

Your journey to retirement



A guide to help you take specific,
simple steps as you near retirement.

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Actions today to help you plan for tomorrow

At Voya, we want you to build a healthier financial life and retire well. We've created this checklist to help walk you through specific actions that you can consider taking **between the ages of 50 and 60** to help you start preparing for retirement.

Go through this checklist one step at a time. Each step should take no more than an hour, and you don't need to complete the checklist all at once. Here's a glimpse of what to expect:

Get started

- Step 1:** Set your retirement goals
- Step 2:** Organize your finances
- Step 3:** Estimate your expenses in retirement

Check your progress

- Step 4:** Check your retirement savings progress
- Step 5:** Factor in Social Security
- Step 6:** Plan for medical expenses

Take actions to improve your situation

- Step 7:** Save more
- Step 8:** Owe less
- Step 9:** Review your investment strategy and consolidate accounts
- Step 10:** Decide if you need help



Pro tips: Here's a few things to keep in mind as you go through the workbook:

- If you have a spouse or partner, have them go through the workbook as well. Compare your responses and discuss any differences.
- Revisit this workbook at least once a year. Your goals and timing may shift as you get closer to retirement, so it's important to be flexible and plan accordingly.

Step 1:

Set your retirement goals

Picture your best retirement. What does it look like? Here's a few ideas to get your thoughts started. Do you want to...

- Spend time working on your golf swing?
- Develop your green thumb?
- Become a yogi?
- Become a dog walker?
- Babysit the grandkids?
- Visit all 50 states?
- Go on an African safari?
- Learn a new language?
- Take up home DIY?

Write down three things you want out of retirement:

Example: I want to be able to cover my future medical costs and enjoy amazing travel!

1. _____

2. _____

3. _____

Write down three things you don't want in retirement:

Example: I don't want to outlive my money or live with my adult children.

1. _____

2. _____

3. _____



Pro tip: Understanding how long your retirement needs to last is important to consider. Visit the [Social Security Administration](#) website for more information and to estimate your life expectancy.



Pick your dream retirement date

This date is just your starting point. Remember, your timeline may change. Be flexible and know that sometimes working another year or two can make all the difference in meeting your retirement goals.

_____, 20____

Step 2:

Organize your finances

It's important to have a holistic view of your current financial situation. This will give you a clear understanding of what you have versus what you might need. It will also be in one place should you choose to see a financial advisor.

Decide where you will live. I want to live:

In my current home

Move to:

e.g., Anchorage, Alaska



Consider the following as you decide where you want to live:

Costs: What will you pay for existing home upkeep, mortgage, taxes?

Working: Do you need or want to work? Is there work nearby?

Accessibility: Can you keep up with the cleaning and will stairs pose a future problem?

Social connections: Do you want to be close to loved ones you are caring for, family and friends, and community activities?

Transportation: What services are available if you no longer drive?

Health services: Will you have access to a gym, hospital, and doctors that accept Medicare?

Interests: Ski, surf, dinner out, theater, classes?

Weather: Do you want to spend part of the year elsewhere, or live full time somewhere warm?



Pro tip: Read more about [organizing your finances](#).

Gather all your current financial documents, including bills and monthly statements, insurance policies, and your most recent tax return and complete the table below:

Assets The things you own	\$	Liabilities The things you owe	\$
Real estate (residential value)		Mortgages	
Real estate (rental, vacation value)		Home equity loans	
Vehicles (total)		Auto loans (total)	
Cash on hand/in bank		Credit card debt	
Retirement savings: IRA, 401(k), 403(b), retirement investment accounts (mutual funds, brokerage accounts)		Other loans	
Life insurance (total cash value earmarked for retirement)		Loans on life insurance	
Pension benefits		Other debts	
Annuities (total cash value)			
Health Savings Accounts (HSA)			
College savings accounts			
Other investment accounts			
Total assets		Total liabilities	

Take your total assets and subtract your total liabilities to get your net worth.

$$\begin{array}{ccc}
 \downarrow & & \downarrow \\
 \dots & & \dots \\
 & - & = \\
 \text{Total assets} & - & \text{Total liabilities} = \text{Net worth}
 \end{array}$$

Step 3:

Estimate your expenses in retirement

Estimate your monthly expenses in retirement in the chart below. Keep in mind that you likely will not have the same amount of income in retirement as you do today. Plan to have at least 70% of your current income in order to cover these expenses in retirement.

Expenses	Cost per month
Housing	
Vehicles	
Taxes (property and income)	
Healthcare	
Utilities	
Groceries	
Entertainment/hobbies/travel	
Other expenses	
Total	



Pro tip: Learn more about [planning ahead](#) for expenses in retirement.

Step 4:

Check your retirement savings progress

Log in to StateOfMi.Voya.com.

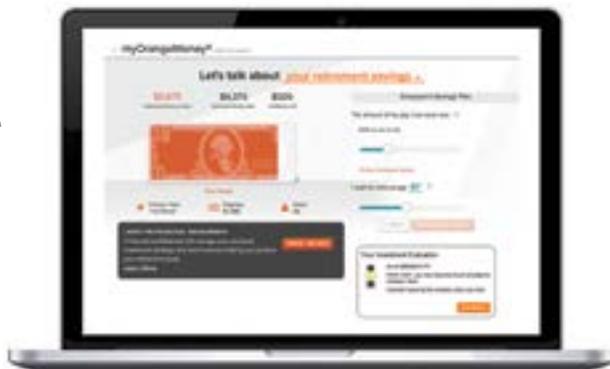
Go to **myOrangeMoney**[®], our interactive educational experience, to help you estimate your monthly income in retirement and your progress toward your goal.

Your estimated income will be based on your account balance and other sources of retirement savings that you can supply such as pensions, other investment accounts or Social Security.

If the image of the dollar bill is completely orange, great work! You are on track with your retirement savings. If you have a gap, the interactive sliders will help you see how various scenarios such as saving more or retiring later could help you get on track.

Use **myOrangeMoney** to see how other factors like healthcare expenses or taking a loan might impact your retirement income.

If you, or someone you are caring for, has a disability or special needs, use myOrangeMoney to help with important planning considerations and visit VoyaCares.com for more information and resources.



Important: The illustrations or other information generated by the calculators are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. This information does not serve, either directly or indirectly, as legal, financial or tax advice, and you should always consult a qualified professional legal, financial, and/or tax advisor when making decisions related to your individual tax situation.

Step 5:

Factor in Social Security

Social Security is the most common guaranteed source of income for Americans in retirement. It can also provide disability income if needed. Now is a great time to start learning about Social Security so you make good choices about your benefits when the time comes.

- 1. Set up an online account** at [SSA.gov](https://www.SSA.gov) to access your earnings and receive personalized retirement benefit estimates.
- 2. Review your Social Security statement** for earnings accuracy.
The government calculates your future monthly benefit by averaging your highest salaries over the course of 35 years.
- 3. Determine your full retirement age.** This may vary based on your year of birth. Read more at the [Social Security Administration website](https://www.SocialSecurityAdministration.gov).
- 4. Estimate your expected benefits** at [SSA.gov](https://www.SSA.gov), and fill in below:

Early Retirement AGE 62	Full Retirement AGE	Maximum Benefit AGE 70
\$ _____	\$ _____	\$ _____
(Earliest one can claim any benefits)	(Full retirement age will vary depending on your year of birth)	(After age 70, no additional benefit to waiting)

Annual Benefit Amounts Differ Based on the Age You Decide to Start Receiving Benefits
This example assumes a benefit of \$12,000 at a full retirement age of 66 and 6 months

Age	Annual Benefit (per year)
62	\$9,000
63	
64	
65	
66	\$12,000
67	
68	
69	
70	\$15,900

Age You Choose to Start Receiving Benefits

You'll notice that your annual benefit increases if you delay when you start receiving benefits. Remember, for every year starting at age 62 that you wait to collect, Social Security will add 8% each year to your eventual payout as shown in the chart.

Source: www.SSA.gov

Source: VRA Social Security Guidance Tool

- Learn more about deciding when to take [Social Security](https://www.SocialSecurity.gov).
- Pro tip:** If you decide to delay your benefits until after age 65, you should still apply for Medicare benefits within three months of your 65th birthday. If you wait longer, your Medicare medical insurance (Part B) and prescription drug coverage (Part D) may cost you more money.

Step 6:

Plan for medical expenses

Healthcare becomes more critical (and potentially expensive) as we age, so don't forget to include it in your retirement plan. **Here's a few important things to understand:**

- If you plan to retire after age 65, you'll be eligible for Medicare.
- **Part A** (hospital insurance) is free if you or your spouse paid 40 quarters of Medicare payroll taxes. Keep in mind that there will be out-of-pocket costs such as deductibles and copayments.
- **Part B** (doctor visits and most outpatient procedures) will require a premium.
- **Part D** (prescription drugs) also requires additional premiums.
- Visit [Medicare.gov](https://www.Medicare.gov) for more information.

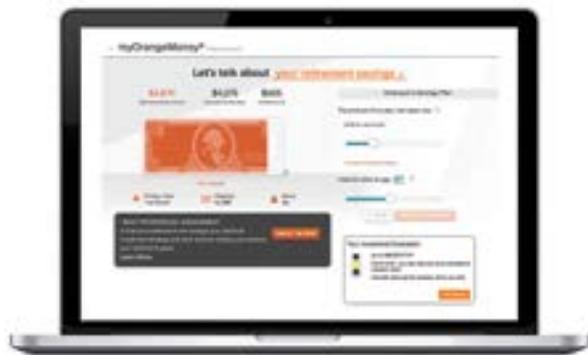


Learn more about why you should plan for [healthcare costs](#) in retirement.

What are your top healthcare costs today?

1. _____
2. _____
3. _____
4. _____

To estimate how much you can expect in healthcare costs in retirement, log in to StateOfMi.Voya.com and select Retirement Healthcare from the myOrangeMoney drop-down menu.



Pro tip: If you plan to retire before age 65, you'll need a plan for health insurance until you are eligible for Medicare. COBRA coverage from your employer can help with periods of 18 months or less.

Otherwise, you'll need to purchase insurance through the open market.

Step 7: Save more

Small adjustments now can have a big impact on your retirement savings.
Use the options below to help you save even more for retirement.

Contribute to the State of Michigan 401(k) & 457 Plans.

Check if your employer offers matching contributions to your retirement savings plan and make sure you are taking advantage of this benefit.

If you've already hit your match, try to increase your savings regularly.

If you are 50 years or older, be sure to take advantage of annual catch-up contributions.

Learn about the [IRS limits](#) for retirement savings.

Need help finding more dollars to save? Take a look at your income and expenses to get started.



Budget & Savings Calculator

[Setting up a budget](#) can help you see where your money is going and how to save more.

Step 8:

Owe less

If you have debt, commit to paying it down to get in better financial shape before retirement.

List your biggest debts including total owed, monthly payment, and interest rate.

	Creditor	\$ owed	% interest rate	\$ monthly payment
Debt 1	_____	_____	_____	_____
Debt 2	_____	_____	_____	_____
Debt 3	_____	_____	_____	_____
Debt 4	_____	_____	_____	_____
Debt 5	_____	_____	_____	_____
Debt 6	_____	_____	_____	_____
	_____	_____	_____	_____
	Total owed		Total monthly payments	

Make a plan to get your debt under control

To start, choose one of the strategies below.

- Pick the debt with the highest interest rate (loan, credit card, car, etc.) and increase your monthly payment by \$100 or an amount you can afford.
- Pick the debt with the smallest balance and increase your monthly payment by \$100 or an amount you can afford.
- Check your credit card statement for the current interest rate you're paying and call your credit card company to ask if they can lower the interest rate or fees.
- Check with a financial professional about consolidating debt and other debt management strategies.



Read more on strategies for [debt management](#).

Step 9:

Review your investment strategy and consolidate accounts

Let's take a look at your retirement savings and how your money is invested to meet your goals. Make sure to include all your retirement savings accounts, as well as any of your spouse or partner if you have one.

Simplify – If you have multiple retirement savings accounts, there could be benefits to consolidating them. Taking into account your personal situation, you may want to consider your options.

- ✓ Fees may be lower depending on where you consolidate accounts
- ✓ Fewer statements and paperwork
- ✓ Ease of making withdrawals at retirement
- ✓ Ability to manage investment strategy in one place

Review your investment allocation. You may have invested more aggressively while you were growing your money. However, now you may want to diversify and reduce your risk to minimize the potential for losing a portion of your savings due to market fluctuations.

Take a look at the types of investments you are using to determine if you are appropriately diversified across asset classes.



Be sure to revisit your investments periodically and adjust as needed to align with your goals.

Step 10:

Decide if you need help

Working with a knowledgeable financial professional advisor can help ensure a smoother transition into retirement. You'll need to decide how much to take and where to take it from to potentially minimize the impact of taxes. Financial professional advisors offer tailored investment guidance based on your unique needs and goals and can help you:



- Understand what you can expect for expenses in retirement, including healthcare.
- Decide when to collect Social Security.
- Create an income plan and withdrawal strategy.
- Learn about investments and funds.
- Prepare for changes in the market and the potential impact to your savings.

How do you find a financial professional who is right for you?

Get recommendations from friends or family.

Set up time with a few qualified advisors and get to know them. Check the [FINRA](#) or [SEC](#) websites to see if they have any negative ratings or legal issues. When you meet with them, be sure to ask:

- Are you registered with a broker-dealer as an investment adviser representative?
- How do you charge for services? (It's vital to know if they are commission or fee-based)
- What types of services do you provide and how have they helped others?
- What can I expect, how do you communicate, and how much access can I expect?

Check resources and services available to you through the State of Michigan 401(k) & 457 Plans.



Pro tip: Once you start working with a financial professional, you may want to introduce them to others you are working with such as an attorney or tax professional to be sure everyone is moving in the best direction for you.

We're ready to help

The State of Michigan 401(k) & 457 Plans provide a wealth of resources to support you while you're saving for your future and throughout your retirement.



Self-service

Our toll-free Plan Information Line, the Voya Retire app on your mobile devices, and the Plan website make it easy to get information and manage your account on your own.

- ▶ Automated phone line: **800-748-6128**
- ▶ Plan website: StateOfMi.Voya.com



Personal service

Licensed experienced representatives* are available by telephone and in-person.

- ▶ Local education office: **517-284-4422**



Education from hire to retire

Learn about planning, saving, and investing from live webinars, one-to-one appointments, and virtual group sessions with local representatives*, available at no additional charge.

- ▶ Reserve your spot: **517-284-4422**
- ▶ StateOfMiPlansEducation.com

* Representatives are investment adviser representative and/or registered representatives of, and securities and investment advisory services offered through Voya Financial Advisors, Inc. (member SIPC). Investment advisory services are only offered through Investment adviser representatives of Voya Financial Advisors.

Congrats, you did it

You've set your goals, tracked your progress, and started taking actions on your journey to retirement. Now that you've taken the important actions needed for those between the ages of 50 and 60, you can start thinking about what's next. Here are a few more things to consider as you plan for that chapter:

- **Keep working your plan and revise as you go.** Revisit this checklist at least once a year, or sooner, if your financial situation or retirement goals change. Be sure to include your family and/or spouse or partner in this discussion and planning.
- **Get organized, stay organized.** Make sure all important financial information is stored together in a safe location other family members can access it if something happens to you.
- **Include an accounting** of all budgets, assets, investments, taxes, wills, trusts, powers of attorney, health proxies, insurance policies, bank account info, account numbers and names with locations of all financial institutions, full contact information for financial, tax, or legal professionals you are working with in the event your spouse or other family member will need to access them.
- There will be more actions **between the ages of 60 and 70**, such as signing up for Medicare, setting your withdrawal strategy, learning about required minimum distributions, and more! Be sure to be prepared to make these and other decisions once you hit the next phase.



We're here to help!
For more information and resources,
visit StateOfMi.Voya.com or
call the Plan Information Line at 800-748-6128.

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