

Kiss Your Money Hello!

(AND FINANCIAL STRESS GOODBYE)

BILL HINES, AFC®, ADVISOR/PLANNER,
EMANCIPARE



WILD LAKE PRESS, INC DRAFT VERSION 4/4/2023

Contents

Introduction	XVII
1. Simple Days, Simple Ways	1
2. Go With the Flow	11
Credit Cards	
Cash Flow Timing	
3. Making More Moolah	19
On the Job	
Easy Money	
Side Hustles	
Starting a Business	
4. Pay Less for Everything	35
Groceries	
Restaurants	
Transportation	
Home Utilities	

Internet
Entertainment
Phones
Medical Costs/Insurance
Pets
Household
Gifts
Clothing
Travel
When To Buy

5. Dealing with Debt 55

6. Insurances 63

Life Insurance
Auto Insurance
Health Insurance
Homeowners/Renters Insurance
Disability Insurance
Long-Term Care Insurance
Umbrella Insurance
Annuities
Professional Liability Insurance
More Insurances to Avoid
Other Insurance Topics

7. Buying and Selling Properties 87

Buying a Home
Buy vs Rent

Curse or Blessing?
Strategic Advice
Selling a Home
To Realtor or Not to Realtor?
Pricing Your Home
Prepping Your Home
Marketing Your Home
Showing Your Home
Open Houses
Closing the Deal

8. Buying and Selling Vehicles 107
 Buying New Vehicles
 Buying Used Vehicles
 Selling Your Vehicle
9. (Not) Paying for Higher Ed 117
 What Not to Do
 Student Debt
 Typical Costs
 Community College
 Sources of Funding
 How to Pay Cash
 Scholarships/Grants/Aid
 529 and Coverdell ESA
 529 Contrarian View
 Standardized Tests
 Timing: 6th Grade Through Diploma

Tax Notes

10. Investing Part 1 139
- Cash
 - CDs and Laddering
 - Bonds (Fixed Income)
 - Stocks (Equities)
 - Income vs Growth vs Value, Oh My
 - What's a Stock Index?
 - Single Stocks
 - Fun with Funds
 - Bond Funds
 - Alternatives/Commodities/Real Estate
 - Key Takeaways (So Far)
 - Asset Allocation
 - Evaluating Funds
 - Investment Advisors
 - Roboadvisors
 - Gamified/Appified Investing
 - Trendy Investing Fads/Trends
 - Investing and Taxes
 - Investing Summary
11. Investing Part 2 169
- Asset Allocation
 - Evaluating Funds
 - Investment Advisors
 - Roboadvisors

	Gamified/Appified Investing	
	Trendy Investing Fads/Trends	
	Investing and Taxes	
	Investing Summary	
12.	Advanced Investing/Taxes	183
	Income Taxes	
	Adjusted Gross Income (AGI and MAGI)	
	Roth Conversions	
	Capital Gains Taxes	
	Harvesting	
	Dividends	
	Asset Location	
	Tax Avoidance vs Tax Evasion	
	Tax Planning	
	Final Word on Investing/Taxes	
13.	Social Security/Medicare	199
	Social Security	
	When to Claim	
	Working and Receiving Social Security	
	Social Security and Taxes	
	Spousal Benefits	
	Survivor Benefits	
	Social Security Disability (SSDI)	
	How to Optimize Your Benefits	
	Social Security Myths	
	Medicare	

When to Sign Up	
IRMAA	
Medigap Coverage	
Medicare Advantage	
Medicare and Long-Term Care	
Medicare Savings Accounts	
Limited Income Help	
14. (Early?) Retirement Planning	217
Accumulation vs Enjoyment Phases	
Roth vs Traditional Retirement Accounts	
Order of Contributions	
FIRE (Financial Independence Retire Early)	
Plan Your Escape	
The 4% Rule (of Thumb)	
Fixes for Falling Short	
Steps to Prep	
Risks and Mitigations	
Bucket Strategies	
High-Fidelity Planning	
Reverse Mortgages	
15. Bye Now! Go Forth and Prosper!	241
Appendix A: Power Tools	247
Appendix B: Best/Worst Practices	251
Appendix C: Emancipare Yearly Financial Calendar	255
About the Author	257

Also By Bill Hines	259
Acknowledgments	261

Introduction

WELL, HELLO THERE!

NOTE: This is a draft advance copy of KYMH. The completed book will be published by April 28 to Amazon, Barnes & Noble, and other stores in paperback, ebook, hardcover, and audiobook

Why this book? Right now, you may be browsing a few personal finance books in a library, bookstore, or even online. Why this one? Is it worth a couple of dollars and hours of your time?

Here's why. I've read the others. Almost every book was by someone telling their own personal rags to riches tale. That's admirable and impressive, but the likelihood that it's even close to you and your personal situation is quite remote. What worked for them will probably not work for you. Everyone is different, every situation is unique. Some assume their readers all want to be mega-rich. In my experience, most people just want to be happy, without money stress, and have a good, fun, comfortable life. It's much easier once you lower the bar! That said, if you want to be rich, I'll show you how to do that too. So many people reach that first goal, but add to their stress by constantly wanting more, never

being satisfied. Trust me, no matter how much money you have, someone else is going to have more.

So (get to the point, Bill!), why this one? Because *this* book is based on my experience as a financial counselor, investment advisor, and financial planner. It includes case studies (names changed to protect the successful!) ranging from folks facing imminent bankruptcy/foreclosure/repossession to people with sudden windfalls/inheritances to people who have just worked hard all their lives and wanting to plan their dream retirement (even if it's being financially independent in their 40s!). No matter who you are, there is plenty for you. There's stuff for broke folks to wealthy folks. This book takes you from zero money to money hero. We cover the Financial Independence/Retire Early (FIRE) movement as well. Young people are wising up about corporate tactics that pit them in a hunger games style survival competition against their friends in the adjoining cubicles. They're fighting back with tactics like quiet quitting and FIRE. Capitalism is all wonderful and fun until someone loses a tooth. Free yourself!

This book is the way to financial peace, to relieving the number one stressor in our otherwise beautiful lives and relationships. Most relationships end because of money. Most crimes are committed because of money. This book is the guide to living every day on your own terms, and never having to go to a job you no longer love, of never having to miss those important life events because, *work*. Despite my reputation as a notorious sender of TL;DR (too long; didn't read) emails, I'm going to keep this short and simple—just the way your personal finances should be! The first word of the title is no coincidence, by the way. KISS also means Keep It Simple Silly! Maybe I'll even make you laugh once or twice. Your household is a mini-business, only you measure success in 'happy', not some corporate financial metric. Each one of these

chapters could be a book of its own. My goal is to keep it to just the essential content.

I'm not going to guilt-trip you about buying a latte. I'm going to convince you that doing the right things *now*, getting over the hump in a short period, means buying all the lattes and new cars you want, with cash, not credit, for the rest of your life. Those lattes will taste *so* much better, and you'll enjoy the ride more in a car you own, not the bank. You'll watch the former car payment money grow like weeds in your investment accounts.

Can you trust me? Yes, you can. This book's for you. My favorite rock musician, Neil Young, once wrote a song called This Note's for You. It was a message to his fans that he wouldn't create music for big, greedy corporations or allow his music to be used in their commercials. His music is for the people. That's how I feel. That's why this book costs less than the others. I've done well by learning and living through the lessons in these pages. I've helped countless people do so, and I want you to do well. I want you to be happy, and enjoy this one life we get (as far as we know!). **This book isn't just for you—this is generational knowledge for your kids and parents.** Even if you're young, read the chapters on Social Security, Medicare, investing, and retirement planning and share them with your parents. They may be making expensive mistakes. They'll thank you. You owe them. Show them they may actually retire now! It might keep them from having to move into your basement someday.

Who am I? When I was a kid, I was a huge superhero fan. I'd sit in the corner luncheonette and read comic books on my way home from school until the owner would throw me out. I didn't have the money to buy them, my parents didn't have the money to give me. I'd peek out from my bedroom at night and see my mother stressing out over a kitchen table full of bills, writing out checks

and stuffing them in envelopes. *Kiss your money goodbye*, I heard my father often mutter (hence, my title for this book!). I watched him come home from work exhausted, especially as he got older. I naively begged him to retire—I didn't find out until he passed that he had no means to do so. I didn't want to be the superhero who could fly, be invisible, shoot lasers out of my eyes, or swing from building to building on spider webs. I wanted to be the kind that could help people like my parents. That's where the title of this book came from. Instead of paying your hard earned money out to everyone under the sun, watching each paycheck or retirement distribution fly away, you're going to welcome it back. ***Hello, hard earned money! Let's have some fun together!***

I want to do that for you. Warren Buffett (one of my financial heroes) said, "If you get to my age in life and nobody thinks well of you, I don't care how big your bank account is. Your life is a disaster." That's my goal, too. Mr. Buffett, besides being arguably the greatest financial mind in like, ever, drives used cars and lives in the same house he bought in 1958 for \$31,000. That's interesting, but the goal of this book is not to get you to pass up the things you want and love in *your* life. It's showing you how to get them. The goal is not money or wealth, the goal is happiness. For example, I'm now wealthy by the standard of my parents, but certainly not on that of someone like Buffett or Gates. I don't aspire to that. I'm happy. It sickens me to see billionaires so greedy that it just isn't ever enough, they have to keep right on screwing people over.

I became that superhero, and I believe I still am. I started a company called Money Coach Group (moneycoachgroup.com) and helped **so** many people get on their feet. You'll read about some of them in these pages. That company is now under new management with a like-minded new owner! As I did that work, I found that as the people got to positive cash flow and looked for

investment advisors to help them build wealth; they were being rejected for not having half a million dollars, or being accepted and then being subjected to egregious fees or sold horrible insurance products. It really upset me, so I got registered as an investment advisor and financial planner and started Emancipare (emancipare.com), which I run to this day.

Most of the personal finance books I've read should be titled "I Will Teach You to Make *Me* Rich." That's not a dig at Ramit Sethi. He's a great guy and wrote an influential book that's helped countless people, the same way I want to. His book talks about imagining your Rich Life. My book is about happiness. Most people would rather be happy than rich. Money doesn't solve all problems, but it sure solves a lot of them. Let's eliminate one of the biggest obstacles to happiness in most people's lives—money stress. That said, most of the personal finance gurus load their blog posts, social media posts, and books with things like affiliate links that line their own pockets. Or, their free content and books are simply lead-ins to get you to buy the big-ticket items they push, like expensive classes. I won't do that (other than offering inexpensive one-on-one personal help for those that need and want it). *This book is for you.*

This is ridiculous, Bill! We have no extra money! We live in a van down by the river! That skit was funny on Saturday Night Live, but poverty is no joke. I've helped clients who came to me with no savings and negative cash flow or no job. Our first steps will be to show you how to increase your income and save money on almost everything. Those two steps, along with monitoring your cash flow, are a big part of changing your life and moving toward building wealth. We'll start with a basic, simple plan and then present options to tack on that are well-suited to your interests and passions, be they hustling credit card points/miles, building an

investment property income, or just taking delight in using every personal finance hack in the book (this book!).

What about YOLO? To that, I say, “Exactly.” You only get one life. Why spend it stressing about money, slowly but surely digging yourself deeper into a hole? Let’s find ways to make money, instead of (or maybe while!) sitting around in your free time watching other people do things. Then, maybe you can actually go to those events, prime seating, living in the moment’s electricity, instead of your recliner. Maybe following your favorite teams or artist around the country in an RV, seeing and living in its beauty. Living life. Real YOLO.

One more thing about this book. I’m going to resist the temptation and clutter of trying to do screen shots for some of the tools I discuss. The problem is that they’re typically outdated as soon as they’re printed. Same with hyperlinks—they often move. I’ll keep this book as clean as possible for you, and provide the base domain names and short URLs so you can get to the places I’m talking about with the least hassle possible.

Need more help? We do mentoring, private and employee classes, investment advising, and financial/retirement/FIRE planning at emancipare.com. If you’re digging out of debt, our friends at moneycoachgroup.com have inexpensive, one-on-one coaching to get you where you want to be quick. However, I truly believe everything you need to know is in these very inexpensive pages.

Let’s get this party started!

CHAPTER ONE

Simple Days, Simple Ways

TAKE IT EASY

*“Too many people spend money they earned..to
buy things they don’t want..to impress people
that they don’t like.”*

Life sure was simple back in the olden days, just a few generations ago. There were no credit cards, no credit scores. People went to work, got a paycheck, and each month that money went into the bank. Then they used a checkbook or paper and pencil to add it up and pay the bills, being careful not to spend more than they had earned that month. They put the extra money in savings. Monthly expenses comprised a few items; food, rent/mortgage, utilities, clothing, medical, gas and service for the car. No debt except the mortgage. You didn’t buy things until you had saved

up for them. Everyone had pensions. There were no 401ks and so forth. You worked until age 65, and then took your pension and social security and enjoyed your golden years. Grandma wasn't twerking on TikTok and grandpa wasn't stepping out on Tinder.

Think about that. Sounds kind of nice, doesn't it (not the oldies twerking and on Tinder)? You really didn't even need that paper and pencil after a while—your monthly income and expenses (cash flow) were so simple you could keep them in your head. Wow! Compare that to today. We're coerced, normalized, and brain-washed into a life where most monthly expenses would take pages to list. Each paycheck is carved up into pieces and scattered to the winds electronically.

When you pay expenses with credit cards, the nice, clear monthly cash flow is now cloudy and obfuscated. If you buy those \$200 kicks today, did you spend the money this month or when the credit card bill comes due a few months from now? Dunno. That's the point. If we're kept in a state of confusion, doing things because we perceive "everyone else is" and "that's the way it is now," we yield our happiness, and we invite financial stress. We submit ourselves to the giant machine that profits from these mistakes, and sacrifice our enjoyment of this one grand life we're given. The machine of soulless corporations doesn't want you to see clearly that you're spending more than you're making. Why? It's bad for profits. They want us all to be a part of a soylent green, plugged-in matrix of cash flow into their already bulging coffers. Worst of all, we hurt our beloved children by behaving badly with money. They see everything. They feel the stress. Is the instant gratification of being to so easily buy things before you have the money worth all that?

It doesn't have to be that way. Imagine you and your partner made your debt (other than the mortgage) disappear. Poof! Now

you're back in those olden times (careful, the whole TikTok/Tinder thing is still a thing though...). Now, instead of spending countless dollars each month on interest in car payments, student loans, personal loans, and credit cards, you have actual money to save and invest. You're building wealth and are likely already financially independent. That's "take this job and shove it" kinda money. As JL Collins says in his wonderful book *The Simple Path to Wealth* says, that's F-You Money. What's left to argue about? You guys want a boat or RV? Now you have extra money each month to save until you can pay cash. That means you get a *massive* discount on those big-ticket items. It means you actually own them, instead of fake-owning them. They're so much more enjoyable, especially since you won't have to work late into your 60s and beg your boss for time off to enjoy them!

That's what this book is all about. How to eliminate your debt quickly and strategically, and build wealth. How to save money on everything you purchase. Finding the perfect, fun side hustle that will probably turn into a lucrative small business (because, like, you actually enjoy doing it). Hacking your financial life in every department imaginable. Winning. Smiling.

How can you tell that you're doing it right? If something is simple and understandable, you're likely doing it right. We have this illusion that winning with money has to be complicated. We're bombarded with messaging about complex financial products or services. People in the business lead you to believe they have some secret sauce to get you to the top quickly. Crypto. Gold. Real estate. Options. Alternatives. Indexed or variable annuities. The old, misleading "we do better when you do better" or "we'll help you find a trusted advisor" pitch. The list goes on and on.

The biggest dirty secret of personal finance (we'll cover lots of them in this book) is that simpler is better. If something is complex

or unclear, run. It means you're going to help someone else build wealth and become financially independent, not yourself. Nobody beats simple over time. We'll go into detail on that in the chapters on investing as well. It's not that hard. It's so easy, you can do it yourself. The goal of this book is to show you how. The goal of this book is to take you from:

Normal: Paycheck carved up into tiny pieces scattered to the wind as soon as it hits your bank account, hundreds to thousands in interest payments each month

to

Unicorn: Simple, clear cash flow, zero to low interest payments, consistent investments, working toward clearly outlined goals, no money stress, family small business, financial independence.

Before we start for real, here's a pep talk. Like anyone else that's about to embark on a big journey, such as quitting drinking, smoking, gambling, it may intimidate you. The voices in your head or from your friends and family may already be starting to cause you doubt. Some people get intimidated or jealous when they see a person trying to do something big. The friends at the bar will just laugh at you when you come in and say you're going to quit drinking, right? Tune it all out. Don't even debate or talk about it. Set an example. When they see you living your new life, they'll come around with questions.

In the beginning, you're standing at the foot of a mountain, looking up. That sucks. But if you can just take those first steps, something magical happens. Now, you can look back at how far you've come. And the journey ahead is shorter. You're closer. As well, the intensity is up to you. Keep going, as long as you're making progress. Give yourself grace for any setbacks—you're only human. Just keep going, no matter what. I've often seen clients start out somewhat timidly with the techniques we'll discuss.

Then, they gain confidence and build up steam. They become gazelle-intense, as Dave Ramsey says. Their snowball of progress crests the hill, then picks up steam and size as it rolls effortlessly downhill. Like any other bad habit or addiction, this may take a few attempts. I highly recommend the old “just do it” approach. It’s life-changing stuff. If you have kids, they’re watching.

I said not to debate this with folks, but let any very close family members or friends know that you’re going to be behaving differently, so they don’t think you’ve joined a cult. Tell them you’re going to be putting yourself first for a while, so that you can help them later. Put your oxygen mask on first. Teenage kids are tough. They live in a very status-oriented and judgemental tribe of peers. Sit them down and talk to them like adults. Tell them you’re changing your life because you’re currently setting an example that could ruin theirs. Tell them you’re doing this so you can leave them something wonderful behind when you pass. Tell them you’re doing this so that when they get that first job, spouse, and house, you aren’t moving into *their* basement for the rest of your life. Ask them to imagine having to change both the baby’s diapers and yours. That usually gets them.

Let’s talk about credit scores for a moment. It’s mostly over-hyped BS by the debt industry to get you to borrow more, keep you on that hamster wheel, chasing the score. Borrow more, more, more! Bull. It also doesn’t affect your auto insurance rates. The only time its useful is if you’re getting ready to rent or buy a home, but there are ways around that. Don’t fall for the credit score repair/boost schemes. (Experian Boost isn’t bad though, based on reports.) If you follow the advice in this book, your credit score will miraculously improve. Don’t fall for the scams that claim they’ll make your consumer or IRS debt go away, either. There’s

no magic other than following the guidance in these pages and doing the work.

<checks watch> Ok, let's close out this chapter with a few important bullet lists, gained from our years of experience with countless folks just like you. Real stuff.

The three most common problems that cause financial stress are

:

- **Not enough income.** Sometimes people were doing just fine, carving up that paycheck pizza, living the dream. But then, someone got disabled in an accident, developed a long-term illness, got laid off and was unable to find work, or died. Life comes at you fast. We can fix this with our chapter on the many ways to build your income and build up an emergency fund.
- **Living above your means.** Lifestyle creep, YOLO, keeping up with the Joneses has an enormous price to pay. Many of those folks "doing well" with the big cars and homes have been my clients. Behind those gilded doors, they're unhappy, stressed, and fighting. They're drowning. We'll talk about how to get rid of expensive homes and cars. It ain't easy, but it can be done. Lose those boat anchors (and the whole boat, RV, or whatever is shackling you).
- **Lack of visibility/control.** As I mentioned earlier, most folks just do not know whether they're spending more than they're making. Debt and buying things before you have the money can create this problem. Do you have clear goals for all the milestones throughout the rest of your life (kids' college, vacation/2nd home, next cars, wed-

dings, long-term care) and currently a plan and contributions toward them? Can you state your monthly income, expenses, and positive/negative cash flow? Your average monthly grocery and restaurant expense? When it's simple, you'll be able to do all that.

A few prerequisites and priorities:

- **Use a good bank.** You shouldn't be paying fees, ever, for anything. I'm a big fan of credit unions—you're a part owner, and they treat customers well. Read Google and Yelp reviews to find a good one. If you're a vet or military, Navy Federal Credit Union always scores well, if you have one near you. Online banks like Ally are amazing, but you can't easily deposit cash if you ever have to do that. If your regular bank/credit union doesn't have a high-yield savings account with the ability to create virtual savings buckets (we'll get into this later) start one at Ally.com. Don't pay annual fees! I don't care how good the bank (or credit card!) is. Don't be a fool by paying them for the privilege of holding your money (and profiting from it). Does anyone still use Wells Fargo? I know I personally never would, after what I've seen them do to their customers (and my clients).
- **Save up at least \$1,000.** We'll show you how to get it done quickly and legally in the next few chapters. Put it in a savings account that's connected to your checking account (same bank/credit union) and make sure there's an automatic overdraft transfer feature set up (with no fees!) This prevents you from running back to the teat of credit cards or loans the first time something unexpected

happens.

Finally, here are the keys to financial bliss. We're going to teach you about all of them, and take you back to a simpler, less stressful time.

- **Simplify.** When your financial life is simple, it's easier to manage and track. It's waaaay less expensive and less stressful! It allows you to maintain control, especially as you get older and cognitive abilities decrease.
- **Emergency Fund.** This keeps you from running to the credit cards or personal loans the minute Murphy shows up. It's an actual 0% loan that's not an expensive gimmick!
- **Paying Attention.** An effortless way to see your cash flow and whether you're on track for all those exciting goals ahead.
- **No Debt.** Except your mortgage, and then only for a short while. No interest cost—that moolah is all regularly invested and growing like weeds.
- **No layers, no lock-ups.** *The fewer people and rules between you and your money, the better.* (Except, not under your mattress or buried in the back yard!) Get expertise/guidance when you need it, but this isn't that hard.

Most people have a rat's nest of accounts going on. How do you manage something like that mess? You don't. It's stressful. Simplify that. Have one checking account with an overdraft savings account attached to it. You should have one IRA each. Roll any old

employer 401k/403b/457b/TSP accounts into that IRA and close them. You should each have one Roth IRA, and a joint brokerage account plus one shared in-case-of-emergency-break-glass credit card. Plus, your retirement plan at your current employer, and a HSA if they offer it. Simpler, right?

OK, are you ready? We are!