

City of Milwaukee Deferred Compensation Plan Fee Explanation

Our commitment to best-in-class services, low costs and fee transparency

There are fees and expenses associated with all retirement plans and investment programs. These costs help pay for the administration and operation of the Plan, as well as a host of services provided to participants including account maintenance, quarterly statements, online and phone-based account access, Plan communications, investment education and many more.

The City of Milwaukee Deferred Compensation Board, staff and trusted expert advisors work hard to deliver a high-quality tax-deferred savings plan to employees at the lowest cost possible. And we believe every Plan participant deserves complete transparency when it comes to understanding the fees associated with servicing the Plan.

The information in this brochure provides answers to these three important questions:

- **What entities service the Plan and what do they do?** PAGE 2
- **What are the fees for Plan administrative, professional and investment services?** PAGE 3
- **What are the costs associated with optional Plan features?** PAGE 4

City of Milwaukee
Deferred Compensation Plan

Financial independence. It starts today.

What entities service the Plan and what do they do?

The City of Milwaukee Deferred Compensation Board contracts with the entities described below to manage the administration, operation, investments and compliance of the Deferred Compensation Plan.

The Board also selects and oversees an Executive Director and Plan Coordinator who (along with the help of an Administrative Assistant) manage the Plan's service providers, help with Plan administration, management and governance, and assist Plan participants.

Third-party administrative service provider (recordkeeper)

- **Daily operations** – Processes enrollments, tracks and handles investment elections, contributions and payouts, produces participant statements and more
- **Local representatives** – Assists with enrollment and Plan education[1]
- **Plan tools and resources** – Maintains customer service line, participant website and mobile app
- **Plan communication** – Helps to educate employees about Plan benefits
- **Investment Advisory Services** – Provides investment advice to participants in making investment selections within the Plan

Trustee/Custodian

- **Assets** – Trustee collects and holds Plan assets in a trust for the benefit of participants
- **Investments** – Custodian handles buying and selling of investments and calculates Net Asset Value (NAV) of investments in Plan accounts

Consultant

- **Investments** – Advises the Board on investment policy and monitors performance of investment options
- **Service providers** – Advises the Board on the search and selection of investment managers and service providers
- **Plan design** – Advises the Board on Plan design and governance
- **Economic trends** – Monitors and reports on general economic trends

Auditor

- **Audits** – Performs annual Plan audits

Outside legal counsel

- **Legal advice** – Provides as-needed legal advice to the Plan when the City Attorney's office is unable due to capacity issues or when specialized expertise is required

Fiduciary insurance providers

- **Insurance** – Provide fiduciary liability insurance that covers Plan trustees and staff

Investment managers

- **Core investment options other than stable value** – Each investment manager invests a certain percentage of the participants' assets, for each core investment option, according to specific objectives, strategies and limits set forth in the Plan's investment policy statement.

Stable value investment manager

- **Stable value account** – Manages the Plan's stable value account and monitors and reports on performance
- **Providers and contracts** – Selects stable value product providers and negotiates stable value insurance contracts

[1] 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.

What are the fees for Plan administrative, professional and investment services?

Recordkeeping fees

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

- $50.00 annual fee. This is broken down into payments of approximately $4.17 per month as shown on quarterly statements.[1]

Questions about Plan fees?
If you have questions or need assistance, call **844-360-MDCP** (6327) and say "Customer Service" to immediately reach a Customer Service Associate. You can also call this number to schedule an appointment with a local Voya representative.

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[1] are updated and reported in an annual statement delivered to Plan participants each year, typically in February. Administrative and professional fees were 0.07% of Plan assets for 2025, 0.08% for 2024, 0.09% for 2023 and 2022, 0.07% for 2021, 0.09% for 2020, 0.09% for 2019, 0.12% for 2018, 0.125% for 2017, 0.18% for 2016, 0.23% for 2015, and 0.18% for 2014.

Investment fees

Investment fees cover ongoing charges for managing the assets of the investment funds. To help ensure participants benefit from low investment fees, the Plan's investment options include only institutional share classes.

Fees for each individual investment option are paid directly from participant accounts and are allocated daily. The following chart lists these estimated fees by option beginning January 1, 2026.

Investment Option	Investment Net Fee *Expense Ratio (as a % of assets)*	Investment Fee *(annually, per $10,000 invested)*
Passive U.S. Equity Account	0.04%	$4
Passive International Equity Account	0.07%	$7
Stable Value Account[2]	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
Target Date 2065 Fund	0.22%	$22

[1] Prior to October 1, 2016, recordkeeping fees were included in the Administrative and Professional fees.
[2] In addition to the investment management fees, expenses include benefit responsive wrap contract fees, administrative, and operating expenses unique to the Stable Value Fund.

Estimating fees

The following example shows how to estimate the dollar amount paid in annual fees. This hypothetical participant has an account with an average total annual balance of $100,000, invested in the Stable Value Account (25%), the Passive International Equity Account (40%) and the Actively Managed Equity Account (35%). To calculate an estimate of the total dollar amount of investment fees for a year, multiply the fee for each investment option by the average annual dollar balance in each fund. So, for the Stable Value Account, multiply $25,000 by 0.31% (or 0.0031). This equals $77.50 in estimated annual fees paid for the management of the participant's $25,000 in the Stable Value Account over a year. In this example, the estimated total dollar amount paid for investment fees equals $228.00, as shown below. The same approach is then applied for the administrative and professional fees ($100,000 multiplied by 0.07%[1] or 0.0007 = $70.00). Then these fees are added to the annual recordkeeping fee of $50.00 for an estimated total dollar amount paid in fees of $348.00. **Please note**: fees can be expressed or referred to as an "expense ratio," which is reported as a percentage, or as "basis points." 1 basis point equals 0.01% (or 1/100th of a percent).

Fund	Fee *(as a % of assets)*	Balance	Estimated annual fee
Stable Value Account	0.31%	$25,000	$77.50
Passive International Equity Account	0.07%	$40,000	$28.00
Actively Managed Equity Account	0.35%	$35,000	$122.50
Total annual investment fees		**$100,000**	**$228.00**
Recordkeeping fee		**$100,000**	**$50.00**
Administrative and professional fees*	0.07%	**$100,000**	**$70.00**
Total			**$348.00**

[1] 0.07% represents the actual administrative and professional fees from 2025.

What are the costs associated with optional Plan features?

Participants in the City of Milwaukee Deferred Compensation Plan are permitted to take loans, choose professional management of their Plan account, and invest contributions through a self-directed brokerage account. Special fees for these optional Plan features include:

Loans

- $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[2]

- 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)

- $50 administration fee, assessed in monthly payments of approximately $4.16, for the recordkeeper's operation of a Personal Choice Retirement Account® (PCRA)[3] for the Plan 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

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 Qualified Domestic Relations Orders (QDROs).

Let's be clear

We're committed to keeping Plan fees and costs transparent. Each year, typically in February, you'll receive a comprehensive fee disclosure that includes reporting of investment fees separate from Plan administrative and operating costs, a clear description of the variety of services provided to the Plan, and separate disclosures about loan, self-directed brokerage account fees and other special fees.

If you have any questions about Plan fees, please call **844-360-MDCP** (6327) to speak with a Customer Service Representative weekdays from 7 a.m. - 7 p.m. CT, or visit **www.milwaukeedcp.com**, where you can also book a phone consultation with a local Voya representative via the online scheduling tool.

[2] **Advisory Services provided by Voya Retirement Advisors, LLC (VRA).** For more information, please read the Voya Retirement Advisors Disclosure Statement, Advisory Services Agreement and your plan's Fact Sheet.

[3] Schwab Personal Choice Retirement Account (PCRA) is offered through Charles Schwab & Co., Inc. (Member SIPC), the registered broker/dealer, which also provides other brokerage and custody services to its customers. ©2025 Charles Schwab & Co., Inc. All rights reserved. Used with permission. Charles Schwab and Voya are separate and unaffiliated and are not responsible for each other's policies or services.

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