



# City of Milwaukee Deferred Compensation Plan Newsletter



## Four ways to save and invest your tax refund

You may be among the millions of people who will receive a federal income tax refund this year. Think about what you did with last year's tax refund if you got one. Did you splurge and have nothing to show for it later?

While the IRS had your money all year, you didn't miss it. So instead of spending your refund, maybe you could:

1. Help save for your retirement by increasing contributions to your Deferred Compensation Plan account.
2. Set up or add to an emergency fund to cover unexpected expenses.
3. Pay down debt.
4. Divide it up to accomplish several objectives at the same time.

What if you aren't getting a refund this year? If you decide to modify your contribution amount to save more on a pre-tax basis in your Deferred Compensation Plan account, you could accomplish two priorities at once.

Here's how it works. Your deferrals are contributed to the Plan and are taken out of your paycheck before federal income taxes.\* Every dollar you contribute on a pre-tax basis reduces your current federal taxable income by a dollar. As your contributions go up, your current federal income tax bill typically goes down. Of course, income taxes are due on amounts that you withdraw from your Deferred Compensation Plan account.

Saving more for your retirement at work is a convenient, automatic way to pay yourself first and lower your tax bill. To get started, log into your account at [www.milwaukeeedcp.com](http://www.milwaukeeedcp.com) today.

## Getting Your Financial House in Order

If you want to retire comfortably, it's important to know where you stand with your finances.

**A financial spring-cleaning could be useful, whether you're starting your career or nearing retirement. You may find decisions flow more easily when your financial information is organized. Keep what's important in easy reach.**

**Here are some steps to consider to help you take control of your situation.**

- Create a spending plan. See if you can figure out where your money is going. Then look at whether you might be able to reduce expenses and save more toward your retirement and other goals.
- Start a filing system for your financial records, such as tax returns and statements for your retirement accounts, investments and bank accounts. Stay organized by keeping the current year's records handy and storing away the rest.
- Make lists of where to find your accounts, insurance policies, birth certificate, passport, and financial and legal advisers.
- Log into your Deferred Compensation Plan account regularly and review your contribution rate and investments at least once a year.
- Check the beneficiaries for your retirement account and insurance policies. If there's been a change, such as a marriage, divorce, birth of a child or a death, you may need to update your beneficiary information to reflect your current wishes.
- Switch to edelivery. Log into your Deferred Compensation Plan account and change your mail delivery preference from paper to electronic delivery. You'll cut down on clutter. And you'll access your statements and other account information quickly any time.
- Request a free copy of your credit report from the three major credit reporting agencies: Equifax, Experian and TransUnion. By law you are entitled to one free report each year. If you notice errors, request corrections right away.
- Execute a will, health care proxy and durable power of attorney documents. Develop or update your estate plan to ensure that the people who depend on you are protected and your final wishes are honored.

### Accessing Your Account



Log on to [www.milwaukeeedcp.com](http://www.milwaukeeedcp.com)



Call **844-360-MDCP (6327)**



Utilize our online scheduling tool at [www.milwaukeeedcp.com](http://www.milwaukeeedcp.com)

\* In addition to pre-tax contributions, which reduce your federal taxable income, you may also elect to make Roth after-tax contributions. While Roth contributions do not reduce your federal taxable income, withdrawals, if qualified, can be made federal income tax free in retirement. For more information on pre-tax vs Roth contributions, visit [www.voyadelivers.com/roth](http://www.voyadelivers.com/roth).



## “I’m saving for...”

Retirement savings are an important part of your financial picture and participating in the Deferred Compensation Plan can be an effective way to save for your future. But people have different financial priorities at different times of their lives. So how do you save for the other things that matter most to you, too?

One way is to tackle one goal at a time. For example, one of your financial goals may be to eliminate credit card and other high interest debt. Once that debt is paid down, you’ll free up cash that you can use for something else.

Another way is to save for several goals at once. It may take longer, but you’ll make steady progress toward accomplishing more. You could manually transfer money into your savings each month. But there’s a simpler way: just set up an automatic savings plan to direct money into different accounts.

Systematic investing does not ensure a profit nor guarantee against loss. Investors should consider their financial ability to continue their purchases through periods of low price levels.

If you’re saving for a short-term goal such as a vacation or car, that money could go into an account that pays interest. To put away funds for education expenses, consider a college savings plan that offers tax incentives.

A key to any saving strategy is maintaining an emergency fund. That cash helps you avoid dipping into the accounts you’ve worked hard to build – and save for retirement and other priorities without interruption.

## City of Milwaukee Financial Wellness Seminars

You are invited to attend a seminar of your choice. Please feel free to bring your lunch with you, as lunch will not be provided. Receive 5 Healthy Rewards points for attending a 45-minute session\*.



Advance registration through your Training Information Coordinator is necessary due to limited seating. [Contact your Training Information Coordinator to register](#). You will be asked for the Course Name and your 6-digit employee ID number.

Course	Date	Time	Location
Investing Concepts	April 10, 2018	11:00 – 11:45	809 Building, 1st Floor Conf. Room
Investing Concepts	April 10, 2018	12:30 – 1:15	809 Building, 1st Floor Conf. Room
Investing Concepts	April 17, 2018	11:30 – 12:15	951 N. James Lovell St., 1st Floor
Save for your goals with Smart Budgeting	April 24, 2018	11:30 – 12:15	951 N. James Lovell St., 1st Floor
Save for your goals with Smart Budgeting	May 8, 2018	11:30 – 12:15	Keenan Center, 3200 N. 36th St.
Save for your goals with Smart Budgeting	May 8, 2018	12:15 – 1:00	Keenan Center, 3200 N. 36th St.
Small Steps, Great Strides	May 22, 2018	11:00 – 11:45	Port, 2323 S. Lincoln Mem Dr., 1st Fl
Small Steps, Great Strides	May 22, 2018	12:30 – 1:15	Port, 2323 S. Lincoln Mem Dr., 1st Fl

\* The Wellness Program is offered to you exclusively through the City of Milwaukee. Voya Financial and its affiliates are not party to this program offering and do not make a determination about how points are valued or awarded. Information from registered Plan Service Representatives is for educational purposes only and is not legal, tax or investment advice. Local Plan Service Representatives are registered representatives of Voya Financial Advisors, Inc., member SIPC.

## Understanding Social Security Benefits

You only get one chance to make the right choices when claiming Social Security benefits and the wrong decision could cost you hundreds of thousands of dollars. There’s no one-size-fits-all answer, and with so many different claiming options available, it’s important to learn about your options and make an informed decision.

\$955B	23%	\$1,369
Is what nearly 62 million Americans received in Social Security benefits in 2017*	Of married couples and about 43% of unmarried persons rely on Social Security for 90% or more of their income*	Was the average monthly benefit from Social Security in 2017 (just \$16,428 per year)*

## Voya Retirement Advisors can help

Do you have a plan for determining the optimal time to take Social Security? You can access Social Security Guidance online or by calling and speaking with an Advisor. This guidance will help you to identify opportunities to generate more Social Security income, compares different Social Security filing strategies, and provides clear steps to put guidance into action.

To learn more, log into your account at [www.milwaukeeedcp.com](http://www.milwaukeeedcp.com) or call **844-360-MDCP** (6327).

\* Social Security — Social Security Basic Facts — June 2017.

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