

Chapter 1: The Main Point

The Truth About Money? Isn't the truth about Money the fact that you always need more of it? If, by 'more of it,' you mean an ongoing consistent stream of revenue, then yes - you do need a consistent, ongoing source of income. However, if 'by more of it,' you mean that you need an ever increasing source of revenue to keep up with all the items you must buy - that is not true. It is good to increase your income with promotions, additional education or training and even changing jobs, when warranted. We will talk later in MONEY about increasing your income and how to be more valuable to your employer. **But remember this Truth: "It is impossible to out-earn your ability to consume."** To Find Joy And Peace with your personal finances requires discipline. Adherence to our Two Key Concepts are necessary if you are ever going to get in control of your money.

Financial Joy and Peace? Financial Contentment? No more anxiety over things financial? No more worry about money? No more of that sick feeling in the pit of your stomach or that feeling your head is going to explode because of money problems? No more stomach flip-flops when the phone rings. Is that even possible? Yes, it is and this book is about you being able to live in Financial Joy and Peace. This can be done, but you must take our two key concepts to heart and be serious about your financial health:

Key Concept No 1: Consistently spend less than you earn over a long period of time and you will find Joy and Peace with your personal finances. You absolutely must live within your means; more specifically, you must spend less than you earn over a long period of time to become wealthy or financially independent.

Key Concept No 2: Consumer Debt is the Kiss of Death. You must eliminate all debt as soon as possible. Consumer debt, read as 'credit cards,' are the "Kiss of Death" for your financial well-being.

Let me be as direct and clear as I can possibly be: **Your ability to Find Joy and Peace in regards to your personal finances is dependent on being able to save money. This means that you will spend less than you earn and be debt-free OR accept the fact that you will live paycheck-to-paycheck for the rest of your life.**

I am sorry if that is a little too blunt for you – I do need to get your attention.

By the way, these two **Key Concepts** apply to all people, whether you are on the lower end of the pay scale or you are making the big money. We will cover this in more detail in an upcoming chapter, but for now just think about this: **It is impossible for you to out-earn your ability to consume, i.e. to spend.** I'm sure you have heard stories of lottery winners who, only a few years after winning the lottery, are dead broke.

Money is a tool and like any tool, it must be properly used to be most effective and like any other tool, it should be used and then put away (put it out of your mind). In a list of the top five-to-ten issues in your life, money should not even be on that list; that is the whole point of this book and exactly what I mean by **Find Joy and Peace.**

All books on personal finances will give you these same two concepts, but usually do not emphasize enough just how important they are to your financial health and will discuss other issues such as should you invest in bonds or mutual funds or individual stocks or IRAs or some other method of investing and so the absolute importance of our **Two Key Concepts** get diluted or deemphasized.

We are not going to talk very much in this book about financial issues other than our **Two Key Concepts**. **Let's face it and let's be blunt: If you are not living on less than you earn, you do not have any money to invest and if you are saddled with huge amounts of Consumer Debt, you need to get that paid off before you even think about investing in anything else.** One exception: If you work for a company that has a retirement plan, such as a 401K, that allows you to contribute a portion of your earnings (typically 5 to 10 percent) to your account AND your employer will MATCH your contribution (typically the employer will match your contribution up to 2 to 5 percent or more), you should take advantage of this benefit. In fact, it would be silly not to. This is doubling your money. Note: before signing up, make sure you know all the particulars of the plan, to include: investment fees, vesting requirements, age restrictions on withdrawals, etc., but all other things being equal, this should be part of your financial plan.

If you are thinking this sounds boring and not very exciting, you are right. This is not the stuff that will make you the center of attention at the next party nor is it very popular. However, these **Two Key Concepts** will allow you to drive around in a “**paid-for**” car (a car that you bought based on the purchase price and cost of operation; not just on the size of the monthly payment, without regard for how long you will be making that monthly payment or the interest rate attached to that monthly payment) and pay-off your house much quicker than you ever thought possible and maybe, most importantly, allow you some financial **Joy and Peace**.

I would like to close this chapter with two thoughts:

1. Some years ago, Dr. Scott Peck, MD wrote a book entitled “*The Road Less Traveled*”. It was quiet popular and, I think, still is. The book's opening sentence is: “Life is Hard”. Allow me to paraphrase Dr. Peck by advising you that **Finding Joy and Peace** with your personal finances will be hard to achieve, but will be worth the necessary time, effort and sacrifice.

2. Mr. Chris Markowski is a financial advisor who also appears on radio and television. Mr. Markowski has his own radio show called: “The Watchdog on Wall Street”. You cannot listen to Chris for very long without hearing his mantra: “***Everything in life that has meaning, value and worth involves work, time and effort***”. If you are ever to live with **Joy and Peace** in your personal finances, you will be required to put in considerable effort; this is **The Truth About Money**-there is no free lunch.

These two thoughts don't go down very easily in our 21st century, I want it now culture, but that does not change the Truth and wisdom embodied in these statements. As surely as the sun will rise tomorrow morning in the East and will set tomorrow evening in the West are our two Key Concepts to provide you with Financial **Joy and Peace**. You only need to have faith and persistence.

Well, it is time to look at Chapter 2 and talk about some of the issues you are up against as you try to consider **The Truth About Money: How To Find Joy and Peace** with your personal finances.

Quotation:

“Financial peace isn't the acquisition of stuff. It's learning to live on less than you make, so you can give money back and have money to invest. You can't win until you do this.”

Dave Ramsey (author, teacher, financial advisor).

LENO Watch: Liam and Emma are getting settled into the apartment they have rented in Norfolk. They brought some furnishings with them and have purchased

others, primarily at second hand stores. Liam has reported to his ship and Emma is busily studying for her State Nursing Boards, now less than six weeks away. Noah and Olivia are also renting, in the Chicago suburbs. They too brought some items of furniture with them and with some of the money they received as wedding gifts, have purchased a new bedroom set. Noah has been on a few sales calls, with experienced sales professionals, but has primarily been attending classes on the various pharmaceutical products he will be representing. He also attended the company orientation and is very excited about the opportunities available. Olivia completed the new teacher's orientation and is learning about study plans and setting up her classroom for the soon-to-arrive students. She is anxious to get the new school year started and meet the rest of the school's staff.