



Connections

Staying connected with Michigan's retirees

September 2024

Vol. 27 No. 3

Retired corrections captain says: 'I found my niche' in therapy dog program

When Keena Jones volunteers at Mather Elementary School in Munising, she is accompanied by her certified therapy dog, Madison, a 4-year-old, 60-pound Golden Retriever.

The 66-year old Michigan Department of Corrections (MDOC) retiree loves bringing her dog to the school. The AuTrain resident and Jackson native retired in 2010 after almost 29 years with MDOC at numerous locations, wrapping up as a captain at Alger Correctional Facility in Wetmore.

"Madison is considered a part of the school staff at Mather," Keena said of their visits during readings with first- and second-graders. "We go there once a week."

Keena volunteers through **Superiorland Pet Partners**. She is also Midwest regional manager for **HOPE Animal-Assisted Crisis Response**. Both organizations operate under the premise that human interactions with peaceful canines can help people alleviate stress while decreasing heart rate and lowering blood pressure.

"The dogs are the bridge," she said.
"We are not counselors."

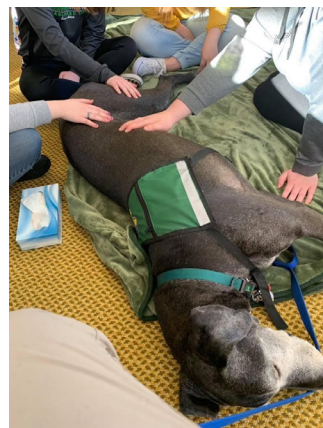
In addition to crisis locations, Keena and Madison have also visited Falling Rock Café bookstore, MediLodge nursing home, and Munising High School as part of its Be Nice initiative. Since she began, Keena has also worked with two other dogs, Zoey and Bella.

Inspired in retirement by other women with therapy dogs, Keena got involved when her dog, Zoey, was a puppy. "When I saw the white heart-shaped patch on her chest, I decided it's a sign," she said. "I found my niche."

Just after retiring, Keena married Michael Moore—a truck driver, photographer, and adventure-seeker—in Key West, Florida. They were married seven years until Michael suffered fatal injuries in an accident in December 2017. Family and friends were asked to donate, in his memory, to various therapy dog nonprofits. She continues to volunteer and finds meaning in her service to her community.

"I'm one of the lucky ones," she said of her pension from the State Employees' Retirement System. "It's allowed me to do volunteer stuff without worry. It's given me freedom to do what I want to do."

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



LEFT: Madison and Keena Jones in Marquette Township in June 2024. MIDDLE: Bella and Michael Moore. RIGHT: Bella comforting students after the unexpected death of one of their own in 2020.



From the executive director

Welcome to your fall 2024 issue of the *Connections* newsletter.

Something we all share are life's cycles, ebbs and flows to deal with and figure out.

Fluctuations happen in the economy and financial markets, which may cause you to become anxious and to worry about your future pension benefits.

Rest assured that your pension is a lifetime benefit guaranteed by the Michigan constitution and is paid monthly, regardless of market conditions.

The Michigan Office of Retirement Services (ORS) strives to ensure pension funds are available for all retirees now and in the future. We take our role as fiduciaries seriously.

To detail what we're doing with your retirement plan, included in this issue of *Connections* is the 2022-2023 financial summary for the Judges Retirement System. There is more information available in the **2023 Summary Annual Report**.

In the 2023 fiscal year (which ended Sept. 30, 2023), ORS paid out \$8.2 billion in defined benefit pension and healthcare benefits, across the five retirement systems that we administer. With more than 611,000 members (326,000 retired and 285,000 active), our services help about 1 in 8 Michigan households achieve financial security in retirement.

Your retirement may involve making adjustments. We are here to help you navigate those.

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

Anthony Estell, executive director
Michigan Office of Retirement Services

We proudly serve
1 in 8
Michigan households.



Financial summary fiscal year 2022-23

For the Judges Retirement System (the System)

This summary includes details from the complete **2023 annual comprehensive financial report (ACFR)**, which was produced for fiscal year (FY) 2022-23. Totals and subtotals may not add up due to rounding. You can find more information in the **2023 Summary Annual Report**.

Assets and liabilities

The System's net assets were \$274.3 million at the close of FY 2022-23. Total net assets held in trust for pension and other post-employment benefits (OPEB, i.e., retiree healthcare) decreased by \$1.5 million from the previous FY.

Revenue and expenditures

The reserves needed to finance pension and OPEB are accumulated through the collection of contributions by employer and employees and through earnings on investments.

Contributions, net investment income, and other additions for FY 2022-23 totaled \$23.9 million. The primary expenses of the System include the payment of pension benefits to members and their beneficiaries, payment for healthcare benefits, and the cost of administering the System.



Assets and liabilities¹ (dollars in thousands)

Assets	FY 2022	FY 2023
Cash	\$ 5,727	\$ 7,614
Receivables	84	116
Investments	270,012	266,572
Securities lending collateral	9,935	9,494
Total assets	\$ 285,758	\$ 283,797
Liabilities	FY 2022	FY 2023
Unearned revenue	\$ 6	\$ 14
Accounts payable and other liabilities	64	33
Obligations under securities lending	9,935	9,494
Total liabilities	10,004	9,541
Net assets	\$ 275,753	\$ 274,256

1. ACFR for the FY ended Sept. 30, 2023, Page 18. Liabilities in this context are exclusive of actuarial accrued liability for pension and OPEB. The sum total of all the line items may not equal the total due to rounding.

The System's net assets were \$274.3 million at the close of FY 2022-23.

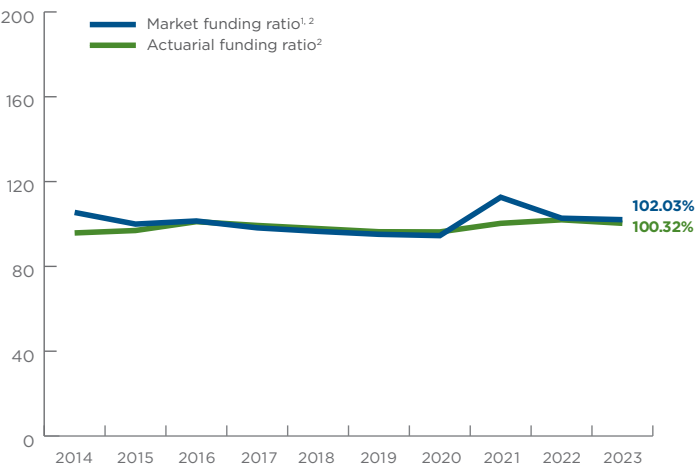
Additions and deductions¹ (dollars in thousands)

Additions	FY 2022	FY 2023
Member contributions	\$ 484	\$ 369
Employer contributions	1,759	1,274
Other governmental contributions	141	180
Net investment income (loss)	(13,514)	22,028
Other non-operating revenue	-	42
Miscellaneous income	4	5
Total additions	\$ (11,216)	\$ 23,899
Deductions	FY 2022	FY 2023
Pension benefits	\$ 24,355	\$ 24,796
Healthcare benefits	43	167
Dental and vision benefits	13	7
Refunds and transfers to other systems	8	-
Administrative and other expenses	425	426
Total deductions	\$ 24,844	\$ 25,396
Net position	FY 2022	FY 2023
Net increase (decrease) in net position	\$ (35,970)	\$ (1,497)
Beginning of year	311,723	275,753
End of year	\$ 275,753	\$ 274,256

1. ACFR for the FY ended Sept. 30, 2023, Page 19.

Pension funding ratio

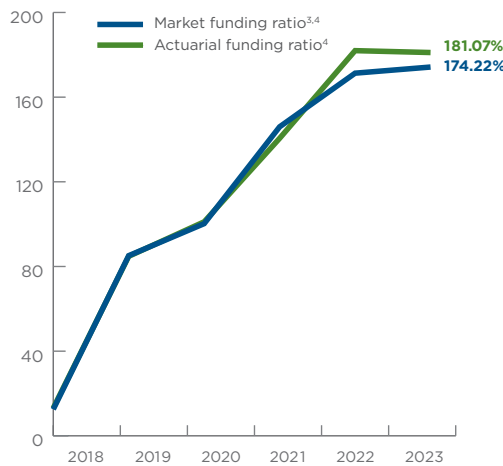
The market funding ratio is based on the market value of assets at the fiscal year-end. The actuarial funding ratio is the best practice used by all pension plans nationwide. It incorporates a five-year smoothing period of investment gains and losses, which minimizes volatility in a pension system’s funding requirement.



1. Calculated on market value of assets.
2. Pension Actuarial Valuation for the FY ended Sept. 30, 2023, pages B-5 and C-6. Funding ratio is calculated by dividing the assets by liabilities.

Healthcare funding ratio

Starting in FY 2017-18, the System began pre-funding OPEB costs, which significantly decreased the liability and increased the asset levels. Pre-funding is a best practice that invests assets and allows investment returns to help fund the plan. Many states do not pre-fund OPEB costs. This reform put Michigan on the leading edge of the OPEB funding best practices.



3. Calculated on market value of assets.
4. Pension Actuarial Valuation for the FY ended Sept. 30, 2023, pages A-2 and D-4. Funding ratio is calculated by dividing the assets by liabilities.



Medicare open enrollment starts Oct. 15

Medicare open enrollment starts each year on Oct. 15 and ends Dec. 7. You may soon be hearing radio and television advertising other Medicare Advantage, Part D, and Medicare Supplement plans. Your mailbox will probably fill up with advertising flyers from other insurance companies.

Do not enroll yourself, your spouse, or your eligible dependents in an individual Part D plan or you'll be disenrolled from all the retirement system's plans.

The insurance plans offered to retirees from ORS are all Medicare Advantage Plans. Medicare Advantage, also known as Part C, is a **private insurance alternative**

to original Medicare that bundles together Parts A, B, and (usually) D. Think of it as a one-stop-shop option, unlike original Medicare, which requires you to shop around for separate drug coverage and supplemental insurance.



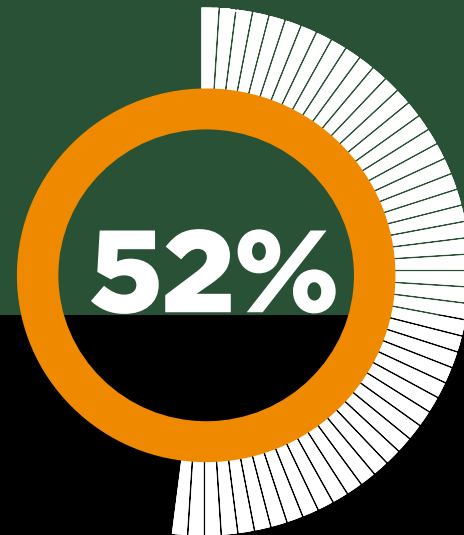
How money affects Americans' mental health

4 in 5



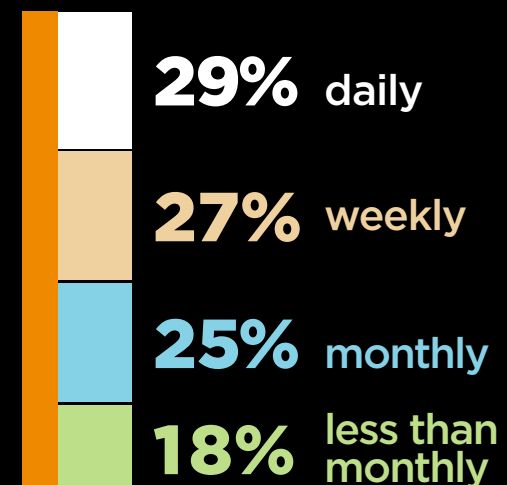
of those who say money has a negative impact on their mental health report feelings of:

- Stress.
- Anxiety.
- Worrisome thoughts.
- Loss of sleep.
- Depression.



of Americans say money has a negative impact on their mental health.

Among them, the negative impact occurs:



Tips to manage financial stress

Consider consolidating your debt.

Pay off what you owe faster at a lower interest rate.

Take advantage of free activities.

Many cities offer free concerts in the park, hiking trails, beaches, and museums.

Cut back on travel.

Consolidate your driving into one carefully planned weekly or monthly trip.

Save some of your income for little emergencies.

Start small. Send \$20 each month to a high-yield savings account.



Ask Our Experts



In the year since we debuted our first *Ask Our Experts* video on the Michigan Office of Retirement Services (ORS) [YouTube playlist](#), we have covered more than a dozen topics our members and retirees regularly ask about.

Each video is approximately two minutes long, making them a quick and easy way to learn about different facets of our retirement systems.

In this month's featured video, Bob from our Customer Service team talks about **Economic Downturns and Your Pension**.

Some of our previous topics include:

- **Snowbird Advice.**
- **Clarifying Medicare Benefits.**
- **Working After Retirement.**
- **Accessing Your 1099-R Form.**
- **2024 State Tax Withholding Update.**
- **Avoiding Phishing and Spam Emails.**
- **Insurance Eligibility for Children.**
- **Accessing miAccount and MiLogin.**

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 way to report these and other life events is through **miAccount**.

You can also contact us at:



Michigan.gov/ORS
Facebook.com/MichiganORS
Youtube.com/@MichiganORS
X.com/MichiganORS



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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, pension payday is 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

Nov. 5 Election Day
Nov. 11 Veterans Day
Nov. 28-29 Thanksgiving
Dec. 24-25 Christmas
Dec. 31-Jan. 1 New Year's
Jan. 20 Martin Luther King Jr. Day