



City of Milwaukee

Deferred Compensation Plan

Financial independence. It starts today.



City of Milwaukee Deferred Compensation Plan Newsletter

SECOND QUARTER 2023

Smart ways to save more of what is yours

Ask yourself this question - how financially healthy am I? Saving for retirement is one of your most important financial goals, but it's never done in a vacuum. There will always be more immediate life events and competing priorities that could impact your ability to save.

Balancing the needs of now with your goals for the future is key to your overall financial wellness. Knowing where you stand financially across all aspects of your life is also essential to building a healthier financial future. One way to know where you stand today is to log into your Milwaukee Deferred Compensation Plan account and take the financial wellness assessment. The brief assessment will measure six pillars of your foundational financial health.

Protection: We all want to protect our families and ourselves, so getting the protection you need is essential.

Spending and saving: Your income is a lifeline, so what you do with it counts.

Emergency fund: Saving for a rainy day involves making sure you have enough money set aside in an emergency fund when life hands you a surprise.

Retirement: Maintaining your current lifestyle is one of the most important factors when it comes to an ideal retirement.

Debt management: How would life change for you if you were debt-free? Knowing where to start is essential to reducing and eliminating debt.

Other savings goals: Think of everything you'd ever want to do if you could. Besides retirement, are there other goals you're saving for or are interested in saving for?

So how do you get ahead? Pay yourself first. When you save more, you pay yourself first. But where do you find more to save? Start by banking a tax refund, bonus, or raise you got or may get this year. Then consider building a new spending plan based on your financial wellness assessment results.

For more ways to help cut costs and manage your finances properly, complete any of these seven money challenges at voya.com/blog/save-1378-or-more-completing-these-7-money-challenges.

Will you be able to retire early?

Like many things, it may be possible but will take dedication and effort.

Think about when you hope to retire. Is it before age 70? Is it before age 65? If you tend to spend a lot, are you willing to curb some of that spending and create a budget you can live with in retirement? If you can, great. If not, an early retirement may not be for you.

So how much is enough?

It depends on your lifestyle and income. A good place to start is by assuming you'll need about 80% of your current salary each year in retirement to live the same lifestyle as you have today. Then think about your family's medical history and longevity to estimate your potential life expectancy. The myOrangeMoney experience, available when you log in to your Milwaukee Deferred Compensation Plan account, can help you estimate your monthly replacement income in retirement based on how much you are saving, have saved, when you plan to retire, the performance of your investments, and other factors such as Social Security and even where you plan to live in retirement.

Retiring early also means managing healthcare costs for a longer period of time. Remember, you may need to have more saved when retiring early to cover medical expenses in the years before you can apply for Medicare. You'll need to pay for healthcare coverage during that time and beyond.

What can you do now to help retire early?

If you are young, you can take advantage of compounding interest by saving early and consistently. If you are a little late to planning for retirement, you will need to save more of your paycheck to catch up during your remaining working years.

No matter your age, you can also consider working with a financial professional. They can help you develop a savings strategy, prepare for unforeseen expenses, and create a plan to achieve your retirement goals.

To learn more about how much you may need to retire, find out in 60 seconds by visiting voya.com/article/how-much-do-you-need-retire-find-out-60-seconds and take action now to help you retire well.

Do you have a plan in place for your loved ones?

Legacy planning is the process of arranging and transferring your assets in the event of your incapacitation or death. Your legacy is more than your assets, though. Establishing an estate plan is an extremely important step in helping to take care of your loved ones when you are no longer here. Think of your estate plan as a road map for them during a very emotional time, so that everyone understands your wishes if something were to happen to you.

So what do you need to include in an estate plan?

- A **will** is a legal document that directs what happens to your property, who will manage your estate, and who will serve as a guardian for minor children (if needed).
- A durable **power of attorney** allows you to appoint someone to act on your behalf in the event you are unable to make important legal, financial, or healthcare decisions on your own during your lifetime.
- A **health care proxy** is someone you designate to function as your agent and make health care decisions for you if you are unable to do so.

A **trust** is a separate document that can play a key role in helping to fulfill your family's financial goals. There are specific advantages associated with a trust, including:

- Continuity of asset management, privacy, and tax savings.
- Management of your assets during your lifetime, including any period of disability.
- Avoiding the court-supervised probate process at the time of your death.

There are various kinds of wills and trusts. Each kind serves a different purpose. There are also state laws and other factors you may want to consider when creating and updating your estate plan. An estate planning attorney can discuss these nuances and options with you. To learn more about the basics of how to keep your things in the hands of your loved ones and your loved ones in good hands, view the Voya Learn video *Protect your finances and family with an estate plan* at voya.com/page/on-demand/protect-your-finances-and-family-estate-plan. Do something good for those you care about and take the next step to create a legacy for them today.

A New Healthy Rewards Program Starts July 1, 2023!

Healthy Rewards is the City's incentive-based wellness program where participants complete 3 levels of points to earn a Health Reimbursement Account (HRA) up to \$350 (\$700 if spouse completes the program). Employees must complete the Health Appraisal process to be eligible for Healthy Rewards. See [DER's Wellness webpage](#) for more information.

Financial Wellness Point Opportunities

Take advantage of these financial wellness-related Healthy Rewards opportunities available to you through our Plan!

- **Financial Wellness Consultations:** we offer three easy ways (e.g., in-person, by phone or via zoom) to connect with our local Voya representatives. Schedule an appointment via the online scheduler: <https://bookvf15.timetap.com/>. Review your account, ask questions, take a financial wellness assessment, discuss future goals, and more! Participants/spouses earn 10 Healthy Rewards points (max 30) for the consultations.
- Pre-recorded **Virtual financial wellness seminars** are also available. Employees/spouses receive 5 Healthy Rewards points for each successfully completed seminar.

Name and maintain your beneficiary designations

To update or designate who will be the beneficiary of your Milwaukee Deferred Compensation Plan account, go to www.milwaukeedcp.com, then **Personal Information > Beneficiary Information**.

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:

- Monday, September 4, *Labor Day*

Accessing Your Account



Log on to www.milwaukeedcp.com



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

Use our online scheduling tool at <https://bookvf15.timetap.com/> or call **414-286-5541** to book a phone consultation with a local Voya representative.

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.

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