

**Defined Contribution Investment Committee**  
**Montgomery County Public Schools Employees**  
**Tax Sheltered Savings Plan and**  
**Deferred Compensation Plan (“Plans”)**

**MINUTES OF THE QUARTERLY MEETING**

November 2, 2023  
(via videoconference)

**OPEN SESSION**

Committee Members Present: Susan Chen, Vice Chair  
Craig Pernick, Chair  
Robert Reilly  
Oriole Saah

Others Present: Cathy Jewell  
Christy Kawa  
Phoebe Kuan  
Sean Meng  
Mangala Murthy  
Oleg Peltsman  
Cristina Vidal  
Sarah Boctor, RVK Inc.  
Samia Khan, RVK Inc.  
Trey PetersonWood, 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 1:17 p.m. The Committee reviewed a draft of the open minutes for the August 3, 2023, meeting. A motion was made for the approval of the minutes, and it was seconded. The Committee unanimously approved the open meeting minutes.

**Investment Performance Analysis Q3 2023**

Samia Khan presented the performance of public markets as of Q3 2023. Overall, financial markets pulled back from the prior quarter’s rally due to mixed signals regarding the health of the economy with potential continued Fed rate increases and the downgrade of U.S. debt by Moody’s.

Sarah Boctor provided an update on the MCPS Plans with current assets totaling \$1.6 billion, including \$1.39 billion in the 403(b) and \$210 million in the 457(b). Market value has declined slightly due to more fund outflows than inflows and market performance. In Q3 2023, passively managed investment options were tracked in line with their related benchmarks, while actively managed options were mixed in relation to their related benchmarks. RVK will continue to monitor the actively managed options closely. Tracking errors increased slightly from last quarter but were still in the expected range. From a fee standpoint, overall fund options remain competitive with peers.

### **Target Date Fund Review**

Ms. Boctor presented the Target Date Fund (TDF) Review. Overall, RVK holds a favorable view of TDFs, with no changes recommended. Vanguard TDFs are the default investment option for MCPS, and performance is in line with peers with fees that are lower than peers. A notable change is the launch of the 2070 TDF.

### **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 1:39 p.m.

### **Adjournment**

Upon a motion duly made and seconded, the meeting was adjourned at 1:53 p.m.

Respectfully submitted,  
Sean Meng