



California Becomes the First State to Authorize Paid Family, Medical Leave

■ EMPLOYEES MAY TAKE UP TO SIX WEEKS OF PARTIALLY PAID LEAVE

09/23/2002 - California Governor Gray Davis (D) signed legislation allowing employees to take up to six weeks of partially paid leave beginning in 2004. However, the cost of the program will be funded solely by employee contributions. California is one of six states that now have a state run short-term disability program. Employees in those states, and in some cases employers, contribute to the state trust fund which then administers the short-term disability benefit program. The program functions just like a state run Unemployment Benefit program. The program in California will tap the State Disability Insurance Fund to provide for the six weeks of paid family leave over a 12-month period at up to 55 percent of the employee's wages. The paid leave program will be funded by an increase in employee contributions to the SDI fund. On average, an employee will pay an additional \$27.00 per year to the SDI fund in support of the new program. Employee contributions to the SDI fund for the paid leave program will start January 1, 2004 and the first paid family leave benefit claims will be paid after July 1, 2004.

There will be some limits on the use of paid family leave. An employer can require an employee to use up to two weeks of accrued vacation before using paid family leave or medical leave. Employees using paid leave must provide medical certification of the need for leave and an estimate of the time needed for the leave. Employees may be penalized for making a false certification. An employee may be denied paid leave to care for an ill relative if another family member is able and available to provide the care.

Thanksgiving Holiday Schedule

Our offices will be closed on Thursday and Friday, November 28th and 29th 2002 for Thanksgiving. All payroll hours for that week need to be called into the office by **NOON on Monday November 25th**. If you have payroll hours ready on Friday November 22nd or over the weekend, you may either fax them to the office or call them in on the payroll answering machine at 1-800-858-7887. Payroll delivery will be on Wednesday, November 27th, 2002.

ATTENTION WIRE TRANSFER CLIENTS: We **MUST HAVE** confirmation receipt of your wire transfer no later than **3:30 PM on Tuesday, November 26th** in order for your payroll to be delivered on Wednesday.

*Pumpkins in the
cornfields
Gold among the brown
Leaves of rust and
scarlet
Trembling slowly down
Birds that travel
southward
Lovely time to play
Nothing is as pleasant
As an autumn day!*



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OSHA Opens New Website to Help Small Employers Create an Emergency Action Plan

A new "eTool" by OSHA is now available to help small, low-hazard service or retail employers determine whether they need an emergency action plan. It also provides steps to create an emergency plan. OSHA requires that most businesses have such a plan in place. The eTool helps employers draft plans that comply with the following OSHA standards: Emergency Action Plans and Fire Prevention Plans, Portable and Fixed Fire Extinguishers and Fire Detection Systems, Employee Alarm Systems, and Means of Egress. As a minimum, a good emergency action plan would outline the following elements:

- Establish means to report fires and other emergencies
- Evacuation procedures and escape route assignments
- Procedures for employees who remain to operate critical plant operations before they evacuate
- Procedures to account for all employees after an emergency evacuation
- Rescue and medical duties for designated employees
- Names and job titles of persons who can be contacted for further information or explanation of duties under the plan.

The site also offers tips for evaluation of a worksite's exits, fire alarms and extinguishing systems. The address for the site is www.osha.gov/SLTC/evacuation_etoold/index.html.

2003 HOLIDAY SCHEDULE

The following 2003 holiday schedule lists the days the we will be closed.

New Year's Day	Wednesday	January 1st
President's Day	Monday	February 17th
Memorial Day	Monday	May 26th
Independence Day	Friday	July 4th
Labor Day	Monday	September 4th
Thanksgiving Day and the day after	Thursday & Friday	November 27th & 28th
Christmas Eve Day and Christmas Day	Thursday & Friday	December 25th & 26th

In order for us to process payroll on time we need your cooperation in providing hours as early as possible during these pay weeks. Hours may be left on the 24-hour payroll line or faxed to our 24 hour fax line at any time. Reminder memos will be sent prior to any holiday period.

24-Hour Payroll Line 800-858-7887 24-Hour FAX Line 603-964-1484

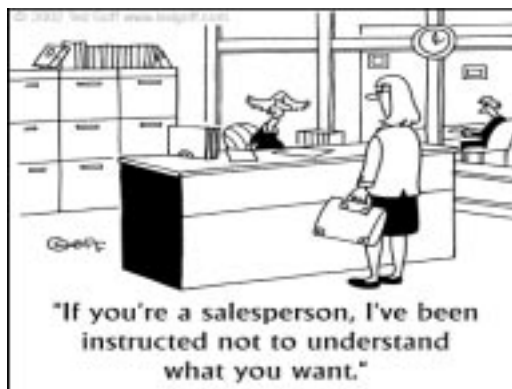


We are sorry to say that we have received notification from **The Disney Club**, that as of December 31, 2003, the Club will no longer exist. Effective immediately, no new memberships to the Club will be processed. In October **The Disney Club** will send letters to explain the close of the Club and its effect on individual members. Existing memberships will continue through the expiration date on the membership card or December 31, 2003, whichever comes first.

At this time we'd like to remind all of our clients that we still have membership cards and literature to **Adventure Club** that encompasses **Bush Gardens, SeaWorld, Water Country - USA, and Sesame Place**. Unlike the Disney Club, there is no charge for the membership card.

Insurance Open Enrollment (Except Medical Coverage)

December is open enrollment for Dental, Vision, Life Insurance and Short-term Disability benefits. This is the only chance until next year to make changes to your coverage or to add or drop any of these insurance benefits. All changes will be effective as of January 1st, 2003. You will receive a notice in your payroll check in mid-December. We are only asking that you send in an election form if you are making a change or electing or dropping your coverage. You will not need to return this form if you are not making changes. You should return your election form as soon as possible to avoid payroll adjustments if you add or drop coverage. Please note that changes cannot be made to your medical coverage at this time. Open enrollment for the medical insurance is August 1st. You must routinely work at least 20 hours per week to participate in any of the benefit programs.





Court Rulings

RadioShack Corporation Forced to Pay \$30 Million to Settle Overtime Pay Violations

9/12/2002 - RadioShack Corporation agreed to pay \$29.9 million to nearly 1,300 current and former managers of its California stores to settle a class action lawsuit for alleged improper overtime exemptions. (Belazi et al. v. Tandy Corp. et al., Cal. Superior Court, No. 00CC03817, settlement reached 7/15/02.) The lawsuit was filed March 27, 2000 in Superior Court, by a group of RadioShack store managers who claimed that the company misclassified the employees as management to avoid paying overtime wages. Under the settlement, the Fort Worth Texas company admits no wrongdoing. The company stated that settling the lawsuit was felt to be in the interest of all involved and felt that a trial would be a major distraction to the business. Robert W. Thompson, the lead attorney for the plaintiffs, said the settlement indicates that the company must have felt "some liability of exposure" on the overtime misclassification. He also stated that a covered employee working as a manager since 1996 should receive about \$40,000 from the settlement.

Salary Info Available on the Web

If you are interested in determining if your pay rates match those of your competitors, you may be interested to know that there are several websites available to you, many at no cost. The table below contains a list of websites that may be of interest to you. However, you should use this information as a guideline, as some are not updated frequently and many provide national pay averages versus localized data. You may want to consider averaging information from multiple websites. It might also be worthwhile to check your state's unemployment website as they may have more localized salary figures.

Its W-2 Time Again!

As the end of the year nears, we will begin our annual pilgrimage of attempting to get all the thousands of W-2 forms to their rightful owner. In early December, we will mail you a list of all the employees who worked for your establishment during the course of the year with the current address we have on file for each individual. Please review this list carefully and inform us of any address changes you are aware of. We will begin mailing the W-2 forms by mid-January.

Also, with the start of the New Year, some employees may want to review or change their withholdings for state or federal taxes. These individuals should submit a 2003 W-4 Form if they would like to change their current withholding status. Anyone unsure of what they are currently claiming may call our office. Those who want to claim exempt from withholding for 2003, MUST complete and send us a new 2003 W-4 Form. We will send these out as soon as we receive them from the IRS.

Website	Data Source	Pros	Cons
www.salary.com	Data is for national averages purchased from compensation consultants	Base pay for 4,000 job titles, searchable by keyword or job category	Pay levels are not sorted by company size or industry
www.salaryexpert.com	Economic Research Institute, a well-respected industry source	Salary data is sorted by city, state and job position, with comparisons with national norms	Pay levels are not sorted by company size, industry, or top management functions
www.careerjournal.com	The Wall Street Journal (both the site & newspaper are owned by Dow Jones.)	General career, relocation, and headhunter information	Format and salary details are inconsistent
www.bls.gov/oco	Bureau of Labor Statistics, U.S. Department of Labor	Good details on careers and occupations, handy for defining job responsibilities	Job market changes are forecast through 2010 but salary information is dated. As of 4/02, salary data was for 2000

Christmas Holiday Schedule

Our offices will be closed on Wednesday and Thursday, December 25th and 26th, 2002 for Christmas. All payroll hours for that week need to be in by **NOON on Monday, December 23rd**, to allow us the time to generate payroll. If you have payroll hours ready on Friday, December 20th, or over the weekend, you may either fax them to the office or call them in on the payroll answering machine at 1-800-858-7887. Clients who are closed on that Thursday, the day after Christmas, should contact us so we can schedule their payroll to be delivered on Friday.

ATTENTION WIRE TRANSFER CLIENTS: We MUST HAVE confirmation receipt of your wire transfer no later than **3:30 PM on Tuesday, December 24th** in order for your payroll to be delivered on Thursday.



STATE MINIMUM WAGE INCREASES

The following states have scheduled an increase in their minimum wage rates. All of these increases are effective as of January 1, 2003. We will review all active employees in these states and notify you if you have individuals that will need to be increased. Since the first of January falls in the middle of the pay week, we will need you to break out the hours the individual worked prior to the first of January and those worked after the first if you want the scheduled pay increase to be effective on the date the law changes. Connecticut's Minimum wage will also increase from \$6.90 to \$7.10 as of January 1st, 2004. No other states have scheduled additional increases at this time.

Alaska from	\$5.65 to \$7.15
Connecticut	\$6.70 to \$6.90
Hawaii	\$5.75 to \$6.25
Maine	\$5.75 to \$6.25
Washington	\$6.90 to \$7.01



"I hope you've got a lot of disk space, Ted. I think I accidentally just faxed you the entire Internet."



You may have your paycheck direct deposited into any bank in the country, free of charge. This is the most reliable way we have to ensure you have your paycheck on time. Since our paychecks are normally delivered by U.S. Mail, Airborne or Federal Express, there are times when these packages could be delayed or lost due to circumstances outside of our control. If you wish to start a direct deposit, please provide us with the following information. It usually takes two weeks for a direct deposit to take effect.

For Direct Deposit to a Checking Account:

Simply fax or mail us a voided copy of your check that contains the routing numbers along the bottom.

For Direct Deposit to a Savings Account- Provide us in writing:

The Bank Name, Address and Phone Number
Your Account Number
The Bank's Routing Number



Allegiant Management Corporation

P.O. Box 507, 300 Lafayette Rd., Rye, NH 03870-0507

Local: 964-1109 - Toll Free: 1-800-525-2901 Fax: 603-964-1484 - Email: Allcorp@aol.com

(Content herein is in no way intended to be legal advice, such should be obtained directly from a lawyer)

401(k) OPEN ENROLLMENT

Open Enrollment for Allegiant's 401(k) plan will be held during the month of December

Open enrollment for the 401(k) plan is the month of December. You may either enroll into the plan or change the amount of your deductions into the plan. All changes will be effective for the first payroll of the New Year, which will be January 2, 2003. The deadline to submit change or enrollment forms will be Friday December 27, 2002. If you are interested in enrolling in the plan, you may call our Human Resources Department to request an enrollment kit. Please request enrollment materials by December 13, 2002.

The 401(k) plan is a long-term savings plan designed exclusively for retirement savings. You may contribute between 1-50% of your weekly pay into the plan. These contributions are made on a pre-tax basis and thus are not taxed until withdrawn from the plan upon termination or at retirement. To be eligible you must have been employed with Allegiant for 6 months and you must be at least 21 years of age. Once you have satisfied the eligibility requirements, you may enroll on the first of any following quarter. (January 1st, April 1st, July 1st or October 1st.) You may also change what is deducted from your check as of the first of each quarter. You may invest in any of the 10 different investment funds and you may transfer your money between the funds on a daily basis. The plan will also accept rollovers from many other types of retirement plans, even prior to the completion of 6 months of service.