

HORIZONS



IN THIS EDITION

Four ways to get on track to financial wellness

Get better prepared for retirement

Make the most of your retirement benefits

Establishing an emergency fund

How to save even more in 2025

New opportunities for ages 60 to 63

Coming soon: A new look for the website

What you should know about Form 1099-R

Four ways to get on track to financial wellness

A new year offers the opportunity to take control of your current finances and financial future, often called financial wellness. When you have achieved financial wellness, you have a clear financial plan that helps you manage setbacks and decisions with confidence.

While working toward financial wellness may seem daunting, you certainly don't have to tackle everything at once or do it alone. Here are some things you can be doing right now to get started:

1 Set a budget.

- Identify where your money is going.
- Prioritize spending according to your needs first and wants second.

Continued on next page ›

1 Set a budget. (continued)

- Build an emergency fund to cover unexpected, large expenses by setting aside a certain amount from each paycheck until you reach your goal.
- Create a fun fund. Finding a way to fit your vacation plans or hobbies into your budget can help you stay focused on future success.
- Review your budget regularly and adjust it when your financial situation changes.

2 Shop for better deals.

- Ask your insurance agent whether you qualify for lower premiums or discounts.
- Contact your internet provider, streaming services, and phone provider to ask about better pricing or packages that fit your lifestyle.
- Cancel subscriptions for items and services that you no longer use.

3 Set clear goals for your investments.

- Define what you are investing for.
- Create a strategy designed to achieve your financial goals.
- Stick with your strategy regardless of market conditions until your goals or financial fortunes change.

4 Create a routine.

- Save time and avoid late fees by having monthly bills automatically deducted from your bank account.
- Set up regular increases of the contribution amount to your Plan account.
- Set calendar reminders to review your Plan participation, including your goals, asset allocations and beneficiary designations.



Three resources to help you get started now:

Attend an upcoming Savings Plus webinar.

Register for [live and on-demand webinars](#) that can help you make decisions about managing your money and planning for retirement.

Access our tools and educational resources.

[Our resources](#) are designed to help you plan for and achieve your financial goals, including important conversation starters you can use with a spouse/partner.

Let Savings Plus help.

[Schedule an appointment](#) with a Retirement Specialist to discuss your personal goals.

Get better equipped for your retirement adventure with our new Planner

Our new My Income & Retirement PlannerSM tool makes it easy to get started and stay focused on your goals. It offers the flexibility to customize and adapt to your evolving financial needs — both before and after retirement.

The new Planner provides a streamlined experience to help you make informed decisions about your future, whether you're just starting on your retirement-planning journey or you have more complex planning requirements.

The new tool is replacing My Interactive Retirement Planner. If you previously logged in and used My Interactive Retirement Planner, your information will be available in the new tool. This means that you can pick up where you left off and take advantage of new features that await in My Income & Retirement Planner. As a good practice, you should confirm that there have been no changes to the saved information.



To try our new all-in-one My Income & Retirement Planner, [log in to your Savings Plus account](#).



How to make the most of your retirement benefits

As you approach your retirement date, you have many things to consider. For example:

- “Will my income resources last through retirement?”
- “How can I maximize my Social Security benefit?”
- “What other retirement benefits are available to me?”

Savings Plus is here to help. Let's start with identifying your retirement income resources. Our new My Income & Retirement PlannerSM makes that easier by asking questions about your finances

Continued on next page ›

How to make the most of your retirement benefits (continued)

and assets, and projecting whether you may be facing a gap in your monthly retirement budget. Learn more about our new My Income & Retirement PlannerSM on page 3 of this newsletter. If you qualify for pension income, that plan provider should be able to provide you with a projection of what that income may be.

Choosing when to start collecting Social Security is a big financial decision. Timing is everything, because when you decide to claim your benefits impacts the amount you'll receive each month. The Social Security Administration can provide you with a projection of your retirement benefit. Just [go to ssa.gov](https://www.ssa.gov) and establish "My Account." During that brief process, you will be offered an opportunity to download a form that displays your projected retirement benefit.

Many participants miss savings opportunities throughout their working years. One way to overcome lost savings opportunities is to contribute all or a portion of Lump Sum Separation Pay into your Savings Plus account. This will allow you to defer current income taxes and use the funds in retirement as you need them. To learn more about this opportunity to boost your retirement readiness, [visit our Lump Sum Separation Pay webpage](#).

If you want financial security in retirement, it's important to have a well-planned withdrawal strategy, also known as a decumulation strategy. That's because choosing the best way to access and spend your retirement savings will help you get the most out of it. By thinking ahead, you may avoid paying unnecessary taxes and running out of money. To consider which withdrawal strategy or strategies may be best for you, go to "[Z withdrawal strategies to consider for retirement](#)."

Once you have taken advantage of these resources, you may need assistance to gear up your retirement income strategy. Savings Plus Personal Retirement Consultants (PRCs) can help you prepare for the retirement you want. The experience leverages modern financial modeling tools and 1-on-1 guidance to help you make informed decisions and reach your financial goals.



To access the Advanced Retirement Planning services of our PRCs, contact a Personal Retirement Consultant serving your area.

[Contact a PRC](#)

Avoid misadventures by establishing an emergency fund

As you are thinking of your financial goals for the year, consider creating or updating an emergency fund. These savings can help buffer the financial shock that often accompanies natural disasters, weather emergencies and sudden life changes and events.

While Savings Plus offers loans and in-service withdrawal options for qualifying events, your emergency fund may help you avoid using these features, keeping your retirement savings strategy on track.

How much should I save?

Individual situations differ, but a good rule of thumb is to have enough to cover three to six months' worth of living expenses. Retirees should consider covering a full year's worth of living expenses.

The first step is understanding how much you spend each month. Start with [our budgeting resources](#) to get a better understanding of what your budget looks like.

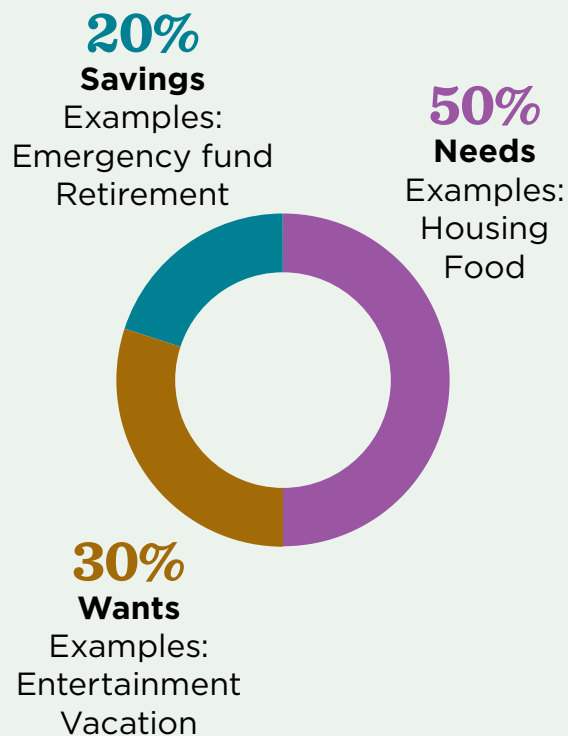
- Make a list of your monthly income and expenses. Put each dollar into a category, such as housing, food, savings and entertainment.
- Look at how your spending compares with the goal: 50% for “needs,” 30% for “wants” and 20% for “savings” (refer to the chart). That’s the target that experts recommend.

Determine how much you can save from each paycheck. Be sure to strike a balance between ambition and practicality so that you are better able to keep your commitment!

Finally, if you are forced to use your emergency fund, make sure that you build it back up once you’ve recovered.

The 50/30/20 Rule

Divide your budget to allow for needs, wants and savings.



New contribution limits mean that you could save more in 2025

Under age 50		Age 50 or over (Age-based catch-up)		Three years prior to your normal retirement age (Traditional Catch-up)	
401(k) Plan	457(b) Plan	401(k) Plan	457(b) Plan	401(k) Plan	457(b) Plan
\$23,500	\$23,500	\$31,000	\$31,000	N/A	\$47,000
Maximum contribution using both plans					
\$47,000		\$62,000		\$78,000	

Regardless of your age, even a small increase in your contribution amount could significantly affect your retirement readiness. To learn how, read about the new My Income & Retirement PlannerSM on page three of this newsletter.



SECURE 2.0 Act offers special opportunities for participants ages 60 to 63

As of January 1, 2025, provisions in the SECURE 2.0 Act allow individuals ages 60 through 63 to make catch-up contributions up to \$11,250 annually, indexed to inflation in future years. This provision supersedes the Age 50 or over catch-up provision.

If you qualify, [log in to your Savings Plus account](#) or [schedule an appointment](#) to adjust your contributions to take advantage of this catch-up provision.

Coming soon: A new look for the website

We're redesigning our website to help you quickly find what you're looking for. Stay tuned for updates coming to www.savingsplusnow.com.



What you should know about Form 1099-R

Form 1099-R is an IRS tax document that Savings Plus must distribute when there is a taxable event on your account. The form provides you and the federal government with information on benefits paid and amounts withheld for federal income tax.

IRS regulations require us to mail tax documents (including 1099-Rs) by January 31 each year. We recommend waiting at least 10 business days after January 31 before requesting a reprint.

Learn more at our “[What you should know about Form 1099-R](#)” webpage.



WEBINAR SPOTLIGHT

Celebrate Financial Wellness Month by investing time in your financial education. Savings Plus offers multiple webinars each month on personal finance and retirement planning topics.

[Register for a webinar today!](#)

DID YOU KNOW?

During on-site visits and workshops, Savings Plus representatives can help your department learn more about key personal finance and retirement savings topics. For more information, reach out to SPPoutreach@calhr.ca.gov.

LET'S CONNECT

Follow Savings Plus to get the latest news, events and resources.

LinkedIn:
[Savings Plus Program](#)

Facebook:
[Savings Plus Program](#)

X/Twitter:
[@SavingsPlusNow](#)



savingsplusnow.com



Savings Plus Solutions Center

(855) 616-4776

(800) 848-0833 (TTY)

5 a.m. – 8 p.m. PT weekdays



This material is not a recommendation to buy or sell a financial product or to adopt an investment strategy. 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.

Savings Plus representatives are Registered Representatives of Nationwide Investment Services Corporation, member FINRA, Columbus, Ohio.

Neither Nationwide nor its Savings Plus representatives can offer investment, tax or legal advice. Consult your own counsel before making retirement plan decisions.

Nationwide and My Income & Retirement Planner are service marks of Nationwide Mutual Insurance Company. Third-party marks that appear in this message are the property of their respective owners. © 2025 Nationwide

NRM-22521M4-CA (01/25)