



What Is Enough?

Based on: Your Money or Your Life

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Part 6




Financial Integrity / Fulfillment

- **All change is Personal**
 - This is not about budgeting.
 - This is not about retiring.
 - This is about Cash and Cash Flow Awareness
- Let's Face Your Money Myths
- & Utilize Tools for greater Money Awareness

Your Homework

From Part 5 :

- ❑ Reviewed Your Answers in the Workbook for Part 5 – made any additional notes as you completed the work.
-  ❑ Tracked Every Expense for the last 30 Days.
- ❑ Charted your Make versus Spend on the attached Chart.

What did you come to understand doing these exercises?

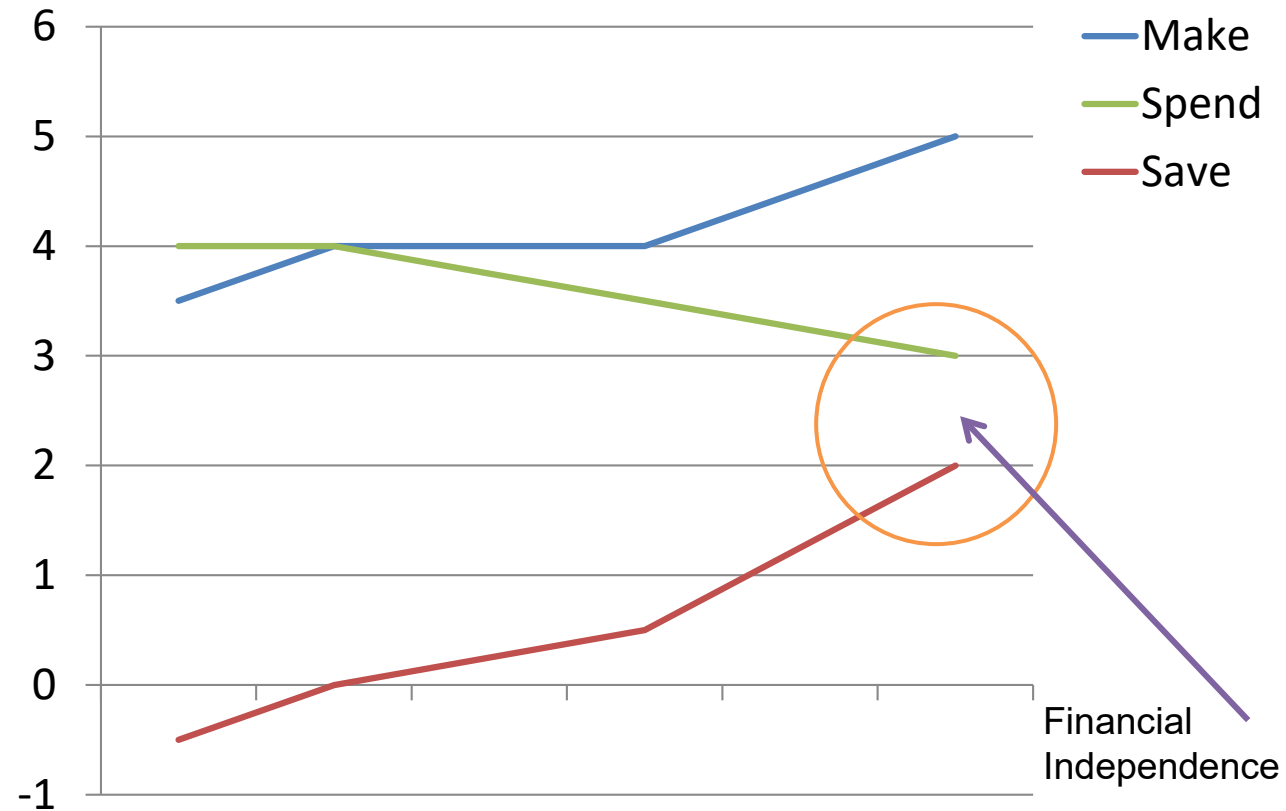
Part 3

9 Steps to Enough

Step 8 – Freedom Point

Financial Independence

Each month as you track the amount you **Make** versus the Amount you **Spend**, the gap should widen, and as it does the **Save** can begin to grow toward financial independence.



First Aspect of FINished

- The experience of well being, ***regardless of the money you have now.***
- We called this Fiscal Bliss.
- You steer your own success by what you choose to accomplish, and you arrive when you recognize that you say you have arrived.

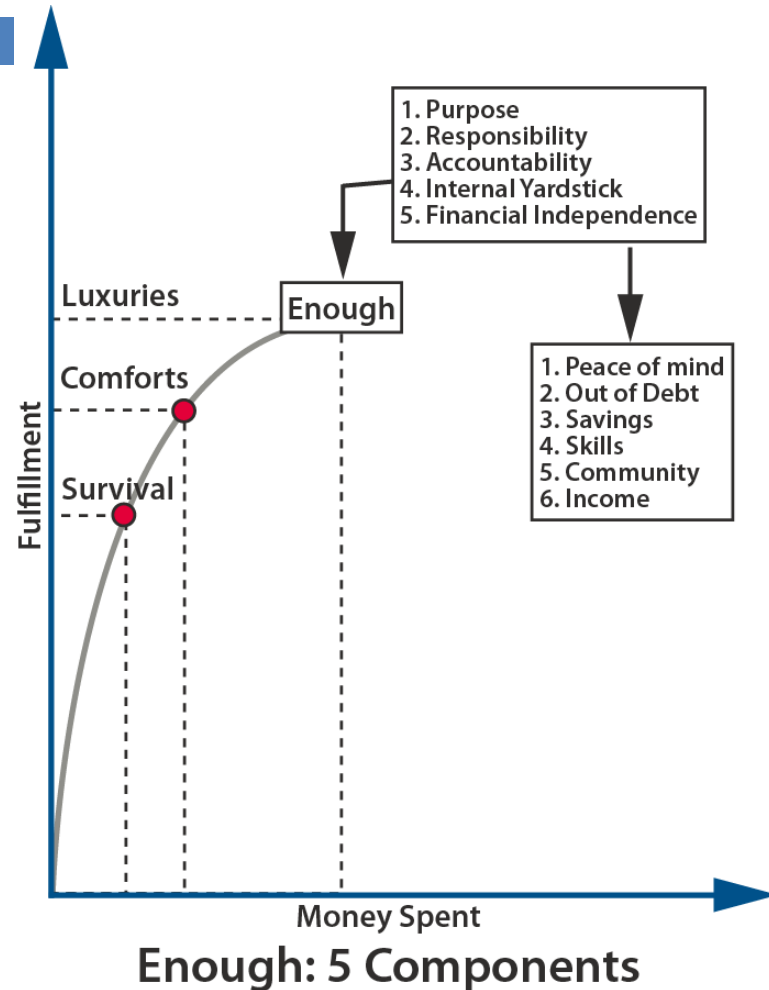
Second Aspect of **FIN**ished

- The experience of having passive interest income that currently exceeds your spending so that any work is truly optional.
 - ▣ We call this your Freedom Point.
- When you know what is 'Enough', **FIN**ished becomes **FIN**ite, and therefore achievable.
 - ▣ It doesn't mean you stop working for money, it means you can stop working for money. Laziness doesn't last, it too has its own law of diminishing returns.

a Story

- Peter Lynch was featured in TIME Magazine in a story called, “**The Simple Life**”.
 - ▣ At 47 years old, building Fidelity Magellan into a \$13B giant, his daughter was 7 years old, and he realized he didn’t know her at all. He quit.
 - ▣ These days he makes school lunches, coaches little league, and has no plans to return to Wall St.
 - ▣ “When you are working full time, peace and quiet can seem like one more thing to do.”

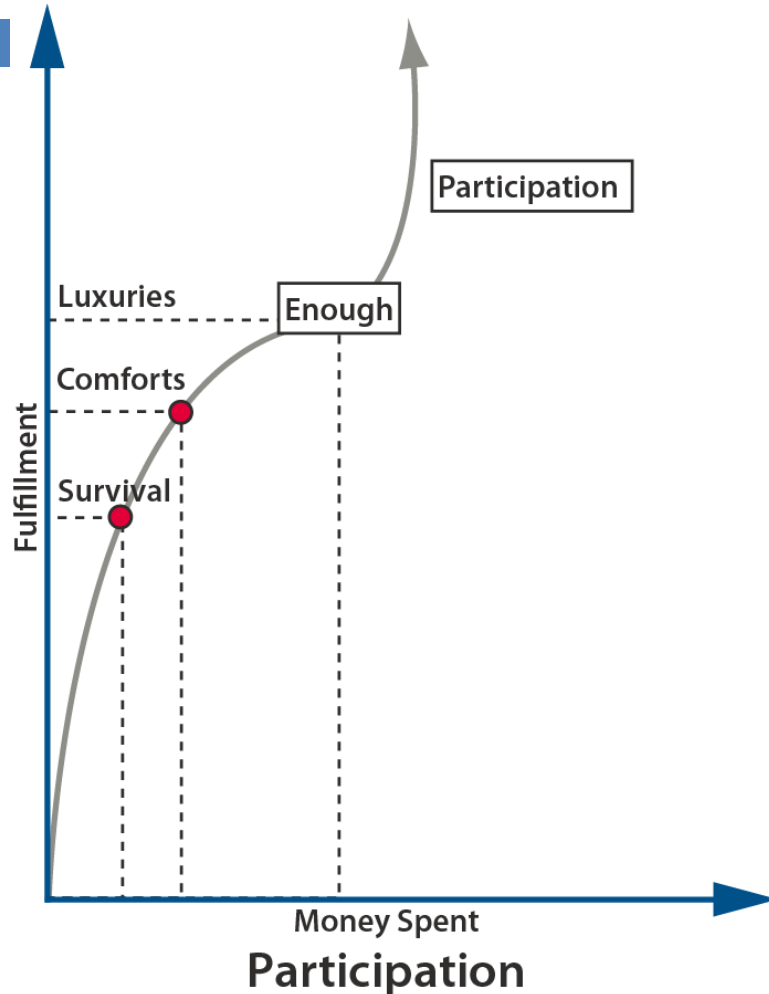
The Fulfillment Curve



■ “We are called to be the architects of our future, not its victim.”

- Buckminster Fuller

The Fulfillment Curve



- You choose how you want to participate in your life...
- You play by your own rules.

Part 3

9 Steps to Enough

Step 9 – Location, Location, Location

Location, Location, Location

- Cash and Cash Flow that isn't needed now can be located in a place where it can grow over time.
- Considerations include:
 - ▣ Safety of Savings (risk of loss of your money)
 - ▣ Liquidity of Savings (use and control of your money)
 - ▣ Return of Savings (growth of your money)

Estimating Your FIN

- We can estimate how much you'd need to reach a point where work is optional:
- Let's review the last main part of your CALM Worksheet to estimate how you're progressing.



What is Enough?
Lesson 6
My Financial Independence Number

Financial Independence Number (FIN) Dashboard

Income You Want To Replace:	\$	88,320
additional % expense reduction in retirement:		0%
Earnings at FIN: (adjusted for taxes at current tax rate)	- \$	32,541
Income - Earnings:	= \$	55,779
Social Security:	select: couple	\$ 30,000
Income - Earnings - Social Security:	= \$	25,779
Inflation Rate:		3.50%
Years to FIN:		15
Future FIN:		
Income - Earnings - Social Security:	=	\$43,545
Withdrawal Rate:	4.50%	22.22222
Current Liquid Savings:		\$967,670
Project Net Growth Rate Liquid Savings: -pretax rate:		\$ 220,500
Projected Future Liquid Savings:		6.00%
		\$541,128
Shortfall of:		
monthly savings needed now:		(\$426,543)
available savings from current income:		(\$1,467)
current additional monthly savings needed:		\$165
		(\$1,301)
Options:		

Spend Less & Save More
Earn More & Work Longer Hours
Reduce Expectations

Simple, but not Easy.



Who Will Be Your Guide?

There are many maps for your financial journey.

You really have two options:

- **Self Directed:** You manage your financial savings.
- **Advisor Directed:** You hire a financial advisor to help manage your financial savings over time.

Which of these two would bring you the most peace?

Wrapping It Up

Stay Engaged – Develop your map as you travel – making your own path.

Save early, reduce expenses

Get quality advice.

Your Homework

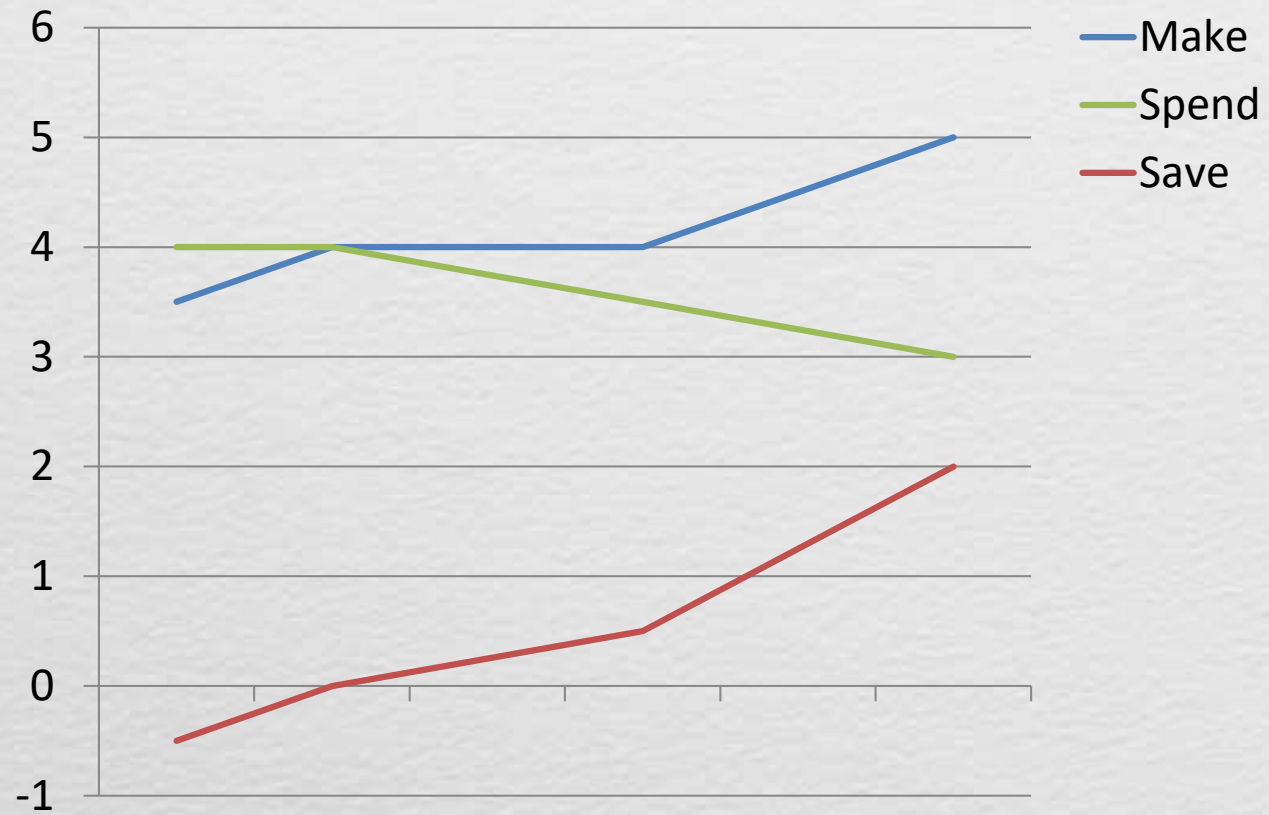
Wrapping up:

- ❑ **Review Your Answers in the Workbook for Part 6 – make any additional notes as you complete the work.**
- ❑ **Manage Cash™ and Chart your Make versus Spend gaps to grow your Save line on the attached Chart. Watch for small changes.**
- ❑ **Contact a Liability Advisor and Financial Advisor / Create a Self-Directed Plan to Save Wisely™ as you increase your savings.**

Insights from Reviewing Part 6 Notes and Answers



Continue Your Chart of Make / Spend / Save



Resources

Engage With Us On Your Journey:

- ❑ Follow us: <https://www.facebook.com/NIFECLA>
- ❑ More Education: www.niofe.org
- ❑ Read: **Your Money Or Your Life**