

**California Public Agencies
Self-directed Tax Advantaged Retirement System (STARS)
Joint Teleconference of the 401 and 457 Executive Committees**

**Teleconference Minutes
Thursday, February 12, 2026**

Members Present

Deona Knight, Chair
Richard Averett
Joseph Chan, Secretary
Stephen Griswold
Margaret Moggia
Shima Mirzaei
Nila Gonzales

Agency

Regional Government Services Authority
STARS Executive Committee
STARS Executive Committee
Town of Discovery Bay CSD
Town of Discovery Bay CSD
Transbay Joint Powers Authority
Transbay Joint Powers Authority

Others Present

Lindsay Rice	Regional Government Services Authority
Edward Wagner	SageView Advisory Group
Rebecca Searles	SageView Advisory Group
Patrick Raynor	SageView Advisory Group
Patrick Washington	Empower Retirement
Jennifer Seibert	STARS Outreach Coordinator

1. The meeting was called to order by the Chair Knight at 9:00 A.M.
2. Minutes from the November 6, 2025 meeting were approved with no changes.
3. Investment Performance report for the quarter ending 12/31/2025: Patrick Raynor provided a general summary of the capital markets for the fourth quarter as well as a brief overview of recent regulatory and legislative activity. In 2025, U.S. equity markets delivered solid double-digit returns for the third consecutive year, with the S&P 500 up 17.88% and the Russell 2000 gaining 12.81%, supported by strong corporate earnings growth, AI-driven investment, and easing monetary policy from the Federal Reserve. U.S. bonds also performed well, with the Bloomberg U.S. Aggregate Index returning 7.30% amid a steepening yield curve and rate cuts. Developed international stocks outperformed U.S. markets at 31.22%, boosted by favorable valuations, a weaker dollar, and European defense spending. Despite weak labor signals and initial tariff concerns, GDP remained resilient at 4.3% in Q3, and low consumer sentiment historically suggests potential for stronger future equity returns.

The STARS Portfolio as of 12/31/2025 was valued at \$23.1 million, 28 funds in plan: outperforming the Custom Category Averages Benchmark for the 3-month, 1-year, 3- year as well as 5-year time periods.

DFA Intermediate Govt Fixed-Income, Victory Sycamore Small Company Opportunities, and Victory Pioneer Fundamental Growth remain on the Quantitative Watch List, and the T. Rowe Price Overseas Stock I remains on the Qualitative Watch List. Wasatch Core Growth was also placed on the Quantitative Watch List this quarter.

SageView reviewed the underperformance and concerns with the Victory Sycamore Small Company Opportunities, and Victory Pioneer Fundamental Growth funds in detail. Replacement recommendations for both funds were reviewed. SageView will submit the following changes to Empower:

- Victory Pioneer Fundamental Growth R6 → JPMorgan Large Cap Growth R6
- Victory Sycamore Small Company Opp I → PIMCO RAE US Small Instl

4. Patrick Washington presented the Plan Summary Report of record keeping services: There are 11 plans included in the STARS Portfolio; with an average participant account balance of \$37,313, a participation rate of 79% and a contribution rate 15.3%. Mr. Washington reviewed the investment strategy utilization summary and the account registration stats, noting that 441 out of 620 participants with a balance have registered their online account with Empower.

The Plan Performance Insights Report was distributed via email for each individual agency, as well as the combined reporting which was reviewed during the meeting. The RGS Report was also reviewed at a high level noting an average balance for these participants of \$49,282.

5. Administration and Outreach Activities: Jennifer Seibert provided an update on her role as the Outreach Coordinator with RGS. Ms. Seibert reviewed the STARS website traffic noting that new sessions on the website increased from 337 in 2024 to 845 in 2025. She also discussed the ongoing workshops scheduled throughout the year with SageView. There were seven live workshops hosted by Edward Wagner, providing an overview of the STARS program for prospective agencies. Recordings are also available on the website.

The outreach and engagement strategy going forward will continue to rely on measurable data to ensure potential agencies are being reached in the most efficient way possible. Specific ongoing outreach efforts were discussed and will continue to be addressed throughout 2026.

6. Lindsay Rice presented the financial reports as of 12/31/2025 and reported a net income of \$14,345.00. There were no other out of the ordinary expenses that came up for the quarter. Debt obligations to ABAG and RGS will be calculated as of year-end and paid to each respective agency.
7. The next meeting is scheduled for May 20, 2026, at 9:00 a.m.
8. The meeting adjourned at 10:32 a.m.