



Employee Benefits

By Don Fohrd

The building isn't the only thing that's changed at Sgroi Financial recently. Look closely and you will find an added focus on providing a full range of Employee Benefits consulting services to our clients.

Added Focus - Same Philosophy

The added Employee Benefit products and services we are now providing may be new, but our underlying principle at the agency remains the same: We work for you our client, not the insurance companies that we represent. We will strive to work with you to develop a benefits strategy for your company that takes into consideration its unique needs and demands. We do this by utilizing a wide range of insurance carriers that provide a variety of products and services to meet the demands of your situation and benefit your employees. Remember, Employee Benefits not only have a direct impact on your bottom line operating costs, but also have an impact on your overall costs of doing business through improved employee morale and retention. They are much too important to have handled by someone who isn't focused on your best interests.

Why Employee Benefits and how does this fit with our current offering of Products and Services?

Employee Benefits Consulting is a natural progression from the TSA and 401k planning that the agency has been successfully handling for many companies, school districts, and municipalities for some time now. With the addition of these new product offerings, we can now work with these same clients to address their total benefit portfolio.

What Employee Benefit Products will you be offering?

Group Short (STD/DBL) and Long Term Disability (LTD)- Offered through the employer, these can be paid for by the employer or employee. With the rising costs of all benefits that most employers are faced with today, it's important to creatively address this critically important employee benefit.

Multi-Life Individual Disability—One of the creative ways to address disability benefit costs is to offer Individually owned disability products provided to a group of employees. They can be offered to a select group of employees (executives/management) or the entire population of employees. These benefits can be offered on a employer or employee paid basis and allow the employer to address shortfalls in their Group LTD plan while potentially controlling overall costs.

Group Life Insurance - A low cost way of getting employees valuable term life insurance coverage. This can be paid for by the employer, employee, or a combination of both. Benefit amounts are flexible and allow each employer to make the decision around what level of protection they want for their employees.

Permanent Life products are also available. *(Cont. on page 4)*



OUR IN-HOUSE CONFERENCE/MEDIA ROOM



In-House Conference Room Seminars

By Brian Clouden

One of the many reasons we put on a 4,500 square foot addition was our desire to expand the amount of services that we offer our client base. Key to the expansion of services was including an in-house 450 square foot conference room. The facility was set up with intimate client seminars in mind.

In the past we concentrated our efforts on a larger scale; two to four seminars a year which would draw between 200 and 400 clients per event. The new conference room allows us to offer more educational seminars throughout the year. It also enables us to provide you with information in an environment more conducive to learning.

We are currently in the process of putting together a complete schedule of the topics and setting up speakers for each event. There are 8 seminars scheduled as we go to print (times are still pending):

October 28 - Tax Shelter Annuities (TSA/403b), Sgroi & Associates

November 3 - Changes to the New York State 529 Plan, Brook Conley, VP of Liberty Funds

November 5 - Essentials to Estate Planning, Jonathan D. Schechter, Attorney at Law

November 6 - NYS 529 Plan with Brook Conley

November 18 - TSA/403b - Sgroi & Associates

December 4 - TSA/403b - Sgroi & Associates

December 9 - NYS 529 Plan with Brook Conley

December 10 - NYS 529 Plan with Brook Conley

Other topics we are looking at include: Medicaid, Long Term Care Insurance, Real Estate Investment Trusts (REITs), Understanding your Mutual Funds and a variety of other financial planning issues.

If you would like to take part in one of the 8 seminars listed above or know of someone who could benefit from attending, please call the office. We look forward to offering you these services and encourage you to call the office with topics that you would like covered.

A personal thank you from Joe

Dear Valued Friend,

Throughout my professional career I have experienced many joys. Putting on the addition of my dreams falls in line with the best of them. I sincerely want to thank all of our awesome clients for helping us grow. We are better suited to give you the type of service that you have come to expect and deserve. Within the past two years we have hired 8 new employees, 5 since July. One of our most current additions, Don Fohrd, is leading us into a new frontier - Group Benefits. I want to welcome them all aboard and we look forward to servicing your financial planning & group benefit needs.

If you didn't get a chance to attend our Open House, here is a glimpse of the new facility and the clients, family and friends who attended:



(Employee Benefits Continued)

Long Term Care (LTC) - LTC offered through the workplace is one of the hottest products available today. It can be sold as a Group contract or as Individual contracts sponsored by the employer. Many of these contracts allow for Guaranteed Issue coverage (No medical underwriting) and a group discount. There are significant tax savings available to many employers and we would be happy to discuss how they apply to your corporate structure.

Group Health Insurance - Definitely the most expensive employee benefit that companies provide, however many health insurance carriers are offering a number of new ways to control costs. Contact us for a plan review and introduction to some of these new concepts.

Business Owner Protection - Don't forget about yourself when putting together a benefits plan. Two products that are often overlooked are Business Owner Disability/Life Insurance Buy-Out coverage and Business Overhead protection.

Interested in more information?

We would be happy to provide a free analysis of your companies current benefit offering. During the review we will discuss how your current plans are meeting your objectives, as well as make suggestions for updating the plans to better benefit your employees and the organization. We will also discuss developments in the industry that could enhance your benefit offering for little or no out of pocket cost to your company.

Please contact me, or your financial planner, to set up a time to come out and discuss your companies unique needs and situation. We look forward to continuing the long tradition that has been built at Sgroi Financial for providing unique and creative solutions to your financial needs, and following that up with outstanding customer service.



New York State's 529 Plan gets a Extreme Makeover

By John Clouden, CRS

Over the last 3-4 years, the status of 529 college education plans have grown enormously in popularity, and rightfully so. Where else can you put money for your children's or grandchildren's college education and have the flexibility in a tax deferred vehicle (as long as the money is used for a college education it would be tax free) and maintain complete control? Simple answer, nowhere.

It was recently announced that the New York State affiliation with TIAA/CREF will be terminated beginning November 1, 2003. New York State's new affiliation will be with Columbia/Liberty Funds. In our opinion, this is a giant step forward for many reasons, most importantly is that we feel there will be better investment opportunities for our clients.

Another reason we feel this is such a great situation is Columbia/Liberty's affiliation with Upromise™. If you have already heard of Upromise™ and have opened an account, that's great. If you haven't, let me give you a brief overview.

Upromise™ is a brand loyalty program that benefits the consumer with deposits of cash into an account that can be used for education simply by registering with Upromise online. There is no cost or catch to this wonderful program, it is simply a way that companies can attract you to their products by giving you an incentive (honestly, there's no catch).

A great example of this program is Exxon/Mobil. They deposit 1 penny into your account for every gallon of gas you buy (I take my kids to many hockey & soccer games out of the area and that sure adds up). Locally, Wegman's, Tops and Quality Markets are involved and for every dollar spent on groceries in their stores, a deposit is made into your account. These are just a very, very small amount of both national and local companies that are involved in this program.

Whether you have children or not, you should definitely take advantage of this program, because after having the money in Upromise™ for ten years, you can use it for anything you want. If you are going to use it for college purposes, you can sweep it into your Columbia/Liberty 529 plan and receive a New York State tax advantage for the amount swept in.

If you want any more information on 529 plans or the Upromise™ program, call our office or go to www.Upromise.com™ and find out what you are missing. I am sure you will be as impressed as we are. (See the front page about our NYS 529 seminars.)



The Bond Market versus The Stock Market

By Jeffrey Hahn, CFP

There is an old Wall Street adage which states that stocks and bonds move in opposite directions. Like many such statements, it contains an element of truth. It certainly has been true during the bear

market of the last three years as bonds experienced fantastic returns. Many of you benefited from bond and bond fund investments.

It's important to remember that while a stock represents *ownership* of a corporation, a bond represents a *loan* to a corporation or a government.

As the stock market has rebounded significantly since last spring -in its own volatile way - the bond market has stagnated. In addition, with interest rates so low, the dividend interest paid by bond funds has decreased.

Bonds and bond funds are primarily *capital preservation* assets. If you invest in such, it is normally to protect your principal and earn a better interest rate. This is what we look for when researching such investments. Needless to say, there are a multitude of variables. People often say they find stocks confusing but bonds are even worse.

You won't experience the same volatility with the bond market that you will with stocks, but they are not guaranteed investments. The downside of most bond funds we offer is pretty limited and in a bad year, you just might not make very much. That is how this year is ending up. If you have invested in these type of instruments, it would be wise to give us a call so that we can review them with you. As always, if you have and questions or concerns, give us a call.