

Debbie Freeman

I was raised 2,035 miles from Wall Street. My parents are included in the 45% of Americans who do not own stocks. Witnessing their struggles and sacrifices was not always easy, but it ignited a permanent desire in me to have options. I learned early that it is almost impossible to plan for the future when you are bogged down with worries of today. Ultimately, these lessons became the foundation of my relationship with money and have shaped how I invest.

I have never been afraid of debt when used wisely. The local bank loaned me \$5,500 for my first car in high school. Student loans funded my higher education. Debt is what gave me the first glimpse of independence. I had a car, an acceptance letter and a way to pay for it. This is not to say that I did not make mistakes with debt along the way, but I certainly learned quickly.

I still use debt responsibly. I have a mortgage on my home, and I have a student loan payment. The student loan is at 1.74% interest, so I have never had any desire to pay it off early. I view my education as the greatest investment I could have made in myself. The ROI on that decision has been immeasurable. The mortgage is at 3.375%, but the after-tax cost is lower. My mortgage is less than I would pay in rent and I have participated in the booming Denver real estate market for the last thirteen years. I view my home as an investment in sacred family time and my sanctuary away from the rest of the world. Taking advantage of financial opportunities when they present themselves, in this case with low interest rates for both my home and education, has been at the core of building my financial independence.

I have a Roth IRA where I invest in individual equities. I typically buy companies I understand and use in my own life. I am part of a powerful demographic: the working mother. You can bet that working moms have found the longest lasting, most efficient products out there. I choose to own individual equities in this account because the potential upside will never be taxed. Asset location is one of those tools that we can use and control.

My first experience with stock picking happened in high school. I was a 15-year old server in a coffee shop on weekend mornings. I loved that job. People are the friendliest around breakfast time. One of my regulars, Roy, would come in every weekend with a paper in hand. He would tell me stories about growing up in Montana, then moving on and seeing the world from his home base in California. He recognized that I wanted to experience more than my small town. Each weekend, he would have me choose a stock from the newspaper. I had to look up the quote, research the company during the week, report back to him the next weekend and check the stock price again. He loved seeing what stocks I would choose. I thought it was just a fun game, but he nurtured my interest in finance. I credit Roy for helping me ultimately choose my profession as a financial planner. I wrote to him after receiving my master's degree and thanked him. Each time I add a new stock to my Roth IRA, I think of Roy.

I also have a SIMPLE IRA. This is invested in the models we create for our clients. This is ingrained in my culture at the firm and I would not hire someone to manage my money if they did not invest at least some of their own money the same way. I contribute every month and my firm has a match. It is a mixture of ETFs and mutual funds, and we are active in adjusting the allocation. I invest every month, regardless of market conditions. I know I will be rewarded for starting young and allowing compound interest to work in my favor.

My SIMPLE IRA is not sexy or worth talking about at dinner. It does, however, provide intangible benefits beyond saving for the future. I am so privileged to get the opportunity to participate in a company plan. I am grateful I can afford to contribute every month. I wonder how my parents would have felt if they had been able to save anything for retirement. Better yet, what if they had worked at a job that even

offered a retirement plan and an employer match? This boring account is much more than a monthly deposit. To me, it holds the promise of choice tomorrow and provides a sense of well-being and gratitude today.

The largest component of my savings (usually around 10% of my pay) goes into an online savings account. This funds my annual equity purchase with the firm. I have to admit, this can be difficult some months. I am a divorced mom, building a life for myself and my girls. Putting aside this much, especially with after-tax dollars, can be a struggle. I feel pride each year when I write that check. This is an investment in me. This is an investment in the success of my clients. Every dollar of that buy-in shows my daughters that women not only belong in finance but that we can thrive in it.

Recognizing that higher education was the greatest investment I ever made, I opened 529 plans for both of my girls when they were infants. Those are managed by Vanguard and I contribute monthly. It is unlikely I will save enough to cover all their higher education needs, but I am at peace with it. It feels right to me personally to have them contribute in some way. Even if my financial situation changed substantially, I would still like them to approach college with some skin in the game.

The last component of my savings and investing habits is my absolute favorite. It is my monthly deposit into an online savings account exclusively for a dream vacation when I turn 40. I am just like many of you; big plans to live the life we crave take discipline and planning. However, many people do not commit to getting it done. Not me. Not anymore.

You see, I lost my brother to suicide in 2014. Although this experience has been unimaginable, you go through a tremendous amount of growth and evolution after these types of events. One thing I realized was I had spent the first 34 years of my life doing everything I was supposed to do. I studied hard in college. I have worked hard my entire life. I got married and had babies just like I was raised to believe I should do. What I did not do was take time to grow through travel and adventure. I didn't spend spring breaks in Mexico or travel extensively before having kids. Some of that was limited by budget, but it was also limited by this duty to follow the expected course. Losing Joe was a true awakening. It taught me that life is not just about the next big milestone. It is also about enjoying the moments in between. So I save for those experiences I want to do now: summer vacations with family in Montana, Hawaii at forty, Paris when my oldest turns sixteen, Everest basecamp when my daughters are in their twenties. I'll never get there without making it a priority with disciplined savings.

We all have a different roadmap for investing. I have always approached my investments like I approach life. It takes effort and the acceptance of risk to change your circumstances. Be willing to act when financial opportunities present themselves. Be consistent and disciplined with your long-term goals but do not get so fixated on the future that you forget to enjoy today. Keep a positive perspective and trust your instincts. Finally, never underestimate how fortunate we are to have these choices. Having options and a little bit of luck are the key to financial security.

“You have exactly one life in which to do everything you will ever do. Act accordingly.” – Colin Wright