

BOARD OF INVESTMENT TRUSTEES
Montgomery County Public Schools Retirement System Trust

May 31, 2019
Carver Educational Services Center
Room 134
850 Hungerford Drive
Rockville, Maryland 20850

OPEN SESSION

Board Members Present: Susan Chen, Vice Chair
Nicola Diamond
Robert Doody
Marcelia Freeman
Joanne Hill
Robert Kohn
Craig Pernick
David Schick
Monte Tarbox
Andrew Zuckerman

Others Present: Marisa Grant
Susan Lau
Rhett Humphries, NEPC
Keith Stronkowsky, NEPC

Call to Order/Approval of Minutes

Susan Chen called the meeting to order at 8:30 a.m. The Board welcomed two new appointees—Marcelia Freeman and Robert Kohn. The Board reviewed a draft of the open session minutes of the February 22, 2019, meeting. A motion was made for the approval of the minutes as amended, and it was seconded. The Board unanimously approved the minutes.

Motion to Close Meeting

The Board discussed closing the meeting to review the investments in private partnerships and the possible additions and redemptions from investment managers. Mrs. Chen read a closing statement. 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 8:35 a.m.

Return to Open Meeting

The meeting returned to open session at 11:00 a.m.

First Quarter 2019 Investment Portfolio Analysis

Rhett Humphries reviewed the performance of capital markets and the pension portfolio for the quarter ending March 31, 2019. The drawdown experienced in the fourth quarter of 2018 was essentially recouped in the first quarter of 2019. The total portfolio gained 7.8% in the quarter. The return lagged the 8.2% return of the allocation index and the 8.4% return of the policy index. For the nine months of Fiscal Year 2019, the portfolio's return of 1.8% matched the return of the allocation index but lagged the policy benchmark return of 2.6%. The allocation index reflects the weights of the asset classes to which the portfolio has exposure. The policy benchmark incorporates the target weights for the strategies in the portfolio.

Motion to Close Meeting

The Board discussed closing the meeting to discuss the investments in private partnerships and the possible additions and redemptions from investment managers. Mrs. Chen read a closing statement. 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 11:20 a.m.

Return to Open Meeting/Meeting Adjournment

The Board returned to open session, and, upon a motion duly made and seconded, the meeting was adjourned at 12:00 p.m.

Respectfully submitted,
Marisa Grant