

Money Matters

There are times when keeping up with your personal finances can seem like an overwhelming, migraine-inducing task capable of sending you into a black hole of despair. Which is why we're here to tell you about the daily money manager. (You're welcome.)

After years of dedicated study and writing about personal finance, when I see a phrase like bank overdraft charge or hear someone say “this is a call to collect a debt,” I know exactly what it means: Namely, that I manage my own financial life about as well as a basset hound could fly a spaceship. So, when my editor suggested I write an article about daily money managers from a first-person perspective, I figured I could use the help.

A daily money manager is sort of like a personal bookkeeper crossed with a Navy SEAL — it's someone who will go over your financial accounts and, if you're being an idiot about something, order you to do 500 pushups or, if the infraction is severe enough, garrote you on the spot. Enter Elizabeth Ball, a British expat who lives not far from me in Austin, Texas, and who works as a daily money manager. Because of her accent, financial acumen and underlayment of spring steel, I find it convenient if somewhat colonial to think of her as Mary Poppins in an eyeshade.

Much of Ball's work consists of helping senior citizens open their mail, understand and pay bills on time, and learn how to make sense of various legal documents. She also works with disabled individuals, as well as young, healthy people who are too busy to handle these mundane tasks themselves. I'm not too old, too ill or too busy to do better on finances but, as Ball discovered, I have my own issues — primarily laziness and unwillingness to face unpleasant facts.

I found Ball through the American Association of Daily Money Managers, a professional organization in Bellefonte, Pa., that provides an online directory of its members. She was one of only two listed in my metropolitan area, so it was just by sheer luck that she happened to live a few miles away. We decide to meet in a coffee shop to discuss what I'm looking for and what she can provide.

Ball, as it turns out, actually spends a lot of her time with what could be mistaken for a TV show about hoarders. Frequently, she's called in after the death of a loved one to help the remaining family deal with dozens of boxes of papers (and large amounts of junk) piled in a garage.

“After copious cups of tea, I go through the boxes,” she says, with a sigh. Although many of us would prefer a tax audit to tackling a paper-packed garage, Ball says the work often yields pleasant surprises.

“I’ve found land titles and mineral rights and enormous amounts of cash,” she recalls. “There will be little envelopes with thousands of dollars.”

She feeds the worthless scrap into a shredder and organizes what’s left by establishing a paper-flow system intended to keep the piles from returning. She also helps clients create a budget and teaches them how to use personal financial-management software. She doesn’t, however, give advice about things like investments.

“If you have big financial decisions to be made, go to a financial adviser,” she says.

I’m different from most of Ball’s clients primarily because of my belief, unsupported by evidence, that I know what I’m doing. I feel as if I’m fairly well organized and I can point to several file drawers of more-or-less-alphabetized files — and I use a popular financial-software package to track all my financial affairs. My hope is that she can identify some unexpected places to save money and help me figure out what to do about my debt.

As it turns out, I’m also different in another way — I volunteered to work with her. A typical client, she explains, is referred to her by either an adult child or another concerned relative. She’ll meet with the prospect and talk over tea to find out what’s going on. Often, she’s not exactly welcomed. “Some people are very resistant,” she confides. And most of them lack any interest in financial software, computers or being told what to do. But after some discussion, she can usually spot how the person is spending too much on cable TV or explain a puzzling medical bill, and that breaks the ice.

Frequently, Ball’s work requires a ground-level introduction to daily finance. A fairly typical client is a new widow whose late husband always handled the money. Ball recalls one particularly bad situation: “She was sitting there for four years with the mail piling up,” she says. “She’d never written a check in her life.” By the time Ball was done, though, her client was sorting through all of her mail, writing checks and even was a devoted user of financial software. “She went from being the victim to being the conqueror,” Ball says with satisfaction.

Within days of our introduction, Ball visits my home and immediately frowns at my desk, piled high with documents and important journalist tools such as fingernail clippers and a rolling pin (don’t ask), as well as a voluminous but sadly neglected filing system. We spend hours sifting through it, tossing out yellowed health-insurance forms and retirement-plan statements from during the Clinton presidency.

Next, we discuss how I can save money. One of her tips is to call my cable company and threaten to switch to another provider unless it reduces its charges. (Although she seems like a sweet English lady, Ball is no patsy.) She also directs me to call one of my credit-card issuers and demand a lower interest rate and/or to look into a balance-

transfer offer that could save on interest. I'm also directed to find out what is in a safe-deposit box I haven't opened in years.

Protecting clients from vendors who range from the inconsiderate to the predatory is also part of what daily money managers do. On the less-drastic end, it's common practice to find clients paying for data plans on cellphones that lack data capabilities or Internet service when they don't even have a computer. Ball has also encountered outright swindlers who prey on the elderly with offers to repair roofs that don't need fixing and schemes to gain access to account numbers and other information to facilitate fraud.

Financial abuse of seniors by opportunistic relatives, rip-off artists and organized gangs adds up to about \$3 billion a year, according to the 2011 MetLife Study of Elder Financial Abuse. The considerable bounty encourages crooks to create and swap lists of vulnerable people the way catalog companies broker mailing lists, Ball says. As a result, she has clients refer all phone calls pitching services or products to her. The few callers who follow up get short shrift.

"I'm like a bulldog," she says. "Nobody comes near my seniors."

In our next meeting, Ball performs one of the most important tasks anyone can do: She compliments my girlfriend on her cup of tea. Coming from an Englishwoman, this means a lot. Trust me. After the pleasantries, though, she gets down to business and asks how I did on my assignments. Holding people accountable in this way is a very valuable offering provided by money managers, I suspect, although in my case it makes me a little uneasy, possibly because I haven't done all my chores. Specifically, I didn't call my sister (who is a lawyer) to ask about powers of attorney and medical directives.

I did, however, do better on holding the cable company's feet to the fire — although the service rep eventually convinced me they were already giving me the best deal I could get, and I didn't follow through on my threat to switch providers because it sounded like too much hassle. I did get six months of free Showtime, so that's something.

I also didn't call a credit union to inquire about cheap checking or a low-interest loan so I could pay off some credit cards. Fortunately, Ball did. She reports that the credit union is not about to relieve me of my high-interest debts, which I thought showed good judgment if not great compassion. In retaliation, I decide to keep my checking account with my current bank, even though they've recently been adding fees for things like air-conditioning the lobby.

I did manage to open the safe-deposit box — and found essentially nothing, though closing it saved me \$65 in annual bank fees. And, in a Ball-inspired move for which I will be forever grateful (or for at least the next 18 months), I contacted one of my credit-card companies about a balance transfer. This led to an eventual swap of most of my high-rate debt to a card that offers zero interest for 18 months. This will easily save me

several times Ball's fee (\$300, which I hope to put on my expense account — but she doesn't need to know that).

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At the end of the day (or month), my encounter with Ball ended up adding to my store of knowledge about personal finances, specifically with the tidbit that even if you think you know a lot, there's always more to learn. This time, I learned that a little push from a daily money manager, accompanied by a solid follow-through, can help turn knowledge into money in my pocket. Now, if I could only figure out where we put that rolling pin.

The Down Low On Daily Money Managers

You may need a daily money manager if you can't find time to open the mail, keep having your lights turned off because you forgot to pay the bill or can't find your car because there are too many boxes of files piled up in the garage. To get help, consider the **American Association of Daily Money Managers'** online directory (www.aadmm.com), which lets you find a member who is in your area. As another option, certified public accountants and bookkeepers may offer daily money management. And the **American Institute of CPAs** (www.aicpa.org) has a searchable online database of members that the public can use. Users can search for a CPA with Personal Financial Specialist certification — although this is more like a financial planner, and not all will do daily money management. The **National Association of Professional Organizers** (www.napo.net) also has a searchable online database of members, some of whom will offer daily money-manager services.

What You'll Pay

You'll likely pay \$50 to \$125 an hour for a daily money manager's services, with higher rates in bigger cities. Several hours a month should be enough. Normally, the services aren't tax-deductible but some exceptions exist — for example, if a portion of the fee paid is for income-tax preparation or expenses related to the operation of a business. The money manager will be able to help you with organizing, budgeting, negotiating with creditors and making sure you're not overpaying for utilities, insurance and the like. Look for certifications such as Professional Daily Money Manager and Certified Senior Advisor, which indicate the bearer has passed some tests and agreed to behave ethically.

Make It Count

If you are uncomfortable talking about money, get over it. In particular, be up front in revealing how much you owe and to whom you owe it. If you don't know how much or whom you owe, be even more up front. A money manager can't help with your problem unless he or she knows the problem. Finally, be ready to make a friend. Money managers aren't getting rich, for the most part. They're in it because they want to help people. Be generous and let them. You'll find life looks much brighter with the lights on.

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