



Employees' Retirement System Communicator

October 2012

No. 10

From the Desk of the ERS Manager

Hello Milwaukee County Retirees!

For me, Fall has always been a time of getting my home ready for a long Wisconsin winter, planning adventures for the upcoming holiday season, and reviewing and making sure all important papers have been reviewed and updated. This includes insurance policies, financial plans, investment options, wills and healthcare power of attorney documents. The article in this month's *Communicator* on **Surviving Spouses** will give you some important information to consider.

Open Enrollment 2013 is coming up quickly. Do you have a question about a particular benefit? Ask the experts at one of the Retiree benefits informational session. The schedule and locations are on Page 4. Milwaukee County will again be offering free flu shots to retirees and their covered dependents free of charge

The 2011 Annual Report of the Pension Board is now available online (county.milwaukee.gov/departments/human_resources/retirement/Reports/Annual). Or a copy can be obtained by calling ERS. Please note, however, that supply is limited.

Please call our office at any of the numbers listed in the shaded box to the left if you have questions regarding your pension or healthcare benefits. We are here to help!

Marian Ninneman
ERS Manager

Surviving Spouses: Dealing with Financial and Legal Issues

The death of a spouse is one of the most distressing events we'll ever face. It's difficult to think clearly and consider practical matters at a time when you are emotionally devastated. Yet survivors will find themselves immediately confronted with important financial and legal questions. Care must be taken to avoid blunders that could end up making a bad situation worse.

Prepare for the Inevitable

Planning ahead will go a long way to easing your difficult path in the future. This may mean having uncomfortable discussions while both spouses are alive and in good health mentally and physically. Start organizing now. Even basic pre-planning can ease anguish later.

Contact Information

Employees' Retirement System

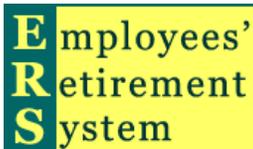
From the Milwaukee
area: 414-278-4207
Toll Free: 877-652-6377
Email: ers@milwcnty.com.

Life & Health Benefits

Phone: 414-278-4198.
Email: benefits@milwcnty.com

New Retirees

Remedios Azcueta
Kay Bull
Terrence Cooley
James Corrigan
Roy De La Rosa
Henry Dutczak
La Rita Givens
Diane Green
Geoffrey Hurtado
Janet Haas
Pamela Haefner
Donna Harder
Mohammad Mallick
Myron Minko
John Moore
Van Munger
Patricia Parcell
Patrick Prening



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Identify and locate account documents, online accounts, login user IDs, passwords and PINs. Gather information on current and former employers, insurance agents, accountants, attorneys, etc. Update wills, powers of attorney, beneficiary designations, etc.

If you have a safe deposit box, make sure both spouses are listed as co-signers to avoid delay in getting access to the box. Prepare burial/cremation and funeral instructions. If you want to donate your organs, get this set up through your state's motor vehicle division.

Don't Rely Solely on the Advice of Friends or Relatives

While it's natural to turn to caring friends and family members in difficult times, be sure you understand their limitations as far as offering advice. You shouldn't rely on a "rule of thumb" or copy what someone else did. Even if your friends have lost their spouses doesn't mean they are qualified to properly assess your circumstances and guide you to the right decisions. While they certainly mean well, chances are they are not up-to-date on the latest financial regulations, tax laws and the like.

When it comes to financial and/or legal recommendations, you need counsel from educated, skilled professionals. Partner with a good financial advisor, accountant and attorney. Carefully select the right professionals for you. Ask for referrals, check credentials and meet with the advisors to ensure you are comfortable with them. Again, don't select someone just because a friend or relative liked him or her.

Don't Make Financial Decisions Too Quickly

A surviving spouse should hold off on major decisions until enough time can be taken to seek advice and review options before deciding on the right course of action. Big decisions may be irreversible and so should be given time to think through. For example, real estate transactions, like selling your home, require careful consideration. This doesn't mean you should procrastinate taking action when necessary. Some time-sensitive issues (like estate tax returns or required minimum distributions from tax deferred accounts) need prompt attention.

Some important financial areas to deal with include:

- ◆ Social Security benefits
- ◆ Individual Retirement Accounts
- ◆ Estate/Income Tax returns
- ◆ Life Insurance
- ◆ Estate Plan documents
- ◆ Investment decisions
- ◆ Real Estate holdings
- ◆ Bank Accounts
- ◆ Securities
- ◆ Annuities
- ◆ Creditors

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Do not be pressured into making financial decisions or purchases. If someone does try to pressure you, be skeptical of that individual's motive. There is no room for a high-pressure salesman in your life at this time.

Avoid Spending Money for Emotional Reasons

Spending money to satisfy your emotional needs can be tempting but potentially destructive to your financial future. Surviving spouses will often find themselves with extra money in the bank after the receipt of life insurance payouts. Through proper planning, this money can grow and provide the security that comes with a large retirement nest egg. Before spending any large sums of money, work with your financial advisor.

If you live beyond your means, you could end up in a dire financial situation in a relatively short time. Set a budget and revisit it every few months. You will need cash for new or one-time expenses like funeral costs, attorneys' fees and estate taxes. You may also need to adjust your lifestyle possibly lowering it from what you were used to as part of a couple.

Update Your Own Important Documents

Don't overlook updating documents to reflect the reality that your spouse is no longer the person to list as your agent or trustee. These include:

- ◆ Last Will
- ◆ Trust, if applicable
- ◆ Healthcare Power of Attorney
- ◆ Financial Power of Attorney
- ◆ Living Will

Benefits Update

Open Enrollment 2013

Open Enrollment is **November 5 through November 16, 2012**. **Not everyone needs to enroll this year.** You only need to enroll if you want to change your benefit elections and/or update your dependent information, for 2013. If you do not change your benefit elections, your 2013 benefit elections will be assigned to the option that best reflects the information you provided and choices you made for your 2012 plan year elections.

To assist you with any open enrollment questions you may have, retiree benefit informational meetings are listed on Page 4. Flu shots will be available to Milwaukee County Retirees and their covered adult dependents at no cost to the retiree. Retirees are welcome to attend any of the meetings listed below; **attendance is optional**.

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No. 10

Benefits Informational Meeting Schedule

Wednesday, November 7

Clinton Rose Senior Center Main Hall

3045 N. Martin Luther King Dr.

1:00 p.m. – 4:00 p.m.

Friday, November 9

Wilson Park Senior Center –

2601 W. Howard Avenue

1:00 p.m. – 4:00 p.m.

Monday, November 12

Washington Park Senior Center - Main Hall

4420 W. Vliet Street

1:00 – 4:00 p.m.

Life Insurance, W2s and Imputed Income

Imputed income is the dollar value that the IRS puts on the amount of group term life insurance coverage in excess of \$50,000. Imputed income occurs when individuals with more than \$50,000 of life insurance pay less for the coverage than the IRS has determined it to be worth.

Under current tax laws, you are required to pay income taxes on the "value" of your provided basic life insurance coverage in excess of \$50,000. The "value" is determined by your age and schedule established by the IRS. This tax liability is added to your gross wages and is included on your W-2 at the end of each year. If you are required to pay income taxes on the value of your life insurance, Milwaukee County will mail a W-2 to you no later than January 31, 2012.

New Retirees (Continued)

*Jon Priebe
Mary Schlaugat
Patricia Szyjewski
Patrick Schelble*

*James Tietjen
Catherine Vasquez
Jean Wagemann
Robert Winkowski*

In Memoriam

Please keep the families of these recently deceased retirees and spouses in your thoughts:

*Gerald Adsen
Marie Balistrieri
Martin Brunet
Leonara Chard
Rose Chase
Thomas Collins*

*Anna Enins
Adolfina Filkiewicz
John Friedrich
Eugene Gascoigne
Arlene George*

*Kim Klinkowitz
Linda Liston
Ruth Louis
Frances Lueptow
Wallace MacBriar*

*Lucille Morgan
Grant Rowold
Martha Stead
Rose Stromberg
Mary Urness*