



City of Milwaukee

## Deferred Compensation Plan

Financial independence. It starts today.



# City of Milwaukee Deferred Compensation Plan Newsletter

Second Quarter 2020

## MDCP Resources to support you

The City of Milwaukee's Deferred Compensation Plan (MDCP) understands that these are unprecedented times and that you may have questions and concerns about your retirement savings. Please note that while the delivery model of our services has recently changed, we remain committed to serving you and your financial and retirement goals and needs. Our MDCP City Hall office is temporarily closed, as are the onsite meeting locations for one-on-one appointments with a local Voya representative. Please be assured that MDCP's essential operations are continuing and your benefits will not be impacted by the Coronavirus pandemic. Below are various ways you can get and stay in touch with us and our services.

## Schedule Your Phone Consultation with a Local Voya Rep

Telephonic appointments with our local Voya representatives will replace in-person one-on-one appointments (which will still count towards earning Healthy Rewards points) and can be scheduled via our **Online Scheduler** or by calling **844-360-6327** and requesting help from a Voya Customer Service Representative to book an appointment.

## Online Financial Wellness Presentations

Good news!! Online-recorded Financial Wellness Seminars are now available for Healthy Rewards Points! **Access these presentations (when it conveniently works for you!) here.**

## Digital support

Log in to **www.milwaukeedcp.com** anytime to access your account information or make contribution changes.

## Contact us with inquiries or questions

Email the MDCP at **DEFKOM@milwaukee.gov** or call **844-360-6327** to speak to a Voya Customer Service Representative.

## CARES Act

The Coronavirus Aid, Relief and Economic Security (CARES) Act was signed into law on March 27, 2020 to help ease some of the financial pressures facing Americans in the wake of COVID-19. If you or your family have been impacted by COVID-19 and meet the Eligibility Requirements, the CARES Act allows more access to your retirement savings through a Coronavirus-related distribution (CRD). You can find details about taking a CRD from your Milwaukee Deferred Compensation Plan in the **MDCP CRD overview**. Before taking a CRD from your Plan, it's important to weigh the immediate benefit of taking a loan or plan distribution (for this reason, prior to taking action, you are **STRONGLY** encouraged to have a phone consultation with a local Voya representative to review and better understand your options. Please use the **Online Scheduler** or call **844-360-MDCP** (844-360-6327) and request help from a Voya Customer Service Representative to book an appointment.) Withdrawing funds when the market has decreased could affect future rebound opportunities and have long-term consequences that may impact your retirement savings. For more information or to elect one of the CRD options, please call **844-360-MDCP**.

## We're here to help you

As recent events and market volatility have impacted us all, we want to assure you that support is available. Visit **voya.com/marketvolatility** for education, tools and resources to help you navigate the uncertainty of today while staying on track for retirement.

## Financial Wellness—Take Your Pulse

Financial wellness today can help lead to saving better today and living well in retirement. Start by learning more about the 6 pillars (protection, spending and saving, emergency funds, retirement, debt and goals) we believe are essential to successful financial outcomes. Log into your account and click *Financial Wellness* to start with a financial wellness assessment.

# We could all use a little more balance, your Milwaukee Deferred Compensation Plan account is no different

As the markets change, the value of each security in your portfolio will increase or decrease at a different rate of return and change the overall weightings of your investments. The result is asset allocations that may no longer match your risk tolerance or long-term goals. It may be time to rebalance your account. Periodic reviews and rebalancing of your investment portfolio can help keep your retirement strategy on track.

Rebalancing in your Milwaukee Deferred Compensation Plan account means adjusting your individual investment options—that is, reallocating or moving between funds within the investment lineup—to help maintain your established asset allocation percentages and remain consistent. Finding that balance helps maintain your original allocation while keeping your tolerance for risk at its most comfortable level.

Whether there is market volatility or not, it's a good idea to review your investments regularly so you can know if you need to rebalance at all. This will help you stay balanced and stomach the changes that may occur on your journey to retirement. Your Milwaukee Deferred Compensation Plan offers automatic rebalancing within your account as well, which could help you find your balance and sense of well-being while investing. If you're invested in a target date fund, those funds automatically rebalance on their own to maintain each fund's stated asset allocation. Generally speaking, Target Date funds target a certain date range for retirement, or the date the investor plans to start withdrawing money. Investors can select the fund that corresponds to their target date. They are designed to rebalance to a more conservative approach as the date nears. An investment in the Target Date fund is not guaranteed at any time, including on or after the target date.

If you gain asset value, it's great. Increases to your investments, however, move your portfolio allocations away from your original strategy. You may find for example, your portfolio is now weighted more heavily in stock based funds, which may expose you to more risk than intended. One-time or regularly scheduled automatic rebalancing at a frequency you elect helps redistribute the weight and can keep your stock and bond based funds allocated within your desired intentions.

Remember, asset allocation and rebalancing don't ensure a profit or protect against a loss in a declining market, but it will help you stick to a strategy that you believe is appropriate for you when markets shift or if your goals change so you can retire well. Log in today to review your account and investments.

# Protect yourself and the ones you love

Is your quality of life protected for your loved ones in case of a disability or death? Protection products like disability and life insurance can help supplement your finances if you're injured and provide peace of mind and security for your loved ones if the unexpected occurs. While everyone's needs and budgets are different, here are some reasons to consider protecting yourself and your income.

## Starting out

As a single adult, life insurance is often overlooked. But if you have any debt with a co-signer, they'd be responsible to complete payments should you pass. If you are a single parent, disability insurance could help provide the funds needed to support yourself and your children.<sup>1,2</sup>

## Gaining momentum

As a newly married couple, you may have added a new mortgage and little ones to the equation. Protecting your family means getting enough coverage to replace income, pay the mortgage, and cover future life expenses like tuition.<sup>1,2</sup>

## Balancing

At this stage of life, you may find yourself both preparing to send your kids to college and caring for elders. To protect yourself, disability coverage helps cover the loss of income and life insurance with a cash value component may help you accumulate funds to help supplement additional expenses.<sup>1,2</sup>

## Transitioning

So your kids are all moved out and life is a little quieter. At this stage you may own your home and still work, but you're also nearing your retirement goal. So the need to protect your income with disability insurance is not as great in your final working years. You still need to protect the well-being of your spouse and cover other life expenses, though. It's time to reassess your insurance needs and possibly work with a financial professional to adjust your protection plan.<sup>1,2</sup>

## Retiring

So you've finally retired. What a sweet relief! Being financially responsible, however, doesn't stop there. Your cash value life insurance policy may be used to help supplement your retirement income. That way, you can still protect the ones you love – for life.<sup>1</sup>

Sources:

<sup>1</sup> Life insurance at different stages, Voya Financial, <https://www.voya.com/articles/life-insurance-different-life-stages>

<sup>2</sup> Life insurance: a Swiss Army Knife in your portfolio, Voya Financial, <https://www.voya.com/articles/life-insurance-swiss-army-knife-your-portfolio>

## Accessing Your Account

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

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

Use our online scheduling tool at [www.milwaukeeedcp.com](http://www.milwaukeeedcp.com) or call **414-286-5541** to book a phone consultation with a local Voya representative.



## Quarterly Calendar

Transactions made on these dates when the New York Stock Exchange (NYSE) is closed will be processed the following business day that the NYSE is open:

- Friday, July 3  
*Independence Day*
- Monday, September 7  
*Labor Day*

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. Plan administrative services are provided by Voya Institutional Plan Services, LLC (VIPS). VIPS is a member of the Voya® family of companies and is not affiliated with the City of Milwaukee.