EPISODE 35

Findependence: Finding Financial Independence While Still Engaging In The Things You Love

[INTRODUCTION]

[0:00:05.3] Benjamin Felix: This is the Rational Reminder podcast, a weekly reality check on sensible investing and financial decision making for Canadians. We are hosted by me, Benjamin Felix and Cameron Passmore. .

[0:00:19.5] Cameron Passmore this week's guest was phenomenal so I started in the business back in 1991 and I used to read religiously every article from Jonathan Chevreau because he was a financial reporter in The Financial Post. So I used to see his picture, the little black and white picture in the post every day but read them and he put out regular articles as well as regular mutual fund guys, he's written many books. We had him on this week and I thought he was absolutely fascinating.

[0:00:47.7] BF: He was great, just his insights on financial independence alone were valuable but his industry, history and insights were also awesome.

[0:00:55.2] CP: He's the founder of Findependence Hub, which is, they call it North America's gateway to financial independence and it's an interesting mix of habits, frugality, living the life you want to live, how to invest, it's a real neat collection of articles on all kinds of different subjects in that area.

He still writes what did he say? A few articles a month, for The Globe and Mail, The Financial Post as well as Money Sense I believe.

[0:01:21.9] BF: Yup, but his angle on retirement is that it's kind of his big thing that he's been pushing for is you shouldn't aim to retire, you should aim to have what he calls a victory lap where you maybe slow down and work a little bit less or only work on things that you really enjoy doing but know that you don't have to actually do anything to work.

It’s like well, it’s what people talk about where you financial independent but his whole message is, financial independence but still being extremely engaged in things that you enjoy doing.

[0:01:48.1] CP: Yeah, real pleasure to chat with him. A lot of value from Jonathan.

[0:01:51.1] BF: Yeah, it was a good episode, here you go.

[INTERVIEW]

[0:02:01.2] CP: John, welcome to the Rational Reminder podcast. Thanks for being here.

[0:02:04.1] Jonathan Chevreau: Thanks for having me.

[0:02:06.8] BF: When I mention retirement, a lot of people that I talk to these days, immediately respond by saying that they don’t see themselves retiring or they don’t ever want to retire. Do you think that the perception of retirement is changing?

[0:02:20.9] JC: Well, for sure, I think part of the thing is longevity, I have a friend who is 102 and she still lives on her own for example. She worked till I don’t know, 97, just to give you an idea. The average person, it was still this kind of full stop retirement thing, this goes back to days of define benefit plans and sort of like the goal to watch is 65. You go completely from full grown to full stop suddenly.

I think that idea is changing, there’s something I call the glide path to retirement where you just kind of go gradually, the analogy I use is if you’re flying from California to Toronto, the plane doesn’t start to descend when you hit Pearson and descends to 30,000 feet in you know, a few moments. Obviously, you start to slow down, you start to maybe, the pilot starts to lower his altitude around Lake Michigan or something like that.

Then after half an hour, eventually, you touch down smoothly. I think that analogy holds up in retirement, in fact, my wife was just a year younger, 64, it just started her glide path, this effective two or three weeks ago, going down to three day week and she hopes to take it in for a landing around June when she turns 65.

[0:03:27.9] BF: I've got to ask, what was your friend working – what was your friend doing until age 97?

[0:03:32.8] JC: Well, she was kind of part time bookkeeper for a company, it was a graphics kind of company. During her main career, which she thought she retired to early from at 65. I think she was at grocery kind of big chain, I forget the name of it. Metro, it's a kind of company but yeah, she's still working two days a week.

[0:03:53.1] BF: Amazing.

[0:03:52.8] JC: She's actually driving, she was driving till the same age.

[0:03:55.5] CP Jeez.

[0:03:57.0] JC: yeah, of course so is Prince Philip, let's not go there.

[0:04:02.0] CP John, you coauthored a book called The Victory Lap Retirement with your coauthor Mike Drag. Can you talk about that since I believe you're in this stage of your life that you are entering the victory lap retirement?

[0:04:13.2] JC: Yeah, personally I call it semi-retirement. Some people, I call it encore career if you read the book Encore by Michael Freedman, encore.org in the states, this whole idea of I guess, to me, it's really moving the odd employment, having a bigger salary employee and becoming self-employed, you know, doing your artistic dreams or whatever dreams it may be for public speaking or to start here on business. The victory lap starts with the premise that you have reached financial independence but as I often emphasize, financial independence and retirement aren't the same thing.

You can be financially independent as I am but not retired and I'm not retired. The other way doesn't work. He can't be retired and not be financially independent. These people who talk about retiring and they still have huge credit card debt and a big mortgage seems to be they're just fantasizing.

[0:05:04.2] BF: You've moved into this victory lap where you're still working even though you don't have to be working and you've probably thought about this stage of life more than most people because you've written about it so much. Are there any unexpected challenges that you've noticed during the victory lap phase?

[0:05:20.3] JC: For me, personally, not that much and the reason is because I sort of have a trial run. Have you ever saw – there's an artist in the 60s, Phil Oaks and his album was called Rehearsals for Retirement. Unfortunately there was a gravestone, that's the main cover image but the point was that 30 years ago, I was a high tech reporter so financial reporter, I was The Global Mail, young guy. I quit after about three and a half years and I went freelance for about three, four years.

My idea was completely different circumstances, just a single guy just ranging an apartment, I worked for the 23rd floor of young Jarvis and Bluer at that area. In that case, I was literally writing for rent and I had no real cushion or safety cushion. Let's talk about, apart from the fact that the content had changed from technology to financial. I have A, the support of a life that works, B, paid mortgage, C, some fairly financial assets.

I thought, well this should be relatively simple compared to the first time around and it was. To answer your question, no, it wasn't that much of a shock for me personally. I think it's going to be a shock for people who leave and define benefit plan at 65 and they haven't even thought what they're going to do with their time because just because you're retired, doesn't mean you don't still have 24 hours a day to fill. You could fill either the sleeping and three with TV. That's about it.

[0:06:36.0] CP Financial independence certainly sounds a lot better than for example, suggesting a full stop retirement. Do you have any sense of when it is time to consider the full stop retirement John?

[0:06:47.2] JC: Well, a full stop retirement, I say that that happens, not – you may not have any say in the matter, I mean, people say, I'm going to – I love working, I'm going to work till I'm 75 so I don't need to worry about money and saving a lot. That's illusion because two things are going to happen, your health can change and two, you may not always have a willing employer and/or if you're self-employed, willing clients that are going to fund that your work forever strategy.

You have to assume that either health or your marketability is going to diminish and that's probably between the classic 65 and 75. Now, I know a lot of people, journalist, even on staff still who are working well into their 70s. On the other hand, those who are self-employed do tend to slow down a bit and again, to use my glide path analogy.

[0:07:35.0] BF: What do you think about the FIRE movement where it seems like people are trying to go nuts, saving as much as they can and potentially altering their current lifestyle in order to get to this magical 30 or 40 year old, being financially independent or retired. What are your thoughts on the FIRE movement?

[0:07:52.8] JC: Okay, first of all, fire is just an acronym for FIRE standing for financial independence, retire early. My observation is this FIRE people. A little crazy. We could discuss how much you'd have to save for retirement. David Chilton center. Probably come up with figures between say 10 and 20, 25% of your income whereas the FIRE people, they seem to save 50% of their income but they're completely obsessed, they seem to want to, I guess they hate their job so much, their corporate jobs that they've got to be retired by 35 or 40.

Well, that is a heck of a lot of time. If you're going to live to 90, that's a 50 years long time to retire and of course. I think we've observed before, none of these FIRE people are actually retired, they're really just left the big corporations, that's what they mean and what they really want to do is to run websites and to do public speaking and write books. IEB self-employed, you know, talking about FIRE and how they retired at 40 but none of them retired.

They've just changed it to another gig. To that extent, I'm a little skeptical about FIRE. I know there's a new site, I think in Europe called Fire hub, a little bit like financial independence hub, I should call mine though. Fire hub. Too late for that though.

[0:09:03.7] CP I have another question for you John, for people that have come into perhaps sudden wealth, either through an inheritance or through perhaps stock options or something like that at a young age. Do you have any sense about what the challenges are for people that end up in that kind of situation because it is different than the people who, like the FIRE people got there through frugality. Do you have a sense of what their challenges might be?

[0:09:27.0] JC: take a look at the news right now. I mean, here's Howard Sheltz, he's my age, 65. Some billions, the former founder of Starbucks or cofounder and now what does he want to do? He wants to run for president. That tells you a lot, it's not just about money, hired Sheltz to retire, the long time ago and there's many examples. I mean, I think we could think of Donald Trump. He's 72, he can afford to retire, he doesn't want to retire. How about in the arts? Especially, you know? Mick Jagger still rocking at 70. I'm pretty sure he doesn't need the money. Why are these people still doing it?

Well, that's what tells you. It's not about the money, it's about routine, structure, purpose, having a vision, having dreams, I think a lot of people made sacrifices, perhaps you got married and you had three kids and you got a big mortgage and you sort of made a compromise, For example, I'm a journalist.

I would like to be a novelist, lots of journalists are secret closet novelist but it's more – nobody's going to give you a 40 hour week job that pays your living salary to write novels but you can be a reporter, you could be a columnist, that's what people do. They sort of put your dreams on hold.

Other people may have decided they want to be an artist or they want to be a symphony orchestra or conductor. Whatever the dream may be. If independence is, it gives you a second chance to say "okay, I' no longer economically constraint, now, what is it I'm willing to do with my life and you may have to go right back to your childhood and say, you know, I used to play with paper, I love to do sketches. Maybe that's what I should have thought." That to me what findependence is all about and the victory lap.

[0:11:00.7] BF: Yeah, it's interesting, especially when you think about the data on sudden wealth and how when people do have falls like that where they are all of a sudden financially independent but they haven't thought about all the things that you're talking about, they can often get into some real psychological trouble.

[0:11:15.2] JC: Yeah, I think there's a chapter at our book. Mike's portion because it's cartoons as well, saying you know, "Warning, Boredom Ahead." Personally, I've never been bored either when I'm working or as independent person and an endless list of things to do and it doesn't have to be all money making, generating things. For me, it's a lot – I exercise, health, nutrition, get a chance to cook a little bit better doing yoga, hockey, tennis, you name it. Even in the area of what you might consider to be work. You know, there's more volunteering, volunteerism, you work out of the church or what the rotary club or whatever you want to do.

The activities may be the same, you just no longer obsessed with cutting invoice.

[0:11:55.3] BF: Can you talk about the importance of being on the same page as your spouse, as you get into financial independence?

[0:12:02.1] JC: Well, that's usually important. I belong to a facebook group I cofounded called Young The Next Year 2019, it was 2018 but you can change the name. Where the woman from Rochester named Vicky and it's based on this New York times bestselling book called Younger Next Year by two guys.

One was the basically, an ex-corporate lawyer New York and his young physician who ironically died but that's another story. But the point that they make in younger next year is that you want to be healthy for your – I would call the victory lap years but a huge thing is your partner. If you have a congenial partner in retirement, that's number one, it's nice to have a second pension instead of CPP's and OES's about a lot and then RSP but two, somebody spent the time with who is congenial.

To me, that's really huge and probably if you're not getting alone when you're working both of you, you're going to get a long to last when you have nothing but time together. My wife says something you like, "I married you for life not for lunch. You got to do your own thing as well, you know?"

"What are you doing today?" "I'm going to do so and so." "I got to go to somebody else, see you at soccer pave."

[0:13:13.1] CP 30 years ago, this month, we remembered that David Shelton's famous book, T*he Wealthy Barber* came out and in that, he made famous the by yourself first concept of save 10% of your salary. I know – I've read some pieces that you've written about that and I believe your numbers are a bit higher than that. Can you talk about what sort of –

[0:13:32.7] JC: Well, I certainly agree with the idea of pay yourself first, that was a huge thing and it's not that original or other people copied it for example, the automatic millionaire David Pax got a whole bunch of books, pretty much the same idea. That makes sense, the percentage, well, I think I've said it on the low side. I think you should start with the RSP which you tell me, I believe it's 18% off earned income the previous year.

Right off the bat, that's 18%, not 10% and then you can add 6,000 TFSA and you might as well do that as well. That gives you what? Another 3% perhaps. For 18, it would be a quarter of four. Say four or five more. We're getting close to 25%. That might be a little bit much for people who are still in debt, still paying down mortgages, educating the children. Thick an audio forward, 10 to 15, by all means. Once the debts are all gone and the frugal behavior that allowed you to get rid of those debts, you can, I'll start allocating more money, more bigger percentage of your savings to a wealth accumulation.

All the good things that you guys would recommend. Probably ETFF's and stocks and bonds and GIC's. You tell me.

[0:14:42.2] BF: I agree with you. Now, I know from your writing that one of the things that you did early on is paid off your mortgage. Can you just talk a little bit about how beneficial that was from a psychological perspective?

[0:14:53.5] JC: Yeah, it was huge, Funny you talk about Shelton because that was 1989, the year we got married and then that's the year we bought our first house and we got a couple of friends who were about the same age where they got married earlier and they were quite into like paying down t heir mortgage, in fact, by the time we got hitched because it was mid-30s, time was ticking. They already paid there so we thought, that would be great, wouldn't life be great if it didn't have to either pay rent or a mortgage? We did basically it was the 10% pay down thing.

Whatever you're allowed to do. In our case, it was back then, it was almost 12% interest rates so you were motivated more than today to pay it down on 170,000 mortgage in time, that mean every year we had to come up with 17 grand. Paid down directly on the principle because as you know, all those rest of it was mostly just interest payments. To answer your question, yeah, it was psychologically, it was really nice to pay off the mortgage but what you discover is, well, that’s great but there’s still a lot of other expenses and you still want to accumulate enough wealth.

You don’t have to be employed if you don’t want to. I think some people call it FU money. I am not sure what it stands for.

[0:16:04.1] BF: So if we forget about the principle residence, well I agree, paying off the mortgages is great but if we think about other real estates. So investing in properties other than your own home as a source of income for wealth accumulation or financial independence, what are your thoughts on that?

[0:16:20.1] JC: Well actually I just did an in depth report for the Motley through Canada on this very topic of investing in real estate. They didn’t want to talk too much about the direct model, I.E. becoming a land lord and owning two or three duplexes or triplexes or commercial properties. It was more like, “Okay you are having a principle residence and now you just want to have a little bit of financial assets in real estate” I.E. probable ETF’s of reach in the real estate investment trust.

And it turns out, if you look at somebody like David Swenson who does as you know Yale’s as to allocation and recommendations and wrote a book called *Unconventional Success*, he’s actually quite big on real estate as sort of a third big asset class like people everybody knows stocks and bonds and maybe cash is the third but real estate does and can get a little bit of short trip. What’s his name, Swenson, I think he is basically 70-30 equities.

Of the 70, I believe he was advocating for as much as 20% of the 70, you do the math what’s that? 14% something like that in reach or re-ETF’s and the reason is, it is not exactly uncorrelated to stocks and bonds but it’s semi-correlated. It’s got a pretty good yield generally speaking. Over the last 20 years, it’s been the number one asset class three or four times and it's also a good inflation protection. So I think 10% of your financial assets and that is such a product makes a really good sense.

[0:17:47.1] CP: I recently read one of your posts Jon talking about annuities and I think the article talked about how perhaps you could consider annuitizing 30% of your liquid assets at age 65 then perhaps another third or so at age 75. Have you considered annuities yet and give a sense to where they fit into your long term income plan?

[0:18:08.8] JC: Yeah, that was based on Fred Batist, he actually curated from Mortal Chapel. I think he recently retired although he's still waiting for I think the glove of late and he's the same age as me where I think we were born one day apart like in 1953 in April and I think he does not have a defined benefit pension plan and I have a little but nothing to speak of and he is clearly worried about stock market risk if and it is great if you have a defined benefit inflation index government.

Guaranteed by tax payers pension plan like civil service doing teachers and other fortunate people but for the most part, the rest of us don't if you have an RSP and Moshe Milevsky wrote a book called Pensionize Your Nest Egg and he talks in there about a real pension and essentially that's what pensionizing your nest egg really just means what you ask me, I knew it to Isaac. So in the case of Fred Batist, he is saying at age 65 if you have mostly of your assets and RSP ultimately at riff.

Maybe TSFA and non-registered, you ought to take down some of that stock market risk so he suggested to annuitizing 30% of your RSP at age 65 if that's the age you're going to go and then at age 70, this is assuming that you've deferred your CPP and maybe your OES to 70. So that is really another annuity so that's your second batch of annuity at age 70 and then the third batch is like in 65. When you turn 75, Batist would take another 30% of what is left in your riff by then annuitize that.

Now classically, a lot of people will suggest that you shouldn't annuitize any way to your 70s because interest rates are so low now. You get more longevity credit so if you wait later and there's not that much need but I found Batist's idea interesting. Have I done it myself? Not yet, however we were actually asking for a bunch of quotes on annuities the other day on behalf of my wife. So we are getting that close to exact in or out at least starting to analyze and get a few quotes. Whether we actually hit the road to do it, probably a year or two away.

[0:20:07.5] BF: So you mentioned in that annuity example taking CBP and OAS at age 70, forgetting about the annuity example, in general what are your thoughts on when to take CPP and OAS?

[0:20:18.2] JC: Well I wrote a piece. I took OAS actually last year when I turned 65. My financial adviser was sort of saw this sort of a hedge. So there's a difference, with OAS as you know, you can clawed back at age 71. I think if you are riff with RSP as much beyond a million, you're sort of in the OAS claw back zone depending on the other sources of income whereas CPP will not be clawed back like the OAS. So to me, I would rather have five or six years of for sure I'm to get the OAS not clawed back.

Because I am going to be a lower tax bracket, post-employment, post age 60 and pre the riff when you are forced to withdraw a riff. So to me, you have clear sail in this, five or six years, no questions you are going to get an OAs to the max. After that, I guess will look too dicey. The other thing is CPP you're at a bigger base. So let's assume you don't have the pension envy, you don't have the big divide benefit government inflation index one that some people enjoy.

What is the closest thing to that? CPP. CPP has twice a bigger base almost compared to OAS plus if you wait for CPP to 70 it is I think a 42% boost compared to taken at 65 whereas OAS is only 36% boost. So when you add in those two or three things plus that the concept of a handshake, who knows when am I going to live? How long am I going to live? But why not go for the OAS now at 65 and wait as long as humanly possible for CPP.

And I am going to be 66 in a couple of months, I haven't yet taken CPP but that was easy because my wife has a pretty good salary, which then has sorts of lie. At that point, come back to me and maybe I will be starting to annuitize virally CPP.

[0:22:03.5] CP: As you know for covering mutual funds for all these years for the financial post and other publications, there are now many more ETF's than mutual funds. Do you think that ETF's have made it easier or harder for people to manage their investments?

[0:22:20.6] JC: Well there are particular ETF's that make it a lot easier. You may know PWL has been part of ETF all-stars I do every year for money sense. Last year when Vanguard almost exactly a year ago, last February announced this three assets allocation to ETF's and to me, that's as easy as it gets. It is low cost, 22 beats or so. They have three choices so the middle of the road one is VBAL. VBAL is basically 60-40 stocks and bonds and I say to my wife who is not as interested in investing as us three.

If I were and in the untimely event of my passing, I would feel comfortable saying just put it all in the VBAL or a robo-adviser or someone like you, a fee based adviser who uses ETF's as the underlying. They are all doing much the same thing even Vanguard. It sounds like a one ticket solution but that is like several thousands of securities and asset classes in all geographies. The fixed income in US and foreign markets hedged back in the Canadian dollar.

I am not sure they have as much real estate as we talked about but other than that, you're getting a lot done. So if you don't want to do this stuff, something like a robo-adviser or an ask to allocation ETF makes a lot of sense.

[0:23:33.3] BF: Yeah and iShares just came out with a couple of comparable product as well with a slightly lower fee. So that the area of the product space is really starting to blossom in Canada.

[0:23:41.8] JC: Well, we're going to have to examine that for the next all-stars. I can't even keep up with all of these stuff.

[0:23:47.9] BF: Well nobody can. I mean there are more, way more ETF's globally than there are stocks. Way more, it is not even comparable.

[0:23:55.7] JC: Which is not so that is what happened with mutual funds as well.

[0:23:58.1] BF: Right, so we talked a little bit about annuities. We talked a little bit about CPP and OAS, which are related to this question, do you worry about inflation now that you're in your victory lap phase?

[0:24:09.9] JC: Well, I have always worried a little bit about inflation. So again, the CPP and OAS are both inflation index, that's nice. What I noticed about my little corporate pensions is that not inflation index and so you notice that. The asset classes again, Swenson, talked about real estate as an asset class of inflation indexing, which is stocks themselves of course are inflation hedge in my view and I have always been also a 10% gold kind of guy, gold and precious metals.

It hasn't been that grand and then the other asset class, which another one that Swenson emphasizes on the fix income side is TIPS and states we'll return bonds in Canada, which were inflation indexed or we'll return bonds and what does TIPS stands for? Treasury Inflation Protective Securities. You could argue about what percentage and how much should be in the US and in Canada but to me, if you add up all of that real estate CPP and OAS, gold and TIPS and stocks, well that's not bad.

[0:25:07.9] BF: Yeah that's true.

[0:25:08.4] JC: It could always go to deflation and in which case, we are talking about a whole different scenario.

[0:25:12.9] BF: Yeah, you can never predict the future. I think stocks haven't been a good hedge in the sense that they don't necessarily move with inflation but they have over the long term out performed inflation, which makes them – if you are in stocks for the long term, you're probably going to have a pretty good real outcome.

[0:25:29.1] JC: Yeah, I always feel comfortable with US quality dividend paying stocks to keep growing their dividend what they call the dividend aristocrats. You can ETF's to their dividend aristocrat funds and as you cut these over 25 years and cut down, it boosting their payout every year, which is bonds don't do. So that is another way that the ETF's made things a little bit easier for investors.

[0:25:50.6] CP: So John, I have been following you as you know since the early 90s in the financial posts and I am really curious to ask you a question about investor behavior based on the media and you have to come up with a story, you know a certain period of time for your editors. Can you talk about what you think the impact is where perhaps the best thing is to not touch your portfolio but when you have to put a story out there for readers, can you talk about what your thoughts are about the role of media in investor behavior?

[0:26:20.6] JC: Well, when I was a young reporter at the Globe and later at the Post and not so young, my personal motto was a story a day keeps the editor away and I never liked to be told to go and chase a fire or go cover this thing in city hall. I was interested at one time in tech and that's what I want to do. So if I gave this, they had their story every day without them asking that would kept them off my back. Same thing in personal finance I had took that attitude.

The other thing though is when you are in staff columnist, you want a story to get to the next. So if you are doing three times a week, which is a common frequency, the column you wrote on Monday can sometimes be turned into another column by Friday because we just gave you ideas or sources say, "Oh but did you think of this and this and this?" so it is sort of this endlessly replicating series of columns. As a freelancer, now I write once in a blue moon for the Globe.

Monthly for Money Sense, monthly for Financial Post then you don't have that self-perpetuating column thing. So you are not quite so in this feedback position as a staff journalist. So it is getting tougher but then I don't want to work that hard. I don't want to write three columns a week anymore anyway. That's my – what do we call it? My glide path.

[0:27:31.3] BF: You have a ton of credibility you do now. I mean I read your stuff and I am sure thousands or more than thousands of people do. Do you feel a sense of responsibility to the Canadian investment community as a journalist with the kind of credibility that you have?

[0:27:46.7] JC: Sure, I mean one reason I keep the Financial Independence Hub going, which as you may know, does daily content, a lot of it are guest bloggers. I know that whenever I write a piece or it goes on the Hub, I get emails from ordinary people and I am not going to make money of these people. Half the time, they are looking for an adviser and I refer them to the guidance section in the hub where you can have is a big list of people who get financial independence.

I believe PWL is part of that so yes, that is I mean a little bit grandiose to say like giving back but I do feel a bit of responsibility but my predecessor at the Post, Bruce Cowen was always sort of a resource to people and quite generous with his time. So I had a good example. So yeah, it is hard to get basically neutral objective information if you are the average person in the street. I am lucky enough that I could pick up the phone or more likely email and contact you know if I have the time 50 or more advisers.

Who have a good track record so that's a privilege and it is good to take that and make use of that privilege and let readers and the average person benefit from it to the extent that I can. You don't want to spend all day filling the emails.

[0:29:01.6] BF: Right.

[0:29:03.0] CP: So each guest we have on John, we always ask the following question, how do you – and now that you are entering your victory lap, how do you measure success in your life going forward?

[0:29:12.7] JC: Well I think success in your relationships and then financial success is only one aspect of life. I mean I can think of certain presidents of the United States are in financial success and I don't consider them as human being successes and there's many other examples. So I think, well you know that John Bogle died quite recently. Remember the book he wrote, which was called *Enough*. I think there was some story it on Motley Crew the other day.

About how some hedge fund manager had tons and tons of money and he was telling this author that this hedge fund guy made more money in the last couple of hours than he had this other guy had written. It was Joseph Holly of Catch 22 the author. Then Peller had made it a lifetime of royalties sold his books and he said, "Does that bother you?" he says, "No because I've got something that that hedge fund guy doesn't have" and what's that? Enough.

So I think if you have enough money that's findependency, it is knowing when you have enough money. If you have enough of a satisfying main relationship, family relationships, second tier, third tier, you realize as you go out triple through the community or church and you're at a rotary club and whatever else is in your life, that to me is success and it is not measured, beyond a certain amount of money I mean what is it, who needs more than I don't know –

Let us not get into how much you need or you have but it doesn't have to be as much as some of these political people. Again, hollering Shell to Starbucks. It's hard to believe that at 65 year old who's worth billions wants to put up with all of this crap and run for president but apparently that is what people do and that tells you that money alone is not enough.

[0:30:47.4] BF: Right that is a great answer to the question. All right John, well we really appreciate you taking the time and yeah this was great.

[0:30:53.8] CP: Yes John, thanks very much for joining us today. It was a really interesting interview and I want to thank you for all the work and research you've done over the years that had certainly been the benefit to I know in our case, for advisers but also for investors. Thanks for joining us.

[0:31:09.6] JC: Anytime. I am glad to do it as my flight path heads down towards landing.

[END]