

horizons

Make the Most of Your Retirement.



LIFE

WELL BALANCED

It's easier to balance your life when you have a plan.

On average, a public pension will provide about 50% of pre-retirement income after 25 years of service and Social Security benefit assessments vary. Most industry experts agree that you'll need to supplement these benefits with savings or investments.¹ That's why Savings Plus is here.

In this issue, we discuss various ways we make building supplemental retirement assets easier.

¹ Retirement Planner: Learn About Social Security Programs, Social Security Administration (accessed May 31, 2018).

² In the Dark about Retirement? Squared Away Blog. "Financial Behavior: Work, Save, Retire," Center for Retirement Research at Boston College, February 28, 2017.



Enjoy your Savings Plus benefits for life.

Whether you're retiring from the state or leaving for the next stage of your career, you're entitled to a lifetime of support and services. Here are some advantages you'll continue to enjoy when you stay with Savings Plus:

- **Competitive fees**—Savings Plus doesn't charge load fees, transaction fees or sales charges. Our lower institutional pricing on investments, not normally available to the general public, keep more of your retirement money working for you.



Using the worksheet below, you can compare our program and investment transaction costs to those of brokers who may encourage you to transfer your retirement assets to other investment products. To compare fund level expenses, visit the Investment Operating Expenses page under Investment Information at savingsplusnow.com.

	Savings Plus	Other Providers
Administrative Fee ³	\$1.50	
Investment Change Fees ⁴	\$0.00	
Minimum Balance Fee ⁵	\$0.00	
Sales Loads ⁶ (Front-End and Back-End)	\$0.00	
Asset-based Fees ⁷	0.05%	

- **Free lifetime support**—As long you retain assets in your Savings Plus account, you can meet one-on-one with a licensed Retirement Specialist. We can also help you manage your distributions to meet your ongoing retirement needs.
- **No RMD worries**—Savings Plus will help ensure that you meet the IRS Required Minimum Distribution (RMD) amount each year. Once you turn 70½, if you are not already taking a distribution that meets your RMD, Savings Plus will send you the remaining RMD amount. This helps you avoid the IRS 50% penalty if you fail to take your annual RMD.
- **Professional account management**—Savings Plus provides you with customized investment help to fit your needs, including the Nationwide ProAccount® managed account service provided at an affordable cost.
- **Time-saving asset management**—Combining assets from other qualified retirement accounts in your Savings Plus account may make it easier to manage your investments and distributions, with free support from our licensed Retirement Specialists.

Learn more about your benefits and the options available to you throughout your retirement at savingsplusnow.com, or contact our Savings Plus Service Center at (855) 616-4776.

³ An administrative fee per account charged monthly.

⁴ Fee assessed to change fund selection or allocation to a fund(s).

⁵ A minimum balance in order to establish or maintain an account.

⁶ The sales fee a buyer pays in order to acquire or liquidate shares.

⁷ Also known as Expense Ratios, these fees express the percentage of assets deducted from fund earnings to cover fund expenses. The total asset-based fee includes ad 0.05% administration fee to offset operational costs to administer the plans.

Leaving service soon? Make the most out of your Lump Sum Separation Pay.

If you cash out accumulated unused leave time (Lump Sum Separation Pay), the full amount is taxable in the year you take it. But, if you contribute this pay to your Savings Plus account, you can:

- Defer income taxes
- Spread taxation across future withdrawals
- Maximize contributions for 2018 and 2019 (if you separate on or after Nov. 1)
- Add Catch-Up contributions to your 457(b) account

If you are planning to retire this year, contact the Savings Plus Service Center today at (855) 616-4776 to discuss your options.

Reduced ProAccount fees coming soon.

If you are enrolled in Nationwide ProAccount®, there will be fee reductions coming in early 2019. These changes include reducing the fee you pay based on your account balance per the schedule below.

If you are impacted by these changes, you will receive a letter in the mail. Additional information will be posted to savingsplusnow.com later in the year.

Account Balance	Annual Program Fee
The first \$99,999.99	0.50%
The next \$150,000	0.45%
The next \$150,000	0.40%
The next \$100,000	0.35%
Assets of \$500,000 and above	0.30%

Please consider the fund's investment objectives, risks, and charges and expenses carefully before investing. The Fund Fact Sheets contain this and other important information about the investment company. Fund Fact Sheets are available on the website or by calling (855) 616-4776.

Read the Fund Fact Sheets carefully before investing. Information provided by licensed Retirement Specialists is for educational purposes only and is not intended as investment advice. Investing involves market risk, including possible loss of principal. Actual investment results will vary depending on your investment and market experience, and there is no guarantee that fund objectives will be met.

Anytime, anyplace. Make the most out of our tools and resources.

With Savings Plus, you get more than just a supplemental retirement account. 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. Topics include:

- Auto Increase and Percentage of Pay
- Resetting your password
- Designating beneficiaries
- Asset Allocation and Diversification
- 401(k) and 457(b) comparison



Our free workshops are available to help all eligible state employees and retirees prepare for a stronger financial future. Contact your Savings Plus licensed Retirement Specialist to set up a workshop at your office or worksite.

Our one-on-one consultations allow you to discuss your financial goals for retirement and to review your Savings Plus account(s) to determine if you are on pace to achieve your goals.

Our Savings Plus Service Center is a valuable resource for getting general Savings Plus information. With just one phone call to (855) 616-4776, you can:

- Learn about available investment options
- Reset your password
- Initiate account transactions
- Verify or update your beneficiaries
- Set the stage for your transition into retirement

Our investment approaches are designed around your preferences.

- **Do it for me** with Target Date Funds, an approach for participants who prefer a less hands-on investing experience. Refer to the Target Date article for more details about this approach.
- **Manage it for me** with Nationwide ProAccount®, our professional account management service. For a competitive fee, our service will research, select, monitor and adjust funds as market conditions or your needs warrant.
- **Do it myself** by building and managing a customized portfolio using the Savings Plus core investment funds and/or a Schwab Personal Choice Retirement Account (PCRA). Our free My Investment PlannerSM online advice tool will help you devise an asset allocation model that takes into account your specific risk tolerance and time horizon to help you meet your goals for retirement.



How do Target Date Funds work?

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

- A diversified mix of the Plan's core investment options.
- Automatic rebalancing of underlying assets to maintain the established asset allocation.
- Gradual increase in allocation to more conservative options as you approach your target date.

If you were born between...	You might choose this fund (assumes taking a distribution at age 62)
1955 or earlier	Target Date Fund Income
1956-1960	Target Fund Date 2020
1961-1965	Target Date Fund 2025
1966-1970	Target Date Fund 2030
1971-1975	Target Date Fund 2035
1976-1980	Target Date Fund 2040
1981-1985	Target Date Fund 2045
1986-1990	Target Date Fund 2050
1991-1995	Target Date Fund 2055
1996-2000	Target Date Fund 2060
2001-2005	Target Date Fund 2065

Investing in a TDF may seem similar to selecting professional management for your retirement assets. In each case, you make one decision and let the professionals do the rest.

However, while Nationwide ProAccount actively manages your assets to achieve your specific goals, for which there is an annual fee, 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. The strategy further reduces risk by automatically becoming more conservative as the target date approaches.

Learn more about Target Date Funds by reviewing the Fund Fact Sheets at [savingsplusnow.com](https://www.savingsplusnow.com) or speak to a Customer Service Representative about your options at (855) 616-4776.

Correction to the Short-Term Investment Fund.

The unit price for the Short-Term Investment Fund (STIF) was overstated by approximately \$0.01 from June 29 thru July 6. The unit value was corrected and all impacted accounts were backdated accordingly. Please be aware of the following:

- Your second quarter ending statement balance and your third quarter beginning statement balance reflect an over-stated market value for the STIF investment option.
- To view your correct balance as of June 30, 2018, please log into your account and select the Account Overview tab and then select Balance History.

If you have any questions please contact the Savings Plus Service Center at (855) 616-4776.

View how Savings Plus' Fees Compare to the industry.

Savings Plus prides itself on maintaining low fees. At our request, RVK, Inc. the Plan's consultant recently conducted a Total Plan Costs Benchmarking survey where they compared Savings Plus plan costs to its peers. The results were favorable and illustrated Savings Plus' overall economic competitiveness. You can read the report online at savingsplusnow.com.

Target Date Funds to Include GTAA Strategy in 2019.

Coming in 2019, Savings Plus will include a Global Tactical Asset Allocation (GTAA) manager to our Target Date Funds. The GTAA manager has flexibility to invest in diversified investments such as U.S. and non-U.S. equities, fixed income and alternatives. Additionally, the GTAA manager has the flexibility to change investments and their relative exposure in the portfolio as world-wide economic conditions present new opportunities.

Watch our website for more information about the GTAA strategy coming in early 2019.



Join us at these CalPERS education events.

Our representatives will present information on enrollment, asset allocation, and the investment options available to you. For more information or to register for an event, go to calpers.ca.gov/benefitseducationevents.

January 11 & 12
Embassy Suites Monterey Bay-Seaside
1441 Canyon Del Rey Blvd.
Seaside, CA 93955

January 25 & 26
DoubleTree by Hilton Hotel
Golf Resort Palm Springs
67967 Vista Chino
Cathedral City, CA 92234

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

Contact Information

savingsplusnow.com
(855) 616-4776
(800) 848-0833 (TTY)

Customer Service

Representatives are available
5:00 a.m. to 8:00 p.m.
Monday-Friday

Walk-in Center

1810 16th Street, Room 108
Sacramento, CA 95811
*Enter on 16th Street, between
R and S streets*
Open 8:00 a.m. to 5:00 p.m.
Monday-Friday, excluding
state holidays

Our workshops are educational, and free

For a complete list of available classes and locations, click Savings Plus Events at the bottom of our home page at savingsplusnow.com.



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 calling (855) 616-4776.

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.

Schwab Personal Choice Retirement Account® (PCRA) is offered through Charles Schwab & Co., Inc., a registered broker-dealer, member FINRA, SIPC, which is not affiliated with Savings Plus or Nationwide.

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.

Nationwide ProAccount investment advice is provided to plan participants by Nationwide Investment Advisors, LLC (NIA), an SEC-registered investment adviser. NIA has retained Wilshire® as an Independent Financial Expert for Nationwide ProAccount. While NIA is the investment adviser, Wilshire has discretion over all investment decisions and uses mathematical and statistical investment processes to allocate assets, select mutual funds and construct portfolios and funds in ways that seek to outperform their specific benchmarks. Such processes may not achieve the desired results. Wilshire is a service mark of Wilshire Associates Incorporated, which is not an affiliate of Savings Plus, Nationwide or NIA.

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