

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

**MINUTES OF THE QUARTERLY MEETING**

August 1, 2024  
(via videoconference)

**OPEN SESSION**

Committee Members Present: Susan Chen, Vice Chair  
Rob Kohn  
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 1:32 p.m. The Committee reviewed a draft of the open minutes for the June 7, 2024, meeting. A motion was made for the approval of the minutes, and it was seconded. The Committee unanimously approved the open meeting minutes.

**Defined Contribution (“DC”) Legislative & Regulatory Overview**

Samia Khan presented the annual DC Legislative and Regulatory Overview. Ms. Khan gave an update on SECURE 2.0, which Congress passed at the end of 2022. The extensive overhaul of the bill warrants additional clarity and regulatory guidance. A majority of the 90 provisions in the bill are optional, and Staff, legal counsel, and RVK are discussing internally whether any of the changes are applicable to MCPS Plans. In addition, Ms. Khan gave an update on the Department of Labor’s Retirement Security Rule, which revised the definition of fiduciary investment advice under ERISA. Lastly, Ms. Khan updated the Committee on various lawsuits filed against ERISA DC plan sponsors.

DRAFT

## **Investment Performance Analysis Q2 2024**

Ms. Khan presented the performance of public markets as of Q2 2024. U.S. Equity markets ended the second quarter higher, primarily driven by the mega-cap growth stocks. The S&P 500 returned 4.28% for the quarter. Fixed income markets were flat, with the Bloomberg U.S. Aggregate Bond index producing a 0.07% gain for the quarter.

Sarah Boctor reviewed the investment performance of MCPS Plans with current assets totaling \$1.84 billion. Overall, in Q2 2024, the passively managed investment options tracked in line with benchmarks, and actively managed options had mixed results compared to their respective benchmarks. Asset growth in both plans is attributed to the growth in the market. Staff is working with Fidelity and RVK to transition Vanguard TSM Index fund to a lower fee share class schedule based on aggregate assets across both plans.

## **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 2:18 p.m.

## **Adjournment**

Upon a motion duly made and seconded, the meeting was adjourned at 2:46 p.m.

Respectfully submitted,  
Sean Meng