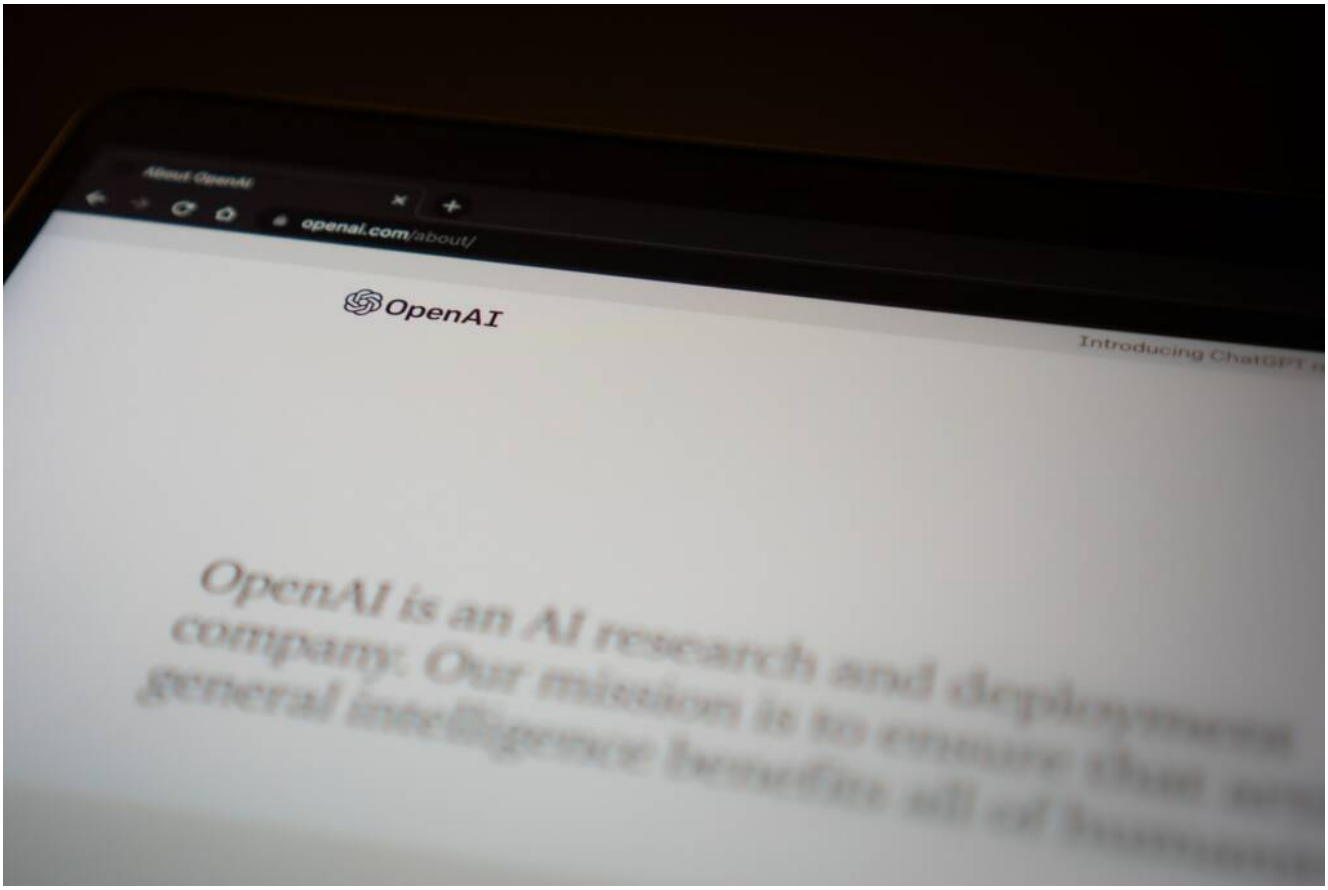
Where does AI Fit In your life?



There’s been so much chatter about potential drawbacks of AI like ChatGPT and Google Bard that many people are overlooking how AI can improve certain aspects of their lives. From automating mundane tasks to performing more efficient internet searches, there are almost limitless applications for these services – if you know how to get the most out of them.

This brief guide to AI will give you a better understanding of what AI can and can’t do, as well as prompts you can try to free up some valuable time at work and at home.

What AI does well.

You’re probably familiar with the most common use case for AI: ask ChatGPT or Bard a question or give it a topic to write about, and it composes a reply of around 500 words. AI is also

very good at summarizing longer text, proofreading, and translating. Another group of AIs, such as Midjourney, can create pictures and songs based on prompts. Computer programmers and website designers can also use AI to generate computer code and troubleshoot errors.

What AI doesn’t do well (yet).

Ask ChatGPT, “Which country won the 2023 Women’s World Cup?” and it replies, “I’m sorry, but I do not have information on events that occurred after my last knowledge update in September 2021.” Some AI can supplement their answers with up-to-date internet searches, but results still need human oversight to check for accuracy.

While AI is good at searching its available databases, finding patterns, and providing basic answers, it doesn’t have the ability to “think” about what you’re asking it. Nuance and context can get lost, as can the need for an emotional response such as empathy or humor. Because it’s just scanning for information, AI also doesn’t really have the ability to judge or make decisions about the information it’s providing. Leading questions with baked-in biases are going to lead the AI to find information that confirms those biases.

Finally, much of the writing AI produces reads like it was written by, well, a computer. Again, AI output needs that human touch in order to speak in your brand’s voice or to reflect your unique personality.

A.I. for Business

Having said that, AI text can still make for a pretty decent rough draft.

Ask AI to write your next blog, email campaign, or a series of social media tweets. For better results, ask the AI follow-up questions or break down long topics into smaller prompts. If you’re a travel agent and ask AI, “Write a blog about why the

Grand Canyon, Yellowstone, and Niagara Falls are good vacation destinations," you'll get about 500 words. If you ask about each place one by one, you'll get about 1500 words to work with.

AI is also a great brainstorming partner. Ask it to help you draft a business plan or come up with blog topics that will appeal to your customer niche.

Entrepreneurs and CEOs who really want to turbocharge growth should consider connecting more specialized AI tools to their marketing and customer acquisition pipelines. Work with a third-party consultant or add a Chief AI Officer to your c-suite.

A.I. for Home

Is your meal rotation getting stale? Tell GPT what's on your usual shopping list and it will whip up a new weekly menu, including recipes.

Not making the best use of your mornings? Ask ChatGPT to help you create a new morning routine with time for eating, exercise, and some peace and quiet.

Need activity suggestions for your kid's birthday party? ChatGPT will give you a list and draft the invites.

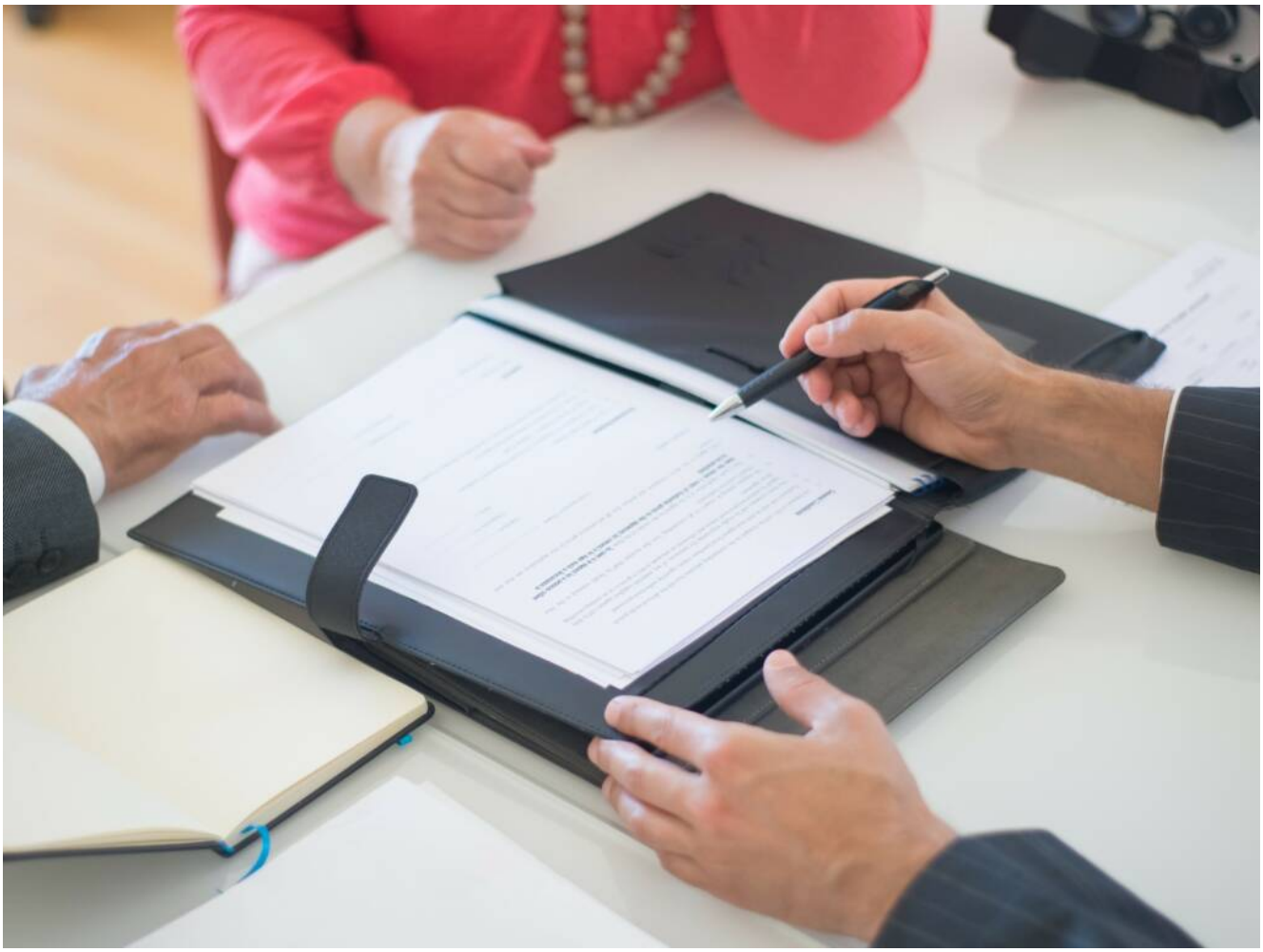
Looking for accurate and up-to-date financial advice?

Step away from the chatbot.

AI might be able to tell you what a Roth IRA is. But it won't be able to tell you how each piece of your financial plan works together to create a better plan for your life.

Let AI handle some of the small stuff. For answers you can trust about the big moments when life and money intersect, give us a call.

Ensure Your Life Wishes Are Granted Through Effective Estate Planning



Legacy planning is often the last piece folks tackle in their financial planning because it’s the least appealing to think about.

Planning for a robust nest egg that will keep you safe, secure, and fulfilled when you stop working? Fun!

Deciding what to do with your assets when you’re no longer around to enjoy them? Not so much.

But if you put off your legacy planning too long, you run a real risk of leaving behind nothing but headaches for your loved ones. It feels like the least important item on your to-do list until it becomes the most important and you can't do anything about it.

Here's a quick checklist that will help you and your spouse outline a legacy plan that will protect your assets, care for each other in the event of incapacitation, and give you both some peace of mind.

1. Create a balance sheet.

Maybe the best way to ease into this process is to set aside emotion for a moment and get the raw numbers on paper.

Start by adding up all your assets, including:

- Real estate
- Personal valuables (vehicles, jewelry, etc.)
- Bank accounts
- Investment accounts
- Retirement plans (401(k), IRA, pension, etc.)
- Business interests (ownership, equipment, etc.)
- Benefits payable upon death (life insurance, Social Security, etc.)

From this total, subtract your liabilities, such as:

- Credit card debt
- Mortgage
- Vehicle loans
- Personal loans

This simple balance sheet should give you a rough idea of your net worth. It will also give you a list of items you'll want to consider passing down to heirs, and a list of debts you might want to work on paying down.

2. Determine what plans you have and what plans you need.

At the bare minimum, everyone should have:

- **Last Will and Testament**, which details how you want your assets distributed to heirs and charitable organizations.
- **Power of Attorney**, which authorizes someone of your choosing to act on your behalf if you're incapacitated.
- **Health Care Directive**, which details what kind of care you want should you become incapacitated.
- **Living Will**, which authorizes someone to make medical decisions for you if you can't, based upon what's stipulated in your health care directive.

Any of these documents that you don't have, you should get working on.

If you have any older versions of these documents that you haven't looked at in a few years, you should review them to make sure they're up to date.

3. Discuss your legacy wishes with your spouse.

Now comes the tough part – filling in all the blanks.

Like every other part of your retirement planning, clear and open communication with your spouse is key. If you're having trouble opening this line of dialogue, here are some questions to get you started:

- *Do we have all our important documents (personal ID, bank accounts, legacy documents, etc.) organized in one place?*
- *Who should execute our will?*
- *Who are our key beneficiaries? What do we want to leave them?*
- *What charities or causes would we like to support with our legacy?*
- *What are our medical wishes in the event one or both of us become incapacitated?*

- *If one of us passes, where will the surviving spouse live?*

4. Meet with professionals.

Again, we understand that these are difficult questions to tackle. Many folks prefer to tell themselves, *"I won't be around, I don't care, the good kid will take care of it."*

Unfortunately, your state of residence doesn't consider this a legal estate plan. If you don't have all your essential documents in order when you pass, the state will settle your estate according to local law. In even the closest families, this process can get really messy once the courts start deciding where your assets will end up.

We believe that part of living the best life possible with the money you have is putting a plan in place that will extend your legacy for years to come, while also making a difficult time a little bit easier on your loved ones. The best way to achieve this goal is to work through these hard questions and then bring a "rough draft" of your legacy plan to us.

If you're not sure where to start, we have a process for thinking through and asking these hard questions with you. We can help finalize any lingering details, facilitate any challenging discussions, and connect you with legal professionals who will make sure your legacy is executed the right way when the time comes.

This article was prepared for Aaron Larson's use.

What March Madness Can Teach Us About Your Financial Plan



Who’s the “Cinderella” team you have busting brackets in this year’s March Madness?

Everyone loves a good underdog story, but the history of the Big Dance tells us that the clock strikes midnight more often than not. There are more than 350 schools in Division 1 men’s basketball. But 60 of the 84 National Championship games played since 1939 have been won by only 15 teams, headed by perennial powerhouses UCLA (11 titles), Kentucky (8), North Carolina (6), and Duke (5). A hot streak might propel a surprise school through an extra round or two of the tournament. But much like a solid financial plan, schools that have consistently built their programs for the long run tend to get the best results.

Here are three more traits of successful teams that can make your financial program a consistent winner.

1. Good coaching.

In the middle of the "madness" are young men trying to make the best decisions on a huge stage under unimaginable pressure. The teams that come out on top usually have a coach who can cut through the noise, bring out the best in his players, and keep everyone focused on the big goal. For UCLA, that was the legendary John Wooden, who won more titles as a coach (10) than any other coach – or team!

For your family, we'd like you to think of us as your "financial coach." You can rely on our expertise and experience to guide you through everything from market volatility to major life transitions. And we can use our WaterRock Way process to reevaluate your financial goals and keep you progressing towards them.

2. Balanced players.

While all-time great players like Kareem Abdul-Jabbar, Magic Johnson, Larry Bird, and Michael Jordan have all left their marks on the NCAA Tournament, no one wins the championship by himself. The best teams have players who complement each other, fill in each other's weaknesses, and give their coach flexibility to adjust to different challenges through every stage of the tournament.

We help folks achieve a similar balance in their financial plans. A diversified portfolio can provide options and some stability when the markets are unsettled. You'll also have more levers to pull if you need to make a major adjustment to your financial plan, such as buying a new home, paying for college, or making an unexpected early transition into retirement.

3. Strong defense.

Does defense really win championships?

According to a 2018 study by the NCAA, a team's offensive efficiency is actually more important to its success in March.

But in 2021, the Harvard Sports Analysis Collective found that the most successful teams also tend to have smaller gaps between their offensive efficiency and their defensive efficiency. In other words, the best teams don't just outscore their opponents, they also have the ability to protect their leads and lock down games when it matters the most.

You can think of earning and investing your money as the offensive part of your financial game plan. Protecting your wealth is the defensive part. In addition to balanced saving and investing strategies, it's common in our planning process to create "emergency buckets" that can cover 6-12 months of your expenses in a pinch. We also tie insurance and estate planning into your plan so that you, your loved ones, and your money are better positioned for life's ups and downs.

Sports contain many valuable life lessons, but your financial planning is more important than any game. And we're confident that our process can help you pursue something bigger than any trophy: a confident financial future.

Plan a Special Vacation to Start Retirement



If you’re about to retire but not really looking forward to it, maybe it’s time to schedule something you will look forward to. Kicking off your retirement with a well-deserved vacation can ease you into this complicated transition and give you a small taste of everything you have to look forward to.

Here are two reasons why you should consider plotting a dream vacation right next to retirement on your financial plan.

1. Avoid “the Monday morning after.”

Many retirees will tell you that the first Monday after retirement is one of the toughest days of their lives. No matter how much you’ve thought about retirement and planned for it with family, friends, and your advisor, those first couple of days without work can be jarring. You might feel a profound loss of identity now that you’re no longer a doctor, engineer, or CEO. You might find yourself staring at a blank weekly calendar, wondering how you can possibly fill all that time. And without the drive to execute important work tasks,

collaborate with colleagues, and provide for your family, you might feel like you've lost your purpose.

Taking a spectacular vacation isn't going to erase all those anxieties. But filling in the first big block on your retirement schedule might lead to you scheduling another big bucket list item, and then another. Planning for the activities ahead will give you something to do; anticipating them will give you more and more to look forward to. Pretty soon you'll be excited about filling in those smaller blocks as well, with things like sports, online learning, volunteer work, or shorter trips to see friends and family.

Taking a big vacation after retirement can also be a great way to unplug from one phase of your life, reflect, and start planning for the future. You might even use some of your travel experiences as cornerstones of your new retirement schedule. If you fall in love with new cuisine, take some classes when you get home and turn dinner time into its own mini vacation. Explore your destination on foot and you might find you want to make walking or hiking part of your morning routine.

2. Enjoy your best life with the money you have, right now.

We all have things that we want to do "someday" that get pushed off while we're working and raising a family. Some retirees continue to push off "someday" because once they stop earning a paycheck, they worry about running out of money. For too many of those folks, "someday" never comes.

The earlier you switch from a "saving" mindset to a "reward" mindset, the sooner you're going to start making the most out of retirement. It's all too easy for struggling retirees to fall into an unfulfilling routine of puttering around the house until they settle into the couch for the night. A vacation can help you to break that routine before it starts. As you become more comfortable with responsible spending,

you’ll start to appreciate the possibilities that all your hard work has secured for you in retirement. Hopefully, that will inspire you to try new things and visit new places while you’re still able.

And once you start to slow down and move into new phases of retirement, your Personal Pathway will be there as you explore new ways to keep living the best life possible with the money you have.

In your life and career, you’ve probably found that the best way to get better at something is to work with a coach. Retirement is no exception. If you’re struggling with your transition into retirement, make an appointment to talk through it with us. Locking down that first bucket list vacation can be the start of a whole new way to think about and enjoy your golden years.

This article was prepared for Aaron Larson’s use.

Increasing Your Activity May Increase Your Quality of Life



In a recent poll, 31% of surveyed adults reported that they exercise less in the winter than they do during the rest of the year. Cold temperatures and the winter blues can make it harder to find that spark of motivation when you're snug on your couch or focused on your laptop. And many more folks who've been taking work breaks in their home gyms might be struggling to stay active as they transition back to the office.

If you're feeling like your exercise habits might be slipping into hibernation, try one of these three simple ideas to keep moving and keep improving your quality of life this winter.

1. Bring your timer to work.

While working at home during the pandemic, we all learned how important it is to take breaks from work, stand up, and move around. The popular "Pomodoro Technique" breaks down work into 25-minute blocks, separated by 5-minute breaks, and then a longer 10-15 minute break every 100 minutes. You can adapt this idea to your specific work environment and use those

small breaks to do whatever physical activity is appropriate: taking a quick walk, climbing stairs, doing some jumping jacks, squats, pushups, or stretching. These active breaks add up and can have a major impact on your posture, your metabolism, and your comfort.

2. Make social time an active time.

Is your bar trivia team or book club starting to make you feel a little stir-crazy? Have you and your spouse seen every movie at your local theater? Try working some more active activities into your social calendar. Recruit one of your friends or family members to be your gym buddy. Instead of driving to meet a loved one at your favorite cafe, bundle up, order that coffee to go, and chat while you window shop on Main Street or stroll through a local park. Or sync up your 5-minute work breaks with a co-worker who will keep you company while you march up and down the stairs or do some lunges.

3. Try a new sport.

If you're snowed out of your favorite warm-weather sports, try adding something new to your off-season. Learning how to ski or snowboard can be another fun activity to try with friends and family, as are the community ice skating rinks that pop up during the winter months. Cross-country skiing can appeal to runners, cyclists, and long-distance walkers. Or start getting more out of your health club membership by hitting the pickleball and basketball courts.

But if the only thing keeping you from your usual morning run is the cold weather, consider adding an extra layer of clothing so that you can gain some serious health benefits. Harvard Medical School reports that exercising in cold weather can improve your endurance. Your heart and cooling systems don't have to work as hard in the winter either, so you might be able to exercise longer and more efficiently. And if you're the kind of person who's susceptible to seasonal affective

disorder, getting outside and boosting your exposure to sunlight can improve your mood.

Seniors and anyone with underlying health conditions should discuss cold-weather exercise with their doctors before hitting those winter trails. Everyone else should make sure they're adequately covered, particularly your head, hands, and feet, as your body tends to concentrate blood flow to your core when it's cold. A cold sunny day can still be bad for your skin, so wear sunscreen and lip balm. And add a couple extra minutes of stretching and light warm-up exercises to get your blood flowing, such as arm circles or knee lifts.

Have you tried any new activities this winter that have made an impact on your day-to-day? It's not too late to plot a family ski trip on your 2023 calendar! Give us a call and let's talk about making the rest of your winter memorable, healthy, and fulfilling.

This article was prepared for Aaron Larson's use.

Could Seasonal Employment in Retirement be Right for You?



Many retirees who want to earn some extra income without committing to a regular part-time job explore seasonal employment. For a couple of weeks or months out of the year, you could try something new, put your professional skills to good use, see more of the world, connect with new people, and pad your nest egg in the process.

While many look forward to the day they never have to work again, it can be challenging to adjust to a new routine where there are fewer demands for your time. Having something to do, even if just for a season, can be a valuable addition to your mental health.

Here are 8 seasonal jobs that could add some variety to your retirement routine and improve your quality of life:

Teacher, sub, or aide

Some states that are facing major teacher shortages have created accelerated certification paths that can get you in front of students faster. Teacher's aides and substitutes usually have a lower barrier to entry, more flexibility, and of course, less stress. Depending on your skill set, your school district might have openings for enrichment classes

like art, music, theater, gym, or second languages. And the best part of all? You get summers off!

Holiday retail associate

No matter how much of our shopping moves online, strolling through the mall or camping overnight in front of a big box retailer will always be a holiday tradition for millions of people. Greeters, cashiers, and stockers are in high demand at the end of the year, and many retailers offer flexible shifts to choose from and discounts you can use for your own shopping list.

Package deliverer

Online retailers always need extra help with shipments during the holidays. But if spending long hours in a warehouse packing boxes doesn’t appeal to you, hit the road and deliver those packages door to door. You might not even need to know how to drive a truck if you have your own vehicle. And check for similar seasonal openings at your local post office.

Coach

While youth sports coaches are mostly volunteers, some larger organizations and more competitive teams do pay. Coaches who have higher-level experience could offer one-on-one lessons to athletes or find jobs at golf courses or country clubs.

Tax preparer

Retired CPAs and pros who have an IRS Preparer Tax Identification Number can lend a hand at larger firms in the run-up to Tax Day. Or, start your own part-time practice in the spring for a select group of clients.

Club or resort worker

Take a trip … and pay for part of it too! Escape winter for someplace warm where you can pick up shifts as a server,

customer service rep, golf course starter, or maintenance worker. During peak tourist season many stores and restaurants near resorts need extra help as well.

National Park worker

The U.S. National Park System includes 423 parks in all 50 states. While jobs at top destinations like Yellowstone or the Grand Canyon can be very tough to get, there's probably a smaller park closer to home that also needs help during the busiest months. Travel and hospitality companies that offer services around the National Parks usually have a large number of seasonal job openings as well.

Landscaper

An easy way to be your own part-time boss year-round. Gardeners can put their green thumbs to work planting, pruning, and watering. Haul your mower around the neighborhood and tackle a few lawns every other afternoon. And in the winter, hook up a plow to your truck and clear snow out of driveways. Nature and plant lovers can also find work during harvest season picking crops at farms and orchards.

Whether or not you need the income to make ends meet, don't overlook how a part-time job – or two – could affect your tax picture or your federal retirement benefits. Before you slip on that Santa suit or head to Yosemite, give us a call.

This article was prepared for Aaron Larson's use.

Don’t Let the Stock Market Spook You



As if the Halloween season isn’t scary enough, ongoing market volatility has been unsettling investors. But much like the temporary frights, you experience when walking through a haunted house, navigating the market’s ups and downs is all part of the journey towards a better financial future.

Answer these three questions and the things that go BOO! in your portfolio right now might feel a little less frightening.

1. What am I really afraid of?

Anytime problems feel overwhelming, it’s a good idea to try to shrink the issue down to size. So, instead of just feeling “afraid” about the market’s bumpy 2022, try to pinpoint what, specifically, has you spooked.

For example, are you worried that you won’t be able to retire

in the next six months because there’s a dent in your nest egg?

Are you a new retiree and you’re worried that market volatility, combined with inflation, is going to reduce your purchasing power and standard of living?

Is your company struggling in this uncertain economic environment and you’re worried about a potential layoff?

There’s nothing that any of us can do about market volatility. But if you’re anticipating a change in your income stream, you can adjust your budget. If your job doesn’t feel stable, you can brush up on your resume and start reaching out to your professional network.

And if the path towards retirement is unclear, you can meet with your financial advisor and review how your plan is designed to support you no matter what’s happening in the markets.

2. What adjustments can I make and what opportunities are available?

Again, one of the most powerful ways to take control of your money is to review your household budget. Look at your last six months of bank and credit card statements and you’ll probably find a subscription you’re not really using or a bad habit that you can correct, like eating too many expensive carry-out meals.

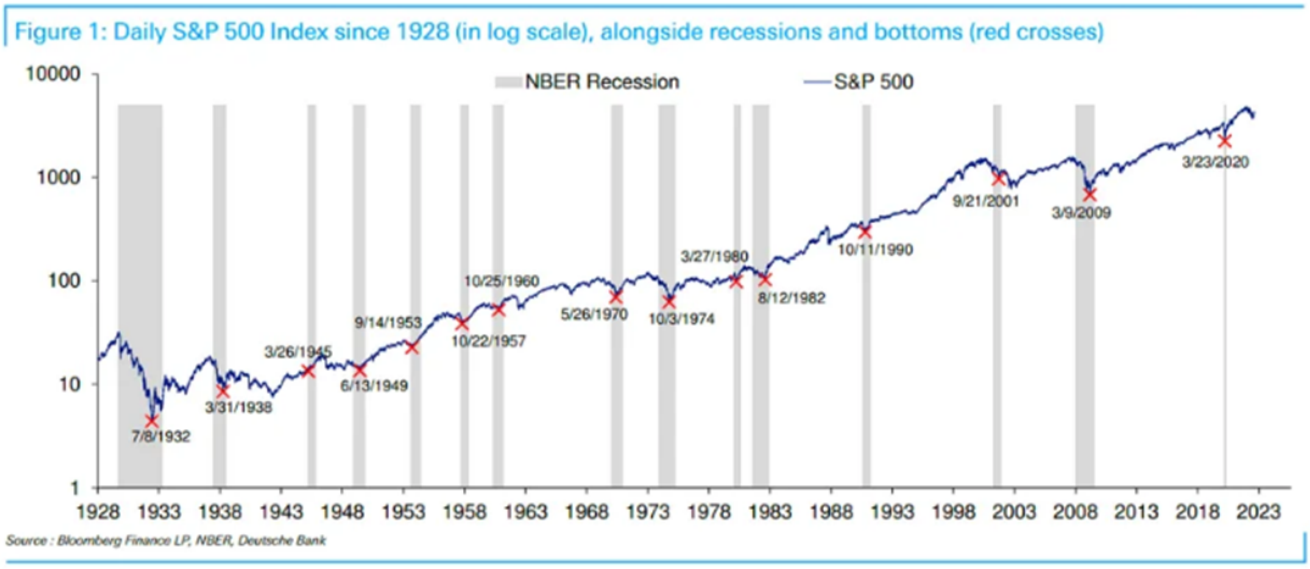
You should also consider talking to your financial advisor about potential adjustments to your saving, investing, or withdrawal plan. Perhaps now is the time to tap into a retirement savings bucket so that you can keep living your best life while you wait for the markets to stabilize. Or, your advisor might be able to help you identify some “buy low” opportunities that will grow in value over time.

3. What does the big picture look like?

Fundamentally, most investors understand that volatility is a temporary pain we endure on the way to long-term growth. But the combination of high inflation, the war in Europe, COVID variants, political and economic turmoil in Great Britain, our own contentious elections, and the possibility of a recession have many nervous investors concerned that this time might be different.

It's important to remember that while Gross Domestic Product numbers suggest we might be nearing a recession, other important economic data, such as low unemployment and a high number of job openings, show that the economy may be stronger than cable news and social media would have you believe.

To widen our lens even further, take a look at this chart of daily S&P 500 returns since 1928.



Source: https://finance.yahoo.com/news/two-ways-of-thinking-about-this-chart-of-stocks-and-recessions-132828658.html

There are many scary and tumultuous points on this timeline, from the Great Depression and World War II to 9/11 and the Great Recession. And while the S&P 500 experienced significant losses when the economy did slip into a recession, it also

has, historically, recovered those losses and continued to grow.

However, it’s very possible that stock market scares are going to continue after Halloween, and potentially into next year. If you’re still having nightmares about your nest egg, let’s talk soon about our market outlook and your financial plan.

This article was prepared for Aaron Laron’s use. The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual. All indices are unmanaged and may not be invested into directly. Investing involves risk, including possible loss of principal.

How a Couple Can Plan Strategically When Retiring at Different Times



Married couples don’t always plot retirement at the same point in their path. According to a recent study by Fidelity, 43% of couples disagree about what age they plan on retiring. For other folks, circumstances like an unexpected job loss or health issue push spouses onto separate retirement schedules.

When one spouse retires and the other keeps working, it’s important that the couple understands the effects on their finances, their schedules, and their long-term goals. Here are three important conversations that couples should have about syncing two retirements to a shared financial plan.

1. Discuss your reasons and goals.

If you and your spouse could both comfortably retire together, it’s important to ask each other, Why? And why not? What are the core money and life issues that put you on different retirement timelines?

Does one of you love your job and the other can’t wait to stop working?

Is one of you worried about running out of money in retirement?

Are you picturing a blank weekly schedule you don't know how to fill?

Are you worried you're going to drive each other crazy?

Retiring – or not retiring – isn't necessarily going to solve any of these issues. Talk to each other about the things you want to accomplish separately and together in the next part of your lives. Take out a blank calendar and plot out what your Ideal Week without work might look like. And if you're not on the same page about your progress toward financial goals, schedule an appointment with your financial advisor. Hopefully, these conversations will give both of you some clarity about the best time for each of you to retire.

2. Discuss schedules and responsibilities.

Even if the working spouse chooses to keep working, seeing their retired spouse lounging around and playing an extra round of golf could breed resentment. Have a conversation about who handles what at home. The retired spouse might take up a few extra responsibilities, like grocery shopping and cooking meals. If the retiree is handy, he or she might make repairs and remodeling projects part of their new retirement routine. And scheduling a weekly lunch date with your working spouse could be a nice break for both of you.

But the new retiree also shouldn't feel guilty about enjoying retirement. If money isn't an issue and the working spouse regrets missing out on weekday tennis and sprucing up the spare bedroom, maybe it's time to make retirement a shared life transition.

3. Review your financial plan.

Retiring separately can create some complications when it

comes to health care. If the retiring spouse is leaving their employer-subsidized plan before age 65, he or she won't be eligible for Medicare. That means the retiree will have to jump on a plan offered by their spouse's employer or purchase health care on their state's marketplace.

Health care is just one line item on your household budget that might go up as your monthly income goes down. Are you and your spouse prepared to tighten the family belt? Or are you going to spend more on recreational activities now that one of you isn't working? Are you considering other sources of income, such as taking Social Security before full retirement age, making early withdrawals from your retirement accounts, or working part-time?

Much like deciding when to retire, there are no right or wrong answers to these questions. What's most important is coordinating every part of your Personal Pathway so that both you and your spouse get the best life possible from your money in retirement.

This might be a good time to revisit some of our retirement planning tools. Let's set up an appointment so both you and your spouse can work through these tools and find a plan that will get you both excited about retirement.

This article was prepared for Aaron Larson's use.