



# Connections

Staying connected with Michigan's retirees

June 2023

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## Retiree spotlight

### 'Making a difference and that light-bulb moment'

Since retiring at age 61, Elaine Briggs has prioritized time with family and helping others through volunteering and writing.

That drives the retired 76-year-old schoolteacher from Milan, Michigan.

Married 57 years to Larry Briggs, her high school sweetheart from Swartz Creek, Elaine helped preserve their farm in the 1980s by getting her first teaching job while helping on the farm and looking after the family.

Briggs' 22-year career as an educator took a non-traditional path.

She taught adult education classes in the English as a Second Language program at the Federal Correctional Institution Milan and troubled teens at the now-closed Boysville Juvenile Delinquency Center in Monroe. She spent 12 years at Milan High School as a teacher.

"When administrators decided to mainstream special education reading students, I volunteered to teach general education reading classes," she said.



*Married 57 years, Elaine and Larry Briggs are shown on a Dominican Republic trip in 2017.*

The Eastern Michigan University graduate's Peer Mediation and Little Buddies reading classes paired high schoolers with grade schoolers. The reading classes she developed using **Evidence-Based Literacy Instruction** raised reading levels significantly for both high schoolers and the second and fourth graders they tutored.

"My last two years of teaching Peer Mediation, Reading, and Leadership were really special," said Elaine, who retired in 2008.

"Retirement is smoother with the peace of mind ORS provides," she said of her **Michigan Public School Employees' Retirement System** pension. "We have just the best health insurance through MPSERS. The pension is nice, but having great health insurance has been wonderful. It brought great peace of mind when my husband had his heart attacks and I spent nine days in ICU after brain surgery."

That helps the couple focus on their sons' families, with seven grandchildren and two great-grandchildren.

She belongs to **Milan Public Library's** writers' group. After retiring, she took up writing and **authored** two books, *Joe Dew: A Glorious Life*, a biography about her World War II veteran father; and *Yes! All Can!*, chronicling her students' achievements.

"I love making a difference and that light-bulb moment when a student gets reading," Elaine said.

*Do you have a story to share? Send it to **ORS-RetireeStories@Michigan.gov**.*



*Elaine Briggs' book, 'Yes! All Can!,' shares her Milan students' struggles and successes as they made a difference.*



“A few minutes of review can result in real savings.”

## From the director

Welcome to your June 2023 issue of the *Connections* newsletter.

Summer is near and it's almost midyear. This is a great time to review your budget and financial habits.

If you're like me, you automate your payments for many of your bills. Thirty-nine percent of people report using autopay for recurring bills, according to a **2022 consumer behavior study**; with 85% of all monthly bills paid online.

While automatic payments are very helpful, they can also result in unwanted expenses that can really add up. Again, if you're like me, you've probably signed up for a free or reduced cost trial to a subscription service so that you could watch the show that everyone was talking about.

After you saw the show, you didn't get around to cancelling. Or maybe you signed up for some membership that you aren't using anymore. And what was free turns into \$4.99, \$6.99, or \$10.99 a month.

Maybe you're subscribing to services you no longer want or don't realize you're still subscribed to. Review your payments and charges for increased subscription and service fees. Examine your monthly statements to verify that no unauthorized charges or changes were made. A few minutes of review can result in real savings.

Be strategic and check in regularly on your automatic payments. And if you haven't yet automated your finances and bills, Michigan State University Extension offers some **great tips on doing so**.

Your retirement journey is many small steps thoughtfully made.

And, if you have a retiree story you'd like to share for a future issue of *Connections*, please send it to **[ORS-RetireeStories@Michigan.gov](mailto:ORS-RetireeStories@Michigan.gov)**.

A handwritten signature in black ink, appearing to read 'Anthony Estell'.

**Anthony Estell, director**

Michigan Office of Retirement Services

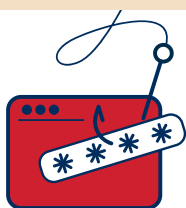
# Cybersecurity awareness

## Part 2: Terminology

There are common terms to know when talking about the potential dangers for your personal data and online presence.

**Phishing** is the fraudulent practice of sending messages purporting to be from reputable companies or parties.

Phishing can be done by email (phishing), phone (vishing) and text message (smishing). The key component to identify phishing is the person creates a sense of urgency and asks for information they should already have if from a legitimate source (i.e. someone pretending to be your bank and asking for personally identifiable information like an account number).



**Malware** is malicious software designed to disrupt, damage, or gain unauthorized access to a computer system or digital device.

Malware is distributed when a person inadvertently clicks a link on deceptive websites or in emails, or when a person downloads software or uses an infected USB drive. There are several types of malware, and each can wreak havoc on your life and put your sensitive information at risk.



### Cybersecurity awareness three-part series

**March 2023:** Generational differences.

**This month:** Understanding terminology.

**September 2023:** Keeping information safe.

**Spoofing** is when a caller deliberately falsifies information to disguise their identity.

When there's spoofing, someone contacts you using an email address or telephone number that looks legitimate. For instance, a phone number may show on caller ID as coming from your doctor's office. An email address may look like it's coming from a legitimate source, but there's something either added or missing from the real email address. The spoofer could pretend to be your bank, a co-worker, or a family member. They try to make you believe the communication is real and ask you to click a link, send money, or provide personally identifiable information.



Knowing the terminology will help you with awareness that these things exist and will help to keep you safe from scammers who wish to use your personal information to their advantage.

## Retirement state tax changes phasing in

Public Act (PA) 4 of 2023 modifies the Income Tax Act of 1967 and will gradually roll back the state income tax on pension income over a four-year period based on one's age. ORS will begin changing the tax withholding in October 2023. By 2026, all ORS pensioners are eligible for the full deduction, regardless of age.

Your 2023 1099-R will be available from ORS in January 2024 and will reflect the total Michigan tax amount withheld from your pension. When

filing your state income taxes, you can claim up to the maximum deduction allowable for your birth year, using either the provisions under the Income Tax Act of 1967, or the provisions under PA 4. To see the deduction amount for which you qualify, scroll to the retirement **state tax changes chart** available on our website.

For more information, you can refer to the **March issue** of Connections or visit the **Frequently Asked Questions** on our website.



# SECURE Act 2.0 changes rules for retirement savings

The **SECURE Act 2.0** of 2022 is a federal statute signed into law Dec. 29, 2022, which enhances the Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019. It introduces provisions intended to improve retirement savings outcomes for all Americans.

Some provisions are in effect (as of Dec. 29, 2022) while others will go into effect in 2024, 2025, and later.

Here are some high-level changes that may affect you:

### New provisions for RMDs

The law increases the age for required minimum distributions (RMDs) for participants and for spousal beneficiaries for participants who died before reaching the RMD beginning date.

The SECURE Act 2.0 also eliminates the RMD requirement on Roth accounts.

### Excise tax reduction

The IRS imposed a 50% excise tax on RMDs not taken in a timely manner. SECURE 2.0 reduces the excise tax from 50% to 25%, and to 10% if the correction is made during the 2-year correction window.

Many more details of this law will become available as the different provisions are phased in and implemented. Keep your eye on future editions of this newsletter for more information.



## Ask our experts

Michigan Office of Retirement Services (ORS) experts answer frequently asked questions.

### How will my pension be affected by various life events?

#### How can I know more?

Several different life events may or may not affect your pension, your insurance coverage, or both. You'll want to keep ORS informed about any changes to your physical address to ensure you receive your statements. Also, if you change the financial institution you use for direct deposit, you'll need to update your information in miAccount. Marriage, births, deaths, and divorces may affect your pension. Many life events can be handled directly through miAccount. For other things, please visit the **Forms and Publications** section of our website and scroll to forms For Retirees.

New RMD ages are:	
Age 73	For those who attain age 72 after Dec. 31, 2022, and age 73 before Jan. 1, 2033
Age 75	For those who attain age 74 after Dec. 31, 2032

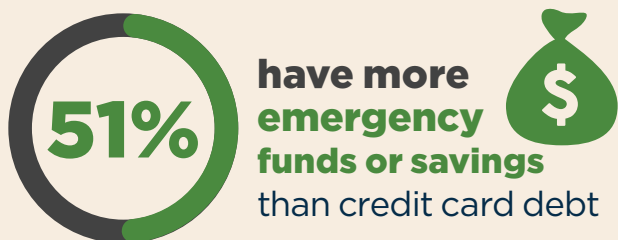
# Saving, spending, and emergency funds

**“I’m living paycheck to paycheck. I don’t have any extra money to set aside.”**

This is a phrase most of us have lived through, or at least heard, once in our lives. And while there seems to be a constant barrage of well-meaning recommendations to “save more” it’s often difficult to do, especially on a fixed income. The lack of adequately saving can affect not only your retirement security, but also your relationships, your health, and your well-being.

You are the person in charge of your financial domain. These three steps are key elements to success when it comes to increasing your savings and planning for your future.

## Among U.S. adults



Source: Bankrate, 2023 Annual Emergency Savings Report, Feb. 23, 2023.

**Consider these three steps to take back control of your financial life and stop the hamster wheel of paycheck to paycheck.**

## 1 Identify

Where is your money going? Are there areas where you are overspending? Understanding **the psychology** behind spending will give you the knowledge needed to look at your money objectively. Living within your means is also a huge factor when it comes to controlled spending. Can you afford the purchase? Is it a need or want?

## 2 Plan

Plan for purchases ahead of time as often as possible. If you have a grocery list – stick to it. If you’re bored – find something other than online shopping to entertain yourself. **“Impulse purchases account for as much as 60% of all purchases.”** It’s important to plan for where your money is going.

## 3 Execute

Create an **emergency fund**. This fund is an easily accessible savings account with money that can be used in emergencies. You may need money for unexpected home or vehicle repairs or a loved one needs help in difficult times. You should **keep 3-6 months of your income** on hand in a savings account, not necessarily an investment account. If you use money in this account for an emergency, begin replacing it as soon as possible.

# Summer wellness

## Take precautions to protect yourself, others from heat, sun risks

As the summer temperatures and humidity climb, it's a good idea to safeguard yourself from the dangers posed by heat and sun.

Older adults, people with medical conditions, and young children are at increased risk for heat-related ailments. Limit time in heat, stay hydrated, avoid direct sunlight, and find somewhere to stay cool, according to the **Michigan Department of Health and Human Services**.

When it is hot, the risk of heat-related illness increases because the body's temperature rises and can't be cooled by sweating or other ways. If not treated, heat exhaustion can worsen and cause heat stroke or death.

### To help prevent heat complications:

- Drink more fluids and avoid liquids with high sugar or alcohol content.
- Limit outdoor activities to when it is coolest.
- Spend time indoors in air conditioning.
- Wear lightweight, light-colored, and loose-fitting clothing.
- Wear sunscreen.

Also, never leave children or pets alone in a vehicle, even with windows cracked. Temperatures inside a vehicle can be double the temperatures outside. Because a child's body heats up three to five times faster than an adult, they are more susceptible to heatstroke.

Call 911 for immediate medical help and try to cool the person down if heat stroke is suspected. Text or call 211 or contact your local health department to find out if there is a cooling center nearby.



## Update ORS

It is critical that you report any of the following changes in personal information to ORS: address, email, tax withholding, direct deposit, death, divorce, marriage, and Medicare information.

The fastest, easiest way to report these and other life events is through **miAccount**.



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**Twitter.com/MichiganORS**

## Pension pay dates

Pension payments are issued on the 25th of the month. If the 25th falls on a weekend or holiday, your pension will be paid the previous business day. In December, it's a week earlier.

If your payment is not credited within three days after the scheduled payment date, check with your bank first, and then contact ORS.

## Office Closures

July 4 .....Independence Day  
Sept. 4 ..... Labor Day  
Nov. 10 ..... Veterans Day  
Nov. 23-24 .....Thanksgiving