

[Guest Post] Freedom Fighter Interview #21 - Ground ZERO, with Zachary

Today we have a special post from Zachary, who is still in college, but is already planning his path to financial independence. Zac had reached out to me after reading the blog for a few days looking for advice and direction on his path to financial independence. Not really being in the business of advice, I shared with Zac some of my favorite websites I turn to for ideas. I also outlined a very generic path to get his juices churning.

After several emails we agreed that it would be cool to start a new series that would cover Zac's plan and progress to financial independence. What is really awesome about Zac, is that he is already thinking about this stuff while in college. Most of us, if we are lucky, start thinking about this stuff immediately after college. He is also taking advantage of our country's ROTC program to pay for college and works on the side to fund his savings goals. Unlike most coming out of college with a black cloud of student loan debt, Zac plans to leave college with ZERO debt and \$10,000 in the bank.

Our goal is to check in periodically with Zac to see how he is progressing on the goals he has defined below. These check-ins will likely be semi-annually, but will be based on Zac's availability and progress to report. Being that Zac is going the ROTC route and will be required to serve a minimum 8-years, I would encourage Zac to check out Doug at [The Military Guide](#), where Doug has created the resources to help military personal achieve financial independence. Doug retired himself at 41 after 20 years in the US Navy, so he knows what he is talking about.

With that I will turn it over to Zac to share his story and goals.

For most of my life, I have considered financial independence a goal unavailable to me—something a select few could reach, but not one that I even had a chance of achieving. Over the last year, though, that has changed. This shift did not come

about as a result of a new, high-paying job, an inheritance, or some other unexpected windfall, but rather because I enrolled in college. Although by and large a cost center for most students, a combination of my university's Army ROTC program, a willingness to spend more of my time working, and a determination to get my finances in order has turned this pursuit into a lucrative enterprise for me as I enter my sophomore year.

For those unfamiliar with the Army or the Reserve Officer's Training Corps, anyone can become an enlisted soldier, but becoming an officer means going through one of three programs: either enlist and then finish Officer Candidate School, go to a service academy such as West Point, or take part in ROTC during college. Some prefer one route over another, and I have friends who have taken each; I chose the third. In return for signing a contract agreeing to full enrollment in military science courses while in school and eight years on active duty, reserve status, or some mix of the two after I graduate, the Army pays for my tuition, books, and gives me a stipend each month depending on my academic level. On top of this, my school's ROTC program also offers me several scholarships which, together, cover the cost of housing, and often leave me with some extra money at the end of each semester as well. When I graduate, I will do so with a Bachelor's degree in Computer Science and Information Systems, a dual minor in Math and Military Science, zero debt whatsoever, and job security for the next four to eight years at a minimum. In a fiscal sense, then, even ignoring the perceived or future value of a degree and looking at my financial situation from a numbers standpoint, college is an atypical net-gain for me.

Also contributing to my financial stability, my dad gave me a 2009 Subaru Forester when I signed my contract with the Army. While in high school, he made a deal with me: if I got my college paid for, he would give me his old car. Although not entirely altruistic, because he did use this as an excuse to get the new truck he had wanted for years, the end result was the same: I now had a reliable vehicle valued at around \$10,000 according to Kelley Blue Book, and no car payment. Had I not gotten my car this way, I planned to buy a vehicle with the ~\$2,000 I had saved for this purpose; as luck would have it, though, I ended up spending that money in repairs anyway when I slid off the road late one wintry night.

With tuition, housing, and my car payment out of the picture, I cover my other expenses with several part-time jobs, each for just a few hours every week. I put in a few hours at my school's mineral museum as a tour guide, build and maintain websites for several of my professors, work for my girlfriend's dad on the occasional

IT job, and manage the website of the painting company I work for during the summers. Together, these tide me over during the school year, allowing me to keep from having to dip into my savings.

Having taken care of the necessities, I turned my attention to long-term financial security. To better understand where I hope to go, though, I feel you should know where I started as well. So although I did not buckle down and form a plan until the spring of 2015, I want to start about two years before that.

I began working full-time when I turned eighteen, in the summer of 2013, for a local painter. Having never had a steady job before, I earned what felt like an incredible amount of money during those three short months. And without any significant expenses outside of around \$110 a month for car insurance, I managed to put away most of what I made. When the fall 2013 semester started and I went back to school, the part-time jobs I mentioned earlier allowed me to get by without having to dip into my savings account. This lasted until I ended up in the ditch late one night courtesy of the winter's last snow, which set me back around \$2,000. As luck would have it, though, the semester ended a few weeks later and I returned to work.

When I returned to full-time work and a raise in the summer of 2014, I continued to squirrel money away; this put me in a great spot going into my freshmen year of college, in the fall of 2014. By now, some four months after my accident, I felt somewhat comfortable in my financial situation. Although the vehicle repairs had almost drained my savings, a season of long weeks and steady paychecks had given me some breathing room by the time school started up again. I also contracted with ROTC soon after the semester began, and so between the stipends I received as part of that deal and my on-campus jobs, I decided to start out by saving 10% of my before-tax income. Once more, I kept this up until the end of the semester: I had built a moderate financial cushion, but a few unexpected expenses snuck up on me; back to square one. When school rolled around again in the fall of 2015, after an entire month traveling to Asia with ROTC sandwiched by four weeks of work on both ends, I managed to end up where I had left off at the end of the last academic year. I played catch-up for almost the entire summer; from a numbers perspective, I had spent the whole season spinning my wheels. Something had to change.

A few weeks before I went back to school, I sat down and made a note of the money I had managed to save over the course of the summer. Between this figure and

what I expected to earn during the school year, I decided I would make putting away at least \$2,500 per year my goal. I had managed to put away \$2,000 over the past summer alone, so this seemed realistic. Extrapolating from there, then, I came up with the plan outlined below. Because my life will revolve around an academic calendar until I graduate in 2018, I based this around semesters and breaks rather than months, quarters, or some other measure of time.

Fall 2015 Semester Goals

- Save wherever possible. Work towards goal of \$5,000 saved by the end of the Spring 2016 semester.

Spring 2016 Semester Goals

- Once semester ends, I want to have accomplished these fiscal goals:
 - \$5,000 in savings account, minimum
 - \$250 in checking account, maximum

Summer 2016 Goals

- Upon completion of summer, as of the first day of the Fall 2016 semester, I want to have accomplished these fiscal goals:
 - \$7,500 in savings account, minimum
 - \$250 in checking account, maximum

Fall 2016 Semester Goals

- Set up investment portfolio

Spring 2017 Semester Goals

- Bolster investment portfolio

Summer 2017 Goals

- Upon completion of summer, as of the first day of the Fall 2017 semester, I want to have accomplished these fiscal goals:
 - \$10,000 in savings account, minimum
 - \$250 in checking account, maximum

Fall 2017 Semester Goals

- Save and prepare for commissioning

Spring 2018 Semester Goals

- Save and prepare for commissioning

Before moving on, I want to make a few points about this outline. First, you may have noticed that for the fall 2015 and spring 2016 semesters, most of my money will go towards my goal of saving \$10,000; this flies in the face of the directive I just outlined, but for good reason: I had no choice but to shake the agenda up here due to the unexpected expenses I mentioned earlier, and the trip to Asia with ROTC. The first drained my funds, and the second cut down on the time I had to work during the summer. As a result, I had to compensate by cutting back in a few areas to make up for that shortfall. By the time the spring 2016 semester ends, though, I plan to be back on track so that I can work towards my goal of having \$7,500 put away before the fall of 2016. From then on out, I will put the money I earn during the summer towards my savings, and use whatever I can take home during the

school year first for building a small investment portfolio, and second to prepare for my commissioning as an officer in the United States Army.

I would also like to explain my process for deciding on the figures I laid out in the outline above. I have two financial goals for the rest of my college career: first, to graduate with \$10,000 in my savings account, and second, to do so with a burgeoning investment portfolio behind me. I did not choose the first number for any other reason than because when I created this list, I had averaged a savings rate of around \$2,500 per year. With \$2,500 in my bank account already and three years of college left, this gave me the \$10,000 figure you see above. For a twenty-something leaving academia and heading out into the world in particular, I think this is a great goal.

To come up with the static goal of \$250 in my checking account after each milestone, I looked at the amount of money I averaged every two weeks during my summer job and cut it in half. With a ~\$550 paycheck every two weeks and a self-imposed limit of no more than \$250 in my checking account at any given moment, I could spend no more than half the money I earned before getting paid again. This forces me to save at least 50% of my income, and oftentimes much more than that.

In the fall of 2016 and spring of 2017, I intend to work toward my goal of setting up a small investment portfolio. Once the summer of 2017 rolls around, I will shift my focus to the final \$2,500 needed to reach \$10,000 in my savings account. For the last two semesters before I graduate, I plan to set aside anything I do not have to shell out for uniforms or other expenses related to my commissioning in the Army. I do not expect these costs to come anywhere near my income during this time, though, so if I can mimic the first two semesters on my plan and put away another \$2,500 during the school year on top of the \$10,000 I will already have saved, I will. I could also use this money to bolster my investment portfolio, though, so I will not commit one way or the other just yet: when it comes time to make this decision, I will weigh the pros and cons of both routes, and make my choice then.

As far as longer-term goals go, I plan to finish the mandatory part of my military service with as little debt as possible. This means no student loan debt for both my girlfriend and myself, no car payments for either of us even though we will have to buy at least one new car soon, and a sizable chunk of money set aside for a hefty down payment on a house. I would prefer to spend those years paying a mortgage as far down as possible, but decided against this route for two reasons: first, in our twenties, neither of us have the experience to pick somewhere to settle down with

any real hope of staying there for long. I have traveled across the world and all over the United States, but she has not; I do not want to make such an important decision before we both have the knowledge to agree on where we would like to spend the rest of our lives.

Perhaps even more important than our unwillingness to tie ourselves to a single location at such a young age, my career in the Army will have us living in many locations. We might fall in love with a house in our home state of Ohio, only to have the Army order me to Nevada two months after signing the mortgage. It just doesn't make sense for us to buy yet. That does not, however, mean that we cannot prepare now for the inevitable day when we do decide to settle down; I plan to do just that.

Once I finish those eight years of mandatory service, I will have the opportunity to decide between continuing in the Army and getting out in favor of another route. I grew up an Army brat, though, and I love the military; I have every reason to make a career out of it even without the financial incentives: after eight years, I would only need another twelve to retire around age forty-five with a full pension and health care benefits until the day I die. In today's economy in particular, that's a fantastic deal. Unless something happens and that door closes to me, then, I have every intention of taking that route.

Eight years is a long time, though; I may have changed my mind by the time I have to choose between renewing my contract with the Army and getting out in favor of another path. That's why I plan to work so hard towards achieving financial independence before I must make that decision: by taking concerns over whether I will have enough to cover the next round of bills or a down payment on a house out of the equation, I will have the opportunity to weigh the pros and cons of both routes as they relate to the best next step for my family's future rather than my debtors'. Over the next seven to eleven years between college and the Army, I will work to achieve this independence; when that day arrives, I will have the opportunity to take my life in a new direction if I want, or stay the course. And whichever I choose, I will pick without concern for my future income.

I have spent a long time talking about how good I have it, and for good reason: I got a great start to life in every respect, and as you can see here, in a financial sense in particular. After going on for so long about this, though, it would be disingenuous of me not to share some of the challenges facing the clear-cut strategy I outlined above.

First, I cannot count on making much during my primary money-earning season. During the summer of 2017, for example, when I hope to earn the last \$2,500 towards my goal of \$10,000, I will have to spend around a month in a mandatory training program for third-year ROTC Cadets. Just this past summer, I spent an entire month in Mongolia on a deployment with ROTC, which cut my available work time by one-third. Although I did get paid well for the trip, that is not always the case with the Army: I have heard many stories from other Cadets who received less than their Human Resource Administrator promised them or, in some cases, nothing at all. So often in this program, we find ourselves holding our breath as we open our paychecks. Balancing this out, though, is a great job as a painter working for a fantastic boss who I would have no qualms about calling my friend. He hired me as soon as I turned eighteen, treats me well, and does such a great job accommodating my schedule that it still surprises me even in my fourth year at his company. This is a tremendous advantage.

On the flip side, though, I have a voracious thirst for outdoor gear. I love camping, hiking, and almost anything else that gets me outside and far away from civilization. I despise canoeing, but I still spent a week canoeing in Canada a few years ago just because the trip took me so far into the interior that for the majority of the trip, my group did not see another living soul. Outdoor gear gets expensive fast, though, and this has proven a reliable drain on my financial resources as I search for the best equipment to take out into the wild with me. I do have this under control, and I stick to a strict budget, but the vast majority of my disposable income does go here. Call it a first-world problem if you like, but the ever-present draw of just a little more in my discretionary spending fund does call to me every time one of my favorite outdoor sites reviews a new piece of awesome kit.

Before I die, I want to hike the Appalachian Trail, go to the boundary waters, spend time in the Canadian backwoods again, travel around the United States, and see more of the world. I have already visited nine countries across four continents, and more states than I can count, but have seen so little of the world despite what may seem like a lot of traveling on paper. I also started writing a book last year, and hope to finish that someday as well. I'm almost 75,000 words in, but still feel as if I have just scratched the surface of my chosen topic. Ultimately, I want to live out in the middle of nowhere on a farm, leading as self-reliant a life as I can. Although not a lifestyle that demands a lot of cash, getting there and achieving the other goals I went over in this article does: it is for this reason that I have decided to pursue financial independence, and the reason I reached out to Mr. GYFG a few weeks ago.

You have now seen where I came from, where I am now, and where I hope to go in the future. Over the coming months and-if all goes well-years, Mr. GYFG has agreed to have me back to write about my progress towards these goals, as a way to hold myself accountable while also entertaining you, his readers, as well. This is the beginning of my journey towards financial independence, and the start of the rest of my life. Three years from now I will graduate college and head out into the world; until then, I will do everything I can to set myself up for success.



Gen Y Finance Guy

Hey, I'm Dom - the man behind the cartoon. You'll notice that I sign off as "Gen Y Finance Guy" on all my posts, due to the fact that I write this blog anonymously (at least for now). I like to think of myself as the *Chief Freedom Officer* here of my little corner of the internet. In the real world, I'm a 30-something former C-Suite executive turned entrepreneur turned capital allocator. I am trying to humanize finance by sharing my own journey to Financial Freedom. I believe in total *honesty* and *transparency*. That is why before I ever started blogging, I decided that I would share all of my own [financial stats](#). I do this not to brag, but instead to inspire motivate, and also to hold myself accountable. My goal is to be a beacon of hope, motivation, and inspiration for *you*, the reader, by living life by example and sharing it **all** here on the blog. My sincere hope is that you will be able to learn from me - both from my successes and my failures! [Read More](#)