



McKENZIE HOUSING AUTHORITY

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September 14, 1994

To: All TAHRA MEMBERS

As a small employer in West Tn., we usually don't get the same chance to participate in the same benefit packages as a large corporations. That was until a few months ago.

A few months back, we were approached by Employee Benefit Specialists, Inc., whose main office is located in Morristown, Tn. They are TAHRA Associate Members, and work with may other Housing Authorities across the state.

EBS, showed us two tax codes of the IRS, that we could take advantage of regardless of our size:

The First is Section 125, this plan lets the employee pay for their insurance premiums before taxes. By doing so, the employee saves withholding and FICA dollars. Even the Authority saved some FICA matching.

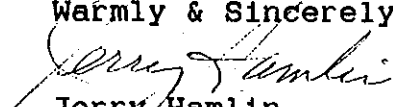
The other tax coed is Section 457-Deferred Compensation, this plan is exclusively designed for government non-profits. This plan lets the employee put away money before withholding taxes for additional retirement.

The best thing about both plans, is EBS, didn't charge us any fees!

Being on a budget like all other Housing Authorities, we couldn't have these plans, had there been any fees. EBS's representatives took the time to sit down with each employee and explain how this could help them. They even provided us with documents to make the plan legal and took care of all the paperwork.

If you have not spoken with EBS as of yet, and they are trying to talk to every Executive Director, please give them a few minutes. Your employees will thank you, and you will be glad EBS talked with you!

Warmly & Sincerely


Jerry Hamlin
Executive Director

Equal Opportunity Housing