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[00:00:00] Welcome to the perfectly integrated podcast, hosted by Matt Ackerman, where we show the power of teamwork in wealth management. Now onto the show family. If I pulled a hundred investors, heck if I pulled a million investors and asked simply why do you save they'd more than likely use one or both of the F words?

[00:00:23] No, no, no, not, not that F word. The other two. Or future people everywhere, no matter their level of wealth, wanna be sure that their family has a better future. I, I think it's that simple, but what about when it isn't that simple? What happens when wealth becomes a burden for the next generation and the one after that?

[00:00:42] Welcome back to perfectly integrated. I'm Matt Ackerman and I'm so excited to be joined today by my friend, Paul Sagami to discuss family the future and the wealth conundrum. Hey Paul. Welcome Matt. Great to see you, buddy. Thanks Rodney. On today. So Paul, I started by talking about family in the future. Now, if you [00:01:00] were one of those hundred people that I pulled, how would you answer that question?

[00:01:03] What inspires you to. Great question. I think fortunately for me, Matt, I was taught from a very early age by my parents, how to save. And so my parents were very good savers and it isn't kind of funny, but I find that nine times out of 10, we tend to follow. The path of our parents, if they were good savers, we're good savers.

[00:01:23] And even the way that our parents tend to manage money tends to follow through to many people in their later years. And so for me, inspiring to save math certainly was just to make sure that our family was safe and secure. And we had the funds to do the things that we wanted to do. And then now that I've.

[00:01:40] Children and grandchildren and, and a growing family, you know, now inspiring to save us for that future legacy and what we hope to see our wealth do for our family in the years to come. That's really our strongest goal right now. And I, I, I've always loved, you've told me stories about being on vacation or, or, or Disney with your grandkids and you're, you're [00:02:00] doing lessons and you're talking about saving within there.

[00:02:03] Right? You're you're incorporating the saving conversation into a family vacation at Disney. Always, I think any, any time there's an opportunity to teach, you know, children or even grandkids about, about money and, and, and what money can do and, and how it can, you know, provide certain freedoms. We have to educate them about that because I know I'll speak for myself.

[00:02:26] Growing up. I never had a, a class in school even through college about money and how to save and how to be better with money. So I think these are certainly habits that are taught from us to our kids and grandkids. And so, yeah, Matt certainly, you know, they know my grandkids are now ages seven, five and two.

[00:02:45] And so they certainly know I do something kind of in that money world, cuz I'm always watching CNBC or something's going on around the house. And so, you know, certainly without being. You know, too intrusive or be kind of that pain in the neck there. I used to have some fun or we try to have some fun with money and, [00:03:00] you know, things like calculating percentages and, and even now I've got my seven year old.

[00:03:04] He can get the paper out and he can kind of calculate mutual funds and things like that. The, uh, net set values. So it's just having fun with it. And it's things I used to do with my son back in the day that you try to carry forward to grandkids. Well, we play math games in the car. See, I always talk about CJ, but I don't talk about Ryan as much, but rhino loves to play math games in the car and likes to try to figure out like, okay, here's here's how much time we have left in this trip or here until we get home.

[00:03:30] Uh, how here's here's this? So, so I think just making math. Making that lesson part of the story, instead of just like, you know, something you do on paper to get through school, it changes the whole conversation. I agree with you completely. All right. So Matt pitcher, six of us in a car with my dad driving away and he would point to a certain license plate and who would be the first one of us to add all the digits of the license plate together to get the right number.

[00:03:54] So, that has certainly served me well, when I try to add up my golf scores nowadays, . [00:04:00] Well, you know, I'm a statistics nerd from baseball. So I've definitely got that instilled in my kids too. So they, they get it. And, and, you know, when you think of it from that savings perspective, and it's always part of the conversation, it changes the mindset around money too.

[00:04:15] You know, I'm sure at the beginning, you know, as you and your wife script and saved to make sure, you know, the future was better for your son and for, for his family in the future, you know, was there. A turning point though, for you guys where wealth can begin to become a burden rather than, than a, than a help to hindrance.

[00:04:34] Now, you know, I kind of knew you were gonna ask me that question by the way. So I thought a lot about that word burden and, and I think that that was a word that kind of just, it kind of hung out there and made me very uncomfortable. I think the first. For me in looking at our wealth and trying to teach, um, my son and grandkids is, is don't look at it as a burden.

[00:04:54] Okay. So change that word burden to opportunity. And I think that when you look at wealth as what you can do with [00:05:00] your wealth, not only for your own family or for yourself, but for the community, I, I think when you look at it that way, um, You can take what otherwise may be seen as a burden. Cuz I get it that there are many clients I work with and many clients are firm work with you know, that do look at their wealth as a burden and it's almost like, oh, what do we do with this now?

[00:05:20] And so I think that by changing that mental model and getting them to look at that word. And change it to the word opportunity, and then you see their brains start to open up and they think of the possibilities. And so I think that word burden is kinda like a dead end road. Isn't it? But if you can change that word to some other word that that gives 'em this more thinking of abundance and, and once again, possibility, and, and what you can do going forward.

[00:05:43] If we can change that dynamic, then we can have a much more effective conversation. And so I think for us, Matt, and, and I'll speak for my wife and. We never look at it as a burden. We're blessed. We've worked hard to get to where we are, and we certainly wanna make sure that we can pass on the values, um, to our kids' [00:06:00] grandkids and in the community.

[00:06:01] That's really important to us going forward. I love that possibility opportunity impact, you know, that's, that's really what everyone wants to do is leave an impact and leave and make, leave an impression on the world with, with, with money and finance. You want your family to be in a better position, but you also have an opportunity then I guess, to also make an impact on the world too.

[00:06:23] And I think that's, that's a great way to think about that. It, it must be something. When you have talked to clients over the years, they wanna make an impact with wealth as. Boy, I would like to say that was the case map, but I think until they understand that they can make an impact and, and understand the tools and techniques that we as financial advisors can use to make that a reality.

[00:06:42] I don't know, buddy. I don't think they always get that. I don't think they can quite put those, those dots together. So therefore. My experience has been that people that have built larger states and, and have, you know, the luxury of maybe looking at wealth, quote, unquote, as a burden they, they need someone to show them the light and show them where to go and [00:07:00] where they should be drawing their attention.

[00:07:01] Um, and so therefore the. You know, that's where that experience of working with people that have wealth and people that have these complex financial lives, they really do count on us and they count on other financial advisors, both at our firm and any firm out there. That's accustomed to working with people that have these larger estates, but, but please trust me in this, they do need their hands held.

[00:07:23] Um, they need to understand the filming dynamic. They need to know what they can do with their wealth. And once again, Even changing that word burden to opportunity that in and of itself can be a huge breakthrough for many families. And you're all about those breakthroughs. I mean, I was reading something the other day that said, you know, when it comes to wealth, the first generation works tirelessly to help build the wealth.

[00:07:45] The second generation maintains it, but by the third generation, the wealth is, is gone. It's evaporated. How. As an advisor, have you seen some of that in action? And how do you make sure that, you know, wealth and impact lasts for generations and isn't [00:08:00] evaporated within, you know, two generations? It, it, it requires an amazing team of talented people.

[00:08:05] And so that's the biggest part that I can share with you is that you know, a family and a family's financial future is only limited by the team they put around themselves. And so therefore having the right people at the right time with the right answers, with the right. Guiding hand is so important, Matt.

[00:08:22] And so I hope that answers your question, but, but as we look at these families and how do we make sure that wealth does go from generation to generation? Certainly there are the tools and techniques that we can use to make

this a reality, but then there's that, that personal issue isn't there of understanding the family and, and in knowing who they are as individuals.

[00:08:41] And what does wealth mean to them? I mean, the one thing I have learned in working with my clients within our integrated family office is that. Their children and now their grandkids and sometimes great grandkids. Boy, they look at wealth very, very differently than we ever did. And so it's that, that digging in understanding [00:09:00] everybody's relationship to wealth, the relationship they have with their wealth in terms of their futures and, and going through that discovery process is really so important.

[00:09:10] So you mentioned the integrated family office. Tell me about the integrated family office. What's, what's the mission of it and you know, what are you trying to solve? Well, I think so whenever you put something together, like the integrated family office, the mission is always try to solve the greatest problems that our clients are faced with.

[00:09:26] And so I think for us, Matt, a couple of thoughts come to mind here, and I'll, I'll speak for my own family as well, because I am a client of our integrated family office with my family. But, but the first and biggest part of the family office is about family financial organiz. Okay. So dish getting everything organized and I call it hyper organization because when you have these complex financial lives and you've got wealth mixed with a, a complex family dynamic it's not about dish being kind of organized or organized, it's about being [00:10:00] hyper organized.

[00:10:00] Okay. So I think the first thing that an integrated family office can do is really help that family become hyper organized. And then once you have that organization, It allows us to have discussions about the future of their wealth and what that can, you know, go back to that word, you know, opportunities versus burdens.

[00:10:19] You know, when you are organized, you see where everything is located. You understand the, the glide path. If you will, Matt, of where this wealth is going in the future, then you can really help meet people, make really good decisions with their wealth going forward. But people that are financially disorganized their brains can't get around.

[00:10:37] This organization to the point where we can do some really long range planning for them. So step number one is get 'em organized, get them to feel like they are okay. We all always say, are you okay right now? And so

make sure they're okay. And then once they're okay, we can bend to you some of these tools and techniques to make sure their family will be okay.

[00:10:56] But step number one is so important. So you've got that. Hyper [00:11:00] organization, um, that leads to making sure that our clients feel okay about themselves and their future with their wealth. They'll make a look at the family and then it leans into community and charitable giving at that point. And then once you've got that put together, Matt, it, it, it allows us to bring in these team of experts and, and just look and bring their expertise to the table.

[00:11:20] And so once again, you know, imagine you, you, you're building a house and, and if everything's all over the place and you can't even walk around the job site and you're try to be worried about where you're stepping, you know, if you're bring in this amazing architect or let's say your interior designer, and all they're doing is worried about where they're gonna step and how they're gonna get hurt or fall or something like that.

[00:11:39] They, they really can't Excel at what their job is. And so once again, for us, By the time we do a very deep discovery process, understand not only the wealth, but all the individuals within the family and what is their relationship to the wealth. We get them hyper organized, begin to build that path for the future.

[00:11:58] We look at things in a [00:12:00] much more efficient manner. And then when we bring in this team of experts, Matt, they're not worried about. About stepping on the hammer or falling down, they can truly come in and do what they're uniquely qualified to do, which is give the right advice at the right time. And so I think for us, the idea of our family integrated family office and what it has done for us, I'll speak for my family is really give not only myself, but get my wife a lot of confidence, confidence, knowing that.

[00:12:26] Things are in the right place. We've got the right people in our lives at the right time. And then, you know, as you can imagine, listening to me talking right now, just by taking those steps, it just really puts that F in such a more powerful position to make really long term decisions than. You know, kind of ignoring wealth and, you know, we'll take care of it tomorrow and whatever the kids will figure it out.

[00:12:48] You know, those days are long gone. There's too many wonderfully talented people out there. And this idea of an integrated family office allows you to really make some impactful decisions that, you know, at [00:13:00] some

point, Matt, as I always say, my wife and I, we wanna look down from the heavens with a lot of pride about what our wealth has done only for our child.

[00:13:07] Daughter-in-law grandkids, but the community and, and, and are we raising the kids the right way and are they handling our wealth the right way? So we really wanna look down with pride someday and say, look at that. That's pretty amazing. But, but you know, you can't get there without planning. You can't get there without the right team and you can't get there without the right structure.

[00:13:26] And that's what that integrated family office is. It's the right structure at the right time for our. You mentioned the incredible team that's working on this, you know, tell, tell me about the kind of people that are going to be there, insulating and around the client and working with the advisor to make sure that you know, all this amazing process is happening.

[00:13:48] Well, I think like any team, everybody has a role. And, and so I think some of these roles are handled internally met by the members of our integrated family office. And so our, our family office, uh, chief investment [00:14:00] officer, the estate planning team, the business consulting team, um, even the team that makes sure that we're getting the proper statements and everything is organized.

[00:14:09] It may sound kind of corny, but. Family passwords and all of our insurance is put together. And so everything's nice and orderly. And so a lot of that work is done internally, Matt, but then once again, as you just said there our team then is backed up by another team of highly specialized individuals who we can bring at the right time.

[00:14:27] And so there's only so much a filming office can do with. Internal talent pool. So when you use your, your best internal talent pool to their maximum capabilities there's certainly gonna be the need to reach out into the community for other experts that do you know, other things. And so therefore our team is backed up, met by an amazing group of people who are quite honestly all around the country.

[00:14:49] So, um, it wouldn't be uncommon. Say my film need to be working with someone outta California or an expert out of Texas. And so, you know, that's the beautiful part now about putting these integrated filming [00:15:00] offices together is that you've got your internal team, a bunch of external experts, but together they're working in conjunction to make sure that we've got the best possible plan put in front of us.

[00:15:11] That's the word conjunction, because you may have a, an estate planning problem, and you might be grabbing the great estate planning attorney over here, or you might have a tax issue grabbing someone from over there. It's it's really that, that cohesion and that conjunction that then really makes all this work well together.

[00:15:30] It does. There's no doubt about that. And I think that, um, so I think that for those of the listeners out there, that you're thinking about your own families, or if you're an advisor advising other families. Make sure that you've got the right team that you can introduce to the, your families that have complex financial needs.

[00:15:46] You want to introduce them with a high level of pride. And so you want to be really, you know, you know, have that sense that you're bringing in the right team at the right time to solve your client's greatest problems. And so. You know, Matt, I call that confidence [00:16:00] building. Um, and every advisor who's listening to this podcast knows when you walk into a situation and you know, you've got the answers, you know, you know, you've got the answers in front of you and you're gonna really give this family a lot of aha moments and you're gonna show them the path to, you know, financial freedom and financial organization.

[00:16:17] And, you know, you're backed up by the right people. That's just such a special place to be. It it's exciting. I was talking to rich Austin. Who's working on the team at the integrated family office right before this call and rich was talking to me about evolution. He said so much changes. In the financial planning world on a daily, weekly, monthly basis.

[00:16:38] But we as planners have evolved too, we get better every day. You know, he was comparing it to, uh, well, I was comparing it cause I was trying to help write something, comparing it to like the playbook that a coach has early in his career. It might be three or four plays. But the longer he goes in his career, he begins to have a whole volume of plays.

[00:16:55] So you guys are like the bill Beche of, uh, of advisors [00:17:00] at this point. And you have a team of be checks around you, I guess I can say that. Cuz Paul's a, Paul's a big Patriots fan. So, you know, Cleveland Browns, Cleveland Browns, brownies. I won't, I won't forget the Browns. Yeah. But you know, to your point though, Matt, it's, it is true.

[00:17:12] But if you. You know, once again, you're, you know, everyone listening to this, you know, even if you don't have the right team around you,

there are the experts out there in the community. So, so ask others for help and, and do a lot of reading. You know, for me, a lot of people that are on our team matter, people that I have.

[00:17:30] Met because they've written articles over the course of my career. I pick up the phone, I say, Hey, I love what you put together. And, and they get added to my team of experts. And so certainly be curious, you know, um, you know, approach this with a sense of curiosity, but your C should be around, how do you meet the right people?

[00:17:48] And, and, and Dan Sullivan wrote a wonderful book it's called who not how. And so, so don't worry about how to build a family officer, how to work with wealthy people, find the right people, the people that can. Be

[00:18:00] that team around you that brings the right support at the right time. And so I think that my experience has been Matt, that many advisors don't spend enough time surround themselves with the right experts who can once again, be there at the right time with the right answers.

[00:18:13] And so if I were to start this all over again, if listen to someone listening to this, it's all about getting that team around you both internally and externally. That's what's most, I. And whether you're a coach or an advisor or an expert, you're always constantly evolving and learning. One of my favorite, uh, stories about coach K was, you know, he'd been somebody that always employed a man to man defense as his career evolved later in his career, he went to watch Jim bay Heim's practices to learn how the two, three defense.

[00:18:41] Worked. And he began to implement it later in his career. And I, I always find it amazing when, you know, they say you can't teach an old dog new tricks. I disagree with that. I think we're always evolving as people and as an advisor, as someone with a great team around you, with the integrated family office, you're always looking to, to add new capacities and new [00:19:00] capabilities to what you're doing.

[00:19:01] You know, Matt, great point, maybe in addition to also having the right teammates around you get a good mentor. And so, you know, for those who do know the bill Belichick story, he had some amazing mentors in his life that guided him along. And then certainly, you know, like any, any great coach or, uh, Or person that's in a position of power.

[00:19:18] They wanna be mentors to others. So I love what you just said there. In addition to building the team around you, get out there and find someone in the wealth services community. That's done family, office planning and work

with people and families that have really complex financial needs. And so, you know, get that person as an advisor on your team and that'll certainly accelerate your growth exponential.

[00:19:38] Now I've been covering the wealth management industry on the media side for over 25 years. And it was interesting because the family office concept isn't necessarily new, but sometimes it was a service that was really reserved for the ultra ultra wealthy, you know, somebody with a quarter of a billion dollars.

[00:19:55] How are you able with the integrated family office to bring this to [00:20:00] the, the wealthy and bring this to the high net worth individual? , you know, it's, and it's funny if you talk to 10 different people and ask them, what's the appropriate client for a family office, you get 10 different answers. And so I think that there's certainly core financial planning for, for, for people in, in individuals and families.

[00:20:18] And then we call it the complexity curve, math. So as someone goes up that complexity curve, and what I mean by that is their wealth is becoming larger and more complex. Maybe they own a business or a, a complicated inheritance, something like that. But then on the other side, they've got their family dynamic becoming more complex.

[00:20:35] So when you put the, the complex family dynamic together with maybe a complex financial life, then you know, something they're kind of ringing that bell to at least investigate what an integrated family office would be all about. And so some of the terminology out there, Matt would be like a virtual family office.

[00:20:50] So that's where you can get the services of a family office, maybe at a. A little bit lower net worth level. Certainly the need, the desires there for the proper planning and the [00:21:00] family dynamic may be all over the place, but, but maybe they don't quite qualify or maybe you don't want to pay the fees for that full integrated family office experience.

[00:21:08] And so virtual family offices are out there. But then, you know, once again, um, for me, Matt, I think that once that wealth begins to get, say past 50 to \$75 million, that's when I think you can truly look at an integrated family office experience in, in the fees that come with that I wanna be careful and say that these are not.

[00:21:28] You know, run for nothing. So there are fees that are assigned to an integrated family office and bringing all that talent pool in the door. So I would say if you had to use kind of a, a quick test it's around that 50 million, uh, number together with a family that's somewhat more complex, you know, and that's when they do appreciate the.

[00:21:47] The functionality. And, and once again, that hyper organization that you can get with that team and that approach, that's kind of where I would say it's appropriate for right now. [00:27:00] This has been an amazing conversation, Paul, um, I know my big takeaway is that wealth creates opportunities and opportunities for impact, and to leave your deep and lasting impression on the planet.

[00:27:12] And the integrated family office gives you the, uh, gives you the, the fuel to then do those kind of things for yourself. What's your big takeaway here from today's convers. Uh, I just, I always love talking to you, Matt. And so, you know, it's funny. Um, what's called a high quick start. So as I, as I think, and talk to people, my brain's always firing with new things we could be doing.

[00:27:31] And so that's why I love spending time with you and talking with you. And you've got a unique way of looking at what it is we are doing as a firm. And so I. You know, it just makes us all better. And I even know you with your experience in the industry. You're amazing who, you know, and how you've connected us with some of the most amazing mentors for us.

[00:27:47] Think about that, Matt, for instance, you've connected our firm to your network of people that you know, and so all that just makes us better and better. So that's what I take away from this is every time I talk with you, my brain is, is firing with [00:28:00] opportunities and things. We can go. Oh, yeah, it's, we're both high quick starts, which is why we need other people on our teams to, to sometimes play the breaks for us.

[00:28:07] But, you know, you know, I always like to end every one of my conversations with a question from CJ. So he and I had a great chat today as well. I was driving him over to camp, um, about saving money, uh, which I confess to him, you know, is something I know I've always struggled with at times. Uh, but he asked me.

[00:28:24] To ask you what inspired you to save when you were 10 years old? Were you good at saving money? Then what advice do you give your grandkids today about saving. I love it. CJ's always got the best questions, you know, I

think as I said earlier, Matt, my parents were very good savers and they taught us to be very good savers.

[00:28:42] And so I think that you know, that has certainly served me well throughout the course of my life. But in terms of what inspired me to save when I was 10 years old, I think that far back, I always had paper else when I was a young kid, me too, but I always had something, oh, ego. So I always had something I was saving to towards, in other words A baseball card or remember I wanted this new bike.

[00:28:59] That was my big [00:29:00] thing. Um, so I think, you know, I think for, for any 10 year old out there have saving goals, what are you saving towards? What do you want the money to, to, to be used for in the future then in terms of, you know, being good at saving what we teach our grandkids? You know, one thing that I always did with my son, uh, Matt, from when he was very young is that we, we taught him how to calculate 20% of any.

[00:29:22] Okay. And so if he got a \$10 gift from someone, I would teach him how to, you know, what is 20% of that Dan? And he would say \$2. And so, so the one thing we did, which we had fun doing was this idea of, could he calculate 20% of any number with a pad of paper in his hands? And so what we were starting to do was get Dan to realize whatever you get for money, be it a gift, or you earn it yourself, put 20%.

[00:29:45] Okay. And so it's something that was done with me as a kid, something I passed on to my son and now my two oldest grandchildren are seven and five. And so we've already started doing that with a seven year old. And so I'm sitting here right now telling you my seven year old can look at any number of [00:30:00] any size and can tell you right away what 20% of that number is.

[00:30:03] Okay. He's kinda learned to move the decimal point times two and he's off and running, but he takes great pride in doing that. And the five year old's right behind him. And so, so no matter when they do get money, Matt, what we've taught them to do in our, our son does this. And Dar LA is. Take 20% of it.

[00:30:19] Let's put it away in either a piggy bank or they each have these little savings bank accounts that they all have. And so, and then they each have a savings goal. You know, they wanna get these big into Pokemon right now. So saving for a Pokemon card and, or, or other things that they want to do. And so I think that.

[00:30:34] You know, teaching children how to break money up into different pieces. You know, this money, this amount has to go for savings. This amount maybe has to go for taxes, wherever it may be, but teaching how to break money up in pieces really important and, but have fun with it. You know, it's, we have a lot of fun with this whole thing.

[00:30:48] We always had fun with our own son. And then the last thing I'll share with you too, Matt, where, which we're bringing beginning to our seven year old is getting him involved. When we look at how we give our wealth away to charities. Okay. So, you [00:31:00] know, using a family foundation and what cherries are important to us, that's a wonderful way to start to get your children and your great grandkids involved in your wealth.

[00:31:08] Because you know, right now, sitting here talking to you, our son daughter-in-law and our oldest grandson. They know what's important to my wife and I in terms of our charitable giving and they understand why these are important to us. And so we get together a couple times per year. We look at the foundation, our little seven year old does some calculations for the values.

[00:31:27] And then we talk about what we wanna do with our wealth going forward. And so I think that not only about teach CJ, not about how to save money, but what are percentages of money that he should be saving. And then. What do you wanna do with your money going forward and always involve some active giving mat.

[00:31:44] So whatever the money amount is, put it away in a piggy bank and then decide how much should go to help another person out. And I think that certainly has served our family very well. We talk about that here in the house all the time, the, the act of giving with the three Ts, your time, your talent and your [00:32:00] treasure, and getting folks getting to understand, even when, you know, it might feel like a small amount that you're giving, you know, it is, even if it's modest in the grand scheme, it's big to you.

[00:32:11] And that is important. And you know, when you can't give with money, giving with your time is important too. So he's starting to get at an early age. I hope, I hope he, I hope it's re. He's smart on the both of us. So I'm not worried about him. Paul. Thank you so much. It's been a great conversation. My friend, Matt.

[00:32:27] You're the best. Thank you. Thank you. Hey, and thank you to our audience has been another great episode of perfectly integrated. Please join us again. Next time for integrated partners. I'm Matt Ackerman.

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