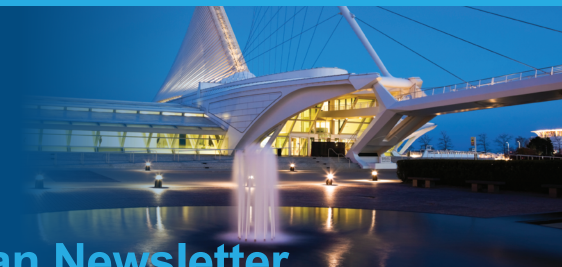
City of Milwaukee
Deferred Compensation Plan
Financial independence. It starts today.



City of Milwaukee Deferred Compensation Plan Newsletter

FOURTH Quarter 2020

It may be time for your financial checkup

Most of us have a vision of our best retirement. As priorities in life change, it's a good idea to check-in on your Milwaukee Deferred Compensation Plan account to see if you are on track. Here's a checklist of some things you can do on your way to a healthier retirement.

PLAN

Check if you can replace at least 70% of your current income in retirement
Log in to your account and use the myOrangeMoney® interactive educational online experience. It will show you how your current retirement savings may translate into future monthly income in retirement. Remember to periodically check back to see if you are on track.

Measure your financial health
Log in to your account and click *Financial Wellness* to take a quick interactive financial wellness assessment to learn where to improve your money habits and take the next best steps to get well fast.

Get help with Financial Wellness Seminars
You (and your spouse!) can each earn 5 Healthy Rewards points per each successfully completed Online-recorded Financial Wellness Seminar (max of 55 points/person). Go to **www.voyadelivers.com/mdcp/presentations** to view them at a time that is convenient to you. Additional presentations will be added as they become available.

Complete a Consultation with a local Voya Representative
You (and your spouse) can each earn 10 Healthy Rewards points (max of 30 points/person) by attending a Consultation with a local Voya representative. Schedule your phone consultation (zoom consultations are also now available!) via our Online Scheduler at **www.milwaukeedcp.com** or by calling **844-360-6327** and requesting help from a Voya Customer Service Representative to book an appointment.

INVEST

Manage your investments as you age
When is the last time you checked your asset allocation? Are your investments still aligned with your age and time horizon? Be sure to periodically review your investments, especially as you near retirement.

Catch-up if you can
If you are 50-years or older, consider taking advantage of annual catch-up contributions that allow you to defer an additional $6,500 for retirement savings into your Milwaukee Deferred Compensation Plan account in 2021.

PROTECT

Keep your account secure
Practice safe cyber habits, register your account for online access, and log in regularly to review your account. This will protect your account under Voya's S.A.F.E. Guarantee program and enable Voya to restore the value of your account should any unauthorized activity warrant it.

Pitch the paper and help the planet
Log in to your account and go to *My Profiles > Communication Preferences* to provide an email address and update your communication preferences for electronic statements and notifications so you can help save the environment while you save for retirement.

2021 contribution limits and RMD reminder

It's a good idea to think about maximizing your savings in 2021. Even if you are not thinking about retiring soon, you'll want to know what you can contribute this year and when those required minimum distributions (RMDs) will become part of your retirement income planning.

So what's new for 2021?

Here is the amount you can contribute to the Milwaukee Deferred Compensation Plan in 2021.

Contribution Limit for 401k/403b/457 plans	Catch-up contribution 50+*
$19,500	$6,500

* If you are within three years of retirement, you may be eligible for both the Special 457 Catch-up and the Age-50+ Catch-up in the same year. The Internal Revenue Code only permits you to use the catch-up that lets you contribute the greater amount. Visit **www.voyadelivers.com/irslimits** for more information.

RMDs: Good news for savers

The federal *Setting Every Community Up for Retirement Enhancement* (SECURE) Act that passed in late 2019 included a number of retirement savings and employee benefit changes. Among those changes was an increase in the age for required minimum distributions for plan participants in 401(a), 401(k), 403(b), and 457(b) plans and for traditional IRA owners if the individual had not already turned age 70 by June 30, 2019.

If you have terminated employment or are retired, the new age at which you must begin taking RMDs generally is now age 72. Similarly, the new age for owners of traditional IRAs to begin taking RMDs is age 72. This will leave more time for individuals to reach their savings goals. If you turned age 70½ in 2019 or earlier, the new RMD starting age does not apply even if distributions were deferred to April 1, 2020. Note that the *Coronavirus Aid, Relief, and Economic Security Act (CARES Act)* waived the obligation to take a RMD for the 2020 tax year and to take the RMD for the 2019 tax year if the individual had not yet taken that RMD in 2019 and would have been required to do so no later than April 1, 2020.

For more information about the IRS contribution limits for 2021 or the RMD changes as a result of the SECURE Act, please call the Plan Information Line at **844-360-MDCP (6327)**.

Tax Time

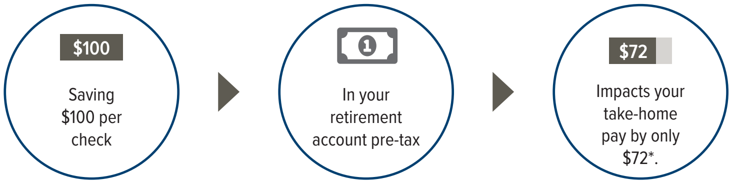
If you took a withdrawal or rollover from your account during 2020, you should receive a Form 1099-R from the Milwaukee Deferred Compensation Plan. These forms were mailed the last week of January. You can also access your 1099-R by logging into your account.

IMPORTANT: The illustrations or other information generated by the calculators are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. This information does not serve, either directly or indirectly, as legal, financial or tax advice and you should always consult a qualified professional legal, financial and/or tax advisor when making decisions related to your individual tax situation.

Saving with pre-tax dollars costs less than you think

The thought of saving more for retirement may seem challenging. With so many competing priorities and with retirement somewhere out there in the future, sometimes it just doesn't seem possible. Often, we see saving more as a reduction of pay and that keeps us from saving enough for the future.

Think of it this way – when you save more pre-tax dollars, more of your money can stay working for you. Every dollar you contribute before taxes can reduce your taxable income, which means you may pay less in income taxes. Consider this pre-tax saving scenario for a combined tax rate of 28%, for example:



Assumes savings are made in pre-tax account at a 28% tax rate.

This hypothetical example is not guaranteed and does not reflect any specific product. Investments are subject to investment risk including the possible loss of principal. The investment return and principal value of the security will fluctuate so that when redeemed, may be worth more of less than the original investment. 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.

While saving more of your pre-tax earnings, you can also enjoy other savings benefits like putting time on your side. Investing tax-deferred over a longer period of time allows you to take advantage of compounding. This means contributions and any earnings stay in your account, without being taxed, to potentially earn even more and grow over time.

You can also learn from filing your taxes each year. If you regularly get a tax refund from the IRS, think of it as giving an interest free loan to the government for the year. Take that money back and put it to work for you all year long. Consider adjusting your W-2 as you save more for retirement to help keep from overpaying your taxes. Please consult with your tax advisor for more guidance.

The simple strategy to save more of your pre-tax salary has many benefits besides helping you achieve your retirement savings goals. Review your retirement savings rate today and consider increasing your savings so you can live your best life now and retire well.

You're still part of the family

If you have already retired, are thinking about retiring soon, or have separated from service, we want you to know you're still part of the family. You've earned your retirement savings and still have access to all of the features and benefits of your Plan. Nothing with your account needs to change just because your employment status has.

You may not be able to continue making contributions as an active employee, but you can continue to manage your investments to make sure they align with your investment profile and risk preference.

As you need income in retirement, your account will be here for you. There are a number of distribution options available to help meet your financial needs. You don't have to take your balance in one lump sum distribution. There are a number of great benefits to keeping your money in the Plan. Your account balance still has the potential to grow based on investment performance and your money remains tax deferred to help keep your taxable income lower. We welcome you to meet with us to stay in touch and continue utilizing all of your Plan's benefits so you can retire well.

We want to help. For account questions, please call the Plan Information Line at **844-360-MDCP (6327)**. To schedule an appointment to review your personal retirement planning and savings strategy, visit www.milwaukeedcp.com or call **844-360-MDCP (6327)**.

***Investment adviser representative and registered representative of, and securities and investment advisory services offered through, Voya Financial Advisors, Inc. (member SIPC).*

Lower Fees for Target Date Funds Are Now In Effect

Good news! Effective November 1, 2020, fees for each of the Target Date Funds have been lowered from 0.35% to 0.25% (for more information about fees for all of the Plan's available investment options, please see the annual fee brochure, which is distributed with your annual fourth quarter statement). Each Target Date Fund is a well-diversified, professionally managed automatic investment option designed to care for all of your assets within the retirement plan. Each fund has a date in its name—the fund's target date—designed to be the approximate retirement year when withdrawals begin. For many people, that date is the year they turn 65. Keep in mind that the portfolios are designed for you to put your entire balance into one fund. Please note: Allocations to the Target Date Funds must be at least 75%. The principal value of an investment in a target date fund is not guaranteed at any time, including the time of the target date and/or withdrawal.

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.

Accessing Your Account

Log on to **www.milwaukeedcp.com**

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

Use our online scheduling tool at **www.milwaukeedcp.com** or call **414-286-5541** to book a phone consultation with a local Voya representative.

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