



# PACIFIC CAPITAL



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This week my kids have been watching the Disney classic Pirates of the Caribbean movies at night. Jonny Depp plays a perfect Captain Jack Sparrow. Unfortunately, outside of the big screen, he's made some terrible decisions with his own treasures. You may already be aware, but he earned over \$650 MILLION and blew it all.

This is yet another reminder that you will never EARN your way to financial freedom. The way to get wealthy is to set aside a portion of your income every paycheck and invest it so it compounds year after year. (ESPECIALLY through volatile bear markets like right now)

Make your money work for you instead of only working for money. Disciplined habits. Delayed gratification. Compound growth. That's how you get on the path of real financial freedom.

Running out of money ranks as the greatest fear for Americans over age 50 today. And yet, almost nobody is putting away enough money to fund what they envision as a comfortable lifestyle in "retirement."

If you only save 5%-10% of your income from age 35 to 65, you will have a hard time fully funding a 20 or 30-year retirement without taking a meaningful downgrade to the lifestyle you're used to.

I don't believe the rule of thumb that in retirement you will spend only 70% or 80% of what you used to spend. That's just not what we see. You typically will spend what you've always spent, just in different categories: more spending travel, leisure, entertainment, and health care costs. Do not underestimate the impact of inflation and taxes over a 20 to 30 year retirement!

On a personal note, I hope you are all healthy and taking great care of yourself. This picture is my family on our 2019 summer vacation. Hopefully, the health crisis calms down, we get some more sunshine, and everyone can take a nice vacation again this summer!



As previously stated, here at Pacific Capital, we are considered an "essential business" and our work has not been interrupted (all hands on deck over here). If you would like to have a conversation about your finances or your goals/concerns at this time, CALL US! 844-777-8777.

As always, we are here for you when you need us.

***\*If you aren't yet a Pacific Capital client, we are still happy to speak with you. You may schedule a free 20-30 minute Goals Conversation® with us by visiting [www.goalsconversation.com](http://www.goalsconversation.com) today - no cost or obligation involved. You may also click [HERE](#) for our google reviews.***

