SDRS SOUTH DAKOTA SUPPLEMENTAL RETIREMENT PLAN
Nationwide®
focus
NRM-23475M2 • 2nd Quarter 2026

Make your money count this summer

Summer brings a welcome shift in routines: vacations, family activities, outdoor events, and all the moments that make the season memorable. But with so much going on, it's easy for spending to creep up without noticing. A few extra outings here, an unplanned trip there and suddenly your budget feels tighter than you expected!

The good news is that a little planning and awareness can help you stay on track financially without missing out on the fun. The key is taking small, consistent steps with budgeting and contributing to the SDRS Supplemental Retirement Plan (SRP) to support both your short-term stability and long-term readiness.

Get organized to reduce stress.

When life gets busy, even simple financial tasks can feel stressful. That's why summer is a great time to revisit the basics:

- **Map out your seasonal expenses.** List expenses you know are coming, whether it's travel, childcare changes, sports leagues, or home projects. Organizing the information in one place can help you avoid surprises and adjust ahead of time.

- **Use a simple budgeting system.** Whether it's an app, a spreadsheet, or a notebook, choose a method you will use. Track your expenses that are essential (housing, groceries), flexible (entertainment, dining out), and future-focused (savings).

- **Set a weekly check-in.** Just 5 minutes can help you confidently steer your spending rather than reacting after the fact.

- **Celebrate progress, not perfection.** Even small wins can have a strong long-term impact.

Staying organized isn't just about numbers; it also reduces stress and gives you more room to enjoy the season!

Here's why saving early matters.

Every dollar you save early on, whether toward emergencies or retirement, has more time to grow. This is the power of compounding, which allows your money to earn returns on both your contributions and prior earnings over time.

Think of it this way:

Your earliest contributions act like seeds. Even small amounts, planted early and consistently, have the potential to grow significantly by the time you reach retirement. Meanwhile, dollars saved later in life simply have less time to compound.

As you review your summer spending, consider how even modest adjustments can help you redirect a few of those dollars toward long-term goals. Small, steady habits can strengthen both your short-term financial footing and your future retirement readiness.

Start your next chapter with confidence.

Connect with your SDRS-SRP Retirement Specialist at 605-224-2230 to begin preparing for a smooth transition into retirement.

Build habits that support your future.

When mindful spending and early saving work together, you can enjoy the season today while building a stronger financial future for tomorrow.

→ **Use our tips to jump-start and manage your budget.**

Whether you are early in your career, approaching retirement, or already retired, building an emergency fund strengthens your financial stability. Start with a simple goal, such as setting aside a small amount from each paycheck or monthly benefit, and grow from there. Even modest progress can help safeguard your retirement savings and build confidence that you can handle life's unexpected moments.

→ **Start today to build a small cash buffer to help protect your retirement savings.**

What the new catch-up rules mean for your retirement savings

Recent legislative changes may affect how you save for retirement, especially if you are nearing age 50 or are already making catch-up contributions. Under the SECURE Act 2.0, a key update now requires that higher income earners must make all age-based catch-up contributions as Roth (after-tax) contributions beginning January 1, 2026. This rule applies if your FICA wages from your current employer exceeded $150,000 in the prior year (as reported in Box 3 of your W-2).

Although this change has been in effect for over 6 months, the SDRS-SRP remains committed to supporting you as you navigate what it means for your retirement planning. The shift to Roth catch-up contributions means you pay taxes on those dollars today, but qualified withdrawals in retirement can be tax free and potentially offer long-term advantages. The update doesn't change the total catch-up amounts available; it simply changes the required tax treatment for certain earners.

It is important to review your current savings strategy. If you expect your wages to exceed the threshold, you may need to update your elections within your SDRS-SRP account and consider how after-tax contributions may affect your take-home pay.

SDRS-SRP Retirement Specialists are here to help you understand these changes and make any necessary adjustments confidently. Stay informed to keep your long-term savings on track.

→ **Explore ways to strengthen your retirement savings strategy.**

Name change for Prudential Guaranteed Interest Account

The Prudential Guaranteed Interest Account will be renamed the Empower Guaranteed Interest Account on August 1, 2026. This is a name change only; no action is required on your part.

There are no changes to how the account works. The investment features, guarantees, and the way your funds are managed remain the same. Your current balance, contributions, and transactions are not affected.

This type of update does not impact your retirement savings strategy.

Nationwide ProAccount® can help you feel more confident about reaching your retirement goals. It offers you a managed account service that helps simplify retirement investing by selecting and adjusting investments to help keep your savings on track.

Contact us

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In Pierre, 605-224-2230
srp457.com

The SDRS Supplemental Retirement Plan is a deferred compensation plan regulated by Section 457 of the Internal Revenue Code and offered by the South Dakota Retirement System (SDRS). Plan administration and enrollment services are provided by Nationwide® Retirement Solutions.

Contract #: GA-00619

SDRS-SRP Retirement Specialists are registered representatives of Nationwide Investment Services Corporation, member FINRA, Columbus, Ohio.

Nationwide and its representatives do not give legal or tax advice. An attorney or tax advisor should be consulted for answers to specific questions.

Prudential Guaranteed Interest Account

Prudential has announced a **3.00%** annual effective yield for the 3rd quarter of 2026.

This is an available option within the SDRS Supplemental Retirement Plan.

Guarantees and protections are based on the claims-paying ability of the underwriting insurance company.

Effective August 1, 2026, this account will be renamed the Empower Guaranteed Interest Account.

Payout changes

Note: If you are receiving distributions from the SDRS-SRP, you may be able to change your payout decisions. Call the SDRS Supplemental Retirement Plan office in Pierre at 605-224-2230 to review your account and/or payout options.