

IN THE NEWS



August 2007

Michael Bischoff, CFP® and Ryan Shannon write about various employee benefit plan options for fostering a rewarding work environment that help employers.



Michael Bischoff
CFP® & COO



Ryan Shannon
Wealth Advisor

PIONEER PRESS

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Ryan Shannon shows investors how to maintain a disciplined investment strategy during current market volatility.

To view an entire article please visit
<http://www.webbfinancial.com/media.html>

Open Enrollment for Medicare, Medicare Advantage Plans & Medicare Prescription Drug Plans Start November 15th

It's that time of year again to review your current Medicare Advantage Plan and prescription drug plans. **Open enrollment is November 15 to December 31st** to either join Medicare, a Medicare Advantage Plan, a Medicare Prescription Drug plan, or make changes to your current plan.

If you want help in enrolling or changing a Medicare Advantage Plan or Prescription Drug Plan, give Crystal a call at 952.837.3235.



Crystal Holmen
Insurance Consultant

Webb Financial Group's Philosophy On Retirement

By educating you on issues regarding retirement we help create the transition from "I want to retire" to "I can retire!"

We believe that retirement is one of the greatest life changing events. Retirement cannot be taken lightly, even if it is many years away. Rarely does a person wish they had saved less once they reach retirement. Everyone has their own individual challenges based on their financial capital, human capital, needs and desires. Retirement is much more than personal fulfillment or how to spend down a portfolio. According to a new study by the Center of Retirement Research, even when adults work until age 65, nearly 45% of American households are at risk of not maintaining their standard of living in retirement. This includes many of the top earning American households.

Three major risks for retirement we see are:

- *Investment and Portfolio Risk:* This is the ability to achieve a suitable income stream from an investment mix without being overly conservative. A raising income stream is essential to retirees.
- *Longevity Risk:* Everyone knows that people are living longer today. It is important to plan for a long healthy future without the fear of running out of money.
- *Consumption and Inflation Risk:* People stay "young" for many years. It's very important to be disciplined to not overspend while enjoying this active lifestyle.

The notion of a phased retirement is becoming more popular. A person gradually reduces work hours over the last years. A phased retirement solves the need to stay active and earn income. Some people work for pleasure as much as for pay. But, if everyone loves work so much, why does almost half of the labor force leave their job by age 60?

We see many types of people and all have different goals and objectives. The first type wants to maximize security. They are always concerned about uncertainty. The second wants to maximize possessions. The one who has the most toys wins. The third wants to maximize meaning and purpose. These people may want to work for the rest of their lives or intend on giving time and money to charities. The fourth is content with having just enough to get by; making ends meet with what they have.

Where do you fit in and what does retirement mean to you? It's our job to help you find a balance and educate you on the issues of retirement.

Michael Bischoff
Certified Financial Planner™ Professional

Client Appreciation Event August 19th, 2007

Minnesota Twins: 1
Texas Rangers: 0

Webb Financial Group hosted 385 people to this historic game. Many in attendance were able to get a 1987 Gary Gaetti Bobblehead. We had a great turn out for the pre-game picnic even on a rainy day. Thanks for everyone's continued support.

The game was one for the record books. It was an incredible performance by the Twins pitcher Johan Santana. He struck out 17 batters over 8 innings, while allowing only 2 hits, both by Sammy Sosa. Closer Joe Nathan added another 2 strikeouts in the ninth inning for a new single-game club record of 19 strikeouts.

Door Prize Winners were notified and received their prize in the mail.



Attention Snowbirds:

Be sure to call us with your winter address so you are able to receive your mail during the winter months.

WEBB FINANCIAL GROUP
WELCOMES
AMANDA HAYFORD
Administrative Assistant

Webb Financial Group provides comprehensive wealth management solutions to individuals and businesses. For over twenty-five years, we have helped our clients achieve financial security.

Jerry Webb, CFP® & Chairman
Michael Bischoff, CFP® & COO
Gary Webb, RFC® & CEO
Ryan Shannon, Wealth Advisor
Crystal Holmen, Insurance Consultant
Michelle Ganske, Administrative Assistant
Amanda Hayford, Administrative Assistant
Sarah Huinker, Marketing Coordinator
Jo Anne Thorne, Receptionist

The "Cut" Heard 'Round The World

By: Jerry Webb, CFP®



In my opinion the equity markets and the economy are much stronger entering this period of uncertainty than in previous market corrections. The violent correction that took place in July and August had the bears already declaring a U.S. recession, negative equity returns, and an end to life as we know it. Rising volatility always leads to emotional decision-making, a state of mind that rarely makes money for investors. The correction trigger turned out to be rising delinquencies and potential defaults in sub-prime mortgages. Mortgage loans to people with no jobs, no income, and questionable balance sheets caused lenders to worry about repayments as the housing market continued to deteriorate.

Mr. Bernanke and his colleagues went with the gut feeling that the sub-prime mess was threatening the overall economy and that was a greater concern than inflation. The Fed sent a clear signal that it will be an activist and won't let things fall apart.



The Fed lowered both the federal funds and discount interest rates by half of a percentage point, and signaled more cuts could be coming. The vote was unanimous. As my son Gary was quoted on CNN Money.com, on September 18, "it's like a Christmas present you really wanted but weren't really expecting." I was impressed not so much by the amount of the cut, but by the fact that we have someone at the controls who is not timid and is ready to go ahead and take action when it is needed. I award him high marks for his unexpectedly bold move.

On the whole, the economy will likely slow, but just because it is slowing doesn't mean equity returns cannot be positive. The decision to make is where to invest, not whether to invest. With mutual funds you should focus less on protecting your capital from sell offs and more on not missing gains that the next uptrend brings. The past 25 years have been the best stock market for investors in U.S. history. This remarkable achievement didn't just happen. It was the result of policy decisions in the 1980's, '90's and more recently. August 1982 was the real beginning of the lower tax rate, lower interest rate and lower tariff policies that turned out 25 years later to be the policy prescriptions that brought us this remarkable record. As I write this on Friday, September 28, the Dow is at 13,895. Not bad.

Your Starring Role as a Money Model

By: Gary Webb, RFC®



Most of us have read the discouraging news about American's low rate of savings, which recently went into negative numbers for the first time since the Great Depression. It is readily apparent that living within one's means and planning for future needs are in short supply. As a parent, you are in a position to teach your children how to be responsible stewards with their money.

Ways parents can offer money lessons to their children:

- Save some money every month for a family-planned purchase in the future, rather than pulling out your credit card to charge it. Try to live with as little credit card debt as possible.
- Pay yourself first. Invest for your future.
- Show compassion and how money can be used to help others.
- Be thoughtful with your purchases; consider whether or not you are receiving a good value for your money.

The best way to teach your kids about money management is to lead by example. Look for opportunities to talk with your children about finances and make it a positive experience.

