



City of Milwaukee

## Deferred Compensation Plan

Financial independence. It starts today.

# Delivering a 'Best-in-Class' Plan

[milwaukeeedcp.com](http://milwaukeeedcp.com) • 844-360-MDCP (844-360-6327)

# Welcome!

Saving for the future is important, and the City of Milwaukee Deferred Compensation Plan (Plan) can help support your retirement. This guide explains the advantages of the Plan and how to enroll today.

## *Mission Statement*

*To facilitate and help City of Milwaukee, HACM, RACM and WCD employees save assets adequate and appropriate to enable employees to retire with dignity, and to enjoy sufficient income throughout retirement.*

*~ City of Milwaukee Deferred Compensation Plan Board and Executive Director*

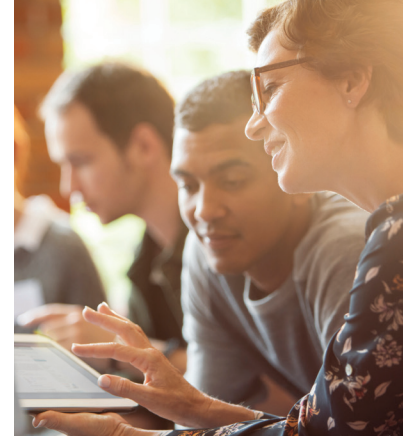
# Delivering a 'Best-in-Class' Plan

## Get to know your Plan.

The Plan offers great benefits, including:

- Reduced income taxes today through before-tax contributions
- Tax-free income in retirement through Roth 457 contributions<sup>1</sup>
- No taxes due on any savings growth while your money is invested in the Plan
- Diversified investment options so you can create a portfolio matched to your goals
- Easy 24/7 account access online
- Personal phone assistance available from 7:00 a.m. to 7:00 p.m. CT, Monday through Friday (excluding New York Stock Exchange holidays).

You can learn more on the Plan website at [www.milwaukeeedcp.com](http://www.milwaukeeedcp.com) or by calling the Plan Information Line at **844-360-MDCP (6327)**.



## Default Enrollment Notice – Attention new employees

As a new employee, you must decide whether to enroll in the Plan or “opt out” by the deadline noted in the Automatic Enrollment Notification letter that was mailed to you shortly after your start date with the City of Milwaukee/HACM/RACM/WCD. If you fail to make an election by the deadline, you will be enrolled in the Plan by default at a 3% before-tax savings rate and invested in an age-corresponding target date fund, based on a retirement age of 65. Unionized active fire and police or working on a less than half-time basis are not subject to default enrollment.

### How to make your election:

- 1. Online** – Log in to your account at [www.milwaukeeedcp.com](http://www.milwaukeeedcp.com). Click “Register now” and follow the instructions.
- 2. With a local representative** – Schedule a one-on-one appointment with a local Voya® representative to assist you with your election decision. Schedule an appointment online at [www.milwaukeeedcp.com](http://www.milwaukeeedcp.com) or over the phone by calling **844-360-MDCP (844-360-6327)**.
- 3. By phone** – Call **844-360-MDCP (844-360-6327)**. Representatives are available to assist you Monday through Friday (excluding New York Stock Exchange holidays) from 7:00 a.m. to 7:00 p.m. CT.

## Three reasons to start saving today.

### 1. Participating in the Plan helps you save

You set aside a percentage of your pay and put that money into your choice of investment funds. Your contributions are deducted from each paycheck.

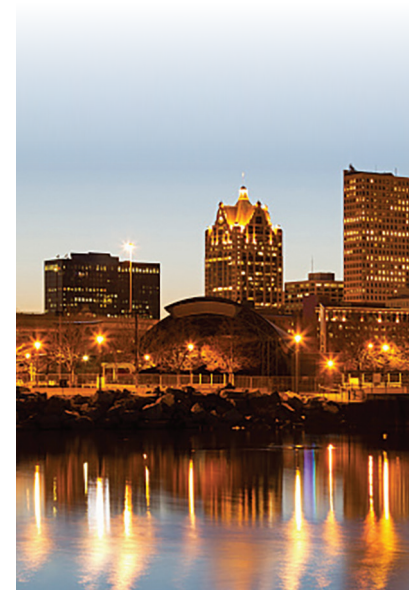
### 2. You choose your tax handling

Each dollar you contribute on a pre-tax basis reduces your taxable income by a dollar. This can lower your income tax bill today. You'll owe taxes when you withdraw your savings in retirement. The Plan also includes a Roth 457(b) feature. Unlike pre-tax contributions, Roth contributions are made on an after-tax basis, which means taxes are withheld from your Roth contributions before they're invested in your account. In exchange, you may be able to withdraw your contributions and any earnings tax-free when you retire<sup>1</sup>, which could mean more retirement income.

Take a look at the comparison chart on page 3 of this brochure to learn more.

### 3. Time is on your side — if you start saving now!

Starting right now can make a huge difference. Why? Because the longer you save, the more time your savings has to grow. Your investment earnings get reinvested back into your account where they can grow further through a powerful process called compounding. Your earnings grow tax-free while your money is invested in the Plan.



<sup>1</sup> For Roth contributions and earnings to be eligible for tax-free withdrawals, your initial Roth deposit must have been in your account for at least five tax years and you must be at least age 59½ (or in the event of your disability or your death).

# The Cost of Waiting.

## Retirement income is your responsibility

Social Security may provide only about 33% of the income you'll need in retirement. The rest will come from your pension and the money you save in retirement accounts like the City of Milwaukee Deferred Compensation Plan. To have the income you'll need tomorrow, consider saving as much as you can today.



- 33% Social Security
- 67% "Your savings and other retirement income sources"

Source: Income of the aged chartbook, Social Security Administration, 2014. To obtain your Social Security income estimate, go to [www.ssa.gov](http://www.ssa.gov).



## Quick tip: how much Orange Money do you have?

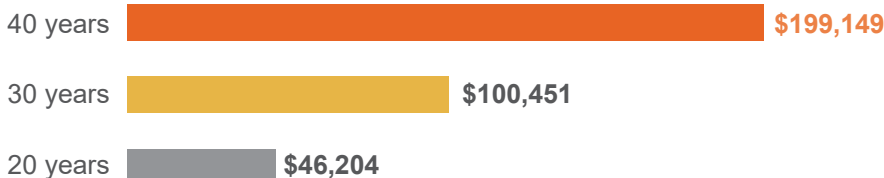
Use myOrangeMoney® to find out. Orange Money is the money you need to save for retirement, versus green money which can be spent now. When you log on to the Plan website, you'll see myOrangeMoney, a personalized, interactive online experience that shows you the monthly income you'll likely need in retirement and the progress you've made toward that goal.

**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.



Here's an example of how saving longer can make a huge difference in how much you could end up with at retirement:

### If you save \$100 a month, you could end up with:



Starting early and saving for 40 years instead of 30 years almost doubles the amount of money you could end up with.

\* Based on saving \$100 a month with a 6% average annual investment return compounded monthly. This example is for illustrative purposes only and is not intended to represent the future returns of any investments in the Plan and is not intended as investment advice.

## Who is eligible?

All half-time or greater employees age 18 and older are immediately eligible to join the Plan on their date of hire.

## How much can I contribute?

You can make pre-tax and/or Roth after-tax contributions of between 1% and 80% of your pay, up to the annual IRS limit. You can change your contribution rate at any time, so you're never locked in.

### QUICK TIP: How to calculate how much money you will save based on your contribution rate.

1% of \$100 is \$1. If you save 6% of your pay in the Plan, you will save \$6 for every \$100 you earn.

## Should I contribute before or after-tax dollars? Here's how they compare:

	Before-tax	Roth After-tax
<b>Contribution tax treatment</b>	Contributions reduce taxable income dollar-for-dollar, which may lower the taxes you pay today.	No current tax savings; Roth after-tax contributions are deducted from your pay after taxes have been calculated.
<b>Contribution limits<sup>1</sup></b>	1% – 80% of your eligible pay, up to the IRS limit of \$22,500 (for 2023), including both pre-tax and Roth after-tax contributions.	
<b>Catch-up options</b>	<ul style="list-style-type: none"> <li>Age 50+ Catch-up – An additional \$7,500 for 2023</li> <li>Special Catch-up – Up to \$45,000 in 2023 in the 3 years prior to the year you reach Normal Retirement Age.</li> </ul> <p>Both catch-up provisions cannot be used during the same calendar year. You may use the catch-up provision that yields the higher contribution limit.</p>	
<b>Loans permitted</b>	Yes	No
<b>Federal tax treatment on withdrawals</b>	Contributions and investment earnings are taxed as ordinary income.	Contributions and investment earnings may be withdrawn tax-free for qualified withdrawals <sup>2</sup>
<b>Qualified withdrawal requirements</b>	Severance from employment; retirement; death; disability, attainment of age 70½; unforeseen emergency withdrawal; a one-time in-service distribution of account values of \$5,000 or less, if you have not made contributions to the Plan during the previous two years and you have not received this type of in-service distribution from the Plan in the past.	
<b>Required Minimum Distributions (RMDs)</b>	<p>If you have not yet started taking RMDs, your first RMD must be taken by April 1 following the calendar year in which you reach RMD age. Subsequent RMDs must be taken each calendar year by December 31. If you are still an active employee and have reached RMD age, you are not required to take an RMD until your employment with the City ends. Your age will determine when you must begin taking RMDs.</p> <ul style="list-style-type: none"> <li>Born on or before 6/30/49 RMD age is 70½.</li> <li>Born between 7/1/49-12/31/50 RMD age is 72.</li> <li>Born on or after 1/1/51 RMD age is 73.</li> <li>The RMD age is scheduled to increase to age 75 for RMD distributions after 2033.</li> </ul>	
<b>Direct Rollovers<sup>3</sup></b>	To an IRA or other eligible retirement plan.	To a Roth IRA or other eligible retirement plan that accepts Roth after-tax 457 balances.
<b>Key advantages</b>	Reduce current income taxes. Defer taxes on investment earnings	No taxes on qualified withdrawal of earnings.

<sup>1</sup> Contribution limits apply to combined total of all contribution types; IRS limits reflect the 2023 limits and are subject to change annually. Total contributions to your account – before-tax and Roth contributions – cannot exceed the lesser of \$22,500 or 80% of pay in 2023 (\$30,000 for age 50 and over – this limit may increase if the Special Catch-up provision is applied).

<sup>2</sup> *Qualified conditions:* Roth contributions must be held for at least 5 years before the year of distribution and you must be age 59½, deceased or disabled (assuming severance from employment).

<sup>3</sup> Rollovers to qualified retirement plans are subject to the rules and restrictions of the receiving plan.

## Can my contributions increase automatically?

One of the best ways to meet your long-term savings goals is to steadily increase your contribution rate over time. For instance, you could start by contributing 5% of pay and increase that 1% every year until you are contributing 10% or more. The Contribution Rate Escalator lets you choose how much and how often you want to increase your contribution rate and then does it for you automatically, until you change your settings.

## Who owns the money in my Plan account?

You always have 100% ownership of any money you contribute to the Plan and the related earnings and can take it with you when you are no longer working for the City of Milwaukee. We encourage you to speak with a Voya representative about your options.

## What kind of investor are you?

Everyone has different levels of investment experience, knowledge and interest. That's why the City of Milwaukee Deferred Compensation Plan has three different ways to make investment decisions.

### 1. Pick my mix

#### *If you like:*

To select and manage your own mix of individual funds...

#### *Consider:*

**The Core Funds** — You choose from a selection of equity, income, and stable value investment funds to create an investment mix to fit your time horizon and risk tolerance, then make changes to your mix as needed over time.

- Stable Value
- Actively Managed Income
- Passive U.S. Equity
- Actively Managed Equity
- Passive International Equity

### 2. Easy fund choice

#### *If you like:*

The convenience of making a single investment choice based on your retirement date...

#### *Consider:*

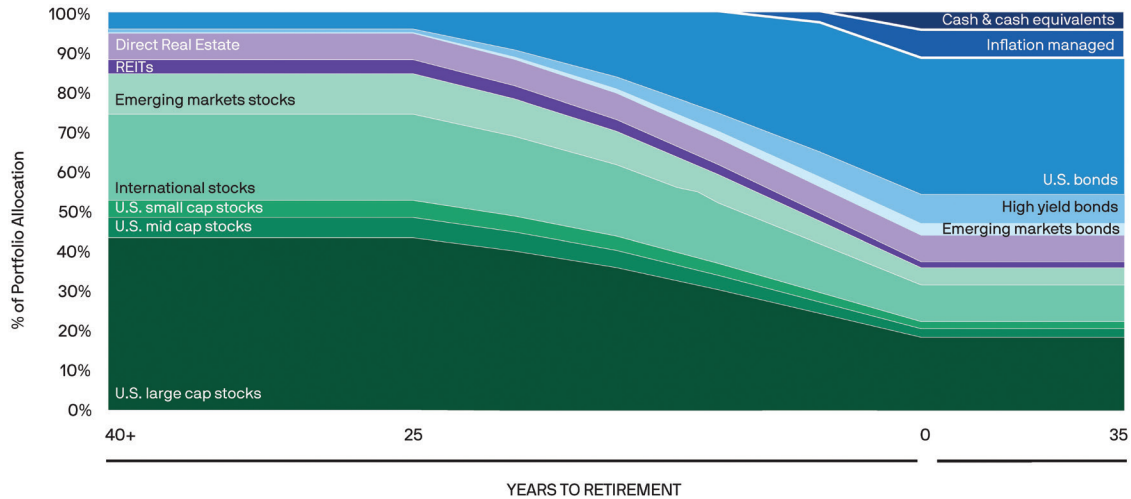
**JPMorgan SmartRetirement Target Date funds** — These “one stop shopping” funds are a pre-diversified mix of investments appropriate for a specific time horizon as indicated by the date in the fund's name. You choose the Target Date Fund with the date closest to the year you plan to retire and/or take distributions from your account, and the fund manager will gradually make the fund's investment approach more conservative as you get closer to your retirement date.

- Target Date Income Fund
- Target Date 2025 Fund
- Target Date 2030 Fund
- Target Date 2035 Fund
- Target Date 2040 Fund
- Target Date 2045 Fund
- Target Date 2050 Fund
- Target Date 2055 Fund
- Target Date 2060 Fund

For more information about the funds, including historical performance, and fund fact sheets, go to **Investments & Research** on the Plan website.

## JPMorgan SmartRetirement Target Date Funds

Each JPMorgan SmartRetirement Target Date fund is a well-diversified, professionally managed, automatic investment option designed to take care of all of your retirement Plan assets. Each fund has a date in its name — the fund's target date — that is the approximate retirement year when withdrawals begin. For many people, that date is the year they turn 65. For example, if you will turn 65 in 2029, 2030, 2031, 2032 or 2033, it would be typical to choose the 2030 Fund. Please note: allocations to the JPMorgan SmartRetirement Target Date Funds must be at least 75%. Generally, the asset allocation of each target date fund will change on an annual basis with the asset allocation becoming more conservative as the fund nears the target retirement date. The target date is the approximate date when investors plan to start withdrawing their money. The principal value of the fund(s) in a plan's lineup is not guaranteed at any time, including at the time of target date and/or withdrawal.



### 3. Personalized advice

#### *If you like:*

Getting detailed savings and investment advice tailored to your personal situation...

#### *Consider:*

**Advice** — If you prefer to manage your own account, this web and phone-based service offers personalized retirement income forecasts, risk assessments, and specific savings and fund recommendations at no additional cost to you.

**Professional Management\*** — If you prefer to have your account managed for you, you can work one-on-one by phone with a financial advisor and receive:

- Personalized advice and forecasts
- Ongoing account management support
- Specific savings and fund recommendations
- Quarterly progress reports

\* There is an additional fee based on your account balance if you enroll in the Professional Management program.

For details, go to Account > Get Advice on the Plan website or call the Information Line and ask to speak to a Voya Retirement Advisors Investment Advisor Representative. Representatives are available Monday through Friday, from 7:00 a.m. to 7:00 p.m. CT (excluding New York Stock Exchange holidays).

**IMPORTANT:** Forecasts, projected outcomes or other information generated regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. In addition, results may vary each time a forecast is generated for you.

**Advisory Services provided by Voya Retirement Advisors, LLC.** For more information, please read the Voya Retirement Advisors Disclosure Statement, Advisory Services Agreement and your plan's Fact Sheet. These documents may be viewed online by accessing the advisory services link(s) through your plan's website at [www.milwaukeeedcp.com](http://www.milwaukeeedcp.com). You may also request these from a Voya Retirement Advisors Investment Advisor Representative by calling your plan's information line at 844-360-MDCP (844-360-6327). Financial Engines Advisors L.L.C. FEA is a federally registered investment advisor and wholly owned subsidiary of Edelman Financial Engines, LLC. Neither VRA nor FEA provides tax or legal advice. If you need tax advice, consult your accountant or if you need legal advice consult your lawyer. Future results are not guaranteed by VRA, FEA or any other party and past performance is no guarantee of future results. Financial Engines® is a registered trademark of Edelman Financial Engines, LLC. All other marks are the exclusive property of their respective owners. FEA and Edelman Financial Engines, L.L.C. are not members of the Voya® family of companies. ©2023 Edelman Financial Engines, LLC. Used with permission.

### For experienced investors....

A Self-Directed Brokerage Account offered through Schwab gives experienced investors the opportunity to invest in individual stocks, most corporate and government bonds, and more than 13,000 different mutual funds from approximately 400 fund families (subject to Plan restrictions). For more information on the Self-Directed Brokerage Account, including fees and an application, go to **Plan Details > Forms** on the Plan website. Read all information carefully before investing.



#### **Don't forget to name your beneficiaries.**

A beneficiary would receive your Plan assets if you die. When you enroll, complete and submit a beneficiary form. After your initial enrollment, you may update and make changes to your beneficiaries by logging into your account at [www.milwaukeeedcp.com](http://www.milwaukeeedcp.com). It is always a good idea to periodically check your beneficiaries to make sure they are correct and up to date, particularly if you have recently married, divorced, or had children.

## What are the fees and expenses?

Certain costs are associated with the Plan, including administrative expenses and investment fees. For more information on Fee Disclosures, go to **Plan Details > Publications > Fee Disclosure** on the Plan website.

### Recordkeeping fees

These fees pay for administration and operation of the Plan by its recordkeeper, Voya Institutional Plan Services, LLC (VIPS). Services include daily account maintenance, quarterly statements, convenient online and phone-based account access, Plan communications, investment education and more.

- \$50.00 annual fee; payments of approximately \$4.17 per month as shown on quarterly statements.

### Administrative and professional fees

Administrative and professional fees include trustee/custodian, consulting, audit, outside legal, and insurance costs, as well as City staff costs, office expenses, and Board and staff education, professional association and travel costs. These administrative and professional fees are updated and reported in an annual statement delivered to Plan participants each year, typically in February.

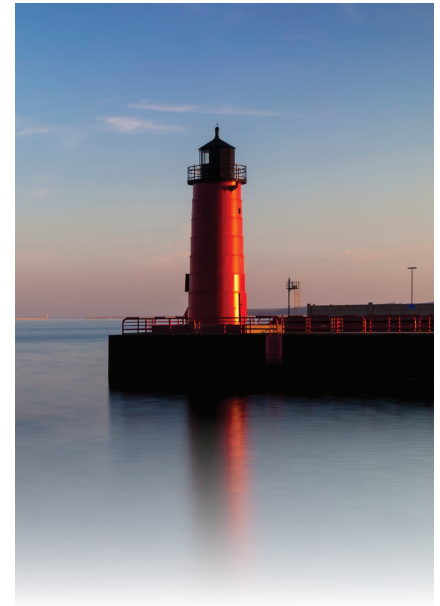
### Investment Fees

Investment fees for each particular investment option are paid directly from participant accounts and are allocated daily. To ensure that participants benefit from low investment fees, the Plan's investment options include only institutional share classes.

The following chart lists the Plan's estimated investment fees by option beginning January 1, 2023.

Investment Option	Investment Net Fee Expense Ratio (as a % of assets)	Investment Fee (annually, per \$10,000 invested)
Passively Managed U.S. Equity Account	0.04%	\$4
Passively Managed International Equity Account	0.07%	\$7
Stable Value Account*	0.31%	\$31
Actively Managed Income Account	0.35%	\$35
Actively Managed Equity Account	0.35%	\$35
Target Date Income Fund	0.22%	\$22
Target Date 2025 Fund	0.22%	\$22
Target Date 2030 Fund	0.22%	\$22
Target Date 2035 Fund	0.22%	\$22
Target Date 2040 Fund	0.22%	\$22
Target Date 2045 Fund	0.22%	\$22
Target Date 2050 Fund	0.22%	\$22
Target Date 2055 Fund	0.22%	\$22
Target Date 2060 Fund	0.22%	\$22

\* In addition to the investment management fees, expenses include benefit responsive wrap contract fees, administrative, and operating expenses unique to the Stable Value Fund.





## Special Fees

Special fees are assessed for discretionary services, such as loans, use of the self-directed brokerage account, and professionally managed accounts. These fees are paid by the participant who uses these special services through a deduction from his or her account.

### Loan fees

- \$75 loan origination fee, upon approval of the loan
- \$50 charged if a check is sent via overnight mail service

### Voya Retirement Advisors Professionally Managed Accounts

- 0.55% on first \$100,000 of participant assets
- 0.40% on next \$150,000 of participant assets
- 0.25% on participant assets over \$250,000

### Self-directed brokerage account (SDBA) fees

- \$50 administration fee, assessed in monthly payments of approximately \$4.16, for the recordkeeper's operation of a self-directed brokerage account for the participant
- Transaction fees and trading commissions are outlined in the Charles Schwab Pricing Summary provided in the welcome materials you receive from Schwab after opening your account
- Additional administrative and operational fees for the SDBA are assessed and disclosed to you in a statement issued each year.

For more information on trading fees and commissions for the Schwab Personal Choice Retirement Account® (PCRA), please go to [www.milwaukeedcp.com](http://www.milwaukeedcp.com).

### Domestic Relations Orders

- A "Domestic Relations Order" is an order signed by a judge, that must meet very specific regulatory requirements, which splits a participant's account in a divorce. A participant must only use a specific form that the Plan has reviewed and approved.
- The Plan charges additional fees to process and administer these orders (a.k.a., "QDROs").

## Can I rollover money from a previous employer into the Plan?

If you have money sitting in other retirement accounts, such as a previous employer's 457 plan or an IRA, you can move the balances into your City of Milwaukee Deferred Compensation Plan account. On the Plan website, go to **Plan Details > Forms** and download the **Rollover/Plan Transfer Contribution Form**. For help with rollovers, or if you think you've got other accounts but aren't sure where they are, call the Plan Information Line at **844-360-MDCP (844-360-6327)** to speak to a Rollover specialist.

## How do I change my investment option allocations and elections?

You can make changes to your investments allocations and elections online at [www.milwaukeedcp.com](http://www.milwaukeedcp.com) or by calling **844-360-MDCP (844-360-6327)**. To use the automated telephone system, please log in using your Social Security Number and PIN. To speak with a representative, say "Customer Service" at any time.

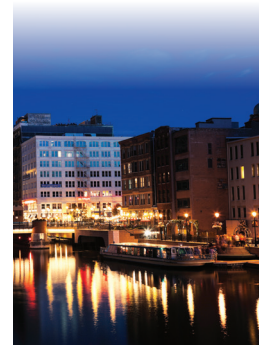
You have lots of flexibility for choosing how to invest your savings. At any time you can:

- Choose a mix of funds for your regular contributions and a different mix for your existing balance.
- Transfer balances from one fund to another fund or funds
- Automatically rebalance the percentage of your account allocated to each fund every quarter to a specific allocation you determine. This can keep the risk level of your investment mix from changing over time.

See page 6 for a list of investment options or go to **Investments & Research** on the Plan website.

## Can I take a loan?

Yes, you can have up to one loan outstanding at any given time. For more information, log on to the Plan website and go to **Loans & Withdrawals**. You can also find general information on Loans by going to **Plan Details > Plan Highlights** on the Plan website.



## When can I begin withdrawing my money?

When you are no longer working for the City of Milwaukee, you may withdraw money from the Plan. You are required to take withdrawals from the Plan when you reach the qualifying age for Required Minimum Distributions or retire, whichever is later. Your pre-tax contributions and earnings will be subject to federal and state tax upon withdrawal. Withdrawals from your Roth after-tax contributions (including earnings) are tax-free as long as you have satisfied the 5-year holding period AND are age 59½ or older (assuming you have separated from service, are disabled, or a distribution is made to your beneficiary after your death). If your account does not meet these requirements, you will have to pay taxes on any earnings on your Roth after-tax account.

It's possible to take withdrawals while still employed with the City of Milwaukee due to unforeseen emergencies, but you'll owe income taxes on the amount you withdraw. Before you take a withdrawal, go to **Loans & Withdrawals** on the Plan website or call the Plan Information Line to be sure you understand your options.

## When are transactions processed?

Account transactions made weekdays by 3:00 p.m. CT will be processed that evening; transactions made on weekends or after 3:00 p.m. CT will be processed the next business day (in the case of a New York Stock Exchange holiday, transactions are processed the following business day).

## Will I receive account statements?

Quarterly statements are available on the Plan website through your online mailbox. You may also create statements for specific time periods of your choosing. You can turn off paper statements, as well as other correspondence, and have the information posted to your account's online inbox. This feature not only helps the environment and ends regular mail clutter, it's also more secure. You can also request a statement by calling **844-360-MDCP (844-360-6327)** and saying "Customer Service" to speak with a representative.

## Enroll and start saving today!

You can enroll before you are default enrolled (if applicable). This will allow you to select your own contribution rate and investment options. Unionized active fire and police or employees working on a less than half-time basis are not subject to default enrollment.

Online	Phone
<ul style="list-style-type: none"><li>Go to <b>www.milwaukeeedcp.com</b>.</li><li>From the Home Page, click "Register now."</li><li>Select how you would like to register either by using your Social Security number and PIN (mailed to you in a small security mailer) or by using your Social Security number and date of birth. Follow the instructions to complete your registration by creating a Username and Password. You'll get started by setting your retirement goals. Based on your answers, you'll be shown your potential monthly retirement income need. Then it's time to make some decisions.<ul style="list-style-type: none"><li>Select your contribution rate (the percentage of your paycheck you want deducted and invested into your account each pay period).</li><li>Select a mix of investment funds (see page 4 for guidance).</li><li>To decline enrollment, set your contribution rate to zero.</li></ul></li></ul> <p>You'll get a confirmation statement typically within one to two pay periods.</p>	<ul style="list-style-type: none"><li>Call <b>844-360-MDCP (844-360-6327)</b>, Monday through Friday (excluding New York Stock Exchange holidays) from 7:00 a.m. to 7:00 p.m. CT.</li><li>Use your Social Security number and PIN to sign in and confirm your enrollment or opt out if you choose to.</li></ul>

## Access your account anytime, anywhere.

Want to increase your contributions at 6:32 on a Sunday morning? Or check your account balance at midnight? No problem. Your Plan gives you 24/7 access to your account from just about anywhere. All you need is Internet access or a phone.

**Web:** [www.milwaukeeedcp.com](http://www.milwaukeeedcp.com)

**Mobile:** Search **Voya Retire** in your preferred mobile app store.

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

If you have questions or need assistance, Customer Service Associates are here to help. They're available from 7:00 a.m. to 7:00 p.m. CT, Monday through Friday (excluding New York Stock Exchange holidays). Say "Customer Service" to immediately reach a Customer Service Associate. Additionally, you can call this number to request to schedule a face-to-face appointment with a local Voya representative. 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.

### Forgot your password?

Don't worry – you have a few options! From the login page of the Plan website, click **Forgot Password** and follow the instructions. If you do not have an email address on file with Voya, simply call the Information Line at **844-360-MDCP (844-360-6327)** and request to have your password reset.



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.

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**City of Milwaukee**  
**Deferred**  
**Compensation Plan**

**Financial independence. It starts today.**