



Click each section for more information about what goes into your Snapshot report.



Welcome to your Retirement Readiness Snapshot Report!



JOHNATHAN, YOU MAY NOT BE ON TARGET TO MEET YOUR RETIREMENT INCOME GOAL.

This report is intended to give you a “snapshot” of your retirement readiness using the information we have along with a projected Social Security benefit. We encourage you to build your *Full Picture Report* online, by adding other retirement assets, customizing your assumptions, and providing spousal information (if applicable).

Based on the information we have, you have a **59% chance** of meeting the recommended income replacement rate each year in retirement*.

* The industry standard income replacement rate is **80% of your income** at retirement. This report assumes that you will **retire at age 62** and assumes a **90 year life span**. Your income target increases each year based on an assumed **2% inflationary factor**.

YOUR FIRST MONTH IN RETIREMENT

Current Annual Salary as reported by your employer: \$71,594 (\$5,966 monthly)

Your Projected Annual Salary at Age 62: \$127,140 (\$10,595 monthly)

Target Annual Income in Retirement (80% of projected income from salary at age 62): \$101,712 (\$8,476 monthly)



The first month projection above may not reflect future months in retirement.

ASSUMPTIONS

- **Age 62** was used for the projected retirement date because it is the first year you are eligible to begin drawing Social Security benefits. If you have already reached age 62, your current age is used as the projected retirement age.
- **Age 90** was used as the projected life expectancy.
- The **80% income replacement rate** is the industry standard recommended replacement rate.
- Your projected salary is calculated using an annual **2% wage inflation** assumption.
- Any investment account projections assume a **customized rate of return** based on your actual investment portfolio.
- The **Defined Benefit** projection uses a projected final average compensation and years of service. This projection should not be used as a final calculation. You may be eligible to receive this benefit before age 62. Defined Benefit projections do not include COLAs (if you are eligible to receive them in retirement).
- **Health Care Savings Program** assets are exclusively for qualified post-employment health care expenses.
- The monthly **Social Security** benefit is based on an assumption that you will begin collecting at age 62 and is calculated using your current age and salary. Formulas are available at www.ssa.gov. If you have already reached age 62, your current age is used as the projected retirement age.

INFLATION CONSIDERATION



It can be hard to visualize the impact that inflation will have on our future earnings and retirement income needs. We encourage you to go online to your Full Picture Report Builder where you have the option to see your projected wealth and income needs in current dollars instead of future dollars by clicking on the "Calculation Options" button.



YOU MAY NOT BE ON TARGET TO MEET YOUR RETIREMENT INCOME GOAL AND SHOULD CONSIDER TAKING ACTION TO INCREASE THE LIKELIHOOD THAT YOU'LL MEET THAT GOAL.



ADD ADDITIONAL RETIREMENT ACCOUNT INFORMATION

Now that you've had a chance to view your Snapshot retirement readiness report with all of your MERS information, you will want to generate your **"Full Picture"** retirement readiness report. Within the Full Picture Report Builder, you can add in any non-MERS retirement account information, spouse information if applicable, and more.

1. Log in to your **myMERS** account at www.mersofmich.com.
2. Click on the Full Picture Report Builder icon.



INCREASE YOUR SUPPLEMENTAL SAVINGS

If you have a supplemental savings plan (like the MERS 457), increasing your contributions, even by a small percentage, increases the likelihood that you'll meet your retirement goals. The table below illustrates the effect that saving an additional \$50, \$100 or \$250 each paycheck from your current age to age 62 can have on your income in retirement.

Increasing Bi-Weekly Retirement Plan Contributions	Projected Additional Retirement Plan Balance	Projected Increase in Monthly Retirement Income at 62
\$50	\$34,424	\$186
\$100	\$68,849	\$372
\$250	\$172,122	\$930



REVIEW YOUR INVESTMENT SELECTIONS

Adjusting your portfolio can lead to a different assumed rate of return. Need help to determine what your investment style is? Guidance is available in the Full Picture Report Builder!



CONSIDER DELAYING YOUR RETIREMENT

The average age of retirement for an employee in the MERS system is 59 years old. Consider working past the age of 62 to increase the amount of time you have to save. Additionally, by delaying when you draw your Social Security, your monthly benefit increases. To calculate what a delay could mean for you, visit www.ssa.gov.



CUSTOMIZE YOUR RETIREMENT INCOME REPLACEMENT RATE

The Bureau of Labor Statistics assumes that you'll need 70% of your income at retirement to afford your basic needs. Most industry experts suggest a goal of 80% to live comfortably in retirement. Only you know your lifestyle expectations and developing your Full Picture report can help you make decisions accordingly. The graphic below provides you a customized view of your projected retirement income goal at retirement depending on the income replacement rate that you are most comfortable with.

Income Replacement Rate	Monthly Projected Retirement Income Goal at 62	Monthly Target Income in Retirement	Monthly Retirement Income Surplus/(Gap)
60%	\$4,476	\$5,339	\$862
70%	\$5,222	\$5,339	\$116
80%	\$5,968	\$5,339	(\$630)
90%	\$6,714	\$5,339	(\$1,376)

MERS RESOURCES



MyMERS ONLINE ACCOUNT

As a MERS participant, you have free 24/7 access to your retirement information through your myMERS online account. You can view your account details and other plan information, interactive handbooks, videos, calculate retirement estimates, and much more. If you haven't already done so, log in to your free account today at www.mersofmich.com.



EVENTS

"Pizza & Planning" meetings are held quarterly in different locations throughout the state to help you understand the benefits that MERS plans provide. Offered after work, and FREE, these meetings are a great opportunity to ask questions and get the information you need to make the right choices related to your retirement. And, as an added bonus – pizza is always provided!

No time to attend a meeting after work? No problem. We also offer webinars and online videos allowing you to get the information you want, when it's convenient for you.

For more information on upcoming events, visit www.mersofmich.com.



SERVICE CENTER

The MERS Service Center is available to answer your questions Monday–Friday from 8:30 a.m. – 5:00 p.m. by calling 800.767.MERS (6377).



GET THE FULL PICTURE
online at WWW.MERSOFMICH.COM

Disclaimer: Examples are for illustration purposes only and are not guaranteed. Individual results may vary. This report contains projections only. Several necessary assumptions as outlined in the previous pages were made in preparation of this report, including, but not limited to, the assumption that you will remain continuously employed by your current employer until retirement. If circumstances change, the benefit to which you are or may become entitled will change. Investments in retirement plans do not guarantee a profit or return of principal. This information is for educational purposes only and does not constitute investment advice or guarantee of continued employment. The calculations in this statement are based on the provisions and policies of your plan in effect on 01/16/2013. Because your goals are unique and might change in the future, and because this information does not take into account any other sources of income you might have, you should consult a financial planning professional before acting upon the information presented in this statement.