Defined Contribution Investment Committee

Montgomery County Public Schools Employees
Tax Sheltered Savings Plan and
Deferred Compensation Plan ("Plans")

MINUTES OF THE QUARTERLY MEETING

June 5, 2026
(via videoconference)

OPEN SESSION

Committee Members Present:	Ivon Alfonso-Windsor Susan Chen, Vice Chair Kim Houser Paul Klein Craig Pernick, Chair
Others Present:	Betsy Donahue Parker Griffie Cathy Jewell Phoebe Kuan Oleg Peltsman Kevin Romy Cristina Vidal Robert Gifford, MCPS Oliver Llewellyn, MCPS Sarah Boctor, RVK Inc. Samia Khan, RVK Inc. Camille Klar, RVK Inc.

Call to Order/Approval of Minutes

Craig Pernick called the open session of the Defined Contribution Investment Committee ("Committee") meeting to order at 1:04 p.m. The Committee reviewed a draft of the open minutes for the February 6, 2026, meeting. A motion was made for the approval of the minutes, and it was seconded. The Committee unanimously approved the open meeting minutes with Paul Klein abstaining.

Committee Discussion

Officers of the Committee serve a one-year term. After discussion, a motion was made and duly seconded, and the following resolution was unanimously passed:

RESOLVED, that the Committee elects Craig Pernick to serve as Chair, Susan Chen as Vice Chair, and Phoebe Kuan as Secretary of the Defined Contribution Investment Committee for a one-year term for Fiscal Year 2027, ending on June 30, 2027.

Investment Performance Analysis Q1 2026

Sarah Boctor presented the performance of public markets as of Q1 2026. Overall, U.S. equity markets were volatile due to uncertainty stemming from the military conflict in Iran and a stronger dollar coupled with repricing of tech and AI companies. The S&P 500 declined -4.33% in the quarter. Aggregate bond markets ended the quarter negative, with the Bloomberg U.S. Agg Bond index off -0.05%, driven by rising Treasury yields.

Samia Khan presented the MCPS Plans with current assets totaling $2.2 billion, comprising $1.9 billion in the 403(b) and $310.0 million in the 457(b). Overall, in Q1 2026, passively managed investment options were tracked in line with their related benchmarks with some slight outperformance due to fair value pricing in international indices. Actively managed funds produced mixed results. Underperformance by actively managed funds was driven by underexposure to energy commodities and quality tilts within large cap equities. Tracking error is expected to decline among the passively managed investment options. Asset growth in both plans is attributed to growth in the market and increased participation. From a fee standpoint, overall options remain competitive with peers.

Closed Session

A motion was made to move to a closed session, and it was seconded. The Committee unanimously approved the motion. The meeting went into a closed session at 1:29 p.m.

Adjournment

Upon a motion duly made and seconded, the meeting was adjourned at 2:26 p.m.

Respectfully submitted,
Parker Griffie