COMMITTEE:
Mitch Thomas, Firefighter - Chair
Kyle Santuccio, Fire Engineer – Vice Chair
Sarah Ortiz, Payroll Manager – Treasurer
Nathan Hofford, Fire Captain – Education Chair
Michelle Dehoney, HR Analyst II – Secretary
Dustin Rodriques Fire Captain
Cardiff Schmitz, Fire Engineer
Troy Simonick, Retiree Representative
Jim Newcomer, Retiree Representative

DEFERRED COMPENSATION COMMITTEE
February 11, 2026 – 9:00AM
REGULAR MEETING MINUTES

The Deferred Compensation Committee meeting is open to in-person attendance at the Sacramento Metropolitan Fire District Station 32 Meeting Room, 8890 Roediger Lane, Fair Oaks, CA 95628. Citizens may also submit public comment in written form to the Deferred Compensation Committee at deferredcompensationcommittee@metrofire.ca.gov. All public comment received prior to 8:00AM the day of the meeting will be provided to Committee members electronically or in written form. Emails received after 8:00AM the morning of the meeting will become part of the official record and retained by the Secretary but will not be disseminated to the Committee prior to the Committee's action.

OPEN SESSION
Call to Order – 9:03AM
Roll Call – Mitch Thomas
Members Present: Thomas, Santuccio, Dehoney, Rodriquez, Schmitz, Simonick, Newcomer
Members Absent – Ortiz & Hofford

Public Comment:
Persons may address the Committee on items not on this agenda. Please limit comments to 3 minutes per person since the time allocated for Public Comment is 15 minutes. If all comments cannot be heard within the 15-minute time limit, the Public Comment period will be taken up at the end of the regular session. The Committee is not permitted to take any action on items addressed under Public Comment.

1. **Approval of Action Summary Minutes -** Regular Meeting - November 12, 2025
   Motion: Santuccio/Newcomer/Unanimous 7:0
   Ayes: Thomas, Santuccio, Dehoney, Rodriquez, Schmitz, Simonick, Newcomer
   Absent: Ortiz & Hofford
   No public comment

2. **Nationwide Retirement Solutions Quarterly Program Update**
   Presenters: Jim Keeler & Leanne Luttges (Nationwide Retirement Solutions)
   4Q25 Admin Report
   2026 Contribution Limits
   SECURE ACT 2.0 Updates
   4Q Legislative Updates

Mr. Keeler presented the Nationwide Retirement Solutions quarterly update, covering Metro Fire's total asset balance, enrollment numbers, and recent participation efforts. The plan has surpassed $200 million in total assets and added 14 new enrollments during the last quarter. Although the market experienced volatility in 2025, overall returns remained positive. There was also discussion about increased contribution limits for 2026 and the provision allowing members to double their contributions during the three years prior to their normal retirement date.

Mrs. Luttges shared that Nationwide created an FAQ detailing Roth conversion of pretax assets that will be available for distribution. Additionally, it was reported that the wall and wallet shift calendars distributed by Nationwide had an identified error on May 31st. Those are being corrected and reprinted and will be available for distribution soon.

3. Fiduciary Consulting Group Quarterly Program Update

Presenter: Vincent Gallindo (Fiduciary Consulting Group)
Receive a Quarterly Performance Report.

Mr. Gallindo provided an economic and market update and discussed its impact on the Sacramento Metro Fire 457(b) Deferred Compensation Plan. He reported that over $1 trillion was spent in the U.S. during November and December 2025, the highest amount on record. Interest rates were cut three times last year and are expected to be reduced two more times this year. While the unemployment rate has risen slightly, causing some market unease, the overall economy remains relatively strong.

Two funds – Sterling Capital Total Return Bond R6 and MFS Mid Cap Growth R6 remain on the watch list. However, neither fund is being recommended for removal at this time. There are currently no underperforming plans requiring review.

The committee discussed potentially adding a Vanguard 2070 Target Date Fund to the investment lineup, but the decision was postponed to a future meeting.

Plan costs for Nationwide's recordkeeping services have continued to decline, dropping from just over 30 basis points in 2020 to 26.1 basis points currently.

Mr. Gallindo also recommended updating the benchmark for the High Yield Bond section of the Investment Policies & Guidelines. The proposal is to change from the Bloomberg U.S. Corporate High Yield Index to the Bank of America U.S. High Yield Index, as the Bank of America index allows for broader inclusion of fixed-income securities beyond strictly U.S.-based issuers.
Motion: Rodriques/Santuccio/Unanimous 7:0
Ayes: Thomas, Santuccio, Dehoney, Rodriquez, Schmitz, Simonick, Newcomer
Absent: Ortiz & Hofford

Lastly, Mr. Gallindo shared an update on the Market Value Adjustment (MVA) Tracker which is at 97% and is expected to reach or possibly go above 100% soon. Even a small 0.015% change on $175 million in assets equals about $35,000 in added costs. If it goes over 100%, we may look at other options.

4. Treasurers Report (Ortiz)

Reserve Fund Policy

Not discussed at this meeting, will be moved to the May agenda.

5. Education Officer Report (Hofford)

Top Golf Recap

In Mr. Hofford's absence, Mr. Thomas reported that attendance at the event was lower than expected, next time the event is held, will look at doing it further from the holidays so there are not as many conflicts.

Mr. Simonick relayed that reservations have been made for the spring Deferred Comp Committee event which will be held at an A's baseball game. The date of the event is May 3, 2026 and more information will be dispersed soon to all deferred comp members in regards to reserving tickets.

6. Chair Report (Thomas)

401a Update

Mr. Thomas explained that after many discussions in regards to offering an option for contributions into a 401(a) to be utilized for employees at the end of their career who need additional tax deferrals, unfortunately it has been decided that this is not a viable option for Metro Fire. This decision was made after the contract language was run through Fiduciary Consulting Group's legal counsel where it was determined that if an employee can take a cash payout for their sick leave/vacation (sell-back opportunities each year per the MOU), it cannot be invested into a 401(a). If taken as cash, the contribution must be treated as a 401(k) and not 401(a) and public sector employees are not eligible for 401(k) contributions.

7. Old Business

None

8. New Business

2026 Meeting Schedule

Mr. Rodriques discussed financial wellness seminars that are being coordinated by 522 in conjunction with a financial advisor they have worked with through IAFF. There will be three different dates for these wellness seminars in March April and May. Each session will be geared towards different career milestones (those near retirement, those who have 20 years left in their career and those who are 1-10 years from retirement). Discussion topics will likely include Medicare, keeping money in plans, risks, life insurance, PEPRA, and the power of compound interest. More information will be distributed once plans are fully solidified. Nationwide will also be in attendance at the seminars.

9. Adjournment – 10:29AM

2026 Regular Meeting Schedule (Subject to Approval)

Second Wednesday Quarterly at 9:00AM, except where potential holiday conflicts exist.

Wednesday, February 11, 2026 – 9:00AM
Wednesday, May 13, 2026 – 9:00AM
Wednesday, August 12, 2026 – 9:00AM
Wednesday, November 18, 2026 – 9:00AM (adjusted due to Holiday)

Location

Sacramento Metropolitan Fire District Station 32
8890 Roediger Lane
Fair Oaks, CA 95628