MEETING MINUTES
FEBRUARY 3, 2026

CITY OF PASADENA
DEFERRED COMPENSATION
TRUST ADMINISTRATION COMMITTEE

The meeting of the Deferred Compensation Committee of the City of Pasadena was held on Tuesday, February 3, 2026.

The meeting was called to order at 12:08 p.m.

In attendance:

Committee Members	**Staff**	**Other Attendees**
Michael Paliwoda	Karin Schnaider	Jayson Davidson, Fiduciary Consulting Group
Leslie Garica-Brown	Vic Erganian	Keir Tilford, Relationship Manager, Empower
Ruthe Holden	Vanna Lesh	
Raphy Timour		
Jon Hamblen		

Recording Secretary: Gloria Acevedo

APPROVAL OF MINUTES

It was moved by Committee Member Ruthe Holden, seconded by Committee Member Leslie Garcia-Brown, to approve the minutes of the November 4, 2025, meeting as submitted. (Motion Unanimously carried) (Absent, none).

NEW BUSINESS

1. DECEMBER 31, 2025, PERFORMANCE REPORT (Fiduciary Consulting Group)

   Jayson Davidson, Managing Principal, Fiduciary Consulting Group, presented the Fourth Quarter 2025 Performance Report. The Committee discussed key economic, labor and policy related statistics impacting market performance. The U.S. economy continues to show strength in a post-tariff related environment, where Artificial Intelligence investment and consumer spending resilience powered GDP to 4.3% in the Third Quarter. The Fiduciary Consulting Group shared they expect this strength to continue through the

Fourth Quarter GDP prints. Inflation, while still above Federal Reserve (FED) policy targets, has remained in check, and the FED cut interest rates by .25% in the last three rate-setting meetings of the year. Rate cut expectations for the first half of this year are low, and the FED did not take any action at the January meeting. The FED focus appears to have shifted to the labor market, prompting the rate cuts, The Fiduciary Consulting Group expects to see more softness in the labor market during the first half of 2026. World equity and fixed income markets are responding well to the strong U.S. economic back drop and expectations for a new Artificial Intelligence related world.

a) ON WATCH FUND DISCUSSION: Invesco Global Fund, MFS Value, MFS Growth, MFS Mid Cap Growth, and Vanguard Internation Value Fund

The Plan's five watch status options MFS Value, MFS Growth, MFS Mid Cap Growth, Invesco Global, and Vanguard International Value remained in violation of quantitative investment policy parameters at quarter-end and will remain on watch. The MFS Value Fund continues to lag benchmarks and was unable to participate in the slight value rotation during the quarter. The Fiduciary Consulting Group recommended clients holding the MFS Value Fund to evaluate alternative Large Cap Value options and they will prepare a Manager Search Report for presentation at the next meeting. The MFS Growth Fund suffered from underweights in Health Care and the omission of several benchmark-leading names across the sector. The MFS Mid Cap Growth Fund rounded out the year with a lackluster Fourth Quarter as the strategy was weighed down by relative positioning in Communication Services and underweights in several benchmark constituents that resulted in missed return effects. The Invesco Global Fund, as noted in prior quarters, is very top heavy with the top ten security holdings representing over 50% of the Fund's total allocation. Security selection in the technology sector and the zero weight to energy continued to work against relative performance. The Fiduciary Consulting Group prepared several replacement options for the Committee to consider (as noted in item #4 below). Lastly, the Vanguard International Value Fund compounded its weakness for the year by posting a relatively poor Fourth Quarter number. While the strategy, generally, got its sector positioning correct, security selection at large continues to be the major detractor.

b) REVIEW GLOBAL CATEGORY FUND MAPPING SCENARIOS

The Committee again discussed the prospect of removing the Global category and the Invesco Global Fund from the line-up. The Fund holds 1% of Plan assets and may not be necessary in a menu where participants can get the same asset class

coverage across domestic and international category offerings. The Fiduciary Consulting Group prepared an analysis of different asset transfer scenarios, and the committee discussed the pros and cons of each scenario.

It was moved by Committee Member Ruthe Holden, seconded by Chair Michael Paliwoda, to approve the transfer of all assets in the Invesco Global Fund to the EUPAC Fund. (Motion Unanimously carried) (Absent, none).

INFORMATION ONLY

1. EMPOWER PLAN REVIEW REPORT

    a) QUARTERLY SERVICE UPDATE

    Keir Tilford, Empower, Relationship Manager, provided a recap of the Fourth Quarter onsite education and meeting activity conducted by the City's representative. There were 77 individual meetings held during the quarter. Participant demand for all meetings was strong and on several occasions a waitlist was established. Demand was heaviest at the Police Department locations. Mr. Tilford highlighted Empower's recent focus on plan administration technology improvements, aiming to increase efficiency for plan sponsors. In particular, he covered the firm's evolving case management tool that is extended to all plan sponsors to resolve participant and plan issues more quickly. It was noted that the participation rate at the end of the quarter held at 62% and the average contribution rate is 9.1% of salary. Participant loan activity remains higher than reported Empower plan averages with 16.2% of plan participants holding an outstanding loan.

    Mr. Tilford also shared participant investment allocations, broken down by age. The Committee discussed the high equity allocations for older participants. It was requested that Empower provide information on potential educational campaigns targeting this cohort and focusing on proper allocation decisions given investment/retirement time horizon. Additional information on available communication options will be provided at our next quarterly meeting.

    The Committee requested that Mr. Tilford look into whether the Plan offers the participant selected automatic increase feature available through Empower's platform. Additional information on adding or messaging the feature will be provided at the next meeting.

b) MONEY IN MOTION

The Committee reviewed the material in the agenda packet

2. LEGAL/REGULATORY UPDATES (FIDUCIARY CONSULTING GROUP)

Mr. Davidson shared the 457 Fiduciary Advisor Newsletter. No items in the newsletter were highlighted, and no additional legal/regulatory updates were provided.

Open Discussion

Adjournment

With no further business to come before the committee, the meeting adjourned at 1:37 p.m.

5/5/26

Michael Paliwoda, Chair — Date

5/5/26

Gloria Acevedo, Recording Secretary — Date