December 2016 Retiree Newsletter

Note for Retirees with the City’s Health Insurance:
As required by the Affordable Care Act (ACA), the City of Milwaukee, as the health plan sponsor, is now required to send out Forms 1095-C to the retirees and employees who have health insurance coverage through the City. This form will be mailed out separately from your 1099-R by the end of January. You will need this form when preparing your tax returns. If you have not received this form, please wait until February 10, 2017 before you contact this office for a replacement. Retirees who receive a non-taxable benefit, but have health insurance through the City, will also receive this form. If you have health insurance through the City, DO NOT make an appointment with your tax preparer/accountant until you receive this form. Please note that the amounts listed on this form will only include premium deductions for the City’s health plans. If you have any other insurance coverage being deducted from your pension payment, including the City’s dental insurance coverage, please retain your December 2016 payment stub for the year-to-date totals.

1099-Rs for 2016:
If your pension benefit is subject to Federal income tax, the 1099-R for the pension benefits paid to you in calendar year 2016 will be mailed by the end of January 2017 in accordance with IRS regulations. If you are a recent retiree and received a GPS lump-sum bonus during 2016, you will receive a separate 1099-R for that portion of the bonus you rolled over. Any portion taken in cash will be included with the 1099-R containing your monthly annuity payments. If you receive multiple benefits from ERS (e.g. your own retirement benefit as well as a survivorship benefit from the account of your deceased spouse), you will receive a separate 1099-R for each benefit you received in 2016. Your 1099-R will be mailed to the address on file with this office. If you want this form mailed to another address, you must inform the ERS office in writing no later than January 10, 2017. Please note that all 1099-Rs will be mailed on the same date, but they may arrive at your address at different times. The post office will be delivering millions of these forms at about the same time, so there is a possibility your form might be delayed in the mail.

Important: Do NOT make an appointment with your tax preparer/accountant until you receive your 1099-R form. If you have not received your form 1099-R, please wait until February 10, 2017 before you contact this office for a replacement. No replacements will be processed before that date. Also, replacement 1099-Rs are not processed on a walk-in basis. Requests are processed in the order received.

IMPORTANT DATES IN JANUARY
December 30, 2016 - New Year’s Eve Holiday (ERS closed)
January 2, 2017 – New Year’s Day Holiday (ERS closed)
January 10, 2017 – Affidavits for lost December checks will begin to be taken.
January 16, 2017 – Martin Luther King, Jr. Day Holiday (ERS closed)
Your January 2017 benefit payment will be mailed on January 30 and made payable for January 31. Direct deposits will be in accounts on January 31.

In Memoriam
ERS Retirees who have recently died:
Richard Ammerman-MPD
Louis Belke-MPD
Paul Bruno-Bridges & Buildings
Margaret Dean-MPS
Bernard Delaney-MPD
Earl Dobruska-MPS
Catherine Fieber-MPS
Thomas Haberman-DPW-Water
Floretta Holland-Engineers
William Holmquist-DPW-Infrastructure
Joyce Holzhueter-MPS
Nettie Irbiy-DPW-Infrastructure
Shirley Jacobson-Health
Alfred Jakober-Library
Rees Jones-Street & Sewer Maintenance
Shirley Kammers-MPS
Amber Kraak-Treasurer
Nancy Kunz-MMSD
Ronald Laabs-Library
Patrick Lanaghan-DPW-Forestry
Jeanette Mazur-Library
Donald Michels-Engineers
Bernhard Molter-MPD
Betty Moratz-MPS
Simeon Neita-DPW-Operations
Lomadell Olson-MPD
James Roddy-MMSD
Betty Sharping-MPS
Sylvester Schultz-Library
Carol Scott-DPW-Infrastructure
Robert Stelter-MPD
Mary Stoltman-MPS
James Styers-Neighborhood Services
Jeanette Tyler-City Clerk
Dorothy Young-MPD
Norman Zych-DPW-Sewer Maintenance

Please read the entire newsletter as it contains important information concerning your enclosed December check stub or direct deposit form, 2016 tax reporting, and health insurance updates for City of Milwaukee retirees.
Attention All Members – Especially Those Receiving Duty Disability Benefits:

Please be sure to retain all of your pay stubs, especially your December check stub or direct deposit advice. This statement summarizes your monthly annuity pay and deduction amounts for the calendar year. For example, you will see that all of your health insurance premiums paid for the year are found under the “Year-To-Date” column on your stub/advice. You may need this information when completing your tax return since health insurance deduction totals are not included on your 1099-R form. IMPORTANT: If you receive a benefit which is not taxable and, therefore, not reportable on a form 1099-R, such as a duty disability or accidental death annuity, this year-end statement will be the only record you will have of your payments. You will not receive a 1099-R form; please refer to your final pay stub for this information.

Health Insurance Update (excluding MPS, MATC, MMSD, UWS, and Veolia):

REMINDER: NON-MEDICARE MEMBERS who are continuing City of Milwaukee health benefit coverage can continue to use your current UHC/OpumRx card in 2017. Call the number on the back if questions. ERS does not send out cards.

MEDICARE MEMBERS who are continuing City of Milwaukee health benefit coverage for 2017 can continue to use your prescription card from United Healthcare MedicareRx and your health card from UHC. ERS does not send out cards.

If applicable, 2017 health benefit premiums will be reflected on your December 2016 pension check.

**Please look at your check stub or direct deposit notification before calling our office**

Medicare Eligibility - informational only:

If, at the time you are turning 65 AND possibly eligible for Medicare AND you are currently enrolled in the City of Milwaukee health insurance plan (this excludes MPS, MMSD, Veolia, United Water, MATC retirees) our office will automatically mail you a health insurance packet regarding your options. Please look for this information approximately 2 months before your 65th birthday. This also applies to any dependent (i.e. spouse) listed on the plan turning 65 and possibly eligible for Medicare. Please be sure to read this information in its entirety. Any questions regarding your Medicare eligibility should be directed to your local social security office and not the ERS.

Please note: at age 65, your coverage, or coverage for any dependent(s) listed on the plan, will not automatically be cancelled. Please note that any retiree or retiree spouse “eligible for Medicare” regardless of age is required to take Medicare Part A&B. This includes any retiree or retiree spouse eligible for Medicare based on a disability.

Recently Retired ERS Members

Carlos Baez - DPW-Operations
Brenda Barnett-Brantley - MPS*
Christopher Bowers - MPD
Bret Brinkman - MPS
Carol Brom - DPW-Water
James Brown - DPW-Infrastructure
Michael Caballero - MPD
Sandra Coffaro - Health
Marcus Collins - Municipal Court
Jacqueline Davis - MPS
Joseph De Leon - DPW-Operations
Gregory Eide - MPD
Robert Fischer - DPW-Operations
Steven Gabrish - MPD
Toni Grisham - MPD*
Randolph Hamburger - MPD
Susan Hansen - MPD
Edward Harness - MPD*
Mario Hartlaub - MPD
Tamara Heibler - MPD
Vesta Henry - Health*
Herberto Hernandez - MPS*
Jack Hibbard - MPS*
Darrel Jeffrey - DPW-Infrastructure
Douglas Knieppl - MPD
Barbara Kobs - Health*
Gail Krapar - MPS
James McCullough - MPS
Kenneth Morgan - MPD
Richard Mosey - MPD
Peter Mulock - MPD
Dante Norton - MPD
Betty Nowak - Port of Milwaukee
Edward Payne - MPS
Irmine Reitl - Health
Debra Ritchie - MPD*
Christine Sandoval - MPS*
Robert Swagian - MPS
Jane Udee - MPS*
Barbara Wagner - DPW-Water*
Michael Wilkerson - MPD
Donna Zander - MPS

*Deferred

2017 CPI COLA Factor is 1.6925%

(NOTE: This affects certain Police and Fire Retirees only):

Every December, the ERS calculates the rate to be used to determine COLA factors granted to most protective service members based on the Consumer Price Index – All Urban Consumers (CPI-U). In November of 2016 the index was 241.353 as compared with 237.336 in November of 2015, an increase of 1.6925%.

The CPI COLA is calculated using the Consumer Price Index – All Urban Consumers data. The CPI statistics can be found on the U.S. Department of Labor Statistics website: http://data.bls.gov/cgi-bin/surveymost?cu
Select the first index in the list presented on the website. Take the current year’s November 2016 index number and subtract the November 2015 index number. Divide this answer by the November 2015 index number.

COLA increases granted in calendar year 2017 to protective service members will be 1.6925% except for those eligible for a minimum of 2%. Generally, those eligible for the 2% minimum are:

- Local 215 and MPA members retiring from service after 1997
- MPSO members retiring from service after 1998
- Other Protective service members retiring from service after 1999