Earning, Saving, and Investing Your Way to Financial Independence with Mr. ESI of ESI Money

(Transcript)

PT: John, welcome to the show.

John: Thank you, it's great to be here.

PT: Yeah, I'm a big fan. You're a long-time financial blogger in our space so it's a privilege to get to chat with you and pick your brain about how you've handled your money. The first question is this; what's the one thing you do that you feel maybe others haven't that's been the biggest contributor to your financial success so far.

John: Well, let me give you a preliminary view on finances because everything else I'm going to say from now on is going to relate back to this so I'll start with that, then I'll answer your question.

PT: Okay.

John: I've been managing my money for 25 years or so by myself. I've achieved financial independence and I've found that success, at least for me, has boiled down to three things; you earn, you save and you invest. That's kind of the whole theme of my blog and that's where ESI comes from—earn, save, and invest. Of those three, the one that I do differently, that I have a little bit different viewpoint on is in the earn category. When a lot of people talk about earning, they're talking about side-hustles, selling things on ETSY Shop or something like that. For me, I focus more on my career. I write a lot about that. I spend a lot of time on it personally because, if you think about it, a career is a multi-million dollar asset. You can do the math. Someone coming out of college these days that starts out at $40,000 or $50,000 a year has average increases over the course of a 40, 45, or 50 year career is going to make at least a couple million dollars. If they focus on their career and do the right things, they're going to have a few more million. And that's pretty much what I did. I did do outside stuff too. I did have side hustles, if you want to call them that. But I really focused on growing my career. Instead of having a three percent raise per year, I wanted five percent on average or seven to 10 percent and really kind of drive my earnings that way. So that's the one thing I do differently and talk differently about than most people when it comes to managing finances.

PT: I'm excited to talk to you then. I agree. There's probably somewhat of an echo chamber in our community of financial influencers out there who eventually become entrepreneurial. Entrepreneurship can drastically change your finances. Let's get into that. When you talk about things that can affect your career or take that two percent to five percent raise, what are some of the things you did to make the most of your career? And first, preference that by letting folks know what kind of career you had.

John: Okay. I was in business and marketing. I went to graduate school. I got an MBA and then was in marketing for my whole career. Let me say, the things I'm going to share with you about how to grow your career are not things I knew at the beginning. There was trial and error and eventually I figured it out on my own. But 10 or 15 years into the career, I hit a stride and started seeing how these things could really move the needle so I sort of focused on them and they were quite successful for me. If someone takes these and starts applying them at the beginning of their career, they're going to be a lot more successful than I was. I have seven steps I've kind of boiled it down to that will help people grow their career. Some are a little more important than others but I'll give them to you, cover them briefly, and if you want to dive into any of them, we can do that.

PT: Okay.

John: The first one is pretty obvious, you have to perform. You actually have to over-perform because people get paid to do a job that has certain expectations and if you meet those expectations, you're already getting paid for that, but people that get paid more are people that do more and have performance that's better than what's expected. The secret though, is that there is a systematic way of identifying what over-performance looks like and then delivering it in a way that not only you know, but your boss knows and people in the company know. Then you get rewarded for it. I take people through sort of a process; here's how to identify it, what you have to do, here's how you do it afterwards, here's how you follow up and here's how you get rewarded for that financially. Performance is the first option, obviously, the first thing to do. The second thing is, believe it or not—and this has been researched, you have to be likeable. In fact, some studies will say that being likeable is more important than performing because people like to promote, pay more for, and give favors to people they like. That's just the way it is. There are a lot of articles written on how to be likeable but for me it boils down to the golden rule; do unto others as you would have them do unto you. If you do that, people will like you and you will be a lot better off in your career.

PT: Did you ever have a boss that you just conflicted with— where you really didn't like each other? How did you push through that likability factor with that person?

John: You have to kind of play the cards you're dealt at any given point in time. Of these seven steps sometimes you emphasize more of one and less of another. You're still working on likability with your peers, with the people that work for you, with people in other areas of the company and even outside of the company, but you can still build your career. Sometimes you do all the things I'm going to talk about and it's not that you get promoted in your own company it's that you take those skills, leverage them and move somewhere else. That's where the big jump is in a career. That's where you can have a salary increase of 15 or 20 percent. That is a really big jump at the right time. You basically cash in, not with the people at your current company, but somewhere else.

PT: Right.

John: Do you want me to keep going on the list?

PT: Yeah, yeah.

John: Okay. The third is networking. With the advent of Linked In it's real easy to stay in touch with people and to connect with them. The traditional thought is, "Well, I need a network because if I need a job they'll help me." But even for your current job, they can open doors, provide sales leads like in my business. They can provide partnership opportunities. There are all sorts of advantages to networking. When I was working I would meet with someone for lunch at least once a week. So, I had 52 meetings. I'm going to have to eat lunch anyway, right, so I always made a connection once a week with someone just to continue my network. The forth one—you're going to love this. It's to be attractive. That doesn't mean you have to be Brad or Angelina or anything but it means, dress the part. You've heard the old adage that you dress for the job you want to have so you don't want to look like a slob. You want to look the role, be well-groomed. A lot of these things are common sense. You want to take care of yourself and make the most of what you have. That's simply all that means.

PT: I like that.

John: Number five is to continue learning and developing skills. You want to keep growing—like, with a podcast, kind of what you have. I listen to podcasts all the time. I read a lot. When I was working, quite often the leadership team would read books together then discuss them. But, you also want to develop skills. Think of the valuable skills, especially in business, to be able to speak in public, being able to negotiate well. Those sorts of things really have value and people who can do those well get paid well. Six, is to know how to manage yourself. There's a whole art of (for lack of a better term) office politics. How do you just manage who you are in a work environment amongst a bunch of other people? That requires a lot of 'reading' people's feelings and insights and saying the right thing at the right time. It kind of goes back to 'doing unto others' as well. I worked for some Fortune 500 companies where there's kind of a minefield you have to work your way through. If you can navigate that with some skill you'll be rewarded for it. The last one is to know how to market yourself. Going from one job to another is purely a marketing exercise. You are a product. You have buyers that are out there and you need to market yourself in the right way; in how you look for a job, how you write a resume, how you interview. I had a process down where I would rehearse answers to questions. I would write down the top questions they're going to ask me. I know what they're going to ask me because 90 percent of all interview questions are the same. Most people just go in thinking they'll just 'wing' it. Write down your answers and rehearse them. A lot of people say that makes you look cant, but it doesn't. It gives you the confidence to say, "You know what? I've got this answer down pat. Not only am I going to answer it with the best answer possible, I've got three or four examples with accomplishments that prove this answer is the right answer." It's a marketing exercise. And people who are interviewing you are just floored because most people do not prepare for that. I always like to say that an interview is a test where you know the questions in advance and you can prepare for it, so why wouldn't you give yourself the best advantage possible? Those are seven things that worked for me.

PT: Yeah. I have a couple of follow-up questions. Where did you pick up some of this knowledge you mentioned studying and being a constant learner? What are some of the books or resources you used to pick up some of these career tips and knowledge?

John: Most of it was learned in the school of hard knocks. But, I had a couple of mentors along the way to give me pointers here and there. Once blogging hit the scene around the mid-2000s or so, everybody started writing on every topic. I was reading hundreds of blogs at a time so there were people commenting about what the best way was to do this and that from a career standpoint. I remember reading a book called, *Career Intensity*. That was back in the day. That was probably about the time blogs started. I thought it was really good. But it wasn't until—I think it was Fast Company that came out with *The Brand Called You* or something like that. They talked about marketing yourself and how to address your career and manage your career yourself. That was kind of a breakthrough—that kind of thinking. The rest has really just been a combination of tried and true stuff and learning by what works and what doesn't work. As I got up in ranks I could see people below me that I could coach to see what was working for them and what wasn't and give them the proper guidance as well. So I moved, over time, from being a student to being more of a teacher. When you teach something, you learn it twice as well as when you're doing it.

PT: Do you have any advice for anyone just starting out in their career, or who is at a point where they'd like to learn some of these things and would like a mentor to work with them? Do you have any advice for finding a good mentor to work with?

John: That's a tough one because the key part of a mentor relationship is you've got to have some sort of 'click' between you. You have to have a personality that just fits. Sometimes, for me, that was someone just like me and we just hit it off. And at other times I had some of what I thought were going to be my worst bosses that actually ended up being my best bosses because they were so different from me. I would say if you're eager and willing to learn, you are likeable and show a lot of enthusiasm, the right mentor will open himself or herself up to you. The types of people you want to mentor you anyway are going to seek you out as the same time you're seeking them out.

PT: You mentioned the Linked In platform, having that set up and maybe using it to nurture relationships in inviting folks to lunch, so I can see someone out there using that platform to connect with people in inviting someone to lunch like you did. Are there any other tips for making the most of your Linked In profile? Many people probably already have that set up. They may add people all the time but how do you actively use that while you're sort of 'top-of-mind' with people? How do you make the most of that platform?

John: It can be difficult especially if you get a pretty big network. I have something like 1,500 connections or something like that. At this point, it is way past manageable. But there are ways you can keep in touch. Obviously, there are levels with Linked In. There are people that you really know well. There are people you kind of know and then there are people you only know because someone you know, knows them. It just works out that way. First of all, I accepted almost any Linked In connection because you just never know when the connection is going to be right. And Linked In has a nice little feature that updates you— on my screen at least. It's in the top right-hand corner where it gives you regular updates on people. It might say, "PT is having an anniversary today. It's been five years since he did such and such..." You have a chance to ignore that or you have a chance to send them a little note. And there are something like 10 or 15 of those a day, I can't remember what it maxes out at. But I take a little chance. If I know them, at least enough to add something personal, I always add a little note that says, "Hey, congratulations. It seems like just yesterday you started that. It sounds like you're doing great. I hope everything is well," just to keep the network warm. There is probably a smaller group of maybe 50 to 100 that I keep very warm, that I keep in regular contact with. And those might be people I work with or they're at another company I might have interaction with on a regular basis. Then there is a larger group that I just hit maybe once or twice a year. I do have an annual Christmas letter that goes out that my family does. We include a lot of business contacts on there as well because those people are my friends. They're not just business contacts. Then there's the broader group that you just kind of know on the periphery. If you need to contact them, you can. You just say, "Hey, we're connected on Linked In. I just wanted to let you know, blah, blah, blah..."

PT: Right, right.

John: I think what people listening might think—and I have a lot of readers that think this too is, they say, "Man, I already spend 40, 50, 60 hours a week on my job. I don't want to work on growing my career. I can barely stand my job with the hours I have." But, if you take these things you can do a little bit every day and you can do them in the course of your job. You can be likeable in a meeting. You're already going to be in the meeting so you can choose to be likeable or choose to be a jerk, so why not be likeable? You're going to have a performance discussion with your boss already so why not make that discussion be around, "Here's what's expected. Here's where I did more than that. What's the financial reward for that?" It's the things you can incorporate as part of your career anyway so if you just do a little bit every day that stuff adds up over 5, 10 or 20 years into something really, really big.

PT: Yeah.

John: The other benefit too is that these things get you promoted and they usually lead to (for most people) jobs they would be more satisfied in. A lot of people want to "climb the ladder" so they can make the decisions, they can be the boss, they can have more authority and these things will help you do that, if that's what you want. And, you will enjoy your job a little bit more as well.

PT: Interesting. So you enjoyed your job the higher you got in the company?

John: I did. There are always trade-offs with any job, but yeah, the higher I got, the more fun I had—the more challenge I had. And for me, those two kind of went hand-in-hand. The more challenge there was, the more I liked it. Some people will comment, “Hey, I’m at the level I want to be at. I don’t want to go any further.” And that’s their decision. That’s great for them. But if someone wants to move up as high as they can go they’ve got to keep applying these throughout their career.

PT: One of the things I struggled with in my career was wanting to manage other people. Do you have any advice for people as they make that move? Maybe at the 6, 7, 8 or 10 year mark, moving towards a position where they’re actually managing folks?

John: You did want to manage people? Or you didn’t want to manage people?

PT: I struggled with that. I didn’t really want to do that.

John: People are challenging. I’m a marketing person who has gone up the ladder and been in very visible situations for a lot of my career but I’m an introvert at heart. Dealing with those environments and the people—it just sucks the life out of someone like me who grew up as an only child. I spent a lot of time alone and liked doing that. So people do have their challenges. A couple jobs ago I was president of a company that had 800 people. That can really kind of suck your energy. The other thing is that nobody really trains you. They just say give you the employees and hope it all works out well. I think the best thing to do for someone who is facing that challenge is to learn as much as you can. It kind of goes back to point, number five, about continuing to develop skills. Managing people and helping them grow is a skill that can be learned. You can learn that through books, podcasts—and there are podcasts on everything nowadays. There’s probably a “How to grow your employees” podcast. And, obviously, there are mentors. That’s where mentors really help too because you’re still going to have a boss. When you first get employees, you’re going to have a boss. And you’re going to have had past bosses and you’re going to have had ones that were good. And you can call those people up if you don’t work for them now. Or, if you work for them currently you can say, “Hey, help me out here. I’ve got three people now. What do I do with them? I don’t know how to manage them. I want to be great at it. What tips can you give me? And can you help me along so that these people will be fulfilled in their jobs and I can manage them accordingly?” A great boss will do that for you because they’re going to be influenced by what those three people do. They’re influenced by what you do, what the three people, so it’s in their best interest as well to spend some time to help you out.

PT: I love that. I’ve got a few more questions. Is one of the seven most important? If you had to laser-focus on just one, what’s the big one?

John: The first two, I would say are the most important. Performing and being likeable. That's why I mentioned the research on being more likeable. Sometimes people say that's even more important. For me personally, I'm a performance person. I always kind of revert to that. If I had to choose one, I would pick over-perform. Deal with your boss. Write down concrete goals such as, here is what my boss expects. Then, over-perform. If he wants a 5 percent sales gain, give him 10 percent. If he wants you to save $100,000 this fiscal year, then save $150,000. Whatever it is, do more than that. Nine times out of ten, the people who do that, even if they're not likeable—I think we all know people that have performed well that aren't very likeable but they somehow get ahead of themselves—I think performance is probably the trump card and the others are right behind it.

PT: Yeah. In your life in particular, with the raises you've had and job changes you've had that have lead to advancement, walk us through so we can get a sense of the trajectory for you.

John: First of all, you have to be willing to do the things we did. What I mean by that is sometimes you have to move from one company to another to make the big changes and move your career forward. A lot of people don't want to do that because their family is in a given area or there's two spouses working. I was the only one working so we had the flexibility from a job standpoint to move. I would spend—it's almost like clockwork. About four years into a job, my wife would say, "Okay, where are we moving now?" The five year point would be the point where I would have maxed out my performance at the current place and I had kind of built up a surplus of these steps I'm talking about, and it was time to cash it in. A lot of times the current employer just doesn't have that. They're just not big enough or they don't have the room. The guy above you has been there for 20 years and is going to be there for another 20—whatever it might be. So, you just have to say, "Okay, I'm going to cash it in to the next level." Looking back at my career there was about 5 years of growth within the company which included both promotions and pay increases. Then an even bigger payout from there, to move to another company and jumping a level—going from manager to director, from director to vice president and on up from there. That's sort of what my whole career looked like. I haven't calculated it recently but back about four or five years ago my average (from the time I got out of grad school) at that time had been something like 7 or 8 percent pay increases over the course of those 20 years. A lot of that was because I had applied these things within a company. A lot of it was because I made jumps at the right time. To be honest, there's a lot of 'the right place at the right time' that goes on too. If you do the right things you put yourself in a position where luck (or being in the right place at the right time) helps you along. I've had my fair share of finding out that things didn't work out the way I thought they would too. That's part of managing a career. That's how you get to know and manage yourself. You go back to the skills of being able to market yourself out of a bad career situation. All those things can turn around. I've had instances where I had to say, "Hey, I think I'm worth more and I would like to be considered for more pay. And here are the reasons why..." The reasons weren't because I wanted a bigger house or better car because an employer doesn't care about that. They don't care if you can't spend your money well or you're in debt. They don't care anything about that. What they do care about is the fact that last year they wanted you to grow sales X amount and you did X plus. Or they wanted you to bring out five new products and you brought out eight. They wanted you to do this and you did twice that. That's what they care about. I was able to articulate that in a way that added value and they said, "Okay, we'll go with that." To answer your question, ultimately, there were 5-year stints and onto the next thing. I did stay 10 years at one job. Actually, I was intending on retiring from there when I got a call from a recruiter to take on the biggest challenge of my career and I chose to do that.

PT: Which was?

John: I became president of a regional chain of stores. It was a big challenge because, for me, I'd move myself up to executive vice president and that's basically is the highest vice president you can get. There are all these vice president levels; vice president, senior vice president, executive vice president. Basically, it's ways for companies to give you a promotion without really changing anything. But this was the first time I moved to president of a company. It was a $100 million company with 800 employees and it was a big challenge for me.

PT: Publicly traded?

John: It was not. It was privately held.

PT: Okay.

John: It was an awesome opportunity for me and it would have taken something like that to move me from the job I had for 10 years because I loved the people. I loved the owners there. But, even with the increases I had, the 10 years I spent at that employer, my raises were below average in many cases. Now, my bonuses were higher so they made up for it. But, I did that because I was off every night at 5:00 pm. I did not work weekends. I was at every soccer game, every basketball game. I was the coach for my son's teams. It was a time when my kids were growing up and I wanted to be there and by that had invested so much in my career that I was able to let a little bit off the gas. I was still highly compensated so there was no lack for us but I was able to be there for all my kids' activities and it was totally worth it. By the time I took the job as president, the kids were older. They had their own friends and were out doing their own stuff anyway. They agreed to move—well, my son agreed to move and my daughter agreed, reluctantly. But we all agreed that we were going to move. You've got to balance your career with your family and other objectives too but it worked out well for me.

PT: During the 10-year stint when you were vice president and EVP (Executive Vice President) as well and you were saying no to more office work and office hours, how were you doing that? Was it just the company culture that allowed you to do that? Or were you—

John: It was.

PT: Okay.

John: It was totally company culture, yeah. I mean, if I worked until 5:05 pm they would ask me why I was there so late. Everyone was leaving. Most everybody was gone by that time.

PT: Gotcha.

John: It was amazing. I was home for dinner. It was a great culture.

PT: That's fantastic.

John: Now that we've talked the whole time about careers...

PT: No, that was great advice. I loved it. I'm sure it will be helpful for folks who do want to get into the personal finance stuff as it relates to specifics of you and your money. I've got one last question about the career. Just to clarify for folks, you're now retired, right?

John: I am, yes.

PT: And all in all, how long in the career?

John: I think it turned out to be about 28 years.

PT: Okay.

John: So, I'm an old guy.

PT: Congratulations.

John: Thank you.

PT: Was there a moment in your life when you decided to become a master of your money?

John: I don't know if there was a moment where I consciously decided I was going to be a master of money but I think I did decide that I wanted to tell my money what to do. I want it to serve me. I don't want to serve it. Fortunately for us it was close to right after we were married. My wife and I took a course at our church about how to manage your money. Nowadays it's Dave Ramsey. But back in the day it was a guy by the name of Larry Burkett that ran an organization very similar to Dave Ramsey in teaching. He wasn't as adamant about credit cards but he was definitely a 'get-out-of-debt' sort of guy. We learned, within a few months of being married, basic financial principals like debt is not a great thing. Save for the future. Give. We learned it right away. And not only did we learn it, we started teaching it to other people where we really learned it. Then we took it a step further and started counseling people that were in trouble. Most of the people we saw had horrendous levels of debt. They had no budgets, no idea of what was going on so we'd sit down with them and take them through a budget and plan to get out of debt. We learned more through their circumstances — we basically took the brain knowledge we had from the class and now had practical application. During that time, that's where I decided this was a big deal. If we didn't get this money thing right it could cause a lot of problems for our family. That's when we decided we were going to have our money serve us. We're not going to serve money. Thankfully, it was early on in our marriage. That eliminated almost every financial issue throughout our marriage. We really haven't had any financial issues in our marriage for 25 years so that was an awesome blessing for us.

PT: That's fantastic. Before you got married did you have any financial issues? Was there any debt hanging around?

John: I was raised by a single mother so early on I knew I wanted to make a lot of money. That was pretty much the extent of what I wanted to do with my life. I didn't want to have to scrap and claw like my mom and I did. It was a great childhood. I was very close to my mom then and still am now. But, I just wanted to be wealthy and I thought that meant making a lot of money. From an early age, I decided that's what I was going to do. First, I was going to be a veterinarian because they make a lot of money. Then I found out that even though I loved animals I didn't like science so that didn't work. I thought I was going to be a lawyer and went to undergraduate school for that and I even served an internship with a lawyer. And that changed my life because I realized I wasn't Perry Mason. I wasn't going to be in court everyday arguing some great case. I was going to be locked in an office looking through books. That's when a mentor of mine pulled me aside and said, "Hey, you know, if you're looking for something to do... You've been working with me here at college and you've really been doing marketing so you should consider that." That really kind of changed the trajectory of my life.

PT: What job did you have in college?

John: I went to a small liberal arts college that had an alumni relations office. Alumni relations, is basically raising money from the alumni. I had to raise money from the students. I had to get students who are already paying tuition at an expensive college to donate money to the college (*laughs*).

PT: How did you convince them to do that?

John: I started by asking them what sort of improvements they wanted to see in the college. And I got a long list, as you might imagine. The students needed a lot of things. They needed this and that. So, I put all those ideas up for a vote and one of them won which was putting in a new PA system in our cafeteria student center area so that announcements could be made and people could be kept informed of what was going on. I let them decide by voting. They decided what should be done. They didn't know at this point that they were going to do it (*laughs*) but this was what needed to be done. So I cost it out and said, "Okay, it's going to be $2,500. I'm open to taking donations." I set about making speeches at fraternity houses, sororities and all sorts of events. Donations started coming in. Sometimes it was only $5 or $10. Sometimes it was a fraternity that pledged $250. But, within a year and a half we had raised the money. We put the PA system in and people loved it. Then we were on to the next project.

PT: Nice. I can see why the mentor said to go into marketing and sales. Especially if you can convince a bunch of college students to give. That's impressive. But let's get back to the finances. You went through the Larry Burkett program. What was one of the big first goals you guys set for yourselves?

John: Out of that is obvious we needed to be out of debt, completely out of debt. When we got married my wife didn't have any debt. I had a few thousand in school loans that I borrowed from my grandmother. And my grandmother said, "You don't need to pay it back," but I wanted to pay her back anyway. I had a little bit of car debt but nothing much, really. We retired that in no time. We were both working. She was an ideologist so she was fairly well compensated herself. We didn't have kids yet so we were both working. But then we wanted to retire our mortgage too. We wanted to go the whole way. We didn't want to say we were out of debt except for our mortgage. We wanted to be out of debt all the way. At that time I made one of those career jumps I talked about where you can move from one level to another in what you're doing as well as in pay. We moved from Pittsburgh (where we met) to Nashville, Tennessee. We knew we wanted to be mortgage-free so we started by the first step in that process which is buying a house we knew we could afford. Not buying one the real estate agent said we could afford or the bank said we could afford. And these were back in days when you were paying 7, 8 or 9 percent on your home mortgage. You were paying a good amount of interest. We bought a house in Nashville in a great area. By the way, we didn't have to sacrifice. We still had a 2,200 square foot house with three bedrooms. It was seven years old. It was in one of the best spots in Nashville. We could have bought twice as much but we didn't need it. Why would we need it? We were just two people. We were getting ready to have a family but we didn't really need it. We made a decent down payment but then we started putting everything we could against it. We built extra payments into our budget. My wife put a lot of her salary against it. Bonuses that I got, pay raises, gifts that we got for Christmas—everything. I started a side-hustle at this point in time. I was working on my career but I also started freelance writing for magazines back in the days when people actually read magazines. They had freelance authors. I wrote for business publications in my industry, trade journals about marketing because I knew about marketing. Then I also wrote about personal finance because by this time we had had five years or so of counseling people so we knew a good deal about finances. I wrote for a publication called, *American Profile*, which is sort of like a USA Today parade insert that goes inside the paper but it goes into rural markets. But there was still three or four million in circulation at that time. I wrote for *Women's Day* which was my big break because I was paid $1 per word so that was a nice one to have. For several years I made $10,000 to $15,000 a year doing that at night. Most of it was done while my wife was in bed. I was staying up until 2:00 am doing this. And we put all that against our mortgage. And, we tracked everything. When you make an extra payment or two you could just see six or eight payments drop off immediately. That was very fulfilling and kind of became a snowball then because we got addicted to how many payments we could drop off this month. We paid it of within 10 years. I know that for sure because I have a blog post talking about how to do that within 10 years. I think it was actually more like seven or eight that we paid it off in.

PT: The Nashville house?

John: Yes, the Nashville house. After we'd been in the Nashville house for about five years we moved to Michigan. Because we were in a great place in Nashville, the house appreciated a good amount so we paid cash for our house in Michigan and didn't have a mortgage from there on out.

PT: Nice.

John: So that was the first big win, yeah.

PT: Fantastic. Just to give people more of a prospective on the incomes versus the house you bought. You had two incomes. Do you mind sharing what your salaries were back then?

John: That's a long time ago for me to remember. My wife always made around $40,000 to $50,000 a year. This was in the mid-90s so that's a lot different than $40,000 or $50,000 now. I was making—by the time I was 30 I had just broken $100,000 as a salary because that was my goal. I was going to make $100,000 by the time I was 30. I didn't do it by the time I was 30, I did it when I turned 30. So we were making good incomes.

PT: Was it because of the move to Nashville that you made that?

John: Yes. And that was the first time I was a vice president. That was a big jump for me in title and responsibility.

PT: With the house, you said you put some down. What percentage was the house compared to your incomes?

John: Compared to those two?

PT: If your income was $140,000 what was the house?

John: The house was $165,000.

PT: Okay, cool.

John: And, like I said, it was an awesome house. It was in a great area which helped us with the appreciation five years later. Then we moved to Michigan. And that's another thing that worked out well for us. We lived in very affordable markets. We always have. We've never lived in a place that's 10, 20, 30, 50 percentage higher than the national average. We've always lived in a market where the cost of living was either at the national average or significantly below. When we moved to Michigan our house was $185,000 and was in a nice suburb of Grand Rapids. It was 3,500 square feet, four bedrooms and three bathrooms all for $185,000. You take that house and put it in an expensive market and it's going to be worth a lot more.

PT: Did you do anything special to keep your spending in check?

John: In, *The Millionaire Next Door*, they talk about playing good offense and good defense. Offense is making a lot of money and defense is controlling your spending so I was great at offense and my wife was even better at defense. She could wring $5 out of a penny. She could save money and do it without us feeling like it was major constraint. We did both. Earlier I talked about earn, save and invest. Well, we were very good at the first two. I was particularly good at the first one and my wife was particularly good at the second one. And investing... it's hard unless you're Warren Buffet, to be really excellent at investing. We invested in index funds back before it was fashionable like it is today. Then we got into real estate later on. So I would say we were good at investing, not great. But we did play pretty good offense and defense.

PT: Yeah, I'm always curious about folks who pay off debt quickly, specifically the mortgage like that. It's a conscious choice to go against the grain of society and maybe even math. How did you balance paying off the mortgage with investing? Did you give up some investing to do that?

John: That's the great part of growing your career and income. People ask me, "What should I do? Should I pay off debt or invest in my 401k? Should I save for my kid's college?" And my answer is, yes. You should do those things. If you're good at growing your career and income you don't have to make all those sacrifices. I maxed out my 401k every year from the time we lived in Nashville all the way through—so for 20 years or so, I maxed it out and put in as much as I could. Part of that was during the time we paid off our mortgage, and once that was paid off, it was a no-brainer. We saved for the kids' college. In fact, I just had a post the other day—we put too much money in a 529 plan so now we're having to deal with how do you get too much money out of a 529 plan without paying the penalty? Yes, we saved at the same time. There's one thing I'd actually like to bring up to you and your listeners. During this time and back to the original class we had at our church, we were also givers. We believed in giving from the get-go. We didn't want to be multi-million dollar people ourselves and leave behind people who needed help during the years we were building our wealth. Instead of building our wealth and trying to give it away at the end, we just decided we wanted to give along the way. For many years we had a budget that was simply one third, one third and one third. We gave one third, we saved one third and we lived on one third. For several years that was basically what our budget was. It was pretty simple to remember. We saw people in our community who were hungry, thirsty or cold so we made that part of our lifestyle along the way as well. I know you ask people what struggles they might have. We didn't have a lot of financial struggles but we did have a lot of discussions we should save versus how much we should give, and should we be saving "this or that" much when so many people are in need? Shouldn't we be giving more? That was always the balance for us. She is so generous that she would just give away everything and I was like, "Hey, I would like to retire one day and not have to go to work all the time." (*Laughs*) That was one of the challenges we had. It wasn't, "Do we have enough to do this or enough to do that?" We never had to worry about anything because the combination of the income we made and our lifestyle, we're satisfied. We don't need to travel the world for five years or drive a Mercedes, and we don't need to live in a 5,000 square foot house on a lake. We don't need any of that. So the combination of the high income with reasonable wants works out pretty well and allows you to give a third of your income away and still be very prosperous.

PT: Yeah. Wow. If you were giving away (in 1995 or whenever it was) $45,000, did you just give that all to your church?

John: We didn't start with that, we built up to that. By the time we got to the third, the third and the third was probably about 2005 or 2006. We started with 10 percent and started adding a couple of percent each year. The 10 percent went to our church and the incremental amount was up for grabs. Sometimes that went to our church and sometimes it went to a homeless shelter. Sometimes it went to national ministry. It went to whatever was on our hearts at the time. Sometimes it went to people. We've given away a few cars. Usually we buy a new cars—that's one of the things where we go against the grain. The average advice is to buy used but we always like to buy new cars because we want to be sure they're reliable. We'd buy Toyota's, Honda's, Subaru's and we drive them forever. But when we get to 100,000 or 120,000 miles, we usually give them away. We don't sell them. We give them to family members. We've given a couple to our church. So the given wasn't always cash. Sometimes it was a car. Then we just kept adding and adding. Our church had a big fundraising event which really challenged us and we gave a significant amount. We jumped dramatically up to help our church accomplish the mission they wanted to accomplish. When that was done and we met our commitment there, we didn't fall back to where we had been before. We did go back lower but it kind of just propelled our giving onward. In the meantime I was on a couple boards. I was on one non-profit board in particular, so obviously we were going to give to it because why would I be serving on the board if I didn't believe in what they were doing? It just kind of grew into that 'one third' but it didn't start from the get-go.

PT: Right, right. That's impressive. You mentioned that you max out your 401k. Let folks know what that means.

John: There are limits on how much you can put in a 401k. They've changed over the course of years. I mean, we're talking 20 years or so. Even back in the day, there were a lot of extra rules for 401ks. There was testing for highly-compensated employees which I fell under that. Sometimes I actually got refunds back from my 401ks because I was a highly-compensated employee and if the other employees didn't put in enough, I was going to get some money back. That happened to me a couple years. So, there are all these rules on how you're investing. Automatic investing is common now but back then it wasn't. There were three or five year investing. There are limits on how much you can put into a 401k so we did that. We put in the maximum. There are a couple of limits. The first step is, you put in the maximum amount to get the full match. 401k plans may match 50 percent or the first six percent. It could be they match the 100 percent the first three—they hit all over the map. So we definitely did that but we even went above that and put in extra amounts all the way up the amount the company—the government would allow us to. That helped reduce our tax burden too because all those come off your income and we were looking to shelter income and get it off the tax books, not add to it. We put in as much as we could. We would have put in more if we had been able to. We did put extra into brokerage accounts that we had for ourselves so that's where we invested the surplus.

PT: What investing brokerages did you use?

John: I'm a big Vanguard guy. I've been with Vanguard for years and years so that's where we put everything. When I changed jobs— there's choices you have when you move jobs. You can leave it there with the company or take it out yourself and spend it which is really bad to do. You don't want to do that. Or, you can roll it over directly into an IRA that you manage yourself. And that's what I always did. I'd always roll my 401ks into the same Vanguard IRA and it kind of built and built over the course of years. Then we used the brokerage account which was cash we kind of had control of since the 401k stuff is relatively untouchable until we get to be 59 and one half. The brokerage stuff we used, ultimately, to buy real estate which was 'the key' decision that allowed me to retire last August. It kind of worked out. We still have this big huge nest egg that's in—well, it's in an IRA now. It was from 401ks that we were not really doing anything with except letting it grow. We were living off the excess amount that we invested in a brokerage account. Then I sold the index funds and took the proceeds to invest in real estate.

PT: Well, I want to come back to the real estate for sure, but you mentioned making money through freelance writing. How did you get those jobs and how does it relate to today's environment? Where would you get a freelance writing job like that?

John: There was a book back in the day, and there still might be, called, *Writers Market*. It was a huge book with about 700 pages or something like that. They probably have it all online now because when I started it was just the beginning of the Internet so everybody was still doing things by book. In the book, the first 100 pages or so told you how to become a freelance writer. The rest of the pages were full of contacts for magazines and publications that told you what the publication was about, the type of writers they were looking for and the type of subjects they wanted and the pay scale. I got book and I studied it and I started sending out query letters which are basically—well, now you do it by email, I assume. But, I'd type up a letter telling them who I was and what I wanted to write about and asked whether or not they were interested. I sent out hundreds of those to different groups. Most of them you don't hear back from but you hear back from a few so you start writing for five cents a word, 10 cents a word or for free in some cases so you can get some clips to show other companies. That way you can say you're a writer, a real person. Then you build from there. You build from 10 cents a word to 20, 50 cents a word up to $1 per word. You build it over a few years like that. I mentioned *Women's Day*. With that I just got a great break. I got to the right person with the right topic. I didn't have a whole lot of experience at that point in time. I only had maybe a year of writing behind me so I didn't have a whole lot to show. And, most of my articles were in business. They weren't in finance. But this lady believed in me for some reason and I wrote several articles for them at $1 a word. They give you a word count too. You can't just say, "Hey, I'm going to write 100,000 words." It's probably going to be an article that's around 1,000 words. That was a great break for me and that opened a bunch of other doors. I may not have made as much but I wasn't writing for 10 cents a word. It was more like 50 cents a word. I built that up over time. There was a magazine called, *Writers Digest*, that I subscribed to as well. I don't know if that's still around or not. But both those, *Writers Market* was the book and *Writers Digest* was the magazine and that's how I built a business out of being a writer.

PT: Fantastic. I'll look for the online equivalent of those publications to see if I can share those in the show notes. You mentioned the 529 plans for the kids and how they're stuffed to the brim now. How did you save for that and why did it become too much and what are you going to do about it?

John: Imagine this... Your kids are relatively young, right? I think you said they're 8, 5 and 3 or something like that?

PT: Yes.

John: For your 3-year-old, you're going to predict—is it a boy or a girl?

PT: A boy.

John: Okay, first of all, is he going to go to college or not go to college? Which college is he going to go to? How expensive is it going to be? What's he going to study? How much is it going to cost? You have to predict that 15 years from now and start saving for it now. That's a hard equation to solve so you have to make a lot of assumptions. We made a lot of assumptions based on the knowledge we had that our kids would go to college. That they would probably not get a lot of aid because we were highly compensated and we figured by then we would have a lot of assets. We were going to pretty much have to bear the burden and we made the decision we wanted to at least save enough for a reasonable amount of college expenses. If they were going to go to a place that was $80,000 a year in tuition, we weren't going to have enough. But for a reasonable amount we were going to save the money for them. We wanted to give them that start in life. So we started saving and at that point in time we were in Michigan. They had a 529 plan that way rated highly among the 529 plans. I don't think it's in the top five anymore, but it was when we were there. Plus, we got a state tax break. We got $500 a year back as a tax credit so it was a no-brainer for us to at least save $5,000 a year for them. And we put that in for several years. Both accounts built up to $90,000. That was kind of our number. We were going to save up $90,000. I can't remember how we came up with it but that's what we were shooting for.

PT: For two kids?

John: No, that was $90,000 for each kid. And that's about $60,000 that we put in, roughly, and $30,000 in appreciation. That's what it panned out to be. Now we're 15 or 20 years down the road and my son has decided he doesn't think he wants to go to college. That's point 'A' and we'll deal with that in a second. My daughter—and our kids were home-schooled. My daughter started taking college classes—you can do concurrent enrolment where you take a college level class and count it as a high school credit but you also get college credit for it too. So she started doing that when she was a freshman in her high school and she now has, by the end of May—she took a combination of community college classes that were free when we lived in Oklahoma and then she's been taking online classes now. She will have 60 credits by the end of May so she'll have two years of college done before she even goes to college. She doesn't need to pay for four years of college. She needs to pay for two years of college. At the same time, she's relatively bright. She's got scholarships based on academics so she's going to spend probably only $60,000 of that $90,000 at most. Now, we have money set aside in an account that we need to get out and there are certain rules about—you just can't take it out for any reason without paying a penalty. I think what's ultimately going to happen is we're going to spend the money we need to spend to get my daughter her education paid for and if my son wants to go, it's available to him too. But, if not, we are going to roll it all into one 529. You can pass it along amongst people so we can pass my son's amount to my daughter and my daughter's amount to me and my wife if we wanted to go back to college. I joke with my wife that I might need to go get a doctorate degree in St. Thomas or something and I might need to spend the money on that. But I think we are going to keep it and let it grow for 20 years. And, God willing, if we have grandchildren, we'll divided it up between however many of them there are and they'll have a nice little nest egg to fund their college. It was aggravated by the fact that my daughter—we made each of our kids a deal. We said, "Here's the situation. We have $90,000 saved for you. If you spend more than that (and we don't think you should have to) but if you choose to spend more than that, you're going to pay for the difference. But, if you spend less than that, you get to keep the difference." That was like music to my daughter's ears. She made the conscious decision because she started early taking classes as freshman in high school. She could have gone to college last year but she said she wanted to go a full year at home because we agreed too, that as long as she was at home taking classes as high school classes, we would pay for them, so none of her money has been tapped into yet. She's going to spend $60,000 of it and we're going to take $30,000 of it—which we can't the money directly out of the 529 so we're going to take $30,000 of our other and give it to her when she graduates because that was our deal with her. And she's made the right choices in order to earn that.

PT: I really like that approach.

John: Yeah, well, they locked us into paying $90,000 but it also locked into ONLY paying $90,000. So if she decided to go to Harvard and at $70,000 a year, we'd say, "Okay, well, here's $90,000 of it. You've got to figure out where to get the rest."

PT: Yeah, that's cool. We're aiming for maybe a semester or two. We're shooting that low mark. But I like that idea. If they can figure out a way to get to school for free or pay for it in some other way, giving them that equivalent, whatever the amount is at that time and then using the money for grandkids or another child. I like that. Can you gift a 529?

John: I'm not sure about the inheritance process. You know, whether I can give it to you. I don't know the answer to that. But I do know you can, within a family, you can move it around relatively easily.

PT: I just thought since you guys were so good at giving that it might be another outlet for you to give to someone in need of an education.

John: We are working every angle too. We just paid for her tuition in the fall. We paid her tuition on our 2-percent cash back credit card so we're earning cash back while she's going to college too (laughs) so we're working every angle we can. We paid early so she got $600 in book credits. We applied early so she got $250. We did everything we could to help her out.

PT: So you're paying the expenses with a credit card if you can and then reimbursing the credit card with the 529?

John: Yes.

PT: And the school doesn't charge fee?

John: It does not charge a fee, no.

PT: Smart. When did you start the blog? What year?

John: This most recent blog I started in the fall of 2015. I was still working then so it was really just sort of a side hobby. I really haven't emphasized it until this past August around 6 months or so ago.

PT: Gotcha. Since you are a side hustler with a real intensive career, how did you manage that side hustle action with your career? You mentioned staying up until 2:00 am.

John: I switched that when I was writing articles for the magazines. For the blog, this recent one, my kids have been older so I have a lot more free time and more flexibility. Actually, I did have another blog which I don't tie to this. That's a whole different story for another podcast on why I keep the two separate. There's a whole soap-opera story about how employees at my company found out that I wrote the former blog and how it didn't go too well.

PT: Yeah, that's kind of what I'm getting at. How did you manage two things like that? What's your philosophy about career versus side hustle? You don't have to be specific but how did you manage that?

John: When I had a career, obviously, it was the focus. Then I had a finite amount of free time separate from that that I had to do something with. Was that family time? Was that working out? Was that reading? Was that writing? By that time too, remember, I did the articles before so I'd actually become relatively adept at writing quickly. And my style has never been, "Okay, I'm going to write a thesis and site this and that." It's really, literally just what I think. It's right off the top of my head. This is what I did. It was stupid. Here's what I do different. Or, this is what I did and it worked out. Here's what you should think about doing. It's literally just that. It's really pretty easy to write that and I've lived with it—the subject of personal finances for 20 plus years so it doesn't really take that much time. It gets better over time. I invested a lot of time early on when I was up until 2:00 am writing articles to get better at writing, to get better at the subject and it got easier and easier as time went on.

PT: Okay. Let's get to the real estate. You mentioned being able to cash out some things and buy some real estate. Other than the personal residences what have you purchased?

John: This was just an awesome thing. I don't know how it all came about but an idea popped into my head at the same time I met the right person. I mentioned earlier that I was working a job where I was able to spend a lot of time with my son as he played basketball and soccer. I was assistant coach of his basketball team and one of the fathers, whose sons I also coached, was a real estate agent. He also owned investment properties that he managed himself. Part of his income was either from his real estate holdings or from his selling houses as a real estate agent. It was a combination of the two. This was probably around 2007 or 2008 so you can imagine what's getting ready to happen with real estate. I knew him for many years. I talked about it off and on and we went through the whole real estate crashing. The whole thing just blows up and goes down. I am both a contrarian a lot of the time when it comes to investing and I'm also a bargain hunter. About 2009 I thought, "Man, this is probably a really good time to buy some real estate because the prices are probably not going to be this low for a long time." Speaking of networking, I called him up and said, "Hey, can we have lunch together?" And he said, "Yeah, sure." We had lunch at a Chili's. And, I know you interviewed Paula Pant before on your podcast and I've heard her talk about how there are A-level properties and B-level properties and C-level properties. He basically took me through the exact same spiel that I've heard her give many times on different podcasts and in person. He told me, "Here's the payoff. Here's the trade-offs. Here are the pros and cons." I basically him I didn't count on appreciation (because I'm going to buy at the low so it's going to appreciate anyway) but I just want to make 10 percent on my money off the income after expenses. I asked him if I could do that and he said I definitely could and that he would teach me how. My deal with him was, he would teach me how and I would buy my properties through him as the real estate agent. He would earn the commission from the person I was buying it from. We spent a couple years driving around Grand Rapids looking at properties and making offers. When all was said and done, I owned 14 different units in Grand Rapids, Michigan that churn off enough income which provides 50 to 70 percent of my retirement income now.

PT: Fantastic.

John: And, because it was at the low, it was only about 20 percent of my net worth that I spent on that and it makes up 60 to 70 percent of my income now. That's what went well. What didn't go well is I was a stickler. I was just a stickler. I can get this way. My thought was that I was going to earn 10 percent on these and if I only earn 9.5 percent, I'm not going to buy it. In hindsight, I was an idiot. If I had just relaxed a little bit and decided I could live with 9.5 percent instead of 10 percent I would probably own twice the number of places I own now because people were just giving them away and I had cash. I had cash because I had a high income and low expenses. My career was generating cash and I had sold some index funds. The market was down at the same time so I could sell them without having to worry about paying capital gains. I was paying cash and the prices were as low as they could be. What I did wrong in this scenario was I was just too much of a stickler. If it doesn't meet my criteria, then I'm not going to do it.

PT: What's Paula's ABC thing again?

John: She takes people through levels of properties. For example, she would describe a C-level property as one that is not in a great neighborhood, that is kind of rundown, but you're going to earn a very high percentage on it. You're probably going to earn 15 or 20 percent. You're going to have issues you're going to have to deal with and you might be afraid to go into those neighborhoods but, since you can buy the property so cheaply in the corresponding rents, you can make a good return on those. The B-level properties are in nice (or okay) neighborhoods. You're not going to make as much but you're not going to have as much problem either. You're not going to have much turnover either with people. There is a better level of clientele. They'll take better care of your properties and you're going to earn somewhere in the 10 percent range. Then there are A-level properties that are more in the swanky areas with all the new fixtures and they're very high-end. You're going to feel good about owning those because they're luxury places but you're only going to earn 5 to 10 percent on those because the cost of the property is so high compared to the rents you can get. My strategy was to go with the B's and I would buy the low end of the Bs. I'd look for a place that could use a little TLC (tender loving care) and the rents were around $500 to $550 for a one-bedroom apartment. I would wait until the lease expired and the tenant moved out then I would spend about $10,000 and make them gorgeous. The rents would then go up to $750 or $850, somewhere in that range. Over the course of three years I bought these places, had them refurbished and increased the rents. That was my whole strategy.

PT: Nice. Other than the mentor, did you use any resources to help guide you through that?

John: He was invaluable. The whole time we were going through this I would say, "How much would insurance be for this place? Can you tell me what the taxes are?" He would tell me everything. He'd say, "Here's the amount of rent you can get if you fixed it up." I didn't have the vision you need to have a lot of times with real estate. We were out looking one time and he took me into this building. It was a four unit apartment and it was nasty. It looked like it had been bombed, then set on fire, flooded with water—there was mold all over the place. All the walls were black. It was terrible. It was in a decent enough neighborhood but it was just trashed. And he said, "Okay, remember what this place looks like," and we drove from there straight to another place that was gorgeous. I thought, "Wow, this is awesome! I'd like to live here." He said, "Okay, if you take that last place and invest $100,000 into it, this is what it will look like." And I could visualize that. I could put numbers to that. It's going to cost me $100,000 in repairs. It's going to cost me $200,000 to buy the building so now we're looking at $300,000 but I can charge this amount of rent and ding, ding, ding. How much were all these expenses? He would tell me that and I would do an income statement on everything. I always had a margin of error. My goal was 10 percent but I'd always want to try to buy and invest, upgrade so that on paper it said I was going to earn 11 or 11 and a half, because I knew there were going to be expenses that I didn't count on or things just weren't going to go perfect. He was invaluable. He introduced me to a contractor who was awesome. He did great work for great prices. That's the guy that fixed up all the different places. I trusted him which was nice too because there are a lot of people you can't trust. He also introduced me to the right insurance agents and eventually helped me find my property manager and all the other people. I've owned properties in Michigan and I haven't lived in Michigan for four or five years now. I live Colorado now so I'm way far away but it's just on autopilot because I have the right people.

PT: Well, this is fantastic. The decision to take some of your wealth out of investments and move it into income-producing properties like you've done— I don't know the question I'm looking for here. How did you get comfortable making that move? And, has it really been that positive financially for you?

John: First of all, it was a big leap of faith for me because I'm conservative financially in every possible way. I don't like risk so, for me, slow and steady wins the race. This was something I didn't know a whole lot about. But Eric, my mentor, did and he just walked me through the steps. My wife was really, like, "No, this is crazy! What are you doing?" And I just said, "You know, I just think this is right for us. I think it's a way for us to earn some money." I'm eventually going to want to retire and even though my investments might grow at 10 percent like an index fund or something, they're not going to churn off 10 percent in income which is what I'm going to need if I want to retire early. I'm going to need income. I need a boatload of assets producing a low-level of income or I need a decent amount of assets producing a higher return. I really didn't want to necessarily spend my assets. So I'm retired and my assets, between the dividends that they churn off and my rental properties it's enough for us to live on. We're not spending our assets at all. That's part of my conservative part, right? Most people would say you could withdrawal four percent a year and you'd be fine but we don't even want to do that. We're going to live off the income generated. In order to do that I either need to save and invest a ton that would churn off three percent in dividends per year or I could take a lesser amount, roll the dice a little bit and invest in real estate. The other thing is, while it was a big leap of faith for me, it wasn't a killer. In the end we invested $650,000 or something in that range. If we had lost it all, that wouldn't sink us. And we weren't going to lose it all because it's in real estate so it's going to have some value. Somebody's going to live there at some price even if the price dropped. And, we paid cash so we didn't have any mortgage or anything. We tried to make our risks as low as they could possibly be. And we did a little bit at a time. We bought one place—the first place was like a 1920's house. I got this gothic sort of house in Michigan, northern Grand Rapids and it had another house in the back. One had three bedrooms and one had four bedrooms. The government had foreclosed on it. Nobody wanted it. That was our first one. I kind of hit my sweet spot after that and started buying apartment buildings where there were several units within the building. Those are nice because you take your fixed costs and spread them among many units. A lot of times they work out very well financially.

PT: That's fantastic. Looking at the future, what financial goals do you have for yourself going forward?

John: I've kind of achieved a lot of my financial goals. My next goal which is more of a family goal is to retire my parents. They're close to retirement but they still haven't decided whether they want to retire or not so that's still up for debate at this point in time. But, let's assume they make the decision that they do want to retire and they're close to making that and they're close to deciding that they'd like to move to where we live in Colorado because it's awesome here. I want to help them out financially to do that. That's going to necessitate me moving some things around, spending some assets or earning a little more income here or there. I don't really know the full scope because we haven't got into how much in assets they have. They might have enough to support the lifestyle they need. But my guess is they'll probably need a little help at least and I want to be able to provide that. So that's probably our next big goal.

PT: How do you approach that discussion with your parents?

John: That one and with 'will' discussion, they're all kind of touchy subjects. For us, we just had the will discussion, actually. They updated their will and took off one of the relatives so it's just me on their will. That's the only change. We talked through that. We didn't talk through any of the details about—you know, it's their money so they can give it to whoever they want to give it to. I'm the only child so that does make it a lot easier as far as how you divide things up. But, if they don't want to give me anything, I don't need anything. I don't want anything from them. I'd be happy if they spent all their money and part of mine on their own lives to enjoy their lives while they can. The retirement one is a little difficult for a couple of reasons. One is because it's going to necessitate me getting into their business and finances. We haven't gotten there yet and that's what we're kind of dancing around. My mom will talk about, "Well, I might like to do this... I might like to do that..." But ultimately, we've got to put a budget together. It's not my business at this point in time. It's their business so we have to work through that yet. That's one issue. The second issue, my dad is really active. His job is really active. It's a physically demanding job which is a benefit for him because he stays in pretty good shape for his age. It's also a problem as you get older. A physically demanding job gets tiring. I want to make sure that they have something to retire to and they're just not retiring from—that they're actually retiring to something. I'm hopeful that the thing they retire to is that they retire here, to Colorado and they spend the rest of their years with us. That way we'll be able to have dinners together every week and go places and do things together. I hope that's what they are able to retire to and to the extent that they want me to help them make that a reality, that's what my next major financial goal is.

PT: Is it awkward to talk to your mom saying, "Mom, I've retired. It's kind of weird that you're still working."

John: Yeah. My mom's known me obviously, known my career and knows what I'm about and all that for many, many years so—

PT: It didn't sneak up on her.

John: No, it didn't sneak up on her. She knew I was getting tired of working and had the financial ability to retire and just said, "Congratulations." It doesn't surprise me.

PT: Cool. Looking back on the journey so far, how do you feel about it all now with the progress you've made since those early days of learning from Larry Burkett?

John: I would say I'm generally pretty happy. I could have done a lot of things better though, for sure. In fact, I'm starting a new—I'm actually going to transport myself back to when I was in high school. I'm going to do a blog series on this. I'm going to transport myself back to when I was in high school and say, "Okay, here are decisions I could have made differently." If I knew everything that I know now and I was back in high school this is what I'd do differently. Then I'm going to track the financial implications of those things and show how well it could have gone if I would have made all the right decisions. To answer your question, I think it turned out really well but it could have turned out better if I had known then what I know now.

PT: Fantastic. So, where can people follow along and read those stories? They sound interesting.

John: I'm about two months ahead in writing right now but they can follow at esimoney.com. If they want to find out more about me there's an 'About' section that tells about the jobs I've had. You asked a lot of questions about that in the beginning and I'm actually close to the end of a series that talks about every job I had, what it was about, what went right, what went wrong—it reads like a soap opera because there was a lot that went wrong. And, what I learned about it and where I went to from there. If they want to find all that information out, or if they want to find out how I retired and grew my career and all the things we've talked about here, they can do that at esimoney.com.

PT: Sweet. Alright, man. Thanks so much for being on the show.

John: Yeah, I appreciate you having me. I'm a real fan of the show so keep up the good work.