

**NAGDCA 2018 LEADERSHIP RECOGNITION AWARD**  
**City of Milwaukee Deferred Compensation Plan**  
**Automatic enrollment and re-enrollment campaign**

**Project Summary**

During 2017, the City of Milwaukee Deferred Compensation Plan (“Plan”) instituted automatic enrollment for new hires. This was the first full year of conducting automatic enrollment for new hires, which began in October 2016. If an employee took no action, they would be automatically enrolled at a 3% pre-tax contribution rate, invested in an age-corresponding target date fund.

In addition, building off of the success of the City’s first re-enrollment campaign in October 2016, conducted as part of the Plan’s transition to Voya Financial®, the City conducted a second re-enrollment campaign in 2017. An Account Elections and Enrollment Period was held from October 9, 2017 to November 10, 2017, during which default provisions would apply, including: automatic re-enrollment at 3% of pay and automatic contribution increases to 3% of pay for those saving below 3%. Employees and Plan participants could make changes to these elections if they did not want application of one or more of the new Plan defaults.

**Program Objectives and Approach**

Because of the potential impact to employees and Plan participants, the outreach needed to be very clear and timely, with multiple touch-points and reminders. Also, the customized process for participants to make elections or decline defaults had to be straightforward and simple.

Recognizing the importance of communicating these Plan changes to eligible employees and Plan participants, the office of the Executive Director, in partnership with several Board members, union leadership and Voya, developed a multi-pronged strategy to inform and educate all key stakeholders. This outreach took place from August through mid-November and included advance notifications to Department Heads, City and agency leaders, in addition to notification emails and mailings to employees and participants. The outreach included a pre-election period email and mailing, onsite one-on-ones and group educational seminars, an email and mailing announcing the start of the elections period, two reminder emails (one at the start of the elections period, the other with one week of the elections period remaining) and a reminder mailing. Outbound calls were made during the final week of the Annual Account Elections and Enrollment period to those who had not made elections.

To make it easy for employees to make elections, a unique, custom “microsite” was created to specifically capture employee and participant choices during the election period. This microsite was a standalone website separate and apart from the Plan website, and was designed to make the election process simple for individuals, whether they wished to enroll in the Plan, make changes to their existing elections, or opt out of the default elections entirely.

**Project Justification and Results**

Automatic enrollment for new hires

During 2017, there were 375 new hires subject to automatic enrollment. 230 employees (61%) took no action and were default enrolled at a 3% pre-tax contribution rate. 73 employees (19.5%) increased their deferral percentage from the 3% default rate.

Only 43 employees (11%) opted out and 14 employees (3.7%) brought their contributions to 0% after the automatic enrollment decision period. The remaining 15 participants (4.3%) either switched to Roth contributions or lowered their deferral rate but continued to contribute to the Plan.

## **Project Justification and Results continued**

### 2<sup>nd</sup> Annual Account Elections and Enrollment Period

During the Annual Account Elections and Enrollment Period, certain employees had default provisions that would apply if no action was taken, including: automatic re-enrollment at 3% of pay and automatic contribution increases to 3% of pay for those saving below 3%. This elections process was supported through implementation of a custom microsite to make elections and a robust outreach program.

### Participants who made elections

Of the population of 980 subject to defaults, 71% made active elections during the Account Elections and Enrollment period (October 9, 2017 – November 10, 2017).

### Overall

980 employees were subject to default elections

635 employees experienced increased contribution rates

340 employees kept contribution rates the same

5 employees decreased contribution rates

### Plan Participation

408 participants started contributing

335 started due to the default

73 proactively initiated contributions

Total Plan participation rate increased from 81% to 86%

### Savings Rates

635 employees experienced increased contribution rates

506 increased by default

129 proactively increased contribution rate

Total Plan contribution rate increased from 6.8% to 7.0%

25 employees elected to sign up for annual rate escalation

In addition to the strong results for overall increases in Plan participation and savings rates, the Plan saw strong increases in the most underserved segments of the population, including racial minorities, females and those with lower incomes.

Employees in the lowest paid quartile increased participation from 74% to 84%

Non-union employees increased participation from 80% to 88%

Black/African American employees increased participation from 78% to 86%

Hispanic/Latino employees increased participation from 80% to 85%

Women employees increased participation from 80% to 88%

Non-union employees increased contribution rates from 5.6% to 5.8%

Black/African American employees increased contribution rates from 4.9% to 5.1%

Hispanic/Latino employees increased contribution rates from 5.7% to 6.0%

Women employees increased contribution rates from 5.7% to 6.0%

The City was very encouraged by these results and plans to conduct annual re-enrollment campaigns to continue to help more City of Milwaukee employees reach their retirement goals.

## Communication Samples

## Announcement self-mailer

### Announcement email

## Annual Account Elections and Enrollment Period is coming soon



The City of Milwaukee Deferred Compensation Plan conducts an Annual Account Elections and Enrollment Period where certain employees are subject to default enrollment or contribution increases. This is done to help more employees save for their retirement and will run concurrent with the City's Open Enrollment Period (October 9, 2017 to November 10, 2017).

**More information is coming your way soon**

In the next few weeks, a comprehensive guide will be mailed to your home and emailed to you. It will explain:

- How the Annual Account Elections and Enrollment Period may affect you
- Key dates
- How to make your elections
- Where to go if you have questions or need assistance

The guide you will receive in early October will detail how you will make your elections and who to contact if you have questions. We will be hosting a number of meetings at City Hall and at various satellite locations to provide further information about the Annual Account Elections and Enrollment Period process. Please see [www.milwaukeeedcp.com](http://www.milwaukeeedcp.com) for the meeting schedule and locations.



**Financial independence. It starts today.**



## Annual Account Elections and Enrollment Period is coming soon



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### Elections Period flyer



## Annual Account Elections and Enrollment Period

Financial independence. It starts today. October 9, 2017 – November 10, 2017

The City of Milwaukee Deferred Compensation Plan conducts an Annual Account Elections and Enrollment Period where certain employees are subject to default enrollment or contribution increases. This is done to help more employees save for their retirement and will run concurrent with the City's Open Enrollment Period (October 9, 2017 to November 10, 2017). Note that this election requirement excludes collectively bargained police and fire employees, less than half-time employees, and employees hired since October 1, 2016.

Date	Activity
Oct 9, 2017 at 8 a.m. CT to Nov 10, 2017 at 3 p.m. CT	Annual Account Elections and Enrollment Period. <b>YOU MUST COMPLETE ELECTIONS TO AVOID DEFAULTS.</b>
Nov 11, 2017 at 3 p.m. CT to Nov 14, 2017 at 8 a.m. CT	Final Elections and Defaults applied to accounts. Elections and defaults will appear on December 14, 2017 paycheck (PP24). (NO defaults apply to active unionized fire/police or employees working less than half time)
Nov 14, 2017 at 8 a.m. CT to Jan 31, 2018 at 3 p.m. CT	Refund Requests For those newly enrolled by DEFAULT, you can request a refund (+/-gains/losses) and exit the Plan.

Employees **not enrolled in the Plan and/or saving less than 3%** MUST complete the Annual Account Elections and Enrollment process!

**3 Ways to Make Your Elections**

1. Log on to our special, **temporary** elections website: [www.enrollmilwaukeeedcp.com](http://www.enrollmilwaukeeedcp.com)
2. Call 844-360-MDCP (6327)
3. Meet with a Voya representative\*
  - Schedule a one-on-one appointment with a Voya representative at [www.milwaukeeedcp.com](http://www.milwaukeeedcp.com) or
  - Stop by City Hall, Room 503 or Zeidler Municipal Building DPW – 9<sup>th</sup> Floor, Room #906

Office hours: Mondays, Wednesdays and Fridays from 8:30 a.m. – 1 p.m. and 2 p.m. – 4:30 p.m. Walk ins are on a first-come, first-served basis.

\*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. CN0915-37149-1018D

### Recorded presentation



## City of Milwaukee Deferred Compensation Plan

Delivering a "Best in Class" Plan

## Annual Account Elections & Enrollment Period

CN0911-37028-1018D




**Financial independence. It starts today.**

# Communication Samples

## Elections Period brochure (full details of the Annual Account Elections and Enrollment Period)

**Financial independence. It starts today.**

### Get ready – The Annual Account Elections and Enrollment Period is here!

#### Annual Account Elections and Enrollment Period October 9 - November 10, 2017

The immediate demands of daily life can often distract us from saving enough to meet our retirement goals. To help our employees stay on a path to a more secure future, the City of Milwaukee conducts an Annual Account Elections and Enrollment Period for our Deferred Compensation Plan. During this annual process, if applicable, you must make individual choices appropriate for your situation. Making Plan elections online, by phone, or with a representative is a simple process.

**Importantly, if you make no elections during the Annual Account Elections and Enrollment Period, certain default elections will be applied to you as described in detail in the following section. Note that active unionized fire and police employees will not be subject to any default provisions if they take no action during the Annual Account Elections and Enrollment Period.**

**The Annual Account Elections and Enrollment Period applies to you if...**

- You are a non-participating employee with no assets in the Plan:** At any time during the Annual Account Elections and Enrollment Period, you must choose to either join the Plan or to decline enrollment by completing the election process. If you want to join the Plan, you will need to select a contribution amount, investments, and make other choices. To do so, follow the instructions later in this section. Note that if you do not make any elections or do not specifically elect to decline enrollment, you will be defaulted into the Plan as explained on the next page.
- You are a current employee with an account balance but are saving less than 3%:** At any time during the Annual Account Elections and Enrollment Period, you must either choose to retain all your current Plan elections or make changes to any or all of those elections, including your savings rate. To do so, follow the instructions in the next section of this document. Note that if you do not make any elections or do not specifically confirm your current elections, certain default elections will apply to you as explained on the next page.

If you have questions after reviewing the Annual Account Elections and Enrollment Period information, call the Plan Information Line at 844-360-MDCP (6327) Monday through Friday 7 a.m. - 7 p.m. CT. You may also schedule a one-on-one meeting with a local representative and view a recorded presentation by going to [www.milwaukeeedcp.com](http://www.milwaukeeedcp.com).

**How to make your elections...**

There are three ways to make the required elections during the Annual Elections and Enrollment Period, October 9, 2017 at 8 a.m. – November 10, 2017 at 3 p.m.:

- 1) Online**  
Go to [www.enrollmilwaukeeedcp.com](http://www.enrollmilwaukeeedcp.com) and follow the instructions. Be sure to complete the entire process until you reach the confirmation screen. You may log onto [www.enrollmilwaukeeedcp.com](http://www.enrollmilwaukeeedcp.com) as many times as you like from October 9, 2017 at 8 a.m. – November 10, 2017 at 3 p.m., to enroll, make elections, and to make changes to your elections. But be sure to always complete the process and reach the confirmation page!
- Please note:** If you already are a participant and you would like to make account balance allocation changes that will take effect as soon as possible, please refer to the section titled "Assessing Your Account" on page 5 for additional details.

### Wellness Program Healthy Rewards Points

We are pleased to announce that current City employees can now earn Healthy Rewards Points for engaging in your financial wellness through the Deferred Compensation Plan. If you attend a one-on-one meeting with a local representative, you can earn 10 points. If you attend a financial wellness presentation, you can earn 5 points.

**Earn 10 Points** Attend a 1-on-1 coaching session with a local representative.

**Earn 5 Points** Attend a Financial Wellness presentation or access your account online.

#### Default elections if you are default enrolled

If you are default enrolled, your contributions will be invested in an age-appropriate JPMorgan SmartRetirement Target Date fund, based on your age.

#### JPMorgan SmartRetirement Target Date Funds

JPMorgan SmartRetirement Target Date funds are diversified, professionally managed, automatic investment options. Each fund has a target date — that is the approximate year when withdrawals begin. For many people, that date is the year they turn 65. For example, if you will turn 65 in 2020, 2030, 2032 or 2033, it would be typical to choose the 2030 Fund. The target date funds for specific years of birth are shown below. If you have special circumstances (e.g. you do not plan to retire), please speak to a local representative or call the Information Line at 844-360-MDCP (6327) for more information.

Year of Birth	Default JPMorgan SmartRetirement Target Date Fund
1954	Target Date Income Fund
1958	Target Date 2020 Fund
1963	Target Date 2025 Fund
1968	Target Date 2030 Fund
1973	Target Date 2035 Fund
1978	Target Date 2040 Fund
1983	Target Date 2045 Fund
1988	Target Date 2050 Fund
1993	Target Date 2055 Fund
1993	Target Date 2060 Fund

**2) By phone**  
Call 844-360-MDCP (6327), Monday through Friday from 7 a.m. to 7 p.m. CT (excluding New York Stock Exchange holidays) to speak with a Customer Service Representative who will assist with your request.

**3) One-on-one meeting**  
Schedule a one-on-one meeting with a local Voya representative by going to [www.milwaukeeedcp.com](http://www.milwaukeeedcp.com) and using the online scheduling tool. You may also call 844-360-MDCP (6327), Monday through Friday from 7 a.m. to 7 p.m. CT (excluding New York Stock Exchange holidays) to speak with a Customer Service Representative who will schedule an in-person appointment with a local Voya representative. You may also stop by Zeidler Municipal Building, DPW, Room 906 between 8:30 a.m. - 1 p.m. and 2 p.m. - 4:45 p.m. Monday, Wednesday, or Friday to meet with a local Voya representative (these are on a first come, first served basis).

**Defaults will apply if you fail to complete the elections and enrollment process...**

If you do NOT make elections between October 9, 2017 at 8 a.m. – November 10, 2017 at 3 p.m.

If you are currently...	Then...
Not in the Plan but currently employed	You will be enrolled in the Plan and 3% of your pre-tax pay will be contributed to your new account. Your savings will be invested in an age-corresponding JPMorgan SmartRetirement Target Date fund, based on a retirement age of 65.
Saving less than 3%	Your savings into the Plan will be increased to 3% of your pre-tax pay. Your current account balance and all future contributions will continue to be invested per your current investment elections.
Saving 3% or more	No defaults will apply.
Unionized active fire and police or working on a less than half-time basis	No defaults will apply.

**IMPORTANT:** You always have 100% control over your Plan account. Even if defaults are applied to you because you failed to complete the Annual Account Elections and Enrollment Process, you may make changes to any default election at any time. For example, if you are newly enrolled by default, at any time between November 11, 2017 at 8 a.m. and January 31, 2018 at 3 p.m., you may request to be removed from the Plan and, if applicable, to receive a refund of any contributions (+/- gains/losses). And you may reduce your savings rate to 0% at any time, including after January 31, 2018. Changes after January 31, 2018 will not receive gains/losses. Similarly, if your savings rate is increased to 3% by default, you can reallocate your investments and/or change your savings rate at any time. Remember: this is your money and you control it at all times!

## Elections Period is open email (linked to brochure and elections microsite)

**Financial independence. It starts today.**

### The Annual Account Elections and Enrollment Period is here!

During this annual process, you must make individual choices appropriate for your situation. **The Annual Account Elections and Enrollment Period is now open and runs from October 9, 2017 at 8 a.m. to November 10, 2017 at 3 p.m.** Please review the [Annual Account Elections and Enrollment Period communication](#) for details.

**Ready to make your elections?**

**GET STARTED** Click here to make your elections. It's quick and easy.

The [detailed communication](#) will provide information on:

- The Annual Account Elections and Enrollment Period process
- Key dates
- How to make your elections
- Where to go if you have questions or need assistance

If you have questions after reviewing the Annual Account Elections and Enrollment Period information, call the Plan Information Line at 844-360-MDCP (6327) Monday through Friday 7 a.m. - 7 p.m. CT. You may also schedule a one-on-one meeting with a local representative and view a recorded presentation by going to [www.milwaukeeedcp.com](http://www.milwaukeeedcp.com). Between October 9, 2017 and November 10, 2017, you must go to [www.enrollmilwaukeeedcp.com](http://www.enrollmilwaukeeedcp.com) to complete the elections and enrollment process.

## Communication Samples

### Elections Period reminder email



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

» [Review detailed communication](#)

## Annual Account Elections and Enrollment Period ends soon!

During this annual process, if applicable you must make individual choices appropriate for your situation. The Annual Account Elections and Enrollment Period runs from October 9, 2017 at 8 a.m. to November 10, 2017 at 3 p.m.

**Ready to make your elections?**

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**Important reminder:** If you make no elections during the Annual Account Elections and Enrollment Period, certain default elections will be applied to you. Please review the [Annual Account Elections and Enrollment Period communication](#) for details. Note that active unionized fire and police employees will not be subject to any default provisions if they take no action during the Annual Account Elections and Enrollment Period.

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\*Plan Services Representatives is for educational purposes only and is not legal advice. Plan Services Representatives are registered representatives of Wells Financial.



### Elections Period reminder self-mailer



## Annual Account Elections and Enrollment Period ends soon!

