



## "Financial Freedom"

We may never mention the term "financial freedom" in our meetings, but this idea is foundational to much of our planning work together, so I thought I'd share a few thoughts on the topic.

Let's start with a question. When you hear the term "financial freedom," what comes to mind?

I'll give you a moment...

In my experience, this term is loaded with broad misunderstandings that cause many people to misappropriate their time or money, or sometimes both. Let me explain.

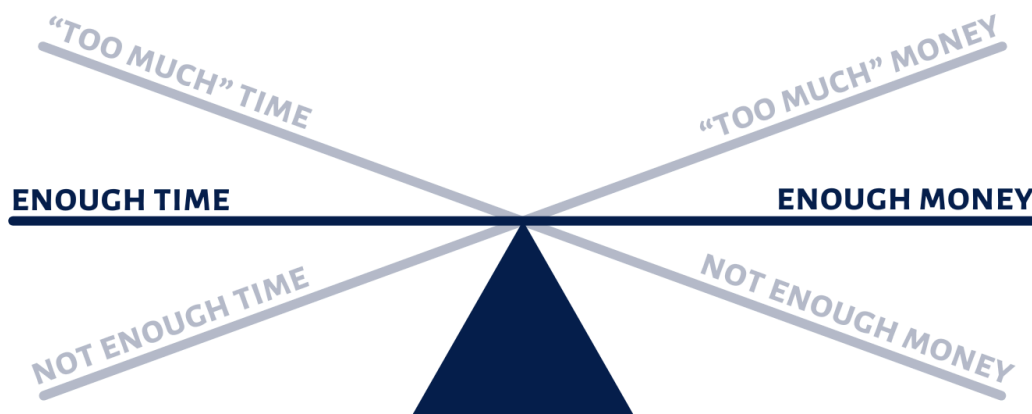
If you ask people what "financial freedom" means to them, most will probably focus on one of two things:

- Some will focus almost exclusively on the "financial" part of the equation and jump straight to how much money is required to achieve financial freedom. These people tell themselves that they can only feel financially free once they reach \$X million, only to move the number higher later. In doing so, they mostly ignore the value of more time (freedom)<sup>[1]</sup>.

- Others will focus primarily on the "freedom" part of the equation, assuming that they must be free from the shackles of work to enjoy the freedom they envision. Thus, they ignore the value of what more money could mean for their lives.

Do you identify with one of those more than the other?

## **FINANCIAL FREEDOM IS ABOUT BALANCING TIME AND MONEY**



As you have probably figured out, true financial freedom isn't about choosing one or the other; it's about finding a balance that works for you. And balance is key because we know that the extremes are sure paths to unhappy outcomes.

For example, we intuitively know that an abundance of money with no time to enjoy it is a recipe for misery. However, unlimited time with no money is likely to be equally miserable<sup>[2]</sup>, albeit for very different reasons. Hence, the importance of balance.

Carl Richards has said<sup>[3]</sup> that "Security is a feeling, not a number." I think the same could be said of financial freedom since it's really about having the means to live a lifestyle that is fulfilling to you. Yes, it requires money, but living life on your terms generates a *feeling*.

So, how can we achieve the *feeling* of being "financially free?"

I hope this is obvious, but the first and most important step is deciding how you'd like to spend your time.

While we focus on this topic in a roundabout way in many of our meetings, I think it's wise to revisit this in the quiet of your home to ensure that we're still heading in the right direction. Here are a bunch of questions to help you get started (I hope you'll write down some thoughts.):

What does an ideal week look like for you? When would you get up? Would you exercise right away? Go to the gym with your spouse? Schedule regular lunches with a friend? Spend more time with your children or grandchildren?

Would you want to relocate? Specifically, how much would you like to travel?

How would you plan to stay mentally sharp? Would you like to continue working in your current field or not at all? Or get a part-time "fun" job? Would you work for a non-profit—either on a paid or volunteer basis? Would you spend time reading or learning a new skill?

There are infinite questions and no wrong answers.

In thinking about your ideal week, you may find that your preferred lifestyle requires less money than you thought, or maybe more. It might include some form of work, or it may not. Again, there is no one-right-way to live, but I believe there is a path that leads to a truly fulfilling life, however you define it.

For many of you, I assume that your answers to the questions above are roughly similar to what we've discussed before. If so, that's great.

But if you're feeling a desire to make some changes, I'd love for this to be a reason for us to revisit your plan together so that we can help you live your best life and find true financial freedom.

<sup>[1]</sup> This seems to be the most common misappropriation, where people trade away far too much of their life in the pursuit of more money. The book [Die with Zero](#) is a helpful book to read if you see yourself in this perspective.

<sup>[2]</sup> I'm sure there are exceptions to these rules, but they are exactly that, exceptions.

<sup>[3]</sup> [Carl Richards](#)