

horizons

Fuel your future with unexpected cost savings

The COVID-19 pandemic has caused the world to change so much in the past year. Many of us have made significant lifestyle changes in order to adjust.

You probably spent a lot more time at home last year than ever before. Many of us worked from home, and still are working from home. But work aside, there just weren't that many places to go. For some households, staying home has resulted in saving money in unexpected ways.

As an example, the average employee drives between 5 to 13 miles per day, spending anywhere from \$2,000 - \$5,000 per year in transportation costs. Many employees working from home may be experiencing savings in gas, parking, and other related costs. Check out the commuter cost calculator at www.tps.ucsb.edu/commuter-cost-calculator and see how you may have reduced your transportation spending.

Even if transportation costs weren't a big factor for you in 2020, chances are you've lowered your expenses in other areas. You may have postponed travel plans due to safety concerns or stay-at-home orders, opting for relaxing at home. With movie theaters, sporting events and concerts on hold, many of us have reduced spending on entertainment as well.

Research shows that consumers saved more than they spent last year. A CNBC/SurveyMonkey poll conducted in August found that 60% of Americans now consider themselves to be more "savers" than "spenders." Nearly half of respondents said their monthly spending has decreased. The poll also found that "while over two-thirds (67%) of Americans have not changed their plans for retirement in the wake of COVID-19, nearly two in ten (19%) are not sure how the pandemic will impact their retirement."¹

If the lifestyle changes of 2020 turned you into a better saver, now is the time to put those savings to work and fuel your future. Use *My Interactive Retirement Planner*SM to set a contribution amount designed to help you achieve your long-term goals.



¹ Sixty Percent of Americans are Saving More Compared to Last Year. September 2020. <https://www.cnbc.com/2020/09/01/sixty-percent-of-americans-are-saving-more-compared-to-last-year-according-to-the-latest-invest-in-you-survey.html>

April is Financial Literacy Month

Savings Plus is committed to raising awareness about the importance of financial literacy. An increased level of financial literacy helps you make important decisions about saving and spending your hard-earned money. We offer robust educational content with our digital tools, resources, and webinars to help you improve your financial literacy.

Award-winning virtual educational services



The events of 2020 presented many state employees like you with challenges such as working from home, supporting children in virtual-learning, and a reduction in pay. To stay connected and support you, we

shifted our existing educational workshops and individual consultations to a virtual format. We also expanded our webinars and tools to address topics outside of our normal retirement planning offerings, like budgeting and debt reduction. All of these can help you better position yourself financially during this difficult time, while also not compromising your retirement outlook.

We're pleased to share that our combined efforts earned Savings Plus a 2021 Pension & Investments Eddy Award in the category of Financial Wellness. Despite the difficult times we are facing, Savings Plus remains steadfast and agile in our ability to serve and educate you and carry out our purpose, "To empower California State employees to live their desired lifestyle in retirement by providing simple savings solutions."

Support your employees financial literacy

Savings Plus works in partnership with many state departments to improve the financial wellness of their employees. Research shows that if employees are experiencing financial stress, they are more likely to be distracted, less productive at work and potentially develop physical health concerns. Providing your employees with resources to take control of their finances creates stronger, more empowered employees on your team.

Our full suite of services are available as a Virtual On-site Service Day. Retirement Specialists and representatives from Savings Plus will dedicate a day for your department to provide webinars and individual virtual consultations with employees throughout the day. If you're interested in having an On-site Service Day at your department, please email Taylor.Schultze@calhr.ca.gov.

We would like to thank the following departments for their partnership in helping their employees to engage in their financial wellness and increase their department's participation rate.

1. California Highway Patrol – 73%
2. Parks and Recreation – 72%
3. Motor Vehicles – 71%
4. Franchise Tax Board – 69%
5. Department of Corrections and Rehabilitation – 68%
6. Department of Transportation – 65%
7. Employment Development Department – 61%
8. Department of Justice – 60%

Consider increasing your department's engagement by promoting the educational opportunities provided by Savings Plus.

To set up an appointment with your Retirement Specialist, visit the **Meet Your Retirement Specialist** page on savingsplusnow.com. One-on-one meetings are one of the most powerful/valuable resources you have available to you. Whether you are new to the state, close to retirement, or somewhere in between, these meetings can have a big impact in a short amount of time. Real-time feedback from our licensed Retirement Specialists helps you get the answers you need and is an essential way to become retirement ready.

Fewer than one in five adults is confident in their savings²

According to a study by Pricewaterhouse Coopers, about 35 percent of millennials are actively stressed about their finances, compared with 53 percent of the general workforce.³

² Samantha Rose, 10 Eye-Opening Financial Literacy Statistics, www.opploans.com, February 25, 2021, <https://www.opploans.com/oppu/articles/statistics-financial-literacy/>.

³ Sydney Kerr, Why You Should Prioritize Financial Literacy as an Employee Benefit, "<http://www.backstitch.io/>" www.backstitch.io/, April 14, 2020, <https://www.backstitch.io/blog/why-you-should-prioritize-financial-literacy-in-your-employee-benefits-package>.

Take better care of yourself and your retirement savings

Your personal and financial wellness tend to be intertwined. How you take care of your physical and mental health can impact your financial health, and vice versa. Consider these ideas for a healthier you:



Rebalance your Savings Plus account.

Because investments grow at different rates, your investment allocations can change over time.

By enrolling in our automatic asset rebalancing service, you can maintain your original allocations and keep your investment strategy on target.

Rebalance your lifestyle.

Balanced nutrition and regular exercise should make you feel better and might even reduce your health care expenses.



Maintain your emotional and mental wellbeing.

Practice healthy

ways to cope with stress. Make time to unwind and connect with others.

Review your monthly budget. Consider tracking your monthly expenses and look for ways to cut spending. Setting realistic goals to increase savings and reduce debt helps you feel more confident about your financial future.

It's never too late to start taking better care of yourself and your finances. Contact a



Retirement Specialist to discuss managing your investments, so your portfolio remains aligned with your individual goals.

What was your craziest online purchase in 2020?



Studies showed that during the COVID-19 pandemic, people purchased crazy things to bring a little excitement to their lives. In fact, "I was bored, I bought. . . ." became a social media sensation for a while. People announced to the world that they bought some pretty amazing things such as:

- Magnetic eyelashes
- Inflatable costumes
- Green screens (for online home videos)
- Posture improvement t-shirts
- Pet toys galore

The pandemic has increased the number of consumers shopping online out of necessity. Research suggests this trend is likely to continue, as respondents to a recent United Nations survey⁴ indicate that they will

continue to shop online for essential products such as groceries and personal care items. While consumer spending has been improving since July, many are still mindful of their discretionary spending habits.⁵ As you review your own

budget, remember that we have digital tools, resources and webinars to help you develop and maintain good financial habits. To register for one of our budgeting webinars, select **Savings Plus Events** at the bottom of our home page.

For more ideas about how you could do more for your retirement in 2021, visit the **Meet Your Retirement Specialist** page on savingsplusnow.com.

Hear from your peers

"My experience with Brian Hinton at Savings Plus was exceptional to say the least. He recognized my anxiety about retiring and explained options I had not fully understood, walked me through completion of the forms, and handled the submission to Nationwide in an impressively fast, efficient and friendly manner. I couldn't have been more impressed and appreciative of his service."

—James Hackett

⁴ COVID-19 Has Changed Online Shopping Forever, Survey Shows, October 8, 2020, [www.unctad.org](https://unctad.org), <https://unctad.org/news/covid-19-has-changed-online-shopping-forever-survey-shows>

⁵ Tamara Charm, Survey: US Consumer Sentiment During The Coronavirus Crisis, December 8, 2020, "http://www.mckinsey.com" www.mckinsey.com, <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/survey-us-consumer-sentiment-during-the-coronavirus-crisis>.



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



Why retirees should ask us for regular account reviews

Even though you're retired, your retirement portfolio is still working for you. A neglected account can become out of balance with your risk tolerance or not have the growth potential for a retirement that can last decades. We recommend you schedule an account review at least once a year to discuss your investment strategy and life changes, as well as review your beneficiary designations.

We take the security of your assets and personal information seriously

We've incorporated strong safeguards against fraud into our website and systems. But, hackers can be clever and use information gathered elsewhere to create online accounts in your name if you haven't already established one.

Your best defense is to go on the offensive. It's easy:

- Go to savingsplusnow.com
- Select **Login Help & Sign Up**
- Select on **Sign Up for an Online Account**

In just minutes, you can establish a user profile that adds an extra layer of protection to the virtual firewall we've built to keep hackers out. For additional information on how you can protect yourself against fraud visit The Department of Financial Protection and Innovation's website.

Redesign and Reselection Update

The Savings Plus Investment Redesign and Reselection Project is postponed indefinitely. We take our goal very seriously to provide Savings Plus participants with the best opportunity to build a portfolio that meets their needs throughout each stage of their life. We're committed to implementing plan design improvements on an ongoing basis. With each plan design improvement, Savings Plus must consider the administrative feasibility to implement projects and competing priorities. As such, the timeline of any future plan design project implementation is unknown at this time. Refer to our website for updates.

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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 or request them by calling (855) 616-4776.

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

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