

2026



Legislative Reference Bureau

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DEFERRED COMPENSATION



2026 Proposed Plan and Executive Budget Review

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Budget Hearing: 1:00 pm on Tuesday, October 14, 2025

Deferred Compensation

\$543,377

Proposed 2026 Budget

+\$0

Overall Change from 2025

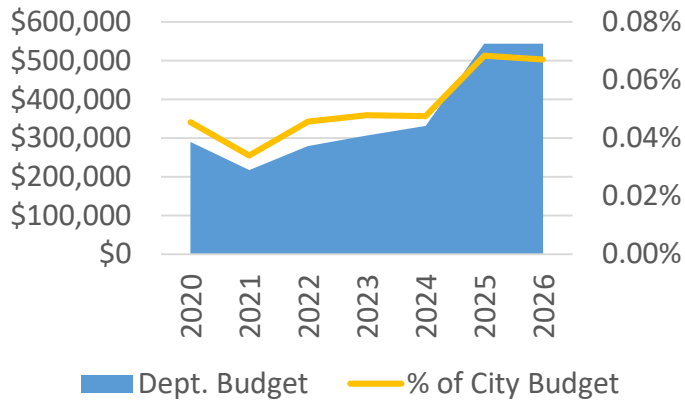
\$0

Difference from Requested

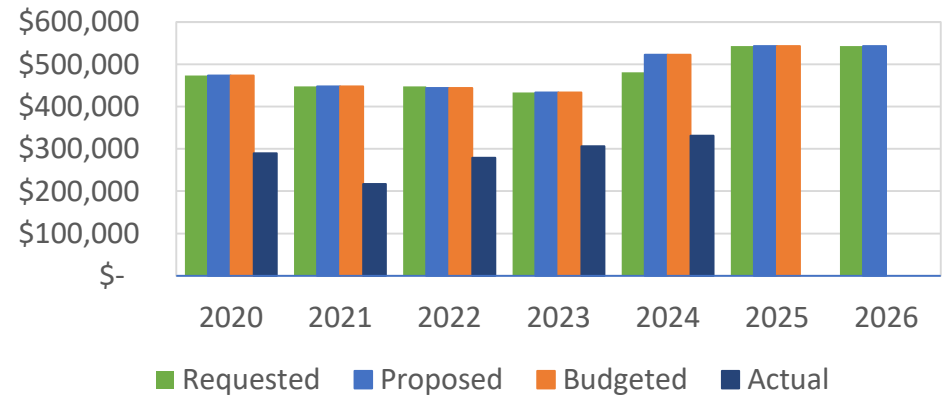
\$543,377

Requested 2026 Budget

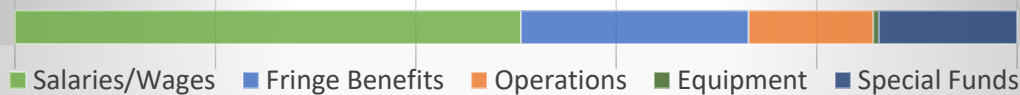
Total Departmental Budget



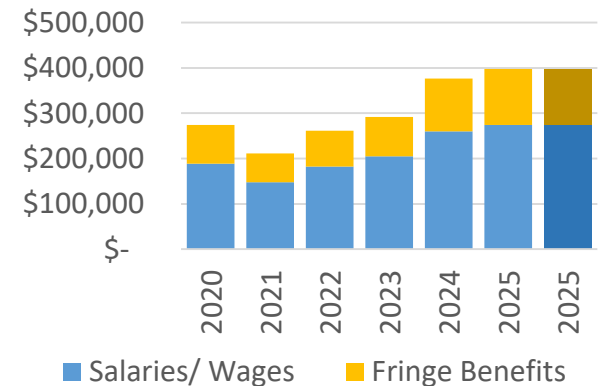
Comparative Funding



Levy Departmental Budget Appropriation by Category



Personnel Budget



Deferred Compensation

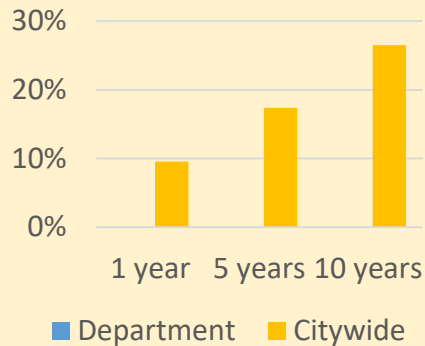
+0%

% change in Salaries and Wages
from 2025 Budget.

+\$0

Change in Salaries and Wages
from 2025 Budget.

Retirement Eligible



0

Change in Positions

0%

% Change in Positions

1

Current Vacancies

0

Voluntary Separations
In 2025

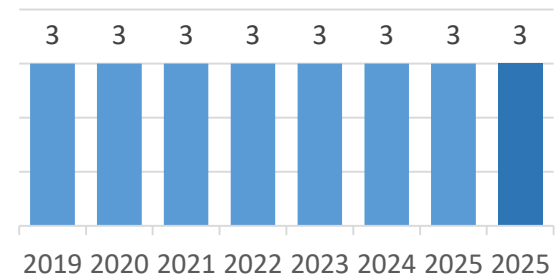
Staffing Vacancies

The department has 1 vacancy for the
position of Plan Services Assistant.

Staffing Update

There are no staffing updates.

Department Positions



Deferred Compensation

9,859

Total active and retired Deferred Compensation Plan participants as of December 31, 2024.

89% vs 90%

2023 and 2024 Plan participation rates, respectively. Prior to implementing the “Opt-Out” participation strategy in Fall 2016, the participation rate was 65%.

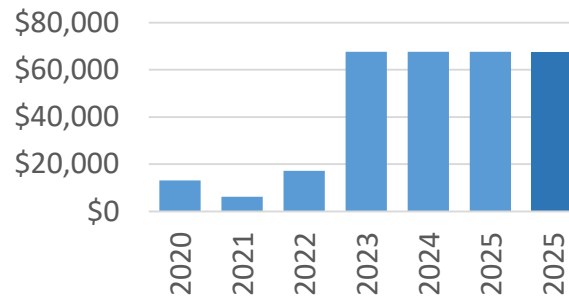
\$1,243,362,203

Plan assets as of December 31, 2024, a 11.1% increase (from \$1,118,935,433) over 2024.

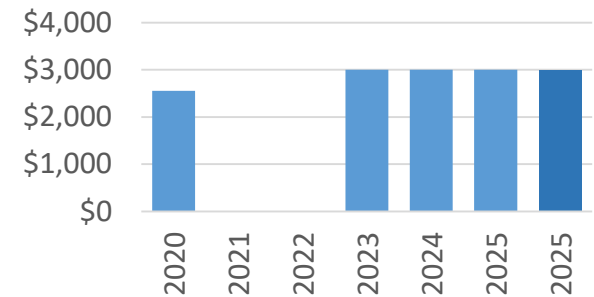
3%

Default percentage of wages for contributions unless participants choose to contribute a different percentage of wages or to “Opt Out.”

Operating Expenditures Budget



Equipment Budget



Revenue

Revenues are expected to be \$543,377 in 2026, which is the same amount as in 2025. Department revenues match total department expenditures. Department expenditures, including salaries and operating, are paid for through the Plan and participant fees. There is no City tax-levy support.

Special Purpose Accounts

There are no special purpose accounts for this department.

Grants

This department receives no grant funding.

Capital Programs and Projects

There are no capital requests for this department.

Deferred Compensation

8

Number of years the Deferred Compensation Plan Board has been in contract with Voya. The contract was renewed for an additional 5 years in 2021.

15

Investment options available within the Deferred Compensation Plan, including 9 age-specific Target Date funds, 5 Core funds, and the Self-Directed Brokerage Account option.

1,110

Total number of Plan participant loans in 2025.

888

Total employees participating in financial wellness activities in 2025 (seminars, consultations, retirement workshops).

Special Funds

Contingency funds cover any unexpected expenses. Funds may only be expended upon Deferred Compensation Board approval.

Contingency (Appropriation Control Account)	TOTAL	\$75,000
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Recent Service Highlights

- Compiled and circulated a comprehensive annual fee disclosure.
- Continued expansion of the Financial Wellness component in the City's Wellness Program.
- Expanded outreach efforts to target employee groups, creating more personalized experiences.
- Increased outreach efforts to new Fire Dept. and Police Dept. protective service employees who are not subject to the City's automatic enrollment and annual re-enrollment program, resulting in increased enrollments and contribution rates.

Pending Ordinance on Disaster-Related Distributions and Loans

As a result of the severe storms, straight-line winds, flooding and mudslides from August 9 through August 12, 2025 throughout the Milwaukee area, many City of Milwaukee employees have been financially impacted by a federally-declared disaster. On October 8, 2025, the City's Finance and Personnel Committee recommended for passage an ordinance enabling amendments to the Deferred Compensation Master Agreements, which would allow for special disaster-related distributions and loans.

This change is permitted by Section 331 of SECURE 2.0, which authorizes special rules for the use of retirement funds in connection with qualified federally-declared disasters. These rules allow for penalty-free disaster distributions up to statutory limits, expanded loan limits and extended repayment periods for disaster-affected participants, and the ability for plans to adopt such provisions on a permanent basis for federally-declared disasters.