



Board of Trustees Meeting Minutes

Tuesday, September 1, 2026; 10:00 a.m.
Kenilworth Office Building
Riverdale, MD
Virtual Meeting via Microsoft Teams

The Maryland-National Capital Park and Planning Commission "Commission" Employees' Retirement System "ERS" Board of Trustees "Board" met virtually via TEAMS on Tuesday, September 1, 2026. The meeting was called to order at 10:00 a.m. by Vice Chair Hedrick.

Board Members Present

James Hedrick, Vice Chair, Montgomery County Commissioner
William Spencer, M-NCPPC Acting Executive Director, Ex-Officio
Gavin Cohen, M-NCPPC Secretary-Treasurer, Ex-Officio
Pamela F. Gogol, Montgomery County Public Member
Connor Klein, Prince George's County Open Trustee
Tanya Hankton, Bi-County Open Trustee
Caroline McCarthy, Montgomery County Open Trustee
Lisa Blackwell-Brown, MCGEO Represented Trustee
Sgt. Anton White, FOP Represented Trustee
Sheila Morgan-Johnson, Prince George's County Public Member

Arrived at 10:11 a.m.

Employees' Retirement System Staff Present

Jaclyn Harris, Executive Director
Leslie Harmon, Deputy Executive Director
Alicia C. Stanford, Administrative Specialist
Brenda Corado Sigaran, Accountant

Others Present

Michael "Wes" Aniton, Deputy General Counsel, M-NCPPC Office of the General Counsel

Meeting Presenters

Meketa Investment Group - Mary Mustard, CFA; Aaron Lally, CFA, CAIA, CIPM; and Gloria Hazard, CFA

Item 1.A. Approval of September 1, 2026 Agenda

Action: Ms. Gogol made a motion, seconded by Mr. Spencer to Approve the Agenda for September 1, 2026. The motion Passed 9-0. Motion #26-28.

Item 1.B. Approval of July 7, 2026 Minutes

Action: Mr. Spencer made a motion, seconded by Ms. Hankton to Approve the Minutes from July 7, 2026. The motion Passed 9-0. Motion #26-29.

Item 2. Chair's Items

Item 2.A. 2026 Training and Conference Summary – No notable discussion from the Board.

Item 2.B. Montgomery County Commissioner Re-appointment

Acknowledgement of the Re-appointment of James Hedrick as the Montgomery County Commissioner Trustee for the term ending June 30, 2029.

Action: Ms. McCarthy made a motion, seconded by Mr. Spencer to Acknowledge the Re-appointment of James Hedrick as the Montgomery County Commissioner Trustee for the term ending June 30, 2029. Vice Chair Hedrick abstained from the vote. The motion Passed 8-0-1. Motion #26-30.

Item 3. Consultant/Manager Presentations

Item 3.A. Meketa Investment Group

Item 3.A.i. Q2 2026 Investment Performance Report

Ms. Mustard reviewed the Q2 2026 fiscal year-end investment performance report. She reported that capital markets experienced a strong second quarter, driven by resilient corporate earnings, moderate inflation, and positive market sentiment. She noted that while there was slight underperformance relative to the policy benchmark during the quarter, the Employees' Retirement System achieved strong absolute returns.

Total plan assets were approximately \$1.3 billion as of June 30, 2026. The Total Fund returned 12.7% for the fiscal year, compared to 13.0% for the policy benchmark. The majority of asset classes produced positive returns, with domestic and international equities contributing strongly to overall performance.

Ms. Mustard reviewed the fund's watch list and reported that no managers currently warranted watch list status. She further noted that passive investment managers continued to closely track their respective benchmarks.

Item 3.A.ii. July 31, 2026 Investment Performance Report

Ms. Mustard reported that as of July 31, 2026, total plan assets remained approximately \$1.3 billion, and the Total Fund returned -0.7% for the month.

The Board discussed the high-yield bond allocation and the performance of Polen Capital. Ms. Mustard stated that Polen's recent underperformance was attributable to several individual holdings and that Meketa continues to monitor the manager regularly. She indicated no material concerns for Polen Capital.

In response to questions concerning private equity performance, Ms. Mustard reiterated that relative performance between private and public markets tends to move in cycles and emphasized the importance of maintaining a long-term investment perspective. She emphasized that private equity remains an important component of the portfolio and continues to offer diversification benefits despite recent periods of relative weakness.

Item 3.A.iii. Unicorns Reconsidered

Mr. Lally presented an educational session entitled "Unicorns Reconsidered". He explained that a "unicorn" refers to a privately held company valued at more than \$1 billion.

Mr. Lally noted the recent trend of increased attention surrounding large private companies, including SpaceX, OpenAI, and Anthropic, and the anticipated pipeline of future initial public offerings (IPOs). He discussed the evolution of the unicorn market, observing that these companies are no longer rare, with approximately 1,700 companies currently meeting the definition.

Mr. Lally reviewed the history of companies designated as unicorns and explained that the label alone has not reliably predicted long-term success. He noted that while some companies, such as Uber and Airbnb, became large and successful public companies, many others did not achieve comparable outcomes.

Historical IPO performance was compared to newly public companies. IPOs have generally underperformed the broader market over the most recent three-year period. Mr. Lally explained that large technology companies with established revenue streams have historically demonstrated stronger post-IPO performance.

Mr. Lally also discussed changes in capital markets that have blurred the distinction between private and public companies. He explained that a growing share of economic activity now occurs within private markets and that large private companies are increasingly incorporated into market indexes shortly after becoming public.

Mr. Lally emphasized that the ERS gains broad exposure to private market opportunities through its diversified private equity program and, subsequently, through public market index exposure once companies become publicly traded. He advised Trustees against attempting to select or pursue individual IPO opportunities and reiterated the Board's fiduciary responsibility to focus on long-term investment objectives, prudent risk management, and strategic asset allocation.

Item 4. Committee Reports/Recommendations

Item 4.A. Audit Committee

Mr. Cohen reported that at the August 4, 2026 meeting the Audit Committee met with newly appointed auditors, CliftonLarsonAllen, LLP, regarding the FY2026 audit. During the meeting, the auditors reviewed the FY2026 audit plan, the engagement team, audit scope, timeline, and the respective responsibilities of the auditors, management, and governance. Mr. Cohen noted that the Committee identified no areas of concern and that the auditors indicated the audit remains on track for completion within the established schedule.

Item 4.A. Administration and Personnel Oversight Committee

Mr. Cohen reported that the Personnel Committee met on August 20, 2026 for a special meeting to discuss and review the proposed amended ERS FY2027 Operating Budget. The proposed changes add \$293,000 to the budget and include operational and administrative improvements as recommended by The Segal Group following their organizational study. After discussion, the Personnel Committee came to a consensus to move forward with recommending the amended FY2027 Operating Budget of \$3.8 million, or a 3.7% increase over FY2026, to the Board for approval.

Action: Mr. Spencer made a motion, seconded by Ms. Gogol to Approve the Amended FY2027 ERS Operating Budget of \$3.8 million. The motion Passed 10-0. Motion #26-31.

Item 5. Executive Director's Report

Ms. Harris reported that staff will attend the Retirees' Annual Fall Picnic on September 15, 2026. She also informed the Board that staff are in the process of preparing the Annual Comprehensive Financial Report (ACFR) for the auditors' review. In early August, staff submitted June 30, 2026 actuarial data to Cheiron for the preparation of the annual actuarial valuation report, which is expected to be presented to the Board at its November meeting. Ms. Harris also noted that internal communications within the ERS have been enhanced through the implementation of a monthly staff newsletter, with two editions distributed to date.

Item 6. Closed Session

Action: At 10:51 a.m., Ms. McCarthy made a motion, seconded by Ms. Gogol to go into closed session under authority of the General Provisions Article of the Annotated Code of Maryland Section 3-305(b)(5) to consider matters directly concerning the actual investment of public funds under the authority of this Board. The motion Passed 10-0. Motion #26-32.

Board of Trustees in Closed Session: Vice Chair Hedrick, Sheila Morgan-Johnson, Connor Klein, Tanya Hankton, Anton White, Caroline McCarthy, Pamela Gogol, Gavin Cohen, William Spencer, and Lisa Blackwell-Brown.

The Board meeting of September 1, 2026, adjourned at 11:07 a.m.

Respectfully,



Jaclyn Harris — Executive Director



Alicia C. Stanford - Administrative Specialist