

BUILDING AND PRESERVING WEALTH

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Quarterly Update
October 2008



dedicated to finding a cure

SPONSOR TEAM
WEBB FINANCIAL GROUP
GOAL OF \$15,000

- Make a tax deductible contribution by logging on to <http://walk.jdrf.org/walker.cfm?id=87164847>
- Or write a check payable to JDRF and mail to Webb Financial.
- Join us for this celebration walk. The walk itself is a leisurely stroll for one hour, with no set distance, RSVP to Webb Financial Group at: 952-837-3200.



January 24th, 2009

Registration: 7:00 a.m.

Walk for the cure: 8:00 a.m.

Mall of America, Bloomington

Facts About Diabetes

U.S. All Ages, 2007

Total: 23.6 million people—7.8% of the population have diabetes

Diagnosed: 17.9 million people
Undiagnosed: 5.7 million people

Age 20+ years: 10.7%

Age 60+ years: 23.1%



Attention Snowbirds:

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

Gary's Diabetes Story



In 1970, after turning 8 years old, my mom noticed I was drinking lots of water. She took me to see my doctor. I remember the doctor saying to me "You have juvenile diabetes." This was something we were not expecting. Those words changed my life forever. The doctor explained that my pancreas had stopped functioning and I was no longer producing insulin. Diabetes, how is this possible? I have six brothers.....why me? It's not fair! The doctor said I would have to give myself shots for the rest of my life. I was really scared and felt all alone.

I was soon lying in a hospital bed so they could get my insulin level regulated. I learned how to give myself shots and what I could and couldn't eat. I felt pretty good. A few years later, I began getting tired of taking insulin shots so I stopped. My mom soon noticed that something wasn't right. I was admitted to the hospital for 30 days. While in the hospital, I learned a valuable lesson. I needed to take care of myself or this disease would bring many complications to my life and possibly end my life.

As a child, I raised a lot of money for research. I participated in diabetes bike-a-thons and walk-a-thons. I loved it. It was a challenge and I was going to help find a cure for this disease. I also went through rebellious periods against diabetes. I did not want to be different from others. I wanted to fit in. For example, at friends' birthday parties I couldn't enjoy what the other kids were eating and drinking. As I grew older, having diabetes became easier to live with. I have had some minor diabetes-related complications along the way, such as needing eye surgery and getting something called adhesive capsulitis (frozen shoulder) in my right shoulder. But that is all, so far.

For many years, I spoke with my diabetes doctor (Endocrinologist) about putting me on an insulin pump. He said I was not a good candidate. After two clients told me about their successes with the insulin pump, I switched to a new clinic and doctor. Today, I am proud to say that I am on an insulin pump and it has changed my life. The pump takes a lot of the work off my hands and given me better control. I still do calculations based on what I eat, but at least I don't have to give myself four shots a day. The pump itself is barely noticeable to others. Many people confuse it for a cell phone because of its size. After just nine months on the pump, my blood sugar control has never been better.

Over the past 40 years, Diabetes has grown exponentially in the U. S and around the world. Dramatic improvements in treatment make it possible for many to live more normal lives than ever before. There still is not a cure and I still have a dream which I am excited to help make happen! We need to keep raising money. I am asking for your help. On January 24th, 2009, Webb Financial Group and my family are going on the annual "Walk for the Cure" at the Mall of America. I am asking you to support the cause too. There are a few different ways you can do that:

- Walk with us on January 24th. Each walker is committing to raise at least \$100. It's easy to raise \$100. The JDRF (Juvenile Diabetes Research Foundation) website www.jdrf.org makes it simple to get involved.
- Sponsor Team Webb Financial Group and we will do the walk for you.

I would like to thank you in advance, for deciding to help us fight this terrible disease. We look forward to the walk on January 24, 2009 and hope you can join us.

Sincerely,

Gary Webb, RFC®

WEBB FINANCIAL GROUP
LLC
WEALTH MANAGEMENT

Ryan Shannon, CFP®



Congratulations!

We would like to congratulate
Ryan on becoming a

CERTIFIED FINANCIAL PLANNER™ professional. The Financial Planning Board of Standards, Inc. awarded his certification on August 1st, 2008.

The CFP® certification has become the most widely recognized financial planning credential among consumers and the recognized standard of excellence in personal financial planning. CFP® certificants have voluntarily agreed to adhere to high standards of competence and ethical practice established by the CFP board.

Elvis rocked the **PADELFORD**



A great time was enjoyed by all who were present on the Padelford Boat Cruise.

Thank you all for attending our 2008 Client Appreciation Event.

**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, CFP®

Crystal Holmen, Insurance Consultant

Michelle Ganske, RPSM

Amanda Hayford, Administrative Assistant

Cool Heads Shall Prevail!

The biggest financial story and the worst overall credit crisis since the Great Depression.

Are you nervous yet? As always, stay calm. The price of panic is high. It is easy to be pessimistic in today's world. We are constantly reminded of the bad news: a slow economy, a weak dollar, mortgage foreclosures, distressed banks, soaring oil prices, and Wall Street and Main Street bailouts. The media's seemingly endless focus on bad economic news encourages this pessimism. This unease is reinforced when investors open their quarterly statements.

Ned Davis Research has found that 6 months after the market's low within each of the past 10 recessions (defined as a significant decline in economic activity) the S&P 500 has, on average, rebounded 24%. In a year the return was 32%.

Although we find the challenges facing the economy very sobering, we also think these circumstances are cause for optimism. We believe the worst of the current financial ordeal is behind us, though it is still too early to expect a broad recovery in the economy. The problem is that, without intervention, there might not have been a financial system much longer. The Treasury is going to insure much of the \$3.4 trillion in money market funds and the Fed will continue to add liquidity to the market. These are all boons to the market.

The proposed solution is not perfect, but it will, at the very least, instill confidence in the market and financial system, let healthy lending resume, and get us back into position to finally find our way out of this unprecedented mess. The bailout plan is designed to help calm the current credit crisis. Details regarding what the plan will look like will become clearer as the days go on.

We've been through many crises over the years, and we'll get through this one. A cleaning is going on in the markets. The dust will settle eventually. We don't know when, but we believe it will be much sooner than most of us expect. We all need to remain patient and keep our sense of perspective intact.

You will be rewarded for your patience.



Jerry Webb
CFP®

CD vs. Fixed Annuity

Both CDs and fixed annuities are savings vehicles. However, these two products are quite different; each has its own unique strengths and uses. Review the list of objectives and identify those which are most important to you. This will help determine which of these two products is best suited for your needs.



Crystal Holmen

Safety of Principal - CDs are insured by the FDIC for up to \$250,000 per depositor. Annuities are issued by an insurance company and insured by the Minnesota Life and Health Guaranty Association for up to \$100,000. They are also backed by the financial strength of the issuing insurance company, regardless of the amount.

Short-term or long-term Accumulation - For short-term, a CD may prove to be a better choice as CD maturity periods can be as short as one month or as long as several years. For long-term, an annuity is usually the product of choice. Annuities are designed to help accumulate money for retirement or protect funds already saved for retirement.

Interest Return - CDs offer a guaranteed rate of return for a specified period of time. Generally the shorter the period of maturity, the lower the rate. With a fixed annuity, a guaranteed interest rate is locked in for an initial period. These rates are generally higher than CDs.

Tax Savings - If taxes are a concern, a fixed annuity may be a better option for several reasons. The earnings accumulate tax-deferred and are not treated as taxable income until they are withdrawn, which gives you a measure of control when you pay the taxes. Earnings on CDs are taxable in the year the interest is earned, even if you don't take the money out.

Death Payments to Beneficiaries - The annuity account will be paid directly to your named beneficiary(ies), avoiding the costs and delays associated with probate. This is not the case with CDs, which may be subject to probate.

Liquidity - If you need access to your funds in a CD prior to the maturity date, you will pay an interest penalty ranging from 30 days to six months. With a fixed annuity, most companies offer you the flexibility to withdraw 10% each year, without a surrender charge. Once the surrender period has expired, you can access the entire account balance.

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