

# tmta talk

A publication of the  
Tooling, Manufacturing &  
Technologies Association

**FROM Rob's  
Roost**  
By Rob Dumont  
PRESIDENT & CEO

## Value

At a recent meeting of the TMTA Board of Directors, we had the pleasure of hosting representatives from a new TMTA member company Tool-X. (<http://tool-x.net>).

Jim English, President of Tool-X spoke and guided board members through a very interesting and informative PowerPoint presentation illustrating various applications of Tool-X nanotechnology, how it can be applied to improve many machine tool operations such as Swiss Screw and Davenport machines, CNC machines, Gun drilling, Thread rolling, Tapping, Grinding, Cutting, Reaming, Boring and Honing as well as Broaching, Cold Heading, Forging Fluids and Stamping Fluids

Tool-X improves quality, reduces machine overheads and lowers tool costs.

I understand from Jim English that he is currently working with several member companies and reports from those members are positive. You will find contact information on the website noted above.

TMTA, in conjunction with the Ralph C. Wilson Agency (our insurance arm), is currently conducting a comprehensive review of Agency offerings  
***(Rob's Roost continues on Page 7)***

## Inside This Issue

- Page 2 Health News  
All Insurance Companies are  
Not the Same  
2018 Health Care Plan Limits
- Page 3 In Memoriam  
Jane Teagan (Meadows)  
Two Surveys Being E-mailed
- Page 4 2018 Annual Retirement  
Limits Announced
- Page 5 RMDs Due by 12/31/2017  
OSHA Top 10 List
- Page 6 OSHA (continued)  
Inflation Talk: CPI-W/CPI-U
- Page 7 Rob's Roost (continued)  
TMTA Endorsed Providers

*From the Staff  
of TMTA*  
*Rob Dumont*  
*Charlie Barnes*  
*Elaine Burger-Laskosky*  
*Rachel Hindelang*

happy  
thanksgiving



## tmta Calendar of Events

**November 2017**

<b>15</b>	TMTA Board of Directors Meets at TMTA Offices
<b>23-24</b>	Thanksgiving Holiday Federal Holiday 11/23 TMTA Offices Closed

Visit [www.thetmta.com](http://www.thetmta.com) for detailed, up-to-date information on all events.



## 2018 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 2018 plan limits are as follows:

#### **Maximum Contribution Limit:**

single:	2017 - \$3,400	2018 - \$3,450
family:	2017 - \$6,750	2016 - \$6,900
catch-up (age 55):	2017 - \$1,000	2016 - \$1,000

#### **Minimum Required Deductible Limit:**

single:	2017 - \$1,300	2018 - \$1,350
family:	2017 - \$2,600	2018 - \$2,700

#### **Maximum Out-of-Pocket Spending Limit:**

single:	2017 - \$ 6,550	2018 - \$ 6,650
family:	2017 - \$13,100	2018 - \$13,300

Please note: those under age 65 (unless totally and permanently disabled) who use HSA funds for non-qualified medical expenses face a penalty of 20% of the funds used for such expenses and the funds are also subject to income tax.

Additionally, while the ACA allows parents to add their adult children up to the age of 26 to their health plans, the IRS definition of a qualified dependent (child or relative) who may be covered under an employee's HSA is different. (See IRS code section 152 for a full definition of who is a qualified dependent.)

### **Health Flexible Savings Account (FSA) Limit:**

The limit on voluntary employee salary reductions for contributions to a health flexible spending account:

2017 - \$2,600	2018 - \$2,650
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### **Long-Term Care Premium Limits:**

The limits under Section 213 for eligible long-term care premiums that qualify as medical expenses for the 2018 tax year based on attained age before the close of the taxable year are:

Age 40 or less	2017 - \$ 410	2018 - \$ 420
>40 but < 50	2017 - \$ 770	2018 - \$ 780
>50 but < 60	2017 - \$1,530	2018 - \$1,560
>60 but < 70	2017 - \$4,090	2018 - \$4,160
>70	2017 - \$5,110	2018 - \$5,200

## All Insurance Companies are Not The Same

TMTA endorses the Ralph C. Wilson Agency for all your insurance needs.

Ralph C. Wilson Agency, Inc. is a full service risk management consulting firm and agency. We have a team of professionals who have expert knowledge of all facets of risk management. Our clients range from individuals to large employers with 1,000+ employees and vary in industry, from public employers to manufacturing to veterinary medicine. Our depth of knowledge and broad experience, coupled with our size and industry clout, allow us to give our clients exceptional control over the administration and management of their employee benefit program.

Since 1923, Ralph C. Wilson Agency has served our clients and provided access to virtually all insurance and administration markets. We offer a one-stop solution for all your insurance and risk management needs. Our full range of offerings includes:

Group Benefits: Medical, Dental, Vision, Life, Disability, and Voluntary

Property & Casualty: Workers' Compensation, Risk Financing, Risk Management, Loss Control, and Claims Management

Personal Lines: Home Owners, Auto, Umbrella Policies

Executive Benefits: Key Person Insurance, Life Insurance, and Reimbursement Plans

Financial & Retirement Services: 401(k) and 403(b), IRAs, and 457 Plans

We focus on educating our clients and their employees. We strive to provide ample communication and materials so they are well-informed and equipped with the necessary tools. We advocate on our clients' behalf when issues arise so problems and concerns are dealt with quickly and correctly. Our clients have a precise expectation when it comes to the work we do. We understand that expectation and aim to exceed it. We are accustomed to having performance criteria and our success is gauged against those standards.

If you are interested in a one-stop insurance company or are just looking to add one employee benefit, contact TMTA's endorsed insurance agent, Bill Percha, at 248-355-1414.

## In Memoriam



It is with deep sadness and regret that we note the passing of **Jane Kathryn Teagan (Meadows)** on September 9, 2017 at the age of 100. Ms. Teagan was preceded in death by her husband, Robert, and is survived by her three children Linda, Michael, and Kathryn and seven grandchildren. She worked at the business her father and uncle started, **Star Tool and Die Works**. Her father was Albert Meadows and her uncle was Tim Meadows and their company Star Tool and Die Works was one of the eight founding member companies for the Association in 1933!

Tim died early at the age of 48 from cancer. Albert, who lived to the age of 94, ran the company and was all serious business, a math and science mind with an eye and hand for drawing. He passed on his passions to Jane, the second of his four children.

Jane went to Redford High School and graduated from Michigan State University. Post-collegiate, Jane would inspire many females through her continued involvement with the Detroit Panhellenic Association and the Detroit Alumnae Chapter of Zeta Tau Alpha. For 2 years she took a position at the Michigan School for the Blind, then moved to the American Red Cross. She was stationed on the Islands of Tinian and Saipan. After WWII, Jane remained a member of the American Red Cross, but went to work at Star Tool and Die Works.

She described herself as a workaholic, passionate about business, finance and investing. Jane was admired by her co-workers who recognized her as a positive force, demonstrating a keen ability to work in a male dominated industry that produced automobile parts for the Big Three. Jane spent time with the Michigan Tooling Association and our members. She was included on MTA trade missions to other countries. Jane loved traveling and visited over 30 countries from all continents with many diverse groups including the American Red Cross, the Michigan Tooling Association, the Nomad Travel Club, missionaries, and the Senior Hostels.

Jane considered herself as the Office Manager at Star Tool and Die Works, but in today's world she would have held the position of company CFO. In her time, few females worked. Jane was smart at math and science and from the outside she was all business. They say she had no problem holding her own in UAW negotiations. She may have very well been the first female involved in a UAW negotiation that wasn't a secretary.

Jane Teagan leaves behind a rich life, a life which truly exemplifies the saying "There may be no thing greater than a life well loved." She will be greatly missed by her many family, friends, and co-workers.

Our heartfelt condolences go out to her family and friends.

## Two Surveys Being E-Mailed

Two surveys are being e-mailed to the TMTA membership. One is the **Annual Christmas/New Year's Holiday Schedule** and the second is the **First/Second Quarter 2018 Business Trends Survey**. Contact Elaine at [elaine@theTMTA.com](mailto:elaine@theTMTA.com) if you do not receive your forms.

Please take a few moments to complete the forms and return them to TMTA by Friday, November 17, 2017. Remember, the results are only as good as the information we receive from you!

For your convenience, both forms are on-screen fillable and both forms also have two 'mouse over' buttons at the bottom. One button will e-mail your completed form to me at [elaine@theTMTA.com](mailto:elaine@theTMTA.com) and the other will allow you to print the form so you may fax it to TMTA at 248-488-0500.

Results will be included in next month's TMTA Talk and also posted on our website at [www.thetmta.com](http://www.thetmta.com).



# 2018 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 2018 are as follows:

### Income Subject to Social Security Tax:

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

2017 - \$127,200      2018 - \$128,700

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, in order to help pay for health care reform, 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).

### 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):

2017 - \$18,000      2018 - \$18,500

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

2017 - \$12,500      2018 - \$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):

2017 - \$6,000      2018 - \$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)):

2017 - \$3,000      2018 - \$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):

2017 - \$270,000      2018 - \$275,000

### 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):

2017 - \$54,000      2018 - \$55,000

### 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):

2017 - \$120,000      2018 - \$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):

2017 - \$175,000      2018 - \$175,000

### Defined Benefit Plan Annual Benefit & Accrual Limit:

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

2017 - \$215,000      2018 - \$220,000

### Traditional IRA Limits:

Individuals making contributions to an Individual Retirement Account the annual limit is:

2017 - \$5,500      2018 - \$5,500

The maximum additional catch-up contribution for individuals over age 50 to an IRA:

2017 - \$1,000      2018 - \$1,000

### Federal Estate and Gift Tax Limits:

The IRS has announced the following for estates of decedents who die during 2018 and gift tax limits:

Basic estate exclusion amount of:

2017 - \$5,490,000      2018 - \$5,600,000

Annual exclusion for gifts:

2017 - \$14,000      2018 - \$15,000

Gifts for spouses who are not U.S. citizens:

2017 - \$149,000      2018 - 152,000

**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.

## Most RMDs Due by 12/31

Taxpayers are reminded that generally, if born before July 1, 1947, they must receive payments from their individual retirement accounts (IRAs) and workplace retirement plans by December 31, 2017. The rules apply to owners of various workplace plans including 401(k), 403(b) and 457(b) as well as traditional, Simplified Employee Pension (SEP), and Savings Incentive Match Plans for Employees (SIMPLE) IRAs (but not Roth IRAs while the original owner is alive).

A required minimum distribution (RMD) is the minimum amount you must withdraw from your retirement account each year after reaching the age of 70-1/2. These RMDs must be paid by December 31<sup>st</sup> each year. A special rule allows first year recipients of these payments to delay their first payment only. An individual who reaches age 70-1/2 during 2017 may wait until as late as April 1, 2018 to receive their first RMD. Subsequent RMDs must be made by December 31<sup>st</sup> each year, including the year in which you were paid the first RMD (i.e. two RMD payments made in 2018 — one for 2017 and one for 2018).

The RMD rules apply to owners of traditional IRAs but not Roth IRAs while the original owner is alive. They also apply to participants in various workplace retirement plans, including 401(k), 403(b) and 457(b) plans. Some people in workplace plans can wait longer to receive their RMDs. Usually employees who are still working can wait until April 1<sup>st</sup> of the year after they retire to start receiving these distributions, as long as their plan allows for it.

The RMD for 2017 is based on the taxpayer's life expectancy on December 31, 2017 and their account balance on December 31, 2016. An IRA trustee must either report the amount of the RMD to the IRA owner or offer to calculate it for the owner. It is often shown on the Form 5498 in Box 12b of the previous year. Although the administrator may calculate the RMD, the retirement plan account owner is ultimately responsible for calculating the amount of the RMD. An IRA owner must calculate the RMD separately for each IRA that he/she owns, but can withdraw the total amount from one or more of the IRAs. The same for 403(b) accounts; however, RMDs required from other types of retirement plans, such as a 401(k), have to be taken separately from each of those plan accounts.

The consequence for failing to take a RMD, or if the distribution falls short of the required amount, is a 50% excise tax required on the amount not distributed. For the year of the account owner's death, use the RMD the account owner would have received. For the year following the owner's death, the RMD will depend on the relationship of the des-

ignated beneficiary.

If an employee is required to receive an RMD, that employee may opt to continue to make salary deferrals for the year, if the plan permits them.

For more information on RMDs, please contact your plan administrator or IRA trustee.

CAPTRUST is the TMTA endorsed service provider for member 401(k) retirement plans. Contact John Young at (248) 620-8100 for more information about retirement plan options for your company.

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## OSHA Top 10 Safety Violations List

The U.S. Department of Labor's Occupational Safety and Health Administration (OSHA) has announced their top 10 most frequently cited workplace safety violations for fiscal year 2017 (October 1, 2016 thru September 30, 2017).

The announcement was made at the National Safety Council (NSC) Congress and Expo, as it is every year. Deborah Hersman, NSC President and CEO, said "Every year the OSHA Top 10 serves as a guide for employers to address the biggest safety risks facing their employees."

OSHA's Top 10 list of the most frequently cited violations remains essentially the same from year to year with few changes. The top 10 most cited violations for 2017 (with 2016's numbers also listed) are:

- 1. Fall Protection** (1926.501) – 6,072 violations (6,721)  
Frequent violations include failure to protect open sides and edges, to prevent falls from roofs, and to cover holes.
- 2. Hazard Communication** (1910.1200) – 4,176 violations (5,677)  
Frequent violations include failure to have a written program, inadequate employee education and training, improper or no labels on containers, and no safety data sheets (SDS) or lack of access to them.
- 3. Scaffolding** (1926.451) – 3,288 violations (3,906)  
Frequent violations include problems with scaffold

***(OSHA Top Ten continues on Page 6)***

## (OSHA Top Ten continued from Page 5)

construction, improper access to scaffolding surfaces, and lack of guardrails.

- 4. Respiratory Protection (1910.134) –**  
3,097 violations (3,585)  
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) –**  
2,877 violations (3,404)  
Frequent violations include poor or no energy control procedures, inadequate worker training, no procedures at all, and inspections not completed.
- 6. Ladders (1926.1053) –**  
2,241 violations (2,860)  
Frequent violations include damaged side rails, use of top ladder step, using an inappropriate ladder for the job, and excessive loads on ladders.
- 7. Powered Industrial Trucks (1910.178) –**  
2,162 violations (2,760)  
Frequent violations include inadequate operator training and refresher training, and poor conditions of trucks when returned to service after repair.
- 8. Machine Guarding (1910.212) –**  
1,933 violations (2,451)  
Frequent violations include point-of-operation exposures, inadequate or no anchoring of fixed machinery, and exposure to blades.
- 9. Fall Protection - Training Requirements (1926.503)**  
1,523 violations (0)  
Frequent violations include failure to train workers in identifying fall hazards, and proper use of fall protection equipment.
- 10. Electrical – Wiring Methods (1910.305) –**  
1,405 violations (1,940)  
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.

This year, Electrical - General #1910.303 was replaced by Fall Protection - Training Requirements #1926.503 in the top 10 list. OSHA has issued a final rule to update general industry walking-working surfaces and fall protection standards. Most of the changes went into effect 1/1/17; 60 days after publication in the Federal Register, but some provisions have delayed effective dates.

The Final Rule allows for fall protection flexibility, updated scaffold requirements, phase-in of ladder safety systems, codes for rope descent systems and certification of anchorages, personal fall protection system performance and use requirements, inspection of walking-working surfaces, and employee training.

For more detailed information, visit the OSHA website at [www.oshasafetymanagement.com](http://www.oshasafetymanagement.com) or your workers' compensation safety department.

## INFLATION TALK

### CPI-W Urban Wage Earners and Clerical Workers

Month	82–84	1967	57–59
Sept	240.939	717.684	834.66*
Aug	239.448	713.243	829.49*
July	238.617	710.766	826.62*
June	238.813	711.352	827.29*
May	238.609	710.744	826.59*
April	238.432	710.215	855.97*
March	237.656	707.906	823.29*
Feb 2017	237.477	707.371	822.67*

### CPI-U All Urban Consumers

Month	82–84	1967	57–59
Sept	246.819	739.359	859.86*
Aug	245.519	735.466	855.33*
July	244.786	733.269	852.78*
June	244.955	733.775	853.37*
May	244.733	733.110	852.60*
April	244.524	732.486	851.87*
March	243.801	730.320	849.35*
Feb 2017	243.603	729.727	848.66*

**Note: September 2017 CPI-W represents a 2.3% increase from one year ago; CPI-U a 2.2% 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)**

to our membership. We do so from time to time to be certain that the best available coverages at very competitive prices are available to our members. Part of the equation is, of course, a determination that claims service is hassle free, fast and effective. Fortunately, the Agency continues, as it has since the inception of the ACA (Obamacare) to constantly monitoring ongoing developments and changes in the Health Insurance marketplace so that participating member companies have current information available to them.

You should know that we carefully look at all our Endorsed Service Providers on a regular basis so that when you use one, your experience is positive. Rarely do we get inquiries of a negative nature involving a Provider and if we do, we look into it quickly and do our best to resolve any issue that arises.

Similarly, organizations seeking to become an Endorsed Service Provider are carefully vetted before being added to our list. Please consider these providers as they all offer value to you as a member.

Trade and trade policy continue to make headlines as the new Administration assesses existing trade agreements and considers new ones. It is refreshing to see that the duration of agreements is being addressed as opposed to the former practice of simply having an open-ended agreement without any attention to including remedial steps in the event of changing conditions. I say "refreshing" because the TMTA and a multitude of similarly interested associations/organizations have, over the past ten years or more been arguing in Washington for such considerations when entering or considering trade agreements.

By way of reminder, TMTA will shortly be sending out the annual Holiday Survey and I would encourage you to participate in the effort. Information, it has been said, is power so the more quality information you have, the better off you are. And, with Thanksgiving on the near horizon, our best wishes go out to you and yours!

**For more information about  
the TMTA, our advocacy, events  
and benefits, visit us at  
[www.thetmta.com](http://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

**Call-A-Doctor - (Telehealth Program)**

Provider contact:

Ed Stines 248-524-3221, ext. 21

**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

Rachel Hindelang 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](http://www.svsvision.com)

**Schena Roofing & Sheet Metal Co., Inc. - (roofing)**

Provider contact:

586-949-4777

**Schooley-Mitchell - (telecom/credit card management)**

Provider contact:

Sean Fox 513-683-8881

*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.*



**Confused about Health Care?  
Need help finding the right insurance?  
Individual & Group Coverages Available**

**Contact Bill Percha  
at 248-355-1414  
(Tell Bill that TMTA sent you!)**

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**tmta talk**

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**PEARL HARBOR**  
 DECEMBER 7, 1941, A DATE  
 WHICH WILL LIVE IN INFAMY...  
 NO MATTER HOW LONG IT  
 MAY TAKE US TO OVERCOME  
 THIS PREMEDITATED INVASION,  
 THE AMERICAN PEOPLE, IN  
 THEIR RIGHTEOUS MIGHT,  
 WILL WIN THROUGH  
 TO ABSOLUTE VICTORY.