

tmta talk

A publication of the
Tooling, Manufacturing &
Technologies Association

**FROM ROB'S
ROOST**
By ROB DUMONT
PRESIDENT & CEO

Election's Gone, Let's Move On!

The 2014 elections are safely in the record books; those who will form the next Congress in Washington are now known and those who "would be" but "won't" are known as well. The same is true in every state.

In DC the party in charge in the House increased its margin of majority and the party in charge in the Senate has changed. Accordingly President Obama faces additional challenges in his Presidency because unlike prior years he now has to work (hopefully) with a Republican controlled House and Senate.

Observers have noted that leadership in Congress stated a willingness to "work together" with the administration and, similarly, the administration has professed that sentiment as well. Unfortunately, when it comes to politics (and politics in DC in particular) it is my view that one can hope for the best but best wait and see!

Major matters are still to be resolved: currency manipulation is ongoing and continues unaddressed by law makers and the administration in any meaningful way beyond lip service (and I might suggest election rhetoric); and Trade Promotion Authority (TPA) is still eagerly sought by the administration, a bad idea in that any proposed trade agreements are arranged in secret by the administration and presented to Congress for an "up or down" vote

(Rob's Roost continues on Page 7)



Happy
Thanksgiving!

Wishing you abundant blessings,
peace and happiness.
Now and always.

TMTA

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TMTA Endorsed Providers

tmta Calendar of Events November 2014

| | |
|--------------|--|
| 19 | TMTA Board of Directors meeting |
| 27-28 | Thanksgiving Holiday TMTA Offices Closed Happy Thanksgiving! |
| 12/7 | National Pearl Harbor Remembrance Day Moment of Silence-12:55pm EST |

Visit www.thetmta.com for detailed, up-to-date information on all events.



2015 Health Care Plan Limits

Health Savings Account (HSA) Limits:

HSAs are a means of paying health care expenses under a high deductible health care plan. Contributions may be made by the employer or the employee, but the total annual contribution amount from both sources cannot exceed the lesser of the plan's deductible for the year or the maximum contribution amount for the year. The 2015 plan limits are as follows:

Maximum Contribution Limit:

| | | |
|--------------------|----------------|----------------|
| single: | 2014 - \$3,300 | 2015 - \$3,350 |
| family: | 2014 - \$6,550 | 2015 - \$6,650 |
| catch-up (age 55): | 2014 - \$1,000 | 2015 - \$1,000 |

Minimum Required Deductible Limit:

| | | |
|---------|----------------|----------------|
| single: | 2014 - \$1,250 | 2015 - \$1,300 |
| family: | 2014 - \$2,500 | 2015 - \$2,600 |

Maximum Out-of-Pocket Spending Limit:

| | | |
|---------|-----------------|-----------------|
| single: | 2014 - \$ 6,350 | 2015 - \$ 6,450 |
| family: | 2014 - \$12,700 | 2015 - \$12,900 |

Long-Term Care Premium Limits:

The limits under Section 213 for eligible long-term care premiums that qualify as medical expenses for the 2015 tax year based on attained age before the close of the taxable year are:

| | | |
|----------------|----------------|----------------|
| Age 40 or less | 2014 - \$ 370 | 2015 - \$ 380 |
| >40 but < 50 | 2014 - \$ 700 | 2015 - \$ 710 |
| >50 but < 60 | 2014 - \$1,400 | 2015 - \$1,430 |
| >60 but < 70 | 2014 - \$3,720 | 2015 - \$3,800 |
| >70 | 2014 - \$4,660 | 2015 - \$4,750 |



Viking Tool & Engineering, Inc. of Whitehall, MI is celebrating their 60th anniversary. Viking Tool is a leading tooling manufacturer that specializes in medium to large injection and compression molds. Founded in 1954, Vi-

king Tool is known for their longevity, stability, progressive thinking, and honesty as a company.

Viking Tool designs and manufactures products for many markets including automotive, industrial, furniture, marine, RV, toys, consumer goods, and electrical items. Design capabilities range from the very basic to complex prototype or production. Every step of the way is completed in 3D CAD. Their mold makers are experienced at taking designs and transforming them into a final product that meets or exceeds the industry standards. Viking can handle molds up to 50,000 pounds. They also work on emergency repairs, 24/7.



TMTA congratulates Viking Tool & Engineering, Inc. for their fortitude and all they have achieved these past 60 years and we wish them continued success for many more years to come.

For more information or to schedule a plant tour, visit Viking Tool's website at www.vikingtooleng.com.



We would like to take this opportunity to welcome the following new members to the Tooling, Manufacturing & Technologies Association:

- ❖ **Environmental & Disposal Management, LLC** located in Troy, MI; they provide environmentally friendly management of hazardous and non-hazardous materials as well as cleanouts; visit their website at www.disposalmgt.com;
- ❖ **NeoHarbor International, LLC** located in St. Louis, MO; they develop software products for information retrieval, data mining, and content delivery; visit their website at www.neoharbor.com; and
- ❖ **Procyon-Alpha, LLC** located in Sterling Hts., MI; they are specialists in aerospace supply chain management and logistics; visit their website at www.procyon-alpha.com.

OSHA Top 10 Safety Violations List

The U.S. Department of Labor's Occupational Safety and Health Administration (OSHA) has announced their preliminary top 10 most frequently cited workplace safety violations for fiscal year 2014 (October 1, 2013 thru September 30, 2014).

The announcement was made at the National Safety Council (NSC) Congress and Expo, as it is every year. Deborah Hersman, National Safety Council President and CEO, said "This data is a poignant reminder that there is still much room for improvement in making our workplaces safer, and that it is going to take all of us to make a difference."

As usual, the same 10 standards make up the top 10 list this year with fall protection taking the number one spot for the fourth year in a row.

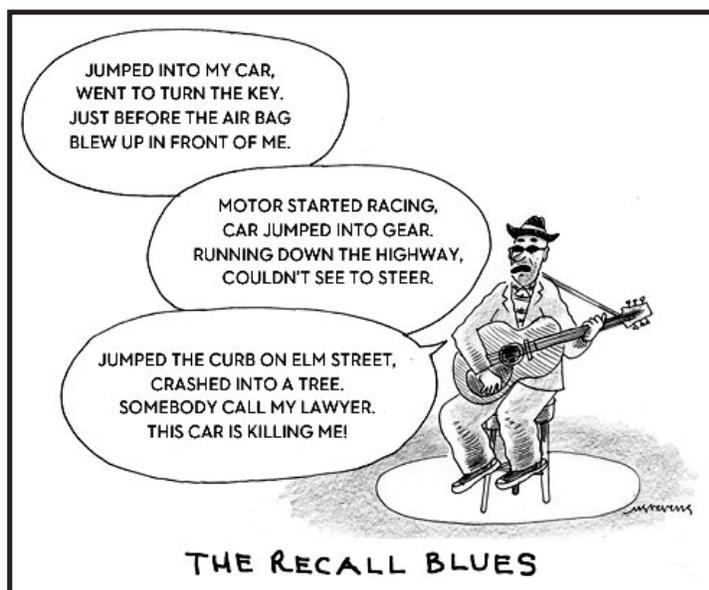
OSHA's top 10 most cited violations for 2014 (with 2013's numbers also listed) are:

- 1. Fall Protection** (1926.501) –
6,143 violations (8,241)
Frequent violations include failure to protect open sides and edges, to prevent falls from roofs, and to cover holes.
- 2. Hazard Communication** (1910.1200) –
5,161 violations (6,156)
Frequent violations include failure to have a written program, inadequate employee education and training, improper or no labels on containers, and no material safety data sheets or lack of access to them. New training for employees on hazard communication is required by OSHA effective December 1, 2013.
- 3. Scaffolding** (1926.451) –
4,029 violations (5,423)
Frequent violations include problems with scaffold construction, improper access to scaffolding surfaces, and lack of guardrails.
- 4. Respiratory Protection** (1910.134) –
3,223 violations (3,879)
Frequent violations include no written respiratory protection program, poor fit-test procedures, unsuitable respirator selection process, and lack of procedures for voluntary use of respirators.
- 5. Lockout/Tagout** (1910.147) –
2,704 violations (3,254)

Frequent violations include poor or no energy control procedures, inadequate worker training, and inspections not completed.

- 6. Powered Industrial Trucks** (1910.178) –
2,662 violations (3,340)
Frequent violations include inadequate operator training and refresher training, and poor conditions of trucks when returned to service after repair.
- 7. Electrical – Wiring Methods** (1910.305) –
2,490 violations (3,452)
Frequent violations include problems with flexible cords and cables, boxes, and temporary wiring; poor use of extension cords; and using temporary wiring as permanent wiring.
- 8. Ladders** (1926.1053) –
2,448 violations (3,311)
Frequent violations include damaged side rails, use of top ladder step, inappropriate ladder for the job, and excessive loads on ladders.
- 9. Machine Guarding** (1910.212) –
2,200 violations (2,701)
Frequent violations include point-of-operation exposures, inadequate or no anchoring of fixed machinery, and exposure to blades.
- 10. Electrical – General** (1910.303) –
2,056 violations (2,745)
Frequent violations include electric shock and electrocution exposures.

For more information, visit the Department of Labor's website at www.osha.gov or the BLS at www.bls.gov.



2015 Annual Retirement Limits Announced

Each year the IRS releases the statutory cost-of-living adjustments to dollar limits as they relate to qualified retirement plans and Social Security. The limitations for 2015 are as follows:

Income Subject to Social Security Tax:

The Social Security Wage Base (Medicare has no wage limit):

2014 - \$117,000 2015 - \$118,500

The Social Security tax rate is 6.20% on earnings up to the applicable taxable maximum amount. The Medicare tax rate is 1.45% on all earnings. However, beginning in 2013 and continuing through 2015, the employee Medicare tax rate increases to 2.35% at the point when an individual's earnings exceed \$200,000 (\$250,000 for joint filers and \$125,000 for persons who are married but filing separately).

There will be a cost-of-living adjustment increase in Social Security benefits of 1.7% effective for benefits payable in January 2015. Social Security payments are adjusted each year to reflect inflation as measured by comparing the Consumer Price Index for Urban Wage Earners and Clerical Workers for July, August and September of each year with prices in the same 3-month period from the previous year.

Employee Pre-Tax Contribution Limit:

The maximum amount your employees can defer pre-tax in 401(k), 403(b) and 457(b) employee contributions (402(g)(1) limit):

2014 - \$17,500 2015 - \$18,000

The maximum employee contribution to a Simple Plan (408(p)(2)(E) limit):

2014 - \$12,000 2015 - \$12,500

Catch-Up Contribution Limits:

The maximum additional contribution that employees age 50 and over may contribute after reaching the 401(k) annual contribution limit (414(v)(2)(B)(i) limit):

2014 - \$5,500 2015 - \$6,000

The maximum additional contribution that employees age 50 and over may contribute after reaching the Simple Plan limit (414(v)(2)(B)(ii)):

2014 - \$2,500 2015 - \$3,000

Annual Compensation Limit:

The maximum compensation that can be counted for all compliance testing and contribution allocation purposes (401(a)(17), 404(l), 408(k)(3)(C), and 408(k)(6)(D)(ii) limit):

2014 - \$260,000 2015 - \$265,000

Defined Contribution 415 Limit:

The maximum dollar amount that an employee can contribute to all qualified plans in both employee or employer contributions and forfeiture allocations (415(c)(1)(A) limit):

2014 - \$52,000 2015 - \$53,000

Highly Compensated Employee Limit:

The threshold limit for defining who is a Highly Compensated Employee as defined by IRS regulations (414(q)(1)(B) limit):

2014 - \$115,000 2015 - \$120,000

Key Employee Officer Compensation Threshold:

The threshold limit for defining who is a key employee in a top-heavy plan under 416(i)(1)(A)(i):

2014 - \$170,000 2015 - \$170,000

Defined Benefit Plan Annual Benefit & Accrual Limit:

The limitation on the annual benefit under a defined benefit plan under Section 415(b)(1)(A):

2014 - \$210,000 2015 - \$210,000

Federal Estate and Gift Tax Limits:

The IRS has announced the following for estates of decedents who die during 2015 and gift tax limits:

Basic estate exclusion amount of:

2014 - \$5,340,000 2015 - \$5,430,000

Annual exclusion for gifts:

2014 - \$14,000 2015 - \$14,000

CAPTRUST (formerly Freedom One Financial Group) is the TMTA endorsed service provider for member retirement plans.

Contact John Young at (248) 620-8100 for more information about retirement plan options for your company.



One Single Distribution Rule for Retirement Plans

Most pre-retirement payments you receive from a retirement plan or IRA can be “rolled over” by depositing the payment in another retirement plan or IRA within 60 days. You can also have your financial institution or plan directly transfer the payment to another plan or IRA.

When you roll over a retirement plan distribution, you generally don’t pay tax on it until you withdraw it from the new plan. By rolling over, you’re saving for your future and your money continues to grow tax-deferred.

If you don’t roll over your payment, it will be taxable (other than qualified Roth distributions and any amounts already taxed) and you may also be subject to additional taxes unless you’re eligible for one of the exceptions to the 10% additional tax on early distributions.

Rollovers may be completed in three ways:

- Direct rollover – If you’re getting a distribution from a retirement plan, your plan administrator can make the payment directly to another retirement plan or to an IRA. The administrator may issue your distribution in the form of a check made payable to your new account. No taxes will be withheld from your transfer amount.
- Trustee-to-trustee transfer – If you’re getting a distribution from an IRA, you can ask the financial institution holding your IRA to make the payment directly from your IRA to another IRA or to a retirement plan. No taxes will be withheld from your transfer amount.
- 60-day rollover – If a distribution from an IRA or a retirement plan is paid directly to you, you can deposit all or a portion of it in an IRA or a retirement plan within 60 days. Taxes will be withheld from a distribution from a retirement plan (see below), so you’ll have to use other funds to roll over the full amount of the distribution.

You have 60 days from the date you receive an IRA or retirement plan distribution to roll it over to another plan or IRA. The IRS may waive the 60-day rollover requirement in certain situations if you missed the deadline because of circumstances beyond your control.

Beginning January 1, 2015, you can only make one rollover from an IRA to another (or the same) IRA in any 12-month period, regardless of the number of IRAs you own. In *Bobrow v. Commissioner*, the Tax Court held that you can’t make a non-taxable rollover from one IRA to another if you have already made a rollover from ANY of your IRAs in the preceding 1-year period. While the new single distribution allocation rule isn’t mandatory for plan

distributions prior to January 1, 2015, plan sponsors may apply this allocation rule to distributions made on or after September 18, 2014.

The one-per-year limit does not apply to:

- rollovers from traditional IRAs to Roth IRAs-conversions;
- trustee-to-trustee transfers to another IRA;
- IRA-to-plan rollovers;
- plan-to-IRA rollovers; or
- plan-to-plan rollovers.

Once this rule takes effect, the tax consequences are:

- you must include in gross income any previously untaxed amounts distributed from an IRA if you made an IRA-to-IRA rollover (other than a rollover from a traditional IRA to a Roth IRA) in the preceding 12 months; and
- you may be subject to the 10% early withdrawal tax on the amount you include in gross income.

You can roll over all or part of any distribution from your IRA except: a required minimum distribution or a distribution of excess contributions and related earnings. An IRA distribution paid to you is subject to 10% withholding unless you elect out of withholding or choose to have a different amount withheld. You can avoid withholding taxes if you choose to do a trustee-to-trustee transfer to another IRA.

You can roll over all or part of any distribution of your retirement plan account except: required minimum distributions; loans treated as distributions; hardship distributions; distributions of excess contributions and related earnings; a distribution that is one of a series of substantially equal payments; withdrawals electing out of automatic contribution arrangements; distributions to pay for accident, health or life insurance; dividends on employer securities; or S corporation allocations treated as deemed distributions. To receive a distribution from a retirement plan, you have to meet the plan’s distribution conditions, such as termination of employment. A retirement plan distribution paid to you is subject to mandatory withholding of 20%, even if you intend to roll it over later. Withholding does not apply if you roll over the amount directly to another retirement plan or to an IRA. A distribution sent to you in the form of a check payable to the receiving plan or IRA is not subject to withholding.

If you have not elected a direct rollover, in the case of a distribution from a retirement plan, or you have not elected out of withholding, in the case of a distribution from an IRA, your plan administrator or IRA trustee will withhold taxes from your distribution. If you later roll the distribution over within 60 days, you must use other funds to make up for the amount withheld.

TMTA MARKETPLACE

Personnel Available:

Professional with extensive job experience and education in manufacturing, tool & die, engineering (design and build), and program management seeks position utilizing his expertise. Prefers a position as a Manager/Administrator but will consider the right offer as a Designer or Toolmaker.

Ask for **Resume 1402**.

FYI FOR YOUR INFORMATION

The PNC Advantage For Manufacturers

Throughout PNC's 160 year history, they have focused on providing the financial services that can help manufacturers thrive. PNC realizes there are a number of factors impacting your company's cash flow such as inventory, equipment purchases and collection of payment from your customers. A custom banking approach is necessary to keep your cash flow consistent and predictable through market peaks and troughs — the type of specialized approach you receive with the PNC Advantage for Manufacturers.

Whether you're a start up or thriving small business, PNC has the products, services and expertise to help you achieve your goals. Please see PNC's current credit offering specifically for manufacturers on the insert included with this edition of TMTA Talk.

For more information, please contact Tracy Vissers at (248) 351-4932 or e-mail to tracy.vissers@pnc.com. Tracy is the vice president of PNC's Business Banking division and she stands ready to help your company achieve its goals.

Two Surveys Enclosed

Two surveys are enclosed with this issue of TMTA Talk. One is the **Annual Christmas/New Year's Holiday Schedule** and the second is the **First/Second Quarter 2015 Business Trends Survey**.

Please take a few moments to complete and fax them back to TMTA at 248-488-0500 by Friday, December 5, 2014. Remember, the results are only as good as the information we receive from you!

Results will be included in next month's TMTA Talk and also posted on the homepage of our website at www.thetmta.com.

INFLATION TALK

CPI-W Urban Wage Earners and Clerical Workers

| Month | 82-84 | 1967 | 57-59 |
|----------|---------|---------|---------|
| Sept | 234.170 | 697.521 | 811.21* |
| Aug | 234.030 | 697.105 | 810.72* |
| July | 234.525 | 698.580 | 812.44* |
| June | 234.702 | 699.107 | 813.05* |
| May | 234.216 | 697.657 | 811.37* |
| Apr | 233.443 | 695.356 | 808.69* |
| Mar | 232.560 | 692.725 | 805.63* |
| Feb 2014 | 230.871 | 687.695 | 799.78* |

CPI-U All Urban Consumers

| Month | 82-84 | 1967 | 57-59 |
|----------|---------|---------|---------|
| Sept | 238.031 | 713.035 | 829.25* |
| Aug | 237.852 | 712.498 | 828.62* |
| July | 238.250 | 713.691 | 830.01* |
| June | 238.343 | 713.970 | 830.33* |
| May | 237.900 | 712.642 | 828.79* |
| Apr | 237.072 | 710.162 | 825.90* |
| Mar | 236.293 | 707.830 | 823.19* |
| Feb 2014 | 234.781 | 703.300 | 817.92* |

Note: September 2014 CPI-W represents a 1.6% increase from one year ago; CPI-U a 1.7% increase.

* Base Year 1957-59 is no longer released. BLS has issued the following conversion factors from the 82-84 year:

CPI-W — .2886674 CPI-U — .2870447

(Rob's Roost continued from Page 1)

without meaningful debate, input or amendment. Note too that the Constitution gives Congress the duty "To regulate commerce with foreign Nations, and among the several States, and with the Indian Tribes" (Article 1, section 8). TPA amounts to an actual abdication of that duty.

Of course the foregoing is hardly exhaustive of important issues and matters that need to be addressed but it illustrates part of the ongoing realities that need Congressional attention.

The 'lame duck session' before the next Congress is sworn in in January 2015 is a time for vigilance on the part of those advocating for manufacturing in American and I together with others similarly interested will be on the Hill and in action during that period.

You will get a brochure with this issue of TMTA Talk entitled "Special Interest Rates and Fee Offers on Business Loans for Manufacturers" as presented by PNC Bank. This is a time limited promotion by the Bank to assist manufacturers needing financing. Since receipt of the brochures for inclusion with this edition I have received word from PNC Bank "that we have lowered our rates for this promo by 5-10 basis points across the board". So if you are in need give them a call as indicated in the brochure.

In this edition we are pleased and proud to welcome three new members to the TMTA:

Procyon-Alpha LLC, Sterling Heights, MI. (Aerospace supply chain management)

Neoharbor International LLC, St. Louis, MO. (Data mining and knowledge retrieval)

Environmental & Disposal Management LLC, Troy, MI. (Hazardous & non-hazardous environmental services)

Congratulations to our member company Viking Tool & Engineering Inc. of Whitehall Michigan on reaching its sixtieth anniversary — a real milestone and tribute to ownership, management and the employees. Very well done and our best wishes for continued success and prosperity.

**For more information about
the TMTA, our advocacy, events
and benefits, visit us at
www.thetmta.com**

**TMTA ENDORSED
SERVICE PROVIDERS**

Blue Cross Blue Shield/BCN

(Health insurance program)

TMTA contacts:

Bill Percha 586-904-9700 (cell)

Elaine Burger-Laskosky 248-488-0300, ext. 1309

CAPTRUST (formerly Freedom One Financial)

(401(k) Retirement program)

Provider contact:

John Young 248-620-8100

Euler-Hermes - (credit insurance program)

Provider contact:

Jay Poplawski 248-355-1414, ext. 158

John M. Packer & Associates

(Unemployment cost control program)

Provider contact:

Nathan Wiest 800-482-2971

Practical Power LLC - (Electrical savings program)

Provider contact:

Mark Bunting 248-726-7598

Ralph C. Wilson Agency, Inc.

(Insurance management)

Provider contact for Benefits coverages:

Robert Farris 248-355-1414, ext. 109

Provider contact for P&C and WC coverages:

Jay Poplawski 248-355-1414, ext. 158

Reliance Standard/Ameritas

(Life/Dental insurance programs)

TMTA contacts:

Bill Percha 586-904-9700

Stella Krupansky 248-488-0300, ext. 1310

Results Systems Corporation

(Business management consulting)

Provider contact:

Paul Hindelang 248-244-8550

SVS Vision - (Safety & Vision programs)

Provider contact:

Monica Dyja 800-611-3683 or www.svsvision.com

Schena Roofing & Sheet Metal Co., Inc.

(Commercial/industrial roofing contractor)

Provider contact:

586-949-4777

Staffworks Group - (Staffing needs)

Provider contact:

Bill Brann 877-304-9690

TMTA receives a benefit from some of its Endorsed Providers when you, as a member, patronize them. This is one way we are able to maintain the level of dues.



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(Be Sure to Tell Bill That TMTA Sent You!)

**Confused about Health Care?
Need help finding the right insurance?
Contact Bill Percha
at 248-355-1414**

