

Client Web Portal



We recommend our clients **NOT** already set up on their Morningstar WFG Client Web Portal (CWP) set theirs up!

Using the portal allows sending secure documents, forms and storing important information.

Please look for this email in mid October and sign up!

Welcome to WEBB FINANCIAL GROUP Client Web Portal!

Here's what you'll get when you finish creating your account:

- One place to view your balance and investment performance
- 24/7 access to your finances, on any device, anywhere
- Easily and securely share documents with your advisor
- Access to Morningstar's in-depth investment research and analysis

Create Password

Log into the CWP using your email address and a custom password you create. Before logging on for the first time, check your email inbox. There you will find an email from us, that contains instructions on how to activate your account. It is important that you check your email as soon as possible. The link you receive from us will expire within 12 hours.

If you prefer not to be set up on the portal let us know by October 15th via email or phone.



A Costly Medicare Mistake to Avoid—by Elizabeth O'Brien

October 2018 Money Magazine

The common assumption can hurt your wallet and your health.

Medicare is complicated, so it's no surprise that nearly 75% of adults over age 50 say they wish they understood the coverage better, according to a recent survey by the Nationwide Retirement Institute. What you don't know can cost you.

Dig deeper into the results and it's revealed that 53% of older adults don't know there's a cost associated with Medicare Part B. In fact, beneficiaries pay a monthly premium for Part B, which covers outpatient services like doctor's visits.

Anybody prepping for retirement should also understand that Medicare will not cover your long-term care costs. The government administered program covers nursing home care only for rehabilitation and other limited circumstances. It doesn't pay for the kind of long-term care that most elderly Americans need, which is help with activities of daily living like bathing, dressing, and eating.

That said, for people who have spent down their money and meet strict asset and income criteria that vary by state, Medicaid will cover long-term care costs. Some 42% of affluent older adults with children say they would give away all their money to their kids so they can go on Medicaid, according to the Nationwide survey.

There are a couple of problems with this strategy. For starters, Medicaid has a five year "look back" period in which the government can scrutinize all your financial transactions for 60 months leading up to your Medicaid application. Generally, the government will be paying particular attention to gifts made to anyone other than your spouse. Second, you don't have the final say over your care when you go on Medicaid, and most retirees report a desire to maintain control over their circumstances.

Bottom line? Understanding Medicare costs can help you devise a more realistic retirement budget. Learn more about Medicare and its nuances through the government's official handbook, available online at Medicare.gov.



Michael Bischoff, CFP®

Promotion to Director of Client Services

We are pleased to announce the promotion of Michelle Brennan to the position of Director of Client Services. Michelle joined our team twenty years ago as an administrative member and has advanced through progressively more responsible positions in the firm. Michelle brings a wealth of experience, and we are excited about her new role.



Michelle Brennan, FPQP™

During this tenure, she has also earned her Financial Paraplanner, FPQP™ in 2007. In this new position Michelle will be in charge of client relations and services. She will be responsible for financial planning, researching and developing strategic communications that include various services with clients.

Congratulations to Michelle on her promotion and we wish her continued success with our organization.

ANNOUNCEMENT

We would like to welcome Kierstin Fure to our team!



Kierstin is our new Client Service Associate. She is a graduate of Northwestern University in St. Paul in History, Art & Graphic Design, and Theology. In the financial industry, she has worked in marketing, communications, event planning, client service, and paraplanning. Before her foray into the financial world, she worked for libraries in the Twin Cities doing programming, marketing and communications. She is working on achieving her CFP® designation and has completed her CFP® education through Minnesota State - Mankato.

In her free time she enjoys hanging out with friends and family. She loves writing, painting and drawing, as well as being out in nature kayaking, walking, snowshoeing, and skiing. An avid figure skater, you can usually find her figure skating at rinks all around the Twin Cities and she competes in the USFSA adult figure skating levels.



Attention Snowbirds:

Be sure to contact us with your winter address so you are able to receive your mail.

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®, CKA® & CEO
Dave Verbeke, Financial Advisor
Tim Greife, Financial Advisor
Leslie Webb, Investment Advisor
Michelle Brennan, FPQP™
Kristi Mattiuz, Controller
Kierstin Fure, Client Service Associate

Medicare Premiums Increase with Income

Recent tax reform changes have potentially added an increase in monthly premium costs based on your yearly income. The IRMAA (income related monthly adjustment amount) starts at \$85,000 for singles and \$170,000 for married filing jointly. The surcharge will range from \$53.50 up to \$370 per month per person. That can be a large and unexpected expense for retirees. If you have a large retirement account balance the yearly required minimum distributions (RMD), which counts towards income, could increase your Medicare premiums.



Dave Verbeke
Financial Advisor

Waiting until after you have started Medicare is almost too late to plan. What can you do to minimize this? One option if you are on Medicare is to donate your RMD directly to charity. High net income and high net worth clients should plan well before retirement to minimize the impact. Here are some things to consider:

- Saving into Roth IRA and Health Savings Accounts
- Consider converting your pretax IRA to a Roth IRA
- Delay claiming Social Security, and withdraw income from IRA's prior to age 70 1/2, reducing your RMD



If you're concerned about your Medicare premiums being increased due to high income in retirement, please meet with your advisor to create a plan to minimize the impact.

The Tax Cuts and Jobs Act (TCJA) in 350 words or less

At 1097 pages, the TCJA is the most far-reaching and complex tax code passed by Congress since 1986.



Gary Webb, RFC®

1. 529 College Savings Plans just got more appealing—529 Accounts were previously only available to students in college. Now they can be used to help pay for Private K-12 tuition (\$10,000 per year). The majority of states are making these distributions tax free. Please check with your advisor or tax professional to get the details for the state where your 529 Plan is held. Another change to 529 College Savings Plans is that they are now able to be used to benefit children with special needs through the use of Adults Achieving a Better Life (ABLE) accounts.
2. The TCJA will supposedly push more tax payers to take the standard deduction because they have increased the standard deduction to \$12,000 for individual and \$24,000 for married couples. Due to this increase, a strategy called “bunching” is back in style. Speak with your tax professional to learn more and see if bunching might be a strategy that would benefit your tax situation.
3. Alimony is no longer deductible for the payer nor is it considered income to the payee for agreements executed after 2018.
4. You may want to contact your estate planning attorney to see if anything in your Will or Trust needs to be updated due to the changes in the unified estate and gift tax exemptions.
5. With lower tax rates for many people, ROTH conversions or partial ROTH conversions are still a great opportunity in many cases.
6. Many of the provisions within the TCJA will sunset in 2025. The government needs to make attempts to pay down or trim the national deficit so more changes are coming to be sure.

Webb Financial Group
Southtown Office Park
8120 Penn Avenue South, Suite 177
Bloomington, Minnesota 55431

www.webbfinancial.com • 952-837-3200 • info@webbfinancial.com
1-800-927-9322