BUILDING AND PRESERVING WEALTH
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Quarterly Update
October 2016

Celebrating 35 Years as an Independent Investment Advisor

Michael Bischoff, CFP®

Fairly often clients will ask me; “How is Jerry Webb?” I was recently able to enjoy lunch and good conversation with Jerry. To answer, he’s now 87, in very good health and enjoys spending the winter months in Florida with many close friends. It was back in 1964 when Jerry Webb entered the investment business helping investors choose and purchase mutual funds. I was able to confirm, 1964, with a couple WFG clients that have been with Jerry and WFG for more than 50 years. In conversation with my peer group of advisors, this is unheard of. 1981 is when Jerry Webb made one of his biggest and best decision to leave First Investors to go independent and form Webb Financial Group. This changed the focus and scope of how Jerry was able to assist his clients with their financial goals.

This smart decision back in 1981 is still making headlines today in our industry due to the current changing fiduciary standards.

Proudly, WFG is upholding todays fiduciary standards as a Registered Investment Advisor (RIA). An RIA is required to implement certain practices and procedures to ensure conformance to the law. Financial advisors must disclose all material information a client needs in order to make informed decisions about the advisory relationship or a specific transaction. The information and disclosers required include:

- All Material facts of any instance with which a conflict of interest may exist; past, present or future.
- Any type of arrangement or relationship the advisor has that could present a conflict of interest, including participation or an interest in any client transaction.
- All material risks involved with methods of analysis used in determining suitability.
- All unusual risks involved in a specific investment strategy or security.

A fiduciary duty is the highest standard of care. Not all investment firms are RIA’s and uphold a fiduciary standard. What does this mean for a client today? WFG is using less expensive modern investment products including many portfolios with Exchange Traded Funds (ETF’s). ETF’s are typically less than half the price of other traditional mutual fund investments. This is only one example of WFG’s ongoing fiduciary duty.

Tips For Millennials and Teens

Tim Greife
Financial Advisor

Have you heard of the 50/30/20 rule? The idea is simple. 50% of income to be spent on necessary living expenses, like rent, food and commuting. 30% to be spent on current lifestyle needs, and the final 20% into savings. For teen’s that don’t have substantial fixed expenses yet, they can focus more towards lifestyle and savings. Putting more focus on savings will help build better habits and can allow for more flexibility in the future.

Track, balance and re-balance.
Back in the day we used that thing called a check registry. There are free apps for us to use on mobile devices, like NumReciepts, **that work similarly**. Take a picture of the receipt, label and categorize the expense. This will allow them to understand fully where their money is going, and make adjustments that can help them create a balanced budget. They can run reports to see where they are at weekly and monthly. Not every week or month is the same, but they can find trends in spending so that they are able to plan.

None of this matters, if we don’t have goals.
Typically I see a goal of a new car for teens, something better than the ’96 Pontiac with a rust spot the size of Texas on it. The reality is, if we don’t know what we are saving money for and why are we saving it, what motivation do we have to keep doing it? Knowing the what and why can help visualize achieving that goal and create the motivation to sacrifice today for tomorrow.

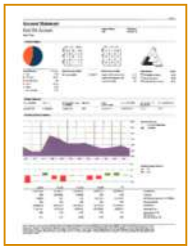
Create True Responsibility. No Bailouts!
If the money gets spent foolishly, you shouldn’t even ponder bailing them out. Henry Ford once said “Failure is the opportunity to begin again. This time more intelligently.” Think of the 2008 financial crisis. The bailouts didn’t teach responsibility, it gave a way out. It’s not easy to let a loved one fail, but remember, we all learn from failing.

Statements and Client Portal

Our statements include the following features:

- Consolidated Asset Allocation Chart
- Consolidated Quarterly Balance Summary
- Account Summary
- Account Details

If you would like to go paperless, please try our Client Portal.
https://cwp.morningstar.com



Our goal is to keep our statements basic, simple and user-friendly. Please talk to one of our advisors for statement details or questions.

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

Michael Bischoff, *CFP® & COO*
Gary Webb, *RFC® & CEO*
Dave Verbeke, *Financial Advisor*
Tim Greife, *Financial Advisor*
Leslie Webb, *Investment Advisor*
Michelle Brennan, *Registered Paraplanner, RP®*
Kristi Mattiuz, *Controller*

Retirement/Financial Planning


Michelle Brennan, *RP®*

It's said that human beings stand out from other species by virtue of our ability to think and plan ahead. While that may be true, most of us also have great trouble thinking about or preparing for the long term, as we're continuously busy in everyday tasks. It's difficult enough to plan something six months ahead, like a vacation. How on earth are we supposed to think about something in the distant future—like retirement?

Nevertheless, thinking in advance and *acting* on those thoughts is key to being ready when the future becomes the present.

- **How much will I need to save for retirement in order to live comfortably?**
- **What are my goals?**
- **When should I start?**
- **What should I do?**
- **How much can I count on from Social Security?**
- **What costs might I run into once I've actually retired?**

We all need to ask these questions, but with all our short-term preoccupations, we often wait too long to do so. The younger you are, the more distant your retirement–and the greater your ability to compound your returns over time. That window of time is your greatest advantage. Retirement steps, along with a financial plan, can help you cut through the haze and see the realities that will make your golden years truly golden! Call to have a plan done today.

Long-term Care-Will you need it?


Dave Verbeke
Financial Advisor

Yes. According to the Department of Human Services, 70% of people turning 65 can expect to use some type of long term care (LTC) service during the remaining years of their life. Care could include home care services, home health aide, respite care after a hospital visit, assisted living or memory care. Transitional or progressive senior housing has become the popular choice for care. LTC insurance can be designed to include these types of service to help ease the burden from caregivers.

Transitional senior housing services can progress from $3,000 to over $10,000 per month depending on the level of care provided. The question becomes how to bridge the gap between monthly income from Social Security, pension and other sources and expected costs. LTC insurance is one of the options to help bridge the gap between what you can self-insure from your assets and provide a backup plan to reduce the drain on the money you have left.

LTC insurance has become more costly because people are living longer. The days of unlimited benefit polices are long gone because they are unaffordable. This has caused consumers to abandon LTC insurance completely. What now has become popular and cost effective is to limit the pay out of the policy to a time frame such as 3 years. Average stay for a male is 2 years and 4 years for a female. Insuring for part of the expected cost is a better way to limit your chance of running out of money and providing for the care you need. Ask your advisor if LTC insurance is an option for you.