

# QUARTERLY UPDATE

April 2007

## IN THE NEWS

### THE WALL STREET JOURNAL

Radio Network  
*Wall Street Journal This Morning*

**Bloomberg**

*Bloomberg Personal Finance*



Michael Bischoff, CFP®

**SmartMoney**  
THE WALL STREET JOURNAL MAGAZINE

*7 Great Funds to Buy Now*



**BusinessWeek**

*Multiple Choices in College Savings*

Gary Webb, RFC®

INVESTMENT THE ADVISOR TO ADVISORS  
**Advisor**

*Retirement Planning: Choosing the Right Direction*

**InvestmentNews**

*Snowbirds Need Guidance for Sound Financial Path*



Jerry Webb, CFP®

**MarketWatch**

*Spouse in the House*



**PIONEER PRESS**

*The Investor's Easy Button*

Ryan Shannon, Investment Advisor

## An Introduction to Wealth Management

Michael Bischoff, CFP®

Webb Financial Group has marketed itself as an investment advisory firm for many years, but we do much more than investments for our clients. We provide comprehensive wealth management solutions to individuals and businesses. For over twenty-five years, we have helped our clients achieve financial security, and we are now Webb Financial Group, Wealth Management.

What is Wealth Management? Wealth Management is a professional service combining financial advice, implementation strategies, and discretionary investment management. Since our clients' situations are all complex, they require different levels of service that address these five key areas and more:

- **Investments:** Properly align investment strategies, short- and long-term, based on your goals, objectives, and risk tolerance.
- **Tax:** Provide up-to-date tax management advice relevant to your situation while minimizing tax liabilities today and tomorrow.
- **Retirement:** Transition from "I want to retire" to "I can retire." We understand the issues regarding retirement.
- **Insurance:** Protection against catastrophic life-changing events. There is more to insurance than just saving money.
- **Estate:** Make sure your family is taken care of and your wishes are followed, should something happen to you.

We realize that many people don't have the time, energy, resources, or expertise to establish a relationship with multiple appropriate advisors: Insurance Agents, Attorneys, Accountants, Bankers, and Investment Advisors. We help coordinate the right strategy for your situation, and that is why we have created a network of trusted professionals to help you in all financial areas. You can rely on Webb Financial Group for advice from various professionals.

We are looking to grow our business and would appreciate your help by referring your friends, family, and co-workers to Webb Financial Group. Referrals are the foundation and heart of our business, and they are the greatest compliment we could possibly receive.

Our goal remains the same: To provide the advice and financial returns that will allow you to achieve your individual goals and objectives. We anticipate additional changes as we deliver new products, services and technology. We ensure that any change will be designed to benefit our clients and make their lives easier. Our company's success is always based on Your success. If you have any questions regarding the services we provide or if it's time for your annual review, please don't hesitate to call us.

Michael Bischoff  
Certified Financial Planner™ Professional

## Medicare Supplemental Insurance



When you become eligible for Medicare and are looking at Medicare Supplemental Insurance, it can be confusing. We can help you sort through the information and assist you in getting coverage. Give Crystal a call at 952-837-3235 when you are ready to look at Medicare Supplement Insurance.

### Client Appreciation Day!

Sunday, August 19th, 1:00 p.m.

## Twins Game

- Invitations will be sent out
- Mark your calendar



### Portfolio Managers

Jerry Webb, CFP® & Chairman  
 Michael Bischoff, CFP® & COO  
 Gary Webb, RFC® & CEO  
 Ryan Shannon, Investment Advisor

### Insurance Division

Crystal Holmen, CSA, Insurance Consultant

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## Focus Not on Today's Headlines but on Tomorrow's Miracles

By: Jerry Webb, CFP®

The next time you replace your laptop, its power will have doubled, and its cost per unit of computing power will have been cut in half. Very soon you will not have to type information into your computer – you will be able to speak to it and it will speak back. We really haven't seen anything yet! The Fed's flow of funds report shows U.S. households at \$27.5 trillion of net financial assets, owning not just more financial net worth than anyone else in the world, but more than the entire rest of the world combined. Over the next 20 years, nanotechnology, biotechnology and robotics will converge to launch nanobots into the body that will destroy cancer cells, clear out arteries and perform a variety of other functions which today seems miraculous (as did antibiotics, when today's retirees were just entering the world).



In addition, remember the Fed is still here. The Fed seems to have found a balance, a cozy niche in doing nothing until absolutely necessary. All things being equal, 2007 could provide solid returns for the average investor. Diversification is still important. We all want as much return as possible. Core holdings should be companies with strong balance sheets, steady profits and global reach. There will be many speed bumps along the way; however, confidence should hold up. Fed Chairman Bernanke, testifying before Congress, forecasts moderate growth and declining inflation. Bernanke's key bullet points were strong business, rising exports to the rest of the world, healthy consumers, low unemployment, and wages on their best run in years. Averages across the board are moving toward all-time highs. The story is the same for Indexes. The depth, breadth and resiliency of this rally is remarkable. The reality is that non-inflationary growth and rising living standards are occurring all around the globe. America's bull market economy stands at its epicenter. Stocks are the best barometer of future business and economic health. They are signaling that the wealth of the nation currently and prospectively looks excellent. The recessionists are wrong. The pessimists are wrong. The doom and gloom crowd is wrong. You are witnessing the Bernanke boom. It is still the greatest story never told.

## How to SUPERSIZE Your 401K

By: Gary Webb, RFC®

1. **Join.** Many eligible workers don't participate in their employer's 401(k) and participation rates have declined the past two years.
2. **Increase your contributions.** Consider increasing your contributions by a modest amount on an annual basis.
3. **Make the match.** At a minimum, contribute enough to meet the company match. This is free money!
4. **Diversify.** If most of your investment portfolio is tied up in your 401(k), it's even more important to diversify your account. Yet many 401(k) participants concentrate their investments in only one or two investment options at most. Especially don't overload on company stock. Investment professionals typically recommend keeping company stock between 5%-10% of your account's value.
5. **Avoid borrowing from your plan.** Borrowing will reduce the size of your retirement nest egg. You also risk facing taxes and penalties when changing jobs.
6. **Don't cash out.** This results in income taxes, federal tax penalties, and the loss of tax-deferred growth.

## Now is the Time to Pick-Up Low-cost Life Insurance

By: Crystal Holmen, CSA

If you need life insurance, now may be the time to buy it. Insurance premiums are expected to drop 4 percent this year, following a 5 percent decline last year. In fact, premiums are less than half of what they were a decade ago. Life insurance rates are dropping because people are living longer. The longer you live, the lower your insurance premiums will be.

Webb Financial Group can do an insurance needs analysis to determine how much coverage you may need, or if you can get a lower premium on the same amount of coverage you currently have. On average, experts say you need 8 to 10 times your wages to be adequately protected.