



# Accumulating Interest

JANUARY 2019 | VOLUME 7 | ISSUE 4

## A MESSAGE FROM OUR PRESIDENT

On March 1, 1995, Jan Butensky and I incorporated Butensky & Cohen Financial Security, Inc., a Registered Investment Advisory firm focusing on the financial needs and goals of our clients. We now do business as B&C Financial Advisors, removing our individual names from the corporate name.

By now you all know that one of the founding partners, Jan Butensky, has retired, and we wish him well. Because of this change, now would be a good time to reflect on the history and accomplishments of our firm. Over the past 23 years we've seen many changes in staffing, technology, and in other areas of the business but we've always stayed true to our initial objective, which is the preservation of capital for our clients. We've done so in a way that allows clients to get a good night's sleep and not worry about their investments.

Some of the firm's notable achievements are as follows:

- We created a culture of caring about clients, characterized with integrity and high personal service.
- We created an investment model based on diversification and financial discipline that has weathered all financial storms.
- We developed a review process to assure that our clients' financial goals are always adhered to.
- We contact each client quarterly to make sure they hear from us and to be certain they feel comfortable with the way funds are managed.
- We made certain 100% of our fees are transparent, removing any type of commission incentive. We refuse to sell any financial products that charges a commission, whether it be a mutual fund, insurance product, annuity, etc.
- We created financial reports that easily show clients how much they invested and what those investments are worth today.
- We created an environment in which no client belongs to any one advisor, but rather one in which all clients belong to the firm as a whole. Every client receives the same service regardless of the size of the account or who is the primary advisor.
- We utilize cutting edge technology to insure we service our clients with high quality reports.
- We invite clients to many different client appreciation events, such as dinner at the zoo, sports events, the symphony and a festive holiday party, so we can stay in touch and make certain we understand our clients' needs.

Along the way we turned clients into friends and family, rather than friends into clients.

In addition to our clients' needs, we paid attention to the needs of the firm's employees. We developed a succession plan so employees can become owners/stockholders rather than selling the firm to a third party who really would not care about our clients, and I might add, we have received many opportunities to sell along the way. Our employees are involved in the community by partnering with many local charities. We maintain an environment that treats employees with respect, resulting in a very pleasant work environment, and we provide a retirement plan for employees to help insure their financial future along with tuition reimbursement to any employee who wants to further his or her education.

Going forward, we will do all we can to continue earning your trust and confidence by staying the course with the firm's new partners, Thomas Ellis, and Sean Guldi, who have joined Jacque and I and well understand the principles we live by.

Many have asked me if I will be leaving anytime soon, and the answer is no, I will not. I have no plans to retire and look forward to continue working for each of you for many more years to come.

I thank you all for your continued support of B&C Financial.

A handwritten signature in black ink that reads 'Allan Cohen'.

Allan Cohen, President & CEO  
B&C Financial

## A Word from the Investment Department

### Market Volatility

by Sean Guldi, CFP®, Chief Investment Officer

In light of recent market volatility, we wanted to reach out to our clients and let you know that we closely monitor markets at all times. It is important to remember that we have helped craft a plan specific to your personal goals and circumstances. You have an asset allocation that was established to allow a "good night's sleep" and not worry about the fluctuations in the stock market. Never forget that we respect that allocation and therefore limit your equity exposure to that agreed upon percentage. Due to our systematic review of each account we had been taking profits in your stocks as they have increased. We believe it would be a mistake to force any reaction due to current market conditions.

When an allocation to equities is decided upon, a decision has been made to accept fluctuations that go along with that exposure to equities – the ups and the downs. The stocks of the companies owned will get ahead of themselves from time to time or get priced below their fair market value at times, and it is through our disciplined review process that we closely monitor and maintain that allocation.

If your personal financial situation has changed recently, it is important you let us know and set up a meeting to review the impact of these changes. We are happy to set up time to review your portfolio and financial plan at any time – we would especially encourage this if you have not had a review in the past year. Please give us a call or e-mail us at [meeting@bandcfinancial.com](mailto:meeting@bandcfinancial.com).

## Meet Our New Team Members

Meet Ian Aguilar, the newest addition to the B&C team. Ian is a Certified Financial Planner™ with a B.A. in Economics from Colgate University and an MBA from the Crummer Graduate School of Business at Rollins College. Ian started his career at Bank of America Merrill Lynch in 2012 before coming to B&C in 2018 as a Wealth Advisor. He lives in Nocatee with his wife Nikki and their dog Weston. He enjoys playing tennis, golf, basketball, and cheering on the Gators and the Jaguars.



If you have called us recently, you may recognize Genevieve Stephenson's voice. As B&C's Administrative Assistant, Genny is responsible for providing administrative support to advisors and staff. Genny helps in various client services and is grateful to be a part of an organization that puts the client's needs first. Genny dedicates her time raising a family and volunteering in the community. She also enjoys playing the piano and loves spending time at the beach.



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### THE OFFICE WILL BE CLOSED ON THE FOLLOWING HOLIDAYS:

New Year's Day  
January 1

Martin Luther King Day  
January 21

Washington's Birthday  
February 18

## CONTACT US

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### Office Hours:

Mon-Thurs 8:30am - 5:00pm

Friday 8:30am - 4:00pm

Sat-Sun CLOSED

 [Facebook.com/BandCfinancial](https://www.facebook.com/BandCfinancial)

 Follow our company on LinkedIn

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

Contact us:

[info@bandcfinancial.com](mailto:info@bandcfinancial.com)

# A Word from the Investment Department

## New Year's Tax Tips

by Sean Guldi, CFP®, Chief Investment Officer

No one likes paying taxes. However, there are certain steps you can take to minimize the impact on your bottom line. Taxable income can be reduced by deductions, exclusions, or tax credits. Many people in past years were able to itemize deductions to minimize the amount of taxes to be paid. Due to the recent changes to the tax code, many folks will not itemize deductions as they have in the past. The standard deduction in 2019 is \$12,200 for individuals, \$18,350 for heads of household, and \$24,400 for those who are married filing jointly. Below are several ways to make the tax changes work for you:

### 1. Contribute to a retirement plan to lower your taxable income

One of the best ways to reduce your tax bill is to contribute to a company-sponsored retirement plan, depending on the type of plan. These contributions will lower your taxable income. Money contributed to a Traditional IRA is a pre-tax contribution and can also lower your taxable income. The maximum elective contribution amounts to retirement plans and IRAs have increased to \$19,000 for 401(k) and \$6,000 for IRAs. If you are over the age of 50, those limits are increased to \$25,000 and \$7,000, respectively. Also, IRA contributions can be made for 2018 through the tax filing deadline (April 15, 2019) at the 2018 limits of \$5,500 (\$6,500 for catch-up). Just remember contributions are tax-deferred, not tax-exempt. Deferred taxes eventually must be paid, presumably at retirement.

### 2. Choose a qualified charitable distribution (QCD) instead of a required minimum distribution (RMD)

In addition to the benefit of giving to charity, a QCD excludes the amount donated from taxable income, which is unlike regular withdrawals from the IRA. If you are over 70 ½, you are required to take a minimum distribution from your IRA. If you don't necessarily need the funds, you may want to consider a qualified charitable distribution. The funds must be directly donated to the charity from your IRA. If the funds are distributed to you and then you donate to charity, it will not qualify as a QCD. The maximum annual amount that can qualify for a QCD is \$100,000, which is the sum of all QCDs made in a calendar year.

### 3. Bunch your deductions

While the standard deduction is much higher, taxpayers may be able to "bunch" deductions in one year and take the standard deduction in another year to create a two-year scenario with lower taxes. If you own your own home, you have two actions you can take to bunch deductions:

- 1) The **mortgage interest deduction** (for homes purchased prior to 2018) allows for deduction on interest on home mortgages less than \$1M (and/or home equity loan of \$100k or less). For homes purchased in 2018, the mortgage amount is capped at \$750k (home equity loan is the same but must be used to improve a personal residence). By making an extra payment in 2019, you can get additional interest to qualify for this tax year.
- 2) **State and local taxes deductions** can also be used – real estate, sales taxes, and state/local income taxes are deductible for federal returns up to \$10,000 in total. If you can, pay two years' worth of property taxes to maximize the amount to \$10,000 by delaying one payment into the next year.

Another strategy for bunching is to either accelerate your charitable donations through year-end (say make your 2020 donations during 2019 to maximize the charitable deduction for one year). Or, if you anticipate a large increase in income for one year, you can leverage a donor-advised fund to contribute several years' worth of giving in one tax year and receive the deduction benefit. The ultimate goal is to take the standard deduction every other year and itemize in the alternate years.

*B&C Financial Advisors strives to provide the best advice to clients in conjunction with their other professionals. Please let us know how we can help work with your CPA to ensure you are maximizing your net worth and income on an after-tax basis.*



## Jacksonville Icemen Game

B&C Financial Advisors, clients and friends got together in October to watch the Jacksonville Icemen take on the Orlando Solar Bears. It was a night full of great conversation, delicious food and an exciting hockey game! To make the night complete, the Icemen beat the Solar Bears 6-2. Thank you to everyone who joined us.



*Allyson & Gregory Dawson*



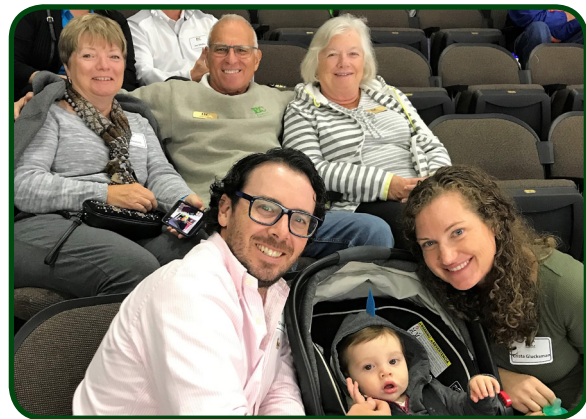
*Robert Cole Jr. & Elizabeth Eff*



*Christopher & Susan Kaniut*



*The Strally family*



*Left: The Cohen family enjoys watching the hockey game together.*



*From left: Keith Jordan, Thomas Ellis, Steve Joyce & Paul Jobmann*



*B&C clients and friends*

## Holiday Party

B&C Financial Advisors has an exciting announcement! Back by popular demand, we will be hosting our clients and friends at our holiday party on December 5, 2019. Mark your calendars – we will be sending out more information next year. We look forward to celebrating with all of you.





## FinCon Orlando

This past September, Investment Manager Adam Oerther and Marketing Coordinator Emma Ambler spent four days at FinCon Orlando – “Where Money and Media Meet.” Through speakers, classes and networking opportunities, Adam and Emma were able to deepen their knowledge of how to merge personal finance with the digital world.

The conference was a great way to meet other people who work in the finance industry and to learn about the trends in technology that will expand the world of personal finance. Emma’s favorite part of attending the conference was, “the chance to hear from leaders in the personal finance sector – that includes financial advisors, bloggers, financial coaches, start ups and more. Being able to hear their points of view and ideas inspired me to think of how we can use technology to better serve our clients.”

B&C Financial Advisors is committed to providing opportunities for continued education to its employees. Attending FinCon was a great way for Adam and Emma to learn, connect with other finance professionals and get inspired to continue to build up B&C’s online presence.



*Left: Adam Oerther gives an interview to the FinCon Orlando team. Right: Emma Ambler enjoys a custom pancake design on a break from classes.*

## Team Building

As hard as it is to believe, 2018 is coming to a close. The B&C Financial Advisors team and significant others celebrated another successful year with a holiday dinner at Eleven South Bistro. Afterwards, we tested our problem-solving abilities as a group as we attempted to “escape the rooms” at Mind Benders Escape Rooms.

We had a great night enjoying each other’s company outside of the office and celebrating the holidays. We want to thank all of our clients and friends for their continued support and trust in our services. All of us at B&C are looking forward to what 2019 will bring.



## Dreams Come True

For children fighting life-threatening illnesses, getting treatment can be a scary and uncertain time. One local organization is working to bring some light into this dark time. Dreams Come True (DCT) is a First Coast-based non-profit that gives sick children a chance to live out a dream, whether it be becoming a Jacksonville Jaguar for a day or going on a trip with their family. DCT has never turned away a child and has fulfilled 3,500 children's dreams in the past 30 years.

B&C Financial Advisors has a very special connection to this organization. In 2009, Chief Compliance Officer Jacque Bos' son Connor was diagnosed with Acute Lymphoblastic Leukemia at the age of three. While this was a very scary time, DCT made Connor's dream of going on a Disney cruise a reality and gave the Bos family a memorable vacation. Today, Connor is a healthy and happy thirteen year-old and Jacque continues to support DCT any way she can.

This year, B&C was happy to again sponsor the Riverwood Men's Club golf tournament benefiting Dreams Come True. B&C Executive Vice President Thomas Ellis represented the firm in the golf tournament, enjoying a day on the greens for a great cause. The tournament raised \$28,000 that will help local children see their dreams become reality. For more information about Dreams Come True, please visit [www.dreamscometrue.org](http://www.dreamscometrue.org) or call (904) 296-3030.



*Executive Vice President Thomas Ellis (right) & B&C client Dan Grissom.*



*Chief Compliance Officer Jacque Bos (second from right) at the check presentation.*



*CCO Jacque Bos' twins on their Dreams Come True cruise.*

## Mission House Coat Drive

Earlier this quarter, we announced that we would be collecting coats and other winter items for Mission House, a local day facility that helps the homeless in the Beaches community. We want to say a huge THANK YOU to our clients and friends who have donated their coats, hats, scarves, gloves and more!

We have already collected several huge bags of winter items that will now keep our community's homeless warm as the temperatures drop. If you have any warm clothing you would like to donate, you can drop it off at our office. Thank you again for your generosity!

To learn more about Mission House, visit [www.missionhousejax.org](http://www.missionhousejax.org) or call (904) 241-6767.



*Investment Manager Jessica Schmidt shows some of the generous donations.*



# Keeping up with B&C



Chief Investment Officer Sean Galdi (left) and President/CEO Allan Cohen (right) spent time with Dr. and Mrs. Hisham Korraa in California.



CCO Jacque Bos & Ellen Polsky enjoy time on the water while visiting the Polskys in California.



Zoe Polsky also got to enjoy the boat trip with her life vest on - safety first!



Marketing Coordinator Emma Ambler (right) celebrated her sister's wedding in November!



Investment Manager Adam Oerther spoke on a panel at the Southeast RIA Summit.

*"A wise person should have money in their head, but not in their heart."  
—Jonathan Swift*





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