What Should You Consider Before Relocating for Your Career?



According to a report published by Bloomberg, only 1.6% of job seekers relocated to take a new job in Q1 2023, an all-time low. More folks than ever value the freedom to work when, how, and where they want. Compromising on that freedom isn't just about what's best for your career. It's a question of how relocating will affect your life in three important areas.

1. Family

Relocating will be a life-changing event for your spouse and children. They'll lose the daily network of friends and family they've come to rely on and with whom they spend their leisure time. Younger children may adapt to these changes quickly, while older children or your spouse might struggle to make new

connections. Social media could help your family maintain some of those existing relationships. It could also make you all miss your old home even more.

Your family will also have to build new relationships adjacent to friends and family, such as doctors, teachers, teammates, coaches, and babysitters. Relocating could also cause a strain on your extended family, especially if you have caregiving responsibilities with elderly family members.

Navigating these changes won’t necessarily be all bad. A fresh start could give your family a chance to have new experiences, broaden your view of the world, discover new hobbies and interests, and connect with new people who will enrich your lives in unexpected ways.

2. Careers

Whether you’re thinking about moving for a new job or to maintain your career track at your existing employer, you might start by asking yourself if this move is a choice or a necessity. Again, in this day and age, workers can have a lot more say in the logistics of their jobs. What aspects of this job truly couldn’t be managed from your current place of residence? Could you perform a similar job at a different company without moving? On the other hand, what kinds of professional experiences could you gain that would make relocating worthwhile? Could moving open up a path toward your dream job?

If your spouse works, discuss these same career questions with him or her. While you each have your own career goals, it’s important that you are aligned on how you will continue to work together as a couple to achieve them.

3. Finances

Even if relocating comes with a significant salary bump, moving can be expensive. In the short term, you’ll have to

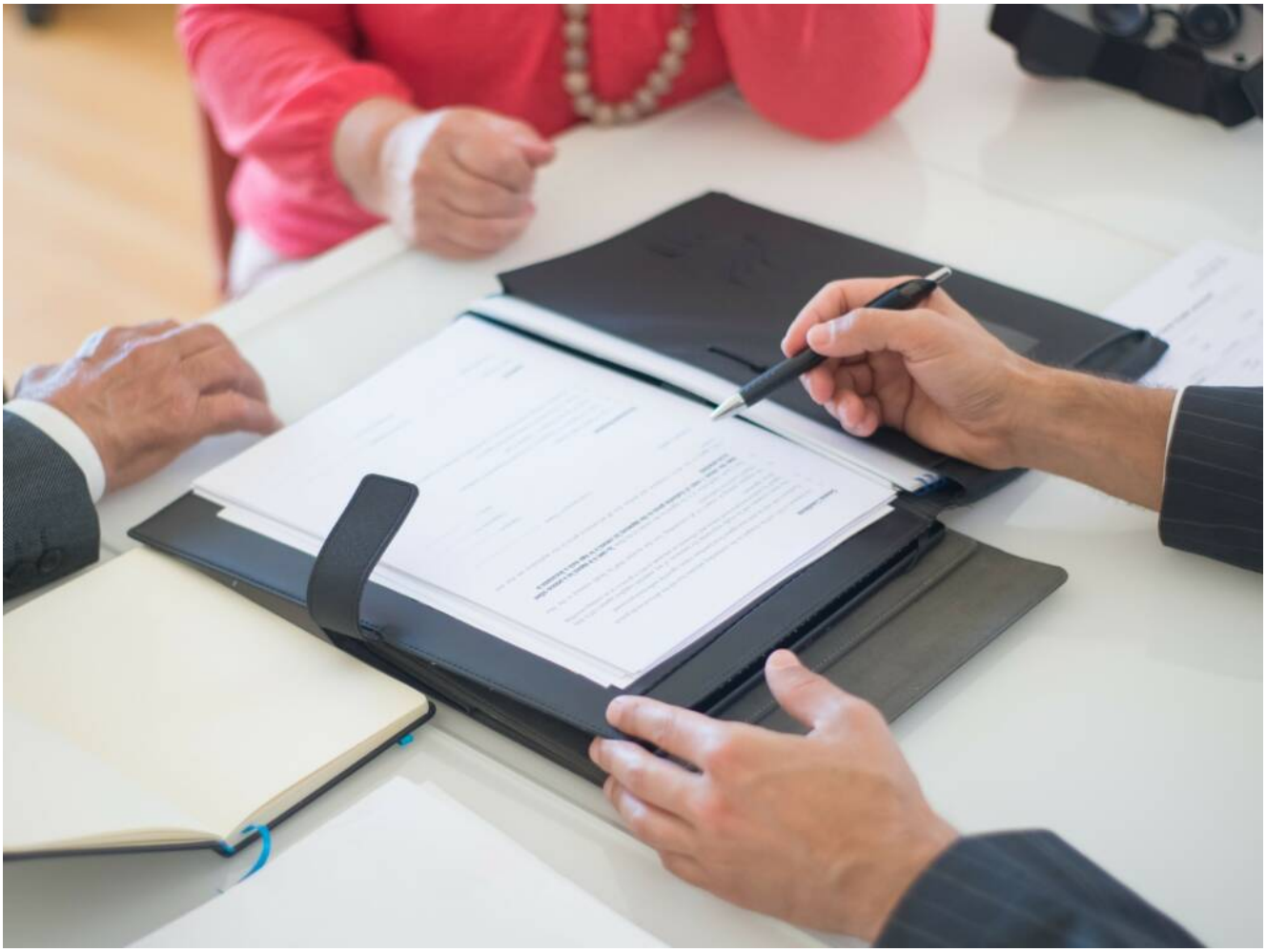
budget for expenses like shipping your stuff, traveling, selling your old house, and finding new housing.

In the long term, you'll have to consider the effects of relocating on your monthly and annual budget. The cost of living could be different in a new state or city, including the price of groceries, utilities, and entertainment. Even with employer-subsidized insurance, your healthcare costs could change, especially if you or someone in your family has an ongoing medical condition or regularly takes prescription drugs. Changes to your salary could change your tax situation. You might need to reevaluate your current savings and investment strategy to make sure that you're allocating your earnings in the most advantageous ways possible.

A little further down the road, relocating could also affect the cost of college for your kids. You and your spouse might also start to rethink some of your retirement goals, including where you ultimately want to live in your golden years.

Moving or relocating is one of many of life's transitions. The process at WaterRock is designed to help our clients navigate through each one. If you have a relocation or other transition in your life, set up a call and we can talk through all your potential challenges and opportunities.

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.

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4 Things to Consider Before Committing Financial Support to Your Adult Children



A large part of being a parent is making our children's lives easier which often comes in the form of committing financial support to those adult children. But before writing a check or making a deposit through Venmo to your children, ask yourself these four key questions:

1. What, specifically, is this money for?

The key word here is SPECIFICALLY.

Many parents tend to err on the side of protecting their child's feelings when weighing financial support. We know asking for money can be embarrassing, and we don't want to deepen that embarrassment. Or we're worried that if we ask too many questions the child will become frustrated and hide serious problems from us going forward.

These are understandable concerns. But it's also important that you understand whether your child needs support because of something beyond his or her control (a car accident, serious health issues, unexpected job loss) or because they're struggling with basic adult responsibilities. If your child is

making poor budgeting decisions or settling for underemployment, you may be throwing good money after bad.

Be tactful but get to the root problem before you decide if your money is the best solution.

2. What is the real cost to me?

Many parents are already helping their adult children more than they realize.

For example, you might not think much of letting your adult children stay on the family cell phone plan or piggyback on an HBO subscription. After all, it’s only twenty bucks a month, right?

But how long have you been giving your child that monthly free pass? Years? You can also set time limits. For example, tell your child they can remain on the family cell phone plan until age 25 or until they get married, whichever comes first.

Are you helping with larger monthly expenses, like student loan or car payments? When will it finally be time to pull the plug?

Our advice: get it all down on paper. Make a spreadsheet that accounts for the financial support you’re already giving your child, large and small. Seeing how even small expenses accumulate over time will be eye-opening for both of you and help inform a good decision.

3. What are the terms of the bailout?

This is another area that parents tend to tiptoe around because they’re afraid of insulting their children. But do you know of any bank that’s going to loan your kids money indefinitely, charge no interest, and ask for no repayment? Then why should your money be subject to such lousy terms?

Your children have to understand that your generosity is not

open-ended, especially as you near retirement age. You've probably made many sacrifices for them already. You should not sacrifice your financial security or the nest egg that is meant to support you in retirement.

If your children want you to "be the bank," then you have every right to act like one. Set clear terms in writing, including a repayment schedule. In more serious cases, you might want to bring us a copy of this agreement so that we can include it in your estate plan.

4. How else can I help?

It's very likely that your child spent 16 or more years in school without learning a single thing about managing money. Financial literacy just isn't taught in schools. This knowledge gap could be a big reason your young adult is struggling.

Does your child need money suddenly because he or she doesn't know how to budget? Help find that balance between covering current expenses and contributing to savings and investment accounts.

Housing and transportation expenses can be a shock to recent college grads. You could help your child negotiate a car lease. You might help a child who's already chasing after the Joneses by counseling against a rash home purchase that will stretch his or her finances thin.

Introducing your underemployed child to some of your professional connections might lead to a significant career upgrade.

One key connection you should be sure to tap: your team at WaterRock! We're always happy to help our clients' adult children get on their feet. We consider this a service to our clients because we know that the less you're worried about supporting your children, the more secure your own retirement

goals will be.

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.

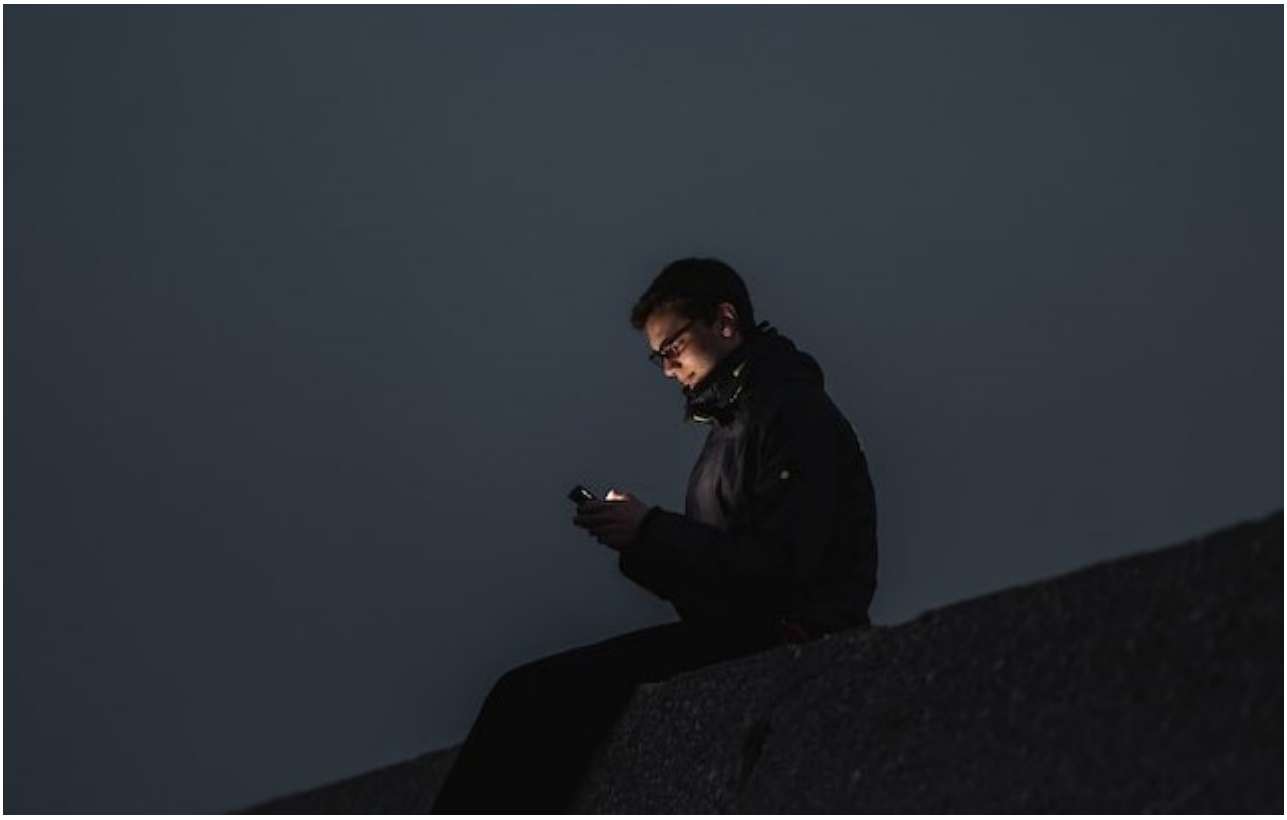
But if the only thing keeping you from your usual morning run is the cold weather, consider adding an extra layer of clothing so that you can gain some serious health benefits. Harvard Medical School reports that exercising in cold weather can improve your endurance. Your heart and cooling systems don't 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.

Does FOMO Hold You Back?



What are you missing out on?

Probably not as much as you think.

But in our hyper-connected world with its 24/7 news cycle, the Fear of Missing Out (FOMO) has made many people focus more on what they're not doing than on what they are doing. That can lead to some bad decisions and missed opportunities to improve your quality of life.

Here are three ways that FOMO can distort your perspective on what's really important.

Losing perspective on your portfolio.

The vast majority of investors who build wealth through the markets do so by making consistent contributions to a

balanced, diversified financial plan. That might not sound as exciting as jumping on the latest social media investment craze. But over time, this experienced strategy is a lot more feasible than trying to take shortcuts.

For example, the "meme stock" craze boosted shares of GameStop and AMC in 2021. But those companies came crashing back down to earth in 2022. And while all securities experience ups and downs, many folks suffering from FOMO "bought high" right before the meme stock bubble burst or overinvested in these trendy stocks instead of diversifying into traditional brokerage or retirement accounts.

Will some of these FOMO investments rebound and turn profits over time? Maybe. But if you treat investing like a slot machine, you may "miss out" on the ability to build a strong foundation for long-term financial growth.

Losing perspective on your time.

According to Statista, in 2022 the average person spent 147 minutes per day on social media. Some of that time educates us about what's happening in the world, connects us with friends and family, and brings an extra smile to our coffee breaks.

But a big chunk of those 147 minutes is spent seeing other people do things that we're not doing. Not surprisingly, more and more scientific studies are finding a link between high social media use and FOMO. And when we're looking at exquisite snapshots of meals we can't afford or tropical vacations we can't find time for, that can lead to feelings of low self-worth and even depression.

Rather than worry about what everyone else is doing, it might be worth reexamining your own daily schedule to make sure you're spending time on the things that are most important to you. If you've always hated running, training for a half-marathon just because your friends are will only make you – and them – miserable. Instead, consider unplugging at the

beginning or end of every day to do something you love, whether that’s half an hour of yoga or reading an extra bedtime story to your children. Using your time your way will be much more fulfilling than eating food you don’t really like, planning for a trip you don’t really feel like taking, or buying a boat you’ll never drive enough.

Losing perspective on Life’s milestones.

As we age, FOMO can take on some complicated new dimensions. Seeing colleagues promoted ahead of you might make you worry that you’ve peaked in your career. Market fluctuations and global economic challenges might make you worry about the security of your retirement. Packing your kids off to college might make you worry about missing out on their lives.

Acknowledging, planning for, and celebrating all the important moments in your life is an essential part of our Planning Process. Looking back on the milestones you’ve crossed should fill you with pride and gratitude. Hopefully, those feelings can help you stay focused on the personal goals that you’ve plotted in the future and the financial plan we’re working on together that will help you to pursue them.

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