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What is the “Retirement Red Zone”?

By Aaron Bates

There is a popular concept called the “Retirement Red Zone” inspired by the place on the football field 20 yards before the goal line. A team’s success can generally be defined by how well it performs in the “Red Zone,” whether is scoring on offense or stopping an opposing team on defense. The Red Zone compresses the space both teams have to operate, making each move (and counter move) more critical. The Retirement Red Zone usually refers the five years before and five years after your retirement date. Just like in the football game, decisions made in this timeframe are generally more critical because they are either once-in-a-lifetime decisions or the impact is felt for a long time. Here are some critical questions someone in the Retirement Red Zone could have.



- **Do I have enough income and assets to retire?** Typically people want to maintain their current standard of living during retirement. Understanding the amount of monthly income your pension benefits and personal assets can generate in a reliable and sustainable way to replace your paycheck is an important first step in preparing to make the retirement decision.
- **When should I start collecting my Social Security benefits?** Most Americans have accumulated retirement credits within the Social Security Administration. While these benefits were never meant to replace 100% of a retiree’s income, they are a substantial piece of anyone’s retirement plan. Electing when to receive benefits can impact your plan indefinitely. Full Retirement Age is 67. However, benefits can begin at age 62 for a reduced amount, or benefits can be delayed to age 70 for an increased benefit amount. The timing for each person is unique and should be considered accordingly.
- **What is my health insurance coverage when I retire?** The cost of healthcare, and subsequently health insurance, has increased dramatically over the last decade. Many retirement-ready Americans continue working just to maintain their health insurance. Individuals are eligible for Medicare at age 65, but Medicare alone doesn’t pay for everything. Retirees will often supplement Medicare with additional insurance for an additional out-of-pocket premium. If individuals retire early, then they are responsible for 100% of the premium costs of private insurance, which can be cost-prohibitive.
- **Is my investment allocation appropriate?** Generally, an old rule-of-thumb was to reduce stocks and increase bonds as you approach and enter retirement. However, declining interest rates on fixed income assets and longevity of life are challenging this traditional thinking. An investor’s allocation should always be in alignment with an investor’s goals and risk tolerance, so there is not a one-size-fits-all approach to this question. That said, significant losses early in the retirement/distribution years can lead to a major setback in the success of a retirement plan. Prepare accordingly and have a plan if markets underperform early in your retirement years.
- **What is the tax impact of withdrawals and distributions from my accounts?** Just as your earned income has always been taxable, so too will much of your income be taxable at retirement. Pensions, Social Security, and retirement account distributions all have taxable consequences. A thorough plan will maximize how to use your assets as tax-efficiently as possible to meet your needs. The proper order of distributions can save you thousands of dollars in tax during retirement. Make sure you have considered how taxes impact your plan ahead of time.



We have created a more holistic document titled — Milestones for Retirement. Use the QR code to retrieve your copy from our website. We recognize that these decisions can be overwhelming. Our advisors have helped hundreds of clients prepare and transition through retirement successfully. If it’s your turn — let’s talk!



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Q4 2025 Market Insight – Reflections on Last Year

By Ryan Gilmer

As the year comes to a close, I've been reflecting on the ways that investing is similar to the journey of life. They are both:

1) Rewarding – This year has been awesome for investors. While some individual stocks are down for the year, almost all country stock markets, sectors, mutual funds, and exchange traded funds have made money in excess of inflation. This means investors are wealthier even after accounting for the higher costs of the things they buy. Furthermore, in many cases, investments outside of the S&P 500 have performed even better, adding to returns. Like life, investing requires discipline and delayed gratification. But, for those who consistently stick with it, there are returns and rewards – a payoff on the other end.

2) Volatile – Markets, like life, are often all over the place. Here is a graph of the S&P 500 this year:

From the peak of the market in February to the bottom in April, the S&P 500 fell over 21%. From that point to the new high in October, it rose over 43%. A \$1 million investment in the S&P 500 would have changed in value by hundreds of thousands of dollars last year. And this is normal market behavior – it happens consistently and will likely continue in the future. When I look back at all of the joys, sorrows, activities, and changes of 2025, I'm reminded that life is dynamic, unpredictable, and full of change – just like the markets.



3) Take Initiative – In almost 20 years of professional experience, I've noticed that many of my conversations with colleagues and clients often revolve around interest rates, inflation, politics, currency movements, wars, or technological advancements. All of these are important and can affect the values of our investments, so we want to make sure we are informed about them. We want to be positioned appropriately for the environment we're in. Even so, these are all external factors that aren't under our control. Though they matter, they are less important than growing our income, having an appropriate savings rate, cultivating the proper emotional temperament and reasonable expectations, having a financial plan, and being tax-aware. To a greater degree, these factors are under our control; we can use them to our advantage no matter what else happens.

Thank you for the opportunity to work with you in 2025. We are looking forward to more reward, volatility, and focus in 2026.



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Financial Housekeeping for the New Year

By Jake Jones



A new year offers a natural opportunity to refresh your financial life. A few small steps taken to start the year can help support a healthier financial future. Here is a practical checklist to kick off 2026 with confidence.

- 1. Audit Your Subscriptions and Recurring Bills**
Automatically renewing subscriptions and bills add up. Review the last three months of statements, align the expenses with your priorities, and cancel anything unused or redundant. A quick audit can free up meaningful cash flow for the year ahead.
- 2. Review Your Cash Position**
Many households end the year holding more cash than they realize. Confirm you have the right amount set aside for emergencies and short-term spending. Then revisit whether excess cash should be working harder inside your long-term plan.
- 3. Refresh Your Retirement Contributions**
Update contributions to align with new 2026 limits and goals. If you received a raise or bonus, consider increasing your savings rate. Early-year contributions benefit from more time in the market.
- 4. Update Key Account Details**
Take a moment to confirm beneficiaries, contact information, and security settings across investment, bank, and insurance accounts. Keeping this information current and secure helps prevent complications later.
- 5. Review Insurance and Major Expenses**
Revisit your homeowners, auto, umbrella, and life insurance policies to ensure coverage still fits your needs. Also, identify any major 2026 expenses such as home projects, vehicles, or travel so they can be planned for rather than reacted to.
- 6. Check Your Tax Outlook Early**
Confirm withholding levels, organize documents as they arrive, and review charitable contributions or capital gains from last year. Early awareness helps prevent surprises during tax season.
- 7. Meet With Your Advisor**
A review with your advisor ensures that your investments, risk level, savings strategy, and long-term goals remain aligned.



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A fresh year is the perfect time to tidy up your financial life. A little housekeeping now can set the tone for clarity, confidence, and better decisions throughout 2026.

MARKET UPDATE as of 12/31/25	4TH QTR	2025	5 YR AVG	10 YR AVG
S & P 500 COMP	2.66%	17.88%	14.43%	14.82%
RUSSELL 2000	2.19%	12.81%	6.09%	9.61%
MSCI EAFE	4.91%	31.89%	9.47%	8.72%
MSCI EMERGING MARKETS	4.36%	32.12%	5.14%	8.81%
BARCLAYS US AGG BOND	1.10%	7.30%	-0.36%	2.01%

New Year, New Limits

By Matthew Lefelhoc

With the new year officially underway, now is a perfect time to revisit your retirement savings strategy. The IRS recently announced updated retirement plan contribution limits for 2026, giving savers the ability to put away more for their retirement.

Below is a summary of the 2026 contribution limits:

2026 Contribution Limits	Under Age 50	Age 50+	Ages 60-63
Traditional & Roth IRAs	\$7,500	\$8,600	\$8,600
SIMPLE IRAs (≤ 25 employees)	\$18,100	\$21,950	\$23,350
SIMPLE IRAs (> 25 employees)	\$17,000	\$21,000	\$22,250
401(k)s & 403(b)s	\$24,500	\$32,500	\$35,750

*Contribution limits for individuals ages 60-63 will revert back to the standard age 50+ limit in the calendar year you turn 64.

Saving for retirement is one of the most important pillars of a successful financial plan, and one of the few things you directly control in planning for retirement. Whether you choose to maximize your retirement contributions each year or not, gradually increasing the amount you save can significantly improve your plan through the power of consistency and compounding. Even small annual increases can make a significant impact over time.

If you have questions about how these updated limits apply to your situation, or if you'd like help adjusting your contribution strategy for 2026, please let us know!



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New Faces at W&H

By Jordan Kvochick



We are excited to welcome **Deb Risner** and **Eric Desilets**! Both Deb and Eric have come aboard as Accounting Associates. Deb brings years of experience as a controller, and Eric recently passed his final CPA exam. Join us in welcoming them both to our team!