



In this issue

- See your savings as future income
- Organize your finances easily
- Higher contribution limits for retirement investment accounts
- Say hello to your match!
- Plans cited for excellence
- Give your savings a boost in the New Year

 Like the Office of Retirement Services (ORS) on Facebook at www.facebook.com/michiganors.

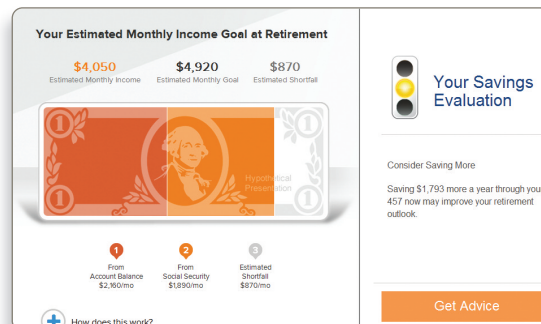
 Follow us on Twitter @MichiganORS.

WINTER 2014

Your online Pension Plus plan retirement investment account features myOrangeMoney™ to help you visualize how your account balance translates into estimated monthly retirement income and your Personal Financial Dashboard for organizing your finances. This new online experience is designed to help you plan for your retirement and other goals, see where you stand and make smart money decisions. Try both tools by logging into your retirement investment account at mipensionplus.org/publicschools.

See your savings as future income

When you log into your retirement investment account and initially provide your age and current income, a dollar bill appears. **myOrangeMoney** displays the progress you have already made toward your retirement income goal. The colored-in portions represent how much future monthly income your retirement investment account and Social Security estimates could generate without making any changes. For a more complete overview, you can also enter your pension account estimates available when you log into miAccount and other retirement assets. Any white area indicates the income gap you may need to close. If you see a gap, you can select **Get Advice** to explore action steps to try. **myOrangeMoney** links seamlessly to your **Personal Financial Dashboard**.



Organize your finances easily

Planning for retirement is an important financial goal. But competing priorities, like paying down debt or saving for college, can get in the way. Your **Personal Financial Dashboard** can help. Log into your retirement investment account, select **Organize your \$\$\$** and follow the easy steps. Enter as many accounts as you like: checking, saving, credit cards, mortgage, insurance, retirement and so on. This is your own private financial space — your employer and Voya Financial™ cannot see it, and there are no intrusive ads or e-mails. The tool encrypts your information using advanced security features and updates automatically, so you can see all your accounts and priorities in one place. ●

Higher contribution limits for retirement investment accounts

The Internal Revenue Service (IRS) raised the limits on the amounts you are allowed to contribute to your retirement investment account in 2015.

Maximum Annual Contribution	\$18,000
Maximum including Age 50+ Catch-Up	\$24,000
457 Three-Year Traditional Catch-Up	Up to \$36,000

Beginning in the year in which you will reach age 50, you are allowed to contribute an extra \$6,000 with the Age 50+ Catch-Up option, for a total of up to \$24,000. If you are within three years of retirement, you may be eligible to contribute up to \$36,000 with the 457 Three-Year Traditional Catch-Up. Since this catch-up option takes into account your prior contributions, call (800) 748-6128 for help with calculating the amount available to you under the Special Three-Year Catch-Up. **You may not use both catch-up options in the 457 Plan in the same tax year.** ●

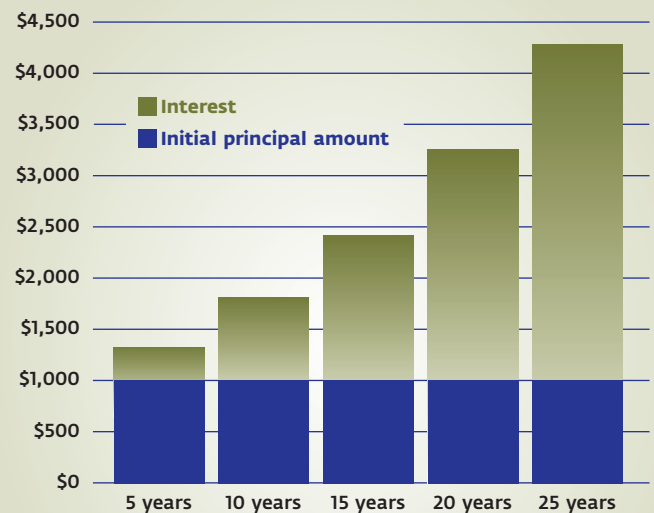
Give your savings a boost in the New Year

Starting your first day on the job, you and your employer began contributing to your retirement investment account, automatically.

If you would like to save more, you are allowed to contribute any amount, as long as you don't exceed the annual IRS limit.

The earlier you start saving and the more you contribute, the better. You gain the advantage of compound growth right away. Here's how compounding works: when you invest, you earn interest on your money. Then that interest earns additional interest, and it's how your account grows.

Compounding can do a lot for even a modest investment.



Compounding has a snowball effect: each year's gains can build on those of the past, increasing your account's overall growth potential.

This hypothetical example is for illustrative purposes only and is not a guarantee of any particular rate of return. It assumes a 6% rate of return and a principal amount of \$1,000 contributed at the beginning of year 1, with no other annual additions for the next 24 years.

Saving earlier could mean more interest working for your future. And the more your money compounds over time, the less you might have to put away yourself to end up with a significant account balance when you retire.

Give compounding more time to work for you! Consider contributing the most you can in the New Year. To increase your contribution level, log into your retirement investment account at mipensionplus.org/publicschools. Select **Contributions** and follow the prompts. ●

Say hello to your match!

You and your employer contribute to your retirement investment account. The percentages of those contributions are based on your retiree healthcare plan.

If you have the Graded Premium Subsidy, you contribute 2 percent of your compensation to your retirement investment account and receive an employer match of 1 percent.

Or if you have the Personal Healthcare Fund, you contribute 4 percent of your compensation to your retirement investment account. The first 2 percent goes to the Personal Healthcare Fund, earning a 2 percent employer match. The other 2 percent you contribute receives an employer match of 1 percent.

The employer match is a big part of your compensation package, and it's a really good deal! That extra money adds up over time, enhancing your retirement investment account's growth potential. To check which retiree healthcare plan you have, log into miAccount. If you are not sure if you are contributing enough to receive the full match, call (800) 748-6128. ●

Plans cited for excellence

The State of Michigan 401(k) and 457 Plans received two 2014 Leadership Awards in September 2014.

The National Association of Government Defined Contribution Administrators (NAGDCA) presented the awards to the State for excellence in the categories of plan design and in participant education and effective communication.

The State of Michigan Department of Technology, Management and Budget's Office of Retirement Services was one of three finalists for 2014 Plan Sponsor of the Year in the public defined contribution plan category chosen by PLANSPONSOR magazine. PLANSPONSOR is the industry's leading resource for news about pensions and benefits. The Plan Sponsor of the Year award is given to plans for their leadership and commitment to workers' retirement security. ●



PURE MICHIGAN
Your trip begins at michigan.org

Information from registered Plan Service Representatives is for educational purposes only and is not legal, tax or investment advice. Local Plan Service Representatives are registered representatives of Voya Financial Advisors, LLC (member SIPC).

This newsletter is not intended to provide legal, tax or investment advice. For such advice, participants should contact their legal, tax or investment advisers. Voya Financial is the third-party administrator for the Savings Component of the Pension Plus plan. © 2014 Voya Services Company. All rights reserved.



Quarterly calendar

Transactions made on these dates when the New York Stock Exchange (NYSE) is closed will be processed the following business day that the NYSE is open.

- Monday, January 19, 2015 Martin Luther King, Jr. Day
- Monday, February 16, 2015 Presidents Day
- Friday, April 3, 2015 Good Friday