



# Wealth Matters Newsletter

June 2017

## Investing in Memorable Experiences

Financial envy is even more of a thing now than it was back in 1913 when cartoonist Arthur R. "Pop" Momand debuted the comic strip "Keeping Up with the Joneses," which centered on the misadventures of Aloysius P. McGinnis and his family, who were always trying to keep up with their never-seen neighbors, the Joneses.

Today, we not only have television shows displaying lifestyles of the rich and famous, we're punched with images and status updates in social media, too. We not only see the "Joneses" on television, but we are likely connected on social media to colleagues and friends who post frequent photos and statuses about their new luxury car, boat, or 3-carat diamond ring.

Though we may think the grass is greener at the Joneses, we have no way of knowing whether that snapshot is a true picture of "the good life," or a depiction of living beyond one's means.

One 2016 study of household debt in America shows the average household has debt balances totaling almost \$17,000, and the average household with any kind of debt, including mortgages, owes nearly \$135,000.

Most people pursue happiness and there are economists who assert that happiness is the best indicator of a society's health. In that pursuit, some folks assume if we spend money on an object, we will be happier longer because that item lasts longer than say, a one-off experience like a vacation or a concert. According to recent research, though, that assumption might be incorrect.

That same study showed buying things makes us happy, but only briefly. Its continual presence makes it fade into our surroundings. The study also showed that among those surveyed, people's satisfaction with buying things decreased, while those who spent money on experiences showed increased satisfaction over time. That is because experiences tend to become embedded in our identity.

There are at least two tactics we can employ to enhance and prolong our enjoyment of spending our lifestyle expenses: spending on experiences, not things, and savoring those experiences.

The good news is that there are techniques you can develop to savor your experiences and amplify the happiness you derive from them. Researchers have identified four common strategies for relishing. You can use one or combine tactics.

1. **Build your anticipation of your experience or trip.** Talk to family, friends and/or coworkers about what you will be doing or where you are going. If you are traveling with a group, get together with them and learn more about the destination or adventure and plan your activities. During your gathering, immerse yourself in the culture by eating foods and listening to music from the area where you are planning to travel.
2. **Stay present and fully appreciate what's happening.** Do not observe everything around you from behind a camera lens or phone camera, or constantly be texting or on social media. First, take in and really absorb everything around you. Savor the experience, the landscape, the city skyline—whatever it is you are in or doing. Afterward, take time memorializing everything; purchase a quality keepsake from your experience, take pictures, write in a journal, post your adventures on your social media accounts. Choose a unique hashtag for your trip/adventure and share it with your family and friends. When you are back home, look up your hashtag and follow the chronology of your trip and see all the things people said about your posts.
3. **When you get home, reminisce, relish, relive.** Get together with your travel mates and share stories, photos, and souvenirs. Place your keepsake where you can see it and recall memories of your trip/adventure. You also might consider putting up a photo or postcard in your home or office, or changing the image on the home screen on your phone to one from your adventure. Read a fiction or nonfiction book set in or written about the place you visited.
4. **Talk about and share with others at every stage of your trip/adventure.** By sharing at every stage (anticipation, experience, reminiscence), you prolong and enhance all the things you enjoyed about your trip/experience. While you are on your trip, talk with your travel mates at each meal about favorite moments. Sharing also could mean talking to others, writing or blogging about it, or posting visual and written snapshots on your social media accounts.

These ideas help prolong your experience and make it bigger than life, which ultimately makes you feel as though you have gotten the most out of your investment, whether you spent \$300, \$3,000 or \$30,000 on your experience.

If you have any questions or would like to discuss any financial topics, please call us at 913.814.3800.

Sources Available Upon Request

## **Simple Tips for Ramping Up Your Retirement Savings**

No matter where you are in your life, saving for retirement is likely one of your most important financial goals. But, even if you have professional guidance and a clear strategy for your desired future, you could still be missing some straightforward ways to maximize your savings.

The reality is: Most people do not save enough money for retirement. In fact, the National Institute on Retirement Security estimates that Americans have at least a \$6.8 trillion gap between the amount they have saved and the amount they need. Alarmingly, they found the gap could be as high as \$14 trillion.

We are always here to help you address major life events and financial changes, but we also want to share some simple ways to increase your savings now.

### **Reevaluate Small Budget Items**

Changing major aspects of your budget — such as your housing or healthcare costs — can significantly impact your savings potential, but may also take time to implement. To start saving more today, look at the little places where you spend money and see where you can trim your expenses. For example, do you eat lunch out every day or throw extra things in your cart during shopping trips? Do you have entertainment packages you aren't really using, such as cable TV or online memberships? Saving a few dollars each day can add up to thousands of dollars over a year, which is money you can put toward your retirement.

One way a Searcy team member does this is by ordering groceries online. By making a list and only putting those items into an online shopping basket, it can help reduce impulse purchases and really help out with budgeting. Her family also found they were only using the streaming portion of their Netflix subscription but still paid for the monthly DVD service. Removing that DVD component was small, but small savings can add up to make a big impact.

### **Remember to Imagine the Retirement You Desire**

Effective retirement strategies often focus on building a clear vision of how you would like to spend life after your career. As you go about your daily life and make financial decisions, how often do you reflect on this vision? Rather than only thinking about your retirement goals during financial reviews or major choices, start incorporating this picture into your regular decision-making process. For example, each time you make a purchase, ask yourself if you'd rather have this item or put the money toward the retirement you desire. You may discover that by grounding each purchase in this way, you spend less on items you don't really care about — and have more money to put toward the retirement you've dreamed about.

If waiting to complete your career to retire doesn't sound like the life you imagined, check out Marc Shaffer's blog post "Thinking Differently About Retirement." Just because we're talking about saving for retirement doesn't mean that retirement has to be some far off dream.

### **Capture Your Employer's Full 401(k) Match**

U.S. employees lose \$24 billion a year by not saving enough in their 401(k) to claim their company's full matching contribution. Many companies require a minimum contribution from the employee in order to earn the full employer match. If your employer matches a portion of your retirement contributions, make sure you contribute at least enough to claim what is essentially free money. And if you are age 50 or older, remember that for 2017 you can contribute an extra \$6000 each year to your 401(k) on top of the \$18,000 annual limit.

Jessica Searcy-Maldonado suggests another way to help save more in your 401(k) is to increase your savings amount by 1-2% every time you get an increase in compensation. This could be during your annual review, promotion, or any other time you see an increase in your income. By making the savings increase at the same time, you are less likely to "feel" it because you don't become accustomed to living on a larger paycheck before making a change.

### **Invest Additional Funds**

When you receive unexpected money such as a bonus, tax refund, inheritance, or other financial windfall, spending the funds can be very tempting. Instead, if you choose to invest this money into your retirement, you can boost your savings without affecting your current bottom line. In addition, if you put a bonus into a 401(k) or IRA, you may also enjoy tax benefits and not owe anything until you withdraw the funds.

Saving for retirement is a big responsibility, but it does not have to be a burden. With these simple changes — and support from professionals who care about your future — you can focus on creating a lifestyle that matches your dreams. We are here to help you at each step, so please let us know if you have any questions about these tips or the bigger strategies guiding your retirement.

Sources Available Upon Request

## AROUND THE OFFICE



### Community Involvement

We are excited to help sponsor The Arts & Recreation Foundation of Overland Park's signature event, Stems, at the Overland Park Arboretum & Botanical Gardens. The event will take place on June 24th from 7:00pm-11:00pm. If you would like to attend, visit <https://www.opkansas.org/events/stems-a-garden-soiree/> for more information. We hope to see you there!

### BikeMS 2017

We are gearing up for another big ride for Bike MS! For the past 6 years we have sponsored a group of bike riders who raise money for MS research and do a 1 or 2 day bike ride from Olathe, KS to Lawrence, KS. This year's event will take place on September 16-17 and we'd love to have you join our team. If you have an interest in riding, email [Cali@SearcyFinancial.com](mailto:Cali@SearcyFinancial.com) for details or learn more at <http://searcyfinancial.com/bikems-team-searcy-spinners>. All riders are welcome, from beginners to experts!

## QUOTE OF THE WEEK



*"The winds and waves are always on the side of the ablest navigators."  
-Edward Gibbon*

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