



Accumulating Interest

July 2023 | VOLUME 12 | ISSUE 2

INSIDE THIS ISSUE:

- A WORD FROM THE INVESTMENT DEPARTMENT
- NEW WEBSITE
- BILLSUITE™
- PERSHING ADVISOR SOLUTIONS UPDATES
- KEEPING UP WITH B&C
- CHOOSING ROTH VS. TRADITIONAL CONTRIBUTIONS IN YOUR COMPANY'S 401(K) PLAN

THE OFFICE WILL BE CLOSED ON THE FOLLOWING DAYS:

July 4
Independence Day

September 4
Labor Day

November 23-24
Thanksgiving

CONTACT US

P : (904) 273-9850

F : (904) 273-6920

www.BandCfinancial.com

THE B&C FINANCIAL BUILDING
110 PROFESSIONAL DRIVE
PONTE VEDRA BEACH, FL 32082

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

A Word from the Investment Department

Owning Individual Bonds Versus Bond Mutual Funds by Adam Oerther, Vice President

If you're looking to invest in the bond market, there are two primary options available to you: individual bonds and bond mutual funds. While both offer the potential for steady income, portfolio diversification, and relatively low risk, there are some key differences between the two. In this article, we will explore why owning individual bonds can be a better choice than owning bond mutual funds.

First and foremost, owning individual bonds gives you more control over your investments. When you purchase an individual bond, you know exactly what you're getting – a fixed income security with a specific maturity date and interest rate. You can choose bonds with maturities that match your investment horizon, and you can select individual bonds with credit profiles that meet your risk tolerance.

On the other hand, when you invest in a bond mutual fund, you're essentially pooling your money with other investors to buy a portfolio of bonds. While this can provide diversification benefits, it also means you have less control over the specific bonds in your portfolio. You may not know exactly what bonds you own, and you may not be able to customize your portfolio to match your specific needs.

Another advantage of owning individual bonds is they offer more predictable returns than bond mutual funds. When you own an individual bond, you know exactly how much income you'll receive and when you'll receive it. As long as the issuer doesn't default on the bond, you can expect to receive the par value of the bond when it matures.

In contrast, bond mutual funds can have fluctuating returns, and the income payments can vary depending on the bonds held in the portfolio. In addition, if interest rates rise, the value of the bonds held in the mutual fund may decrease, resulting in a decline in the value of your investment.

To read more, please visit

<https://bandcfinancial.com/owning-individual-bonds-versus-bond-mutual-funds/>

NEW WEBSITE

Our website has a fresh, new look!

We strive to give our clients and prospects the most user-friendly experience when visiting our website. We believe the website is much more aesthetically pleasing and offers easier navigation.

One new feature we love is the "schedule a meeting" button that can be found under each advisor's bio.

We hope you enjoy our new website as much as we do.

You can see it for yourself at bandcfinancial.com



Pershing Advisor Solutions' Billsuite™

Did you know you can pay bills from your account? Billsuite™ makes paying bills easier than ever and it can be found on the Pershing Investor site!

*Use of Billsuite™ requires an asset management account with a check writing feature. To add Billsuite™ to your account, contact B&C.

If you've already added Billsuite™ to your account, you can add your bill payees and schedule your payments immediately by:

- Log in to Pershing Investor site (investor.pershing.com) or open you app on your mobile device
- Click on "Transact" then "Pay Bills"
- Under Billsuite select the amount and click "Launch Bill Pay"

There is no additional charge for Billsuite™. Fees for access to online services may apply.

Updates from BNY MELLON | Pershing Advisor Solutions



01

Transaction Fees

B&C Financial Advisors have negotiated on behalf of our clients a **transaction fee of ZERO** for all equity trades and a \$7 fee for fixed income.

This will take effect in the 3rd quarter of 2023.



02

Corestone

For all new taxable accounts, a Corestone Checking form with BillSuite™ selected will be required.



03

Paper vs Paperless

Pershing remains committed in their efforts to help clients be paper free in '23.

Beginning in the 3rd quarter, all new accounts will be auto-enrolled in Investor Portal and e-delivery will become the default option.

For those that are not currently paperless, there will be a paper subscription fee and/or a paper tax document fee.

The new fees are:

- Paper subscription fee (e.g., statements, confirms, and notifications): \$2/month/account, effective January 2024.
- Paper tax documents fee: \$10/year/account, assessed in March 2024 for tax year 2023.

If you are not currently enrolled in e-delivery but would like to be, please call the office or email

info@bandcfinancialadvisors.com.

A form is required for set-up.

If you currently have a User ID you may check your selected preferences/make any changes online at

investor.pershing.com.

Keeping up with B&C



Vice President Adam Oerther and his nephew, Easton, on their family cruise to the Bahamas.



Executive Vice President Thomas Ellis, his wife Alana, and his two sons Gage and Ty in Gatlinburg, TN.



CCO Jacque Bos' sons Connor and Aiden graduated high school!

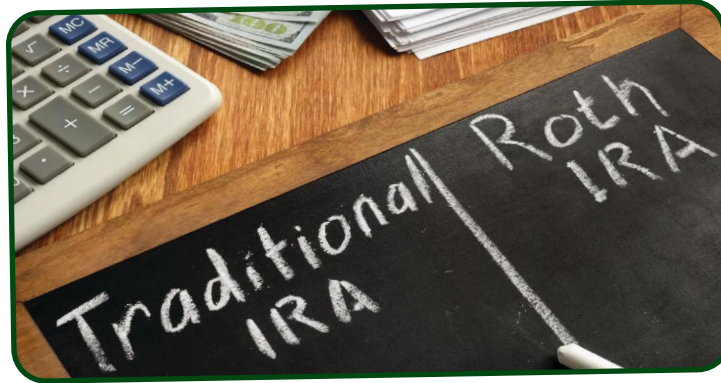
HAPPY BIRTHDAY



(From left to right) Assistant Investment Manager Jonathan Bottaro, Chief Investment Officer Sean Guldi, and Investment Manager Jessica Schmidt celebrated birthdays!

Choosing Roth Vs. Traditional Contributions in your Company's 401(k) Plan

by Adam Oerther, Vice President



When it comes to saving for retirement, there are several options for retirement accounts you can contribute to. One decision you are likely to make is how to allocate your contributions in your company's 401(k) plan. Specifically, you will need to decide whether to make traditional or Roth contributions. Both options have advantages and disadvantages, so it's important to weigh your options carefully before deciding, as this can have a significant impact on your overall financial plan.

Traditional 401(k) Contributions

Traditional 401(k) contributions are tax-deferred, which means that you won't have to pay taxes on the money you contribute until you withdraw it, generally during retirement. This can be a major advantage if you expect to be in a lower tax bracket during retirement than you are now. By deferring taxes until later, you may be able to reduce your overall tax burden.

Another advantage of traditional 401(k) contributions is that they may lower your taxable income in the current year. This can be especially beneficial if you are in a high tax bracket and want to reduce your tax liability.

However, traditional 401(k) contributions also have some disadvantages. For example, you will have to pay taxes on your contributions and earnings when you withdraw them during retirement. Additionally, if you withdraw funds before age 59 1/2, you may have to pay a 10% early withdrawal penalty in addition to the taxes you pay on the distribution.

Roth 401(k) Contributions

Roth 401(k) contributions are funded with after-tax dollars, which means you won't have to pay taxes on your contributions or earnings when you withdraw them during retirement. This can be a major advantage if you expect to be in a higher tax bracket during retirement than you are now. By paying taxes now, you may be able to reduce your overall tax burden later.

Another advantage of Roth 401(k) contributions is that there are no required minimum distributions (RMDs) at a certain age. This means you can leave your funds in your account to continue to grow tax-free for as long as you want.

(continued on next page)

However, Roth 401(k) contributions also have some disadvantages. For example, they do not reduce your taxable income in the current year, which can be a disadvantage if you are in a high tax bracket and want to reduce your tax liability. Additionally, Roth contributions may not be available in all 401(k) plans, so you will need to check with your employer to see if they offer this option.

In-Plan Roth Contributions

A third option to consider is making in-plan Roth conversions, where you take pre-tax contributions and convert them to Roth contributions within the plan. This would be similar to making Roth conversion from an IRA for tax purposes. The amount you convert will become taxable, but the money would grow tax-free in the Roth account. You may find this option helpful if you have variable income and are in a lower bracket in some years.

Factors to Consider

When deciding whether to make traditional or Roth contributions in your company's 401(k) plan, there are several factors to consider. These include:

Your current tax bracket: If you are in a high tax bracket now, you may want to consider traditional contributions to reduce your tax liability. If you are in a low tax bracket, Roth contributions may be a better option.

Your future tax bracket: If you expect to be in a higher tax bracket during retirement, Roth contributions may be a better option. If you expect to be in a lower tax bracket, traditional contributions may be a better option.

Your investment time horizon: The longer you have until retirement, the more time your investments have to grow tax-free. This can be a major advantage of Roth contributions.

Your desire for flexibility: Traditional contributions offer more flexibility in terms of when you can withdraw funds without penalty. Roth contributions may be less flexible in this regard.

Your estate planning goals: If you want to leave your funds to your heirs, Roth contributions may be a better option since they are tax-free to beneficiaries. However, if you plan to spend down your savings during retirement, traditional contributions may be a better option.

How to Decide

Ultimately, the decision of whether to make traditional or Roth contributions in your company's 401(k) plan will depend on your individual financial situation and goals. Consider working with a Certified Financial Planner™ to help you make this decision as part of a comprehensive financial plan. At B&C Financial Advisors, we help our clients make these decisions and even offer management of your company retirement plan to align with your overall investment plan.



110 Professional Drive, Ste. 101
Ponte Vedra Beach, FL 32082

PRSR STD
U.S. POSTAGE
PAID
JACKSONVILLE, FL
PERMIT NO. 4679