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**Chris:**I really enjoy your podcast because, it, kind of builds confidence. There's a lot of people out there from the 20's, 30's, 40's, and obviously you've interviewed people 50's and 60's that we all have a common mindset and your podcast kind of lets us reiterate to each other what we're thinking and that, it validates it. We're all correct. And if I could talk to a 30-year-old, I would say, "Listen, the advice and the experiences coming out of this podcast, aggressively build your career, maximize your income to pursue your ability".

**Narrator:**You're listening to the Millionaires Unveiled Podcast, where you'll hear the stories and interviews of everyday millionaires. We'll unveil their decisions, their strategies, and their current portfolio allocation. Now to your hosts, Clark Sheffield and Jace Mattinson.

**Clark:**Alrighty, Happy New Year everyone and welcome back to another episode of the Millionaires Unveiled Podcast. This is episode number 115. Jace, Happy New Year, how are you?

**Jace:**Hey, Happy New Year to you, doing great. How you doing?

**Clark:**Good, good, had a nice break and now I guess it's going to go into a busier January, but nice to relax for a little bit, got a couple days of skiing in, saw our families, so very enjoyable.

**Jace:** So, real quick here, we were talking before the show about-- since it's the end of the year, about annual returns and the NASDAQ was a little bit higher this year, I believe, right? Than the S&P, but this year the S&P, 28.88 annual percent change, 2018 just for summer here was -6.24, so, drop 6.24. And then the average over the last 10 years was about 11.8%, just over 11.8% annual return on the S&P, and so we were talking before the show that if one had invested all their money since 2000-- what? 9 or 10 in the S&P, they will have tripled their money. Yeah, you know, it's kind of interesting to think about, you know, we talked about the rule of 72 and finance. Basically, how long it'll take for our money to double. And you know, in this last decade, granted, we've been on quite the bull run, you would have been able to 3x your money. So, that's if you put, let's just say you had a million dollars, put it in S&P in 2010, today, it'd be worth 3 million bucks.

**Clark:** Yeah, pretty interesting. So, sum up what's the real 72. Sum that up for somebody who may not be familiar with it.

**Jace:**Yes, you take 72 divided by what you think your average annual return will be. So, let's just say it's going to be 10%, for easy math. And that basically comes out to be 7.2, so, your money will double in 7.2 years. So, if you think about, you know, somebody's working life, let's just say they're working for like 30 years, maybe 35 years, you know, and they're going to double it, let's just say they get an average return at 10%. They're going to double their money every 7.2 years, you know, roughly you're going to be looking at anywhere from 4-5 doubling periods, basically that your money will double.

**Clark:**Yeah, so pretty crazy and it makes you start thinking about-- or at least in the last 10 years, what return did you get? Or what return did one get? And would they have been better off just sticking in an S&P index fund? And then of course, going forward, what's that average return going to be? Right? I think we talked about this the last couple shows, and what had some other guests on that shared their thoughts on returns. But, you know, obviously, no way to know but just interesting looking back the 10 years that one would have averaged 11.8% annual return. And obviously, it's been, you know, an amazing market the last 10 years and who knows what will happen the next 10 or the next 2. Just an interesting perspective.

**Jace:**Yeah, you know, I think it's an interesting thing to kind of discuss too, and think about, you know, we had David on. David talked about having kind of a slower growth in the future of returns, you know, maybe in the 6%, 7% returns, and we've seen these years, like this last year where it's been 28% which is just crazy. But, you know, in general, what point in the future do we slow down you know, I don't know about your company, Clark, but we don't ever try to not grow, right? So, I think just in general, you know, these companies that are driving some of these values in stock prices, maybe they are overvalued, for what kind of cash flow they're going to be able to generate. But, at the end of the day, like everybody's still trying to grow their business, try to grow their company, and some won't work out, some will work out, some will be home runs, like an Amazon type company, you know, or maybe even bigger than a home run in that case, because that stock has gone, you know, bonkers since the time you know, IPOed. But I think it's just interesting to think about that, you know, what kind of return can you expect? How do you plan around what kind of return you're going to expect? And at the end of the day, I mean, I think you just got to keep investing, right? Like, you don't know, you don't have a crystal ball, you don't know what that future is going to be. But the history has told us that more likely than not, you're better off investing than putting your cash under a mattress or you know, in a savings, even if it's a high yield savings account.

**Clark:**Yeah, I agree with you too that they'll be constant innovation, right? And in changes and perhaps people are overvaluing things now, but that'll constantly change and maybe it's not, right? I mean, how do we know? Maybe what we thought was overvalued, isn't in 5-10 years, or maybe it's even more overvalued if you look at it that way. So, you know, just interesting stats. So, just to summarize last week's episode, we had Tom, if you haven't had a chance to listen to that, it was a great episode. He's a business owner, counselor, author and consultant, also what it takes to be successful in small business and also added a really great perspective on learning from your mistakes. On today's show, we have a great episode, really excited for it, it's with a firefighter from NYC. He discussed both his career path and investing story. He has a current net worth of about 1.4 million, and has a just an amazing story, one that includes a couple of side hustles and passive income from a side hustle, so a really great story with him. If you're looking to read more and better yourself in 2020, or do you have an ever-growing list of books you want to read? Well, our new sponsor book notes can help. Book notes knows that you don't have enough time, money or patience to read all the books you've been wanting to. That's why they created short, easy to read or listen to summaries that help you learn, grow and excel in your career and life. The summaries take an average of 5-15 minutes to consume and are a quick and easy way to get a base understanding of a book before you buy it. Both from fiction and nonfiction categories like finance, love, career, happiness, and health to documentary. Each summary highlights the key ideas of each title. Book notes adds new content weekly, including top sellers and trending books from each category. I've personally used book notes and listened to the summaries of the Millionaire Next Door, Grit by Angela Duckworth and Rich Dad Poor Dad. So, try book notes free for seven days, download the app and get access to hundreds of summaries of best-selling and new released books. We appreciate everyone listening to the show, but without any further delay. Let's get into today's episode with Chris.

**Jace:**Chris, do you want to just give us a little bit about your background and kind of what you're up to now?

**Chris:**Sure. I am 40 years old, I'm a firefighter in the city of New York. I have been employed there for about 15 years or so. My wife also works in the city, she works for a large financial firm, commuting to and from every day to work, which takes its toll a little bit. But, we have our two children, a very young daughter and a little bit older son, he's about four years old. We have them in day care a couple times a week. So, a lot of the days that I'm not at work, I'm doing daddy day care at home. I also own a couple small businesses on the side, all work from home type businesses that I can take with me, and I've had those for many years as well that have helped contribute to our net worth.

**Jace:**Awesome. And what's your net worth today?

**Chris:**We're right around 1.4, we do not include certain valuations in that amount. We don't include our business accounts, like cash in our business accounts. Our business valuation is not included in that, we value our house at purchase price. So, we're not tracking the market with that. And we also don't include any present value calculations for our pension, for my pension through the department.

**Jace:**Wow. So, what's kind of the makeup of the 1.4, then?

**Chris:**Well, I would say we have about $220,000 in equity, in our home, between my retirement plans 457 401ks and my wife's 401k, at work, we have 460,000 roughly. There is a program that allows me to contribute an excess amount to our pension program, at a-- they kind of guarantee a certain rate of return, if you do that, and it's a safe kind of investment, I have about 205,000 in that at the moment. Taxable brokerage accounts, maybe 180-200, depending on, you know, the month or so, and then between investments that I've done alongside some of my businesses, we have about 100,000 in that. And then, I have some crypto holdings that were unexpectedly kind of elevated, and that's right around 90,000 foot. I include those only because I'm holding those long-term. I don't expect a lot out of those, although that whole crypto boom kind of caught me by surprise as it did a lot of people I think, and then we hold around 80,000 in cash.

**Jace:**Wow, and is the money that you've got in your 401k and 457, are those invested in the markets and bonds, stocks, mutual funds, kind of what's the makeup there?

**Chris:**Yeah, so right. So, like a lot of 401k plans and 457 plans, we're limited. We get what they give us, and they don't give us a vanguard or anything like that. Ultimately, I end up just including, like their general S&P 500 market, or their bond fund or something like that. So, we have approximately 90% in the equivalent of S&P 500 and about 10% in bonds across the 401k and 457 allocated there. And then some of the other accounts, I'll do, just track like a target date fund, you know, like the 2030, or 2040 fund, depending on kind of how we're targeting that particular fund, for example, in one of my taxable brokerage accounts, we're using that as, we call it, my wife and I call it, our early mortgage paid out fund. And when we bought the house that we bought, we agreed that we would take a 30-year mortgage, but to kind of help build us a buffer, both an emergency fund type aspect, as well as just a regular buffer in case you know, she lost her job or we had to make a change, anything that can come down the pipe as you're getting older, we said that we would save a minimum into this fund of what the equivalent of a 15-year mortgage would be. So, we've been doing that. And then we have that conservatively invested as well, with a target date fund to kind of target, "hey, after 15 years, we would like to have the option", so we can get you know 5%, 6% out of this particular allocation, that'd be great. And then we have the option, after 15 years to say, "do we want to just want to pay off the mortgage now? We can.", else, maybe we'll go and invest that somewhere else.

**Jace:**Yeah, no, that makes sense. It's kind of an interesting way to approach it. I don't know that we've had someone on the show that it's done it that way.

**Chris:**It's a multi-purpose kind of approach. It's something where, I think as your net worth grows, as you become more comfortable, you know, if you're starting out and you have a negative net worth, or you're starting out on this path, which is, you know, an aggressive wealth accumulation, you know, you hear a lot of chatter about, "hey, emergency fund, emergency fund", and it's 100% accurate. You do need the ability to buffer, however, depending on your view of that, and my view is that, an emergency is a true emergency, you know, medical bills, loss of job, sudden, you know, catastrophic failure of the heating system in your home or anything along those lines. Well, you know, credit cards are there that you could pull from, you will have frequently the ability to take money from friends or family to kind of help get through certain periods of time, that's when things are very, very tight. And my wife and I decided that as we kind of left that area, and our net worth slowly started to grow, we started to get some cash in our accounts where our free cash could kind of act as an emergency buffer, that we would say, "No, you know what? Let's go ahead and kind of put that emergency cash buffer to work, and let's go ahead and invest it in the markets, as it grows, it's only going to become more of a buffer". But the purpose being is that at any point in time, we can take that and in our case, we said we'll put it to paying down the house and it's okay if it fluctuates, it's okay if over the course of 5, 10, 15 years that it fluctuates, that's what we're expecting. With the kind of hope/expectation, we're going to end up with a positive return somewhere around that 5 or 6% a year. Nothing crazy, but something that outpaces the mortgage interest rate that we're paying a month.

**Jace:**So, let's back up here a little bit. Have you always maxed out your retirement accounts? What's kind of been your approach in putting money in there, versus putting money in maybe this slush fund or investing in your businesses? What's kind of been the mindset divided between those?

**Chris:**Yes. So, no, I didn't always max out the 401k that I have available, or the 457, my wife did. That was before we got married, and then even after she was able to do that, and largely that kind of went from, I guess, just our outlook on finances, she was very money smart in a sense of a saver, naturally. I was naturally a saver, although I was more risky in some of my ventures in terms of business or, you know, investments or that sort of thing, but she was able to max out very early. Instead, what I did is, I took advantage of that, kind of guaranteed access payment into our pension that allowed me to maintain that guaranteed rate of return. Now, part of that was also the because of the 2000's, you know, you go through some of the crashes, you know, in the 2000's, whether it's tech boom, whether it was, you know, 2008, and you kind of see the value of maintaining lower volatility trajectory. But also, part of that was simply because I knew that I wanted to kind of take advantage of the pension system first, and then start filling in once I kind of had built some businesses, which was the focus at the time. So, long story short, I only started to max out my side of things, which is my 457, I would say, eight years ago or so, is when on my side, income started going to that. Other than that, it was always saving into a brokerage funds, saving into the business, putting money back into the business, that sort of thing.

**Clark:**Gotcha. It's interesting as you guys were talking about, you're a little bit limited in your investment options, right?

**Chris:**Yes, that's right.

**Clark:**-- with the funds they give you and I think that it happens to a lot of people, right? A lot of the guys that we have or girls that are in education, those that work in government, and then even when both Jace and I, we worked in accounting, it was that same way, we were limited by what we could invest in.

**Chris:**Yeah. And I'm a little cynical when it comes to that. You know, in this day and age, it's so available now for them to offer wider plans. But instead, I think there's a certain amount, and that will change, I have hopes I see it in the marketplace already. But I think the system is entrenched in that these plan providers, whether it's the fees that they charge, the back end, whether it's just the relationships that they have taken a long time, you know, for somebody new to come in and kind of shake up the way things are done, but it is, it's very frustrating for teachers, you know, police, firefighters, we're all kind of caught in the same boat. And I think the lucky ones have a lot of flexibility.

**Clark:**Would you invest differently, if you had different options? Or, I mean--

**Chris:**No, I know. So, no, and this is why, I have a little bit of philosophy in terms of the approach and that's where my focus isn't on, at the moment. It's not on nit picking allocation. The S&P 500 is starting to make me a little concerned, I'm starting to look at diversifying the portfolio maybe as more globally, and having a little bit more of a mix, other than just your standard stock and bond mix. However, I don't nit-pick that, and I don't do it yet, because our focus is on accumulation at the moment. We have a 50% savings rate. My wife and I aggressively, not to the point of you know, we're not making our children eat meat every day, you know, no, it's nothing like that. But we do forego a lot of things that I think anybody else in our position, new cars, you know, expensive vacations, things like that, where these large chunks of change we can save, and we take advantage of any matching, you know, that's available to us and we end up with about a 50% savings rate. And because of that, that's my focus, it's essentially accumulate as much as possible, make sure that we're invested, you know, safely, and then as we get older, we'll start to kind of scale back on maybe the aggressiveness a little bit, and we'll start to diversify further into some of these, you know, other asset classes.

**Clark:**So, have you always been that aggressive? Or, is that kind of picked up in the last 5-10 years?

**Chris:**No, I would say I was much more aggressive in my younger years before, especially being single and that was simply individual pursuit. I was interested in the stock market, I was interested in real estate, I had gone out on the limb and purchased a couple town homes in kind of a rough area on the east coast and ended up you know, kind of trying my hand at the real estate side, the personal real estate side of things. I taught myself options trading simply because I was interested in how it worked. You know, the stock allocation, try to maybe do a little bit of day trading, nothing, I would say crazy, just something out of curiosity. So, I would say over the course of the years, I've been more aggressive, and it's been more of like an educational process, where I've gone out and I've learned these things. And that's kind of come back to realize, well, hey, listen, you know, as you really want to protect your wealth, and grow your wealth, the books like Random Walk Down Wall Street is not wrong, that is 100% accurate. And if you're in a position like me, I'm not a CEO of large company, I'm not pulling down a windfall pay check, I have to toe the line and stick to the script, high savings rate, a reliable kind of portfolio investment strategy that's going to return an expected rate of return, over the long-term. And so long as I stick to that, I will end up, I will end just fine. And my net worth kind of speaks to that a little bit. I've never had a large windfall, my wife and I stay on the same page, I know personally, I know that the biggest expenses that you could probably incur personally, are things like sudden medical, catastrophic, you know, illness and divorce. And those, if you can avoid those things for the long-term, your chance of success in terms of building a nice retirement life for yourself is much greater. And that's kind of how I go by it, and my wife buys into that as well.

**Clark:**Nice. Well, good for you guys, you've obviously been successful. So, I want to come back and talk about your small business, but just to take a step back here, give us or, you know, all of us, listeners included here, a little insight into a career as a firefighter and as much as you're comfortable sharing, maybe what's your schedule like? And what's the pay like, what can one expect?

**Chris:**Well living in a, you know, high cost of living area, whether that's Boston, New York City, Washington DC or parts of Washington DC, San Francisco, LA, any sort of public servant in those areas will command a higher salary than somewhere else in the country, that's number one, is what may sound kind of like making a lot of money here. as a firefighter say anywhere between 90 and 105,000 here in New York City. Someone listening to that from Louisiana, their head may explode. But here in New York City, that is-- it's a little, it becomes difficult to raise a family.

**Clark:**Cost of living, yep.

**Chris:** Right, exactly. So, that's one thing I mean, from a scheduling perspective, from a life perspective, it's an extremely rewarding career. Anybody who stays in these types of careers, knows that, that's why it commands such high demand. You know, if New York City were to give a test, there would be people, you know, 10's of thousands of people lining up to take that test. It's a very rewarding career. The schedule can be a little demanding. On average, I think you end up working some 48 hours a week, I think it might be, maybe it's 46 on average, and that is, you work night tours as part of that. So, you could be working anywhere from, you know, 6 at night until 9 in the morning shift. You could be working 9 in the morning until 6 at night. Sometimes you can combine that, you end up working 24 hours straight. So, although I'm not commuting five days a week, or seven days a week even, to my job, it kind of takes its toll. You know, you're trying to, like I said before, I'm doing daddy day care. And I'm exhausted, because I worked the night before. Those sorts of things do, and I think that's where knowing that we have good health care, knowing that we have a pension system and although it's beating up our bodies a bit, our younger bodies, and you know, we're exposing ourselves to things that could either injure us or in the long-term, especially make us more susceptible to cancer, illnesses. In that, it's a little bit of peace of mind and I'm okay with that risk reward trade off.

**Clark:**So, do you have any input on your schedules as you get further along in the career or not at all?

**Chris:**No, you do, and that comes in the form of simply trying to say if you need off for your kids’ soccer game. You go to all the members you're working with, and you ask can anybody cover a tour for you, or cover a shift for you, and then you pay that back in kind. So, there's a little bit of kind of equity that gets built there where, you know, if you're somebody who's always taking, taking, taking, they don't always look too favorably on that. But, you know, if not, it's just fine, you're usually able to kind of navigate that, and get off when you need to get off, and then, you know, you still have to kind of pay that back when somebody else needs something.

**Clark:**Yeah. So, first year firefighter, obviously, it's different in different locations. But what can one expect to make about?

**Chris:**Here in New York City, I believe it's pretty low. I want to say it's right around $40,000, it might be a little bit below that, especially your first year, think it might be maybe closer to 35. And like a lot of civil servant ventures these days, or jobs these days, they've stretched out, the pay increases. So, I think New York City now has a pay increase at the firefighter rank, I think it goes from, it's really that fifth year, when they get the major payable. So, you might go little bumps like 40 to say, 45 to 50 to 60. But then, come that after that fifth year you get a bump up to I think it's around 90.

**Clark:**Okay, that's good.

**Chris:**And then between, some other overtime or promotion opportunities that can go, you know, above 100, north of 110.

**Clark:**Gotcha, gotcha. So, let's circle back to the side businesses. I know you said you bought some town homes early, but you also said you have a side business and an online business. What are those? And maybe how did those get started?

**Chris:**Sure. So, in college, another friend of mine, we kind of at the time, I was working as an EMT, part time just as a side job while putting myself through school. And I came across a friend, we kind of linked up, and we realized that there was a need in some fire departments in EMS organizations, for just getting messages out to their members at the time, I mean, this is back in you know, the late 90's, early 2000's and you're still on page with technology back then. Ultimately, what ended up developing was a system that went forward and ended up linking with 911 systems, being able to disseminate emergency response information out to people who may be responding. And that just grew as a subscription-based business. We built it, always web based, and it kind of perpetuated into a few other smaller ventures, things like maybe shift scheduling, or certain types of, you know, inspection, appointment scheduling, that sort of thing. But ultimately, it's a recurring source of income that comes in and, that I think, contributes about $45,000 a year to my salary. It takes about the same, and then a small amount gets built every year. So, it's been very reliable, in the earlier years I mean, I spent a lot of late nights up whether it was programming or managing servers or figuring out problems or customer support. A lot of times in the daytime, just taking phone calls, randomly throughout the day, working at the home office. As time has gone on, I purposely scaled that back. I was talking with my brother in law's father, the other-- a couple weeks ago and he kind of put it for me. He's like, that's a lifestyle business. He's like, you've built yourself a lifestyle business, you took a lot of early hard work, a lot of risk, and then you built a business, that now you're able to spend less time on and you're kind of reaping the rewards of that, yet still getting the dividends from it. So, every day, I still do an amount of work to it, a couple hours a day. Some days more, if there's an issue or troubleshooting, you know, the system or whatever it is, but ultimately, I've scaled that back on purpose. You know, I have two young kids, I have a wife, I have other focuses that I want to make sure I put my attention to.

**Clark:**Well, good for you. It's pretty amazing. I mean, you guys are pulling $90,000 a year out of that as a side gig. It's pretty amazing.

**Chris:**And I think that comes in, I mean, I'm a person who I mean, for the past 20 years, I've been tracking my income of my expenses in Quick It, and I could bring up today exactly my net worth. I track, you know, even from my wallet, roughly where I'm spending my money. If I go to the store and I spend $8 on something, the next time I'm sitting down, I try to recall that, I plug that right into Quick It, and then that really kind of gives, it translates over to the business in the sense that I'm the same way when I run our business finances. I'm tracking everything, if something's happening, and I don't know about it, it bothers me. And it really boils down too, because if I'm sitting at the end of the year, and I'm looking at a large balance that I can't account for, I look at that as bad data, you can't make decisions if you don't know what you're doing. And at the end of the year, my wife and I can sit down, or at the end of the year, me and my business partners can sit down and we can say look, you know, on the business side, we spent $35,000 in, you know, hosting fees or business service fees, you know, anything like that. Is there a way we can scale that back? My wife and I can go do the same thing we can say, hey, look, you know, we went out to eat this many times last year, which ones do you remember? And then we kind of use that to say, well look, maybe we won't order Thai food as much, you know, we're going to just go ahead and treat ourselves to nicer dinners out, if we're not remember those. And on the business side, it translates as well. So, being able to pull that cash out is, I think, a direct correlation to knowing what's going on in the business and trying to keep expenses as reasonably low as possible.

**Clark:**You kind of got an accountant side in you Chris.

**Chris:**I do, although I'll tell you this, I had to turn my taxes over about five or six years ago, because I was getting to the point where I just-- I was like, this is beyond me. My wife's, you know, she's more of an account than I am, although she can't stand it either. So, you know, there's a certain limit that I reach, and I think that's that actionable limit.

**Clark:**How much do you pay to have your taxes done? Just curious.

**Chris:**It's relatively inexpensive. I would say, and I use an offsite person, it's nobody local here, we communicate through the internet solely. I would say my personal is right around 5-600 a year, although it might go up this year just because of few extra business returns that I have to get done or ones that have to get passed back through. On the business side, however, I think it's a little bit more than that, I think it's around 1200-1500 per return, depending on the exact business.

**Clark:**Sure. So, do you guys talk about you, and those that you work with in the fire station, do you guys talk about personal finance, or is it not really talked about as much?

**Chris:**So, it is, in terms of individuals, not so much. Generally, there's something very wonderful about the fire department is that, every tour, at least twice a day, people are coming in, exchanging information, they're checking the equipment, they're checking the apparatus, they're checking their gear, but during that process, there's a lot of discussion and we call it the kitchen table, it can happen anywhere. Ultimately, over the course of the tour, you're spending a lot of time together so you can have anywhere from 5-14 guys and girls all communicating. So, topics like finance end up coming up, about guys having a hard time or you know, you hear like there was a guy I worked with several months ago, his wife's father who was estranged ended up dying and leaving them some money, nothing life changing, but it was a substantial sum of money, and then the discussion came up, what can you do with that? So, if the discussion i`s happening, it's usually more general, I personally am not disclosing my financial situation to them. Although I do try to contribute as much as I know, to the conversations I can, of course, you know, that comes with its own pitfalls. You know, sometimes guys like to talk about trading Iraqi dinars or crypto currency and I just step aside at that point.

**Clark:**Yeah. So, just circling back to your allocation and we talked about this a little bit at the beginning. You're really well diversified, right? You have home equity, obviously you have a 457, you have this pension plan that we haven't really talked about. But obviously, pension plan, you have taxable brokerage accounts. You have the small business accounts, you have a 529. You have about $90,000 in crypto and cash and then obviously, your cars and some other things.

**Chris:**Yes.

**Clark:**How did you come to this allocation? Is this something you really thought about? Is this something that just happened? And then going forward, is this now allocation you expect will change?

**Chris:**I do expect it to change. How I came to it, it was never a definitive plan. I think that's going to be the next phase of my life. I think as I get closer to a possible retirement or a possible point where I say, "Okay, time to scale things back", I think at that point, the allocation will turn into, like I said before, a little bit more diversified across multiple asset classes. Right now, the only way that that's being done is probably through a target date type fund. But at the moment, the 9-- I'll just use it as a 90-10 stock bond split. I would say that happened purely from the belief that you need to stay invested in the stock market, if you want a chance at keeping pace and keeping pace with inflation and having a further positive expectancy of like a rate of return. Inflation, without a doubt will cut into your long-term projections. It's personally just a little pet peeve of mine when I read kind of the click-bait financial media, and they refer to, "this is what you have to do to turn, you know, $100,000 into a million", and they'll give some market projection, you know, whether it's 7 or 10%. But ultimately, they always, almost always fail to mention that their calculations do not factor in the constant, you know, inflation, kind of devil who takes from all of us every year that goes by. So, I would say that's more the driving factor as we're accumulating wealth. It wasn't a specific plan to kind of reach that point.

**Jace:**So, Chris, you've got this great net worth and you got these businesses and stuff, what's kept you being a firefighter along this, why not pursue those businesses or why not essentially take that income, why have you still gone to work as a firefighter?

**Chris:**Passion. I mean, I really, really enjoy it. And it's a challenge. By far, it's a challenge. You know, it may not be apparent from the outside, but a lot of these public sector careers come with it more of an innate challenge, it's not as simple as just showing up to an emergency, whatever that may be. It goes into a lot of preparation behind the scenes, and kind of pre planning scenarios. And then when those scenarios happen, executing and then evaluating it, and I love that process. So, whether that's knowing the correct position that I'm supposed to be at, or I'm supposed to, "make" if a large, heightened building caught on fire in the Bronx, or whether that's a private dwelling fire in Queens, it changes the dynamic of how your job is supposed to play out and, knowing that, `learning it and doing it well is something that I enjoy a lot. That's on the personal side, you know, maintaining physical fitness, the camaraderie, those are all irreplaceable elements that kind of go into wanting to remain in the department. On the financial side of things, on the life side of things, it is a reliable job that I can count on, that I know has my back, even though I'm exposing myself to higher rates of injury, illness, and even life expectancy in the long run, although I think that's manageable if you're aware of them. So, from that point of view, the business I look at is risky. I don't know when that could go away. The technology may change and in a flash that goes away, although you know, $45,000 that I'm pulling out per year is absolutely excellent, I love it. I look at that kind of as found money. It's lucky money. I need to take every day kind of expecting that that's going to go away and plan for the future if it's not going to be there. So, my wife, also, you know, we're raising a young family, we've talked about the possibility of her stopping to work and just coming home and then adding that element of flexibility into our lives that that comes with. And if we make that decision, just trying to build the business, the way I see it, I don't think I would be able to replace her income, I don't think I'd be able to replace the firefighter's income. So, I don't want to take that risk.

**Clark:**I know, it all makes sense. So, Chris, you just want to coming kind of get into your head a little bit. Some of the things that maybe you would see as mistakes you've made along the way, and maybe share those with our audience and maybe couple that with maybe some advice that you would give to somebody who's just kind of starting now.

**Chris:**You mean financial mistakes? So, like anything that--

**Clark:**Yeah.

**Chris:**Sure, sure.

**Clark:**I mean, we could get into life mistakes if you want.

**Jace:**Or maybe a mistake you made on the job. You know, you deal with death every day and there's probably some stuff you're like, "Man, I wish it would have gone that way instead of that way", or whatever. I don't know.

**Chris:**Totally. So, you know, these are hard questions, I've had-- I've tried to have this before and, you know, I look at mistakes kind of like, well, like, it's only really a mistake if you if you don't correct from it, or like you don't learn from them. Because I think, like everything builds on for future opportunities. So, I'll give you some examples. So, when I was younger, you know, I was doing some of the day trading, I was doing some of the options trading. I found it fascinating. I was teaching myself, I lost money doing some of those. I mean, I made some and I lost some but as a whole, I lost. And would I look at that as a mistake? I don't think so. Would I have more net worth today? And I could debate that with you. I could say I could say, "well, I guess I would, if I hadn't lost that money", however, what other mistakes have I avoided, simply by the knowledge and experience of going through that process? So, I can't really say that that was a mistake. I will say that there was one purchase that I made, and it was more impulsive than I am typically, but when kind of my business was younger and started to produce reliable cash flow every month, I ended up taking like the first like $800 in that cash flow, and I bought like a large truck, you know, and so like, here's $800 a month going to this large truck. And I look at that as kind of being like, "well, that was silly". Why in the world would I have done that? But I tell you this, I still drive the truck, I love the truck. And if I hadn't had done that kind of pseudo whimsical purchase, maybe that would have festered inside and caused me to do something else.

So, in terms of like big, large financial mistakes, I've definitely made plenty in terms of picking the wrong stock or maybe not being as aggressive as I should have been, or maybe being too aggressive, when, you know, when the signs were there with 2008 you know, stock market crash. Here I am, you know, I'm just putting more and more money to work at the time, and my net worth just keeps dropping, but we all see how over the next several years that kind of played out so you know, you ended up getting ahead if you were doing that sort of move. So, I think making big mistakes, I don't like to call them that, I like to try to learn from them the best that I can. I'm trying to think, I would say even the town homes that I purchased, they were rough. It was a rough go for a while I ended up being about break even, I sold one for profit. I sold one for a loss during the course of that time frame, I had tenants in and out on a regular basis, evictions, whether going in and making repairs. But even that, like that, I looked at the time was painful, and it didn't play out the way I thought it was and that was fresh off of reading, you know, the Robert Kiyosaki, you know, kind of these real estate of building wealth. When I tell you this, that made me so well versed, and it was such a minor amount of money compared to where we are today that I have no doubt I'm further ahead because of that experience. So, I really can't say that there was some mistake that just absolutely leveled me. You know, I'm not Vegas gambler, I don't go out on multi day vendors, you know, they're not mistakes like that. I think, you know, if anything, there's certain decisions that I've made in my life that have absolutely led me to where I am today because of maybe the "mistakes" that I had gone through in the past and learned from.

**Clark:**Yeah, well, you have a good mindset and a good attitude about it too, you know, learning about something and not making it a mistake or you're viewing it as a lesson, right? What about advice to a 30-year-old? I think you gave a really good answer here on the notes you wrote us before the show.

**Chris:**Yeah, so this is again, goes into my mindset. I'm not that far away from where I was 30, that was only 10 years ago, and I think you really just have to focus on your career and maximizing your income. I think your podcast is-- I really enjoy your podcast because it kind of builds confidence. There's a lot of people out there from the 20's, 30's, 40's. And obviously, you've interviewed people 50's and 60's that we all have a common mindset and your podcast, kind of lets us reiterate to each other, what we're thinking and that invalidates it. We're all correct. And if I could talk to a 30-year-old, I would say, "listen, the advice and the experiences coming out of this podcast, aggressively build your career, maximize your income to pursue your ability". If you're somebody who has landed a several hundred thousand dollar a year job out of college, realize the opportunity you're sitting on. If you're somebody who has not done that, realize that you can, you may have to do lateral transfers, you may have to live uncomfortably for a little bit, in terms of switching cities. You may have to ask a little bit more out of your family but focus on maximizing your income and driving down your expenses because that ultimately ends up with a high rate of savings. And it's the high rate of savings for the average person that makes the biggest long-term impact. It's not some speculative stock that you're going to pick, that suddenly going to save you, it's not the lottery, it's not a magical book that you pick up and it's going to teach you how to sell better. It's just maintaining a high rate of savings over the long run. And everything else kind of works itself out.

I think you had a guest on, I'm going to say several months ago, but all of a sudden, I forget her name and the exact circumstance but all of a sudden, she ended up with this incredibly large net worth and she was like, "how did that happen?". And that's the point, is it just happens, it doesn't feel like it, when you're 30 you're grinding, you're more likely to take risks, and that's okay, so long as they're small, but just maximize the income, keep the expenses low and that's a personal decision. You know, some people might be fine eating ramen noodles, other people might just like to keep their expenses low in the sense of having a roommate, but keep it low, save it, save the rest.

**Jace:**Yeah, that was Diane episode 99. Where she was like, "look, I just invest, and I had a million or two and I put it in the bank, and I forgot about it and it grew". And she had 4 or 5 million.

**Chris:**And that's what happens. We don't know when it's going to happen because of the stock market. And it can be a prolonged period of time. I think if you read the statistics, and they'll say, "you know, it took this long for after the Great Depression". Who knows? Maybe 20 years for it to come back. I think that's a little extreme. I think, you know, 2008 is another extreme, how quickly it came back after 2008. But the bottom line is, is over the long term, one day, the market will just start clicking away. It kind of has been recently.

**Clark:**Yeah. So, Chris, thanks. I appreciate all the advice and everything you shared. I just want to wrap up here with some rapid-fire questions and then we'll let you go. So, what's the most expensive jeans or pair of pants you've ever purchased?

**Chris:**I would say right around $50. I tend to go on Amazon these days. And even when I went to the malls as a younger man, I think Gap, you know, I would shop at Gap and a $40-$50 pair of jeans.

**Clark:**Okay, what about shoes?

**Chris:**That can be a little more expensive. I've maintained a very kind of active lifestyle. So, whether it was a pair of running shoes for $120, you know that I know I'm going to get a lot of mileage out of, or, you know, it might be a different pair of, like nice dress shoes, I would say right around 100-120 probably.

**Clark:**Okay, what about a car?

**Chris:**Oh, that's that truck. So, I think the equivalent of that was somewhere around 48,000 at the time. I don't think I'll ever do that again. I think used is the way to go. My last car was a used car and I think just let somebody else have the depreciation. I'll just grab it a few years later.

**Clark:**Okay, most expensive meal out that you've personally paid for?

**Chris:**Well, it is New York City, and the food here is outstanding. I would say between my wife and I, I'll limit at that as opposed to a group of friends. I would say, but I think my wife I had a bill that was 270 once. I think we had a bottle of wine, and it was, man, it was delicious. But that was a one-time affair before we had kids.

**Clark:**What item or items or experiences are worth spending more money on to you?

**Chris:**This is something that I'm having difficulty doing myself, but it's an aspiration. I think exchanging money for time is something well worth it. If you're somebody who wants to have a maid or you want to have lawn service, you know, and you can afford it, I think that can go a long way. A lot of times I can find myself doing house chores instead of taking my kids to the park, and that weighs on me and I know it's only going to continue to weigh me as my kids get older. So, number one would be that, if you're exchanging money for quality time, I think that's great. And right in that same line, I think experiences are what we all remember, at the end of the day or at the end of the year. It's always comes back to the experience. It's rarely that material object, like my phone may be outstanding and I may love using it. But ultimately, I'm really not thinking fondly back to the time I used my phone. I'm thinking fondly back to the time that I decided to go, you know, do a getaway in the city with my wife and we went out and spent $270.

**Clark:**Yeah. What age were you when you hit your first million, when you became a millionaire?

**Chris:**Oh, geez, you know what I can tell you, hold on. I have Quick it right here, and I can tell you just looking at the little chart there. It was not that long ago, within the past several years here. So, roughly that would have been late 2017. So, I will-- I think I was 37, 38.

**Clark:**Okay. Do you have a predicted retirement, or net worth goal or cash flow goal or anything like that?

**Chris:**I don't, although I have an effort goal. And when my kids start getting to that age of middle school, middle school to high school, where they're very involved different activities, I want to be able to make a lot-- my effort towards any of my business ventures on the side will scale back significantly. And I'll start to look at scaling back even-- whether being a firefighter or encouraging my wife to come back. I know we're going to be okay. You know, it's kind of like when you start to build wealth, financial wealth gives you freedom, it gives you freedom of choice. When you are in debt, when you don't have any savings, when you're not having anything planned for the future, you feel strapped, you feel like you can't make decisions that maybe you could make when you have that. And right now, I know with our net worth, with the retirement options that we have available to us, that we have that freedom of choice. So, the bottom line, can I say that I'd be happy with $5 million? Absolutely. I know when I was a younger man, I would have been ecstatic with a million and here I am starting to click away over that, or here we are, me and my wife are clicking away over that. And I still want to keep accumulating, and kind of build that comfortable lifestyle because I know as you do, you're really only going to have more freedom of choice down the road. And and I really want to bring that to our family. I want to bring that freedom of choice where we can kind of go where our family takes us in the future.

**Clark:**Yeah. Yes or no? Have you ever used a financial advisor?

**Chris:**I haven't. And I may like, again, trading that time, trading money for time, I may in the future, and I encourage, I've had a couple very close friends due to unfortunate circumstances come into large sums of life insurance money or that, and I've directed them all, basically the same direction. You know, towards the financial advisor or financial firm, there's a few excellent ones out there. There's few not so, but I've directed them in that that direction, because I know that they don't have the passion to learn about investing to manage their own money without opening themselves up to significant risk. I know that I'm okay, I'm not taking undue risk at the moment. But down the road, I may say, "you know what? It's worth, you know, half a percent to turn that over to somebody and not have to worry about it anymore", and really take that step back.

**Clark:**Yeah. Last couple questions here, what's household spending annually?

**Chris:**Including loan payments and that sort of thing, household spending is around $120,000 a year, like you know, mortgage payments included.

**Clark:**Yeah. How much is the mortgage payment? I'm just wondering if we take that out.

**Chris:**That would be the loan pay down portion of that is about 25,000, yeah. It's about 25,000 a year,

**Clark:**And do you have any other debt beside the house?

**Chris:**No, we don't. It's one of those things early on, where neither my wife nor I were, you know, we never incurred a lot of debt, whether it was a car loan, which I had to get car loans when I was younger, and we would pay off those as quickly as possible. We both were able to graduate college through work, through parents distribute some, without much debt, if any debt. So, from that point were able to build forward, and I remember I actually was in some credit card debt because of the rental properties at a certain point in time, that was back in kind of like the later 2000's a little bit. And I was in this credit card debt and it was just nagging at me and nagging at me and I remember when I actually paid that off, paid that down and I just kind of told myself I would never go back to that. I would always make sure I had a buffer and it would have to take something kind of catastrophic to-- and in which case I think you could palette that a little bit easier than your own decisions driving you into debt. It's more like the unexpected. Hey, that can happen in life. But the own decisions, I didn't want to have any decision that I would make kind of drive us back into that.

**Clark:**Yeah. Well, hey, Chris, thanks so much. We're appreciative of your time, we've taken enough of it. So, everyone again, that's Chris net worth of 1.4 million as a firefighter. Thanks so much for coming on the show and thank you, obviously for your public service, you benefit us directly. So, really appreciate it.

**Chris:**Thank you very much, guys. I appreciate it being here.

**Jace:**Thanks, Chris.

**Narrator:**Thanks for listening to the Millionaire's Unveiled podcast with Clark Sheffield and Jace Mattinson. For more stories, investment opportunities and information, check out our website at millionairesunveiled.com. See you next time when you'll hear from another everyday millionaire.