



Accumulating Interest

JULY 2018 | VOLUME 7 | ISSUE 2

This past May, B&C gathered with 80 of our clients and friends to enjoy an evening at the Jacksonville Zoo and Gardens. Guests enjoyed a cocktail hour at the Giraffe Overlook, including being able to feed the giraffes. Dinner was served at the Range of the Jaguar, which features animals from South America. We had a great time enjoying the company of our guests and experiencing the zoo after dark!



From left: Bunny George, John & Darlene Steen & Mike & Janice Newton enjoy cocktail hour.



From left: Matt & Sarah Haney & Mallory Guldi take in the view from the Giraffe Overlook.



Executive Vice President Thomas Ellis, Chief Compliance Officer Jacqueline Bos & Chief Investment Officer Sean Guldi pause for a photo at the zoo.



Patty Schlafer feeding a lucky giraffe some eucalyptus!

Look inside the newsletter for more photos!

Umbrella (Insurance) – Not Just for a Rainy Day

by Sean Guldi, CFP®

INSIDE THIS ISSUE:

- UMBRELLA (INSURANCE) - NOT JUST FOR A RAINY DAY
- FIXED INCOME IN A RISING INTEREST RATE ENVIRONMENT
- B&C CLIENT PORTAL UPDATE & APP COMING SOON
- B&C OPEN HOUSE
- ANTE UP FORE AUTISM
- DINNER AT THE JACKSONVILLE ZOO & GARDENS PHOTOS
- CLIENT FOR A CAUSE - ELLEN ROSNER & JEWISH FAMILY & COMMUNITY SERVICES
- NFJG JACKSONVILLE JUNIOR OPEN
- KEEPING UP WITH B&C

THE OFFICE WILL BE CLOSED ON THE FOLLOWING DAYS:

Independence Day
July 4

Labor Day
September 3

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

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Is there a specific topic you would like for us to discuss? Don't be shy.

Contact us:

info@bandcfinancial.com

Everyone deals with property and casualty insurance (home and auto insurance) in their daily lives. One item that is a factor in the premium you pay is the liability portion of your policy. This is the part of the policy that deals with damage to your car, home, or other property that was caused by your actions.

In a typical homeowner's policy, there is a \$100,000 liability limit per incident. This means if your dog runs out from your house and bites a neighbor, he can sue you for damages in excess of \$100,000 – the insurance company will only cover the \$100,000 and nothing more. The same goes for car insurance, boat insurance, etc. When reviewing your policy, it is always best to identify the liability limits of your coverage and the level of risk you are comfortable with taking in the rare event of a claim.



What if you are worried about a larger claim than your policy will cover? What if you cause an auto accident which results in a multi-car pileup and \$1 million in damages? That is where an umbrella policy can come into play—to cover losses above policy limits for auto or home. The need for umbrella insurance is really dependent on the individual or

family situation and is typically ideal if your net worth exceeds the highest limits of your auto / home policies. In most cases, someone with a net worth greater than \$300,000 - \$500,000, depending on the policies, is an ideal candidate for umbrella insurance.

Additional benefits of umbrella insurance are that it can cover liabilities beyond the home or auto, like a child getting into a fight at school and being sued by the other child's parents, or the aforementioned dog bite incident. The umbrella policy may also be ideal if you engage in activities that put you at greater risk for incurring excess liability, such as owning and renting property, employing household staff, or having a pool at your home.

While B&C Financial Advisors is not in the business of selling insurance, we have three Certified Financial Planners™ who are adept at evaluating holistic aspects of clients' financial lives, including risk and insurance needs analysis. If you have questions, please reach out to us at info@bandcfinancial.com or contact us at (904) 273-9850.

Fixed Income in a Rising Interest Rate Environment

by Sean Guldi, CFP®

The Federal Reserve has raised interest rates for the target federal funds rate five times since March 2017 after nearly a decade of near-zero interest rates. Over this time, it has been hard to stomach the lower rates we achieve on our savings (cash and bonds). We have seen a dramatic shift in those rates over the last year, and the impact is real for those who utilize bonds as a part of a diversified investment portfolio. One of the fundamental tenets of fixed income investing is interest rates and price have an inverse relationship; that is, that the value of bonds will drop as interest rates increase (and vice versa). This inverse relationship is something we at B&C Financial Advisors have been discussing and preparing our clients for over the last few years. The main question our clients ask us is: If the price will drop with rising rates, then why would we continue to own bonds that will “drop” in value?



The short answer is we own bonds not just for their yield, but for the characteristics they possess that separate them from the other side of the asset allocation picture – the equity side of the portfolio. We know from looking at a chart of the S&P 500 that stock prices move up and down with a high degree of volatility – called standard deviation. The higher volatility (risk) results in higher expected returns over long periods of time. With fixed income, the degree of volatility is magnitudes lower and is often inversely correlated with the returns of the stock market. Therefore, when implementing a proper asset allocation model for clients, we are able to achieve higher returns, relative to risk taken. We utilize fixed income to rebalance and take profits as the equity side increases, and to provide liquidity to redeploy to the equity side when the market corrects.

Another way B&C Financial approaches the potential rising interest rate environment is by employing a laddered approach to the fixed income side of our clients’ portfolios. A bond ladder is best described as a portfolio of bonds (or similar fixed income investments) that will come due over a sequential period of time – typically two to three bonds will mature in each year from current year out to 10+ years. This approach allows us to have bonds that will mature as interest rates rise and allow us to reinvest the potential higher rates over time. We have proactively set our portfolios with a greater focus on short-term bonds (maturing in next 1-3 years), which will allow us to take advantage of these interest rate moves. Another important piece is that we own individual bonds with stated maturities, allowing us to have greater certainty of the cash flows and rates of return on our portfolio.

B&C Financial Advisors is a team with 20+ years of experience handling investments for clients. If you would like to discuss your investments – especially your bonds – please reach out to us at info@bandcfinancial.com or contact us at (904) 273-9850.

B&C Client Portal Update & App Coming Soon

Coming soon to all of our clients is an improved and redesigned Client Portal. The updates will allow for a more streamlined view of your whole financial picture and a more secured means for sharing information back and forth with B&C. In addition there will be a mobile application – instead of the old mobile website – where you can access all the relevant information you need at the touch of your finger tips. More information will be coming soon.

If you would like to be a part of a beta test, please contact us at portal@bandcfinancial.com or contact Emma Ambler at (904) 273-9850.

B&C Open House

As announced previously, B&C added two new shareholders - Executive Vice President Thomas Ellis and Chief Investment Officer Sean Guldi. In March, we hosted an open house in our office to celebrate and let our clients get to know the new partners. Guests enjoyed delicious food from Mai Oui! Catering and each other's company. Thank you to all of our wonderful clients who attended!



Partners Sean Guldi, Jacqueline Bos & Thomas Ellis



The beautiful spread from Mai Oui! Gourmet



From left: Richard Lundgren & Jan Butensky



Wayne & Carol Heckrotte



Rhonda Dunn & President/CEO Allan Cohen



Joel & Barbara Cantor talk with Jeffrey & Penny Marks

Ante Up Fore Autism

This past April, B&C Financial Advisors sponsored the Ante Up Fore Autism benefitting the Jacksonville School for Autism (JSA).

B&C Executive Vice President Thomas Ellis led his team on the golf course and enjoyed a beautiful day on the links while raising money for a great cause. The event raised \$83,000 for the school this year alone, and has raised over 1 million dollars over the past 14 years.

The JSA was founded in 2005 and is a K-12 school serving children with autism spectrum disorders. By focusing on the individual needs of their students, the JSA is able to prepare their students to "communicate, socialize, and become productive members of society." To learn more, call (904) 732-4343 or visit www.jsakids.org.



From left: Dan Grissom, Thomas Ellis, Thom Tryons & Celio Cedeño

Dinner at the Jacksonville Zoo & Gardens Photos



From left: Darlene Steen & Shelley Blakey



Carolyn & Elliot Zisser



Sandy & Martin Rosenfield



Norma & Mike Johns



Pat Weyer (second from right) & friends Mary Frances Baldwin, Anne Grix, Pat Gavaletz & Nancy Renn

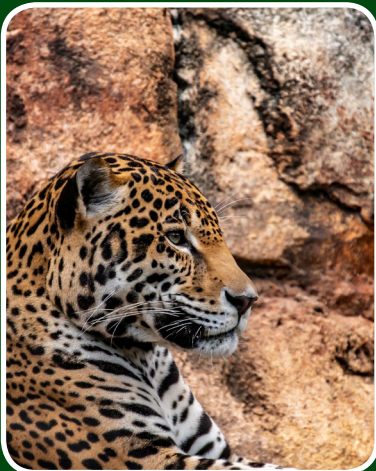


Joe Medlin & his daughter Caitlyn Medlin



Marybeth & Luke Kuenster

PHOTO SPOTLIGHT



B&C client Dr. Lloyd Granat took these beautiful photos at our event at the Jacksonville Zoo & Gardens.



Janice Newton getting up close & personal with a giraffe!

Thank you to everyone who attended!

Client for a Cause

ELLEN ROSNER | JEWISH FAMILY & COMMUNITY SERVICES

For over a century, Jewish Family & Community Services (JFCS) has been providing vital services to the greater Jacksonville community. Even more impressive than 100 years of charitable work and becoming a 12 million dollar social service agency is the wide variety of services that JFCS offers. These services include foster care and adoption assistance, counseling services, a food pantry, providing families guidance with senior care, emergency financial assistance for local families, and providing intervention services for struggling students to prevent them from dropping out of school. JFCS also serves the Jewish community in Jacksonville by providing exceptional programs such as Holocaust Survivor Services, the Jewish Healing Network, the Jewish Educational Loan Fund, the Frisch Family Holocaust Memorial Gallery, the Inclusion Program and the PJ Library. All of these programs seek to enrich the lives of both the greater Jacksonville community as well as the city's Jewish population.



From left: Allan Cohen, Alan & Ellen Rosner & Kathy Cohen at JFCS' fundraising event, Heroes Among Us Looking Forward to the Future.

B&C client Ellen Rosner, originally from Wooster, Ohio, moved to Jacksonville with her husband Alan where she practiced law for 10 years before retiring to raise three children - Rachel, Adam and Gabe. After retiring from law, Ellen began volunteering with various organizations in Jacksonville, including the Gottlieb School PTA, the National Council of Jewish Women, the Women's Giving Alliance and JFCS. Ellen has served on the board for over ten years, and has held the positions of secretary, President and now serves as Chairman of the Board. Ellen was instrumental in helping JFCS acquire its new building, including making necessary renovations. However, Ellen's favorite part about being involved with JFCS is working to help the lives of others by "helping them help themselves." Ellen adds, " I love being connected to this wonderful organization. It helps so many people in a respectful manner."

For more information about JFCS or to learn how you can get involved, visit www.jfcsjax.org or call (904) 448-1933.

Do you have a B&C client you'd like to spotlight for "Clients for a Cause"?
Email emma@bandcfinancial.com with your suggestions!

NFJG Jacksonville Junior Open



From left: Investment Manager Adam Oerther & Executive Vice President Thomas Ellis.

B&C Financial Advisors is a proud sponsor of the North Florida Junior Golf Foundation (NFJG). In June, B&C sponsored the Jacksonville Junior Open Tournament hosted by Jacksonville Golf & Country Club. B&C employees Thomas Ellis & Adam Oerther spent the day greeting players, passing out golf-themed items and watching great golf from the region's talented young players.

The NFJG was founded in 1994 to "provide competitive and instructional play for junior golfers aged 7-18 wishing to gain tournament experience, enhance their golf skills and life skills." The foundation also provides scholarship assistance to players. The NFJG hosts events year-round, giving local young players a chance to play every month. To learn more, call (844) 605-3272 or (904) 868-9535 or visit www.nfjg.org.

Keeping up with B&C



President/CEO Allan Cohen & Chief Investment Officer Sean Galdi enjoy a day at TPC.



Assistant Investment Manager Jessica Schmidt celebrated her birthday in May!



Allan & Kathy Cohen celebrated Tyler & Emily Gleason's wedding!

It's good to have money and the things that money can buy, but it's good, too, to check up once in a while and make sure that you haven't lost the things that money can't buy. --George Lorimer



CCO Jacqueline Bos and her granddaughters enjoying a hike in Utah.



Assistant Investment Manager Adam Howard (right) and his brother show off their catch for a Kingfish tournament.



Allan Cohen spent time with Steven & Lauren Rose in San Francisco.



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