

# BUSINESS & FINANCE

EDITOR MARGARET O'BRIEN • 901-2568

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SID MITTRA, Ph.D.

## Don't count on Social Security or pension plan

**Editor's note:** This is the second article in a five-part series on tax planning. Next week's column will discuss taxation of life insurance.

**Y**ears ago, a company pension plan and Social Security made up a healthy portion of a retiree's income. But for most of us, those days are gone.

According to a survey conducted in 1994 by Access Research, less than one-in-three companies offer a pension plan. And the long-term prospects for Social Security are cloudy. When the Social Security system was created, 36 workers supported each retiree. Today there only three workers for each retiree.

### Where will the money come from?

Based on Social Security Administration figures, individuals with an annual income over \$61,000 receive only about a third of their retirement income from pensions and Social Security. To make up this shortfall, the majority of your retirement income will have to come from personal savings and investments.

Sadly, millions of Americans are ignoring this fact. According to an article that appeared in the March 26, 1995 New York Times, 52 percent of Americans have not yet started to put aside money for retirement.

### Take charge, now!

It doesn't have to be too late for you. With the help of your financial advisor, you can map out a plan for your retirement. The first step is deciding how much you'll need during your golden years.

Many experts suggest at least 75 percent of your pre-retirement income is required to maintain your lifestyle.

The next step is to determine how much you can put aside and where the money should go. This is critical, as allocating your savings to the wrong investments can leave you far short of your goal come retirement day.

Most financial advisors recommend that your first retirement savings dollars should go into tax-deferred accounts, such as workplace-sponsored plans (401(k)s, 403(b)(7)s, SEPs and Keoghs) and IRAs.

### The benefits of workplace plans

While the retirement plans listed above differ from company-to-company, they all share one enormous benefit — both your contributions and earnings are tax-deferred. That way, your total account balance grows faster. That's because by postponing taxes, you have more to invest, and assuming a positive investment return, more to compound year after year.

Incidentally, many workplace plans allow you to make a pre-tax contribution directly from your paycheck. Since the amount of your contribution isn't considered salary, as already stated, you can defer paying taxes on that money as well. Of course, you'll eventually have to pay taxes on both your account earnings and contributions, but not until you will be retired and presumably will be placed in a lower tax bracket. Bear in mind, most of these plans and/or plan penalties for early withdrawals, so you should check with your tax advisor if you're considering withdrawals before age 59 1/2.

### Summary of workplace plans

The following is a brief summary of the more common workplace plans available. Be sure to consult with your financial advisor to determine which, if any, you are eligible for.

### 401(k)s

The 401(k) plan is fast becoming the heir-apparent to the company pension plan. According to an article in the February 26, 1995 USA Today, experts expect 401(k)s to overtake company pensions as the primary source of company-sponsored retirement.

**See MITTRA, D3**

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## Franklin financial advisor among the best

BY RENA FULKA  
SPECIAL WRITER

Like the others in a pool of 616 nominees, Franklin resident Bernard S. Kent submitted to an extensive review process that formed a file of paperwork an inch thick.

The criteria was for honesty and excellence. And when the vying was over, Kent says he felt a sense of relief to find his name listed among the nation's top 200 financial planners by Worth Magazine.

Unlike the majority of this year's list-makers, who are self-employed or co-

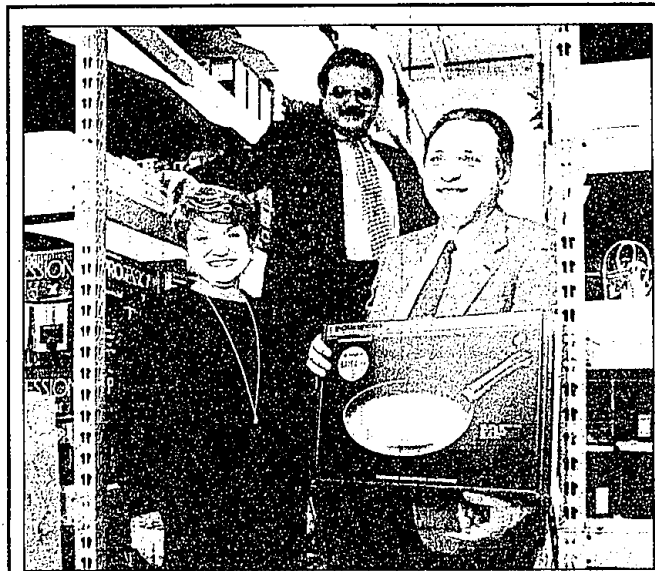
owners of small firms, Kent makes his mark in the financial world as a tax partner with the big six accounting firm of Coopers & Lybrand LLP in Detroit. Kent has served the firm as Midwest regional director of Personal Financial Planning since 1983.

"We're just as proud as we can be," said Jerry Wolfe, tax partner in charge at the Coopers & Lybrand offices in the Renaissance Center. "To have a colleague receive that type of recognition elevates the whole firm."



See KENT, D4

Bernard Kent



**Cookin' up business:** Kitchen Glamour owners Toula Patsalis, left, son Harry Patsalis and Chris Patsalis show off their new warehouse space in Westland. They stock some 18,000 items for their four retail stores in the metro area.

STAFF PHOTO BY JIM JACOBELLI

## Glamorous Kitchen retail business still hearty

BY CASEY HANS  
STAFF WRITER

Everybody has to eat — and that's something that pleases the Patsalis family.

Owners of Kitchen Glamour, the largest family-owned kitchen retailer in the state, Toula and Chris Patsalis and son Harry are thankful for their successes over the past 20 years and a loyal clientele that has helped their business grow by more than 1,200 percent.

Their repeat customers include third-generation families who visit their stores in Novi, Rochester, West Bloomfield and their original store on Grand River in Redford.

"It's taken a lot of blood, sweat and tears and a lot of good luck," said Toula, who with her husband has weathered two financial recessions and helped expand the business from one store to four, plus a new headquarters and warehouse in Westland.

The warehouse and offices were originally housed with the Redford store, before the Patsalis family decided they needed more space and made the recent move. The new Kitchen Glamour warehouse facility, in an industrial park near Warren and Hix, more

See GLAMOR, D3

## Walsh offers business computer classes

Walsh College of Accountancy and Business Administration in Troy will offer a series of continuing education computer courses.

Courses planned are:

**Thursday, Nov. 21**

• Windows 3.1 Introduction (Part II): Training presented by Walsh College, 3838 Livernois Road, Troy, 6:30 p.m., \$195 total for both nights. To register, call (810) 689-6178, Ext. 260.

• Lotus 1-2-3 5.0, Worksheets: Training presented by Walsh College, 3838 Livernois Road, Troy, 8:30 a.m.-4:30 p.m., \$195.

**Friday, Nov. 22**

• Doing business on the Internet - Planning & Marketing a Web Page. Learn to access, understand and use the Internet, a powerful business tool. Training presented by Walsh College, 3838 Livernois Road, Troy, 8:30 a.m. to noon, \$89.

• Doing Business on the Internet - How to Create a Web Page

### ENTREPRENEURS

(HTML). Learn to access, understand and use the Internet, a powerful business tool. Training presented by Walsh College, 3838 Livernois Road, Troy, 1-4:30 p.m., \$89.

**Saturday, Nov. 23**

• Business Plan I: An Overview. Go the next step. Turn your idea into a business by writing a business plan. This course walks you through the research and analysis process of gathering the information necessary to write a business plan. Seminar will be held at the Long Lake Crossing location, 1301 Long Lake Road, Troy, 8-10 a.m., continental breakfast included, \$45 per session, \$85 for two, \$125 for three and \$160 for four sessions. Instructor: Debra A. Ball, vice president, Pathway Partners, Ltd.

• Know Your Numbers: Determine how to make sound business decisions by understanding the numbers. This session provides an introduction to financial statements for small business owners. Seminar will be held at the Long Lake Crossing location, 1301 Long Lake Road, Troy, 8-10 a.m., continental breakfast included, \$45 per session, \$85 for two, \$125 for three and \$160 for four sessions. Instructor: Cheryl Gault, finance officer, Oakland County.

To register for any of the listed courses, call (810) 689-6178, x260.

loan, an alternative source of financing is private investors.

Learn how to find "them" and how to interest "them" in your business. Seminars will be held at the Long Lake Crossing location, 1301 Long Lake Road, Troy, 8-10 a.m., continental breakfast included, \$45 per session, \$85 for two, \$125 for three and \$160 for four sessions. Instructor: Debra A. Ball, vice president, Pathway Partners, Ltd.

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## ODD JOBS

DIFFERENT WAYS TO MAKE A DING



STAFF PHOTO BY JOHN STAMBERG

**Stuffer:** Rochester taxidermist Glenn Johnson and stuffed pals.

## Taxidermist brings outdoor animals home

BY BARR PITT TEMPLETON  
SPECIAL WRITER

Taking animals great and small from life in the woods to a place on the wall. That's Glenn Johnson's specialty.

Johnson, 34, co-owns Dumont Taxidermy Inc. in Rochester Hills. He and his partner, Ken Harris, took over the business in September.

"This isn't new to me though, I've been doing it with my Dad since I was 5-years-old," said Johnson, who took over the business after his father, Lyle, suffered a stroke earlier this year.

Dumont Taxidermy opened in Rochester Hills in 1969. Johnson explained that his father, who had polio, started the business after learning taxidermy skills as part of his rehabilitation.

"He was in a wheelchair or on crutches since he was 18 because he was paralyzed from the waist down but he made a go of it," said

See ODD JOBS, D3

This column highlights promotions, transfers, hirings and other key personnel moves within the Oakland County business community. Send a brief biographical summary including the towns of residency and employment and a photo, if desired, to: Business Milestones, c/o Business Editor, Observer & Eccentric Newspapers, 805 E. Maple, Birmingham, MI 48009. Our fax number is (810) 644-1314.

**Jeff Zhu** of Farmington Hills was named senior network administrator at Troy-based AFFINA Corp. Zhu is primarily responsible for overall management of the company's computer hardware

and software systems.

**Sara Brogan** of Birmingham was promoted from account coordinator to assistant account executive at Troy-based Eisendorfer Public Relations. Brogan helps manage and implement media relations, special events and research activities for Lear Corp., Leobrooke DRG and the Baldwin and Bloomfield Township Public Libraries.

**Julie Wendt** of West Bloomfield joined Bloomfield Hills-based The Berline Group Inc. as a senior production artist. She will be responsible for assisting the art director with the layout and execution of all the agency's print and broad-

## BUSINESS MILESTONES

cast advertising campaigns.

**George Monticello** of Royal Oak joined Bloomfield Hills-based D'Arcy Mosius Benton & Bowles as a relationship marketing account supervisor on the Pontiac account. He comes to the agency from J. Walter Thompson, Detroit.

**David Jones** of Royal Oak, CPA and senior associate at Birmingham-based Conway MacKenzie & Dunne, was named a certified fraud exam-

iner by the National Association of Certified Fraud Examiners. Jones is part of an elite group of professionals responsible for resolving a wide range of allegations regarding fraud and white-collar crime.

**Donna Melndt Mitchell** of Troy joined Jones Associates, Inc. as a senior consultant. The Troy-based firm's main focus is on conducting major capital campaigns for non-profit organizations in southeast Michigan. Mitchell returned to metro Detroit after a decade of serving non-profits across the country.

**Helen Jung** of Novi, Adam Pakledinas of Wyandotte and Doug McBurney of Troy were

promoted from staff accountants to senior staff accountants at Follmer, Rudzewicz & Co., P.C. in Southfield.

**Janet Ribble** of Troy was named director of planned giving for the Salvation Army's Eastern Michigan Division in Southfield. Ribble will supervise planned giving representatives and oversee endowments, gift cultivation and donor relationship initiatives for the southeast portion of the state.

**Christine Kowalski** of Clinton Township was promoted from staff accountant to senior staff accountant at Follmer, Rudzewicz & Co., P.C. in Ster-

More MILESTONES, D2