EPISODE 584

[ASK FARNOOSH]

FT: Happy Friday everyone, it's episode Ask Farnoosh, June 9th 2017th. Welcome to the show, I'm your host Farnoosh Torabi and we are on a nice little run here inviting some of you on to the show. This is week two of having a guest cohost and I'm having a lot of fun, thank you to everybody for reaching out, responding to the emails and the inquiries that I put out there about "hey, if you'd like to cohost with me, this Friday episodes, you can take the hot seat".

And this week, this Friday, I'm privileged to bring on the show, a really loyal listener who has been with the show for quite a while and she was one of the first to jump at the opportunity to cohost with me when I kind of mentioned it briefly on the podcast a few weeks ago. She went above and beyond, let me tell you, applying for this gig even though it's an unpaid job, it requires you to take time out of your normal work week. Literally, she sent me audio clips, she sent me a bio.

Rachelle, welcome to the show.

[0:01:37.3]

RB: Thank you Farnoosh, it's amazing to be here today.

[0:01:41.4]

FT: I can hear your smiling over across the airwaves.

[0:01:43.7]

RB: Yes, for sure. I just want to give a little shout out, that is one of Ramit Sethi's briefcase techniques, if you're not already following Ramit Sethi's email list, you should totally get on that. His stuff really works.

[0:01:57.8]

FT: I subscribed to his emails, I've bought Zero to Launch, I've had him on the show. Does he actually say smile over the phone?

[0:02:05.0]

RB: No, it's the briefcase technique where you apply for a job and you give extra. Here's a little bit of something that it would look like if I worked for you.

[0:02:17.3]

FT: Oh yeah, and also smiling over the phone helps too, that should be part of the technique but that's true, it was a total home run for me and for you when I got your — it wasn't, it was just enough, you know? It was very much a friendly, brief but definitely went the extra mile and I really appreciated that.

I did listen to the audio, you sounded lovely, which is always helpful. I mean, I don't expect this cohost to be broadcast ready and I have people who have written in and saying like, I used to be a radio disk jockey, that's wonderful, that's like a bonus but I'm really just hoping to connect with the authentic listener who loves the show and who wants to maybe help me sift through some of this questions that we have.

We have a number of questions this week. People asking about how to get out of debt, how to save, when is it really a smart time to dip into your savings, someone's asking about how to switch banks because they're not so thrilled with their bank services. So I thought it would be fun Rachelle if you — well first, I'm jumping ahead, I apologize.

Let's learn more about you, I want you to brag a little bit about yourself, take the spotlight a little bit and tell us a little bit about you and why you're interested in personal finance, it's not everybody who is interested in money, it's a certain kind of brand and breed of individuals. Tell us about what draws you to this space?

[0:03:48.7]

RB: I have just always been really fascinated by financial psychology or behavioral psychology with money. It's always been a weird quirk of mine and there's not very many people you can really talk to about that. This is an amazing dream come true for me to be able to just really geek out over personal finance.

When you asked me to send a bio, I really didn't have anything ready so I threw something together, I took a headshot to send in and then I just threw together a quick Facebook page called the Art of Love and Money.

Hoping to start a financial book club and if you connect with me through the link, there is a survey and I'm asking what kind of books we want to read and what pace we want to read at and so I'm really hoping to get it down to actionable items and get some listeners to read the book along with me but then also make actionable items so that we can really start to change our financial world.

[0:05:01.9]

FT: I love that. Okay, everyone go to Facebook.com and search for Art of Love and Money and it's a group that you started that you can be invited to join or just click to join and I've actually offered Rachelle, I've offered her to come on to the book club via Skype or Zoom or whatever and be a guest speaker if anyone wants to read my book. Hopefully that will get you some people to sign up because I will do that.

[0:05:29.5]

RB: Yeah, that will be great. Awesome, looking forward to that.

[0:05:32.4]

FT: Okay, and tell us a little bit about like where you live, don't give us your social security number but you know, tell us a little bit about yourself.

[0:05:41.5]

RB: I live in a small town called Rock Island, Illinois which is in the quad city area. We're about three hours from Chicago and I've been working for an engineering company, I do 3D piping design for a mechanical engineering company and I've been here for about 16 years.

I really like the people I work with and the work is interesting, but I've also always been just looking for something a little bit more creative. So I'm kind of starting to look around, how to pivot that and merge kind of my technical skills with my more creative side.

[0:06:21.3]

FT: I like that. Has the podcast been inspiring at all? There's been so many people coming on the show talking about pivoting, lately.

[0:06:26.7]

RB: Absolutely, yeah. I'm hoping to get my hands on the book, *Pivot,* soon and get through that. I have a lot of interest in how to sort of merge those two worlds with the branding and I'm assuming that branding is the same as like digital presence.

[0:06:49.0]

FT: It's a big part of it now because when people want to understand your brand, the first thing they do is they Google you and then look at all the platforms you're on so there has to be some kind of I think a symmetry wit wherever you're on, with your own website, Facebook and social media platforms that you are putting your best foot forward that there's a cohesive story behind who you are. So wherever anyone's finding you and looking you, they get who you are. There's not this confusion, right?

[0:07:19.9]

RB: Right, I think that's going to be my big challenge because my two worlds are so separated. But I'm looking forward to exploring that some.

[0:07:28.4]

FT: All right, well I'm looking forward to having this episode with you, sharing the stage with you and I thought it would be fun if you could guide me through some of the questions. Our first question is from Melissa. The good news, Melisa has to share is that she's been able to increase her salary by almost 80% in the last four years thanks to the podcast, she works in nonprofit in the nonprofit space but she's having a problem. What's the problem?

[0:07:56.0]

RB: She says, unfortunately, despite being able to make more, she's having difficulty living within her means because she says she treats herself and others way too often and so now she's in a lot of debt and she has several goals approaching her 30th birthday coming up in six weeks. Excuse me, in six months.

[0:08:17.8]

FT: We have a little more time to work with, okay good, six months.

[0:08:20.7]

RB: So she would like to pay off all her debt, up her emergency savings and contribute more to her retirement and she wants to know if that's unreasonable to do in this amount of timeframe? What do you think she should do?

[0:08:32.9]

FT: Yeah, I mean, anything's possible right? We just had a guest on the show, John Kapateneas who is a producer at ABC news. Actually the episode aired last week and, you know, he did get out of over $100,000 in debt in two years. I don't know how much debt she has, do we know?

[0:08:51.5]

RB: Yeah, she owes $3,400 to one credit card, $2,500 to another, $2,800 to her dad and $4,800 to her mom. In total, she owes $13,500.

[0:09:03.0]

FT: Yikes. Okay well, again. If she makes a good salary and she does make adjustments, big adjustments and she prioritizes the debt, of course she can get out of this debt. But it's just a matter of, as John said on his episode. John kapateneas — if you didn't listen to it, go back and I highly recommend that episode. He had a lot of great advice about how to kind of get the mindset for getting out of debt.

One of the big take away that I remember form our conversation was that you can get out of debt as quickly as you want, it's just a matter of how uncomfortable you're willing to get. That's not to say that you have to live a painful life but, you know, getting outside of your comfort zone is uncomfortable. Melissa, being the "I got it gal" at the bar and getting your friends gifts, that's got to go, that's not something you do in your 30's anymore.

I did that well in my 20's, I was, you know, and you want to be generous and I get that but you also have to put yourself first and as I always say, no one cares more about your money than you. You think you're going to go out with your friends and you're that loyal friend who is always getting a round of drinks or picking up the diner tab, they're going to grow accustomed to that.

That's just going to be a cycle, so stop that cycle, don't do that. Instead, treat your friends in other ways from time to time but don't create this expectation. If you do it enough, they'll expect it from you and then it's a hard thing to stop. I mean, do you relate to this at all Rachelle? I feel like in my 20's I did fall into some peer pressure, spend my money the way that I thought I had to because I was wanting to keep up, socially?

[0:10:40.3]

RB: Yeah, I think it's incredible that she's been able to increase her income 79% in the last four years. That's amazing.

[0:10:46.5]

FT: Incredible.

[0:10:48.3]

RB: But, you know, maybe she's feeling a little guilty and she's trying to even the playing field. So maybe she needs to spend some time examining that as well.

[0:10:57.7]

FT: That's a really good point.

[0:11:00.5]

RB: And just make sure that she's okay with it, where she's at because she doesn't owe it to anybody else to pick up the tab for them or to treat them. First, she needs to take care of herself and then spend freely with what is left after she hits her major goals.

[0:11:15.5]

FT: I agree. I mean, that's such a good point. I think there might be some kind of psychological correlation between earning more than your friends perhaps and feeling as though you got to pay it back or look out for your friends and I know that when I was writing my book, *When She Makes More*, that did come up in some of my interviews where the women I interviewed who made more than their husbands and in some cases, their friends, they felt this responsibility or almost this pressure to pay for dinner when they went out with their friends to go overboard for birthday gifts because they felt like, I don't know — They didn't have this real appreciation, ownership for their money and they felt like they had to spend it on others, which is very much a female thing I think.

[0:12:05.4]

RB: For sure.

[0:12:06.9]

FT: I'm going to just generalize and say that, and maybe I'm wrong but I have a feeling, at least in my world, I my experience that women tend to be a little more just quick to spend on others and it comes from a good place but it can backfire, and in this case, Melissa, you have other things that I think should take priority and you know it.

It's really about making a plan, figuring out what in your budget you can do without and I would also say, tell your friends that you're doing this. They may not know that you have all this debt and who knows? They could end up being a real support system around you, to help you get out of this and have like accountability partner.

Don't feel like you have to hide this from anybody.

[0:12:52.1]

RB: Yeah, that's a great point and that will also help them to know that…

[0:12:56.3]

FT: That's why she's not picking up the dinner tab. Or you're not even going out to dinner for a while with your friends and so I think it's doable. I think it's a little aggressive but then again, it all comes down to what you're willing — what your tradeoffs will be. What are you willing to trade off in order to make the priority? I think it's a great gift to give yourself as you enter your 30's.

To enter your 30's debt free, I would start with the credit cards and then I would work on the personal loans with your parents and then I would work on, once you got out of the debt to build savings, that's great that you're contributing to your retirement account as well. I see that in her extra information. But yeah, and keep us posted Melisa, I'd love to be an accountability partner for you. All right.

[0:13:47.7]

RB: Yeah, it would be great to hear back. So Nicky is next and she has federal student loans and she's totally overwhelmed. What do you suggest, aside from paying them down as aggressively as possible? She wants to know why do they take advantage of students with such high interest rates. She feels as if she's being punished.

[0:14:06.4]

FT: Yeah. That's a whole other episode, you know? The whole student loan debacle and recurring theme on this show, we hear from so many people that are either still grappling with their loans or have paid off their loans after a lot of intensive planning and pairing down their expenses. It is what it is for now and it's just a broken system, I think.

But I think that one of the best ways to knock down that principle is to — like a mortgage when people say, "I want to pay off the mortgage faster," put more towards the principle. So pay the minimums every month but then if you have extra money, contribute an extra whatever few hundred dollars a month towards the principle. Exclusively the principle, not interest and principle because that's going to bring down the balance a lot faster.

I'll tell you what I did, you know, when I was saddled with $30,000 in student loan debt at age 23, of course it's minuscule compared to some of the balances I'm hearing about these days. But it was a lot for me then, I was making like $18 an hour. That doesn't include the tax payment that I was making. But I took on side gigs, I looked at that as a way for me to aggressively pay down the debt and knew that it was just for a little while and that's how I justified it.

I had a master's degree and I was still babysitting. But you know what? It's what you do and I went in knowing that I was going to take on this debt, I didn't feel like I was being punished, I felt like I was just sort of doing my responsibility now. I went in with open eyes, took on this loans, knew where the interest rate was going to go and I had to make peace with that and reconcile that and I think rather than looking at this and feeling bad for yourself for wanting to point fingers, just approach it matter of factly.

It is what it is, you got your education and your education's affording you hopefully an advancement in your job or wherever you want to go with it. Now you have to kind of do the work to pay off those loans and the faster you come up with a plan and the more aggressive you are, the sooner I think your real life can start and that's exciting.

[0:16:29.5]

RB: Yes, some background information with Nicky, it looks as if in October her balance was $98,600 and as of February it's increased to $100,000. It looks to me as if the amount being paid a month is not even covering the interest that's being charged. So that's where we need to start first. So in the question where it says aside from paying it down as aggressively as possible, I would say, unfortunately that's really the only thing.

[0:17:01.0]

FT: Yeah, I mean, I would go back to — I would start with the federal loan and see if there's a way to income adjust your monthly payments. Go to IBRinfo.org and I would be surprised if you didn't qualify. Because it does sound like you are carrying more in debt than you can really handle with your income.

As far as the private loan, look at something like a So Fi. SoFi.org, they are in the business of helping you basically refinancing your student loans and we'd had the CEO on the podcast. Basically, they're a new finance company that allows you to refinance your student loans with a lower interest rate.

But you have to qualify and I know that they look for people with pretty strong credit scores. So if you do feel confident that you have a good credit history, you can go in and apply and hopefully you'll get some sort of relief that way.

[0:18:00.5]

RB: Right, and in the meantime, perhaps do an online calculator and just make sure that you're keeping up with the interest. Because if they're charging more interest every month, you're never going to get ahead.

[0:18:13.5]

FT: Yeah, agreed. I mean that balance, that statement that she gets in every month should break it down and that minimum should include interest plus some sort of principle, a little bit of principle at least.

[0:18:27.7]

RB: Yeah, I would think so, I was really surprised to see that.

[0:18:30.3]

FT: It could be that maybe she skipped, I don't know? I don't want to point fingers. Maybe you missed a payment and in that case when you miss a payment, there's fees associated with that, your interest rates could go up and that could mean why your balance is increasing. Another sign that you need to have another way to pay these off and refinancing or modify them perhaps.

Okay, Ashley is unhappy with her bank.

[0:18:56.0]

RB: Yes, she says that she and her husband are both very unhappy with the services being provided.

[0:19:01.3]

FT: "VERY" in all caps.

[0:19:02.7]

RB: All caps, yes. Sounds legitimate. She's been with him for 10 plus years and has seven accounts including credit cards with them and she wants to know how bad it would be to close those accounts and start over fresh? They're beyond frustrated.

[0:19:19.1]

FT: Yeah, I hear you. I actually wrote a piece about how to switch banks a few years ago and I remember writing it and realizing that it isn't that easy. I will be the first to say, it's not going to be a super quick and easy transition, especially when you've got all this multiple accounts, you've been with them for several years because it's your money and you want to migrate this money over seamlessly and without falling through any cracks.

I would first start, Ashley, by talking to your bank and maybe you've already done this but I don't know. At the very least, start with expressing your unhappiness with your bank and seeing if they can make good on whatever it is that you're unhappy about. Just like I would do this with a utility company, your cellphone company, your gym membership. Whenever you're unhappy with a service, think about their perspective. It's easier for them to keep you in some ways than to just spend more money on marketing to get new deposit accounts.

Start there, and if you're still unsuccessful and you still want to leave, you can, you absolutely can and I encourage anyone who is unhappy with their bank for whatever reason to look around. The market is full of options. You can look at sites like Bank Rate and Nerd Wallet and you can read reviews online from the various financial bloggers who have done a lot of the good research and reviews to see where your money would be better parked.

It's not even about interest rate these days, right? Because who's getting any good interest rates? I don't even care about what the interest rate is because, what? It's like .001 versus .003. At the end of the day it's not about the interest rate, right.

I mean, some on line banks are promoting 1% but, you know, that could change overnight. That could just be a teaser rate.

[0:21:07.5]

RB: Even at 1%, it's not really, nothing to write home about.

[0:21:10.9]

FT: Nothing, nothing. More importantly, you want to find a bank where fees aren't going to come to bite you, that you can bank there knowing that you're not going to be charged monthly account management fees and various ATM fees and, you know, there are banks that are very fee friendly and I would encourage you to start there.

A lot of them are the online banks, convenience is important, is this bank accessible, can you withdraw your money relatively quickly, can you do quick transfers? That's the first step, obviously, is doing your research, finding the bank that you prefer.

As far as transferring the money, this is where you have to be really careful because if you have any automatic withdrawals that are currently happening with your account, let's say you're automatically paying your bills through this bank account when you make the transition, you want to make sure that there aren't any — that no balls get dropped, right?

That your bills are still getting paid, maybe for a month you have to write checks to this lenders or creditors or maybe you have to pay with your credit card. Just be aware of that. That's really the biggest, I think, sticky point is that you have to just be really careful about when you make the transition and you're pulling your money over because it took, it could take a couple of days or depending on your bank, it could take longer, it could take less. But just knowing the timing and how that might impact your ability to continue to pay your bills on time. That's one thing to be really hawkish about and careful.

Other than that, I mean, that's really the only difficulty I see.

[0:22:46.6]

RB: Yeah, it sounds like they're very over it. It is a bit of a hassle to switch over but if you do it in a system process where you go through your bank balance ledger and write down everything that's come out and contact all of your lenders or all of your payees ahead of time, it might be a little bit of a frustration on this one time but it sounds like this bank that they're dealing with is a frustration on a regular basis. You don't want to have any negative mojo with your money, right?

[0:23:23.3]

FT: No, I agree. The other thing, I mean, they have savings with this bank and they also have credit cards. When I was talking about transferring all of it, I was focused mostly on the deposit accounts that you have, how to transfer your cash. Credit cards are a little different. Yeah, you can always close out credit cards but we always talk about on this show how when you close a credit card, that can negatively impact your credit score, especially if you've had this cards for the 10 plus years.

You've been with this bank, I would say that if you can, try to keep the card with the longest history and the one that you've used most regularly open, because it could impact your credit score. When you shut off a credit card, essentially you are eliminating that credit line, that credit limit from your overall credit availability. That can have the potential to lower your credit score because about 30% of your credit score is made up of your debt to credit ratio and if your credit, your access to credit shrinks, that raises the debt to credit ratio, assuming you have debt.

Just another thing to think about. Maybe you don't shut off those credit cards, you do transfer the money over to a new bank but you hold off on those credit cards if it could mean potentially dinging your credit score. If you have a couple of cards and there's one with a very low credit line that you barely use, that's kind of new, I wouldn't be so worried about that. But I would be a little more concerned about a card that you've had for a long time with a large limit.

[0:25:01.6]

RM: Yeah, I bet. Do want to move on to Liz now?

[0:25:03.3]

FT: Yeah, let's go to Liz.

[0:25:04.3]

RM: Okay, so Liz knows that saving money is important but she's trying to figure out why it's important. She wants to know what are some good and bad reasons to dip into your savings account and whether or not the type of account makes a difference?

[0:25:19.3]

FT: Well, I always say don't save money just to save. Have a goal in mind and whether that goal is to cover your butt in the event on an emergency, additionally there are goals out there that we all have to buy big expensive things that require saving overtime. Whether that's a car, a house, a trip, a family, a wedding and so give that savings some meaning and purpose and direction.

[0:25:52.2]

RM: Saving for the point of saving is nearly impossible for me. I kind of like to lay out what my goals or my priorities are and I know that you've had David Bach with *Automatic Millionaire* on and he has a great chapter on his book about that and once I get it set up where I put it on the savings bucket and it's labelled like vacation or new car, it's very easy to leave it be.

[0:26:18.4]

FT: I agree and I think with money and you love the psychology of money, Rachelle, it's really about being able to visualize the goal, visualizing the purpose, tracking your progress and with savings I really encourage you to do that, not just to have this idea live in your head but to actually create a vision board or have on your laptop, desktop screensaver like the image of the house that you want to buy.

I think those actions, those steps can actually move the needle quite a bit, studies have found at least and also telling people about your savings goals to encourage you more to not only save more frequently but save more over the timeframe. She also asks, “What are some good and bad reasons to dip into your savings account?” Obviously if you need the money, it’s not even a choice. You have to take this money out because you lost your job and you still have to pay your rent.

You have debt; sometimes people dip into savings to pay off your debt. I’d rather you dip into savings than to use your credit card to pay off debt, right? You take out another loan to pay off the previous loan. I think that you know when it’s a good reason. It’s not a good reason when you just want to buy something that’s material or not necessary. It’s needs versus wants, really. The type of account, I don’t think really makes a difference when it comes to savings.

I mean, we just got though one question talking about really there’s no point in comparing banks these days based on interest rate when you are talking about a short term savings purpose. You have this savings bucket knowing that you might dip into it sometime the next week, month, year, so really more finding a place that is FDIC ensured, that is convenient, that is low fee or no fee I think is more important.

I remember getting laid off in my 20’s and I had all of these savings and I do think that there is this feeling like “I shouldn’t dip into savings because what if I need money again in a month?” Or, “How am I going to rebuild? I spend so much time building up this savings.” You almost don’t want to move it. I just interviewed a guy who has all of these student loans and one of my pieces of advice to him was move money from your savings bond, which is your earning nothing, and pay off some of that loan with it, which is a much higher interest rate.

And so what he has done so far is taken that money from the savings bond, move it into his checking account and it just sat there and he is really having a hard time paying off the student loan because he’s like, “I like the way it looks in my bank account,” and I completely understand that. It’s so rewarding to see that money build up.

[0:29:13.1]

RM: Sure, if that's what you're motivated by, it's really hard to readjust your mindset on that. The other thing I would like to ask Liz is, do you have an accountability partner, somebody you can talk to about your money? So you'll know if you say it out loud if you are trying to convince somebody that it's okay to take it out. If you are making up excuses for yourself or if it's actually necessary. And so for me, if it's labeled "emergency savings" I won't touch it unless I can't make ends meet any other way and I've exhausted all my other options.

And then for retirement accounts, once I put it away, I don't touch it at all. I've been lucky enough to not have any major medical or shelter needs and those are the only two reasons I would ever really say that or even remember that you have retirement accounts because you definitely don't want to take the money out of those accounts.

[0:30:10.4]

FT: I agree. Thanks for adding that. Yeah, I think that it's very tempting to take money sometimes out of your 401(k) or your Roth IRA and you can. You can take out a loan, a personal loan, interest free, from your 401(k) often. But people have to realize that sometimes the term to pay that back is quite short. The window is small and if you leave the company or if you lose the job, you have to usually pay back that loan in full quickly.

[0:30:35.9]

RM: Yeah, that's a terrifying thought and I think overlooked.

[0:30:38.2]

FT: And you can't contribute to the 401(k) while you have this outstanding balance, this loan.

[0:30:43.4]

RM: Yeah, so it's really costing you a lot more money to borrow from that than you'd ever want to bother with.

[0:30:49.7]

FT: Right. But Liz, hopefully this gives you some encouragement to continue saving and to use that savings when you need it. Don't feel hesitant if really this is the only way for you to make ends meet sometimes. That's what your savings is for.

[0:31:05.8]

RM: Sure.

[0:31:06.8]

FT: And one last question from Abby, take it away.

[0:31:09.8]

RM: Okay, so Abby is 24 and a full-time student who works part time 15 to 20 hours a week and she's making about $500 to $600 every two weeks. She has $6,000 in a tax free savings account and is in the process of saving $1,500 in an emergency fund. She wants to know what savings margin she should be in?

[0:31:31.5]

FT: Well, I always say saving 10% of your paycheck is a good start, continuously, until you have about six months of savings and she's 24 so I am not worried that once she emerges into the work force from school and at some point loses her job in the next three or four years because anything can happen, that she won't have a hard time finding another job. It's more like if you are in your 50's and you get laid off, that can be difficult to find your next job that pays the same amount of money with a lot of the same perks.

But with a lot of the financial advisers I've had on So Money who work with millennials, while for everybody else they say six to nine months, a year is a great amount to have saved up. Think about how much you spend in a given month on needs multiply that by six to nine or 12. But for a millennial who is 24 who's right out of school I would say even just three to six months is fine to start with because you are not also making that much money. I have to say she's doing pretty well.

[0:32:38.1]

RM: Yeah, she sounds like she's right where she needs to be.

[0:32:41.0]

FT: I wasn't saving any money as a student. I wasn't making money let alone saving money as a student, a full-time student so Abby my hats off to you.

[0:32:51.4]

RM: Sure, congratulations Abby, and keep doing what you are doing and save for your emergency fund and then start up your car fund and then you can focus on building up something so that you can take care of your own living expenses after college and then you can wait really to worry about investing until after you've got your immediate short term needs met.

[0:33:14.6]

FT: Right, think about when you are going to graduate, what are going to be some of the cost that you will soon encounter? And that could be rent, it could be needing a car. So with that in mind like we talked about with Liz, have a goal in mind, visualize it,f and steer your savings towards that and once you get the job, you can then look into using some of your income. I would say another 10% including a company match into your 401(k) or whatever retirement plan they hopefully offer you.

And as far as tips to get started, I think doing it automatically is the best way, every paycheck you get, you automatically tell your bank, "Okay, $50 or $60" whatever 10% amounts to goes immediately into a separate silo or bank account. You just set it and forget it and every time you get paid, you know that is always, you are looking out for yourself first.

[0:34:11.9]

RM: Yeah and Abby you might want to sit down with anybody that is helping to provide with your expenses currently. So I don't know what your situation is but if perhaps your parents are helping to provide for you while you're in school, you might want to sit down with them and find out what some of the expenses that they are already covering for you are so that you can start adding those in and then you can just put that into a savings account.

But you'll know like somebody's already providing my cellphone for me so I'll need another $75 and start setting it aside as if you are paying that bill already and let it build up in a savings account for you.

[0:34:50.4]

FT: Great advice. Rachelle, thank you so much for really being a fantastic co-host. I learned a lot listening to you. I really enjoyed it, did you have fun?

[0:35:01.4]

RM: Oh my gosh, this is amazing. I can't believe my first podcast was with Farnoosh, so.

[0:35:06.9]

FT: Well I would love to have you back on at some point and we want to help you build that Facebook group. I think that's a fantastic idea and like I said, I'd be more than willing to help out and join a session and talk about anything you guys want to talk about. But obviously if you want to read any of my books would also love that.

[0:35:26.4]

RM: I would love that.

[0:35:27.8]

FT: I have to ask you, as a loyal listener, what's one thing that you really want different or more of or less of, any advice?

[0:35:37.3]

RM: That's so hard. I'll tell you what some of the favorite things I had been over the year, I love when you interviewed the parents. I thought that was really interesting to see you interview your own parents and then also Ramit Sethi's mom, I believed you interviewed her. That was amazing. So as a parent it's always great to know what other parents are doing and you're always wondering am I doing enough.

So it's always really fun to hear the parent's perspective especially the people who are really successful and my other favorite thing was the series that you did about the millionaire's next door and then absolutely of course the guest co-host. I think this is great to get your listeners in and talking and give them a platform to be able to share their opinions.

[0:36:26.3]

FT: And just get to hear you guys, you know? I hog the mike so much during the week. It's nice to bring on some of the listeners and learn about who you are and get this great feedback. I think that is so invaluable and are you a parent?

[0:36:41.3]

RM: I am a parent, yes.

[0:36:42.7]

FT: Something I didn't know, well how old are you kids or kid?

[0:36:45.8]

RM: Well actually we started quite early so our youngest is actually a sophomore in college.

[0:36:52.9]

FT: No way! Here I am thinking you're in your early 30's and maybe you are.

[0:36:57.5]

RM: Yeah, I'm in my late 30's and so like I said we started very early and so we're done very early so yeah, that's my new pivot because I'm a recent empty nester and watching my dad make all these tools.

[0:37:11.5]

FT: I'm a recent full-nester and you're a recent empty-nester.

[0:37:14.8]

RM: Yeah.

[0:37:16.5]

FT: Life is so funny that way.

[0:37:18.4]

RM: Yeah and another little funny thing, my daughter is actually also due on March 7th so she didn't come to March 14th what due date is your daughter and depriving on. I know she would be at March 7th.

[0:37:30.1]

FT: If I had to reach March 14^{th} I don't know if I would have made it. Well that's so good.

[0:37:35.9]

RM: Did she come on the 7^{th} for you then or?

[0:37:37.8]

FT: She came on the third.

[0:37:39.9]

RM: Oh good for you.

[0:37:40.9]

FT: Induced because I was just beyond huge and she was sizing large too and I was already almost 40 weeks at that point. So I was unsure about in getting induced, I am all about "let it happen naturally" but there were enough reasons that my doctor felt it was safe and fine to deliver a little early just a few days early and I have to say you know well on the one hand I did felt a little weird about it, it was also so nice to know that this is the day I'm going to have the baby so the day before, you could get so much done.

[0:38:15.6]

RM: Yes, well congratulations, enjoy it, and babies are always a blessing and I am so happy to hear that you're doing well.

[0:38:24.3]

FT: Thank you. Rachelle, thank you so much. I'm not trying to rush you off here but you're at work right now. So I really thank you to take the time out to join us all and being such a great co-host and loyal fan of the show and wishing you continued success with your pivot.

[0:38:44.1]

RM: Thank you.

[0:38:45.6]

FT: And your Facebook group.

[0:38:47.8]

RM: Yes, so please find me maybe through the link in the show notes because I'm not sure how easy it will be to find me in the search.

[0:38:56.5]

FT: Yeah, Facebook is a little crowded so we will absolutely include the link. When you go to somoneypodcast.com, click on this episode and in the notes we will provide you with the direct link to that Facebook group.

[0:39:09.2]

RM: Great. Thank you Farnoosh, you've been awesome.

[0:39:11.3]

FT: Thanks, Rachelle. Have a great weekend.

[END]

