

# horizons

## A Clear Vision for Your Future

Savings Plus is committed to fee transparency

In keeping with our fiduciary responsibility to ensure the best interest of our plan participants, Savings Plus analyzed several alternatives to determine an administrative fee structure that creates an equitable fee allocation across participant accounts. This new structure provides a greater level of transparency while generating sufficient revenue to administer the plans and to maintain a prudent fund reserve.

Administrative fees cover program administrative costs, such as Savings Plus staff, consultants, legal, third-party administrative, and other overhead expenses.

Our administrative fee structure through March 31, 2022 consisted of a monthly administrative charge of \$1.50 per plan and an annualized asset-based fee of 0.05%, which was embedded in the fund expense ratio. The asset-based fee was deducted from the investment earnings and disclosed on our Fund Fact Sheets and Investment Performance Reports.

Here’s a summary of what’s changing:

- The annualized asset-based fee will decrease from 0.05% to 0.04% and will no longer be embedded in the fund expense ratio
- The new, lower asset-based fee will be deducted quarterly at 0.01% against the first \$600,000 of your account balance, including active loan balances and Schwab Personal Choice Retirement Account (PCRA) balances, capped at \$60 per quarter

- The administrative charge will change from a monthly fee of \$1.50 per plan to a quarterly fee of \$6.00 per plan
- Both fees can be found in your quarterly account statement beginning in July,<sup>1</sup> or log in to your secure online account after June 21 to review these fees sooner
- When you make your first voluntary contribution to your account, you may receive an administrative fee waiver for up to four quarters

The table below illustrates the changes to a single account valued at \$100,000.

Fee type	Through 3/31/22	As of 4/1/22
Asset-based	\$50	\$40
Admin charge	\$18	\$24
Annual total	\$68	\$64

For more in-depth information about fees, please visit [savingsplusnow.com](https://savingsplusnow.com) or schedule a consultation with your local, licensed Retirement Specialist.

<sup>1</sup> Both fees are deducted on the 20th calendar day of the 3rd month of each quarter, or the following business day if the 20th falls on a weekend or holiday.





## A look back on 2021

Since 1974, Savings Plus has made helping California state employees improve their retirement readiness a priority. We acknowledge and appreciate the trust you put in our program when you invest with us. With that in mind, we would like to share some exciting details about our plans as we look back on 2021 and look ahead to another successful year.

We are pleased to announce that we exceeded \$20 billion in Assets Under Management as of 2021 year end. We also welcomed over 15,000 new participants to our 401(k) and 457(b) Plans. In fact, Savings Plus is one of the five largest public Defined Contribution plans in the country, measured by assets or number of plan participants. While assets and participants in our plan increase, so too does our ability to provide quality investment choices and services.

2021 was an exciting year for convenient new features and functionality as we introduced our Online Distribution option in February. This option provides a more convenient way for participants to request and track withdrawal requests. In October, we refreshed our website to offer a more streamlined and intuitive experience. We have also enhanced our services to offer text and email alerts for transactions, including automatic contribution increases, loan repayments, and distributions.

We look forward to additional improvements to our plan in the coming year when we introduce a new statement design for your second quarter statement in July 2022. Our next issue will feature a preview of the new design with tips to guide you while reviewing your new statement. This issue also contains the details of our upcoming fee structure changes which began April 1, 2022. Stay tuned for more details of additional services and enhancements to come in 2022. Thank you for putting your trust in Savings Plus!

## Savings Plus is committed to financial literacy

April is National Financial Literacy Month. While this month is winding down, remember that Savings Plus offers presentations and resources year round to help you improve your financial literacy. Our website features robust educational content. We offer free educational workshops. For a complete list of available classes visit [savingsplusnow.com](https://savingsplusnow.com).

## 5 ways to improve your financial wellness

You can make a big difference for your future by putting these ideas to work:

1. **Develop a long-term savings plan.** Studies show that having a well-defined, written strategy can make a substantial difference in your financial outcomes.<sup>1</sup>
2. **Set a realistic budget.** Doing so can help you ramp up your retirement savings, build an emergency fund, pay off debt, and feel financially responsible.<sup>2</sup>
3. **Consider increasing retirement plan contributions.** Increase your contribution by a few percentage points each year; it could put you further along the path to retirement readiness. Our new Build your **Dynamic Retirement** webinar explains how our features such as auto increase and My Investment Planner can assist you in setting your retirement plan up for success.
4. **Add to your emergency fund.** Consider building at least one month's worth of expenses to add to a rainy-day fund.
5. **Strengthen your financial literacy.** It's been proven that individuals with higher levels of financial literacy exhibit more positive money-management behaviors.<sup>3</sup>
6. Our **Own Your Financial Future** webinar will help you learn valuable strategies to maximize your Savings Plus account and increase your retirement readiness.

1. "The New Social Contract: Age-Friendly Employers," Aegon Center for Longevity and Retirement (June 2020).  
2. "NFCC 2020 Consumer Financial Literacy Survey," National Foundation for Credit Counseling (March 2020).  
3. "The Economic Importance of Financial Literacy: Theory and Evidence," Journal of Economic Literature (March 2014).

# New Enhancements to *My Interactive Retirement Planner*<sup>SM</sup> (MIRP)

**The Detailed Income View** will show how your assets could be distributed over time and where you may have a shortfall or surplus, allowing you to make more informed decisions.

Detailed income view (see figures 1 and 2) will show you:

- **Retirement income sources including**, retirement plan assets, outside investments, Social Security, pensions, and spousal details
- **Yearly detail** includes both planned expenses and the income breakdown, which can be viewed in table view or by hovering over the graph
- **Shortfall or surplus**, as applicable by year
- **Roth and non-Roth assets**, both within your retirement account and/or outside investments
- **Models illustrating** the impact of adjusting these different factors:
  - Contributions to your retirement account
  - Your retirement age
  - When you begin taking pension and Social Security benefits
  - Estimated spending
- **Improved calculations** provide a more specific retirement outlook. Your score may have changed to include these key factors:
  - Future tax rates based on retirement income, spouse's retirement income (if applicable) and assets entered into MIRP
  - An enhanced inflation calculation is applied every year as part of your retirement income goal
  - Continues to include rate of return on retirement plan asset allocation during accumulation

To learn more about the new enhancements MIRP has to offer, log into your account on [savingsplusnow.com](https://savingsplusnow.com).

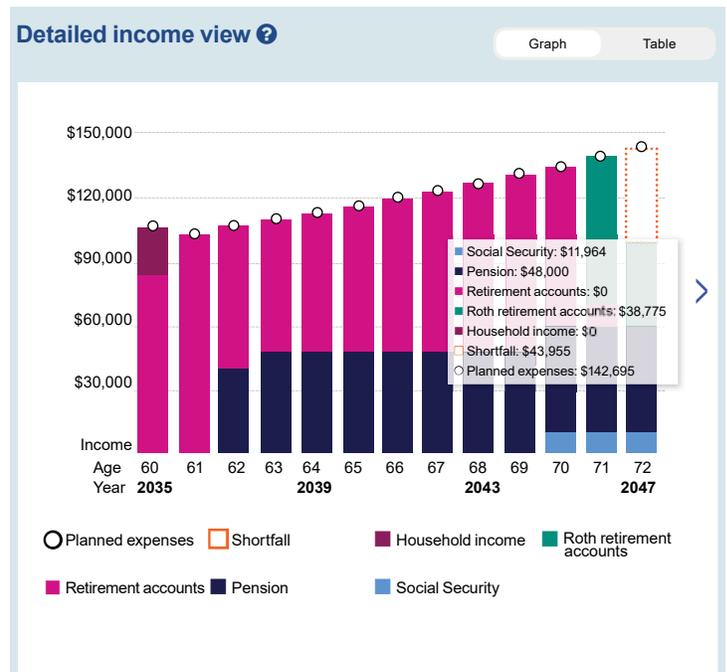


Figure 1. **My Interactive Retirement Planner** Detailed Income View

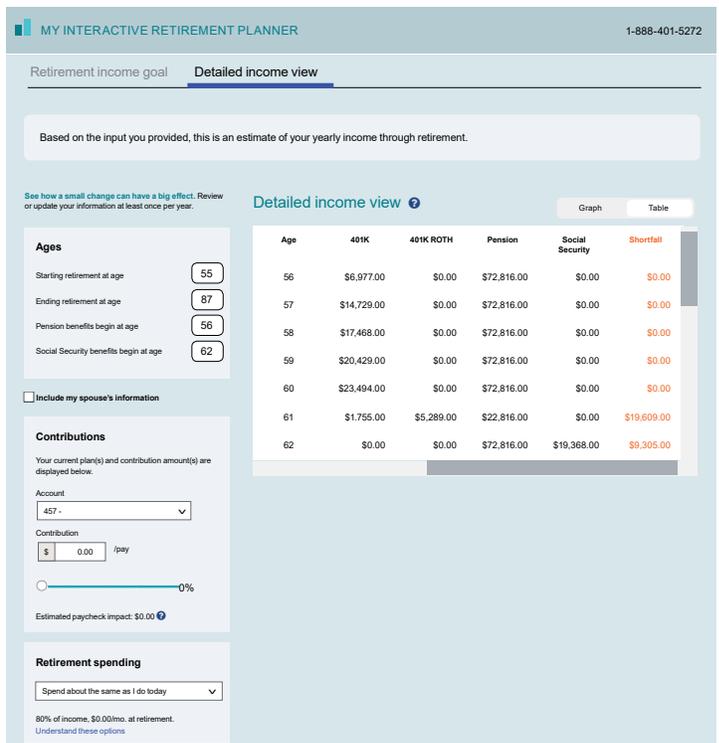


Figure 2. **My Interactive Retirement Planner** Detailed Income View Table



You heard it here. A lot is happening at Savings Plus.

## Award-winning service, eight years and counting

We are pleased to share that Nationwide Retirement Solutions, our Third-Party Administrator has earned the **2021 Plan Participant Service Award** from DALBAR for the eighth year in a row. DALBAR, Inc. is an independent expert in the financial service industry for evaluating, auditing and rating business practices, customer performance, product quality, and service. This award recognizes Nationwide for outstanding telephone support to retirement plan participants. Thank you to our Solutions Center representatives for the friendly and knowledgeable service they provide to our participants!



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### Contact Information

 **Website**  
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(855) 616-4776  
(800) 848-0833 (TTY)  
5 a.m. - 8 p.m. PT

**Walk-in Center  
opening soon** – by  
appointment only.



### Share your recipe for success

When you create a great recipe, friends and family may ask you to share your secret! We want to help you feel confident in sharing your retirement readiness recipe, as well. For ideas to help you fine-tune your recipe check out our webinars and videos at [savingsplusnow.com](https://savingsplusnow.com).

#### Pecan Cookies

- 1 cup of flour
- 1 cup of finely chopped pecans
- 3 tablespoons sugar
- 1 stick of butter (room temperature)
- 1 teaspoon of vanilla

Mix the ingredients by hand until the dough forms. Then wrap in plastic and refrigerate for 30 minutes. Preheat your oven to 350° and shape the dough into one inch balls. Place cookies on ungreased cookie sheet and bake for 15 minutes. Once they are out of the oven and have cooled for a few minutes, roll in powdered sugar. Cool another 15 minutes then roll in powdered sugar again. Enjoy!

**On February 14, 2022**, Savings Plus liquidated the Federal Deposit Insurance Corporation (FDIC) assets from the Short Term Investment Fund - Cash (STIF-Cash), and deposited the assets into the existing Money Market Funds managed by Goldman Sachs Asset Managers and RBC Global Asset Management. A primary reason to shift to Prime Money Market Provider(s) is the challenging market and regulatory state for FDIC providers. Savings Plus intends to conduct a competitive bid search for a Prime Money Market Provider(s) to replace the former FDIC investments as an alternative diversification for the STIF-Cash option. When available, updates will be provided. You can find more information on our Fund Fact Sheet.

This material is not a recommendation to buy, sell, hold or roll over any asset, adopt an investment strategy, retain a specific investment manager or use a particular account type. It does not take into account the specific investment objectives, tax and financial condition or particular needs of any specific person. Investors should discuss their specific situation with their financial professional.

Investing involves market risk, including possible loss of principal. No investment strategy or program can guarantee to make a profit or avoid loss. Actual results will vary depending on your investment choices and market experience.

**Before investing, carefully consider the fund's investment objectives, risks, charges, redemption fees, and expenses. You may download Fund Fact Sheets from [savingsplusnow.com](https://savingsplusnow.com) or request them by contacting the Solutions Center.**

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