CITY OF MILWAUKEE
MINUTES OF THE DEFERRED COMPENSATION EXECUTIVE FINANCE COMMITTEE MEETING OF THURSDAY, MARCH 19, 2026 1:30 P.M. – VIRTUAL MEETING

MEMBERS/DESIGNEES PRESENT:

Mr. Richard Bare
Ms. Molly Christianson
Mr. James Klajbor
Mr. Stuart Mukamal
Mr. Robin Pederson

EXCUSED/ABSENT:

None noted

OTHER PLAN PROVIDERS, STAFF AND OBSERVERS PRESENT:

Ms. Kathy Brengosz, MDCP Board Member
Ms. Dawn Conlin, Voya Financial
Ms. Beth Conradson Cleary, Executive Director, Deferred Compensation
Mr. Paul Frantz, Baker Tilly
Mr. Lendall Goff, Voya Financial
Mr. Travis Gresham, City Attorney's Office
Mr. Brian Huerta, WCM Investment Management
Mr. Mike Joecken, Callan LLC
Ms. Kimberly Kuehn, Deferred Compensation
Mr. Jack Malone, Callan LLC
Mr. Christopher Martin, MPSO
Mr. Patrick McClain, MDCP Board Member

1:32 p.m. A quorum being present, Mr. Klajbor, Chairman, called the meeting to order.

1. Roll call and Introductions

2. Election of Officers – Chairperson and Vice Chairperson

Mr. Klajbor turned the meeting over to Ms. Cleary for purposes of conducting the election of officers.

Motion by Ms. Christianson to nominate Mr. Klajbor as Chairperson, seconded by Mr. Mukamal. No other nominations were offered. No objections.

Motion by Mr. Klajbor to nominate Ms. Christianson as Vice Chairperson, seconded by Mr. Mukamal. No other nominations were offered. No objections.

Ms. Cleary then returned the meeting to Mr. Klajbor.

3. Approval of Meeting Minutes of January 22, 2026

Motion by Ms. Christianson to approve the meeting minutes of January 22, 2026 as submitted. No objections.

4. Investment Manager Presentation by WCM

Mr. Joecken reported that WCM fulfills the role of international growth manager within the Plan's Actively Managed Equity Account. He noted that the target allocation represents 17.5 percent of the AMEA, which was a little less than $40 million at the end of 2025.

Mr. Huerta provided an overview of WCM Investment Management. He reported that the firm is majority owned by employees, and is headquartered in Laguna Beach, California. Mr. Huerta reviewed the City of Milwaukee account's performance. He noted that the portfolio returned 22.2% net of fees for calendar year 2025, compared with 33.1% for the MSCI ACWI ex U.S. Index. He stated that, while the portfolio underperformed the benchmark for the year, it continued to outperform over longer time periods, including the since-inception period. He further reported that, since inception, the account had experienced approximately $32.2 million in appreciation, with an ending value of approximately $39.5 million.

Mr. Huerta explained that several holdings contributed strongly to returns during 2025, particularly within industrials and technology. He cited Siemens Energy, Rolls-Royce, Taiwan Semiconductor, Mitsubishi Heavy Industries, and BAE Systems among the top contributors. He stated that Siemens Energy benefited from increased demand related to data center power needs and that Rolls-Royce continued to make progress in its turnaround. He also noted continued strength in semiconductor-related holdings tied to artificial intelligence demand.

Mr. Huerta reviewed areas of detracting performance and discussed several portfolio positioning themes. He stated that financials, information technology, and certain consumer-facing holdings detracted from relative performance during the year. He also reviewed WCM's sector and regional positioning, noting the portfolio's significant exposure to industrials and technology and its large allocation to Western Europe and Asia.

Mr. Huerta also summarized WCM's investment philosophy and research approach. He stated that the firm emphasizes durability of growth, improving competitive positioning, culture as a driver of business success, and thoughtful portfolio construction intended to avoid hidden correlations.

Discussion ensued. Mr. Klajbor asked a follow-up question regarding Rolls-Royce's turnaround. Additional discussion addressed portfolio contributors, performance drivers, and market backdrop.

5. Baker Tilly Pre-audit Communications for 2025 Plan Audit

Mr. Franz from Baker Tilly reviewed the required pre-audit communications for the 2025 Plan audit. The presentation addressed the auditor's responsibilities, the scope and timing of the audit, management's responsibilities, required communications, and the firm's independence. Baker Tilly indicated that it was prepared to proceed with the audit in the ordinary course and that no unusual issues were anticipated at that time.

Discussion ensued.

6. Economic and Markets Review/Update from Callan LLC

Mr. Joecken provided a brief market and economic update based on Callan's January 2026 monthly commentary. He reported that equity markets advanced in January while fixed income returns were more muted. Domestic equities, as measured by the Russell 3000 Index, returned 1.55% for

the month, while smaller-cap equities outperformed large-cap stocks, with the Russell 2000 Index returning 5.35%. He noted that non-U.S. equities also posted strong returns, with the MSCI ACWI ex U.S. Index returning 5.98% and emerging markets returning 8.85% for the month.

Mr. Joecken stated that market breadth improved during January and that investor risk appetite broadened beyond U.S. large-cap growth leadership. He noted that value outperformed growth across both large- and small-cap segments. He also reported that the Bloomberg Aggregate Bond Index returned 0.11% during the month.

Mr. Joecken summarized recent economic developments. He stated that the Federal Reserve held the federal funds target range steady at 3.50% to 3.75% at its January meeting. He further noted that inflation readings were softer than expected, headline CPI measured 2.4% year-over-year in January, and the U.S. economy added approximately 130,000 jobs during the month, with the unemployment rate declining slightly to 4.3%. He also noted that real U.S. GDP increased at an annualized rate of 4.4% in the third quarter of 2025.

Discussion ensued.

7. RFI Recordkeeping Update

Ms. Cleary provided an update regarding the Plan's recordkeeping RFI process. She summarized the status of the effort, including working closely with Callan. She indicated that the RFI is intended to assist the Committee in evaluating the current recordkeeping landscape, available service models, and market pricing. Discussion ensued.

8. Update on SECURE 2.0

Ms. Cleary provided an update on SECURE 2.0 implementation. She reported on the Plan's continuing work related to recently effective provisions and noted that staff continued to monitor legal and operational developments. She also referenced the work already completed with the Comptroller's Office and Voya related to implementation of the mandatory Roth catch-up rules for applicable higher-income participants. Discussion ensued.

9. Discussion of Default Annual Percentage Increase

Ms. Cleary led a discussion regarding the Plan's default annual percentage increase feature. She

reviewed the Plan's current approach and presented considerations associated with implementing an annual automatic increase for participants who are defaulted into the Plan. Discussion focused on participant behavior, administrative considerations, and whether such a feature could further support participant savings outcomes. Discussion ensued.

10. Voya Reports

a. Activity Report

Mr. Goff presented the field team activity report. He reviewed participant engagement trends and noted that account reviews continued to be the most common reason participants met with the Voya team. He also reported increased participant conversations relating to withdrawals and loans, which he stated may reflect financial pressures as well as recent qualified disaster distribution activity. He noted that other frequent discussion topics included deferral changes, investment information, and beneficiary updates.

Ms. Cleary added that staff had been especially attentive during recent participant interactions, including those related to qualified disaster distribution requests, to ensure that participants were also asked about important account maintenance items such as beneficiary designations and registration status. She noted that each participant interaction presents an opportunity for education and engagement

b. Rollover Report

Mr. Goff presented the rollover reporting update. He reviewed distribution and rollover trends and discussed continued efforts to better understand where assets are going when they leave the Plan and what participant education opportunities may exist around separation from service and rollover decision-making. Discussion ensued.

c. VRA Usage

Mr. Goff provided an update on participant utilization of Voya Retirement Advisory services. He reviewed usage trends and noted continued participant engagement with advisory services. Discussion ensued.

d. Loan Outreach Update

Mr. Goff reviewed loan outreach activity and delinquency trends. He noted that the outreach reporting continues to provide useful information regarding missed payments and participant follow-up efforts. Mr. Klajbor thanked Voya for its continued outreach efforts, including participant assistance relating to disaster relief and loan repayment issues.

Mr. Klajbor also commented on the value of the reporting presentation format and stated that the visual presentation helped make the information more understandable.

11. Informational

a. Charles Schwab – Explanation of Fees and Services

Mr. Klajbor noted that the Committee had received the informational item from Charles Schwab regarding its explanation of fees and services. No discussion followed.

3:14 p.m. Meeting adjourned.