

BOARD OF INVESTMENT TRUSTEES

Montgomery County Public Schools Retirement System Trust (“Trust”)

February 16, 2024

OPEN SESSION

Board Members Present: *In-Person*
Robert Doody
Robert Reilly
Steve Sleigh, Vice Chair
Ted Urban, Chair

Virtual
Susan Chen
Gena Lai
Lis Lang
Craig Pernick

Others Present: *In-Person*
Cathy Jewell
Christy Kawa
Phoebe Kuan
Sean Meng
Mangala Murthy
Oleg Peltsman
Margaret Belmondo, NEPC
Abigail Fischer, Meketa
Molly LeStage, Meketa

Virtual
Lisa Bacon, Meketa

Colin Hill, Meketa
Jack Larche, Meketa
Ryan Murray, Meketa
Maya Ortiz de Montellano, Meketa

Call to Order

The open session of the meeting of the Board of Investment Trustees (the “Board” or “Trustees”) was called to order at 8:30 a.m.

Review of Minutes

The Board reviewed draft open session minutes for the December 2, 2023, meeting. A motion was made to approve the minutes, and it was seconded. The Board unanimously approved the minutes.

Market Update and Quarterly Performance Report

Margaret Belmondo provided the market update and quarterly performance report through December 31, 2023. The S&P 500 was up by 26.3% for the year, driven by large-cap, specifically attributable to the magnificent seven, which includes Meta, NVIDIA, Amazon, Alphabet, Microsoft, Apple, and Tesla. The total portfolio return was 7.4% in the quarter, below the 7.9% policy benchmark and 8.5% allocation index. The policy index incorporates the target weights for the strategies in the portfolio. The allocation index reflects the weights of the asset classes to which the portfolio has exposure. Lastly, the Board requested Staff to confirm that the yield earned on the cash account is the highest available. Staff will provide an update at the next Board meeting.

Move to Closed Session

A motion was made to go into closed session, and it was seconded. The Board unanimously approved the motion. The meeting went into closed session at 8:51 a.m.

Return to Open Session

The meeting returned to open session at 11:20 a.m.

Meeting Adjournment

A motion was made to adjourn the meeting, and it was seconded. The meeting was adjourned at 11:20 a.m.

Respectfully submitted,
Phoebe Kuan

BOARD OF INVESTMENT TRUSTEES
Montgomery County Public Schools Retirement System Trust (“Trust”)

May 31, 2024
(via videoconference)

OPEN SESSION

Board Members Present: Susan Chen
Robert Doody
Robert Kohn
Lis Lang
Craig Pernick
Robert Reilly
Steve Sleigh, Vice Chair
Ted Urban, Chair

Others Present: Cathy Jewell
Christy Kawa
Phoebe Kuan
Mangala Murthy
Sean Meng
Oleg Peltsman
Margaret Belmondo, NEPC
Kevin Leonard, NEPC
Colin Hill, Meketa
Abigail Fischer, Meketa
Molly LeStage, Meketa
Ryan Murray, Meketa

Call to Order

The open session of the meeting of the Board of Investment Trustees (the “Board” or “Trustees”) was called to order at 8:31 a.m.

Review of Minutes

The Board reviewed draft open session minutes for the February 16, 2024, meeting. A motion was made to approve the minutes, and it was seconded. The Board unanimously approved the minutes.

Move to Closed Session

A motion was made to go into closed session, and it was seconded. The Board unanimously approved the motion. The meeting went into closed session at 8:32 a.m.

Return to Open Meeting

The meeting returned to open session at 11:16 a.m.

Market Update and Quarterly Performance Report

Kevin Leonard reviewed the market update and quarterly performance report through March 31, 2024. The S&P 500 had a strong start to the year outperforming other asset classes as the index rally was helped by other than mega-cap companies' stock performances. Equity and real assets posted positive returns, but credit was in negative territory due to higher yields reflecting lingering high inflation. Overall, the portfolio's allocation is within the policy across the board, while performance YTD (4.9%) is below the allocation index (5.3%) but ahead of policy index (4.8%).

The Staff confirmed that cash balances are reinvested at competitive market-bearing yield. Additionally, Staff confirmed that any stated yield is not truly time-weighted by virtue of the benefit disbursement function of the Aetna account with continuous cash inflows and outflows. Finally, the Staff will follow up with the Trustees at the next meeting on whether the cash account also captures administrative fees.

Move to Return to Closed Session

A motion was made to go back into closed session, and it was seconded. The Board unanimously approved the motion. The meeting went into closed session at 11:36 a.m.

Return to Open Session/Meeting Adjournment

The meeting returned to open session at 11:47 a.m. A motion was made to adjourn the meeting, and it was seconded. The meeting was adjourned at 11:47 a.m.

Respectfully submitted,
Phoebe Kuan

BOARD OF INVESTMENT TRUSTEES
Montgomery County Public Schools Retirement System Trust (“Trust”)

July 19, 2024
(via videoconference)

OPEN SESSION

Board Members Present: Susan Chen
Robert Doody
Robert Kohn
Lis Lang
Gena Lai
Craig Pernick
Robert Reilly
Ted Urban, Chair

Others Present: Cathy Jewell
Christy Kawa
Phoebe Kuan
Sean Meng
Mangala Murthy
Oleg Peltsman
Margaret Belmondo, NEPC
Kevin Leonard, NEPC
Lisa Bacon, Meketa
Abigail Fischer, Meketa
Colin Hill, Meketa
Molly LeStage, Meketa
Maya Ortiz de Montellano, Meketa
Ryan Murray, Meketa

Call to Order

The open session of the meeting of the Board of Investment Trustees (the “Board” or “Trustees”) was called to order at 8:36 a.m.

Review of Minutes

The Board reviewed draft open session minutes for the May 31, 2024, meeting. A motion was made to approve the minutes, and it was seconded. The Board unanimously approved the minutes.

Market Update

Margaret Belmondo reviewed the market update through May 31, 2024. The S&P 500 has been on an upward trend, with a year-to-date gain of 11.3%. The top seven companies in the S&P 500 continue to outperform, now accounting for over 30% of the index. The S&P 500 hit 31 all-time highs this year alone. Although the expectation of slowing inflation is not yet evident, there is some progress. The markets anticipate the Fed will cut rates twice this year. Yields remain attractive across various

fixed income assets, with Bloomberg Aggregate at 4.8%, Bloomberg HY at 7.7%, and US Leveraged Loan at 9.2%.

Move to Closed Session

A motion was made to go into closed session, and it was seconded. The Board unanimously approved the motion. The meeting went into closed session at 8:52 a.m.

Return to Open Meeting

The meeting returned to open session at 11:37 a.m. A motion was made to adjourn the meeting, and it was seconded. The meeting was adjourned at 11:38 a.m.

Respectfully submitted,
Phoebe Kuan

BOARD OF INVESTMENT TRUSTEES

Montgomery County Public Schools Retirement System Trust (“Trust”)

October 11, 2024

OPEN SESSION

Board Members Present: *In-Person*
Robert Kohn
Gena Lai
Lis Lang
Craig Pernick
Robert Reilly
Steve Sleigh, Vice Chair
Ted Urban, Chair

Virtual
Susan Chen

Others Present: *In-Person*
Ivon Alfonso-Windsor
Sachithri Fernando
Cathy Jewell
Phoebe Kuan
Sean Meng
Mangala Murthy
Oleg Peltsman
Kevin Leonard, NEPC
Molly LeStage, Meketa

Virtual
Colin Hill, Meketa
Jack Larche, Meketa
Jake Miller, Meketa
Maya Ortiz de Montellano, Meketa
Adam Toczylowski, Meketa
Leah Tongco, NEPC

Call to Order

The open session of the meeting of the Board of Investment Trustees (the “Board” or “Trustees”) was called to order at 8:35 a.m.

Review of Minutes

The Board reviewed draft open session minutes for the July 19, 2024, meeting. A motion was made to approve the minutes, and it was seconded. The Board unanimously approved the minutes.

Board Discussion

Ted Urban stepped down from his role as Chair of the Board. Following discussion, the Board voted unanimously to elect Steve Sleigh as Chair, Lis Lang as Vice Chair, and Phoebe Kuan as Secretary. After a motion was made and seconded, the Board voted unanimously to approve the following resolution:

RESOLVED, that the Board elects Steve Sleigh as Chair, Lis Lang as Vice Chair, and Phoebe Kuan as Secretary of the Board of Investment Trustees for a one-year term ending October 11, 2025.

Market Update and Quarterly Performance Report

Kevin Leonard provided the market update through August 31, 2024, and quarterly performance report as of June 30, 2024. Equity and fixed income markets have broadly performed positively, with the major indices up year-to-date. Heightened volatility is expected with upcoming interest rate decisions and U.S. elections. The total portfolio return was 1.5% for the quarter, below the 1.7% policy benchmark and allocation index, but above the public defined benefit plans median of 1.0%. As of the fiscal year, the total portfolio return was 12.1%, which is below the allocation index and policy benchmark, which returned 13.3% and 12.5%, respectively. The policy index incorporates the target weights for the strategies in the portfolio. The allocation index reflects the weights of the asset classes to which the portfolio has exposure. Lastly, the Board inquired for an update on the global equity termination. Mangala Murthy informed the Board that the transition was completed in August 2024 except for a small holdback at Fiera, which will be released in 2025.

Move to Closed Session

A motion was made to go into closed session, and it was seconded. The Board unanimously approved the motion. The meeting went into closed session at 9:12 a.m.

Return to Open Session

The meeting returned to open session at 11:48 a.m.

Meeting Adjournment

A motion was made to adjourn the meeting, and it was seconded. The meeting was adjourned at 11:48 a.m.

Respectfully submitted,
Phoebe Kuan

BOARD OF INVESTMENT TRUSTEES
Montgomery County Public Schools Retirement System Trust (“Trust”)

November 22, 2024

OPEN SESSION

Board Members Present: *In-Person*
Robert Doody
Robert Kohn
Gena Lai
Craig Pernick
Robert Reilly
Steve Sleigh, Chair
Ted Urban

Virtual
Lis Lang, Vice Chair

Others Present: *In-Person*
Sachithri Fernando
Cathy Jewell
Phoebe Kuan
Sean Meng
Mangala Murthy
Oleg Peltsman
Margaret Belmondo, NEPC
Kevin Leonard, NEPC
Colin Hill, Meketa
Molly LeStage, Meketa

Virtual
Amy Williams, GRS
Lisa Bacon, Meketa
Abigail Fischer, Meketa
Jack Larche, Meketa
Jacob Miller, Meketa

Call to Order

The open session of the meeting of the Board of Investment Trustees (the “Board” or “Trustees”) was called to order at 8:34 a.m.

Review of Minutes

The Board reviewed draft open session minutes for the October 11, 2024, meeting. A motion was made to approve the minutes, and it was seconded. The Board unanimously approved the minutes.

Annual Actuarial Valuation Presentation

Amy Williams presented the draft Actuarial Valuation as of July 1, 2024, for Montgomery County Public Schools Employees' Retirement and Pension Systems (Plan). An experience review was performed covering the period July 1, 2018, through July 1, 2023, and changes were recommended to be adopted. GRS also recommended changing the amortization method of unfunded actuarial accrued liability not attributable to plan changes as of July 1, 2024, to a closed period. The Staff confirmed that the Board of Education holds the authority to approve the amortization method of unfunded actuarial liability. After discussion, the Board will further review GRS's amortization method recommendation in the closed session.

Market Update and Quarterly Performance Report

Margaret Belmondo provided the market update and quarterly performance through September 30, 2024. Ms. Belmondo also discussed the flow-through effects of the expansionary fiscal position of the upcoming Trump presidency. The total portfolio return was 5.0% for the quarter, below the 5.5% policy benchmark, 5.6% allocation index, and 5.4% public defined benefit plans median. The policy index incorporates the target weights for the strategies in the portfolio. The allocation index reflects the weights of the asset classes to which the portfolio has exposure. Within the Trust's fixed income portfolio, Western Asset Management has been terminated, and the withdrawn funds have been allocated to the previously approved Loomis Sayles Multisector Full Discretion strategy.

Move to Closed Session

A motion was made to go into closed session, and it was seconded. The Board unanimously approved the motion. The meeting went into closed session at 9:16 a.m.

Return to Open Session

The meeting returned to open session at 11:58 a.m.

Meeting Adjournment

A motion was made to adjourn the meeting, and it was seconded. The meeting was adjourned at 11:58 a.m.

Respectfully submitted,
Phoebe Kuan