



horizons

Staying Active Can Help Improve Your Balance.



LIFE

WELL BALANCED

It's summer! Time to raise your heart rate, feed your spirit, and boost your financial well-being.

Californians are no strangers to action—whether it's standing up for what we believe in, giving back to the community, or just taking it all in. As a matter of fact, California leads the country in Millennial volunteerism.¹

Sometimes the hardest part of taking action is knowing what to do or how to do it. This issue of *Horizons* features quick and easy tips for building smart financial habits with Savings Plus.



¹ San Jose, CA is ranked #1 for recruiting volunteers who are millennials. Source: <https://www.nationalservice.gov/serve/via>



For a healthier future, raise more than just your heart rate.

How you live now foreshadows how you may live in retirement. If you want to enjoy a robust lifestyle in your later years, consider establishing good diet and exercise habits now. Exercise and healthy choices can help keep your current medical costs to a minimum.

Just as these habits can be great for your long-term health, good financial habits can enhance your overall well-being and prospects for a financially healthy retirement.

For better long-term results, most coaches suggest that you increase your workout by a little bit at regular intervals. Your retirement account could benefit from a similar approach. For maximum potential earnings, consider a contribution increase every year — for example, \$50 per pay check.

Once you've established a good financial habit, it's easier to keep it going. Fortunately, you don't have to do all the work yourself. By investing consistently, you let time and the power of compounding work to your advantage. Compounding is the ability of assets to generate earnings, which are then reinvested in order to generate additional earnings.

Of course, going into retirement in optimal health doesn't guarantee you won't face issues down the line. No investment strategy can guarantee investment success. However, going into retirement after decades of increasing contributions could improve your odds of good financial health through retirement. Just that thought should get your heart pumping.

Take Action!

Log into your Savings Plus account on savingsplusnow.com and click the "Contribution information" link to increase or automatically increase your contributions.

Are you on track?

Savings Plus makes it easy to become retirement ready. We can help you:

- Reevaluate your investment selections.
- Rebalance fund allocations that have drifted away from your targets by signing up for our auto rebalance feature.
- Estimate your retirement gap and potential income by using *My Interactive Retirement Planner*SM.
- Verify your beneficiaries.
- Try our online tools available on savingsplusnow.com.

Contact the Savings Plus Service Center today at (855) 616-4776 or your licensed Retirement Specialist in your area to schedule an account review.

Take action!

Our *My Interactive Retirement Planner*SM tool generates a big picture of your retirement readiness, taking into account:



When you (and your significant other) plan to retire.



Savings Plus account balances, and how much you're currently saving, including outside assets.



Resources for retirement income, including your pension and Social Security.



Estimated expenses in retirement.



Your long-term investment strategy.

Use *My Interactive Retirement Planner* on savingsplusnow.com to help quickly get your Retirement Readiness Report and discover next steps to improve your financial security.



Share it forward, tell a co-worker about Savings Plus

You made a good decision to join Savings Plus. Chances are you know a co-worker who is not saving for retirement. They may have even told you why.

“Getting started is just too hard”

Ask your co-worker to pull out their phone and go to **savingsplusnow.com/enroll**. They can join faster than they can get a cup of coffee. The entire process is safe, secure and fast.

“I can’t afford to save”

They can’t afford not too. Contributing as little as \$50 per pay period only results in a \$37 pre-tax reduction in their take-home pay. By starting to save a little bit now, that money could grow significantly for the future.

“We have a good pension”

Will that be enough? Their retirement income needs may be higher than they think. We know this because:

- People are living longer, healthier lives.
- Inflation means things will cost more.
- A pension only goes so far.

Take action!

Ask your co-worker to scan this QR code to go directly to **savingsplusnow.com/Enroll**.



Automatic? That’s easy!

When you use our Auto Increase feature, your contribution amount automatically increases when you want it to. When you use our Auto Asset Rebalancing feature, your account automatically rebalances quarterly based on the date it’s initiated.



What is a Target Date Fund?

Simply put, Target Date Funds (TDFs) are lifelong diversified investment strategies managed by professionals. The target date is defined as the time frame in which you plan to start withdrawing your assets. TDFs aim to stay aligned to your current stage in retirement planning by providing:

- A diversified mix of the Plan’s core investment options.
- Annual rebalancing of the asset allocations within the TDF.
- Gradual increase in allocation to more conservative options as you approach your target date.

TDFs are managed to meet the needs of the average investor who would begin to take withdrawals in or near the year of the fund name. Investors in a TDF indirectly pay a proportionate share of the expenses of the underlying investments. The fund invests in a wide variety of underlying funds to help reduce investment risk through diversified asset allocation.

Learn more about Target Date Funds by reviewing the Fund Fact Sheets at **savingsplusnow.com** or contact a Customer Service Representative about your options at (855) 616-4776.



Target Date Income Fund
as of 6/30/19

Target Date Fund 2065
as of 3/31/19

Target Date Fund
as of 3/31/19

savingsplus
CALIFORNIA STATE EMPLOYEE SAVINGS & RETIREMENT PLANS

Glide Path effective 7/8/19

Objective
Target Date Funds invest primarily in a combination of diversified equities, fixed income, and other assets. The funds are managed to provide a conservative and prudent investment strategy. As the target date approaches, the fund's asset allocation will gradually shift to become more conservative over time. The fund's objective is to provide a steady stream of income and capital appreciation. Each of the funds in the underlying portfolio will be managed to meet its own investment objectives. The fund's overall objective is to provide a steady stream of income and capital appreciation. Each of the funds in the underlying portfolio will be managed to meet its own investment objectives. The fund's overall objective is to provide a steady stream of income and capital appreciation.

Fund	Target Allocation
Large Cap Stock Fund	25%
Mid Cap Stock Fund	25%
Small Cap Stock Fund	25%
International Stock Fund	25%
Bond Fund	25%
Money Market Fund	25%
Real Estate Fund	25%
Commodity Fund	25%
Alternative Fund	25%
Art Fund	25%
Collectible Fund	25%
Other Fund	25%

You heard it here.



What people are saying about Savings Plus.

"I started on with the department at 23 and I had a supervisor at the time that encouraged me to start saving. I started saving, putting 5 percent away, and I really didn't notice the difference."
—Matt Wells

Scan the QR code to watch the video

Exciting changes on the horizon.

Savings Plus has partnered with Callan LLC to look for ways to help you improve your retirement readiness. We'll keep you informed on upcoming changes to help you get the most from Savings Plus.

Look for more information regarding these changes in our next issue and on savingsplusnow.com



Have a minute to learn something new?

With Savings Plus, you get tools, resources, and people to help you make informed decisions about your Plan participation. Our one-minute videos can help you understand retirement planning terminology as well as help you keep your account up to date.

Latest topics include:

- My Interactive Retirement Planner
- Pre-tax vs. Roth comparison

View all the videos on savingsplusnow.com.

See what's new at Savings Plus.

Discover the advantages of budgeting, eliminating debt, saving for emergencies and investing to achieve and maintain a brighter financial future. Attend our new Financial 101 workshop.




Topics include:

- Creating a budget
- Eliminating debt
- Saving for the future
- Turning your debt payments into retirement contributions

Select the Savings Plus Events link on the savingsplusnow.com landing page to register or find more information.

California Department of Human Resources
1515 S Street
North Building, Suite 500
Sacramento, CA 95811

Contact Information

-  **Website**
savingsplusnow.com
-  **Savings Plus Service Center**
(855) 616-4776
(800) 848-0833 (TTY)
5 a.m. - 8 p.m. PT
-  **Savings Plus Walk-in Center**
1810 16th Street,
Room 108
Sacramento, CA 95811
8 a.m. - 5 p.m. PT
Monday-Friday



Investing involves market risk, including possible loss of principal. No investment strategy or program – including asset allocation and diversification – can guarantee a profit or avoid loss. Actual results will vary depending on your investment 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 or request them by contacting us at (855) 616-4776.

Target Date Funds invest in a wide variety of underlying investment options to help reduce investment risk. Their expense ratio represents a weighted average of the expense ratios and any fees charged by the underlying investment options in which the Funds invest. The Funds do not charge any expense or fees of their own. Like other funds, target date funds are subject to market risk and loss of principal can occur at any time, including before, at or after the target date. There is no guarantee that target date funds will provide enough income for retirement or that asset allocation, diversification or any investment strategy will assure a profit or avoid losses.

Savings Plus representatives are Registered Representatives of Nationwide Investment Services Corporation (NISC), member FINRA. Neither Nationwide nor its Savings Plus representatives can offer investment, tax or legal advice. Consult your own counsel before making retirement plan decisions.

My Interactive Retirement Planner, My Investment Planner and Nationwide are service marks of Nationwide Mutual Insurance Company. Third-party marks that appear in this message are the property of their respective owners. © 2019 Nationwide

NRM-14952CA-CA.13 (07/19)