B&C FINANCIAL ADVISORS

Accumulating Interest

MARCH 2016 | VOLUME 5 | ISSUE 1

B&C Financial Advisors Celebrates 21 Years

This March, B&C Financial Advisors celebrated its 21st anniversary with a delicious Italian lunch from Poppy's Italiano and dessert from Flippin' Good Cookies. It was a great chance to gather together and reflect on the past 21 years.

After working in the financial industry for several years, Jan Butensky and Allan Cohen saw a better way to take care of clients. They formed B&C Financial Advisors with the goal of properly managing money with customized plans tailored to fit each client's individual needs.

We are extremely grateful to our clients who have made all of our years of business possible and appreciate that they trust us to help them achieve their financial goals. We hope to continue to serve you and your families for the next 21 years.

Inside this issue:

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Mon-Thurs 8:30am - 5:00pm
Friday 8:30am - 4:00pm
Sat-Sun CLOSED

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Follow us @BandCfinancial

Follow our company on LinkedIn

Is there a specific topic you would like for us to discuss? Let us know!

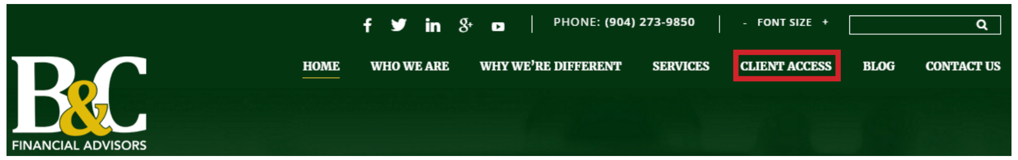
Contact us:

info@bandcfinancial.com

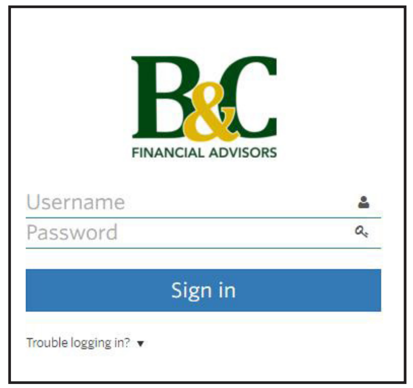
Where to Find My Quarterly Report in Black Diamond

If you are having difficulty locating your quarterly reports on the new Client Portal, below are instructions on where to find them.

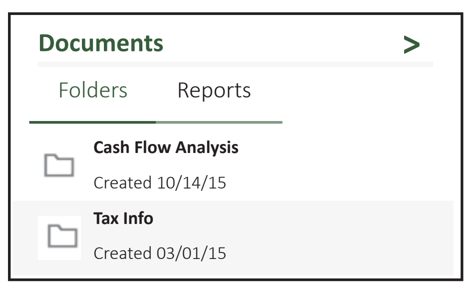
1) Go to our website, www.bandcfinancial.com, and click "Client Access" at the top of the page. This brings up the login screen for the Black Diamond Client Portal.



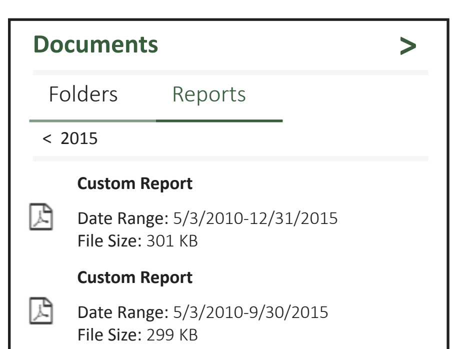
2) Log into the Portal with your username and password.



3) Once the homepage has loaded, scroll to the bottom of the page and locate the section titled "Documents," where you will see two tabs labeled "Folders" and "Reports."



4) To find the quarterly reports, click the "Reports" tab, then your portfolio name (ex: DOE, JOHN), and the year for which you would like to see reports (ex: 2015). All quarterly reports available for that year will appear with the last date of each quarter shown. The most recent quarter will be on top.



A Word from the Investment Department

Tax Loss Carryforwards

This time of year, most everyone is busy preparing and filing their tax returns. While this is a painful process for some people, B&C Financial Advisors does our best to manage taxable gains in our clients' taxable portfolios. When you invest money wisely, you are likely to create capital gains and income. Capital gains and income will increase your tax liability, but there are things you can do to limit the amount of taxes you pay.

First → be aware of the amount of capital gains you've realized.
Second → be aware of any capital loss you have incurred.
Third → monitor your interest or dividend income.

It is important to note that gains are realized once assets are actually sold for a profit and not before. And remember that losses can be carried over from one year to the next depending on the amount of losses you have. Make sure whoever takes care of your money is aware of any capital losses carried over from a previous tax year and any gains or losses you might have for the current taxable year.

As for income, whether it is interest income or dividend income, it is taxable in the year it is paid.

Timing is critical

Managing gains, losses and income will help you lower your tax bill, but timing is important. Gains or losses must be realized in the current taxable year. While some things can be left until April 15th, the taking of gains or losses must be done in the tax year for which you are filing.

At B&C Financial Advisors, we review all our taxable accounts at the end of each year to take gains or losses, whichever is appropriate for the client. This time of year as clients finalize their income tax returns we ask them if they have carried losses over from the previous tax year or if there is any other event that may affect their tax situation. Maintain a dialogue with your investment manager and your tax advisor, and tax time will run much smoother. As with any relationship, the better the communication, the better the outcome tends to be.

If you are an existing client and have a tax loss carryforward, please call us at the office or reach out to us via e-mail (info@bandcfinancial.com) with the subject "Tax-Loss Carryforward" to let us know what your carryforwards are for the year. If you are not a client, we would love to help educate you on our process and how we might be able to help you. Please call us at 904-273-9850.

Adam Oerther, Certified Financial Planner™

B&C Financial Advisors would like to congratulate Investment Manager Adam Oerther on becoming a Certified Financial Planner™. Adam had been working towards this goal for over two years and now is the third person in our office to achieve the accomplishment.

The CFP® certification is recognized as the highest standard of personal financial planning and demonstrates a thorough knowledge of the subject. Having the certification allows the CFP® practitioner to stand out in the industry and communicate a high level of expertise and credibility to clients and prospects. CFP® professionals like Adam have completed extensive training, passed rigorous exams and are held to high ethical standards. Included in the curriculum for the program are topics such as insurance, investment planning, retirement planning, professional conduct, fiduciary responsibility, and more.

Black Diamond Reporting Series

REPORT #5: B&C PERFORMANCE HISTORY BY ASSET CLASS

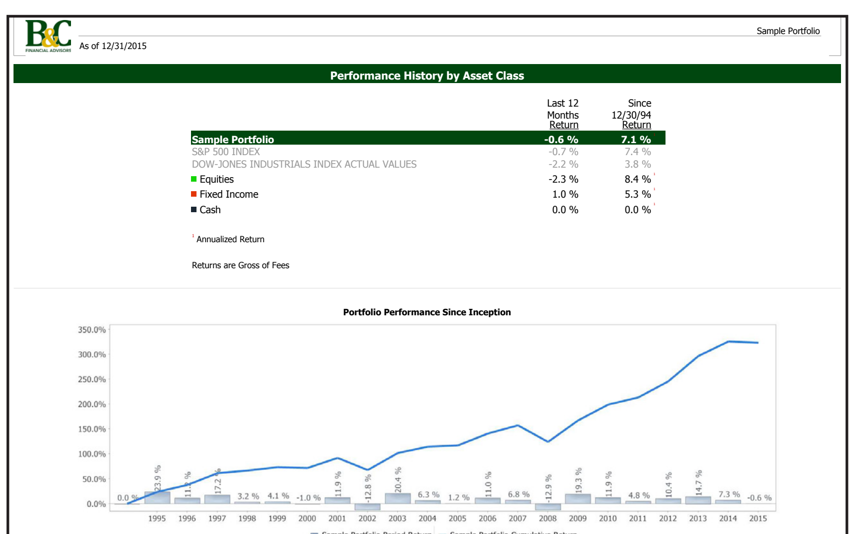
The previous two reporting series provided a deep-dive into the Equity and Fixed Income aspects of your Quarterly Report. We will now review the "report card" for your portfolio: the Performance Report. This report details the class level performance history for your portfolio for the last twelve months and since your portfolio's inception with benchmarks provided for comparison. This report illustrates both numerical and graphical data to provide you with an overview of how your portfolio has performed. All return figures are "Gross of the Fees," meaning returns excluding the impact of the management fee.

The top section of the report typically shows six rows of data:

- **Time Periods** - We show the performance data on a 12-month basis and on a "since inception date" basis, with the "inception" data being annualized, which is the performance per year since B&C began managing the portfolio.
- **Portfolio Returns** – The first row of actual data is the return of the portfolio (that is the combination of all accounts that make up your investment portfolio) over the specified time period before the management fee. This is weighted based on your Asset Allocation and is a time-weighted return that is the best measure to use when evaluating a manager's relative performance. It does not take into account cash flows into and out of the portfolio.
- **Benchmarks** – Two benchmarks are displayed for comparing the Equity performance: The S&P 500 Index and the Dow Jones Industrial Average. We manage money with the primary goal on capital preservation and our secondary goal being growth of capital. These benchmarks are useful in evaluating your equity returns on a long-term basis.
- **Equity Returns** – This row details the historical performance of the stock side of your portfolio on a time-weighted basis. This is the risk side of your portfolio that is invested for long-term growth. On a 12-month basis this number can fluctuate a great deal, but over the long-term you should see positive returns closely aligned with the overall market index.
- **Fixed Income Returns** – This row details the historical performance of the individual bonds and/or fixed income ETFs in your portfolio on a time-weighted basis. As detailed in our previous report, these are the bedrock of the capital preservation side of your portfolio. Due to the inverse relationship of interest rates and price in fixed income, the 12-month return may be negative. However due to the fact that we are overwhelmingly "hold to maturity" investors this number should be closer to the historic average for Investment Grade Corporate Bonds.
- **Cash Returns** – This row shows cash returns in your portfolio, which for the better part of 5 years has been close to zero. We typically hold no more than 3% in cash in your portfolio and thus it figures into the average portfolio in a minor way.

The bottom section of the report depicts both cumulative (that is total return since inception) and time-period specific returns. The blue line on the graph shows the performance of your portfolio overall from the Inception Date through the Reporting Date. The bar graphs below the cumulative line show the return for the period specified. In this example the returns are shown on an annual basis, however for clients with shorter history period these bar graphs are shown in different periods (quarters or months). This helps to depict the overall impact of investing over the long-term.

The most important thing to emphasize with the Performance Report is that return is commensurate to the level of risk taken in the portfolio. Those with higher equity allocations can expect greater returns, but also greater volatility (peaks and valleys on the chart). B&C Financial Advisors works with clients to develop an Investment Policy Statement that reflects their personal goals and risk tolerance.


B&C FINANCIAL ADVISORS As of 12/31/2015 Sample Portfolio

Performance History by Asset Class

	Last 12 Months Return	Since 12/30/94 Return
Sample Portfolio	-0.6 %	7.1 %
S&P 500 INDEX	-0.7 %	7.4 %
DOW-JONES INDUSTRIALS INDEX ACTUAL VALUES	-2.2 %	3.8 %
Equities	-2.3 %	8.4 % [1]
Fixed Income	1.0 %	5.3 % [1]
Cash	0.0 %	0.0 % [1]

[1] Annualized Return

Returns are Gross of Fees

Portfolio Performance Since Inception

If you have additional questions about this report or would like to set up a meeting to review your portfolio in greater detail, we want to speak with you. Give us a call at 904-273-9850 or e-mail us at info@bandcfinancial.com.

Social Security & Medicare Seminar

From left: John Murphy and George Koury

Learning about the new changes to Social Security and the complexities of Medicare were the topics covered during our last seminar. B&C Chief Investment Officer John Murphy reviewed the upcoming changes to file-and-suspend strategies under the budget act that was passed late in 2015. George Koury, President of George Koury & Associates Insurance, covered how to navigate Medicare depending on an individual's needs and current situation.

By holding seminars at the B&C office, we are able to have meaningful question and answer sessions in an intimate environment. Make sure you know about our future educational seminars or learn how we can help you by calling (904) 273-9850.

Order of the Dolphin

From left to right: B&C CEO Allan Cohen, Mrs. Mag Black-Scott, Col. Dave Scott, Mr. Fred Pruitt and Mrs. Kathy Cohen.

The Order of the Dolphin was started by Jacksonville University in 1976 to honor individuals and organizations who give $1,000+ to JU in a calendar year. These donors are celebrated for their commitment to further JU's mission of providing students with a college education that prepares them for "life-long success in learning, achieving, leading and serving". This past January, JU alumnus Allan Cohen, along with his wife Kathy, Mrs. Black-Scott, Col. Scott and Mr. Pruitt, attended a reception honoring Order of the Dolphin members. These Donor Honor Roll members are proud to support their alma matter and current JU students.

Save the Date

We have decided to change things up this year. We enjoy the company of our clients, prospects and families so much that we have decided to have events several times throughout the year.

Our first event will be at the Jacksonville Suns Game on the evening of April 29th. Please contact Emma at either **(904) 273-9850** or **events@bandcfinancial.com** if you have an interest in tickets.

Stay tuned for future events to be announced.

JU Global Citizen Award

This past February, Jacksonville University President Tim Cost honored filmmaker Ken Burns with the second annual Global Citizen Award. This award is presented to "an extraordinary, visionary leader whose impact is felt well beyond the bounds of their recognized responsibilities".

B&C Financial Advisors sponsored the event, and Allan & Kathy Cohen attended with B&C clients Dr. Judy Solano, Miss Jean Francis, Dr. & Mrs. Dan Maruniak, Mr. & Mrs. Vincent DePorre, and Ms. Karen Weimar. Guests got the chance to hear Ken Burns speak as well as see previews of his upcoming films *The Emperor of All Maladies*, *Jackie Robinson* and *Vietnam*.

Allan & Kathy Cohen, Dr. Judy Solano, Miss Jean Francis, Dr. & Mrs. Dan Maruniak, Mr. & Mrs. Vincent DePorre, and Ms. Karen Weimar enjoy lunch at the Global Citizen Award ceremony.

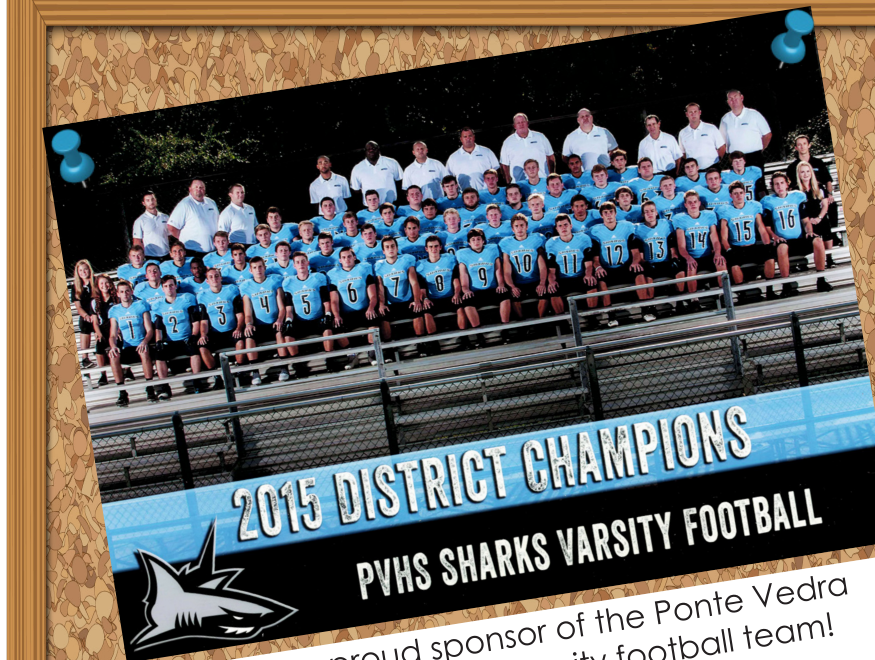
Allan, a JU alumnus, especially enjoyed President Cost's dedication to enriching the experience of JU's students. Each table at the event had ten seats, nine seats for guests and one seat for a JU history student. These students not only attended the event, but they were also granted a special audience with the director. Congratulations, Mr. Burns!

Leukemia & Lymphoma Society Honor

Our very own Chief Compliance Officer Jacque Bos was acknowledged as a Bright Lights Club Member at the Leukemia & Lymphoma Society's 2015 Annual Volunteer Recognition and Mission Update. Held at Mayo Clinic, the night was an opportunity to honor volunteers and learn about new advances in treating blood cancers.

Jacque has been involved with LLS since 2009 when her son Connor was diagnosed with leukemia. Connor has been in remission since 2012 thanks to research funded by LLS. Team Connor Bos has participated in LLS' Light the Night walk for the past six years and has raised over $23,000 for LLS. Last November, the team raised $5,845 for the 2015 Light the Night walk. For more information or to learn how you can get involved, visit www.lls.org.

LEUKEMIA & LYMPHOMA SOCIETY®
fighting blood cancers



B&C is a proud sponsor of the Ponte Vedra High School Sharks varsity football team! Go Sharks!

B&C will be closed on
Monday, May 30
in honor of Memorial Day.

We will resume normal office hours on Tuesday, May 31.

Have a happy and safe Memorial Day!

This past January, B&C Investment Manager Sean Guldi was a judge at the District 27 Future Business Leaders of America (FBLA) Performance Events hosted by Keiser University. Approximately 200 high school students from Clay and St. Johns County competed in 23 events ranging from Job Interview to Business Ethics. Business professionals from across Northeast Florida judged the events. Sean said that it was great to be involved with students that are excited about business.

"An investment in knowledge pays the best interest."

- Benjamin Franklin

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