --> 01:41:41.000

I realized that I have a mental block right now over anything that's on anything that's over a three to six month forecast savings, it seems like so much money right now, even though I reached it once.

01:41:41.000 --> 01:41:58.000

Right now I have one month saved up kind of a bare bones version so I think my question is, you know, getting beyond that mindset, but also bare bones versus a working forecast I mean, I've kind of hit my bare

bones, one month.

01:41:58.000 --> 01:42:10.000

And then I'm looking like I keep to two different books for that I have the bare bones. And then I have the actual you know what it takes me to a live version.

01:42:10.000 --> 01:42:22.000

And so I love that because Susan I actually really believe that that's how forecast becomes super powerful, right, because we can have a forecast for, I can do this.

01:42:22.000 --> 01:42:33.000

if I have to. And I will. Right. And that's a great forecast to have. Then we want to be able to take that and have a forecast for.

01:42:33.000 --> 01:42:48.000

I'm living reasonably. I don't feel, and for everyone that's different, but I don't feel constricted like I have to watch every penny I'm wearing myself have some freedom.

01:42:48.000 --> 01:43:06.000

That's a really important forecast to have. And then I feel we want to have the next stage forecast, right, the next stage forecast might be that class I really want to take it might be having someone who could help the foot house cleaning once a week

01:43:06.000 --> 01:43:25.000

a month right. It can be anything but it's that it might be travel, it's that not just dreaming that these are some specific things that will allow me to expand into greater abundance, and this is what it will require it for me.

01:43:25.000 --> 01:43:49.000

So, I would love for you to focus on what is it going to take to reach that I'm living forecast. Right. I mean, I'm not counting every penny that forecast, and what work do we need to get to that place, right.

01:43:49.000 --> 01:44:19.000

And I actually have those I have to. Okay, so it's just now that. Yes, I'd love to see you, building the plan to savings to know that you're covering that living forecast first for a month, then for two and definitely for three, right, because that is

01:44:19.000 --> 01:44:43.000

where you can feel stable. And what I'd love for you to bring this to the mindset call this month, to really look at why right what it is that goes on that has you seeing more money than just the bare minimum, as, as scary.

01:44:43.000 --> 01:44:59.000

Right, as opposed to embracing the feeling of. Look at me, saving and caring for my stability, that's what that looks like. Right, right, right. Yeah, yeah.

01:44:59.000 --> 01:45:14.000

Okay. Yes, and it. Yeah, I do seem to have a certain amount of income per year that my brain is stuck on. Yeah, well, and I want you to look at that and that's

01:45:14.000 --> 01:45:33.000

what those mindset calls are for because it's so admirable that you recognize it. Right. You know that it's there. And so now we want to really dive in with some tools to figure out how to expand your possibilities.

01:45:33.000 --> 01:45:45.000

Yes, and I do have to say that having gotten to the six month version, which was it wasn't bare bones but it wasn't like my, my, you know, really comfortable living.

01:45:45.000 --> 01:45:49.000

I felt so much more stable I really did.

01:45:49.000 --> 01:45:58.000

I did, and I really, I was like, I would sometimes feel like I had no money and then I was like No, but I have that six months but you can't touch that.

01:45:58.000 --> 01:46:15.000

Well, yeah, but that's, we want to work on that too right because that is, it's there to not to be an adult. It's there to help in months that are a little bit lower, because that's what we do and then we build it back up again that's what it's there

01:46:15.000 --> 01:46:16.000

for.

01:46:16.000 --> 01:46:32.000

Right, right. Okay, thank you so much. So, Haley, how about you. Oh my gosh, thank you so much for all your help with everything I use okay so as far as calling the credit card companies to increase your credit limit.

01:46:32.000 --> 01:46:43.000

Some of them. This year automatically increase my credit limit because I paid off so much and because I made all my payments on time. So the ones that automatically increased.

01:46:43.000 --> 01:46:55.000

Should I still call them to ask for an increase or should I not do it. No, you don't need to bother you don't need to bother because yes, when we're doing it well, they will often be like we've increased your credit, I just wanted to make the point because

01:46:55.000 --> 01:47:13.000

I've even had people Haley who are like no, don't raise my credit and I'm like, right, we just, we have to use it, just because they give it to it. Okay, and then the sag unemployment thing that you mentioned that was just a guide for how to do the job

01:47:13.000 --> 01:47:33.000

search paperwork, or design of a whole guide for all of unemployment, they have a whole guide that basically explains the ins and outs of unemployment, the math of how you the weekly amount to qualify is determined how you file what happens if you go

01:47:33.000 --> 01:47:50.000

off and then you need to go back on what if you get called in for, you know, investigation. All of that they have a very meaty guide. Oh cool, but I find that just by searching you know Screen Actors Guild unemployment guy that's what I will do, I'm going

01:47:50.000 --> 01:47:57.000

to put it in the chat right now. And then I will also.

01:47:57.000 --> 01:48:04.000

We always post all of these resources with the recording in your member library.

01:48:04.000 --> 01:48:17.000

So, the recording goes up guys usually by like Monday or Tuesday, and you'll always find everything we talked about, along with, along with any extra information that we found.

01:48:17.000 --> 01:48:30.000

Okay, good. So when you say Tracy your background with your hair and said, You look so cool if you look like you're in like the David Lynch phone Blue Velvet like it's such a vibe.

01:48:30.000 --> 01:48:46.000

I love that you look so cool doesn't you look cool. I always love traces background, it makes me not happy with the background that I use drapes it's too big for my growth so doesn't draped as nicely as I know.

01:48:46.000 --> 01:48:52.000

And it's like kind of blacker on the edge like it just is. It's lit Well, anyway, sorry.

01:48:52.000 --> 01:49:02.000

Perfect, perfect, perfect. And guys, there's one more thing no obligation to stay but I want to share this because this was a great question and I want to get it on the recording.

01:49:02.000 --> 01:49:14.000

And I missed it and I apologize, this person said I want to move by this summer, but I applied and was accepted into the California coronavirus rent Relief Program.

01:49:14.000 --> 01:49:24.000

So I'm waiting for them to pay off my landlords, before I can move. I'm wondering when they will finally pay my landlords, and if they pay the full balance.

01:49:24.000 --> 01:49:36.000

So this is a really, really great question. So first of all, anyone is in California, who may have had some trouble paying rent over the coronavirus. please look into this program is real.

01:49:36.000 --> 01:49:58.000

People are qualifying for it, and it is absolutely worth it. Okay, so we will post a link for that. Now, it is new, and it is the state, trying to distribute I what I think is millions, maybe even billions, and they they've never done that before.

01:49:58.000 --> 01:50:12.000

Okay. What they are saying is that the intention is to distribute the rent relief to the landlords within 30 days of the person's application being accepted.

01:50:12.000 --> 01:50:30.000

Do we think they're going to get that in every case. Probably not, but that is the goal, and that to me is definitely a strong goal, it makes me happy that they're not saying, six months, right, because I feel like if they're saying a month, then hopefully

01:50:30.000 --> 01:50:42.000

landlords will be getting paid and people will be getting the relief that they need within two to three months at the most. Okay. Now, here's the thing.

01:50:42.000 --> 01:51:01.000

The bill allows if you qualify for 100% of rent from April 2020 through September, 2021. Okay. However, and here's where everyone needs to be really careful and again we'll post the link so you can check.

01:51:01.000 --> 01:51:11.000

First, you must apply before the moratorium expires. On September, 30

okay so do not wait, apply right away.

01:51:11.000 --> 01:51:35.000

But second, if your landlord gives you a notice, demanding payment of rent. Okay, so it's basically a pay or quit, you are required to do two things. You are required within 15 days to give them a declaration of coven 19 related financial distress, so

01:51:35.000 --> 01:51:37.000

you must do that.

01:51:37.000 --> 01:51:54.000

Hopefully the landlord will only give you one. Notice to pay or quit but what some landlords are doing is they're giving you a notice to pay or quit for every month that you didn't pay, right, in which case, you have to respond to every single one of

01:51:54.000 --> 01:52:24.000

those. Okay, so just be careful there. However, The second piece is, if they give you that you must pay 25% of what was do between September 1 2020. Okay, and September, 30 2021 25%, so they're, they're taking March, well, April May June July and August

01:52:26.000 --> 01:52:38.000

off of that. But for September October November December January February March April May June July August September, so who kept up with that 13 months.

01:52:38.000 --> 01:52:56.000

You have to pay 25% of what was owed. Okay, or they can evict you. So here's where you're having a little bit of a dance, if they haven't served you with that notice some people have wonderful relationship with their landlords everybody's communicating,

01:52:56.000 --> 01:53:15.000

they know that you've applied for this program and they expect to get their money and they're being patient. But if you don't, and they serve you, you are required to pay 25%, in which case the ultimately when the rent relief comes through, they would

01:53:15.000 --> 01:53:35.000

pay the remaining 75%. Okay, so I just wanted to this was a great question and I'm sorry that I missed it. I just want to make that clarification. If you have a difficult landlord, and they have given you that notice there is that 25%, but some people

01:53:35.000 --> 01:53:51.000

I know have been paying 50%, in which case you've covered that or you've been paying 25%, in which case we've covered that. But the qualifying for this program would not excuse you from having to meet

that requirement so hopefully you're not dealing with

01:53:51.000 --> 01:53:54.000

that but if you are, I wanted to make you aware of that piece.

01:53:54.000 --> 01:54:08.000

All right, you guys, such a question, you know I have an impossible time trying to get them all in. In, 90 minutes, but I do really want to answer them all so take care everyone is still here.

01:54:08.000 --> 01:54:38.000

We will see you next week for our mastery conversation with Sam Valentine from one broke actress. She is going to be talking about being a freelancer, and the lessons she's learned and some of the advice that she has over 30 years in the business.