

## Military OneSource Podcast — Smart Holiday Spending: Enjoy the Season Without Breaking the Bank

### **Episode transcript**

#### **Intro voice-over:**

Welcome to the Military OneSource podcast. Military OneSource is an official program of the Defense Department, with tools, information and resources to help families navigate all aspects of military life. For more information, visit [militaryonesource.mil](https://militaryonesource.mil).

#### **Bruce Moody:**

Welcome to the podcast. I'm Bruce Moody. You know, it's holiday season. It's the most wonderful time of the year. It can be stressful. It can be maybe the most expensive time of the year, but it doesn't necessarily have to be that way, so we have a great guest with us today. Michael Whitley is a financial counselor with Military OneSource. We're going to go over things that maybe you can enjoy the holiday season without breaking the bank. So Michael, welcome to the podcast.

#### **Michael Whitley:**

Thank you, Bruce.

#### **Bruce Moody:**

So, we're going to have a conversation about what you know and how that information can help people at this point in the season, so that we can enjoy the holiday season, again, without breaking the bank, without making it a source of stressors. Let's just begin and learn a little bit about you. When we say that you're a financial counselor with Military OneSource, what does that mean? What is your background?

#### **Michael Whitley:**

Okay, Bruce. Yes. I've had the pleasure of working as a financial counselor at Military OneSource for the last 12 years. My background from college is accounting and business, and went into the financial advisory business, as far as stocks, and helping people with their retirement planning, and other long-term goals. So I've been in finance in some degree or another for a good 30 years, and then had the pleasure of becoming seasonal tax counselor about 12 years ago at Military OneSource, and they drafted me to come on board as a financial counselor. And of course, I've enjoyed it every bit. I feel like it's a way of giving back to the military who've given so much to us. So it's been quite a journey, for sure, for the last 12 years.

**Bruce Moody:**

You know, as you are working with military families sort of on a daily basis, what does that look like to you? What are some of the stories that you can share? Give us an idea of what families are coming to you and the sort of things that you're helping them with.

**Michael Whitley:**

Well, Bruce, it is an experience every day. I've been here 12 years and I get stories and real-life situations that astonishes me. Some people are so good at managing their time, their finances, their careers. On the other hand, there's people who call in who most likely have just enlisted and need help. Maybe they didn't get it from their family. Maybe they didn't get it from their education. But basically, what I do can be everything from creating a financial plan to help that individual or their families, to help them manage their monthly expenses, to eliminate debts. I mean, it seems like during the pandemic up until now, people have been overusing credit cards, so that's a real heavy burden on many. Savings, you know? We all need to save for those special moments like the holidays, like going on a travel or a trip. We always need that emergency fund.

We talk about retirement planning. Even though many people are 30 or 40 years away from their retirement, I've got to get them thinking, things 30 years from now can cost three to four times more than they are now. So we talk about those short-term and long-term goals. Raising credit scores. In today's world, if you're not over a 700 level, you may get a high interest rate, and we've been living in a high interest rate for a number of years now. They maybe want to prepare for a home purchase. We've mentioned tax consultation, which we'll obviously touch on later in the year.

And one last thing is understanding their military benefits. Many of them want to know what's available to them in each of their services, each of their states. They may be located in a transition period from military back to civilian. And again, our services are available to spouses, and their families, and their children, so I really think we provide a valuable service. And the services that I've mentioned is just a small fraction of what we really do overall, because we're here for them just about anything that comes up in their lives. And sometimes life changes hit them hard, whether it's somebody passing away in the family or somebody being deployed. So there's always those life challenges in their life and career that they reach out for us for information, and hopefully guidance.

**Bruce Moody:**

It's really interesting to listen to you talk about this, because finances are just a picture of your life and what's happening in your life, what's happening now and tomorrow, and like you say, 30, 40 years from now. All of that comes together when you're making a purchase today or planning a purchase for tomorrow. So that kind of gets us into the holiday season. What are some of the things that you see or some of the concerns that people are bringing to you when they talk about finances and the holiday season?

**Michael Whitley:**

Well, I try my best to work with them, particularly throughout the year. And of course, we're now getting into that last several months before the holiday season, so we've stressed the fact that you've got to plan for those special times of the year, whether it be a holiday, whether it be an upcoming travel for their family, whether it be for getting prepared for a home purchase or some other ways. But the main thing we try to do is to input a plan, put together a budget and debt worksheet. Let's talk about the next couple of months. And not just the next couple of months, but a lot of bills carry over into January and beyond. So we look at everything from their current savings and their credit limits. And I know it's three or four months away, but maybe that big tax refund could help them out, cover the bills from their holidays. And we do get a lot of people who do call in January and February all anxious to get those types of refunds to help offset some of their expenses.

So the main thing is to create a plan. If you create a plan, it's like going to the grocery store in today's world. You've got to have a list. You've got to have a plan. You've got to have a budget. So we really stress the fact that be prepared and use dollars. You've been shopping enough in grocery stores. You have a pretty good idea of what things are going to cost you, so when you go to the store, have that list, stick by that list, and that will be holding the same true for the holiday season.

**Bruce Moody:**

You know, I'm listening to you and I'm thinking about my former self. I'm a retired Navy chief, so I was young and running around with a few dollars in my wallet, and I didn't really handle them very, very well. So, somebody calls up Military OneSource, and they get connected with you. What happens? What are the sort of things that they should expect you to ask them, and what should they bring to the consultation?

**Michael Whitley:**

Okay. Well, a lot of times our consultations at the beginning is a general overview. Very few people call already prepared with the facts and the numbers. They're going about their lives paying their cable bill, paying their streaming services, gym membership. They've got their set expenses, their utilities, their cell phone, all the basic needs. Of course, if they've got children, they've got child care and other related expenses. So my first conversation with them is, "I want an overview of your life, and I want to know basically, financially, how do you come out every month on a general basis?" Because in many cases, they really don't know. They need us to put them into some kind of financial plan, look at their personal situation and talk about what's up and coming in the next couple of months, what has been causing some of their pressures that they may have at the moment.

So, every person I treat, I don't ever use a canned type of presentation. I want to get to know that person and know what's going on in their life, and a lot of times, you can

draw from that. And that's always our goal. Give them something every time we speak to them. One or two good ideas can make a big difference, so that first conversation can be just a review. We then, after that, send them our budget worksheets. We then follow up with another phone call. "Let's talk about this. I see you're paying X dollars for your car insurance. Have you searched to see if there's a better rate? Why do you need 100% coverage if your car is fully paid?"

You know, we're just looking for those little bits and pieces that can free up that extra two, three, \$400 a month. I mean, I try my best to look at their taxes. Are they taking out too much during their year just to get this big refund at the end? Why not take some of that money now? Why wait a whole year for a refund? Why not get some more free cash coming in on a monthly basis? So Bruce, every story can be different, and the main thing I'm asking them, "What made you call me today? Why am I getting this call? Tell me the reason," because I want to know what made them call me. And that really starts the conversation.

**Bruce Moody:**

Yeah. And just to really foot-stomp this, because I know the military mindset is to be ready to hit the ground running on something, but you don't really need to have your budget already thought out, or your goals, or you don't have to have paperwork or tax forms. You can just begin by calling Military OneSource, and just speak to this a little bit, but you can just begin by saying, "Hey, I feel I need to wrap my head around how to take care of all this money stuff. Where do I start?" And then you will help them shape the plan. But they don't need to really show up with any homework completed.

**Michael Whitley:**

No, not at first at all. Not at first. Yep. And that's the main thing, is I got to get an overview of their life, their children, their family, their incomes, what's happened the last six months, what they predict in the next six to nine months. So, I'm trying to get a good overview and let them know I'm interested in their life and their plan, and hoping that they can piece together a plan, whether it's for the holidays coming up, or they're wanting to buy a house in two years, or they want to retire in five years. So I'm getting that overview at the very beginning. And right now, of course, we're talking about the holidays, but I need to know more, because a lot of times during the holidays, we'll get a first-time caller, and then I say, "Listen, we need to get together after the first of the year and do a deep dive into other factors." So just a genuine interest, and it could be talking about the holidays now, but it might turn into something much, much greater and bigger in the next three to six months.

**Bruce Moody:**

What I want to do at this point is basically divide the population into two categories. This is always fun. There are those people who are buying presents all throughout the year. They have people in mind, and they always have a half an eye open for the gifts,

and I don't get that. I'm not that kind of person. So let's talk about the rest, because this podcast is landing right in the middle of the holiday season. So, for people who are in it now and saying, "Oh my gosh, I got a lot of holiday and not enough time. What do I do?" what sort of strategies, and tips, and maybe insights do you have for keeping people from overspending over the holidays?

**Michael Whitley:**

Well, it's a great question because we think of the holidays, sometimes it's just gift-giving. But in today's inflationary war, that's the smallest part of the expense. Now we've got travel. I mean, with the military being spread all over the world and families spread apart, there's going to be travel expense, and along with that, holiday meals and holiday entertainment. If you look at everything about the holidays, it consists of a lot more than just gift-giving. And I know certain families, like my own, I mean, we put more emphasis on preparing nice meals, and enjoying each other's time, and maybe going to Christmas lighting, or going to the mall to enjoy, or going to Christmas villages. A lot of times, that gets a lot of pleasure, other than just gift-giving, so that's part of the expense. And then when it comes to gift-giving, we have every tool that you could imagine at our fingertips to shop the deals, to look at the Amazon Prime Days or the Target Days.

You made a good point about shopping throughout the year. If you're good at thinking about and making lists of all the people you want to shop for, there are plenty of deals. I mean, one thing that's turned out great about the website, any particular website versus going to the store, number one is time-saving. You're not spending money on gas. You're not stopping at the food court in the mall. And of course, all that time spent... Or you're taking your children, and of course, that becomes, sometimes, a distraction. And just sitting down for a few hours at your computer will find you a great deal, free shipping, free returns, comparative shopping. You can set up emails to notify you of a better price. We have so many tools at our fingertips that people need to use, and that's kind of some of the advice I give them.

I said, "If you've got a \$30 budget for this particular person, go online and search for that." And I think even personally, I've benefited greatly over the years, because I am a very particular shopper, you know? I have certain things set in my mind that I want, but I'm not going to pay the first price that I see. I may do comparative shopping for a week or two before I actually make that purchase. There are just so many things, Bruce, that we have now, with technology, to find that special gift and unique gifts. I mean, you can go to Etsy. You can go to some of these other websites and not get the typical thing you're going to get from Dillard's, or Macy's, or your typical stores, which, if you go in those stores, they all have the same thing. So it's nice to sometimes use these other types of websites to find something truly unique for your people and your family.

**Bruce Moody:**

It is interesting. You know, you do mention wisely that presents may not be the most expensive item on your list of things to purchase over the holidays. It could be travel, and the Department of Defense does have American Forces Travel. We're going to put links to the commissary, to the exchange, but also to American Forces Travel, in the program notes. Really encourage people to check that out. So, we're having a good conversation here about managing the money, but life does happen. We get into debt. There's expenses that we're not expecting, car repairs and things like that. So from your point of view, with the work that you do with someone in a situation like that, what are the sort of recommendations that you provide?

**Michael Whitley:**

Well, I think that the budget that I've mentioned is planning for the unexpected, or plan in advance, because when it comes to travel, you know they can charge you two to three times more to travel last minute. So I think here we are in the middle of October, and I'm sure people are making those plans. But sometimes, traveling outside the peak days can save a lot of money. Even driving. I feel safer driving two days ahead of the Christmas Eve or going back home a day or two later than the holidays. So, you try to think of things that can actually end up saving money. I mean, it's like on the road if you're driving, packing lunches, packing snacks, particularly for the kids. Avoid stopping at every fast food store. It used to be your fast food store was a 2 or \$3 meal. Now a fast food store could be an 8 or \$10 meal.

There's just so many things to think along the way, and you've got websites, GasBuddy. You've got all these little tools at your fingertips that you can look for those savings, and if you're driving a big SUV that holds 30 gallons and GasBuddy says that you can find gas within 20 miles 50 cent less, it's worth doing, you know? So I just think if people were aware of all these little tips and tools to save money along the way, whether it's traveling, as I said, the gift giving.

The debt part of it, yes. A lot of us are guilty of using that credit card and thinking, "Oh, I'll worry about it in January," you know? That's always sometimes the reaction people have, is they want to make whatever happen, whether it's their family or their travel to their relatives, they always want to bring joy, but that joy does not have to be something expensive. I mean, it can be as simple as a nice card, or some food trays, or there's plenty of gifts that you can think of that would make them happy without having to spend and wipe out the bank. But I just think it's important to set a budget for the holidays, including travel, talk about it, and if it's more than you thought it would be, try to come up with alternatives.

**Bruce Moody:**

Good advice. Michael Whitley, thank you so much for joining us today, and as you mentioned, you're going to be around after the holidays, so when people are creating their New Year goals, when they're getting ready to file their taxes, you will be there to help them. So thank you again. Michael, this has been a really interesting conversation. We appreciate you being with us today.

**Michael Whitley:**

Thank you very, very much, Bruce. I've enjoyed it greatly. And lastly, thank the military for their service. We value that service, and we at Military OneSource, we're here to bend over backwards to help, whether it's for the holidays or it's for any time of the year. Just know that we're here for you.

**Bruce Moody:**

Absolutely. And remember that. When you're setting up your New Year's resolutions and they involve finances, or when you're filing your taxes, contact Military OneSource and they will take care of you. All right. Thank you so much. Good to have you with us. And I want to remind you that Military OneSource is an official resource of the Defense Department. We always like to hear from you. Click on the link in the program notes to send us a question, a comment, maybe an idea for a future episode. Be sure to subscribe to this podcast wherever you listen to your podcasts, because we cover a wide range of topics to help military families navigate military life. I'm Bruce Moody. Thank you for joining us today. Take care. Bye-bye.