

Employees Can Put More Money In Their Pockets By Maximizing Company Benefits

Employees have more flexibility than ever before to structure a benefits package that meets their financial and personal needs. To ensure that you are maximizing your company benefits, the N.C. Association of Certified Public Accountants suggests that you review your benefits program annually. Here are items to be considered:

Health Insurance

Obtaining the right health insurance at a price you can afford is critical to your financial well-being. Many companies offer both traditional indemnity plans and managed-care programs, such as those provided by health maintenance organizations (HMOs).

Under a traditional indemnity plan, you must meet an annual deductible and then are reimbursed for a large percentage (typically 80 percent) of your costs. These plans are expensive and can cost a family of four several thousands of dollars in premiums every year, even when an employer is contributing to the cost. An advantage of these plans is that you select your doctor or hospital. However, such plans usually do not cover well-care visits.

If you're looking to cut costs, look into managed-care programs. In exchange for limiting your physicians and hospitals to those specified by the health maintenance provider, you'll pay a flat fee—usually \$5 to \$10—for doctor visits, in-

cluding wellcare visits. Premium amounts are usually lower than those for traditional indemnity plans and there are no deductibles.

Health Care Accounts

Some companies offer flexible spending accounts which allow you to set aside pre-tax wages to pay for medical expenses. Whether you anticipate medical bills of \$500 or \$5,000, you'll cut your medical expenses by paying for them with untaxed dollars. The higher your tax bracket, the more money you can save.

If you need to, you can usually change the amount you deposit each pay period into your medical spending account. However, if you don't use all the money in a flexible spending account prior to the end of the year, you'll forfeit the unused funds.

Dependent Care Accounts

More employers are also providing the opportunity to set aside pre-tax wages for dependent care expenses for a child or a disabled parent or spouse. Similar to medical spending accounts, you must estimate your dependent care expenses in advance and determine before the plan year begins how much of the following year's salary will be set aside to cover such expenses.

Life Insurance

Many companies provide a basic amount of life insurance and give

you the option of buying additional insurance at the group rate. Frequently, an employer provides insurance up to two or three times your annual salary.

This may be enough for single people. However, if you have a spouse and children who count on your income, you may want to purchase additional insurance. CPAs suggest that as a rule of thumb, if you support a family, you should buy coverage equal to about five times your annual income.

Disability Insurance

Disability insurance replaces a portion of your salary if an illness prevents you from working. Typically, employers provide wage continuation coverage that provides full or partial income for a set period, usually no more than a few months. Since this type of disability income is dependent on your length of service with your company, if you recently joined your company, you may need to purchase a short-term disability policy. In either case, you also need long-term disability insurance, particularly if your family relies on your earnings for day-to-day expenses.

Some employers allow employees to choose among several disability insurance policies as part of a cafeteria plan. One variable in these policies is the elimination period—how long you wait before benefits kick in. Elimination periods can vary from 30 to 90 days or more.

Generally, the cheaper plans have longer elimination periods. Select the lower-cost plan only if you have sufficient cash reserves to see you through an emergency until your insurance policy will pay. You'll also want to be sure that you're covered for about 60 percent of your pre-disability income, although some high-income earners may be limited to a lower percentage.

401(k) Plans

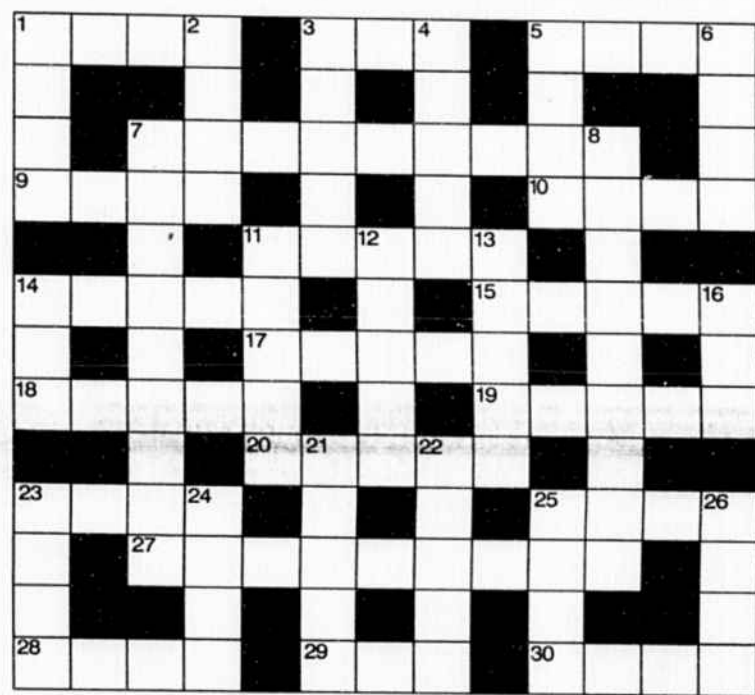
Employer-sponsored 401(k) plans offer you one of the best ways to save for your retirement. That's because you can save pre-tax dollars and your savings grow tax-deferred until you withdraw the funds at retirement. If your employer also makes a contribution on your behalf, your savings will grow even faster.

Take the time to monitor how your 401(k) investments are performing. If you're not satisfied with their returns, or if you have had changes in your life that warrant a different investment strategy, you usually have the option of reallocating your 401(k) savings.

CPAs point out that effectively structuring your employee benefits can help you to maximize your earnings and ensure your family's financial security.

Money Management is a weekly column on personal finance prepared and distributed by the North Carolina Association of Certified Public Accountants.

WEEKLY CROSSWORD



CLUES ACROSS

1. Nought
3. Peculiar
5. Steadfast
7. Random
9. Calm
10. Mud
11. Stratagem
14. Loop
15. Splendor
17. Country residence
18. Courageous
19. Heavenly body
20. Strain
23. Money
25. Blackleg
27. Statement under oath
28. Row
29. Long past
30. Present

CLUES DOWN

1. Bluish-white metal
2. Precious stone
3. Yellow Pigment
4. Twelve
5. Mold
6. Pit
7. Fire devastation
8. Tact
11. Ferment
12. Bay
13. Instruct
14. Arrest
16. Child
21. Additional
22. Jewel stone carved in relief
23. Voucher
24. Listen
25. Unexpected drawback
26. Contest

(Answers are on Page 12-A)

Field of Dreams invites you to come celebrate...



May 2-8
Come browse...

Wide selection of herbs, growing tips, also available... flowering perennials (old garden favorites)

Follow Hwy. 179, we are located on Hughes Trail just off Hale Swamp Rd.

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Soles took more than \$12,000 from PACS and special interest groups for his 1992 campaign. So who is he really working for?

Elect Ron Taylor, Democrat - NC Senate
Paid For By Ron Taylor For NC Senate

Alice T's

Coming
May 7 and 8

to
Alice T's Lounge
LIVE KARAOKE

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Re-elect THURMAN GAUSE to the Board of Education

Democratic Candidate from District One
A Concerned Citizen Who Serves (without pay) Supports

- quality education across this county
- weapon and drug-free schools
- teachers and other staff members
- parents and concerned citizens

I have 16 months of school board experience. I'm retired and available for service anytime up to 18 hours per day.

Thanks for your vote on May 3

Paid for by the candidate

CITIZENS SUPPORT THEIR LIBRARY

When Brunswick County decided to enlarge the West Brunswick Branch of the Public Library this spring, the library was to be closed for a period of five to six months during construction because no funds had been allocated for a temporary location. The Friends of the Library felt it was necessary for the library to remain open to serve the children and adults in our part of the county. They estimated that a budget of \$10,000 would be needed to rent a temporary location, make it ready and staff it during the renovation period.

The fund raising efforts began with a bake sale at Food Lion and a dance at the Army. This was followed by a VCR raffle and T-shirt sale sponsored by Wal-Mart and a three day period when Food Lion donated a percent of its receipts to the cause.

The main thrust for funds was from a letter campaign requesting towns, civic groups, businesses, and professionals to be an "Angel" for a \$500 donation, a "Patron" for \$250 or a "Sponsor" for \$100. Another letter was hand-delivered to most residents by volunteers asking for any size donation, whatever they could afford. The results were incredible; \$15,951 was collected from 228 donors.

The library is now in its new quarters at Resort Plaza in Shallotte and is open Mondays from 11 AM to 8 PM, and Tuesdays, Wednesdays and Thursdays from 9 AM to 6 PM. It is staffed by your temporary librarian, Emma Myles, and assisted by 59 volunteers (another show of local support).

The contributors in the "Angel," "Patron" and "Sponsor" levels will be listed in a framed acknowledgment in the renovated library and will include the following:

ANGEL—Town of Shallotte, South Brunswick Islands Chamber of Commerce, Atlantic Telephone Membership Corp., Security Savings and Loan, Town of Sunset Beach, Town of Calabash, Wal-Mart, NationsBank, Town of Ocean Isle Beach, Sea Trail Plantation Garden Club, Sunset Beach Taxpayer Association, the Rotary Club of South Brunswick Islands.

PATRON—Food Lion, Inc., Victoria's Ragpach, Inc., Brierwood Ladies Club, South Brunswick Islands Woman's Club.

SPONSOR—Robert J. Watt, Ocean Isle Property Owners Association, Harris & Harris Associates, Carson Manufacturing Corp. Shallotte Presbyterian Church, Greater Holden Beach Merchants Association, MAC Construction, Walters Realty, Brunswick Electric Membership Corp., The Brunswick Hospital, First Citizens Banks, Carolina Shores Garden Club, Albert Lee Thomas, Betty & Straud Maerker, Davina & Stephen Candela, Frances & Jean Pelletier, Susan & Timothy Gibble, and Carole & Joe Matusaitis.

The Friends of the Library greatly appreciate and wish to acknowledge not only those listed above, but also all those who gave both time and/or money to their library to help keep it open.

CONGRATULATIONS ON YOUR SUCCESS!





We're now
Open 7 Days A Week
Serving fresh seafood specials nightly, plus tender, juicy steaks and chicken.

Meet our new managers, Mike and Bethanna, and bring this **half price coupon!**
Valid April 27-May 3, coupon required.

Buy one entree at regular price and get second entree of equal or lesser value
1/2 Price

Betty's Waterfront Restaurant
Open nightly 5-9 pm. 842-3381
Enjoy your favorite beer and wine.
On the waterfront at Holden Beach

Shag under the Stars on our deck Saturday, 8:30 with DJ Marty Callahan