

Abundance Bound podcast / episode twenty-two: Elena

MIATA:

Abundance is not about the amount of money you have. It's about the quality of the relationship that you have with your money.

KRISTINE:

And no matter where you're at right now, you can decide to become someone who is bound to abundance. Someone who is committed to having a healthier and more compassionate relationship with your money. And you can decide to become someone who is bound towards abundance, someone who is stepping into a more expansive financial future.

MIATA:

We are here to help you become abundance bound.

KRISTINE:

Hello, I'm Kristine Oller, co-host of this podcast, and today I'm happy to have Elena Bell joining us to share how she drastically reduced her expenses and saved her house. But this isn't a conversation about budgets and spreadsheets, this is a conversation about what it means to completely recalibrate your financial identity in order to move your money ship in a brand new direction. Elena is a licensed clinical social worker who was doing a lot of stuff right – she owned her home, she had excellent credit, fully employed, paying all her bills and then, one day, one letter in the mail turned her world upside down. Keep listening and you'll hear her story unfold in four phases. First she entered a Pain Cycle Phase – where she reached out for help. Second she entered a Power Cycle Phase – where she gained some knowledge. Third she entered a Maintenance Phase – where she consistently made better choices. And then she entered a Phase of Thriving – where she is now building wealth. The reason we wanted to have you on this podcast was because you have such a fabulous arc of a story. So how did you find Miata and why did you start working with her?

ELENA:

Miata and I both work together at the Actors Fund, so that's just how we met. We were across the hall from each other. And she was wonderful so we just became friends. So it was just initially a friendship and sisterhood. I admired what she does, I thought she what she did was amazing and so helpful. Of course, like most people, I didn't think I had a problem with money. My finances were okay, I was paying my bills, I was making it. And so we were just friends.

KRISTINE:

And then what shifted in your life where you started to go: *“Oh, maybe...”*

ELENA:

What shifted is when I got a letter in the mail that said my mortgage was gonna go from \$500 a month to \$3,000 a month in a year. That's what shifted immediately. And that's when I just said: *“Oh, my goodness! I'm so glad I have my friend Miata, who is, you know, the financial wellness guru, and I need to go right across the hall and get help,”* which is what I did. Most people don't change until they have to, until, like, usually there's a crisis mode. And so I was in crisis mode. I mean, what is that from \$500 to \$3,000? What is that – \$2,500 – that I had to cut?

KRISTINE:

Five times more – right?

ELENA:

Exactly. On my same income. Nothing else had changed except that that was going to change.

KRISTINE:

So this was just sort of a shift in the terms of your mortgage.

ELENA:

That's correct – that I didn't know about. These are all the hard lessons that come. My financial planner, who I thought had my best interests at heart, obviously did not, you know. And so once again, you don't know until you know. And so I got the letter. I then did some calling. He backpedaled. He didn't know what it was and so I just had to go to who I trusted. And I think it was good that Miata and I were friends initially, because I trusted her. So I could be vulnerable. I could go in there and and say: *"Oh my God, help me."*

KRISTINE:

So what was the initial help that she gave you?

ELENA:

So what she said initially was – and this is the first part – she gave me a spreadsheet... because we think we know where our money goes, but we really don't. I remember somebody had told me to just "don't go to the ATM." One of the bad things about the advent of the ATM, was you can just drive through and get out \$20. Sometimes you can even just say \$20 or \$40, right? And so people take that out. And before they even know it, they don't even realize what they've use that for. They're just going back again through their ATM to get another \$40. And so what was pivotal was, she first gave me this wonderful spreadsheet and said: *"You've got to write down every time you spend something."* And so the spreadsheet has all the categories – I mean, categories that you don't even think of... household supplies, you know. I mean just these little things that we spend money on that we don't know. Every time I spent something, I just had to put it down. You first have to know what you're spending and when, and look at the patterns. That was the very first phase now I had to actually use that information. You know, it's not just information, but it's applied information. Your net versus your gross. Then we actually had to look and see where I had to now trim the fat. April 7th, I'll never forget. That was painful. You know, we talked about the Power and the Pain cycle. That was a Pain Cycle. In therapy, it's like you have insight. But insight isn't a change. It's just insight. And so now this is where the change had to come. And so it was very exciting: *"No, you don't need a massage. We're going to cut that out."* And the talk was: *"Do you want your house or do you want the massage? Those gym memberships – cancel those. Get my hair done? Nope."* Back then I had very short hair so I would go to the barber. *"Nope. Go buy clippers, you're gonna do your own hair."* I mean, these are some real hard things. Because in my whole life, you know, it's like, if I could pay my bills then – this is also the relationship to money – my parents always said: *"Pay your bills first. Be responsible. Put away for some savings. But then the rest, you know, enjoy."* And I don't have any children. I didn't have any college tuition or daycare. So I always felt like this is my college tuition or daycare money. I can spend it on me. So traveling, entertainment... I love the arts and all of that, so, you know, my thought was: *"As long as I've been responsible and paid my bills, and have a little bit of savings..."* (but I actually really didn't – which is, again, the poor relationship with money)... I could do these things. And when we really put it out on black and white and saw it, it was like you have to come up with \$2,500 extra dollars. I mean, that was the real pain. It's like where are you – you're not getting more, you didn't all of a sudden get a windfall or trust fund, you know. You still have the same money coming in. Which is what I love with Miata's a spreadsheet: *"This is what you're bringing in. This is what's going out. Where are you going to make up the extra \$2,500?"* So that day we sat there and we were trying to get the other extra \$2,500. The Titanic was literally sinking. I had tried to eek it through and do some things – what do they say? "Rob Peter to pay Paul? – to make, you know... I mean, that is how – when Miata talks about the reality of what's going on (we all know her fabulous story of how much she was in debt and then what she had to do), *"Okay, you have trimmed as much as you can do on your own and it's still not cutting it. You will have to call your brother and tell him that this is the amount you need for this amount of time. You're going to have to ask your brother for \$500 for six months."* And I'll never forget that it was now about 10:30pm at night, we had left the office after we both had worked a long day. I'm crying. Boxes of tissue. It was a pivotal day, but it was a painful day. And so I'm driving home calling my brother and I said: *"This is what's going on,"* and it was so funny – he

knows me – he goes: “*How much and how long?*” That's exactly what he said. And I said: “*\$500 for six months.*” He said: “*Okay.*” He's 12 years older than I am. He's like: “*What do you need?*” He's an attorney so I would kind of say he's the emotionless person in the family and I'm all the emotion. So that was from May to November. My brother came through. That time period was really hard. Really hard.

KRISTINE:

Yeah. Because it's interesting, when we talk about money very often we're talking about things on the spreadsheet, figures, gym membership, “this much money.” But the gym membership and the haircare and the brunches – this is part of your identity.

ELENA:

Have you been talking to somebody about the brunches? How did you know? And wait, Kristine, you got to keep this part in, okay? I love brunch. And I'm not ashamed to say this, too. But once again, I felt that I could use the money like I wanted to. And I love brunches. So I will never forget... I have a friend that I call (her name is Patricia – we call each other “Muffin”), and we're foodies. That's another problem, I'm a foodie. And so I said: “*You want to go to brunch? I found out about this new place Yardbird in Century City.*” And she said: “*Yes, I'll meet you.*” It was a Saturday. It was a beautiful day in LA. Kristine, that brunch for two people came to \$150. And I'm not even a drinker – that wasn't even including alcohol. I'm just saying that was like maybe more of a top of a brunch, but I would do brunch every weekend if I could. And then also, with that, it was like, I would also get tickets for Alvin Ailey, or a concert. So in a month, I could have done, you know, three or four huge entertainment endeavors. So yeah, I was spending money.

KRISTINE:

You're out there, and you're very social. And you love the life and I think you also probably love the idea of supporting your restaurants, you're supporting the arts. So when that had to go away and be dialed back, how did you feel about this reinvention for a period of time of your identity?

ELENA:

Oh, my goodness, it was almost kind of like a grief period. Which is true. Any kind of loss and shift is a grief because it really was my big socialization. I live alone. And so for me my socialization – and I love being alone, I love my home – but I also like being out. And that was my way of socializing, is that every weekend going out and hooking up with my friendships that were very dear to me. So once I knew what everything was, I did the envelopes. I would have “beauty” and “health care.” I would have “groceries.” So it was, like, \$300 a month for groceries. It was how much was I'm spending a month on gas. So “entertainment” and “dining out” those were two separate envelopes. I think for eating out for my whole month it was \$67. So that meant I had to tell people “no.” So most of them would still ask me to go out and I just have to say: “*I can't.*” She says: “*Are you kidding me?*” And she goes: “*Who is Miata? Who is this Abundance Bound that's interrupting in our social life?*” I mean, she also was like: “*What!?*” Because I've never my entire life of actually – like, I've said “no,” but I haven't said “no.” Because I really haven't had a reason to say “no.” Or so I thought – once again, right? – what got me into the situation. It was like a real grieving period. I'm staying home, I'm more isolated, I'm having to say “no.” I'm having to, you know, maybe go and really pick and choose. And once the envelope was empty, the envelope was empty.

KRISTINE:

So I think a lot of people, when they contemplate cutting back and doing – even not as severely necessarily as you had to do – they're worried about how is this going to affect the relationships in my life if they can't just kind of continue as usual? “*What if I'm the odd man out who can't go to the big party or who can't afford the big gifts?*” So how did this impact your friendships?

ELENA:

Well, actually, I'd have to say that I really do have good friends. I mean, I have for a long time vetted my friends and it's been much more about quality than quantity. And so what happened was – especially with Patricia – this was a turning point for her. She had gotten a mani-pedi and spent \$130 on a mani-

pedi. She actually called me and said: “Oh, I need Abundance Bound. I may have given you a little bit of pushback, but I actually needed to – because she says: “This is ridiculous for a mani-pedi!” And I go: “Yeah, that is ridiculous for mani-pedi.” Now I might spend that on a brunch, but not other stuff. And what was so nice – I will never forget at one of my lowest points when I was going to get my hair done... and I have a friend (we’ve been friends for 35 years) and she is an incredible hair stylist. And I said: “*I can't come to you, I can't afford it. And I'm gonna start to cry.*” She says: “*That's okay.*” So she did my hair twice for free. And so what you find out is – i don't want to sound cliché – but who really are your friends. And then when you actually are living your truth, you'll find that most people also need to have a better budget. Not that they're doing horrible. I mean, there's all people on the spectrum. But then they're like: “*I need to look at my stuff. And you're inputting everything on a spreadsheet? And you really thought you'd become more educated?*” I'm like: “*Yeah, so I turned it around.*” So again, I just modeled what I had to do and then people also found some benefit. So I didn't lose any friends, they actually tightened stuff back up. And nothing is forever. You see, I'm in a totally different space now.

KRISTINE:

Because we just don't talk about money...

ELENA:

Right.

KRISTINE:

...but as you brought it up in the cool way that you did (it wasn't like you were preaching, it wasn't like you were advocating for everybody else to do this), but you were just sharing your experience. And leading by example. And other people sort of were like: “*Oh, interesting. Okay.*” And I just love that that happened amongst your friend group,

ELENA:

Just my naturally doing it, people noticed. I just didn't have a choice. I was not losing my house.

KRISTINE:

You know what, though, you did have a choice. You just chose that set of priorities. And you chose to have the discipline to reach your priorities – which was to keep your house. You did have a choice. And that's the choice you made.

ELENA:

But I also had to surrender. I had to submit.

KRISTINE:

Yeah. Another thing when we talk about money and budgeting and planning and the envelopes, and all of this... when it's being explained: “*This is what you're going to do, you're going to put money in your envelopes, you have all these things and this is how you're going to do it...*” And this is – it seems so cut and dried because we're not talking about the emotion around when the envelope is empty, or when you want more to be in the envelope. So how did you manage your mind and your emotions as you got used to this restraint in your life?

ELENA:

Well, initially, I was resentful. But also what happened was each month that I made it, it's almost kind of this positive reinforcement. So I love my home – which is the thing that I was fighting for – so it was like: “*Okay, you're here.*” And one good thing also that helps with California is that there are so many free things – free concerts in the park, you can eat very inexpensively on the beach and feel like you've had a wonderful day. Which was fine with me. So the emotions was still... if I could kind of balance it out... still do some things. And not I feel like I couldn't do anything. And also see the results of what I was doing. So I was still resentful when the envelopes emptied, but I also was making better choices of what to do with the envelope money. I was much more intentional.

KRISTINE:

You eventually got to this point where you're seeing the benefit of it all. And now you're maintaining and you don't have debt.

ELENA:

I got out of debt. And that was great with Miata – I'll never forget we're in her office – I said: *"Okay, I got a tax return."* And I would come down to sit in her office. *"I've got a tax return, what should I do?"* She says: *"Pay off all your credit cards."* And see now, once again, my parents – there's some cultural history – my parents were born in the Depression, in 1925. And so there's just some basic things for them, and especially culturally for African Americans, was like: *"Keep good credit."* Right? So we may not have cash because of all the reasons that we may not have it, at least in them was: *"If you can, keep good credit."* And so my credit score is stellar. And I also had – they also said to have good credit – you know, so you have more credit cards and stuff, which is also capitalism. It also becomes a vicious cycle, so that's a problem too. But one thing I can say is that I pay my credit card bills on time. I have really good credit – no money, but good credit. My parents gave me my first American Express card when I was in college because I was traveling and they wanted me to get started having credit. And I'm like: *"Okay – oooo – I have an American Express gold when I'm 20."* So I'm thinking it's great to have an American Express card, right? *"Membership has its benefits."* But then somebody told me: *"Why are you paying to have a credit card? What is this annual fee?"* And then I had to go: *"Oh, right. How dumb is that? You're actually paying also to get in debt."* You know, I was like: *"That is crazy!"* But I had never thought about it. I'm just, you know, flashing my gold card! So I, for the first time – and I called Miata – I said: *"I have not renewed my American Express card."* Which was huge. Huge.

KRISTINE:

Again, because it's part of your identity, I don't think people can articulate that. But I think they sense it once you start talking about budgeting and cutting things out. They may not know why that's so scary, but it requires an – especially in your case, when you're looking for so much extra money – it requires an inventory of yourself. Because deciding to release the American Express card, it's not just a numbers decision. It's a sentimental decision. It's: *"What does this mean about me that I'm no longer the American Express card holder?"* And this was given to me by my parents. Like it was the first one. I mean, there's all of these things that come into play and you really went through a personal journey.

ELENA:

The other thing that someone told me is that you should never ever make decisions out of desperation. When you are desperate you make the poorest decision. So let me tell you, Kristine... how many times did actually a tree fall on somebody's car and totals the car in their job parking lot? My my receptionist comes and goes: *"Elena, I've got something to tell you, but I think you need to sit down."* But of course, that's the one car that I didn't have the gap on.

KRISTINE:

Gap insurance – if your car is totaled, it pays for it.

ELENA:

Right. So now I'm having to pay for a car that I still owe on, but I need a car. And so my brother again, my brother goes: *"Oh, well, just go get you a little putt-putt car."* Well in my mind (and in my brother's mind) the "putt-putt car" is like a Nissan Sentra, a Toyota Corolla. So I'm going to the Nissan dealership, the Toyota dealership, to go and get a putt-putt card. I have good credit to the credit union said: *"Elena, we can give you – at a really low interest rate."* And I should have taken like \$6,000 or \$7,000 and got a car outright, just as something to get around it. No... I'm at the Nissan dealership buying a Sentra. And let me just say this – how desperation makes you make poor choices. I'm in crisis. I buy this car that, after two days of driving, is too small. Because in my mind I'm trying to be responsible, but the car is just too small. I've always had SUVs. I like being up high. I feel safe. You know, whatever, I like SUVs. So what do I do? I turn it back in in 30 days. So then I buy a Nissan Ultima. I turned back in the Ultima and finally ended up with my Nissan Rogue. But we're talking three cars later, within less than a year. Now I'm paying for the Sentra that I don't have and they've tagged on the Ultima to this Rogue. If I had known

– to just take a step back and you're not working in the pain cycle, and you're all led by emotions – which I'm learning now... I should have just said: *"I will be happy with an old SUV."* As opposed to literally getting there three cars later with much more debt. You know what I'm saying? Yeah, I owe my home, my financial life, to Abundance Bound. I'm not being hyperbolic, I really do. Because it provides you with information to keep learning and I now, for the very first time – I was so excited – for the very first time I invested in the stock market. It's like trying to let my money make some money for me, right? I know nothing about it but I got people who I trust that says: "We're just going to take a little portion of your tax return – 10% – we're going to put that in some stocks. The other 90% is going into your Planned Savings. So this is where I am now so I can officially save... retirement, some investments and better Planned Savings. That's where I am – that's my Abundance Bound financial journey.

KRISTINE:

In 2018 you got the letter... and it's 2022 now. Sometimes when people look at this idea of changing their financial life, and all the things that are going to be involved with that – doing a 180 – it just seems like it's gonna take forever, and it feels like it's impossible. But five years are gonna pass whether you do any of this or not. And you got through the feelings and the emotions that went through all of these choices and actions. None of that killed you. No one has ever died from discomfort, or sadness. Look how you used those five years for yourself and where you're at now and how you're feeling now. And the next time you go to buy a car it will be done completely in the Power Cycle. You will first start with: *"Well what do I want exactly?"* Like a different totally different way of just making that purchase. And were you to buy another house or any piece of property, boy would you read that contract differently. You are a different person. And your relationship with money is different. And your identity is now defined by you in different ways than it was five years ago. It's such a transformation. And one that was done by you – step by step by step, decision by decision by decision. And I hope you are so proud of yourself.

ELENA:

I mean, I hear that and they say that to me... yes, I had to do the work, but I cannot thank Abundance Bound enough.

KRISTINE:

So after all this, what does being "abundance bound" mean to you?

ELENA:

Oh my goodness, it is: clarity, empowerment, and freedom.

KRISTINE:

Well, you are definitely abundance bound. You are bound to abundance now and you are definitely bound towards continuing abundance. Oh, Elena, you are such a delight – thank you so much!

ELENA:

Thank you.

KRISTINE:

"Being abundance bound means clarity, empowerment, and freedom." Elena, that's music to my ears. We are sharing Elena's story to get you thinking about what life-changing shifts might be possible for you to make within the next five years. The next five years are going to go by anyway... for me, for Elena and for you. The next five years offer a wonderful, spacious window – no matter what age you are – to redefine your relationship with money, one little step and one little decision at a time. We have one more episode in this season of the Abundance Bound podcast. Miata is making arrangements with a very special guest and once they get their schedules coordinated, the final episode will magically appear in the feed. So keep an eye out – or subscribe so you don't miss it.

MIATA:

This podcast is our invitation to you an invitation to accelerate your progress towards a more expansive future by joining us in the Abundance Bound Financial Empowerment Program. It's an invitation to

develop a healthier relationship with your money, one that is less conflicted, less neglectful, less desperate. Our program offers a warm, friendly environment where you'll have the space and time to work at your own speed and get the hands on support you need. You'll receive step by step guidance that will help you strengthen your money mindset. Practice consistent money management and create additional streams of income to fund the life you want to live. Your next step is to learn more. So take a moment today and visit: AbundanceBound.com/financial-empowerment.

KRISTINE:

All of the show notes for this episode are available at AbundanceBound.com/the-podcast. We are delighted you are listening. Please keep taking very good care of your very talented self.

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