

# MONTANA

## BOARD OF INVESTMENTS

REGULAR BOARD MEETING  
August 10-11, 2021

### COMMITTEE MEETINGS

- A. Audit Committee – Maggie Peterson, Chair** **9:30 AM**
1. Public Comment – *Public Comment on issues with Committee Jurisdiction*
  2. Approval of June 1, 2021, Committee Minutes
  3. Executive Director Comments
  4. Audit Checklist
- B. Loan Committee – Jack Prothero, Chair** **10:00 AM**
1. Public Comment – *Public Comment on issues with Committee Jurisdiction*
  2. Approval of June 1, 2021, Committee Meeting Minutes
  3. Executive Director Comments
  4. INTERCAP Loan Requests - **Decisions**
  5. INTERCAP Modernization - **Decision**

**BREAK** **10:45 AM**

- Tab 1 CALL TO ORDER – Karl Englund, Chairman** **11:00 AM**
- A. Notice of Video Recording of Meeting
  - B. Roll Call
  - C. Public Comment – *Public Comment on issues with Board Jurisdiction*
  - D. Approval of the June 1-2, 2021, Meeting Minutes
  - E. Administrative Business
    1. Audit Committee Report
    2. Loan Committee Report
  - F. Comments from TRS and PERS Board Members
  - G. Comments from Board Legislative Liaisons

- Tab 2 EXECUTIVE DIRECTOR REPORTS – Dan Villa** **11:15 AM**
- A. Member Requests from Prior Meeting
  - B. Monthly Snapshot
  - C. Monthly Website Traffic
  - D. Benchmarks Used by the Board
  - E. Budget Status Prior Fiscal Year
  - F. FY22 Budget – **Decision**
  - G. Custodial Bank RFP Results - **Decision**

**BREAK FOR LUNCH** **12:00 PM**

- Tab 3 MONTANA LOAN PROGRAM – Doug Hill** **1:00 PM**
- A. Commercial and Residential Portfolios Report

**Tab 4 BOND PROGRAM – Louise Welsh** **1:15 PM**  
A. INTERCAP  
1. Activity Report  
2. Staff Approved Loans Report  
3. Annual Detail Report

**Tab 5 STIP Investment Policy Statement Revision – John Romasko,CFA – Decision** **1:30 PM**

**Tab 6 Work Plan** **1:45 PM**  
A. Coal Severance Tax Trust Review – John Romasko, CFA

**BREAK** **2:15 PM**

**Tab 7 WORK PLAN** **2:30 PM**  
A. Real Assets Asset Class Review – Ethan Hurley, CAIA

**Tab 8 RVK, Inc.** **3:30 PM**

**ADJOURN**

**AGENDA DAY 2**

**RECONVENE AND CALL TO ORDER – Karl Englund, Chairman** **9:30 AM**  
A. Roll Call  
B. Notice of Video Recording of Meeting  
C. Public Comment – *Public Comment on issues with Board Jurisdiction*

**Tab 9 INVESTMENTS – NEW COMMITMENTS** **9:45 AM**  
A. Real Estate/Real Assets – Ethan Hurley, CAIA  
B. Private Investments – Thomas Winkler, CAIA

**BREAK** **10:30 AM**

**Tab 10 INVESTMENT UPDATE** **10:45 AM**  
A. **CIO Update** – Jon Putnam, CFA, FRM, CAIA  
B. **Macro Attribution** – Eron Krpan, CFA, CIPM  
C. **Private Investments** – Michael Nguyen  
D. **Real Estate** – Ethan Hurley, CAIA  
E. **Real Assets** – Ethan Hurley, CAIA  
F. **Core Fixed Income** – John Romasko, CFA  
G. **Non-Core Fixed Income** – Rande Muffick, CFA  
H. **Domestic Equity** – Rande Muffick, CFA  
I. **International Equity** – Rande Muffick, CFA  
J. **STIP** – Kirsten Haswell  
K. **State Fund** – John Romasko, CFA  
L. **Trust Funds Investment Pool** – John Romasko, CFA

**RECAP OF STAFF TO DO LIST AND ADJOURNMENT – Karl Englund, Chairman** **12:00 PM**

# MONTANA

## BOARD OF INVESTMENTS

### REGULAR BOARD MEETING MINUTES

June 1-2, 2021

Meeting recordings are posted at: <https://leg.mt.gov/lspd/>

#### Call to Order

The Board of Investment's meeting was called to order by Chairman Karl Englund at 1:00 p.m. on Tuesday, June 1, 2021.

#### Attendance

Board Members Present: Chairman Karl Englund, Jack Prothero, Jeff Greenfield, Bruce Nelson, Diane Fladmo, Maggie Peterson, Mark Barry, Jeff Meredith, Terry Cohea

Board Members Absent: None

Legislative Liaisons Present: Sen. Ryan Osmundson, Rep. Ken Walsh

Board Staff Present: Dan Villa, Dan Whyte, Dan Zarling, Doug Hill, Emily Kovarik, Eron Krpan, Ethan Hurley, Jason Brent, John Carpenter, John Romasko, Jon Putnam, Julie Feldman, Kelsey Gauthier, Kirsten Haswell, Lindsay Ford, Louise Welsh, Mark Lodman, Michael Nguyen, Peggy MacEwen, Peggy Saarela, Polly Boutin, Rande Muffick, Roberta Diaz, Savannah Morgan, Sheli Jacoby, Steve Strong, Teri Kolnik, Thomas Winkler, Tim House, Sam Holman, Daric Thompson, Oliver Moon

Interested Parties Present: Mark Higgins, Becky Gratsinger, Jim Voytko – RVK; Joseph Schulman, Lara Clarke, Deasee Phillips, Tom Klugherz – JP Morgan; Rebecca Power – Legislative Services Division

#### **June 1, 2021**

##### **Tab 1 CALL TO ORDER (08:00:18)**

##### **A. Notice of Video Recording (08:00:20)**

Chairman Englund advised of audio and video recording of the meeting.

##### **B. Roll Call (08:00:28)**

Roll was taken: nine Board members were present, forming a quorum.

##### **C. Public Comment (08:01:17)**

Chairman Englund asked for public comment. None was given.

##### **D. Approval of Minutes (08:01:34)**

April 20, 2021, Regular Board Meeting

Member Peterson moved to approve. Member Fladmo seconded the motion which passed unanimously.

**E. Administrative Business**

**1. Audit Committee Report (08:02:26)**

Chair Peterson briefed the Board.

- Chair Peterson moved to approve the Audit Committee Charter as amended. Member Barry seconded the motion which passed unanimously.
- Chair Peterson moved to approve the Governance Policy as submitted. Member Fladmo seconded the motion which passed unanimously.

**2. Loan Committee Report (08:08:11)**

Chair Prothero and MFFA Executive Director Adam Gill briefed the Board.

- Chair Prothero moved to approve the Marcus Daly Memorial Hospital Master Loan Agreement as presented by MFFA Executive Director Gill. Member Nelson seconded the motion which passed unanimously.
- Chair Prothero moved to approve the Community Hospital of Anaconda Master Loan Agreement as presented by MFFA Executive Director Gill. Member Cohea seconded the motion which passed unanimously. Chair Prothero noted Executive Director Dan Villa recused himself from the discussion.
- Chair Prothero moved to approve the Loan Policy revisions as submitted. Member Cohea seconded the motion which passed unanimously.

**3. HR Committee Report (08:15:52)**

Chair Cohea briefed the Board.

- Chair Cohea moved to approve the exempt staff salary adjustments as recommended by the HR Committee. Member Fladmo seconded the motion which passed unanimously.
- Chair Cohea moved to approve the exempt staff job descriptions as recommended by the HR Committee. Member Fladmo seconded the motion which passed unanimously.

**F. Comments from TRS and PERS Board Members (08:18:14)**

Member Greenfield and Member Peterson briefed the Board.

**G. Comments from Board Legislative Liaisons (08:23:43)**

Sen. Osmundson briefed the Board.

**Tab 2 EXECUTIVE DIRECTOR REPORTS (08:25:35)**

**A. Member Requests or Follow up from Prior Meeting**

Executive Director Villa briefed the Board.

**B. Monthly Snapshot**

Executive Director Villa briefed the Board.

**C. Monthly Web Traffic**

Executive Director Villa briefed the Board.

**D. Budget Status YTD**

Executive Director Villa briefed the Board.

**E. LPAC Cost Reports**

Executive Director Villa briefed the Board.

**Tab 3 MONTANA LOAN PROGRAM (08:29:57)**

**A. Commercial and Residential Portfolios Report**

Doug Hill briefed the Board and answered questions.

**Tab 4 BOND PROGRAM (09:11:52)**

**A. INTERCAP**

Louise Welsh briefed the Board and answered questions.

1. Activity Summary
2. Staff Approved Loans Report
3. Overview and Program Highlights

**Tab 5 INVESTMENTS – NEW COMMITMENTS**

**A. Real Estate/Real Assets (09:23:52)**

Ethan Hurley and Jon Putnam briefed the Board and answered questions.

**B. Private Investments (09:42:56)**

Thomas Winkler and Jon Putnam briefed the Board and answered questions.

**Tab 6 WORK PLAN (09:58:49)**

**A. Policy Statement Review**

John Romasko and Jon Putnam briefed the Board and answered questions.

1. STIP IPS

Member Prothero moved to approve the investment policy statement as presented. Member Cohea seconded the motion which passed unanimously.

2. Public Retirement Plans IPS

Member Prothero moved to approve the investment policy statement as presented. Member Fladmo seconded the motion which passed unanimously.

3. State Fund IPS

Member Barry moved to approve the investment policy statement as presented. Member Greenfield seconded the motion which passed unanimously.

4. Permanent Coal Trust IPS

Member Prothero moved to approve the investment policy statement as presented. Member Peterson seconded the motion which passed unanimously.

**Tab 7 CORE FIXED INCOME ASSET CLASS REVIEW. (10:13:39)**

John Romasko, Jon Putnam, and members of the Fixed Income Team briefed the Board and answered questions.

**June 2, 2021**

**CALL TO ORDER**

**A. Notice of Video Recording (08:00:15)**

Chairman Englund advised of audio and video recording of the meeting.

**B. Roll Call (08:00:19)**

Roll was taken: eight Board members were present, forming a quorum.

**C. Public Comment (08:09:22)**

**Tab 8 REAL ESTATE ASSET CLASS REVIEW (08:09:40)**

Ethan Hurley and Jon Putnam briefed the Board and answered questions.

**Tab 9 RVK (09:30:10)**

Jim Voytko, Mark Higgins, Becky Gratsinger, and Jon Putnam briefed the Board and answered questions.

**Tab 10 INVESTMENT UPDATE**

**A. CIO Update – Jon Putnam, CFA, FRM, CAIA (10:26:45)**

Jon Putnam briefed the Board and answered questions.

**B. Macro Attribution – Eron Krpan, CFA, CIPM (10:50:32)**

Eron Krpan briefed the Board and answered questions.

**C. Private Equity – Michael Nguyen (11:03:41)**

Michael Nguyen briefed the Board and answered questions.

**D. Real Estate – Ethan Hurley, CAIA (11:13:16)**

Ethan Hurley briefed the Board and answered questions.

**E. Real Assets – Ethan Hurley, CAIA (11:18:21)**

Ethan Hurley briefed the Board and answered questions.

**F. Core Fixed Income – John Romasko, CFA (11:23:50)**

John Romasko briefed the Board.

**G. Non-Core Fixed Income – Jason Brent, CFA, CAIA (11:26:58)**

Jason Brent briefed the Board and answered questions.

**H. Domestic Equity – Rande Muffick, CFA (11:33:19)**

Rande Muffick briefed the Board and answered questions.

- I. **International Equity** – Rande Muffick, CFA (11:45:40)  
Rande Muffick briefed the Board and answered questions.
- J. **STIP** – Kirsten Haswell (11:54:37)  
Kirsten Haswell briefed the Board.
- K. **State Fund** – John Romasko, CFA (11:55:52)  
John Romasko briefed the Board and answered questions.
- L. **Trust Funds Investment Pool** – John Romasko, CFA (11:57:49)  
John Romasko briefed the Board and answered questions.

### RECAP OF STAFF TO DO LIST AND ADJOURNMENT

Chairman Englund and Executive Director Villa listed items to recap.  
Chairman Englund adjourned the meeting at 2:55 pm.

### MONTANA BOARD OF INVESTMENTS

APPROVE: \_\_\_\_\_  
Karl J. Englund, Chairman

ATTEST: \_\_\_\_\_  
Dan Villa, Executive Director

DATE: August 13, 2021

# MONTANA

## BOARD OF INVESTMENTS

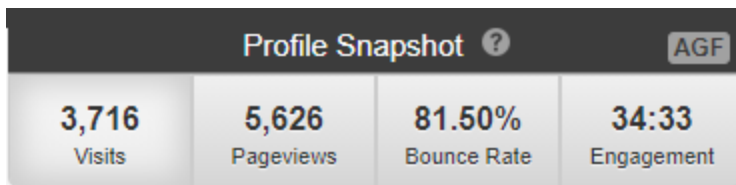
To: Members of the Board  
 From: Dan Villa, Executive Director  
 Date: 7/22/2021  
 Re: August Executive Director Report

A. Member Requests from Prior Meeting

B. Monthly Snapshot – *attached*

C. Monthly Website Traffic

	Pages	Pageviews	Unique Views	Landings	Exits	Time on Page
1	/	1,204	1,068	1,036	694	16:26
2	/loanprograms	994	967	895	886	04:17
3	/2020meetings	442	424	402	413	23:59
4	/meetings	304	249	125	194	10:01
5	/stip	258	227	123	135	13:12
6	/unifiedinvestments/quarterlyperformancereports	241	207	146	160	04:43
7	/investments	225	178	58	68	02:29
8	/stip/dailyfactoryield	191	167	102	151	13:13
9	/annualreportsaudits	158	144	95	110	16:28
10	/board/boardmembers	130	106	50	68	07:23



D. Benchmarks Used by the Board – *attached*

E. Budget Status Prior Fiscal Year – *attached*

A combination of vacancy savings and reduced operating expenses (mostly travel) more than offset higher than anticipated costs in supplies and materials (IT upgrades, conference room and telework upgrades). There was a positive contribution to working capital which will help us cash flow in the first several months of the year as our numerous contract renewals process through September. We will be tracking working capital throughout the first quarter. We will be posting for the vacant investment analyst soon.

F. FY22 Budget – **Decision**



The budget (attached) represents our request to the Legislature. Operating budgets reflect anticipated contract cost increases. Peg and I are happy to answer any questions. ***At this time I request the Board pass a motion to approve the FY22 budget.***

G. Custodial Bank RFP Results – ***Decision***

A memo and recommendation will be forthcoming. Final scoring will take place the week of August 2.

**MBOI Snapshot**  
**Asset Management View**  
**6/30/2021 Unaudited**  
**Assets Under Management \$24,913,829,091**



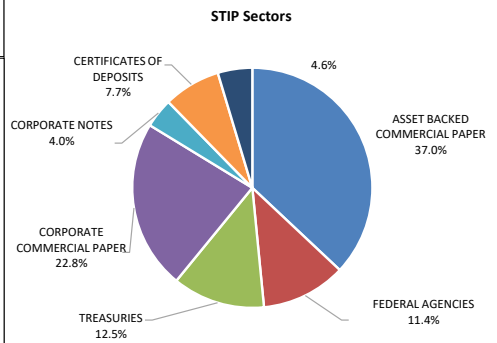
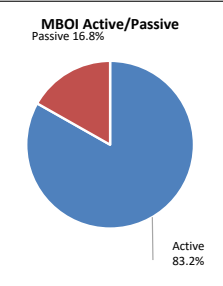
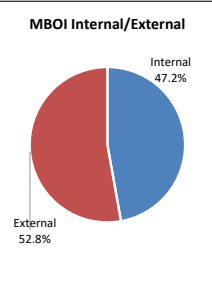
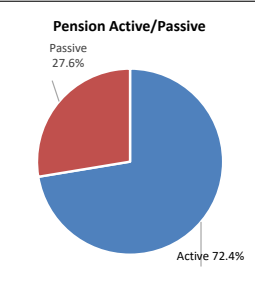
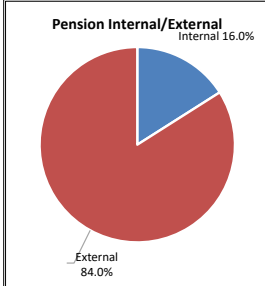
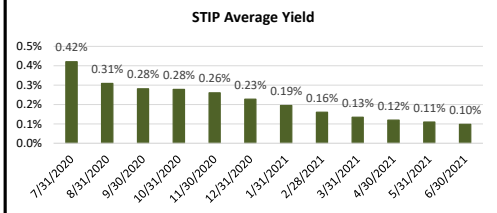
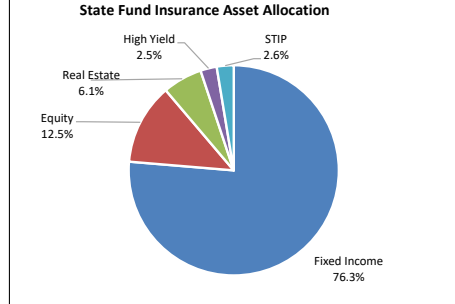
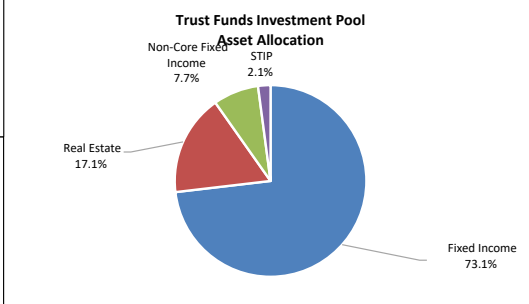
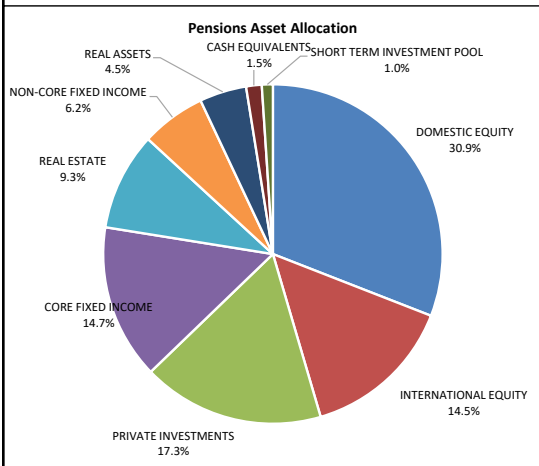
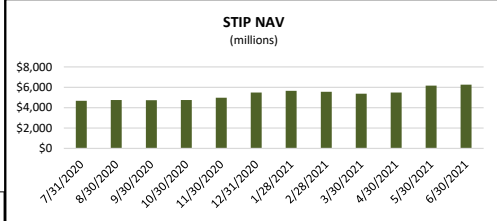
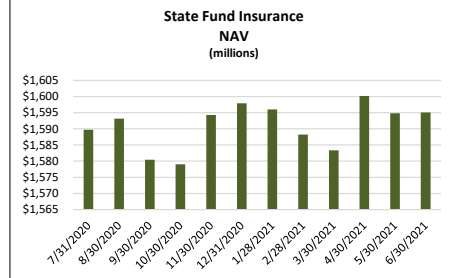
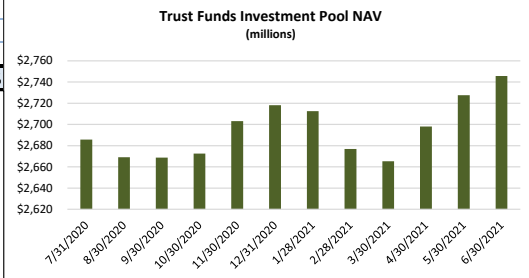
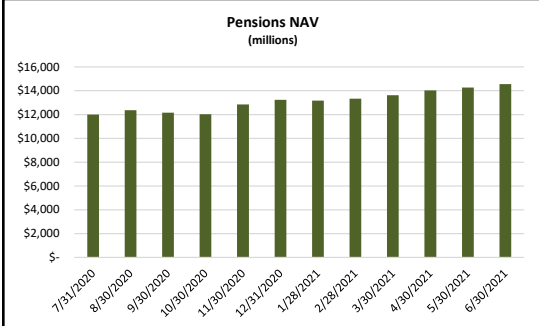
Pensions	NAV	%
DOMESTIC EQUITY	\$ 4,499,360,649	30.9%
INTERNATIONAL EQUITY	\$ 2,522,020,308	17.3%
PRIVATE INVESTMENTS	\$ 2,144,265,319	14.7%
CORE FIXED INCOME	\$ 2,114,575,434	14.5%
REAL ESTATE	\$ 1,354,895,192	9.3%
NON-CORE FIXED INCOME	\$ 894,926,383	6.2%
REAL ASSETS	\$ 650,986,270	4.5%
CASH EQUIVALENTS	\$ 216,118,084	1.5%
SHORT TERM INVESTMENT POOL	\$ 152,509,626	1.0%
<b>Pensions Total</b>	<b>\$ 14,549,657,265</b>	<b>100.0%</b>

TFIP	NAV	%
Fixed Income	\$ 2,071,816,057	74.12%
Real Estate	\$ 450,198,762	16.11%
Non-Core Fixed Income	\$ 214,571,181	7.68%
STIP	\$ 58,654,934	2.10%
<b>Total</b>	<b>\$ 2,795,240,934</b>	<b>100.00%</b>

State Fund	NAV	%
Fixed Income	\$ 1,229,362,903	76.33%
Equity	\$ 200,838,003	12.47%
Real Estate	\$ 98,139,306	6.09%
STIP	\$ 41,915,431	2.60%
High Yield	\$ 40,437,552	2.51%
<b>State Fund Total</b>	<b>\$ 1,610,693,195</b>	<b>100.00%</b>

Other Fixed Income & Pending	\$	(303,937,825)
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STIP*	NAV	%
ASSET BACKED COMMERCIAL PAPER	\$2,317,628,710	37.01%
CORPORATE COMMERCIAL PAPER	\$1,428,652,086	22.81%
TREASURIES	\$780,505,817	12.46%
FEDERAL AGENCIES	\$716,076,494	11.43%
CERTIFICATES OF DEPOSITS	\$480,954,946	7.68%
MONEY MARKET FUNDS	\$290,720,550	4.64%
CORPORATE NOTES	\$247,636,919	3.95%
<b>STIP Total</b>	<b>\$6,262,175,522</b>	<b>100.00%</b>



Definition of NAV: Net Asset Value is the total value of the account including assets held, adjusted for payables, receivables and liabilities

(1) Other Holdings column on page two represents the value of securities, receivables, payables and liabilities that comprise the Net Asset Value for the asset owner.

\*Difference of \$273,961,896 is attributable the portion of STIP held within CAPP (\$215,101,874) and TFIP (\$58,650,964) as a cash investment as well as a pending distribution to participants (209,046) held over FYE. Such value is represented in the NAV for the CAPP and STIP columns.

**MBOI Snapshot**  
**Asset Ownership View**  
**6/30/2021 Unaudited**



	CAPP Holdings	CAPP %	STIP Holdings*	STIP %	TFIP Holdings	TFIP %	Other Holdings <sup>1</sup>	Other %	Asset Value	Total Net
<b>Total Fund</b> <small>(S(000))</small>	\$ 14,397,148	57.79%	\$ 5,988,214	24.04%	\$ 2,745,653	11.02%	\$ 1,782,815	7.16%	\$ 24,913,829	
<b>Pensions</b>	<b>CAPP</b>	<b>%</b>	<b>STIP</b>	<b>%</b>	<b>TFIP</b>	<b>%</b>	<b>Other</b>	<b>%</b>	<b>Total</b>	
FIREFIGHTER'S RETIREMENT	\$ 586,300	98.99%	\$ 5,993	1.01%	\$ -	0.00%	\$ 1	0.00%	\$ 592,294	
GAME WARDEN'S RETIREMENT	\$ 269,698	98.88%	\$ 3,049	1.12%	\$ -	0.00%	\$ 0	0.00%	\$ 272,747	
HIGHWAY PATROL RETIREMENT	\$ 183,390	98.91%	\$ 2,028	1.09%	\$ -	0.00%	\$ 0	0.00%	\$ 185,418	
JUDGE'S RETIREMENT	\$ 131,800	98.96%	\$ 1,389	1.04%	\$ -	0.00%	\$ 0	0.00%	\$ 133,189	
PUBLIC EMPLOYEES' RETIREMENT	\$ 7,122,350	98.97%	\$ 74,112	1.03%	\$ -	0.00%	\$ 6	0.00%	\$ 7,196,469	
SHERRIF'S RETIREMENT	\$ 479,631	98.95%	\$ 5,091	1.05%	\$ -	0.00%	\$ 0	0.00%	\$ 484,723	
POLICE RETIREMENT	\$ 544,954	99.00%	\$ 5,492	1.00%	\$ -	0.00%	\$ 0	0.00%	\$ 550,446	
TEACHER'S RETIREMENT	\$ 5,032,454	98.97%	\$ 52,308	1.03%	\$ -	0.00%	\$ 5	0.00%	\$ 5,084,768	
VOL. FIREMANS' RETIREMENT	\$ 46,570	93.86%	\$ 3,045	6.14%	\$ -	0.00%	\$ 0	0.00%	\$ 49,616	
<b>Total</b>	\$ 14,397,148	98.95%	\$ 152,510	1.05%	\$ -	0.00%	\$ 13	0.00%	\$ 14,549,671	
<b>Trust Funds</b> <small>(S(000))</small>	<b>CAPP</b>	<b>%</b>	<b>STIP</b>	<b>%</b>	<b>TFIP</b>	<b>%</b>	<b>Other</b>	<b>%</b>	<b>Total</b>	
ABANDONED MINE TRUST	\$ -	0.00%	\$ 6,664	99.99%	\$ -	0.00%	\$ 1	0.01%	\$ 6,664	
BARKER HUGHESVILLE ST RESPONSE	\$ -	0.00%	\$ 640	6.92%	\$ 8,577	92.81%	\$ 25	0.27%	\$ 9,241	
BELT WATER TREATMENT PLANT	\$ -	0.00%	\$ 2,452	9.00%	\$ 24,705	90.73%	\$ 71	0.26%	\$ 27,228	
BPA MITIGATION TRUST FUND	\$ -	0.00%	\$ 3,346	29.79%	\$ 7,616	67.81%	\$ 270	2.40%	\$ 11,232	
BUTTE AREA ONE RESTORATION	\$ -	0.00%	\$ 1,000	14.12%	\$ 6,066	85.64%	\$ 17	0.25%	\$ 7,083	
BUTTE SILVER BOW	\$ -	0.00%	\$ 1,188	8.38%	\$ 12,953	91.36%	\$ 37	0.26%	\$ 14,178	
CLARK FORK RIVER RESTORATION	\$ -	0.00%	\$ 6,446	21.21%	\$ 23,869	78.56%	\$ 69	0.23%	\$ 30,384	
CLARK FORK SITE RAA	\$ -	0.00%	\$ 2,700	3.82%	\$ 67,695	95.90%	\$ 194	0.27%	\$ 70,589	
COAL TAX CULTURAL TRUST FUND	\$ -	0.00%	\$ 765	4.60%	\$ 15,814	95.12%	\$ 45	0.27%	\$ 16,625	
COAL TAX PARK ACQUISITION	\$ -	0.00%	\$ 2,429	7.80%	\$ 28,623	91.93%	\$ 82	0.26%	\$ 31,134	
E HELENA GREENWAY TRAIL MAINT	\$ -	0.00%	\$ 254	24.98%	\$ 760	74.80%	\$ 2	0.22%	\$ 1,015	
EAST HELENA COMPENSATION	\$ -	0.00%	\$ 3,941	81.38%	\$ 899	18.56%	\$ 3	0.06%	\$ 4,842	
ENDOWMENT FOR CHILDREN	\$ -	0.00%	\$ 56	3.92%	\$ 1,379	95.81%	\$ 4	0.27%	\$ 1,440	
FLYING J CECRA FACILITIES FUND	\$ -	0.00%	\$ 195	7.27%	\$ 2,479	92.47%	\$ 7	0.27%	\$ 2,681	
FWP REAL PROPERTY TRUST	\$ -	0.00%	\$ 557	7.39%	\$ 6,955	92.34%	\$ 20	0.26%	\$ 7,532	
HAROLD HAMM ENDOWMENT	\$ -	0.00%	\$ 3	5.75%	\$ 48	93.98%	\$ 0	0.27%	\$ 51	
INVASIVE SPECIES TRUST FUND	\$ -	0.00%	\$ 250	10.10%	\$ 2,220	89.64%	\$ 6	0.26%	\$ 2,476	
LIBBY ASBESTOS SITE STATE COST	\$ -	0.00%	\$ 500	9.95%	\$ 4,514	89.80%	\$ 13	0.26%	\$ 5,027	
LUTTRELL PIT - OPER & MAINT	\$ -	0.00%	\$ 173	7.30%	\$ 2,196	92.43%	\$ 6	0.27%	\$ 2,375	
MONTANA HISTORICAL SOCIETY	\$ -	0.00%	\$ 666	15.99%	\$ 3,492	83.77%	\$ 10	0.24%	\$ 4,168	
MONTANA POLE	\$ -	0.00%	\$ 7,400	25.78%	\$ 21,248	74.01%	\$ 61	0.21%	\$ 28,710	
OLDER MONTANANS TRUST	\$ -	0.00%	\$ 12	3.79%	\$ 314	95.94%	\$ 1	0.27%	\$ 327	
POTTER TRUST FUND	\$ -	0.00%	\$ 14	5.53%	\$ 238	94.20%	\$ 1	0.27%	\$ 253	
RESOURCE INDEMNITY TRUST	\$ -	0.00%	\$ 23	0.02%	\$ 117,144	99.70%	\$ 335	0.29%	\$ 117,503	
SMELTER HILL UP RESTORATIVE	\$ -	0.00%	\$ 1,391	14.74%	\$ 8,027	85.02%	\$ 23	0.24%	\$ 9,442	
STREAMSIDE TAILINGS OPERABLE UNIT	\$ -	0.00%	\$ 2,900	15.28%	\$ 16,032	84.48%	\$ 46	0.24%	\$ 18,979	
TOBACCO TRUST FUND	\$ -	0.00%	\$ 6,673	2.23%	\$ 291,840	97.49%	\$ 835	0.28%	\$ 299,349	
TRUST AND LEGACY ACCOUNT	\$ -	0.00%	\$ -	0.00%	\$ 836,859	99.71%	\$ 2,395	0.29%	\$ 839,254	
UCFRB ASSESS/LITIG COST REC.	\$ -	0.00%	\$ 342	1.53%	\$ 21,883	98.19%	\$ 63	0.28%	\$ 22,288	
UCFRB RESTORATION FUND	\$ -	0.00%	\$ 5,235	6.59%	\$ 73,953	93.14%	\$ 212	0.27%	\$ 79,400	
UPPER BLACKFOOT RESPONSE	\$ -	0.00%	\$ 1,082	88.32%	\$ 143	11.64%	\$ 0	0.04%	\$ 1,225	
WEED CONTROL TRUST	\$ -	0.00%	\$ 0	0.00%	\$ 11,412	99.71%	\$ 33	0.29%	\$ 11,445	
WILDLIFE HABITAT TRUST	\$ -	0.00%	\$ 1,470	9.05%	\$ 14,734	90.69%	\$ 42	0.26%	\$ 16,246	
YELLOWSTONE PIPELINE CLEANUPFD	\$ -	0.00%	\$ 4,127	54.44%	\$ 3,444	45.42%	\$ 10	0.13%	\$ 7,581	
Z/L LT H2O TRUST FD	\$ -	0.00%	\$ 20,332	99.99%	\$ -	0.00%	\$ 2	0.01%	\$ 20,334	
ZORTMAN/LANDUSKY LT H2O	\$ -	0.00%	\$ 15,634	99.99%	\$ -	0.00%	\$ 1	0.01%	\$ 15,635	
<b>Total</b>	\$ -	0.00%	\$ 100,861	5.78%	\$ 1,638,131	93.93%	\$ 4,943	0.28%	\$ 1,743,936	
<b>Coal Severance</b> <small>(S(000))</small>	<b>CAPP</b>	<b>%</b>	<b>STIP</b>	<b>%</b>	<b>TFIP</b>	<b>%</b>	<b>Other</b>	<b>%</b>	<b>Total</b>	
BIG SKY ECON DEV FD	\$ -	0.00%	\$ 2,807	2.14%	\$ 128,171	97.58%	\$ 367	0.28%	\$ 131,345	
PERMANENT COAL TRUST FUND	\$ -	0.00%	\$ 18,043	3.07%	\$ 377,253	64.09%	\$ 193,323	32.84%	\$ 588,620	
SCHOOL FACILITIES FUND	\$ -	0.00%	\$ 3,645	4.76%	\$ 72,738	94.97%	\$ 208	0.27%	\$ 76,591	
TREASURE ST. REG. WATER SYSTEM	\$ -	0.00%	\$ 1,192	1.15%	\$ 102,524	98.57%	\$ 293	0.28%	\$ 104,009	
TREASURE STATE ENDOWMENT	\$ -	0.00%	\$ 3,337	1.11%	\$ 295,968	98.60%	\$ 855	0.28%	\$ 300,159	
<b>Total</b>	\$ -	0.00%	\$ 29,024	2.42%	\$ 976,653	81.34%	\$ 195,046	16.24%	\$ 1,200,723	
<b>Operating Funds</b> <small>(S(000))</small>	<b>CAPP</b>	<b>%</b>	<b>STIP</b>	<b>%</b>	<b>TFIP</b>	<b>%</b>	<b>Other</b>	<b>%</b>	<b>Total</b>	
FWP LICENSE ACCOUNT	\$ -	0.00%	\$ 38,086	56.27%	\$ 28,031	41.41%	\$ 1,571	2.32%	\$ 67,688	
LOCAL AGENCIES	\$ -	0.00%	\$ 1,852,443	99.99%	\$ -	0.00%	\$ 150	0.01%	\$ 1,852,593	
MONTANA STATE UNIVERSITY	\$ -	0.00%	\$ 148,965	89.27%	\$ 17,842	10.69%	\$ 67	0.04%	\$ 166,874	
MT TECH-UM AGENCY FUNDS	\$ -	0.00%	\$ 9,773	95.13%	\$ 498	4.85%	\$ 2	0.02%	\$ 10,273	
STATE AGENCIES	\$ -	0.00%	\$ 486,441	99.99%	\$ -	0.00%	\$ 53	0.01%	\$ 486,494	
TREASURER'S FUND	\$ -	0.00%	\$ 2,877,961	99.99%	\$ -	0.00%	\$ 214	0.01%	\$ 2,878,175	
UNIV OF MONTANA	\$ -	0.00%	\$ 35,728	52.56%	\$ 32,151	47.30%	\$ 97	0.14%	\$ 67,977	
<b>Total</b>	\$ -	0.00%	\$ 5,449,397	98.54%	\$ 78,522	1.42%	\$ 2,155	0.04%	\$ 5,530,074	
<b>Insurance Reserves</b> <small>(S(000))</small>	<b>CAPP</b>	<b>%</b>	<b>STIP</b>	<b>%</b>	<b>TFIP</b>	<b>%</b>	<b>Other</b>	<b>%</b>	<b>Total</b>	
MUS WORKERS COMPENSATION	\$ -	0.00%	\$ 12,312	73.74%	\$ 4,371	26.18%	\$ 13	0.08%	\$ 16,697	
PERS DEFINED CONT DISABILITY	\$ -	0.00%	\$ 532	6.84%	\$ -	0.00%	\$ 7,246	93.16%	\$ 7,778	
STATE FUND INSURANCE	\$ -	0.00%	\$ 41,912	2.60%	\$ -	0.00%	\$ 1,568,781	97.40%	\$ 1,610,693	
SUBSEQUENT INJURY FUND	\$ -	0.00%	\$ 230	99.99%	\$ -	0.00%	\$ 0	0.01%	\$ 230	
GROUP BENEFITS	\$ -	0.00%	\$ 111,195	75.23%	\$ 34,019	23.02%	\$ 2,586	1.75%	\$ 147,800	
MUS GROUP INSURANCE	\$ -	0.00%	\$ 90,241	84.95%	\$ 13,957	13.14%	\$ 2,031	1.91%	\$ 106,229	
<b>Total</b>	\$ -	0.00%	\$ 256,422	13.57%	\$ 52,347	2.77%	\$ 1,580,657	83.66%	\$ 1,889,426	

**Short Term Investment Pool**

Account	# Accounts	Total Market Value	%
Total State	357	4,409,629,571	70.4%
Total Local	181	1,852,545,952	29.6%
<b>Total STIP</b>	<b>538</b>	<b>\$ 6,262,175,522</b>	<b>100.0%</b>
STIP Reserve		\$ 54,212,368	
Average March 2021 STIP Yield		0.0978%	

**Intercap Statistics**

Loans Outstanding	\$ 72,066,150
Bonds Outstanding	\$ 90,600,000
Number of Borrowers	150
Loan Rate	1.65%

# MONTANA

## BOARD OF INVESTMENTS

**TO:** Members of the Board  
**FROM:** Jon Putnam, Chief Investment Officer  
**DATE:** August 10, 2021  
**RE:** Asset Class Benchmark Review

MBOI's current asset class benchmarks are listed below (page 3). No changes are recommended.

Benchmarks are selected based on seven factors endorsed by the CFA Institute. An optimal benchmark is: **S**pecified in advance, **A**ppropriate, **M**easurable, **U**nambiguous, **R**elevant, **A**ccountable, and **I**vestable. These factors can be remembered with the acronym **SAMURAI**.

MBOI's public equity benchmarks (Domestic & International) conform to all seven factors. Investors can invest in these benchmarks at relatively low cost and obtain the return offered by the passive benchmark.

MBOI's public fixed income benchmarks (Core, Non-Core & Cash) conform to most of the seven factors. However, it is impossible to fully replicate the fixed income benchmarks. The benchmarks are not investable, but they provide a reasonable approximation of fixed income risk and return characteristics and are a valid point of reference to gauge success.

MBOI's illiquid asset class benchmarks (Private Investments, Real Estate & Real Assets) face several inherent challenges in conforming to the seven factors. The main hurdle is the absence of comparable, investable indexes for these asset classes. For example, it is not possible to invest in a "private equity index" because no such index exists. Additional challenges include extended time horizons, existence of lock-up periods, less liquid fund structures, and lower levels of information transparency and frequency. A few of the more notable challenges are explained in greater detail below.

- **J-Curve Effect** – Performance of illiquid asset classes can send deceptive signals, as return patterns typically follow a trajectory referred to as a "J-Curve." This return pattern stems from the fact that capital is called for investment over several years and the timing of cash flows is uncertain. The J-Curve produces negative returns in the early years, as capital calls and

manager fees comprise most of the cash flows, followed by increasing returns as investments mature. This can create the perception investments are generating returns that significantly trail the public markets in the early years and substantially exceed public markets in the later years.

- **Lagged Valuations** – Asset prices for illiquid investments are typically estimated quarterly resulting in a significant return lag relative to public markets. Within illiquid and private asset classes, there is limited or selective data available from managers as well as the underlying investments.

In short, the above-mentioned obstacles limit the utility of benchmarks for illiquid asset classes – especially when evaluated over short time horizons. Given the obstacles, it is clear there is no perfect benchmark for illiquid asset classes. All benchmarks currently available have some shortcomings with respect to the SAMURAI standard. However, staff has selected benchmarks that provide a reasonable approximation of the risk and return characteristics of the assets over the long-term.

In addition, staff supplements the asset class benchmarks with other information when evaluating the attractiveness of each asset class, sub-asset class, manager, or individual investment. For example, staff considers the performance of previous funds versus peers across multiple metrics and benchmarks when evaluating private investment managers.

In conclusion, staff recognizes the tradeoffs and shortcomings of some of the asset class benchmarks. Nevertheless, we believe that the current benchmarks are consistent with industry best practice. The selected benchmarks provide useful information regarding asset class performance and progress toward MBOI's long-term goals. Staff will continue to supplement this information to gain a full understanding of the performance of the portfolio and its underlying holdings.

<b>Asset Class</b>	<b>Benchmark</b>
Domestic Equity	MSCI USA Investable Market Index (IMI)
International Equity	MSCI All Country World Index (ACWI) ex USA Investable Market Index (IMI)
Core Fixed Income	Bloomberg Barclays US Aggregate Bond Index
Non-Core Fixed Income	Bloomberg Barclays US High Yield 2% Issuer Cap Index
Private Investments	Weighted average of Private Equity and Private Credit
Equity	MSCI USA Small Cap Index
Credit	S&P/LSTA 100 Leveraged Loan Index
Real Assets	Weighted average of Commodity, Infrastructure and TIPS Index
Commodity	MSCI All Country World Index (ACWI) Commodity Producers
Infrastructure	MSCI All Country World Index (ACWI) Infrastructure Index
TIPS portfolio	Bloomberg Barclays US Treasury Inflation Protected Securities (TIPS) Index
Real Estate	National Council of Real Estate Investment Fiduciaries (NCREIF) Fund Index - Open End Diversified Core Equity (ODCE) Index
Pension Plans	Blend of the asset class benchmarks weighted by the midpoint of the asset allocation range
Trust Funds Investment Pool (TFIP)	Weighted average of the Bloomberg Barclays US Aggregate Bond Index, NCREIF-ODCE Index and the Bloomberg Barclays US High Yield 2% Issuer Cap Index
State Fund Investment Pool (SFIP)	Weighted average of the Bloomberg Barclays Intermediate Aggregate Bond Index, S&P 500 Index, MSCI ACWI ex US Index and the NCREIF-ODCE Index
Short-Term Investment Pool (STIP)	Federal Reserve US Treasury Constant Maturity 1-Month Index

**65010 Department of Commerce  
Standard Budget Summary By Org, Account**

Data Selected for Month/FY: 01 (Jul)/2021 through 12 (Jun)/2021

100% of Year Completed

Business Unit	(All)
Program Year	(All)
FY_BudPer	(All)
Month	(All)
Source of Auth	(All)
OBPP Program	75 BOARD OF INVESTMENTS
Fund Type	(All)
Account	(All)
Org	(All)
Account Type	(All)
Project	(All)
Ledger	(All)

[Return to Menu](#)

Subclass	Fund	Acct Lvl 1	Acct Lvl 2	Standard Budget	Actuals Amt	A Accrual Amt	Balance	
<b>765N1 INVESTMENTS DIVISION - HB576</b>				<b>7,616,457.00</b>	<b>7,356,004.74</b>	<b>(61,389.08)</b>	<b>321,841.34</b>	97%
	<b>06014 BOI Municipal Finance Programs</b>			<b>655,560.00</b>	<b>636,740.61</b>	<b>(12,277.82)</b>	<b>31,097.21</b>	97%
		<b>61000 Personal Services</b>		<b>460,299.00</b>	<b>430,278.58</b>	<b>0.00</b>	<b>30,020.42</b>	93%
			61100 Salaries	340,154.00	324,244.26	0.00	15,909.74	
			61300 Other Compensation	2,060.00	1,730.00	0.00	330.00	
			61400 Employee Benefits	126,736.00	104,304.32	0.00	22,431.68	
			61600 Vacancy Savings	(8,651.00)	0.00	0.00	(8,651.00)	
		<b>62000 Operating Expenses</b>		<b>194,661.00</b>	<b>202,600.55</b>	<b>(12,277.82)</b>	<b>4,338.27</b>	104%
			62100 Other Services	111,456.00	32,552.03	0.00	78,903.97	
			62200 Supplies & Materials	6,320.00	39,217.15	(12,277.82)	(20,619.33)	
			62300 Communications	2,521.00	9,115.24	0.00	(6,594.24)	
			62400 Travel	4,280.00	1,313.95	0.00	2,966.05	
			62500 Rent	14,983.00	53,591.32	0.00	(38,608.32)	
			62700 Repair & Maintenance	75.00	1,425.50	0.00	(1,350.50)	
			62800 Other Expenses	55,026.00	65,385.36	0.00	(10,359.36)	
		<b>69000 Debt Service</b>		<b>600.00</b>	<b>15.57</b>	<b>0.00</b>	<b>584.43</b>	
			69300 Capital Leases	600.00	15.57	0.00	584.43	
		<b>6A000 Post Employment Benefits</b>		<b>0.00</b>	<b>3,845.91</b>	<b>0.00</b>	<b>(3,845.91)</b>	
			6A000 Post Employment Benefits	0.00	3,845.91	0.00	(3,845.91)	
	<b>06527 Investment Division</b>			<b>6,960,897.00</b>	<b>6,719,264.13</b>	<b>(49,111.26)</b>	<b>290,744.13</b>	97%
		<b>61000 Personal Services</b>		<b>3,871,834.00</b>	<b>3,786,832.67</b>	<b>0.00</b>	<b>85,001.33</b>	98%
			61100 Salaries	3,081,933.00	2,952,203.43	0.00	129,729.57	
			61300 Other Compensation	7,960.00	6,920.00	0.00	1,040.00	
			61400 Employee Benefits	858,892.00	827,709.24	0.00	31,182.76	
			61600 Vacancy Savings	(76,951.00)	0.00	0.00	(76,951.00)	
		<b>62000 Operating Expenses</b>		<b>3,086,463.00</b>	<b>2,909,224.69</b>	<b>(49,111.26)</b>	<b>226,349.57</b>	94%
			62100 Other Services	1,966,125.00	1,847,994.95	0.00	118,130.05	
			62200 Supplies & Materials	28,366.00	187,642.07	(49,111.26)	(110,164.81)	
			62300 Communications	34,963.00	37,182.17	0.00	(2,219.17)	
			62400 Travel	241,328.00	21,369.35	0.00	219,958.65	
			62500 Rent	205,838.00	190,079.20	0.00	15,758.80	
			62700 Repair & Maintenance	1,068.00	6,740.64	0.00	(5,672.64)	
			62800 Other Expenses	608,775.00	618,216.31	0.00	(9,441.31)	
		<b>69000 Debt Service</b>		<b>2,600.00</b>	<b>72.80</b>	<b>0.00</b>	<b>2,527.20</b>	
			69300 Capital Leases	2,600.00	72.80	0.00	2,527.20	
		<b>6A000 Post Employment Benefits</b>		<b>0.00</b>	<b>23,133.97</b>	<b>0.00</b>	<b>(23,133.97)</b>	
			6A000 Post Employment Benefits	0.00	23,133.97	0.00	(23,133.97)	
	<b>765N3 LEGISLATIVE AUDIT (RST/BIEN)</b>			<b>38,587.52</b>	<b>28,212.28</b>	<b>0.00</b>	<b>10,375.24</b>	73%
		<b>06014 BOI Municipal Finance Programs</b>		<b>7,717.90</b>	<b>5,642.46</b>	<b>0.00</b>	<b>2,075.44</b>	
		<b>62000 Operating Expenses</b>		<b>7,717.90</b>	<b>5,642.46</b>	<b>0.00</b>	<b>2,075.44</b>	
			62100 Other Services	7,717.90	5,642.46	0.00	2,075.44	
		<b>06527 Investment Division</b>		<b>30,869.62</b>	<b>22,569.82</b>	<b>0.00</b>	<b>8,299.80</b>	
		<b>62000 Operating Expenses</b>		<b>30,869.62</b>	<b>22,569.82</b>	<b>0.00</b>	<b>8,299.80</b>	
			62100 Other Services	30,869.62	22,569.82	0.00	8,299.80	
	<b>765S1 MEDB DEBT SERVICE - SA</b>			<b>3,235,394.00</b>	<b>861,539.00</b>	<b>0.00</b>	<b>2,373,855.00</b>	
		<b>06014 BOI Municipal Finance Programs</b>		<b>3,235,394.00</b>	<b>861,539.00</b>	<b>0.00</b>	<b>2,373,855.00</b>	
		<b>62000 Operating Expenses</b>		<b>0.00</b>	<b>(4,254.14)</b>	<b>0.00</b>	<b>4,254.14</b>	
			62800 Other Expenses	0.00	(4,254.14)	0.00	4,254.14	
		<b>69000 Debt Service</b>		<b>3,235,394.00</b>	<b>865,793.14</b>	<b>0.00</b>	<b>2,369,600.86</b>	
			69100 Bonds	3,235,394.00	865,793.14	0.00	2,369,600.86	
<b>Grand Total</b>				<b>10,890,438.52</b>	<b>8,409,114.71</b>	<b>(61,389.08)</b>	<b>2,542,712.89</b>	77%

# MONTANA

## BOARD OF INVESTMENTS


### FY 22 Budget Proposal

Account	Account Description	FY22 Budget
<b>750100</b>	<b>Internal Services Fund</b>	\$ 7,471,146.29
61100	Salaries	\$ -
61400	Benefits	\$ -
	<b>Total Personal Services</b>	<b>\$ 4,220,811.40</b>
62100	Other Services	\$ 1,817,855.91
	Treasurer's FTE	\$ 55,373.00
	Legislative audit fees	\$ 150,000.00
62200	Supplies & Materials	\$ 163,626.65
62300	Communications	\$ 42,705.24
62400	Travel	\$ 177,760.00
62500	Rent	\$ 227,042.47
62700	Repairs & Maintenance	\$ 1,551.54
62800	Other Expenses	\$ 595,918.70
	<b>Total Operating</b>	<b>\$ 3,231,833.51</b>
	<b>75101 Board - Investments' Share</b>	
61000	Personal Services	\$ 9,696.97
62000	Operating Expenses	\$ 5,951.91
	<b>Total</b>	<b>\$ 15,648.88</b>
<b>750200</b>	<b>Enterprise Fund</b>	<b>\$ 666,546.91</b>
61100	Salaries	\$ -
61400	Benefits	\$ -
	<b>Total Personal Services</b>	<b>\$ 430,958.85</b>
62100	Other Services	\$ 95,676.63
	Legislative audit fees	\$ 50,000.00
62200	Supplies & Materials	\$ 8,611.93
62300	Communications	\$ 2,247.64
62400	Travel	\$ 2,240.00
62500	Rent	\$ 13,438.65
62700	Repairs & Maintenance	\$ 81.66
62800	Other Expenses	\$ 61,902.06
	<b>Total Operating</b>	<b>\$ 234,198.58</b>
	<b>75101 Board - Bonds' Share</b>	
61000	Personal Services	\$ 465.00
62000	Operating Expenses	\$ 313.26
	<b>Total</b>	<b>\$ 778.26</b>
	<b>Grand Total</b>	<b>\$ 8,137,693.20</b>



# MONTANA

## BOARD OF INVESTMENTS

**TO:** Members of the Board  
**FROM:** Dan Villa   
**DATE:** August 10, 2021  
**RE:** Custodial Bank RFP Selection

We have completed the RFP evaluation process for the Custodial Bank contract. Most Board staff participated on some part of the evaluation process which included conducting a technical evaluation of the proposal, followed by demonstrations from the vendors, and finally comparing financial bids. A very special thanks to Deputy Director MacEwen for shepherding this nearly year-long process.

Section II, number 14, of the Boards' Governance Manual reserves the right and authority of the Board to make the final selection of the Custodial Bank after which the Executive Director shall negotiate a contract. Staff's recommendation is to proceed with State Street Bank.

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# MONTANA

## BOARD OF INVESTMENTS

To: Board of Directors

From: Doug Hill-Director In-State Loan Programs August

Date: 3, 2021

Subject: Commercial and Residential Loan Portfolios

As of June 30, 2021, the Commercial loan portfolio balance was \$192,650,971 and represents 108 loans. There are currently six loan reservations that total \$18,731,513 and nine loans committed that total \$18,132,750. The commercial loan portfolio, excluding the Veterans Home Loan Program, Multifamily Coal Trust Homes Program, and Intermediary Re-lending Program, has a yield of 2.62%. There are no loans past due over 30 days.

The Residential loan portfolio reflected an outstanding balance, as of June 30, 2021, of \$2,347,293 and represents 66 loans with a yield of 6.24%. There are no outstanding reservations. There is one loan, with an FHA guaranty, over 90 days past due totaling \$80,829 or 3.44% of the portfolio.

The Veterans Home Loan Mortgage portfolio reflected an outstanding balance, as of June 30, 2021, of \$46,677,159 and represents 269 loans with a yield of 1.73%. There are eight reservations totaling \$1,985,641 with a projected yield of 0.96%. There are four loans over 90 days past due totaling \$789,513, or 1.69% of the portfolio.

The Multifamily Coal Trust Homes Program reflected an outstanding balance, as of June 30, 2021, of \$5,151,292 and represents four loans with a yield of 2.65%. There are three reservations totaling \$9,293,995 with a projected yield of 2.53%. The remaining available funds is \$501,628. There are no past due loans.

The Intermediary Re-lending Program reflected an outstanding balance, as of June 30, 2021, of \$4,760,440 and represents 37 loans with a yield of 2.00%. There is \$653,652 available to advance. There are two loans committed that total \$750,000. There are no past due loans.

# MONTANA

BOARD OF INVESTMENTS

**I N T E R C A P**

Activity Summary

As of June 30, 2021

## Since Inception 1987 - June 2021

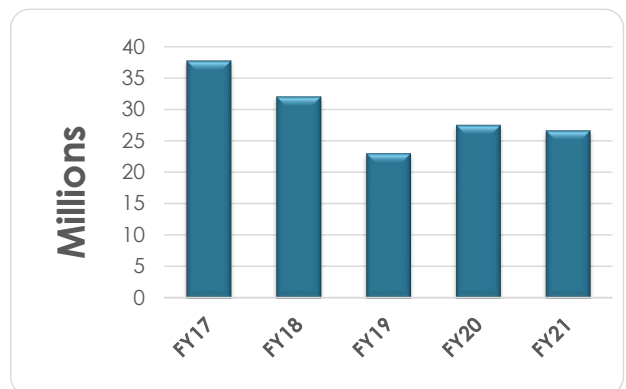
<b>Total Bonds Issued</b>	<b>168,000,000</b>
<b>Total Loan Commitments</b>	<b>659,396,825</b>
<b>Total Loans Funded</b>	<b>635,568,956</b>
<b>Total Bonds Outstanding</b>	<b>90,600,000</b>
<b>Total Loans Outstanding</b>	<b>72,066,150</b>
<b>Loan Commitments Pending</b>	<b>23,827,870</b>

### FY2021

Month	Commitments	Fundings
July-20	\$ 2,354,235	\$ 2,892,577
August	2,600,000	2,225,349
September	100,000	2,251,815
October	2,147,390	2,795,959
November	198,520	1,728,173
December	421,585	1,619,890
January	411,621	433,080
February	7,077,450	601,334
March	650,000	56,083
April	2,850,050	200,000
May	1,107,824	4,144,973
June-21	6,750,000	6,660,093
<b>To Date</b>	<b>\$ 26,668,675</b>	<b>\$ 25,609,325</b>

Note: Commitments include withdrawn and expired loans.

### Commitments FY17-FY21



### Fundings FY17-FY21



### Variable Loan Rate History February 16, 2014 - February 15, 2022

February 16, 2014 - February 15, 2015	<u>1.00%</u>	February 16, 2018 - February 15, 2019	<u>3.15%</u>
February 16, 2015 - February 15, 2016	<u>1.25%</u>	February 16, 2019 - February 15, 2020	<u>3.37%</u>
February 16, 2016 - February 15, 2017	<u>1.55%</u>	February 16, 2020 - February 15, 2021	<u>2.50%*</u>
February 16, 2017 - February 15, 2018	<u>2.50%</u>	February 16, 2010 - February 15, 2022	<u>1.65%</u>

\*BOI decreased interest rates for INTERCAP loans to 1.00% until August 15, 2020 in response to the COVID-19 pandemic

# MONTANA

BOARD OF INVESTMENTS

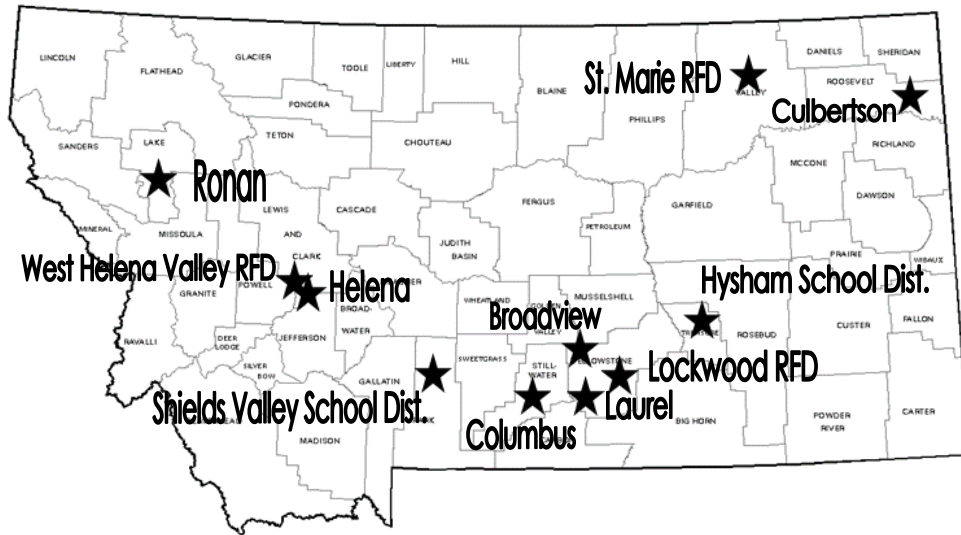
## I N T E R C A P

**TO:** Members of the Board

**FROM:** Louise Welsh, Senior Bond Program Officer

**DATE:** August 10, 2021

**RE:** INTERCAP Staff Approved Loans Committed – Staff approved the following loans between April 1, 2021 to June 30, 2021.



Borrower:	City of Helena
Purpose:	Purchase aerial fire truck
Staff Approval Date:	April 5, 2021
Board Loan Amount:	\$ 810,000
Other Funding Sources:	\$ 513,100
Total Project Cost:	\$1,323,100
Term:	10 years

Borrower:	Shields Valley Schools (Wilsall)
Purpose:	Teacherage
Staff Approval Date:	April 13, 2021
Board Loan Amount:	\$200,000
Other Funding Sources:	\$ 0
Total Project Cost:	\$200,000
Term:	15 years

Borrower:	West Helena Valley Fire District
Purpose:	Fire station addition
Staff Approval Date:	April 16, 2021
Board Loan Amount:	\$500,000
Other Funding Sources:	\$404,000
Total Project Cost:	\$904,000
Term:	15 years

Borrower:	Hysham School District
Purpose:	HVAC, restroom, and locker upgrades
Staff Approval Date:	April 16, 2021
Board Loan Amount:	\$540,050
Other Funding Sources:	\$ 0
Total Project Cost:	\$540,050
Term:	10 years

Borrower:	Lockwood Rural Fire District (Billings)
Purpose:	Land purchase for Fire Training Center
Staff Approval Date:	April 28, 2021
Board Loan Amount:	\$800,000
Other Funding Sources:	\$ 50,000
Total Project Cost:	\$850,000
Term:	15 years

Borrower:	City of Ronan
Purpose:	Sewer Vacuum Combination Truck
Staff Approval Date:	May 5, 2021
Board Loan Amount:	\$159,825
Other Funding Sources:	\$ 60,000
Total Project Cost:	\$219,825
Term:	7 years

Borrower:	St. Marie Rural Fire District
Purpose:	Fire tanker truck
Staff Approval Date:	May 7, 2021
Board Loan Amount:	\$ 60,000
Other Funding Sources:	\$ 43,480
Total Project Cost:	\$103,480
Term:	7 years

Borrower:	City of Laurel
Purpose:	Garbage truck
Staff Approval Date:	May 13, 2021
Board Loan Amount:	\$300,000
Other Funding Sources:	\$ 0
Total Project Cost:	\$300,000
Term:	7 years

Borrower:	Town of Broadview
Purpose:	Interim financing in anticipation of RD funds (water)
Staff Approval Date:	May 14, 2021
Board Loan Amount:	\$ 588,000
Other Funding Sources:	\$1,482,000
Total Project Cost:	\$2,070,000
Term:	2 years

Borrower:	Culbertson Elementary School
Purpose:	Boiler replacement and security camera upgrade
Staff Approval Date:	June 18, 2021
Board Loan Amount:	\$640,000
Other Funding Sources:	\$ 0
Total Project Cost:	\$640,000
Term:	7 years

Borrower:	Columbus Rural Fire District
Purpose:	Wildland fire truck
Staff Approval Date:	June 23, 2021
Board Loan Amount:	\$350,000
Other Funding Sources:	\$ 0
Total Project Cost:	\$350,000
Term:	10 years

# MONTANA

## BOARD OF INVESTMENTS

### I N T E R C A P

**TO:** Members of the Board

**FROM:** Louise Welsh, Senior Bond Program Officer

**DATE:** August 10, 2021

**RE:** INTERCAP Loans – Annual Detail Report

Attached is the annual INTERCAP Loan Detail Report as of fiscal year end June 30, 2021 (FY21). The report has three categories: Local Government (sorted by the county in which the borrower is located), State Agency, and University loans.

In addition to the attached report, staff provides for the Board’s information the concentration of \$72,066,150 INTERCAP loans outstanding as of FY21 compared to \$69,002,636 in FY20, as follows:

Borrower Type	FY21		FY20	
	Number of Borrowers	% of Total INTERCAP Loans Outstanding	Number of Borrowers	% of Total INTERCAP Loans Outstanding
City	45	21.41%	47	17.94%
County	21	17.28%	24	19.55%
State Agency	4	15.09%	3	14.96%
University	1	13.74%	1	16.49%
School District	34	13.49%	40	15.13%
Fire District/Service Area	28	12.00%	31	8.55%
Other	9	5.26%	9	5.09%
Community College	2	1.18%	2	1.63%
Solid Waste District	1	0.42%	1	0.53%
Water/Sewer District	5	0.13%	5	0.13%
<b>Total</b>	<b>150</b>	<b>100.00%</b>	<b>163</b>	<b>100.00%</b>

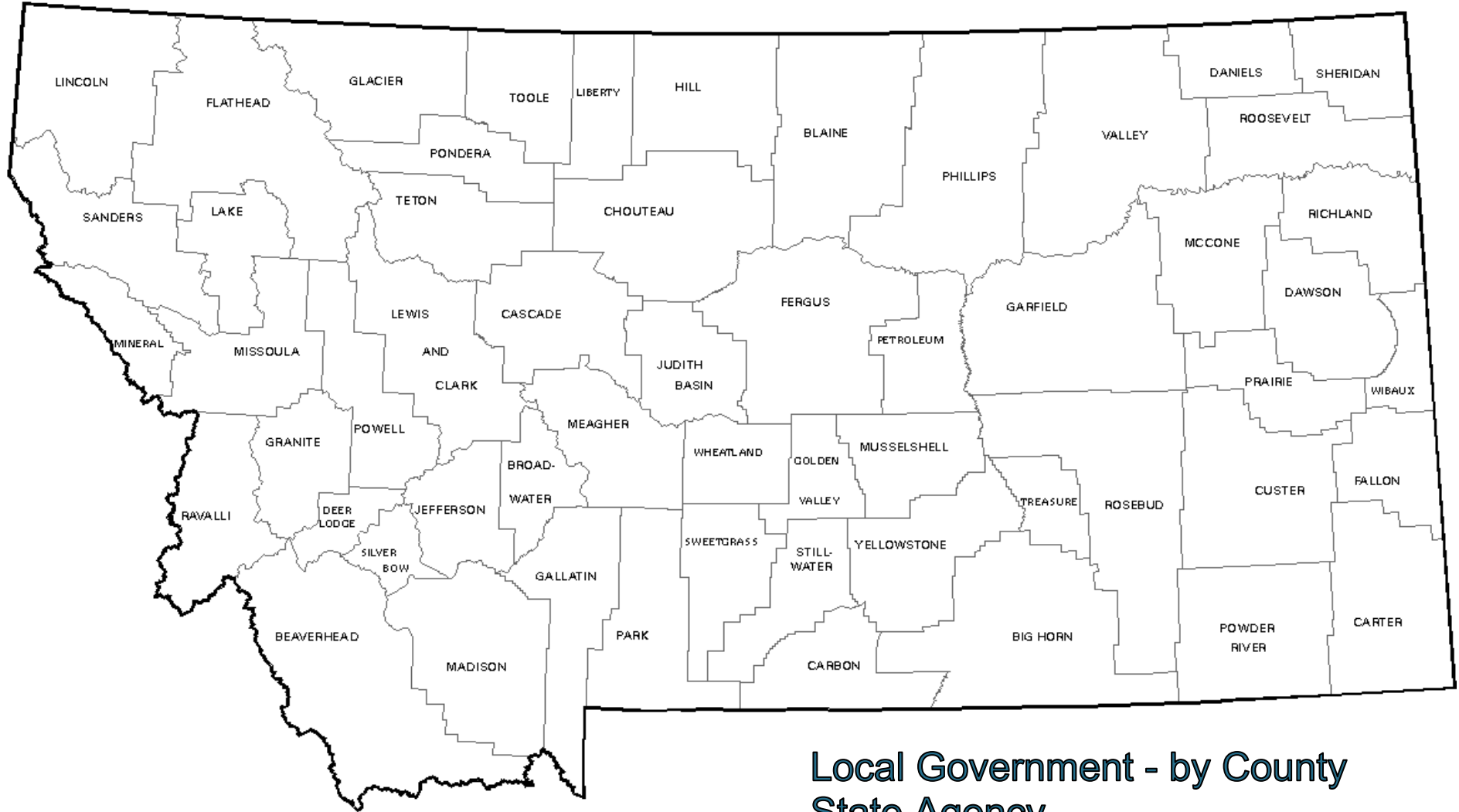
The entities with outstanding balances representing 5% or more of all INTERCAP loans outstanding in FY21 compared to FY20 are as follows:

Borrower	FY21		FY20	
	Principal Outstanding	% of Total INTERCAP Loans Outstanding	Principal Outstanding	% of Total INTERCAP Loans Outstanding
Montana State University	\$ 9,899,428	13.74%	\$11,374,166	16.48%
Transportation	\$ 7,262,491	10.08%	\$ 6,451,100	9.35%

# MONTANA

BOARD OF INVESTMENTS  
INTERCAP

## LOAN DETAIL REPORT – JUNE 30, 2021



Local Government - by County  
State Agency  
University



**Local Government INTERCAP loans\* - by County**

**As of June 30, 2021**

**\*only loans that have remaining commitment and/or outstanding**

COUNTY	BORROWER NAME	PROJECT	TERM	CMT DATE	FUND DATE	DRAWN	COMMIT REMAINING	OUTSTANDING	MATURITY	CITY
BEAVERHEAD	BEAVERHEAD COUNTY	Finance contract dispute settlement	10	02/17/15	04/17/15	850,000	-	350,845	02/15/25	DILLON
BEAVERHEAD	BEAVERHEAD COUNTY H	Facility construction and improvemen	5	07/01/19	06/05/20	550,000	-	498,061	08/15/25	DILLON
BEAVERHEAD	BEAVERHEAD COUNTY J	Grant writing expense	6	06/28/17	08/18/17	6,000	-	2,608	08/15/23	JACKSON
BEAVERHEAD	DILLON	Refinance 2009 GO bond for police p	13	05/24/16	07/15/16	1,319,526	-	671,879	06/15/29	DILLON
<b>BEAVERHEAD Total</b>						<b>2,725,526</b>	<b>-</b>	<b>1,523,392</b>		
BIG HORN	BIG HORN COUNTY	New ambulance barn	10	07/01/20			750,000	-		HARDIN
BIG HORN	HARDIN ELEM SCHOOL D	Repairing/upgrading Hardin Commun	10	08/18/20			1,500,000	-		HARDIN
BIG HORN	HARDIN HIGH SCHOOL D	Repairing/upgrading Hardin Commun	10	08/18/20			500,000	-		HARDIN
<b>BIG HORN Total</b>						<b>-</b>	<b>2,750,000</b>	<b>-</b>		
BLAINE	HARLEM	Preliminary engineering report (PER)	3	06/20/19	09/06/19	79,795	45,205	79,795	08/15/22	HARLEM
BLAINE	CHINOOK	Anticipation of RD funds (water)	2	03/04/20			789,000	-		CHINOOK
<b>BLAINE Total</b>						<b>79,795</b>	<b>834,205</b>	<b>79,795</b>		
BROADWATER	BROADWATER COUNTY	Purchase and renovate real property	15	07/12/19	10/11/19	150,000	50,000	-	08/15/34	TOWNSEND
BROADWATER	BROADWATER COUNTY	Canister site improvements/new solid	10	03/11/20	08/28/20	49,700	37,116	47,457	08/15/30	TOWNSEND
<b>BROADWATER Total</b>						<b>199,700</b>	<b>87,116</b>	<b>47,457</b>		
CARBON	BRIDGER SCHOOL DISTR	Energy retrofit/energy performance cc	15	12/30/13	01/24/14	116,960	-	55,320	02/15/29	BRIDGER
<b>CARBON Total</b>						<b>116,960</b>	<b>-</b>	<b>55,320</b>		
CASCADE	BELT	Purchase home for Resident Sheriff L	10	01/15/21	02/26/21	160,000	-	160,000	02/15/31	BELT
CASCADE	CASCADE COUNTY	RID Bob Marshall Place	15	10/08/08	11/28/08	100,931	-	25,560	02/15/24	GREAT FALLS
CASCADE	CASCADE COUNTY	Repair and replace the copper roof ar	10	04/05/17	04/21/17	1,689,986	-	1,145,764	08/15/27	GREAT FALLS
CASCADE	CASCADE COUNTY	Repair and replace the copper roof ar	10	04/05/17	06/23/17	310,014	-	208,969	08/15/27	GREAT FALLS
CASCADE	CASCADE COUNTY	Replace grandstand facility at county	10	05/22/18	12/07/18	2,000,000	-	1,647,191	02/15/29	GREAT FALLS
<b>Cascade Total</b>						<b>4,260,931</b>	<b>-</b>	<b>3,187,483</b>		
CASCADE	GREAT FALLS	Stone Meadows Phase 2 street lightir	15	04/30/15	07/31/15	58,000	-	28,546	08/15/30	GREAT FALLS
CASCADE	GREAT FALLS	Finance two new fire pumpers	10	11/06/15	12/11/15	796,859	-	368,293	02/15/26	GREAT FALLS
CASCADE	GREAT FALLS	Solid waste revenue bond for new sar	6	11/17/15	04/01/16	1,470,812	-	244,776	02/15/22	GREAT FALLS
<b>Great Falls Total</b>						<b>2,325,671</b>	<b>-</b>	<b>641,616</b>		

**Local Government INTERCAP loans\* - by County**

As of June 30, 2021

\*only loans that have remaining commitment and/or outstanding

COUNTY	BORROWER NAME	PROJECT	TERM	CMT DATE	FUND DATE	DRAWN	COMMIT REMAINING	OUTSTANDING	MATURITY	CITY
CASCADE	SUN PRAIRIE VILLAGE CC	Interim financing - wastewater system	2	02/11/20			1,335,000			GREAT FALLS
CASCADE	ULM FIRE SERVICE AREA	Construct fire station	15	08/31/17	07/12/19	200,000	-	183,265	08/15/33	ULM
<b>CASCADE Total</b>						<b>6,786,602</b>	<b>1,335,000</b>	<b>4,012,363</b>		
CHOUTEAU	CHOUTEAU COUNTY	Rehabilitate County bridge.	10	01/19/16	03/24/17	150,155	-	94,109	02/15/27	FORT BENTON
CHOUTEAU	FORT BENTON	Purchase Pumper Truck	15	05/05/09	07/10/09	180,000	-	42,000	08/15/24	FORT BENTON
CHOUTEAU	FORT BENTON	Finance asphalt grinder	10	08/27/15	10/02/15	104,958	-	48,673	08/15/25	FORT BENTON
<b>FORT BENTON Total</b>						<b>284,958</b>	<b>-</b>	<b>90,673</b>		
CHOUTEAU	FORT BENTON SCHOOL I	Elem. heating system and asbestos a	15	04/08/20	12/18/20	465,604	-	465,604	02/15/36	FORT BENTON
CHOUTEAU	GERALDINE	Streets and sidewalk project	10	11/14/12	01/04/13	30,000	-	6,255	02/15/23	GERALDINE
CHOUTEAU	MISSOURI RIVER MEDICAL CENTER	Replace failing boiler	5	04/18/16	06/03/16	83,696	-	8,665	08/15/21	FORT BENTON
CHOUTEAU	MISSOURI RIVER MEDICAL CENTER	Purchase a CT scanner	7	10/24/16	11/23/16	330,000	-	145,762	02/15/24	FORT BENTON
CHOUTEAU	MISSOURI RIVER MEDICAL CENTER	Replace backup boiler	7	03/03/17	04/07/17	81,727	-	37,594	02/15/24	FORT BENTON
<b>MISSOURI RIVER MEDICAL CENTER Total</b>						<b>495,423</b>	<b>-</b>	<b>192,021</b>		
<b>CHOUTEAU Total</b>						<b>1,426,140</b>	<b>-</b>	<b>848,662</b>		
CUSTER	MILES CITY	Street improvements within SID #211	15	08/03/15	10/02/15	59,703	-	39,025	08/15/30	MILES CITY
CUSTER	MILES CITY	Finance flood risk feasibility study	6	11/03/16	04/07/17	175,000	425,000	60,582	02/15/23	MILES CITY
<b>MILES CITY Total</b>						<b>234,703</b>	<b>425,000</b>	<b>99,606</b>		
CUSTER	MILES COMMUNITY COLLEGE	Construct new Agriculture Advancem	15	08/18/16	10/11/16	480,000	-	353,657	08/15/31	MILES CITY
CUSTER	CUSTER COUNTY	Motor grader	7	11/15/18	02/08/19	200,000	-	142,599	08/15/25	MILES CITY
CUSTER	CUSTER COUNTY	Motor Grader	7	01/19/21	04/23/21	200,000	-	200,000	02/15/28	MILES CITY
<b>CUSTER COUNTY Total</b>						<b>400,000</b>	<b>-</b>	<b>342,599</b>		
<b>CUSTER Total</b>						<b>1,114,703</b>	<b>425,000</b>	<b>795,863</b>		
DANIELS	FLAXVILLE	Repair/improve water treatment facilit	10	03/14/16	11/04/16	37,035	-	22,957	02/15/27	FLAXVILLE
DANIELS	SCOBEY	Phase 2 of water distribution improve	2	06/08/20	08/14/20	2,154,464	345,536	2,154,464	08/14/22	SCOBEY
DANIELS	FLAXVILLE	Replace water meters	10	06/16/20	08/14/20	17,698	-	16,914	08/15/30	FLAXVILLE
DANIELS	SCOBEY SCHOOL DIST #1	Finance an activity bus	5	03/08/18	04/13/18	200,000	-	82,566	02/15/23	SCOBEY
<b>DANIELS Total</b>						<b>2,409,196</b>	<b>345,536</b>	<b>2,276,901</b>		
DAWSON	RICHEY	Finance a sewer line project	15	03/22/16	10/21/16	41,741	-	31,128	08/15/31	RICHEY
<b>DAWSON Total</b>						<b>41,741</b>	<b>-</b>	<b>31,128</b>		
DEER LODGE	ANACONDA-DEER LODGE	Courthouse preservation	15	09/23/00	07/15/11	800,000	-	319,154	08/15/26	ANACONDA

**Local Government INTERCAP loans\* - by County**

**As of June 30, 2021**

**\*only loans that have remaining commitment and/or outstanding**

COUNTY	BORROWER NAME	PROJECT	TERM	CMT DATE	FUND DATE	DRAWN	COMMIT REMAINING	OUTSTANDING	MATURITY	CITY
DEER LODGE	ANACONDA-DEER LODGE	Rehabilitate historic street lights Distr	15	04/28/14	09/26/14	999,129	-	572,819	08/15/29	ANACONDA
DEER LODGE	WEST VALLEY RURAL FIF	Construct a fire station	15	07/07/14	08/08/14	50,000	-	4,534	08/15/29	ANACONDA
DEER LODGE	WEST VALLEY RURAL FIF	Water tender fire truck	7	10/27/16	06/23/17	109,789	-	48,380	08/15/24	ANACONDA
DEER LODGE	ANACONDA PUBLIC SCH	Computers and security software	5	07/22/19	08/30/19	126,633	-	90,675	06/15/24	ANACONDA
<b>DEER LODGE Total</b>						<b>2,085,552</b>	<b>-</b>	<b>1,035,561</b>		
FALLON	BAKER	Finance street sweeper	7	11/04/15	12/11/15	137,000	-	40,367	02/15/23	BAKER
FALLON	BAKER	purchase excavator	5	05/19/20	06/19/20	66,335	-	59,967	08/15/25	BAKER
<b>FALLON Total</b>						<b>203,335</b>	<b>-</b>	<b>100,335</b>		
FERGUS	LEWISTOWN	Ext. water & sewer at the city /county	10	07/14/11	12/16/11	89,902	-	5,023	08/15/21	LEWISTOWN
FERGUS	LEWISTOWN	Purchase self-contained breathing ap	10	12/30/20	02/12/21	111,585	-	111,585	02/15/31	LEWISTOWN
FERGUS	FERGUS COUNTY ROY W	Pre. engineering report (PER)-wastev	6	11/30/20	03/12/21	20,000	-	20,000	02/15/27	ROY
<b>FERGUS Total</b>						<b>221,487</b>	<b>-</b>	<b>136,608</b>		
FLATHEAD	BLANKENSHIP RURAL FIF	Fire Cistern	15	10/21/14	11/21/14	38,976	-	24,081	02/15/30	COLUMBIA FALLS
FLATHEAD	BLANKENSHIP RURAL FIF	Finance Type 5 wildfire engine	10	03/06/18	10/26/18	45,000	-	36,603	08/15/28	COLUMBIA FALLS
<b>BLANKENSHIP RURAL FIRE DISTRICT Total</b>						<b>83,976</b>	<b>-</b>	<b>60,684</b>		
FLATHEAD	COLUMBIA FALLS	Street Improvements	10	07/28/11	08/26/11	364,449	-	19,716	08/15/21	COLUMBIA FALLS
FLATHEAD	COLUMBIA FALLS	2012 Custom Spartan Rosenbuer Pui	10	08/09/12	08/31/12	115,365	-	18,167	08/15/22	COLUMBIA FALLS
<b>BLANKENSHIP RURAL FIRE DISTRICT Total</b>						<b>479,814</b>	<b>-</b>	<b>37,883</b>		
FLATHEAD	FLATHEAD VALLEY COMM	Nursing and Health Sciences Building	10	02/26/13	04/12/13	2,400,000	-	495,333	02/15/23	KALISPELL
FLATHEAD	KALISPELL	Remodel park restrooms, purchase v	5	10/18/16	11/23/16	169,987	-	38,196	02/15/22	KALISPELL
FLATHEAD	KALISPELL	Purchase fire pumper	10	10/10/17	03/16/18	467,684	-	346,640	02/15/28	KALISPELL
FLATHEAD	KALISPELL	Purchase mower and sprayer	5	10/10/17	02/16/18	61,527	-	26,720	02/15/23	KALISPELL
FLATHEAD	KALISPELL	Replace Woodland Park Playground l	5	11/01/18	08/23/19	97,772	-	70,074		KALISPELL
FLATHEAD	KALISPELL	Ambulance	5	07/13/20	01/15/21	189,438	562	189,438	02/15/26	KALISPELL
FLATHEAD	KALISPELL	Construct impound/storage facility	15	11/24/20			178,520	-		KALISPELL
<b>KALISPELL Total</b>						<b>986,409</b>	<b>179,082</b>	<b>671,068</b>		
FLATHEAD	KALISPELL SCHOOL DIST	Interior/exterior lighting energy consei	15	03/01/19	02/14/20	229,618	-	217,606	02/15/35	KALISPELL
FLATHEAD	KALISPELL SCHOOL DIST	Interior/exterior lighting energy consei	15	03/01/19	02/14/20	526,382	-	498,846	02/15/35	KALISPELL
<b>KALISPELL SCHOOL DISTRICT #5 Total</b>						<b>756,000</b>	<b>-</b>	<b>716,452</b>		

**Local Government INTERCAP loans\* - by County**

**As of June 30, 2021**

**\*only loans that have remaining commitment and/or outstanding**

COUNTY	BORROWER NAME	PROJECT	TERM	CMT DATE	FUND DATE	DRAWN	COMMIT REMAINING	OUTSTANDING	MATURITY	CITY
FLATHEAD	OLNEY-BISSELL SCHOOL	Finance deferred maintenance projec	10	06/03/19	08/02/19	120,543	(0)	90,451	08/15/29	WHITEFISH
FLATHEAD	PLEASANT VALLEY SCHC	Student transport vehicle	5	01/23/19	03/22/19	12,503	-	7,708	02/15/24	MARION
FLATHEAD	SOMERS RURAL FIRE DIS	Reconfigure, expand, and repair fire s	15	08/15/17	09/22/17	300,000	-	242,050	08/15/32	LAKESIDE
FLATHEAD	WAPITI ACRES COUNTY \	Construct 2nd well	15	09/12/14	05/15/15	33,500	-	21,180	08/15/30	KALISPELL
FLATHEAD	WEST VALLEY FIRE DISTI	Construct new fire hall	15	08/05/09	10/16/09	650,000	-	179,868	08/15/24	KALISPELL
FLATHEAD	WEST VALLEY FIRE DISTI	Rosenbauer fire apparatus	10	05/07/15	05/22/15	253,554	-	118,027	08/15/25	KALISPELL
		<b>WEST VALLEY FIRE DISTRICT, KALISPELL Total</b>				<b>903,554</b>	<b>-</b>	<b>297,895</b>		
FLATHEAD	WHITEFISH	2014 Type I Fire Pumper	10	02/13/14	06/20/14	485,112	-	173,377	08/15/24	WHITEFISH
FLATHEAD	WHITEFISH	Finance water tender	7	08/26/14	02/13/15	211,000	-	30,808	02/15/22	WHITEFISH
FLATHEAD	WHITEFISH	Finance new ambulance	5	09/26/17	02/16/18	175,000	-	71,348	02/15/23	WHITEFISH
		<b>WHITEFISH Total</b>				<b>871,112</b>	<b>-</b>	<b>275,534</b>		
<b>FLATHEAD Total</b>						<b>6,947,411</b>	<b>179,082</b>	<b>2,916,238</b>		
GALLATIN	BIG SKY FIRE DISTRICT	Remodel two fire stations	15	02/12/19	04/18/19	1,863,592	-	1,228,761	02/15/34	BIG SKY
GALLATIN	BIG SKY SCHOOL DISTRIK	Build on-campus teacher/staff housin	5	06/19/19	08/09/19	518,127	-	443,820	08/15/24	BIG SKY
GALLATIN	BOZEMAN	Reconstruct of 8th Avenue	10	04/11/12	07/20/12	1,203,279	-	198,188	08/15/22	BOZEMAN
GALLATIN	BOZEMAN	Replacing/upgrading city street lights.	15	11/21/14	09/11/15	199,231	-	137,538	08/15/30	BOZEMAN
GALLATIN	BOZEMAN	Story Mill and Bronken Park improver	10	04/16/18	05/24/19	314,559	-	273,851	08/15/29	BOZEMAN
		<b>BOZEMAN Total</b>				<b>1,717,069</b>	<b>-</b>	<b>609,577</b>		
GALLATIN	BRIDGER CANYON RURA	Constructing substation	15	02/28/19	10/04/19	55,559	-	320,914	08/15/34	BOZEMAN
GALLATIN	CLARKSTON FIRE SERVIK	Brush fire apparatus	7	10/06/20	12/04/20	80,200	-	80,200	02/15/28	THREE FORKS
GALLATIN	FORT ELLIS FIRE SERVIC	Construction of a new fire station	15	06/01/21			3,000,000	-		FORT ELLIS
GALLATIN	THREE FORKS	Rodeo arena bleacher upgrade	10	07/07/20	08/07/20	310,000	-	296,214	08/15/30	THREE FORKS
GALLATIN	WEST YELLOWSTONE	Construct Town Hall	13	11/13/12	12/21/12	1,480,866	-	583,866	12/15/25	WEST YELLOWSTO
<b>GALLATIN Total</b>						<b>6,025,413</b>	<b>3,000,000</b>	<b>3,563,352</b>		
GOLDEN VALLEY	GOLDEN VALLEY COUNT	Finance ambulance	7	06/09/15	07/17/15	44,000	-	9,756	08/15/22	RYEGATE
<b>GOLDEN VALLEY Total</b>						<b>44,000</b>	<b>-</b>	<b>9,756</b>		
GRANITE	PHILIPSBURG	Wastewater system improvements	15	08/15/16	10/28/16	321,937	-	242,511	08/15/31	PHILIPSBURG
GRANITE	PHILIPSBURG	Wastewater system preliminary engin	6	02/07/18	04/27/18	77,000	-	53,566	08/15/24	PHILIPSBURG

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COUNTY	BORROWER NAME	PROJECT	TERM	CMT DATE	FUND DATE	DRAWN	COMMIT REMAINING	OUTSTANDING	MATURITY	CITY
<b>GRANITE Total</b>						<b>398,937</b>	<b>-</b>	<b>296,077</b>		
HILL	HILL COUNTY	Purchase 5 new sheriff vehicles	5	05/04/18	01/03/20	180,012	-	145,646	02/15/25	HAVRE
HILL	UNIFIED DISPOSAL DIST	Develop facility at new landfill	15	10/26/10	12/10/10	900,000	-	305,821	02/15/26	HAVRE
<b>HILL Total</b>						<b>1,080,012</b>	<b>-</b>	<b>451,467</b>		
JEFFERSON	BOULDER	City Hall (\$8K) reroof/police vehicle (3	6	10/06/17	12/22/17	44,000	-	23,060	02/15/24	BOULDER
JEFFERSON	BULL MOUNTAIN RURAL I	Finance water tender	5	02/15/18	05/04/18	20,000	-	10,393	08/15/23	BOULDER
JEFFERSON	BULL MOUNTAIN RURAL I	Fire station improvements	10	06/23/20	08/14/20	26,429	3,571	25,920	08/15/30	BOULDER
JEFFERSON	BULL MOUNTAIN RURAL I	Truck refi	7	07/21/20	08/14/20	34,235	-	31,984	08/15/27	BOULDER
<b>BULL MOUNTAIN RURAL FIRE DIST. Total</b>						<b>80,665</b>	<b>3,571</b>	<b>68,297</b>		
JEFFERSON	CLANCY FIRE SERVICE A	Self-contained breathing apparatus es	10	07/22/20	08/28/20	113,284	51,716	106,607	08/15/30	CLANCY
JEFFERSON	JEFFERSON CITY RURAL	New fire engine	10	12/23/20	01/29/21	60,000	220,000	60,000	02/15/31	JEFFERSON CITY
JEFFERSON	JEFFERSON COUNTY	Moonlight Ridge RID #2511 road imp	15	09/04/09	12/24/09	241,096	-	48,341	02/15/25	BOULDER
JEFFERSON	JEFFERSON COUNTY	Construct Clerk & Recorder Annex	15	04/30/15	06/19/15	808,475	-	543,325	08/15/30	BOULDER
JEFFERSON	JEFFERSON COUNTY	County Fairgrounds improvements	15	04/29/16	09/23/16	320,810	-	244,313	08/15/31	BOULDER
JEFFERSON	JEFFERSON COUNTY	Big Sky Acres RID road improvement	15	10/26/16	11/23/16	135,357	-	102,268	02/15/32	BOULDER
JEFFERSON	JEFFERSON COUNTY	Construct new roll-off container site	15	04/08/20	07/10/20	687,014	-	677,838	08/15/35	BOULDER
<b>JEFFERSON COUNTY Total</b>						<b>2,192,753</b>	<b>-</b>	<b>1,616,085</b>		
JEFFERSON	JEFFERSON VALLEY RUR	2016 International Urban Interface Fir	10	05/05/16	06/24/16	244,000	-	138,284	08/15/26	WHITEHALL
JEFFERSON	MONTANA CITY RURAL FI	Purchase property and construct stati	15	11/05/13	04/24/15	825,000	-	569,485	08/15/30	CLANCY
JEFFERSON	MONTANA CITY SCHOOL	Repair and replacement of its septic s	15	08/23/12	10/19/12	55,168	-	25,965	06/15/27	CLANCY
<b>JEFFERSON Total</b>						<b>3,614,869</b>	<b>275,287</b>	<b>2,607,783</b>		
JUDITH BASIN	HOBSON	Repair municipal pool	15	05/20/14	06/20/14	54,407	-	31,791	08/15/29	HOBSON
<b>JUDITH BASIN Total</b>						<b>54,407</b>	<b>-</b>	<b>31,791</b>		
LAKE	MISSION MOUNTAIN COU	Install water meters/pits, replace mair	15	09/12/12	11/09/12	95,000	-	46,608	02/15/28	RONAN
LAKE	POLSON	New police vehicle	3	02/10/21	03/26/21	21,153	156,297	21,153	02/15/24	POLSON
LAKE	POLSON ELEMENTARY S	Energy retrofit/energy performance cc	15	10/22/20	05/28/21	229,507	78,893	229,507	08/15/36	POLSON
LAKE	POLSON HIGH SCHOOL	Energy retrofit/energy performance cc	15	10/22/20	05/28/21	153,004	52,596	153,004	08/15/36	POLSON
LAKE	RONAN	Three new police vehicles	6	11/01/18	03/22/19	115,000	-	75,212	08/15/24	RONAN

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LAKE	RONAN	Front end loader	10	11/26/19	01/17/20	127,000	-	115,777	02/15/30	RONAN
LAKE	RONAN	Front end loader attachments	7	11/26/19	01/17/20	100,781	-	87,511	02/15/27	RONAN
LAKE	RONAN	Vac Combo Truck	7	05/06/21	06/04/21	159,824	-	159,824	08/15/28	RONAN
	<b>RONAN Total</b>					<b>502,605</b>	<b>-</b>	<b>438,324</b>		
LAKE	ST IGNATIUS SCHOOL DISTRICT	Deferred maintenance projects	15	11/13/18	04/05/19	1,157,973	-	1,072,926	02/15/34	SAINT IGNATIUS
<b>LAKE Total</b>						<b>2,159,243</b>	<b>287,786</b>	<b>1,961,523</b>		
LEWIS AND CLARK	AUGUSTA ELEMENTARY	Construct bus barn	15	08/03/17	03/09/18	34,035	-	28,444	02/15/33	AUGUSTA
LEWIS AND CLARK	AUGUSTA HIGH SCHOOL	Construct bus barn	15	08/04/17	10/20/17	135,000	-	111,911	02/15/33	AUGUSTA
LEWIS AND CLARK	BAXENDALE FIRE DIST	Construct Remini fire station	15	10/04/18	01/18/19	200,000	-	178,630	02/15/34	HELENA
LEWIS AND CLARK	HELENA	Municipal golf course irrigation system	15	09/20/13	12/05/14	433,099	-	268,462	02/15/30	HELENA
LEWIS AND CLARK	HELENA	Purch/install parking meters, kiosks, etc	10	07/08/19	11/01/19	560,243	-	512,259	02/15/30	HELENA
LEWIS AND CLARK	HELENA	New fire truck	10	04/05/21	06/18/21	810,000	-	810,000	08/15/31	HELENA
	<b>HELENA Total</b>					<b>1,803,342</b>	<b>-</b>	<b>1,590,721</b>		
LEWIS AND CLARK	HELENA ELEMENTARY SCHOOL	Broadwater Elementary School roof repair	6	03/06/18	01/25/19	757,799	-	467,351	02/15/24	HELENA
LEWIS AND CLARK	LEWIS & CLARK COUNTY	Big Sky Subdivision RID Road Improvement	15	02/28/13	12/06/13	167,896	-	42,767	02/15/29	HELENA
LEWIS AND CLARK	LEWIS & CLARK COUNTY	Settler's Cove RID Road Improvement	15	01/29/14	12/12/14	105,507	-	41,680	02/15/30	HELENA
LEWIS AND CLARK	LEWIS & CLARK COUNTY	Construction of a Search & Rescue Base	8	03/17/14	05/01/15	730,000	-	236,019	08/15/23	HELENA
LEWIS AND CLARK	LEWIS & CLARK COUNTY	Lake Home Condo RID road improvement	15	08/27/14	12/12/14	14,000	-	4,564	02/15/30	HELENA
LEWIS AND CLARK	LEWIS & CLARK COUNTY	Big Valley Cabin Road RID #2015-2	7	07/30/15	02/17/17	48,668	-	3,864	02/15/24	HELENA
LEWIS AND CLARK	LEWIS & CLARK COUNTY	Road improvements for Hillview RID	10	07/28/15	02/17/17	76,125	-	26,719	02/15/27	HELENA
LEWIS AND CLARK	LEWIS & CLARK COUNTY	Improve heating, ventilation, air conditioning	10	04/09/18	06/12/20	750,000	-	716,524	08/15/30	HELENA
LEWIS AND CLARK	LEWIS & CLARK COUNTY	Camelot Rural Improvement District	10	04/23/18	04/12/19	12,901	-	4,843	02/15/29	HELENA
LEWIS AND CLARK	LEWIS & CLARK COUNTY	South Forestvale RID road improvement	10	09/02/18	01/15/21	133,642	-	133,642	02/15/31	HELENA
LEWIS AND CLARK	LEWIS & CLARK COUNTY	Lake Home Road RID	10	10/22/20			33,390	-		HELENA
LEWIS AND CLARK	LEWIS & CLARK COUNTY	Law and Justice Center building capital	10	03/11/21	06/18/21	308,543	341,457	308,543	08/15/31	HELENA
	<b>LEWIS &amp; CLARK COUNTY Total</b>					<b>2,347,281</b>	<b>374,847</b>	<b>1,519,164</b>		
LEWIS AND CLARK	LEWIS & CLARK LIBRARY	Remodel Facility	10	11/19/19	02/07/20	2,000,000	-	1,845,210	02/15/30	HELENA
LEWIS AND CLARK	TRI-LAKES VOLUNTEER FIRE	Three Used Apparatuses	10	04/21/11	07/15/11	131,939	-	7,075	08/15/21	EAST HELENA
LEWIS AND CLARK	WEST HELENA VALLEY FIRE	Fire station addition	15	04/16/21			500,000	-		HELENA
<b>LEWIS AND CLARK Total</b>						<b>7,409,396</b>	<b>874,847</b>	<b>5,748,507</b>		
LINCOLN	LIBBY	Replace firehall roof	10	03/10/17	06/16/17	60,000	-	40,678	08/15/27	LIBBY

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LINCOLN	MCCORMICK RURAL FIRE	Make improvements to fire station	15	10/13/16	01/13/17	4,842	-	3,660	02/15/32	TROY
LINCOLN	FISHER RIVER VALLEY FI	Refi Fire Station Construction Loan	15	05/10/11	06/24/11	136,245	-	54,172	08/15/26	LIBBY
LINCOLN	FISHER RIVER VALLEY FI	New Fire Engine	10	05/09/13	07/05/13	70,000	-	18,078	08/15/23	LIBBY
LINCOLN	FISHER RIVER VALLEY FI	Repair Fire Station roof	15	10/21/14	11/21/14	20,000	-	12,357	02/15/30	LIBBY
		<b>FISHER RIVER VALLEY FIRE SERVICE AREA Total</b>				<b>226,245</b>	<b>-</b>	<b>84,607</b>		
LINCOLN	EUREKA FIRE SERVICE A	Fire Pumper Truck	7	01/26/18	12/18/18	100,000	-	29,028	02/15/25	EUREKA
<b>LINCOLN Total</b>						<b>391,087</b>	<b>-</b>	<b>157,973</b>		
MADISON	TWIN BRIDGES	Construct town shop	10	08/06/18	11/02/19	190,000	-	172,215	08/15/29	TWIN BRIDGES
MADISON	MADISON COUNTY	Road repairs and maintenance	7	10/13/20			1,500,000	-		VIRGINIA CITY
<b>MADISON Total</b>						<b>190,000</b>	<b>1,500,000</b>	<b>172,215</b>		
MCCONE	MCCONE COUNTY	Repair Public Library foundation	10	12/10/14	01/16/15	69,050	-	28,388	02/15/25	CIRCLE
MCCONE	MCCONE COUNTY	Finance road dept vehicle	5	10/13/16	12/16/16	35,400	-	7,299	02/15/22	CIRCLE
MCCONE	MCCONE COUNTY	Wheel Loader	6	12/21/16	01/20/17	144,500	-	49,491	02/15/23	CIRCLE
MCCONE	MCCONE COUNTY	Sheriff vehicle and radio	5	12/12/19	04/24/20	62,374	-	56,484	08/15/25	CIRCLE
MCCONE	MCCONE COUNTY	Purchase backhoe/loader with attach	5	02/21/20	03/20/20	77,900	-	62,901	02/15/25	CIRCLE
<b>MCCONE Total</b>						<b>389,224</b>	<b>-</b>	<b>204,563</b>		
MEAGHER	MEAGHER COUNTY	Construct Ambulance Building	15	02/04/15	07/02/15	120,000	-	79,893	08/15/30	WHITE SULPHUR S
<b>MEAGHER Total</b>						<b>120,000</b>	<b>-</b>	<b>79,893</b>		
MINERAL	ST REGIS SCHOOL DISTR	Convert space into a weight room fac	15	01/15/16	10/28/16	120,000	-	85,041	02/15/32	SAINT REGIS
MINERAL	ST REGIS SCHOOL DISTR	Roofing Project	15	08/08/18	10/12/18	225,000	-	196,944	06/15/33	SAINT REGIS
<b>MINERAL Total</b>						<b>345,000</b>	<b>-</b>	<b>281,984</b>		
MISSOULA	BONNER ELEMENTARY S	School cafeteria addition and office in	15	08/12/15	10/30/15	346,000	-	237,654	06/15/30	BONNER
MISSOULA	MISSOULA COUNTY	Refinance the purchase of Historical l	10	04/27/09	05/15/09	432,500	-	113,762	08/15/24	MISSOULA
MISSOULA	MISSOULA COUNTY	Williams Addtn RID -sewer system irr	15	11/04/09	05/07/10	73,000	-	21,970	08/15/25	MISSOULA
MISSOULA	MISSOULA COUNTY	Construct Seeley-Swan Search & Res	15	11/10/14	06/05/15	200,000	-	134,018	08/15/30	MISSOULA
MISSOULA	MISSOULA COUNTY	Replace 911 equipment	7	04/23/15	05/06/16	367,234	-	135,744	08/15/23	MISSOULA
MISSOULA	MISSOULA COUNTY	Carlton Cemetery sprinkler system	10	10/14/15	12/30/15	26,252	-	13,490	02/15/26	MISSOULA
MISSOULA	MISSOULA COUNTY	County Fairgrounds improvements	10	03/14/16	06/09/17	823,604	-	558,381	08/15/27	MISSOULA
MISSOULA	MISSOULA COUNTY	Wastewater system improvements fo	15	10/27/16	11/17/17	10,705	-	8,569	02/15/33	MISSOULA
MISSOULA	MISSOULA COUNTY	Purchase radio tower and microwave	15	04/24/18	06/15/18	425,158	-	367,442	08/15/33	MISSOULA
		<b>MISSOULA COUNTY Total</b>				<b>2,358,454</b>	<b>-</b>	<b>1,353,377</b>		
MISSOULA	MISSOULA COUNTY HIGH	Seeley Swan High School vehicle	7	12/14/20	02/05/21	25,000	-	25,000	02/15/28	MISSOULA

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MISSOULA	MISSOULA RURAL FIRE D	Two type-1 fire engines	10	05/10/19	03/27/20	313,000	-	284,193	02/15/30	MISSOULA
MISSOULA	MISSOULA RURAL FIRE D	Two type-1 fire engines	10	04/13/20	11/20/20	350,000	-	350,000	02/15/36	MISSOULA
		<b>MISSOULA RURAL FIRE DISTRICT Total</b>				<b>663,000</b>	<b>-</b>	<b>634,193</b>		
MISSOULA	SEELEY LAKE RURAL FIR	Purchase land/building to house truck	15	07/28/09	08/28/09	325,000	-	89,946	08/15/24	SEELEY LAKE
MISSOULA	SEELEY-SWAN HOSPITAL	Expand existing Seeley-Swan Medica	15	07/17/14	09/19/14	551,390	-	330,435	08/15/29	SEELEY LAKE
		<b>MISSOULA Total</b>				<b>4,268,844</b>	<b>-</b>	<b>2,670,605</b>		
MUSSELSHELL	ROUNDUP	UV Disinfection-Sewer Lagoon	10	04/27/12	07/20/12	239,924	-	105,426	08/15/27	ROUNDUP
		<b>MUSSELSHELL Total</b>				<b>239,924</b>	<b>-</b>	<b>105,426</b>		
PARK	LIVINGSTON	Street Repair Project	10	03/05/12	01/25/13	400,000	-	83,713	02/15/23	LIVINGSTON
PARK	LIVINGSTON	Remodel police and dispatch center	10	01/09/17	04/13/17	75,000	-	46,894	02/15/27	LIVINGSTON
PARK	LIVINGSTON	New street sweeper & repair existing	5	11/21/18	01/11/19	239,269	-	148,589	02/15/24	LIVINGSTON
		<b>LIVINGSTON Total</b>				<b>714,269</b>	<b>-</b>	<b>279,196</b>		
PARK	PARK COUNTY	Construct search & rescue operations	15	10/03/12	03/01/13	880,000	-	450,794	02/15/28	LIVINGSTON
PARK	PARK COUNTY	Remodel dispatch center, replace pov	7	05/25/17	06/23/17	357,500	-	188,679	08/15/24	LIVINGSTON
PARK	PARK COUNTY	Flood repairs/replace Convict Grade I	15	08/08/19	08/30/19	551,362	8,638	507,100	08/15/34	LIVINGSTON
PARK	PARK COUNTY	Motor grader/complete phase I of City	7	04/27/20	06/05/20	405,914	-	379,231	08/15/27	LIVINGSTON
		<b>PARK COUNTY Total</b>				<b>2,194,776</b>	<b>8,638</b>	<b>1,525,804</b>		
PARK	PARK COUNTY RURAL FII	Fire station building improvements	15	09/26/12	04/12/13	200,000	-	96,729	02/15/28	LIVINGSTON
PARK	PARK COUNTY RURAL FII	Purchase land adjacent to fire station	15	08/08/14	08/29/14	118,900	-	69,509	08/15/29	LIVINGSTON
PARK	PARK COUNTY RURAL FII	Used structure engine	7	03/13/19	04/26/19	100,000	-	62,454	02/15/26	LIVINGSTON
		<b>PARK COUNTY RURAL FIRE DISTRICT Total</b>				<b>418,900</b>	<b>-</b>	<b>228,691</b>		
PARK	SHIELDS VALLEY ELEMEN	School bus	8	08/10/17	08/31/18	42,920	-	30,583	06/15/26	WILSALL
PARK	SHIELDS VALLEY ELEMEN	Teacher Housing	15	04/13/21	05/21/21	59,077	20,923	59,077	06/15/36	WILSALL
		<b>SHIELDS VALLEY ELEMENTARY SCHOOL Total</b>				<b>101,997</b>	<b>20,923</b>	<b>89,660</b>		
PARK	SHIELDS VALLEY HIGH S	School bus	8	08/10/17	08/31/18	64,380	-	45,875	06/15/26	CLYDE PARK
PARK	SHIELDS VALLEY HIGH S	Teacher Housing	15	04/13/21	05/21/21	88,615	31,385	88,615	06/15/36	CLYDE PARK
		<b>SHIELDS VALLEY HIGH SCHOOL Total</b>				<b>152,995</b>	<b>31,385</b>	<b>134,490</b>		
		<b>PARK Total</b>				<b>3,582,937</b>	<b>60,946</b>	<b>2,257,841</b>		
PETROLEUM	PETROLEUM COUNTY	Two motor graders	7	03/17/17	04/28/17	120,000	-	62,618	08/15/24	WINNETT
PETROLEUM	WINNETT SCHOOL DISTR	Replacement school bus	3	05/21/18	08/03/18	46,680	-	8,040	06/15/21	WINNETT
		<b>PETROLEUM Total</b>				<b>166,680</b>	<b>-</b>	<b>70,658</b>		
PHILLIPS	MALTA	1.84 acre landfill cell	15	04/11/17	07/21/17	346,796	-	270,156	08/15/32	MALTA



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PHILLIPS	MALTA	Garbage truck	7	09/05/18	02/21/20	221,081	-	192,449	02/15/27	MALTA
	<b>MALTA Total</b>					<b>567,877</b>	<b>-</b>	<b>462,605</b>		
PHILLIPS	SACO PUBLIC SCHOOLS	school building roof repair and mainte	15	04/17/20	09/18/20	248,723	-	241,278	08/15/35	SACO
	<b>PHILLIPS Total</b>					<b>816,600</b>	<b>-</b>	<b>703,883</b>		
PONDERA	PONDERA COUNTY	Senior Center Remodel Project	15	07/13/11	08/12/11	113,841	-	46,700	08/15/26	CONRAD
PONDERA	PONDERA COUNTY	HVAC upgrades to courthouse and ja	15	01/09/17	04/13/17	359,000	-	284,087	02/15/32	CONRAD
	<b>PONDERA COUNTY Total</b>					<b>472,841</b>	<b>-</b>	<b>330,787</b>		
PONDERA	VALIER	Finance a motor grader	7	12/01/16	04/13/17	40,000	-	17,826	02/15/24	VALIER
PONDERA	VALIER ELEMENTARY SC	Swimming Pool Rehab	10	05/26/10	05/20/11	147,739	(0)	7,481	08/15/21	VALIER
PONDERA	VALIER HIGH SCHOOL DI	Swimming Pool Rehab	10	05/26/10	05/20/11	147,739	(0)	7,481	08/15/21	VALIER
	<b>PONDERA Total</b>					<b>808,320</b>	<b>(0)</b>	<b>363,576</b>		
POWELL	DEER LODGE	Finance a fire truck	10	05/09/16	07/08/16	420,000	-	238,295	08/15/26	DEER LODGE
POWELL	ELLISTON RURAL FIRE DI	Finance new fire truck	10	11/05/13	12/06/13	80,000	-	13,654	02/15/24	ELLISTON
POWELL	AVON RURAL FIRE DISTR	Purchase Fire Engine	7	03/02/15	03/20/15	50,000	-	6,836	02/15/22	AVON
	<b>POWELL Total</b>					<b>550,000</b>	<b>-</b>	<b>258,785</b>		
PRAIRIE	PRAIRIE COUNTY HOSPIT	Replace hospital & clinic roof	15	04/15/10	12/23/10	168,619	-	56,900	08/15/25	TERRY
	<b>PRAIRIE Total</b>					<b>168,619</b>	<b>-</b>	<b>56,900</b>		
RAVALLI	CORVALLIS RURAL FIRE I	Refinance two fire stations	10	11/07/12	11/30/12	627,648	-	131,850	02/15/23	CORVALLIS
RAVALLI	CORVALLIS RURAL FIRE I	Purchase ladder fire truck	7	08/28/15	09/18/15	125,000	-	28,303	08/15/22	CORVALLIS
	<b>CORVALLIS RURAL FIRE DISTRICT Total</b>					<b>752,648</b>	<b>-</b>	<b>160,153</b>		
RAVALLI	CORVALLIS SCHOOL DIS	Property Purchase	5	11/14/17	06/22/18	1,525,000	-	784,883	06/15/23	CORVALLIS
RAVALLI	DARBY RURAL FIRE DIST	Purchase a new fire engine	10	12/13/12	01/11/13	88,481	-	18,471	02/15/23	DARBY
RAVALLI	FLORENCE RURAL FIRE	Type one fire vehicle	10	10/14/16	02/10/17	305,764	-	203,644	02/15/27	FLORENCE
RAVALLI	HAMILTON	Refurbishing city-owned building for J	10	10/25/17	10/05/18	1,000,000	-	804,008	08/15/28	HAMILTON
RAVALLI	HAMILTON SCHOOL DIST	Remodel and Replace boiler at Daly E	15	06/06/13	10/25/13	350,000	-	188,412	06/15/28	HAMILTON
RAVALLI	HAMILTON SCHOOL DIST	Daly Elementary rehabilitation project	15	11/13/18	06/14/19	1,500,000	150,000	1,386,579	08/15/34	HAMILTON
	<b>HAMILTON SCHOOL DISTRICT #3 Total</b>					<b>1,850,000</b>	<b>150,000</b>	<b>1,574,991</b>		
RAVALLI	NORTH VALLEY PUBLIC L	Refinance library building mortgage	15	03/28/13	04/26/13	68,000	-	35,274	08/15/28	STEVENSVILLE

**Local Government INTERCAP loans\* - by County**

**As of June 30, 2021**

**\*only loans that have remaining commitment and/or outstanding**

COUNTY	BORROWER NAME	PROJECT	TERM	CMT DATE	FUND DATE	DRAWN	COMMIT REMAINING	OUTSTANDING	MATURITY	CITY
RAVALLI	PINESDALE	Type 6 Fire Truck	10	01/02/18	02/02/18	49,000	-	35,509	02/15/28	PINESDALE
<b>RAVALLI Total</b>						<b>5,638,893</b>	<b>150,000</b>	<b>3,616,932</b>		
RICHLAND	SAVAGE ELEMENTARY S	Heating/Cooling Systems and asbest	10	08/23/12	11/02/12	600,000	-	99,509	06/15/22	SAVAGE
RICHLAND	SIDNEY-RICHLAND REGIC	Airport improvements	15	07/13/20	08/07/20	680,000	-	662,157	08/15/35	SIDNEY
<b>RICHLAND Total</b>						<b>1,280,000</b>	<b>-</b>	<b>761,666</b>		
ROOSEVELT	BAINVILLE PUBLIC SCHO	HVAC upgrades, improvements to co	5	02/20/18	09/28/18	189,142	-	97,521	06/15/23	BAINVILLE
ROOSEVELT	CULBERTSON	Street, Curb and Gutter Improvement	15	09/24/10	07/22/11	127,364	-	45,780	08/15/26	CULBERTSON
ROOSEVELT	CULBERTSON ELEMENTA	Classroom addition project	15	07/29/16	08/19/16	1,600,000	-	1,190,452	06/15/31	CULBERTSON
ROOSEVELT	CULBERTSON ELEMENTA	Broiler Replacement and Security Ca	7	06/18/21			640,000	-		CULBERTSON
<b>CULBERTSON ELEMENTARY SCHOOL DIST. Total</b>						<b>1,600,000</b>	<b>640,000</b>	<b>1,190,452</b>		
ROOSEVELT	WOLF POINT	Street Improvements	15	06/29/16	11/04/16	1,300,000	-	970,059	08/15/31	WOLF POINT
<b>ROOSEVELT Total</b>						<b>3,216,506</b>	<b>640,000</b>	<b>2,303,813</b>		
ROSEBUD	COLSTRIP	Solid waste revenue bond for garbage	5	08/23/16	12/09/16	100,000	-	20,000	02/15/22	COLSTRIP
ROSEBUD	COLSTRIP SCHOOL DISTI	School building remodel	5	06/16/16	09/30/16	500,000	-	49,920	06/15/21	COLSTRIP
ROSEBUD	FORSYTH	Refi/repair the municipal pool	10	10/05/12	06/07/13	133,807	-	29,237	02/15/23	FORSYTH
<b>ROSEBUD Total</b>						<b>733,807</b>	<b>-</b>	<b>99,157</b>		
SANDERS	HOT SPRINGS	Water System Improvements - reven	15	11/14/13	11/20/15	110,497	-	76,185	02/15/31	HOT SPRINGS
SANDERS	PLAINS SCHOOL DISTRIC	Replace high school boiler	5	05/10/18	07/06/18	200,000	-	103,928	06/15/23	PLAINS
SANDERS	THOMPSON FALLS	Sewer system improvements	5	04/15/16	11/18/16	36,000	-	3,573	08/15/21	THOMPSON FALLS
SANDERS	THOMPSON FALLS	purchase public works vehicle	5	06/05/20	07/17/20	35,000	-	31,667	08/15/25	THOMPSON FALLS
SANDERS	THOMPSON FALLS	Purchase police vehicle	5	01/15/21			51,621	-		THOMPSON FALLS
<b>THOMPSON FALLS Total</b>						<b>71,000</b>	<b>51,621</b>	<b>35,240</b>		
<b>SANDERS Total</b>						<b>381,497</b>	<b>51,621</b>	<b>215,352</b>		
STILLWATER	BEARTOOTH PARKS AND	Repair pool and bath houses	15	01/16/15	07/02/15	53,539	-	36,253	08/15/30	FISHTAIL
STILLWATER	COLUMBUS	Construct public works facility	10	05/18/11	01/06/12	300,000	-	31,969	02/15/22	COLUMBUS
STILLWATER	COLUMBUS RURAL FIRE	Fire Truck	10	06/23/21			350,000	-		COLUMBUS
STILLWATER	PARK CITY HIGH SCHOOL	Replace roofs on high school and vo-	5	10/27/17	07/27/18	256,202	(0)	99,492	06/15/22	PARK CITY

**Local Government INTERCAP loans\* - by County**

**As of June 30, 2021**

**\*only loans that have remaining commitment and/or outstanding**

COUNTY	BORROWER NAME	PROJECT	TERM	CMT DATE	FUND DATE	DRAWN	COMMIT REMAINING	OUTSTANDING	MATURITY	CITY
STILLWATER	PARK CITY RURAL FIRE C	Finance replacement apparatus	7	11/25/15	10/13/17	35,000	-	18,111	08/15/24	PARK CITY
STILLWATER	RAPELJE WATER & SEWE	Refinance existing loan w/USDA-RD	6	01/05/16	02/05/16	20,785	-	3,485	02/15/22	RAPELJE
STILLWATER	REED POINT ELEMENTAF	Refinance loan that purchased staff h	15	06/30/17	07/28/17	183,109	-	146,049	06/15/24	REED POINT
STILLWATER	STILLWATER COUNTY	Two used plow trucks	7	08/26/19	10/04/19	107,000	43,000	85,634	08/15/26	COLUMBUS
<b>STILLWATER Total</b>						<b>955,635</b>	<b>393,000</b>	<b>420,992</b>		
TETON	CHOTEAU	Asphalt grinder	10	11/08/17	12/08/17	85,550	-	62,076	02/15/28	CHOTEAU
TETON	TETON COUNTY	Purchase building	10	10/27/11	12/16/11	75,000	-	8,047	02/15/22	CHOTEAU
<b>TETON Total</b>						<b>160,550</b>	<b>-</b>	<b>70,123</b>		
TOOLE	KEVIN	Repair portion of water system	15	09/06/13	10/18/13	35,828	-	18,789	08/15/28	KEVIN
TOOLE	KEVIN	Purchase and upgrade existing buildi	10	11/16/15	12/18/15	39,944	-	20,506	02/15/26	KEVIN
<b>KEVIN Total</b>						<b>75,772</b>	<b>-</b>	<b>39,295</b>		
TOOLE	SUNBURST	Purchase Skid Steer	5	01/29/19	03/08/19	40,000	-	24,715	02/15/24	SUNBURST
TOOLE	TOOLE COUNTY	Airport Taxiway and hangar	10	12/26/12	01/18/13	145,394	-	30,390	02/15/23	SHELBY
TOOLE	TOOLE COUNTY	Purchase telemetry system for Marias	5	02/15/18	07/06/18	141,730	-	73,127	08/15/23	SHELBY
TOOLE	TOOLE COUNTY	Computer server/storage-Marias Med	5	09/23/19	10/18/19	176,643	-	125,658	08/15/24	SHELBY
<b>TOOLE Total</b>						<b>463,767</b>	<b>-</b>	<b>229,175</b>		
TOOLE	TRI-CITY INTERLOCAL EC	Service truck with aerial bucket	5	03/15/16	05/06/16	60,000	-	6,212	08/15/21	SHELBY
TOOLE	TRI-CITY INTERLOCAL EC	Combination sewer truck	7	06/03/19	06/21/19	389,414	-	311,469	08/15/26	SHELBY
<b>TRI-COUNTY INTERLOCAL EQUIP POOL Total</b>						<b>449,414</b>	<b>-</b>	<b>317,681</b>		
<b>TOOLE Total</b>						<b>1,028,953</b>	<b>-</b>	<b>610,866</b>		
TREASURE	HYSHAM	Wastewater system improvements	15	09/17/20			100,000	-		HYSHAM
TREASURE	HYSHAM SCHOOL DISTRI	Upgrading HVAC, restroom/locker roc	10	04/16/21			540,050	-		HYSHAM
<b>TREASURE Total</b>						<b>-</b>	<b>640,050</b>	<b>-</b>		
VALLEY	ST. MARIE RURAL FIRE D	Fire Tanker Truck	7	05/07/21			60,000	-		ST. MARIE
VALLEY	VALLEY COUNTY	Emergency road & bridge repairs	10	07/08/11	07/06/12	163,038	-	17,822	02/15/22	GLASGOW
VALLEY	VALLEY COUNTY	Build new fire hall	10	05/07/15	07/24/15	100,000	-	46,549	08/15/25	GLASGOW
VALLEY	VALLEY COUNTY	Landfill Scraper	10	10/05/15	11/06/15	100,000	-	41,255	02/15/26	GLASGOW
<b>VALLEY COUNTY Total</b>						<b>363,038</b>	<b>-</b>	<b>105,626</b>		
<b>VALLEY Total</b>						<b>363,038</b>	<b>60,000</b>	<b>105,626</b>		

**Local Government INTERCAP loans\* - by County**

**As of June 30, 2021**

**\*only loans that have remaining commitment and/or outstanding**

COUNTY	BORROWER NAME	PROJECT	TERM	CMT DATE	FUND DATE	DRAWN	COMMIT REMAINING	OUTSTANDING	MATURITY	CITY
YELLOWSTONE	BILLINGS	Zimmerman SID sewer improvement	15	09/15/09	12/24/09	80,500	-	21,475	02/15/25	BILLINGS
YELLOWSTONE	BILLINGS	Expansion of police evidence building	15	05/21/19	12/06/19	2,800,000	-	2,706,263	08/15/34	BILLINGS
	<b>BILLINGS Total</b>					<b>2,880,500</b>	<b>-</b>	<b>2,727,738</b>		
YELLOWSTONE	BROADVIEW	Anticipation of RD funds (water)	2	05/14/21			588,000	-		BROADVIEW
YELLOWSTONE	LAUREL	Replace & repair sidewalks within SIC	15	05/27/15	11/20/15	169,000	-	110,079	08/15/30	LAUREL
YELLOWSTONE	LAUREL	Fire Safety Equipment	7	05/28/15	08/28/15	160,000	-	35,400	08/15/22	LAUREL
YELLOWSTONE	LAUREL	Garbage Truck	7	05/13/21			300,000	-		LAUREL
	<b>LAUREL Total</b>					<b>329,000</b>	<b>300,000</b>	<b>145,479</b>		
YELLOWSTONE	LAUREL AIRPORT AUTHC	Build a cross wind runway	15	05/11/17	09/08/17	373,198	(0)	312,456	08/15/32	LAUREL
YELLOWSTONE	LOCKWOOD RURAL FIRE	Re-finance Bank Loan for Fire Stator	15	06/01/21	06/18/21	2,760,000	-	2,760,000	08/15/36	BILLINGS
YELLOWSTONE	LOCKWOOD RURAL FIRE	Land purchase for Fire Training Cent	15	04/28/21	05/21/21	800,000	-	800,000	08/15/36	BILLINGS
	<b>LOCKWOOD RURAL FIRE DISTRICT Total</b>					<b>3,560,000</b>	<b>-</b>	<b>3,560,000</b>		
YELLOWSTONE	YELLOWSTONE COUNTY	Construct pedestrian walkways in Loc	10	06/25/15	11/13/15	285,965	-	129,190	02/15/26	BILLINGS
YELLOWSTONE	YELLOWSTONE COUNTY	Construct pedestrian walkways in Loc	10	10/19/18	11/09/18	350,000	50,000	296,140	02/15/29	BILLINGS
	<b>YELLOWSTONE COUNTY Total</b>					<b>635,965</b>	<b>50,000</b>	<b>425,329</b>		
<b>YELLOWSTONE Total</b>						<b>7,778,663</b>	<b>938,000</b>	<b>7,171,002</b>		
<b>LOCAL GOVERNMENT TOTAL AS OF JUNE 30, 2021</b>						<b>78,719,201</b>	<b>14,827,476</b>	<b>51,289,710</b>		

**State Agency INTERCAP loans\***

**As of June 30, 2021**

\*only loans that have remaining commitment and/or outstanding

BORROWER NAME	PROJECT	TERM	CMT DATE	COMMIT AMOUNT	FUND DATE	DRAWN	COMMIT REMAINING	OUTSTANDING	MATURITY
CORRECTIONS	Food factory expansion	15	02/11/20	2,750,000	5/21/2021	318,399	2,431,601	318,399	08/15/36
DNRC	Anticip of issuing GO short term bond - DWSI	2	04/02/19	3,400,000	12/20/2019	3,400,000	-	148,838	12/20/21
DNRC	Anticip of issuing GO short term bond - DWSI	2	10/8/19	3,200,000	12/23/2020	1,662,500	1,537,500	1,662,500	12/23/22
DNRC	Anticip of issuing GO short term bond - WPC:	2	02/23/21	3,900,000			3,900,000	-	
<b>DNRC Total</b>				<b>10,500,000</b>		<b>5,062,500</b>	<b>5,437,500</b>	<b>1,811,338</b>	
FISH, WILDLIFE, & PAI	Two replacement helicopters	7	10/8/19	1,600,000	3/6/2020	1,600,000	-	1,484,786	2/15/27
<b>FISH, WILDLIFE, &amp; PARKS Total</b>				<b>1,600,000</b>		<b>1,600,000</b>	<b>-</b>	<b>1,484,786</b>	
TRANSPORTATION	State Motor Pool vehicles	7	11/17/15	3,105,304	3/24/2016	3,105,304	-	486,676	06/15/22
TRANSPORTATION	State Motor Pool replacement vehicles	7	11/15/16	2,632,249	3/10/2017	2,632,249	-	809,869	06/15/23
TRANSPORTATION	State Motor Pool vehicles	7	05/06/19	1,000,000	6/14/2019	1,000,000	-	714,286	06/15/26
TRANSPORTATION	State Motor Pool vehicles	7	11/19/19	3,080,000	6/12/2020	3,080,000	-	2,640,000	06/15/27
TRANSPORTATION	Purchase State Motor Pool vehicles	7	02/23/21	3,000,000	6/11/2021	2,611,660	388,340	2,611,660	06/15/28
<b>TRANSPORTATION Total</b>				<b>12,817,553</b>		<b>12,429,212</b>	<b>388,340</b>	<b>7,262,491</b>	
<b>STATE AGENCY TOTAL AS OF JUNE 30, 2021</b>				<b>27,667,553</b>		<b>19,410,111</b>	<b>8,257,441</b>	<b>10,877,013</b>	

**University INTERCAP loans\***

**As of June 30, 2021**

**\*only loans that have remaining commitment and/or outstanding**

BORROWER NAME PROJECT	TERM	CMT DATE	COMMIT		DRAWN	COMMIT		MATURITY
			AMOUNT	FUND DATE		REMAINING	OUTSTANDING	
MSU-BILLINGS Residence Hall Roof Replacement	10	10/27/11	336,512	04/13/12	336,512	-	34,820	02/15/22
MSU-BILLINGS Bookstore Remodel	10	10/31/11	513,046	06/22/12	513,046	-	83,791	08/15/22
MSU-BILLINGS Student Union/Rimrock Hall HVAC	15	05/22/12	1,260,881	06/22/12	1,260,881	-	585,878	08/15/27
MSU-BILLINGS Petrol Hall roof repair/replace	10	06/05/14	376,758	01/09/15	376,758	-	154,819	02/15/25
MSU-BILLINGS Student Union Building roof repair/	10	05/04/15	835,488	06/19/15	835,488	-	396,977	08/15/25
MSU-BILLINGS Student Union Building air handler	3	04/16/18	178,106	07/06/18	10,472	-	1,777	08/15/21
MSU-BILLINGS Replace two boilers	15	04/08/20	750,000	06/18/21	7,047	742,953	7,047	08/15/36
<b>MSU-BILLINGS Total</b>			<b>4,250,791</b>		<b>3,340,204</b>	<b>742,953</b>	<b>1,265,111</b>	
MSU-BOZEMAN Bobcat Stadium End Zone Project	15	01/12/11	4,000,000	04/29/11	4,000,000	-	1,600,807	08/15/26
MSU-BOZEMAN Energy Retro - Multiple Buildings	15	11/13/12	4,350,000	11/16/12	4,350,000	-	2,131,258	08/15/28
MSU-BOZEMAN IT Infra Rep Plan - wireless campu	10	01/07/14	279,347	01/24/14	279,347	-	86,565	02/15/24
MSU-BOZEMAN Renovate Strand Union Building b:	15	08/19/14	1,720,244	04/24/15	1,720,244	-	1,127,026	08/15/30
MSU-BOZEMAN KUSM public TV digital encoding e	5	09/29/15	300,000	04/22/16	115,472	-	35,875	08/15/21
MSU-BOZEMAN Stadium stairwells repair	5	11/14/16	475,000	04/28/17	475,000	-	148,784	08/15/22
MSU-BOZEMAN Dobbie Lambert Intramural Fields i	15	05/22/18	4,000,000	09/14/18	1,716,271	-	3,504,003	02/15/34
<b>MSU-BILLINGS Total</b>			<b>15,124,591</b>		<b>12,656,334</b>	<b>-</b>	<b>8,634,317</b>	
<b>UNIVERSITY TOTAL AS OF JUNE 30, 2021</b>			<b>19,375,382</b>		<b>15,996,539</b>	<b>742,953</b>	<b>9,899,428</b>	

# MONTANA

## BOARD OF INVESTMENTS

### BOARD ADOPTED POLICY

POLICY NUMBER: 40.600

EFFECTIVE DATE: ~~8~~/11/2021

TITLE: STIP Investment Policy Statement

SUPERSEDES: 6/1/2021

BOARD ADOPTION:

REVIEWED:

## 1. Introduction

*This policy is effective upon adoption and supersedes all previous Investment Policies related to the investment management of the Short-Term Investment Pool (STIP).*

STIP is an investment program managed and administered under the direction of the Montana Board of Investments (MBOI) as authorized by the Unified Investment Program. STIP invests the operating funds of the State of Montana, participating local government entity funds, and the liquidity requirements of the various pension and trust funds managed by MBOI.

STIP is a commingled pool for investment purposes. The use of a commingled pool allows for simplified investing and accounting, as well as broader investment diversification, and it provides opportunities for fee savings.

## 2. Purpose

The purpose of this policy statement is to provide a strategic framework for the STIP investments under the guidance of the Board of Investments.

## 3. Legal and Constitutional Authority

The Montana Constitution, Article VIII, Section 13, requires that the Legislature provide for a Unified Investment Program for public funds. Section 17-6-201, MCA, established the Unified Investment Program, created the Montana Board of Investments (the "Board") and gave the Board sole authority to invest state funds, including the Short-Term Investment Pool (STIP) in accordance with state law and the state constitution.

The Unified Investment program for public funds must be administered by the Board of Investments in accordance with the "prudent expert principle," defined as:

1. discharging its duties with the care, skill, prudence, and diligence, under the circumstances then prevailing, that a prudent person acting in a like capacity with the same resources and familiar with like matters exercises in the conduct of an enterprise of like character with like aims;
2. diversifying the holdings of each fund to minimize the risk of loss and maximize the rate of return, unless under the circumstances it is clearly prudent not to do so; and
3. discharging its duties solely in the interest of and for the beneficiaries of the funds

managed.

The Board created the Short-Term Investment Pool (STIP) to allow qualifying funds, per sections 17- 6-201, 202, and 204, MCA, to participate in a diversified pool. Although state agencies with accounts that retain their interest earnings are legally required to invest in STIP, local governments may voluntarily participate in the STIP.

The Board, as the investment fiduciary, is responsible for establishing the investment parameters for the STIP.

STIP is not registered with the Securities and Exchange Commission (SEC) as an investment company and therefore is not required to abide by the SEC's rule 2a7 of the Investment Company Act of 1940.

STIP has a defined set of investment objectives and investment guidelines, including permitted investments, which are detailed in this policy statement.

#### 4. Financial Reporting

The STIP financial statements are included in the Board's Consolidated Unified Investment Program financial statements, which are audited by the Montana Legislative Auditor.

On October 6, 2015, the Board approved, that for financial reporting purposes the STIP portfolio will be reported on a Net Asset Value basis versus amortized cost.

#### 5. Strategic Investment Objectives

The Board's objective for STIP is to achieve a high level of investment income that is compatible with the preservation of principal, providing STIP participants with liquidity with one-day notification, and the prudent investment practices of the Board.

No Guaranteed Return – There is no minimum or maximum amount of interest rate or any guaranteed rate of return on STIP shares or funds invested in STIP shares.

No Warranty – The Board makes no warranty that funds will be immediately available in the event of any failure of a third party or that STIP participants will not suffer losses due to acts of God, or other calamities, or other market dislocations or interruptions.

STIP Not Insured Against Loss – STIP is NOT FDIC insured or otherwise insured or guaranteed by the federal government, the State of Montana, the Board or any other entity against investment losses.

Reserve fund – This Policy requires maintenance of a reserve fund to offset possible losses. STIP interest earnings may be used to fund this reserve before the net earnings are distributed to the STIP Participants. However, the reserves may not be adequate to cover investment losses.

#### 6. Reserve

The STIP will maintain a reserve account. The reserve will be available to offset realized gains or losses. Additionally, the reserve will be available to offset unrealized gains or losses, or to



limit fluctuations in the net asset value (NAV), to the extent deemed prudent by Staff. A deduction from earnings will occur while the amount of the reserve is below 1.15% of the NAV.

The level of deduction will be calculated based on the deemed best balance between participants' need for current earnings and the increase in safety from building the reserve. When the reserve is between 0.50% and 1.15% of the NAV the deduction from earnings will be an amount, including recoveries, sufficient to reach the target within 3 years. Should the reserve fall below 0.50% of the NAV, staff will evaluate the amount of deduction appropriate to return the reserve to 0.50% and make recommendations to that effect to the Board.

Any use of the reserve will be reported to the Board.

## 7. Time Horizon

The STIP investment portfolio shall be managed with the goal of attaining its objectives throughout market and economic cycles, after giving prudent consideration to the investment risk constraints (described as part of the Investment Guidelines in Appendix I) and the liquidity needs of the participants.

The Board expects to meet or exceed these objectives over a long-term investment horizon. Over shorter periods, the anticipated market volatility, and specific actions, including risk mitigation efforts of the Board, may lead to unfavorable, but expected, deviation from these objectives.

## 8. Performance Measurement

Investment performance is measured by two integrated long-term return objectives:

1. The **investment policy benchmark**. The investment policy benchmark represents the return that would be achieved if the Pool implemented a passively managed portfolio. Deviations from the policy benchmark measure the contribution of active investment management throughout the fund and investment implementation generally.
2. The Board also compares STIP's total performance, before all fees, to appropriate **peer universes**. While the Board seeks to rank favorably compared to peers, the Board recognizes that other short-term investment funds may have investment objectives and risk tolerances that differ substantially from STIP.

## 9. Roles and Responsibilities

**Board of Investments** – The Board is responsible for approving the STIP Investment Policy Statement and has the authority to manage STIP as it considers prudent, and subject to such limitations as contained in law and the Constitution. The Board reviews this document periodically and, as needed, approves any changes to the policy.

As described in the Board of Investments Governance Manual, the Board delegates authority to the Executive Director, Chief Investment Officer, and other Staff to execute the day to day duties required to carry out the Board's mission.

**Executive Director** – The Executive Director is empowered by the Board to sign any and all

documents required to conduct Board business, unless there are specific written policies or instructions from the Board to the contrary. The Executive Director is responsible for the oversight of the STIP investment program and the establishment of the STIP financial reporting procedures and the collection and reporting of all income.

**Chief Investment Officer** – The Chief Investment Officer (CIO) is empowered by the Board to serve as the principal staff person responsible for overseeing the investment activities under the Board’s jurisdiction in compliance with the Board’s policies. The CIO, with the support of other staff, is responsible for recommending investment policy changes for Board approval.

**Investment Staff** – The investment staff is responsible for, but not limited to, the following:

- Managing day-to-day STIP investment operations;
- Investing STIP assets and monitoring compliance in accordance with this Policy;
- Reporting to the Board the STIP investment results and investment characteristics at the Quarterly Board meetings; and
- Reporting any deviations from this Investment Policy to the Board.

**Investment Consultant** – The investment consultant assists the CIO and Staff with policy recommendations and provides advice to the Board. The investment consultant shall provide assistance to Staff as requested in conjunction with the management of the STIP.

## 10. Risk Management

Short-term investments held within STIP are exposed to a number of risks. The objective will be to mitigate the inherent risks associated with these securities, primarily liquidity risk, credit risk and interest rate risk.

### a. Liquidity Risk

Based on the percentage of STIP Units Value usually necessary to meet the daily distribution requests of STIP participants, the liquidity needs for the STIP are generally low. However, illiquidity risk still needs to be monitored and managed by staff on a regular basis to ensure that assets are not required to be sold too quickly, or at an unfavorable time, and potentially at a discount to fair value to meet the cash needs of STIP participants.

In order to improve liquidity and manage both the expected and unexpected STIP participants’ need for cash, the STIP Investment Objectives and Guidelines (Appendix I) require certain percentages of the STIP Units Value to either be invested in cash, direct obligations of the U.S. government, or in securities that will have an effective maturity for specifically defined short periods or time (daily and weekly).

### b. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation in making full and timely principal and interest payments. The STIP will utilize credit ratings, issued by at least two of the nationally recognized statistical rating organizations (NRSRO), to assist in the monitoring and management of credit risk. Securities of federal agencies without their own NRSRO rating will use the ratings of the United States government.

**Approved List** – Purchases of securities other than U.S. government or U.S. Agency obligations are restricted to those which are pre-approved. The approved list shall be maintained by Staff with issuers added or removed from time to time depending on an analysis of their risk characteristics and suitability for use in the portfolio. At least two investment staff must approve names on the list. One of the investment staff should be part of the internally managed fixed income team and the other person from the Risk Management team. Issuers on the list shall be reviewed at least semi-annually for continued inclusion on the approved list.

The STIP will minimize credit risk by means of the following:

1. Limiting Permissible investments to securities on the “Approved List”;
2. Pre-qualifying the financial institutions, broker/dealers, intermediaries and advisers with whom the STIP will conduct business;
3. Diversifying the investment portfolio so that potential losses on individual securities will be minimized; and
4. The STIP will maintain a reserve account.

### c. Interest Rate Risk

The STIP portfolio will minimize the risk that the market value of the securities will deviate significantly from cost due to changes in the general level of interest rate by means of the following:

1. Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations thereby normally avoiding the need to sell securities on the open market prior to maturity;
2. Maintaining a dollar-weighted average portfolio maturity of 60 days or less (for this purpose, the date to the next coupon reset date will be used for all floating or variable rate securities); and
3. The STIP will maintain a reserve account.

## 11. Securities Lending

Section 17-1-113, MCA, authorizes the Board to lend securities held by the state. The Board may lend its publicly traded securities held in the investment pools, through an agent, to other market participants in return for compensation. Currently, through an explicit contract, State Street Bank and Trust, the state's custodial bank, manages the state's securities lending program. The Board seeks to assess counterparty and reinvestment risk, associated with each aspect of its securities lending program. The Board requires borrowers to maintain collateral at 102 percent for domestic securities and 105 percent for international securities. To ensure that the collateral ratio is maintained, securities on loan are marked to market daily and the borrower must provide additional collateral if the value of the collateral falls below the agreed-upon ratio of over-collateralization. In addition to the strict collateral requirements imposed by the Board, the credit quality of approved borrowers is monitored continuously by the contractor. From time to time, Staff or the investment manager may restrict a security from the loan program upon notification to State Street Bank. Staff will monitor the securities lending program, and the CIO will periodically report to the Board on the status of the program. The Board's participation in securities lending may change over time given Plan activity, market conditions and the agent agreement.

STIP assets are currently not available for securities lending.

## **12. Investment Policy Review**

The Board intends to keep this Policy updated as it modifies or amends the underlying contents. As stated in the Governance Policy, “the Board shall review this Investment Policy at least annually or more frequently at the request of Board staff. Statements may only be revised in a public meeting. All Statements shall be posted on the Board’s web site for review by the public.”

# APPENDIX I: Investment Objectives and Guidelines

## Schedule I-A: Investment Objectives and Guidelines Short Term Investment Pool (STIP)

Effective Date of Schedule: June 1, 2021

*This Schedule is effective upon adoption by the Board of Investments and supersedes all previous Investment Objectives and Guidelines for the STIP.*

### Statement of Purpose:

The purpose of these objectives and guidelines is to:

1. Establish the investment objectives and performance standards of the Pool; and
2. Provide diversified exposure to Cash Equivalent and Short-Term Fixed Income Investments in a prudent and cost-effective manner.

### Investment Objective:

#### Strategic:

The objective of the STIP is to attain the highest possible total return within the parameters of the Investment Guidelines set forth below.

#### Performance:

Success in achieving this objective will be measured by comparing the risk and the net of expenses return of STIP to **the Federal Reserve US Treasury Constant Maturity 1 Month Index** (the "Benchmark"). Performance results will be monitored and evaluated quarterly. However, the success in achieving the objective will be measured on a three-year, five-year, and ten-year annualized basis.

### Investment Guidelines:

The Montana Board Investment Staff will have full discretion to manage STIP consistent with the investment guidelines stated below. Compliance with the following guidelines for permitted investments and other restrictions is the sole responsibility of the Staff. Any exceptions or compliance violations are to be reported to the Board of Investments at the next scheduled quarterly Board meeting.

#### Permitted Investments:

Purchases of securities other than U.S. government or U.S. Agency obligations are restricted to those which are pre-approved and part of an "Approved List." STIP may invest only in the following securities and investment vehicles:

1. U.S. Treasury or U.S. dollar denominated securities fully guaranteed by the U.S. Government;
2. U.S. Government Agency securities denominated in U.S. dollars;
3. Publicly traded U.S. dollar denominated corporate bonds, notes, and medium term notes (MTNs);
4. U.S. dollar denominated Commercial Paper (CP);
5. U.S. dollar denominated Bankers' Acceptance (BA);
6. U.S. dollar denominated Certificates of Deposits (CD);
7. U.S. dollar denominated Asset-Backed Commercial Paper (ABCP);
8. Repurchase or Reverse Repurchase Agreements with an approved primary dealer or the custodial bank, and under the terms of a written master repurchase agreement;
9. Investments required to implement the bond credit enhancement authorized by Resolution 219;
10. SEC registered 2a-7 Institutional Money Market Funds that are considered "U.S. Treasury" or "U.S. Government" money market mutual funds according to the SEC regulations;
11. Short term investment vehicle available through the custodial bank;
12. Variable rate securities based on an index that is approved by the Chief Investment Officer and purchased and monitored by Staff; and
13. FDIC insured deposit accounts.
- ~~13.~~ 14. Fixed Income Investments in the State's INTERCAP program.

#### Restrictions:

##### Concentration restrictions (Concentration restrictions are at the time of purchase)

1. A maximum of 40% of the STIP Units Value shall be held ABCP ;
2. A maximum of 10% of the STIP Units Value shall be held in Repurchase Agreements;
3. A maximum of 15% of the STIP Units Value shall be held in permitted SEC registered 2a-7 Institutional Money Market Funds;
4. A maximum of 10% of the STIP Units Value shall be pledged to secure Reverse Repurchase Agreements. Transactions will be used only to secure borrowings for temporary or emergency purposes;
5. A maximum of 25% of the STIP Units Value in the aggregate shall be held in all non-Government Variable Rate securities with maturities greater than 397 days;

##### Issuer Restrictions (Issuer restrictions are at the time of purchase)

6. A maximum of 30% of the STIP Units Value shall be held in any single issuer of U.S. Agency securities;
7. A maximum of 3% of the STIP Units Value shall be invested in any one issuer with the exception of U.S. Treasury and U.S. Agency securities as well as any Repurchase Agreements with a financial institution;
8. A maximum of 10% of the STIP Units Value in the aggregate shall be held in any one financial sponsor of ABCP as well as any direct obligations associated with the sponsor. Repurchase agreement obligations of a financial institution shall not be considered in this limit;
9. A maximum of 5% of the STIP Units Value shall be held in any single SEC registered 2a-7 Institutional Money Market Funds or as FDIC insured deposits;
10. A maximum of 5% of the STIP Units Value shall be held in Repurchase Agreements with any single primary dealer or financial institution;

### Rating Restrictions

11. ABCP, CP, BA or CD shall not have a Tier 2 or lower rating at any Nationally Recognized Statistical Rating Organization (NRSRO) at the time of purchase;
12. Corporate bonds, notes, or MTNs shall be rated a minimum of the sixth highest rating at any Nationally Recognized Statistical Rating Organization (NRSRO) at the time of purchase;
13. All securities, with the exception of Fixed Income Investments in the State INTERCAP program, securities fully guaranteed by the U.S. Government, and approved Institutional Money Market Funds, must be rated by at least two Nationally Recognized Statistical Rating Organizations (NRSROs) at the time of purchase.
14. A maximum of 10% of the STIP Units Value shall be held in ABCP, CP, BA or CD rated with a Tier 2 or lower rating at any Nationally Recognized Statistical Rating Organization (NRSRO) at any time;

### Liquidity Restrictions

15. A minimum of 10% of the STIP Units Value shall qualify as “daily liquid assets.” For this guideline is it assumed that “daily liquid assets” is defined as cash, direct obligations of the U.S. government, securities that will mature or are subject to a demand feature that is exercisable and payable within one business day, and a permitted SEC registered 2a-7 Institutional Money Market Fund;
16. A minimum of 15% of the STIP Units Value shall qualify as “weekly liquid assets.” For the purpose of this guideline, it is assumed that “weekly liquid assets” is defined as “daily liquid assets” (as defined above), government agency discount notes with remaining maturities of 60 days or less, securities that will mature or are subject to a demand feature that is exercisable and payable within five business days, and a permitted SEC registered 2a-7 Institutional Money Market Fund;
17. A maximum of 10% of the STIP Units Value shall be invested in Permitted Investments that are considered “illiquid.” For the purpose of this guideline, “illiquid” shall be defined as “a security that cannot be sold or disposed of in the ordinary course of business within seven calendar days at approximately the value ascribed to it by STIP.”
18. STIP shall maintain a dollar-weighted average portfolio maturity of 120 days or less (for this purpose, the date to the next coupon reset date will be used for all floating or variable rate securities);
19. ABCP purchases shall be limited to maturities of 90 days or less;
20. The maximum term of any Repurchase Agreement will be 30 days;
21. The maximum term of any Reverse Repurchase Agreement will be 90 days and must be matched to anticipated cash flows adequate to liquidate the transaction;
22. The maximum final maturity of any Permitted Investment shall not exceed 397 days (not including securities used as collateral in Repurchase Agreements or Permitted Investments considered “Variable Rate” securities, which on any reset date can reasonably be expected to have a market value that approximates its amortized cost);
23. A Variable Rate security shall have a maximum maturity of 2 years;

### Other Restrictions

24. Risk assets will may be purchased only when the estimated aggregate effect of a worst-case scenario spread widening event does not exceed the amount of the STIP Reserve. Risk assets are assets other than Treasuries, Agencies and Government money markets. The estimated worst-case scenario is a calculation equal to the days to maturity dividend by 365 multiplied by 2.0% for securities maturing in less than one

- year and 3.5% for securities maturing in greater than one year.
25. Acceptable forms of collateral under Repurchase Agreements will consist of U.S. Treasury-Securities which will be required to be maintained at a market value of 102% of the value of the Repurchase Agreement;

If at any time, due to market fluctuations or any other circumstances, any of the guidelines are not maintained, Staff will use its best efforts to conform to these limits in a timely manner, while taking into account current market conditions and the associated costs. At the Board's next regularly scheduled quarterly meeting, the CIO or Staff shall inform the Board of any cases that the Pool allocations were outside of the limits and either inform the Board of the actions that were taken to return the Pool back within guidelines or a plan to do so.



## **Schedule I-B: Investment Objectives and Guidelines Short Term Investment Pool (STIP) Reserve**

Effective Date of Schedule: February 14, 2017

*This Schedule is effective upon adoption by the Board of Investments and supersedes all previous Investment Objectives and Guidelines for the Reserve.*

### **Statement of Purpose:**

The purpose of these objectives and guidelines is to:

1. Establish the investment objectives and performance standards for the STIP Reserve
2. Provide exposure to low risk Cash Equivalent and Short-Term Fixed Income Investments in a prudent and cost-effective manner.

### **Investment Objective:**

#### Strategic:

The objective of the Reserve is to attain the highest available total return within the parameters of the Investment Guidelines set forth below.

#### Performance:

Success in achieving this objective will be measured by comparing the risk and the net of expenses return of the Reserve to a **U.S. Treasury Constant Maturity 1 Month Index** (the "Benchmark"). Performance results will be monitored and evaluated quarterly. However, the success in achieving the objective will be measured on a three-year, five-year, and ten-year annualized basis.

### **Investment Guidelines:**

The Montana Board Investment Staff will have full discretion to manage the STIP Reserve consistent with the investment guidelines stated below. Compliance with the following guidelines for permitted investments and other restrictions is the sole responsibility of the Staff. Any exceptions or compliance violations are to be reported to the Board of Investments at the next scheduled quarterly Board meeting.

#### Permitted Investments:

Purchases of securities other than U.S. government; U.S. Agency obligations or qualifying government money market funds are prohibited.

1. U.S. Treasury Securities
2. U.S. Government Agency securities issued at a discount
3. SEC registered 2a-7 Institutional Money Market Funds that are considered “U.S. Treasury” or “U.S. Government” money market mutual funds according to the SEC regulations

Other Restrictions:

1. The maximum final maturity of any Permitted Investment shall not exceed 183 days
2. A minimum of 50% of the Reserve shall qualify as “daily liquid assets.” For this guideline is it assumed that “daily liquid assets” is defined as cash, direct obligations of the U.S. government, securities that will mature or are subject to a demand feature that is exercisable and payable within one business day, and a permitted SEC registered 2a-7 Institutional Money Market Fund;

If at any time, due to market fluctuations or any other circumstances, any of the guidelines are not maintained, Staff will use its best efforts to conform to these limits in a timely manner, while taking into account current market conditions and the associated costs. At the Board’s next regularly scheduled quarterly meeting, the CIO or Staff shall inform the Board of any cases that the Pool allocations were outside of the limits and either inform the Board of the actions that were taken to return the Pool back within guidelines or a plan to do so.

## APPENDIX II: Definitions

**1. Asset-Backed Security** – Bonds or notes backed by loan paper or accounts receivable originated by banks, credit card companies, or other providers of credit; not mortgages.

**2. Banker's Acceptance** – A short-term credit investment which is created by a non-financial firm and whose payment is guaranteed by a bank. Often used in importing and exporting, and as a discount money market fund investment.

**3. Certificate of Deposit (CD)** – A short-or medium-term, interest-bearing deposit obligation offered by banks and savings and loans. These may include “Yankee CDs” which are CDs issued by foreign banks or their U.S. affiliates in the U.S. which are denominated in U.S. dollars.

**4. Commercial Paper** – An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory. Maturities typically range from 2 to 270 days. Commercial paper is available in a wide range of denominations, can be either discounted or interest-bearing, and usually have a limited or nonexistent secondary market. Commercial paper is usually issued by companies with high credit ratings, meaning that the investment is almost always relatively low risk.

**5. Corporate Note** – A type of unsecured debt issued by a corporation that may be longer-term than Commercial Paper, but shorter-term than a typical Corporate Bond.

**6. Repurchase Agreement** – A contract in which the seller of securities, such as Treasury Bills, agrees to buy them back at a specified time and price. May also be called “Repo” or “Buyback.” Typically used a short-term form of collateralized borrowing by a bank or securities dealer.

**Reverse Repurchase Agreement** – A purchase of securities with an agreement to resell them at a higher price at a specific future date. The investor essentially borrows money and allows its securities to be held as collateral. Reverse Repurchase Agreements occur most often in government securities or other securities that are highly valued and thus considered a good form of collateral.

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Adopted	8/1/03
Revised	7/20/06
Reviewed	4/16/09

# MONTANA

## BOARD OF INVESTMENTS

To: Members of the Board  
 From: John Romasko, CFA Director of Fixed Income  
 Date: 8/10/2021  
 Re: Coal Severance Tax Trust Fund Overview

**Background:**

A portion of the severance tax on coal was approved to be dedicated to a trust fund by Article IX, section 5, of the Montana Constitution. Currently, the mandate states 50% of the tax collections, generally 15% of the contract price of the coal at the mine ready to be shipped, will be dedicated to the Coal Severance Tax Trust Fund. Currently, there are 6 underlying funds that are part of the Coal Tax Trust Fund. These are legislatively mandated and only 2 funds are currently receiving tax proceeds, the Big Sky Economic Development Fund and the School Facilities Fund. The other 50% of coal tax revenue is legislatively mandated to be split among state accounts, including any remainder in the General Fund. Many of the In-State Loans are funded through the Coal Tax Trust Fund. Please see the attached Coal Trust Brochure for more details.

The table below is extracted from the Montana Department of Revenue Monthly Collections report. It shows a declining trend in Coal Severance Tax collections.

	Cumulative End-of-Month Collections (\$ million)												
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FYE
FY2016	11.691	14.384	14.384	21.581	30.110	30.110	41.129	43.255	43.254	47.586	54.526	54.526	54.526
FY2017	2.050	16.224	16.224	29.257	31.015	31.015	42.198	43.585	43.558	52.716	55.236	55.364	55.364
FY2018	0.000	12.766	12.766	18.503	29.354	29.364	34.677	44.184	44.184	56.626	58.321	58.321	58.321
FY2019	0.000	15.833	15.824	24.780	32.360	32.360	44.468	48.535	48.535	59.317	60.969	60.969	60.960
FY2020	3.835	13.142	13.246	24.146	26.579	26.579	32.232	37.695	37.730	47.346	48.903	49.011	50.781
FY2021	7.436	7.543	7.650	16.083	16.190	16.296	21.517	25.637	26.006	40.896	41.031	41.137	



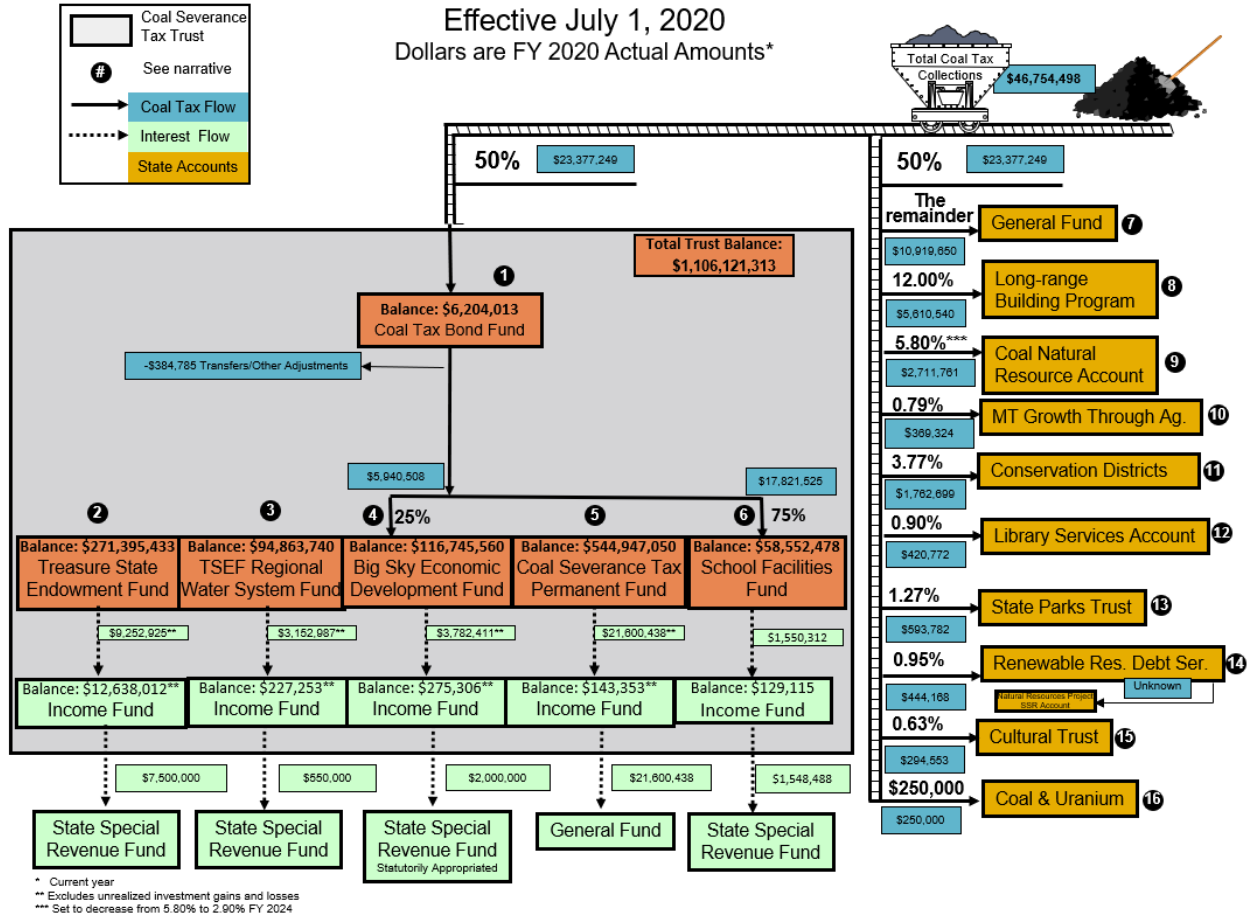
# MONTANA LEGISLATIVE BRANCH

## Legislative Fiscal Division

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Director  
AMY CARLSON

### COAL SEVERANCE TAX TRUST FUND



As directed by [Article IX, Section 5](#) of the Montana Constitution, the coal severance tax trust fund receives 50% of total coal severance tax collections. The money flows through sub-trust funds within the trust. These sub-trusts are:

#### 1) Coal Tax Bond Fund (Title 17, Chapter 5, Part 7)

The legislature authorizes the sale of coal severance tax bonds to finance renewable resource projects ([Title 85, Chapter 1, Part 6](#)) and local government infrastructure projects ([Title 90, Chapter 6, Part 7](#)). A maximum of \$250 million in bonds is authorized as loans for renewable resource projects ([17-5-719, MCA](#)) to provide:

- a healthy economy;
- alleviation of social and economic impacts created by coal development; and
- a clean and healthful environment

The total amount of outstanding principal of renewable resource bonds at any time cannot exceed \$30 million ([85-1-624, MCA](#)). An amount equal to the following year's principal and interest payments is maintained in the fund. Money in the fund is pledged to pay the debt service on the bonds if interest and principal payments by the loan recipients are insufficient to fully pay the debt service. Bonds are authorized, projects approved, loan rates established, and bond proceeds are appropriated by the legislature to the Department of Natural Resources and Conservation (DNRC) in HB 8.

## **2) Treasure State Endowment Fund ([Title 90, Chapter 6, Part 7](#))**

In June 1992, the voters approved a legislative referendum establishing the treasure state endowment program. Initially funded with \$10 million from the permanent fund, the fund received 75% (37.5% of the total) of the remaining coal severance tax revenue after deposits (if any) to the coal tax bond fund and the school bond contingency loan fund (HB 44 in the 2007 session eliminated this fund) through the 2003 biennium. From then through FY 2016, the fund received 50% (25% of the total). Projects are approved and interest earnings from the fund are appropriated to the Department of Commerce by the legislature in House Bill 11 as grants for local government infrastructure projects. The deposit of coal severance tax revenue into this fund terminated at the end of FY 2016.

## **3) Treasure State Endowment Regional Water System Fund**

The treasure state endowment program was established in [SB 220 \(1999 Session\)](#) to fund regional water system projects. Projects are restricted to drinking water systems that provide water for domestic, industrial, and stock water use for communities and rural residences that lie in specific north central and northeastern geographic areas. Projects are approved and interest earnings from the fund are appropriated to the Department of Natural Resources and Conservation by the legislature in HB 11 as grants for local government infrastructure projects. Until the end of FY 2016, the fund received 25% (12.5% of the total) of the remaining coal severance tax revenue after deposits in the coal tax bond fund. The deposit of coal severance tax revenue into this fund terminated at the end of FY 2016, and the fund terminates at the end of FY 2031.

## **4) Big Sky Economic Development Fund**

The big sky economic development program was established by [HB 249 \(2005 Session\)](#) to fund qualified economic development projects. The fund receives 25% (12.5% of the total) of the remaining coal severance tax revenue after deposits in the coal tax bond fund. The deposit of coal severance tax revenue to this fund terminates at the end of FY 2025.

Grants and loans are available to local governments for economic development projects and to certified regional development corporations for the purposes of:

- 1) creating good-paying jobs for Montana residents;
- 2) promoting long-term, stable economic growth;
- 3) encouraging local economic development organizations; and
- 4) retaining or expanding existing businesses

Interest earnings are deposited to a state special revenue fund and are statutorily appropriated to the Department of Commerce to pay administrative expenses with the remainder for:

- 75% to local governments to be used for job creation; and
- 25% to certified regional development corporations and economic development organizations

## 5) Permanent Fund

Prior to the establishment of the previous four funds, all the coal severance tax revenue distributed to the trust fund was deposited to the permanent fund. From FY 2006 to FY 2016 no coal severance tax revenue was deposited to the fund. In FY 2017, the permanent fund received 75% of the remaining coal severance tax revenue after deposits in the coal tax bond fund. Interest earnings from the fund, audit revenue, and interest and penalties are deposited to the general fund. After a \$1.275 million general fund transfer to the research and commercialization account created in [90-3-1002](#), the remaining interest income from the permanent fund deposited into the general fund is statutorily appropriated as follows:

- \$65,000 to the cooperative development center;
- \$900,000 for the growth through agriculture program provided for in [Title 90, chapter 9](#);
- \$600,000 for the Montana food and agricultural development program
- to the Department of Commerce for specific projects:
  - \$325,000 for a small business development center;
  - \$50,000 for a small business innovative research program;
  - \$625,000 for certified regional development corporations;
  - \$500,000 for the Montana manufacturing extension center at MSU-Bozeman; and
  - \$300,000 for export trade enhancement
- After the above payments, the remainder is deposited into the state general fund.

## 6) School Facilities Fund

The school facilities fund was created with the passage of [SB 260 \(2017 Session\)](#). Interest from the fund may be used only for school facility projects authorized by the legislature. Beginning in FY 2018, the school facilities fund will receive 75% of the coal tax allocation to the coal trust fund.

## Coal Severance Tax Related Funds

The other 50% of the coal severance tax revenue is distributed to the following funds outside of the coal severance tax trust fund ([15-35-108, MCA](#))

## 7) General Fund (the remainder after all other allocations)

After allocations are made to the coal trust and state special funds, the remaining coal severance tax collections are distributed to the state general fund.

## 8) Long-range Building Program Account (12.00%)

Coal severance tax revenue in this account can be used for long-range building projects or for general obligation bond debt service. The legislature appropriates the money in HB 5 to finance building projects at universities, vocational education institutions, state buildings and state institutions. Debt service payments are statutorily appropriated and are currently servicing debt for capitol restoration, the UM pharmacy and psychology, and chemistry buildings, MSU central heating plant and underground utilities, Montana state prison expansion, and regional correctional facilities.

## 9) Coal Natural Resource Account (5.80%)

Created in [HB 758 \(2005 Session\)](#) and amended by [SB 23 \(2009 Session\)](#), the account receives a portion of the coal severance tax revenue. Money in the account is appropriated to the coal board in HB 2 for local impact grants and administrative costs. Due to [SB 100 \(2009 Session\)](#), the coal tax allocation was doubled to 5.80% beginning FY 2010. After September 2013, the

allocation decreased to 2.9% but has been routinely increased to 5.80%. The allocation was increased to 5.8% until FY 2024, with the passage of [HB 292 \(2019 Session\)](#).

**10) MT Growth through Agriculture (0.79%, increases to 0.82% in FY 2021 and thereafter)**

Beginning in FY 2018, what was formerly known as the coal shared account was divided into three separate funds. One of these funds, MT Growth through Agriculture, loans money to businesses for agricultural development projects that stimulate agriculture.

**11) Conservation Districts (3.77%, decreases to 3.71% in FY 2021 and thereafter)**

Another entity that received funds from the old coal shared account was the Montana Conservation Districts. These funds are used to promote natural resource conservation in Montana.

**12) Library Services Account (0.90%, increases to 0.93% in FY 2021 and thereafter)**

The third program that received funds from the coal shared account was library services. This portion of coal severance taxes is used to assist local libraries in providing basic services.

**13) State Parks Trust (1.27%)**

The distribution to this trust is for the purpose of parks acquisition or management. Interest earnings from the trust is appropriated to the Department of Fish, Wildlife, and Parks (FWP) by the legislature in HB 2 and HB 5 for the acquisition, development, operation, and maintenance of state parks, recreational areas, public camping grounds, historic sites, and monuments.

**14) Renewable Resource Debt Service Fund (0.95%)**

Money in this fund is used to service debt on coal severance tax bonds used to finance renewable resource projects. This is in addition to any coal tax paid from the Coal Tax Bond Fund (1 above). Bonds are authorized, projects approved, loan rates established, and bond proceeds are appropriated by the legislature to DNRC in HB 8.

**15) Cultural Trust (0.63%)**

The distribution to this trust is for the purpose of protecting works of art in the capitol and for other cultural and aesthetic projects. Interest earnings from the trust are appropriated to the Montana Arts Council by the legislature in HB 9 for these purposes.

**16) Coal and Uranium Mine Permitting and Reclamation Program (\$250,000)**

Enacted by [HB 688 \(2007 Session\)](#), coal severance tax revenue is deposited to the state special revenue account and appropriated in HB 2 to the Department of Environmental Quality (DEQ) to administer and enforce coal and uranium mine reclamation ([82-4-244, MCA](#)).

For more information on the Coal Trust Fund, please contact Sam Schaefer at 406-444-1787.



# REAL ASSETS ASSET CLASS REVIEW

Presented by:  
Ethan Hurley  
Director of Real Estate/Real Assets

Date: August 10, 2021

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# Real Assets Asset Class – Role, Allocation and Constraints

- Provide the Consolidated Asset Pension Plan (CAPP) with exposure to diversified real assets opportunities while achieving the highest possible return.
- Diversify across types of real assets investment strategies, vintage years and geographies for long-term capital gains and current income.
- Inception – 4/1/2017
- Benchmark
  - 33.33% MSCI ACWI Commodity Producers Index, 33.33% MSCI ACWI Infrastructure Index, 33.34% Bloomberg Barclays US TIPS Index (Since 1/1/2021)
- Approved Allocation Range - 2% to 8% of CAPP
- Investment Policy Statement Constraints
  - No more than 2% of CAPP in any single real asset investment
  - No more than 30% of the asset class in Non-US
  - No more than 10% of the asset class in direct co-investments
  - Strategic Constraints
    - Commodities-related – 25% - 75%
    - Infrastructure-related – 0% - 50%
    - Inflation-Linked Bonds – 0% - 50%
  - Timber Leverage – 0% - 30%

# Opportunity Set and Investment Approach

## Public

Publicly listed  
and traded frequently

## Private

Privately held  
and infrequently traded

	Public	Private
Equity	A	B
Debt	C	D

## Equity

Owens a residual interest in the  
asset/project/company

## Debt

Lends funds to an owner of an  
asset/project/company or  
purchase of real asset-backed  
bonds

### (A) Public Equity

- Separately Managed Account holds common stock of publicly traded companies (active)

### (B) Private Equity

- Limited Partnerships - Open or Closed-End Funds (active)

### (C) Public Debt

- Open or Closed-End Funds, Mutual Funds (active)

### (D) Private Debt

- Limited Partnerships - Open or Closed-End Funds (active)

# Types of Real Assets Equity/Debt Investing

## Natural Resources/ Commodities

### NATURAL RESOURCES

- Organic & Conventional Agriculture
- Controlled-Environment Agriculture
- Battery Metals
- Precious Metals
- Rare Earth Elements
- Industrial Metals & Minerals
- Water Rights
- Aquaculture
- Livestock
- Timber



## Infrastructure

### INFRASTRUCTURE

- Solar & Wind Power
- Energy Storage
- Geothermal Power
- Hydro Power
- Renewable Natural Gas
- Conventional Power
- Packing & Processing
- Cold Storage
- Wastewater Treatment
- Aviation
- Shipping
- Rail



## Opportunistic

### OPPORTUNISTIC

- Agricultural Services
- Environmental Services
- Energy Transition Services
- Environmental Mitigation
- Energy Efficiency
- Mining Services



### Treasury Inflation Protected Security

## Inflation Linked Bonds



TIPS



Investors

Protects



Inflation Risk

From

# Types of Fund Managers in the Real Assets Asset Class

## Private Equity Energy Allocators (ex. White Deer)

- Create partnerships with portfolio company management teams and oil and gas operators who:
  - Have industry specific and local market expertise and networks, source new acquisitions
  - Manage day-to-day operations of portfolio companies and oil and gas development properties
  - Management teams typically invest equity alongside the fund manager and receive incentive compensation

## Private Equity Energy/Infrastructure Operators (ex. Kimmeridge)

- Vertically integrated across all energy investment activities, including acquisitions to dispositions, financing, construction, drilling and completion, contracting, leasing, permitting, marketing and distribution, operating and asset management

## Private Equity Timber Operators (ex. RMS)

- Vertically integrated across all timber investment activities, including acquisitions to dispositions, financing, harvest scheduling, precommercial thinning, silviculture and log marketing and sales

# Types of Fund Managers in the Real Assets Asset Class

## **Private Equity Infrastructure Manager (ex. EQT)**

- Create partnerships with portfolio company management teams who:
  - Have industry specific expertise and networks, source new acquisitions
  - Manage day-to-day operations of portfolio companies
  - Management teams typically invest equity alongside the fund manager and receive incentive compensation

## **Private Equity Aggregates Manager (ex. Silver Creek)**

- Invest in revenue streams generated through the sale of aggregates sourced from quarries

## **Private Equity Mitigation Banker (ex. ORM)**

- Invest in land and return it to its nature state in return for mitigation credits which are then sold to commercial/industrial users to offset their environment impacts

## **Public MLP Manager (ex. Chickasaw Capital Management)**

- Manage a separate account which buys and sells public equity securities in master limited partnerships

## **In-house Management (ex. TIPs Portfolio)**

- Manage MBOI's publicly traded Treasury Inflation Protected Securities portfolio

# Real Assets Returns – Sources and Drivers

## Sources

### Appreciation/Depreciation

- Increases or decreases in the market value of an asset/project/portfolio company/commodity

### Income

- Received from contractual obligations

## Drivers

Commodity prices

Operational improvements

Expense reductions

Market share growth

EBITDA multiple  
expansion/compression

Cap rate  
compression/expansion

Revenue growth

Supply/demand

Interest rates

Capital expenditures

Market comparable sales

Capital markets liquidity



# Real Assets - Benefits



- ✓ Return enhancement
- ✓ Diversification
- ✓ Hard asset downside protection
- ✓ Inflation hedge
- ✓ Contractual income
- ✓ Ability to influence performance

# Real Assets - Risks



- ✓ Business risk
- ✓ Financial risk
- ✓ Liquidity risk
- ✓ Inflation risk
- ✓ Operational risk
- ✓ Legal risk
- ✓ Counterparty risk

# Pacing

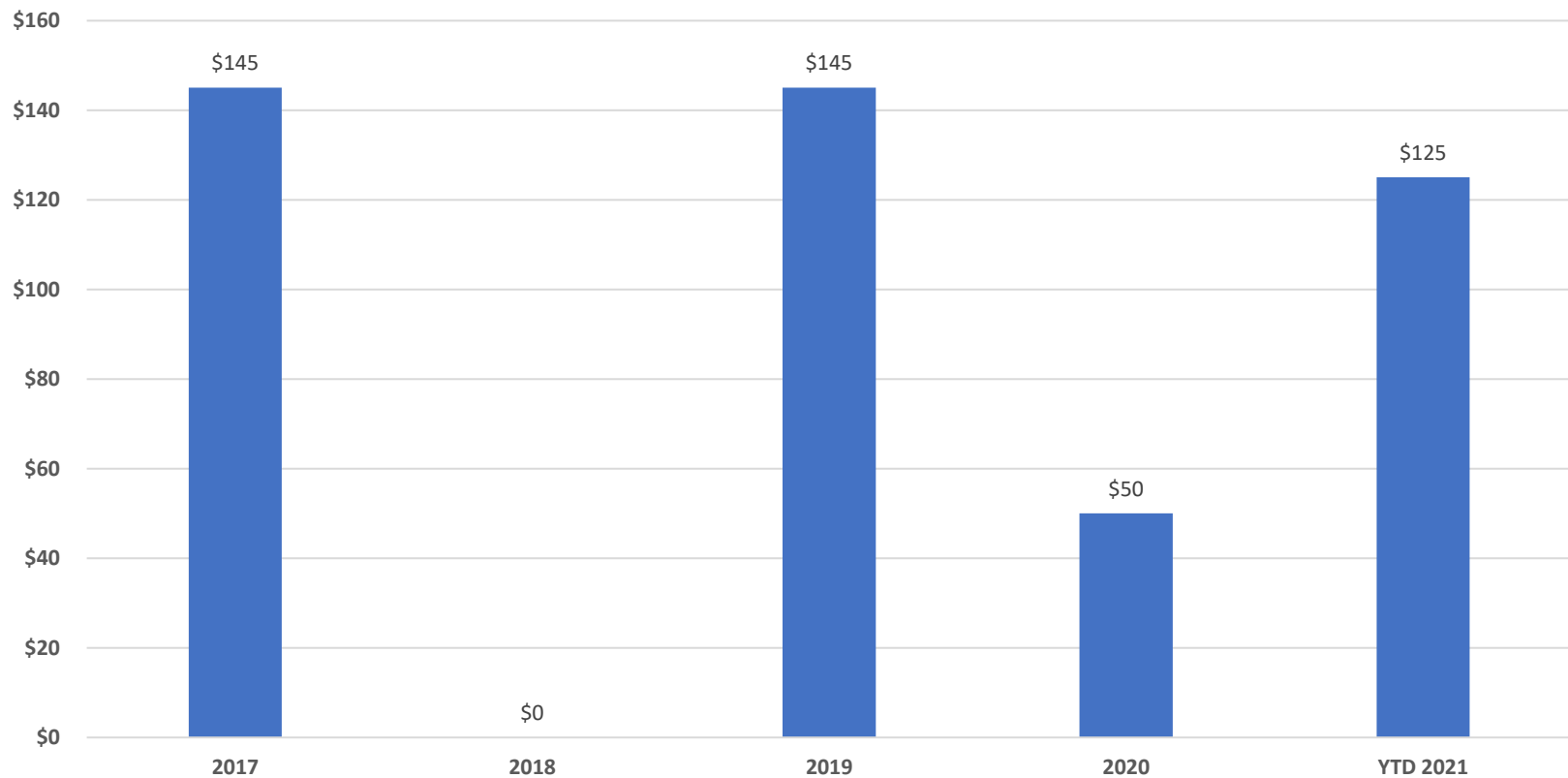
**Commitment plan on when and how much to invest in real estate to reach and/or maintain an allocation target within the approved ranges**

## Items to consider

- Current portfolio valuation
- Annualized growth rate of the total plan assets (CAPP)
- Provide flexibility to explore different scenarios
- Forecast timing of when commitments are drawn down
- Forecast timing of distributions received as funds mature
- How future commitments, capital calls, and distributions contribute to maintaining the allocation within approved ranges through time
- This is an inexact exercise
- The only controllable input/metric is how much we commit, or don't, in any given year
- RVK assists with periodic studies

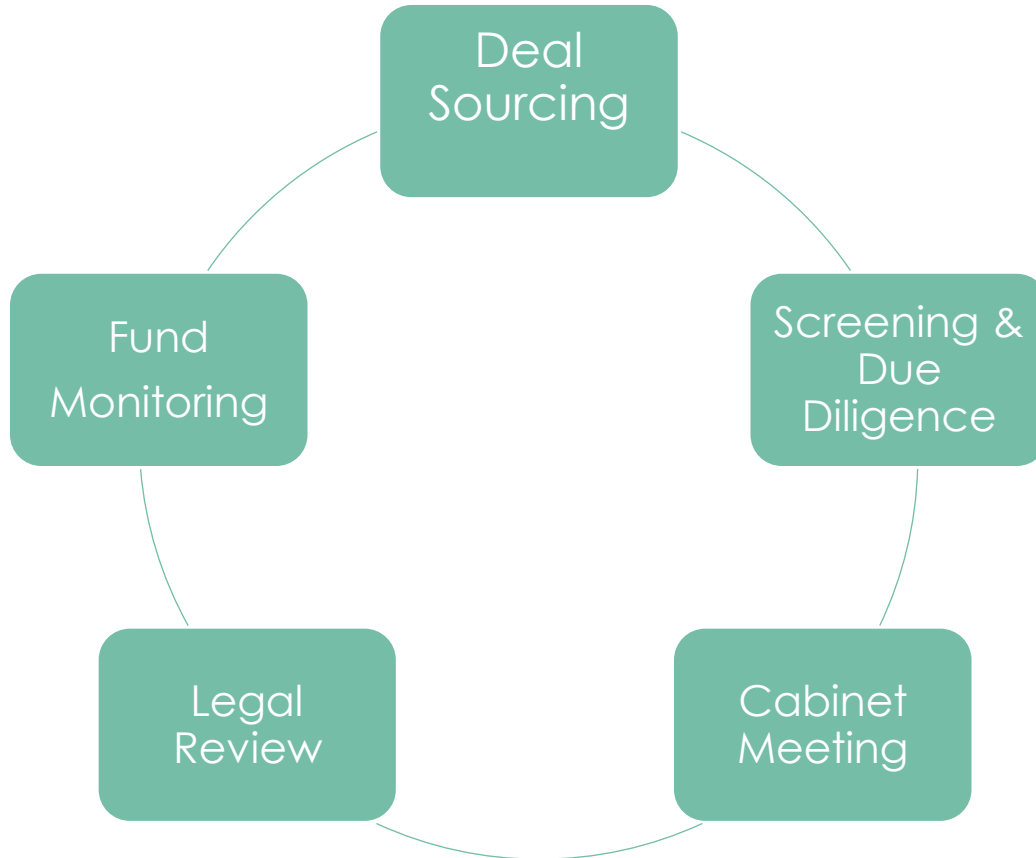
# Actual Pacing – Commitments Past 5 Years

Real Assets Private Fund Commitments



# MBOI Real Assets Investment Process

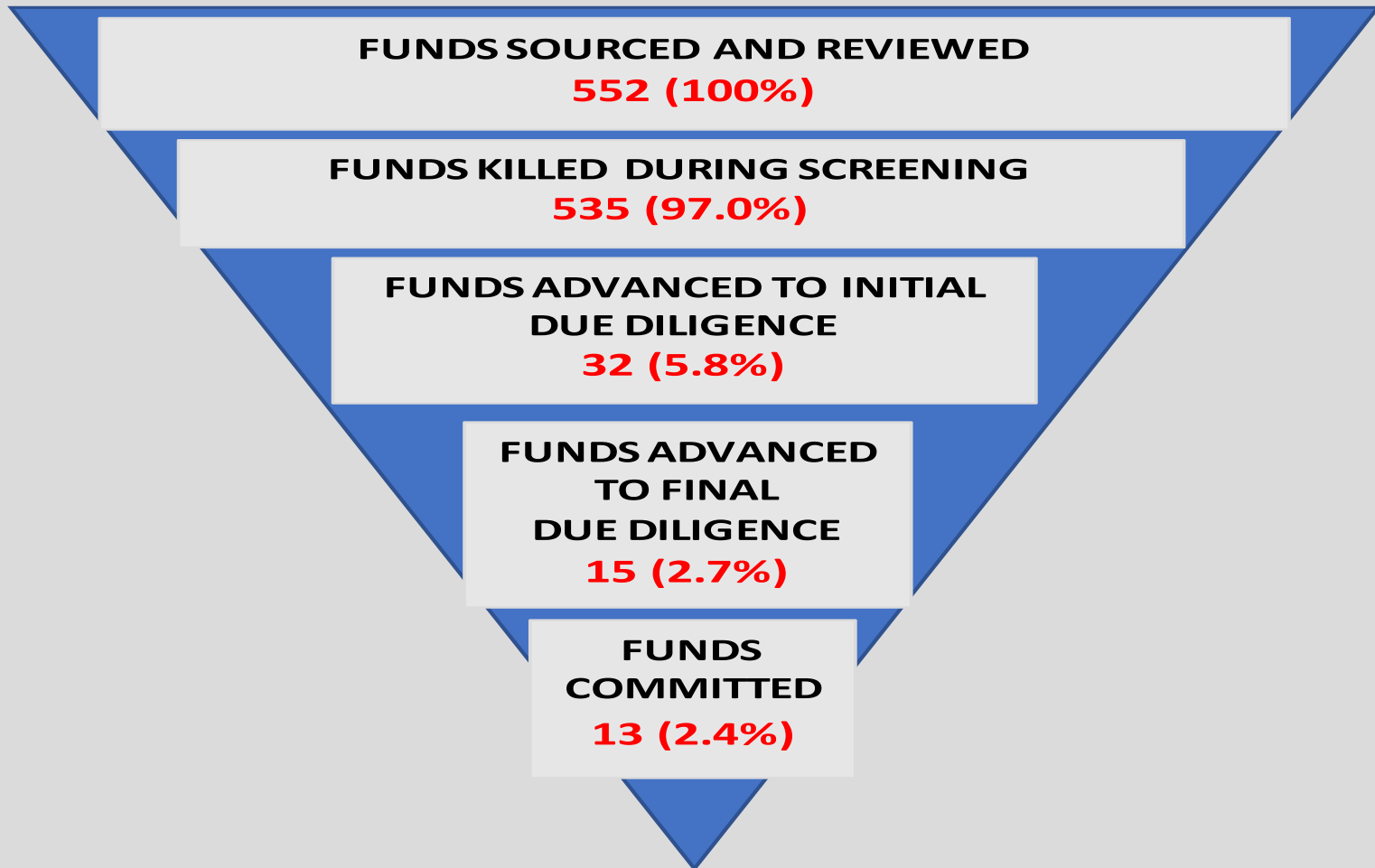
# Investment Process



# Deal Sourcing

- Network of Contacts
  - Limited Partners
  - Plan Sponsors
  - General Partners
  - Placement Agents
  - Consultants
  - Service Providers
- Periodicals
- Preqin (external online database provider)

# Real Assets Deal Flow (2016 - YTD 2021)





# Screening & Due Diligence

## Initial Review

- Determine portfolio fit
- Hold initial call with GP
- Submit MBOI Part A DDQ for completion by GP and ascertain critical due diligence points/deal killers
- Introductory meeting with GP in Helena
- Decision point to proceed to further diligence

## Continuing Diligence

- Submit much more comprehensive MBOI Part B DDQ for completion by GP (*modeled after ILPA DDQ/best practices*)
  - Analysis of firm, strategy, investment process, philosophy, ESG, risk, compliance
- Review of historical record, net cash flows, performance, other data points
- Interviews and reference calls
- Build out GP/Fund Profiles
- Onsite due diligence at GP offices

# Cabinet Decision - Investment Commitment

- Meeting with Cabinet – Executive Director, Chief Investment Officer, Investment Directors, Director of Operations, Director of Risk
- Final commitment decision
  - Yes/No
  - Background checks on select personnel
  - How much to commit, adherence to IPS, other risk parameters
  - Chief Investment Officer in consultation with the Executive Director gives final approval for all commitments

# Legal Review

- Staff conducts initial review of PPM/limited partnership agreement and communicates any pre-identified and pre-negotiated terms with GP to external counsel
- External counsel reviews legal documents and presents comments to staff for review
  - Focuses on compliance with ILPA Principles/best practices
  - Collaborative/iterative process with staff
- Comments/changes negotiated with GP
- Upon final negotiation/consensus and settlement on terms, legal counsel submits final copies of closing legal documents for execution by MBOI staff
- Legal counsel will later review any Most Favored Nations provisions MBOI is eligible to elect for approval

# Fund Monitoring

- Set up fund internally with MBOI accounting and externally with third-party administrator, State Street
- Review Quarterly/Annual Reports & Financials
  - Formal review of real asset managers done bi-annually
  - Participate in quarterly calls with managers
- In-person fund update meetings, typically annually
- Attend Annual General Meetings (AGMs)
- Limited Partnership Advisory Committee membership participation as applicable
- Visit real asset GPs and fund investments as travel plans allow

# Real Assets Strategy & Rationale

# Current Strategy and Rationale

## What

- Exploring other real assets strategies to further diversify the portfolio and gain new exposures
- Exploring real assets-related debt strategies
- Continued focus on existing high conviction GPs
- Exploring the addition of listed infrastructure
- Tactically manage existing public MLP exposure



## Why

- Diversification, less correlated, current income, longer duration
- Diversify away from equity exposure, greater downside protection, current income
- Good portfolio fit, known quantities, partnership orientation, more depth less breadth
- Differentiated sector exposures, liquidity
- Diversification of current exposure beyond private energy-related real assets, strong current yield, attractive valuations, liquidity

# Appendix

# Real Assets Asset Class – Performance and Characteristics



# Performance and Net Asset Value

*(as of June 30, 2021)*

Time-Weighted Return (TWR) Performance as of 6/30/21, net of fees

- 1 year 20.42%
- 3 year 0.60%
- Since inception 2.31%

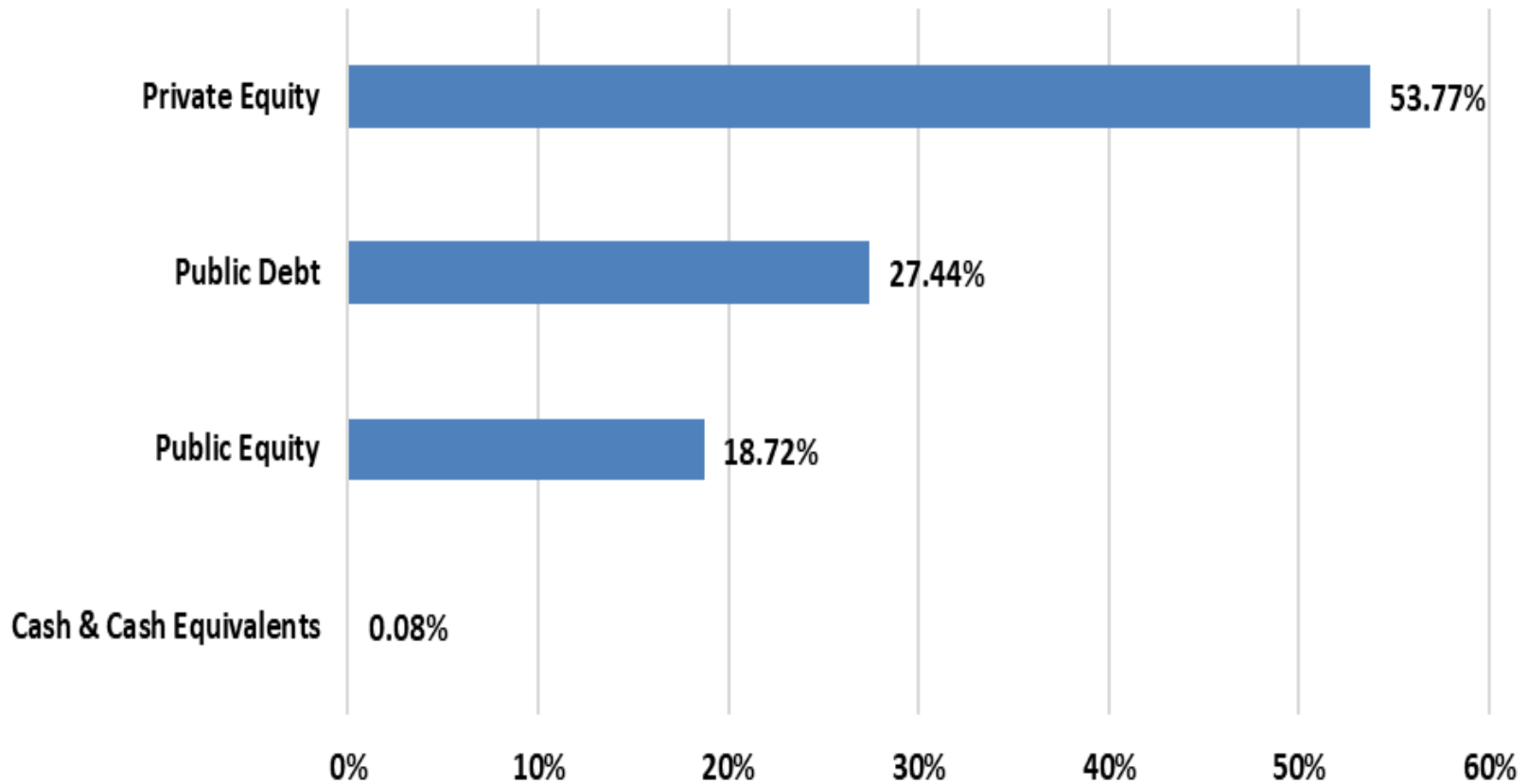
Sizing as of 6/30/21 - \$651M

- % of CAPP 4.5%

# Characteristics

(as of March 31, 2021)

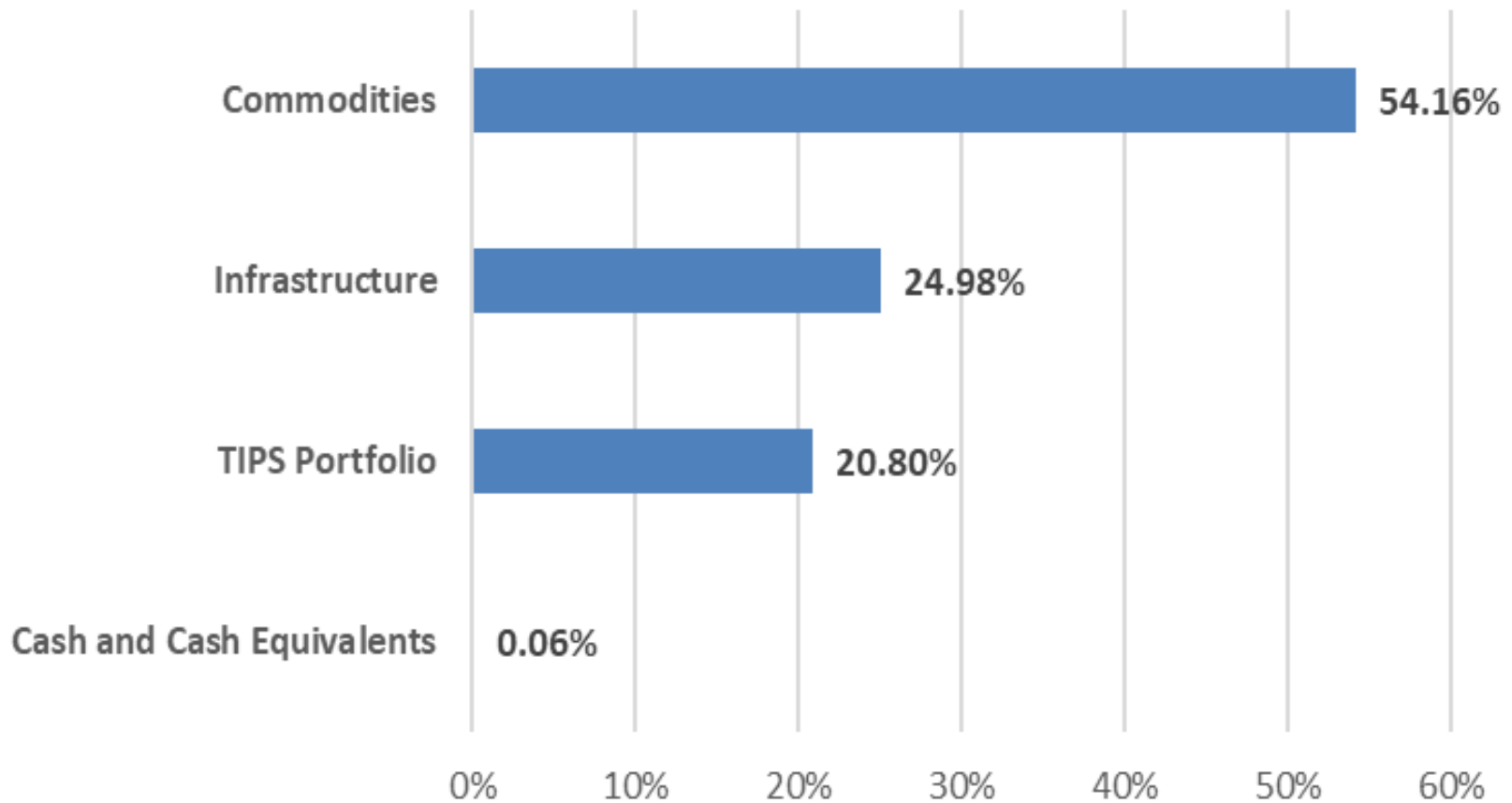
## Real Assets: Asset Class by Type



# Characteristics

(as of March 31, 2021)

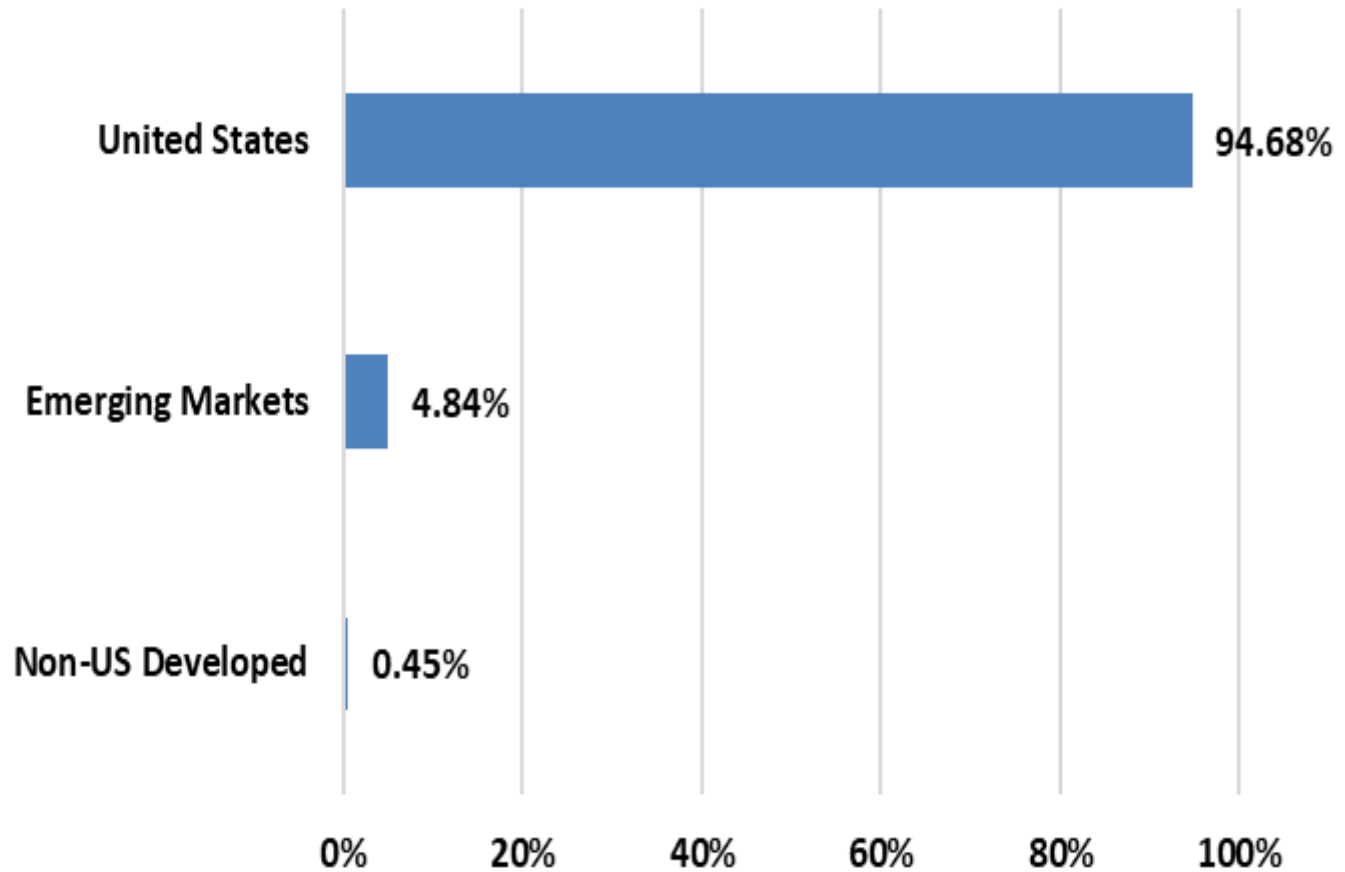
## Real Assets: Asset Class by Resource Type



# Characteristics

(as of March 31, 2021)

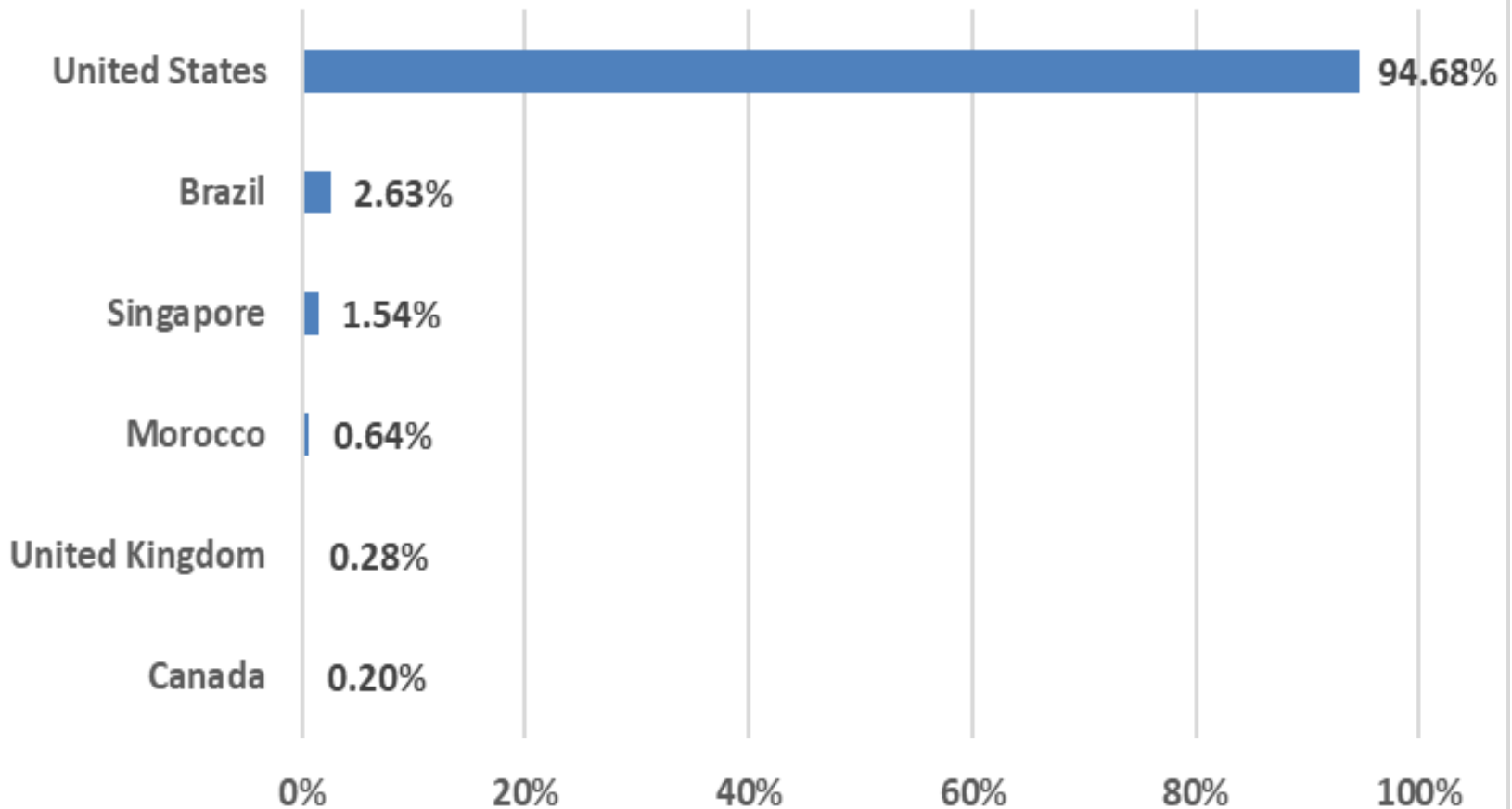
## Real Assets: Asset Class by Global Regions



# Characteristics

(as of March 31, 2021)

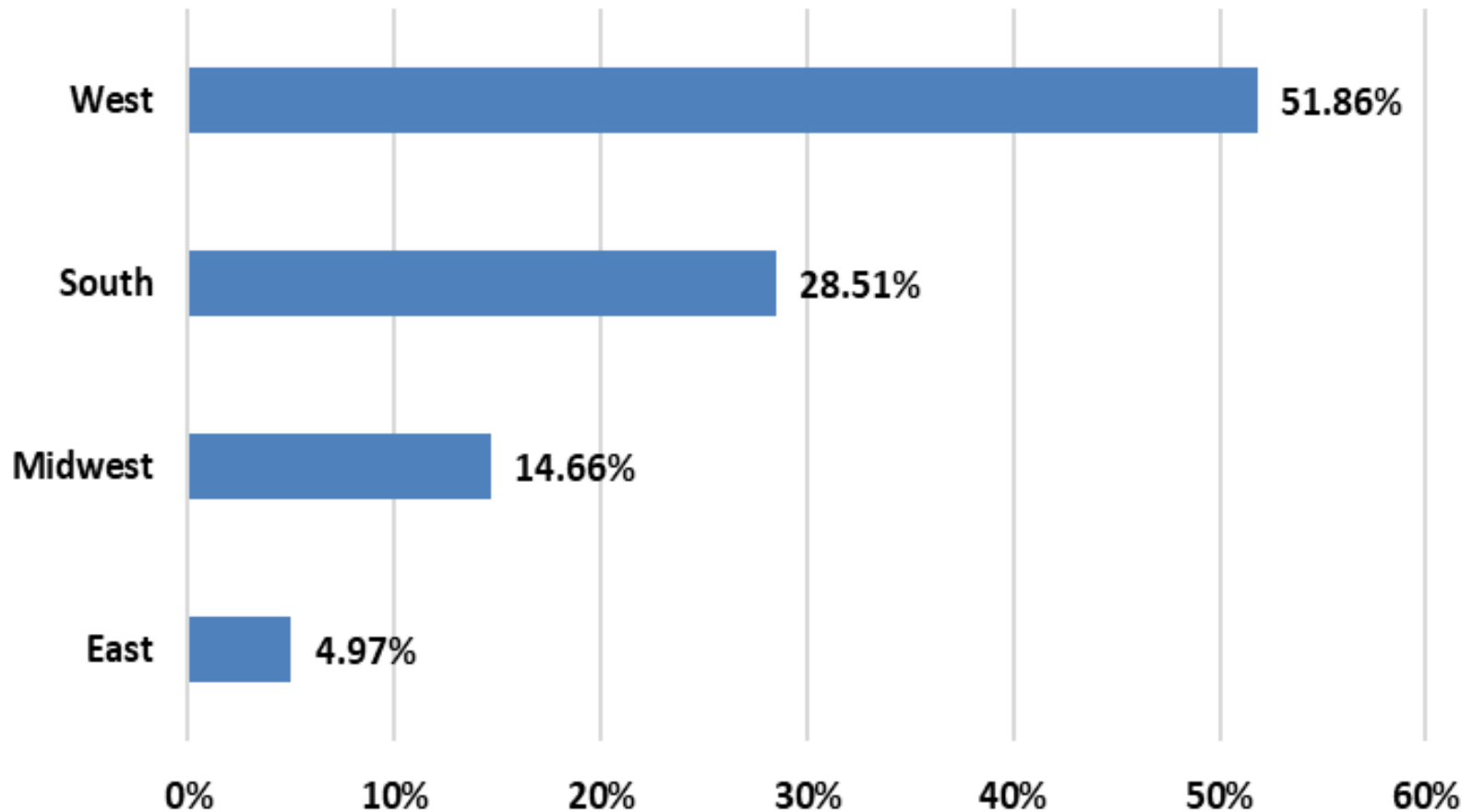
## Real Assets: Asset Class by Country



# Characteristics

(as of March 31, 2021)

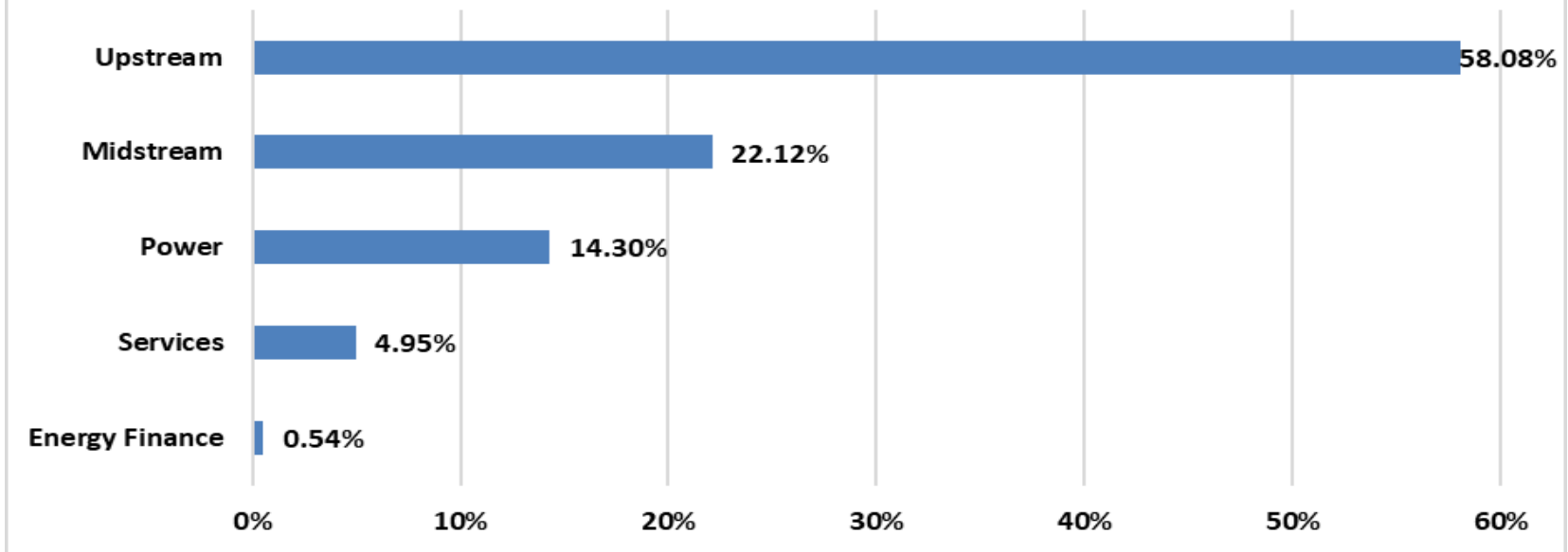
## Real Assets: Timber by U.S. Region



# Characteristics

(as of March 31, 2021)

## Real Assets: Energy by Segment



**Upstream**

**Exploration and production**

**Services**  
transport oil and

**Businesses that provide ancillary services and equipment required to explore for, produce and gas**

**Power**

**Generation plants that create power**

**Midstream**

**Pipelines, terminals and storage of oil and gas and involves the transportation of oil and gas**

**Energy Finance**

**Investments in a portfolio of liquid or yield-oriented securities**



# Quarterly Investment Performance Analysis

Montana Board of Investments

Period Ended: June 30, 2021





Montana Board of Investments  
Comparative Performance  
Retirement Plans

As of June 30, 2021

	QTD	CYTD	FYTD/ 1 Year	3 Years	5 Years	7 Years	10 Years	20 Years	2020	2019	2018	2017	2016	Since Incep.	Inception Date
<b>Public Employees' Retirement - Net</b>	<b>6.57</b>	<b>10.81</b>	<b>27.72</b>	<b>11.51</b>	<b>11.06</b>	<b>8.79</b>	<b>9.36</b>	<b>7.12</b>	<b>11.94</b>	<b>16.77</b>	<b>-2.63</b>	<b>14.80</b>	<b>7.32</b>	<b>8.16</b>	<b>07/01/1994</b>
Public Employees' Benchmark	5.22	9.63	29.35	11.16	10.92	8.90	9.65	N/A	11.58	20.45	-5.57	15.35	9.12	N/A	
Difference	1.35	1.18	-1.63	0.35	0.14	-0.11	-0.29	N/A	0.36	-3.68	2.94	-0.55	-1.80	N/A	
<b>Public Employees' Retirement - Gross</b>	<b>6.70</b>	<b>11.03</b>	<b>28.29</b>	<b>12.10</b>	<b>11.63</b>	<b>9.33</b>	<b>9.91</b>	<b>7.55</b>	<b>12.53</b>	<b>17.44</b>	<b>-2.03</b>	<b>15.34</b>	<b>7.78</b>	<b>8.48</b>	<b>07/01/1994</b>
All Public Plans > \$3B Total Fund Median	6.06	9.89	27.20	11.05	11.02	8.28	8.55	7.38	11.99	17.24	-2.79	16.10	7.98	8.47	
Rank	24	22	38	37	31	15	8	36	40	44	41	66	58	50	
<b>Teachers' Retirement - Net</b>	<b>6.57</b>	<b>10.81</b>	<b>27.71</b>	<b>11.51</b>	<b>11.05</b>	<b>8.79</b>	<b>9.36</b>	<b>7.12</b>	<b>11.93</b>	<b>16.78</b>	<b>-2.64</b>	<b>14.76</b>	<b>7.33</b>	<b>8.17</b>	<b>07/01/1994</b>
Teachers' Benchmark	5.21	9.62	29.31	11.14	10.90	8.89	9.65	N/A	11.55	20.42	-5.57	15.32	9.11	N/A	
Difference	1.36	1.19	-1.60	0.37	0.15	-0.10	-0.29	N/A	0.38	-3.64	2.93	-0.56	-1.78	N/A	
<b>Teachers' Retirement - Gross</b>	<b>6.70</b>	<b>11.03</b>	<b>28.28</b>	<b>12.10</b>	<b>11.63</b>	<b>9.33</b>	<b>9.91</b>	<b>7.55</b>	<b>12.52</b>	<b>17.45</b>	<b>-2.03</b>	<b>15.31</b>	<b>7.80</b>	<b>8.49</b>	<b>07/01/1994</b>
All Public Plans > \$3B Total Fund Median	6.06	9.89	27.20	11.05	11.02	8.28	8.55	7.38	11.99	17.24	-2.79	16.10	7.98	8.47	
Rank	24	22	38	37	31	15	8	36	40	44	42	67	58	50	
<b>Police Retirement - Net</b>	<b>6.57</b>	<b>10.82</b>	<b>27.73</b>	<b>11.53</b>	<b>11.06</b>	<b>8.79</b>	<b>9.36</b>	<b>7.08</b>	<b>11.95</b>	<b>16.80</b>	<b>-2.63</b>	<b>14.79</b>	<b>7.32</b>	<b>8.03</b>	<b>07/01/1994</b>
Police Benchmark	5.22	9.64	29.39	11.16	10.92	8.90	9.65	N/A	11.60	20.44	-5.57	15.33	9.11	N/A	
Difference	1.35	1.18	-1.66	0.37	0.14	-0.11	-0.29	N/A	0.35	-3.64	2.94	-0.54	-1.79	N/A	
<b>Police Retirement - Gross</b>	<b>6.70</b>	<b>11.03</b>	<b>28.30</b>	<b>12.12</b>	<b>11.64</b>	<b>9.33</b>	<b>9.91</b>	<b>7.51</b>	<b>12.54</b>	<b>17.47</b>	<b>-2.02</b>	<b>15.33</b>	<b>7.78</b>	<b>8.35</b>	<b>07/01/1994</b>
All Public Plans > \$3B Total Fund Median	6.06	9.89	27.20	11.05	11.02	8.28	8.55	7.38	11.99	17.24	-2.79	16.10	7.98	8.47	
Rank	24	22	38	36	31	15	8	41	40	42	41	66	58	60	

Net performance shown is net of all manager fees and expenses (Net-All). All Public Plans > \$3B Total Fund Median is reported gross of fees. Benchmark returns reflect unmanaged indices which are not impacted by management fees. Fiscal year ends on 06/30. Since inception performance may vary from State Street reported performance due to calculation methodology differences. Retirement plan benchmarks' inception dates were updated to 1/1/2011.



Montana Board of Investments  
Comparative Performance  
Retirement Plans

As of June 30, 2021

	QTD	CYTD	FYTD/ 1 Year	3 Years	5 Years	7 Years	10 Years	20 Years	2020	2019	2018	2017	2016	Since Incep.	Inception Date
<b>Firefighters' Retirement - Net</b>	<b>6.57</b>	<b>10.82</b>	<b>27.73</b>	<b>11.53</b>	<b>11.06</b>	<b>8.80</b>	<b>9.36</b>	<b>7.09</b>	<b>11.95</b>	<b>16.79</b>	<b>-2.62</b>	<b>14.79</b>	<b>7.32</b>	<b>8.02</b>	<b>07/01/1994</b>
Firefighters' Benchmark	5.22	9.63	29.38	11.16	10.92	8.90	9.65	N/A	11.59	20.44	-5.57	15.33	9.12	N/A	
Difference	1.35	1.19	-1.65	0.37	0.14	-0.10	-0.29	N/A	0.36	-3.65	2.95	-0.54	-1.80	N/A	
<b>Firefighters' Retirement - Gross</b>	<b>6.70</b>	<b>11.03</b>	<b>28.30</b>	<b>12.12</b>	<b>11.64</b>	<b>9.34</b>	<b>9.91</b>	<b>7.52</b>	<b>12.53</b>	<b>17.46</b>	<b>-2.01</b>	<b>15.34</b>	<b>7.78</b>	<b>8.34</b>	<b>07/01/1994</b>
All Public Plans > \$3B Total Fund Median	6.06	9.89	27.20	11.05	11.02	8.28	8.55	7.38	11.99	17.24	-2.79	16.10	7.98	8.47	
Rank	24	22	38	36	31	15	8	40	40	42	41	66	58	60	
<b>Sheriffs' Retirement - Net</b>	<b>6.57</b>	<b>10.81</b>	<b>27.72</b>	<b>11.51</b>	<b>11.06</b>	<b>8.79</b>	<b>9.35</b>	<b>7.12</b>	<b>11.94</b>	<b>16.75</b>	<b>-2.62</b>	<b>14.80</b>	<b>7.33</b>	<b>8.06</b>	<b>07/01/1994</b>
Sheriffs' Benchmark	5.21	9.63	29.34	11.15	10.92	8.90	9.65	N/A	11.58	20.43	-5.56	15.35	9.13	N/A	
Difference	1.36	1.18	-1.62	0.36	0.14	-0.11	-0.30	N/A	0.36	-3.68	2.94	-0.55	-1.80	N/A	
<b>Sheriffs' Retirement - Gross</b>	<b>6.70</b>	<b>11.03</b>	<b>28.29</b>	<b>12.10</b>	<b>11.64</b>	<b>9.33</b>	<b>9.90</b>	<b>7.55</b>	<b>12.53</b>	<b>17.42</b>	<b>-2.02</b>	<b>15.34</b>	<b>7.79</b>	<b>8.38</b>	<b>07/01/1994</b>
All Public Plans > \$3B Total Fund Median	6.06	9.89	27.20	11.05	11.02	8.28	8.55	7.38	11.99	17.24	-2.79	16.10	7.98	8.47	
Rank	24	22	38	37	31	15	8	37	40	44	41	66	58	53	
<b>Highway Patrol Retirement - Net</b>	<b>6.57</b>	<b>10.83</b>	<b>27.72</b>	<b>11.52</b>	<b>11.06</b>	<b>8.79</b>	<b>9.36</b>	<b>7.12</b>	<b>11.94</b>	<b>16.78</b>	<b>-2.62</b>	<b>14.79</b>	<b>7.30</b>	<b>8.05</b>	<b>07/01/1994</b>
Highway Patrol Benchmark	5.22	9.64	29.36	11.17	10.93	8.90	9.66	N/A	11.60	20.45	-5.56	15.34	9.11	N/A	
Difference	1.35	1.19	-1.64	0.35	0.13	-0.11	-0.30	N/A	0.34	-3.67	2.94	-0.55	-1.81	N/A	
<b>Highway Patrol Retirement - Gross</b>	<b>6.70</b>	<b>11.04</b>	<b>28.29</b>	<b>12.11</b>	<b>11.64</b>	<b>9.34</b>	<b>9.91</b>	<b>7.55</b>	<b>12.53</b>	<b>17.45</b>	<b>-2.01</b>	<b>15.33</b>	<b>7.77</b>	<b>8.37</b>	<b>07/01/1994</b>
All Public Plans > \$3B Total Fund Median	6.06	9.89	27.20	11.05	11.02	8.28	8.55	7.38	11.99	17.24	-2.79	16.10	7.98	8.47	
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Montana Board of Investments  
Comparative Performance  
Retirement Plans

As of June 30, 2021

	QTD	CYTD	FYTD/ 1 Year	3 Years	5 Years	7 Years	10 Years	20 Years	2020	2019	2018	2017	2016	Since Incep.	Inception Date
<b>Game Wardens' Retirement - Net</b>	<b>6.57</b>	<b>10.82</b>	<b>27.71</b>	<b>11.50</b>	<b>11.06</b>	<b>8.79</b>	<b>9.35</b>	<b>7.08</b>	<b>11.91</b>	<b>16.77</b>	<b>-2.62</b>	<b>14.81</b>	<b>7.31</b>	<b>8.07</b>	<b>07/01/1994</b>
Game Wardens' Benchmark	5.22	9.63	29.33	11.15	10.92	8.90	9.65	N/A	11.56	20.45	-5.56	15.36	9.14	N/A	
Difference	1.35	1.19	-1.62	0.35	0.14	-0.11	-0.30	N/A	0.35	-3.68	2.94	-0.55	-1.83	N/A	
<b>Game Wardens' Retirement - Gross</b>	<b>6.70</b>	<b>11.03</b>	<b>28.28</b>	<b>12.10</b>	<b>11.64</b>	<b>9.33</b>	<b>9.90</b>	<b>7.51</b>	<b>12.50</b>	<b>17.44</b>	<b>-2.01</b>	<b>15.35</b>	<b>7.78</b>	<b>8.39</b>	<b>07/01/1994</b>
All Public Plans > \$3B Total Fund Median	6.06	9.89	27.20	11.05	11.02	8.28	8.55	7.38	11.99	17.24	-2.79	16.10	7.98	8.47	
Rank	24	22	38	37	31	15	8	41	41	44	41	65	58	53	
<b>Judges' Retirement - Net</b>	<b>6.57</b>	<b>10.82</b>	<b>27.73</b>	<b>11.52</b>	<b>11.07</b>	<b>8.80</b>	<b>9.36</b>	<b>7.12</b>	<b>11.94</b>	<b>16.78</b>	<b>-2.64</b>	<b>14.82</b>	<b>7.32</b>	<b>8.06</b>	<b>07/01/1994</b>
Judges' Benchmark	5.22	9.63	29.37	11.17	10.93	8.91	9.65	N/A	11.59	20.47	-5.57	15.37	9.13	N/A	
Difference	1.35	1.19	-1.64	0.35	0.14	-0.11	-0.29	N/A	0.35	-3.69	2.93	-0.55	-1.81	N/A	
<b>Judges' Retirement - Gross</b>	<b>6.70</b>	<b>11.04</b>	<b>28.30</b>	<b>12.11</b>	<b>11.64</b>	<b>9.34</b>	<b>9.91</b>	<b>7.55</b>	<b>12.53</b>	<b>17.45</b>	<b>-2.03</b>	<b>15.36</b>	<b>7.79</b>	<b>8.38</b>	<b>07/01/1994</b>
All Public Plans > \$3B Total Fund Median	6.06	9.89	27.20	11.05	11.02	8.28	8.55	7.38	11.99	17.24	-2.79	16.10	7.98	8.47	
Rank	24	22	38	37	31	15	8	36	40	43	42	65	58	53	
<b>Volunteer Firefighters' Retirement - Net</b>	<b>6.58</b>	<b>10.83</b>	<b>27.74</b>	<b>11.52</b>	<b>11.06</b>	<b>8.78</b>	<b>9.36</b>	<b>7.37</b>	<b>11.94</b>	<b>16.79</b>	<b>-2.64</b>	<b>14.79</b>	<b>7.16</b>	<b>7.87</b>	<b>07/01/1994</b>
Volunteer Firefighters' Benchmark	5.22	9.64	29.39	11.16	10.92	8.90	9.65	N/A	11.59	20.47	-5.59	15.33	9.11	N/A	
Difference	1.36	1.19	-1.65	0.36	0.14	-0.12	-0.29	N/A	0.35	-3.68	2.95	-0.54	-1.95	N/A	
<b>Volunteer Firefighters' Retirement - Gross</b>	<b>6.70</b>	<b>11.04</b>	<b>28.30</b>	<b>12.11</b>	<b>11.64</b>	<b>9.32</b>	<b>9.90</b>	<b>7.80</b>	<b>12.53</b>	<b>17.46</b>	<b>-2.04</b>	<b>15.34</b>	<b>7.63</b>	<b>8.19</b>	<b>07/01/1994</b>
All Public Plans > \$3B Total Fund Median	6.06	9.89	27.20	11.05	11.02	8.28	8.55	7.38	11.99	17.24	-2.79	16.10	7.98	8.47	
Rank	23	22	38	37	31	15	8	17	40	42	42	66	66	63	

Net performance shown is net of all manager fees and expenses (Net-All). All Public Plans > \$3B Total Fund Median is reported gross of fees. Benchmark returns reflect unmanaged indices which are not impacted by management fees. Fiscal year ends on 06/30. Since inception performance may vary from State Street reported performance due to calculation methodology differences. Retirement plan benchmarks' inception dates were updated to 1/1/2011.

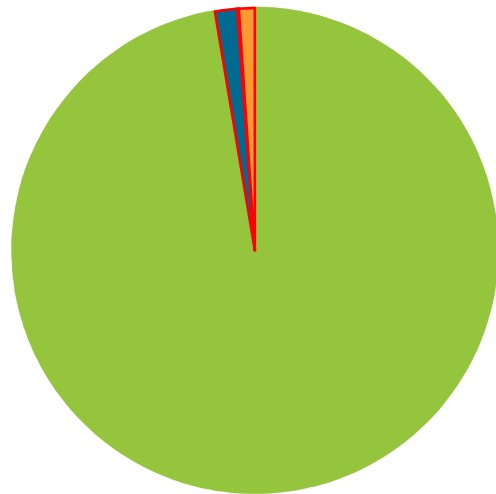


Montana Board of Investments  
 Asset Allocation by Segment  
 Retirement Plans

As of June 30, 2021

	Consolidated Asset Pension Pool (CAPP)		Short Term Investment Pool (STIP)		Total Fund	
	(\$)	%	(\$)	%	(\$)	%
Public Employees' Retirement	7,122,350,428	49.47	74,118,469	48.59	7,196,468,897	49.46
Teachers' Retirement	5,032,454,490	34.95	52,313,659	34.30	5,084,768,150	34.95
Firefighters' Retirement	586,300,174	4.07	5,993,920	3.93	592,294,094	4.07
Police Retirement	544,953,761	3.79	5,492,264	3.60	550,446,025	3.78
Sheriffs' Retirement	479,631,403	3.33	5,091,769	3.34	484,723,172	3.33
Game Wardens' Retirement	269,697,525	1.87	3,049,478	2.00	272,747,003	1.87
Highway Patrol Retirement	183,389,800	1.27	2,028,626	1.33	185,418,427	1.27
Judges' Retirement	131,799,931	0.92	1,389,334	0.91	133,189,265	0.92
Volunteer Firefighters' Retirement	46,570,141	0.32	3,045,493	2.00	49,615,634	0.34
<b>Retirement Plans Total Fund Composite</b>	<b>14,397,147,654</b>	<b>98.95</b>	<b>152,523,012</b>	<b>1.05</b>	<b>14,549,670,666</b>	<b>100.00</b>

June 30, 2021 : \$14,549,670,666

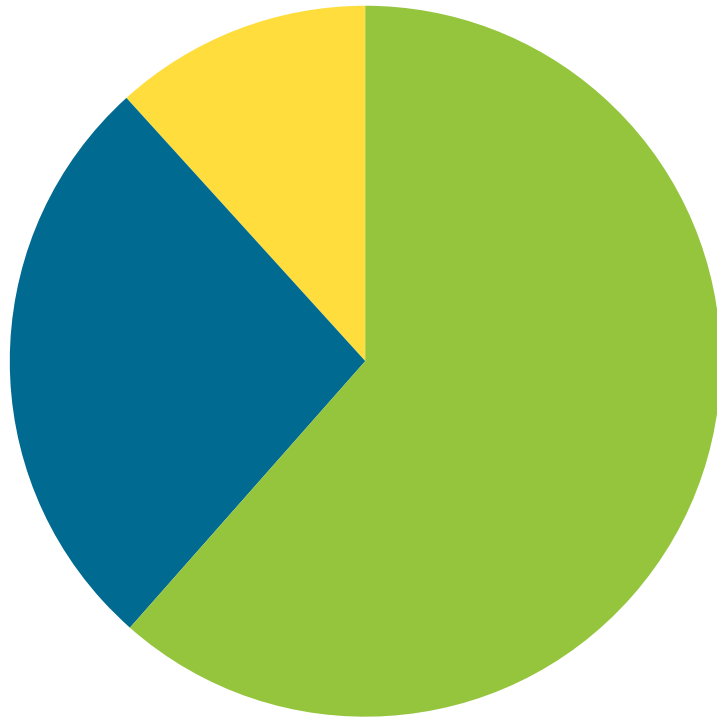


Segments	Market Value (\$)	Allocation (%)
CAPP Ex Cash	14,165,530,229	97.36
CAPP Cash Pension	216,118,084	1.49
CAPP Asset Class Cash	15,499,340	0.11
Short Term Investment Pool (STIP)	152,523,012	1.05
Total Cash	384,140,437	2.64

Allocations shown may not sum up to 100% exactly due to rounding. Retirement Plan market values may differ from State Street due to uninvested amounts not included in segment totals.



June 30, 2021 : \$23,404,751,148



	Market Value (\$)	Allocation (%)
Consolidated Asset Pension Pool (CAPP)	14,397,147,640	61.51
Short Term Investment Pool	6,261,950,442	26.76
Trust Funds Investment Pool	2,745,653,065	11.73

Allocations shown may not sum up to 100% exactly due to rounding. Market values do not include pending transactions.

Montana Board of Investments  
Comparative Performance  
Investment Pools

As of June 30, 2021

	QTD	CYTD	FYTD/ 1 Year	3 Years	5 Years	7 Years	10 Years	2020	2019	2018	2017	2016	Since Incep.	Inception Date
<b>Consolidated Asset Pension Pool (CAPP)</b>	<b>6.65</b>	<b>10.94</b>	<b>28.07</b>	<b>11.68</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>12.10</b>	<b>17.12</b>	<b>-2.74</b>	<b>N/A</b>	<b>N/A</b>	<b>11.12</b>	<b>04/01/2017</b>
CAPP Custom Benchmark	5.28	9.74	29.73	11.31	N/A	N/A	N/A	11.73	20.88	-5.73	N/A	N/A	10.82	
Difference	1.37	1.20	-1.66	0.37	N/A	N/A	N/A	0.37	-3.76	2.99	N/A	N/A	0.30	
<b>Trust Funds Investment Pool</b>	<b>2.05</b>	<b>-0.24</b>	<b>1.53</b>	<b>5.80</b>	<b>3.67</b>	<b>4.05</b>	<b>4.41</b>	<b>7.23</b>	<b>8.98</b>	<b>0.45</b>	<b>4.01</b>	<b>4.02</b>	<b>6.01</b>	<b>10/01/1995</b>
Bloomberg US Agg Bond Index	1.83	-1.61	-0.34	5.34	3.03	3.28	3.39	7.51	8.72	0.01	3.54	2.65	5.11	
Difference	0.22	1.37	1.87	0.46	0.64	0.77	1.02	-0.28	0.26	0.44	0.47	1.37	0.90	
<b>Short Term Investment Pool</b>	<b>0.01</b>	<b>0.05</b>	<b>0.20</b>	<b>1.39</b>	<b>1.29</b>	<b>1.00</b>	<b>0.77</b>	<b>0.73</b>	<b>2.28</b>	<b>1.98</b>	<b>1.11</b>	<b>0.61</b>	<b>2.33</b>	<b>04/01/1997</b>
Short Term Custom Index	0.00	0.02	0.06	1.19	1.18	0.92	0.70	0.36	2.14	1.95	1.15	0.52	2.25	
Difference	0.01	0.03	0.14	0.20	0.11	0.08	0.07	0.37	0.14	0.03	-0.04	0.09	0.08	
iMoney.net Money Fund (Gross) Median	0.04	0.09	0.20	1.48	1.39	1.08	0.83	0.73	2.45	2.15	1.21	0.61	2.33	
Difference	-0.03	-0.04	0.00	-0.09	-0.10	-0.08	-0.06	0.00	-0.17	-0.17	-0.10	0.00	0.00	

Performance shown is net of all manager fees and expenses (Net-All). Benchmark returns reflect unmanaged indices which are not impacted by management fees. Fiscal year ends on 06/30. See the Addendum for custom index specification. Since inception performance may vary from State Street reported performance due to calculation methodology differences.

Montana Board of Investments  
 Asset Allocation  
 Consolidated Asset Pension Pool (CAPP)

As of June 30, 2021

June 30, 2021 : \$14,397,147,780



	Market Value (\$)	Allocation (%)
Domestic Equity	4,499,360,645	31.25
International Equity	2,522,020,311	17.52
Private Investments	2,144,265,322	14.89
Core Fixed Income	2,114,575,439	14.69
Real Estate	1,354,895,321	9.41
Non-Core Fixed Income	894,926,386	6.22
Real Assets*	650,986,272	4.52
Cash Pension	216,118,084	1.50

Allocations shown may not sum up to 100% due to rounding.  
 \*Formerly the Natural Resources pension asset class.



Montana Board of Investments  
Comparative Performance  
Consolidated Asset Pension Pool (CAPP)

As of June 30, 2021

	QTD	CYTD	FYTD/ 1 Year	3 Years	5 Years	7 Years	10 Years	2020	2019	2018	2017	2016	Since Incep.	Inception Date
<b>Domestic Equity</b>	<b>8.16</b>	<b>16.23</b>	<b>45.71</b>	<b>17.88</b>	<b>17.28</b>	<b>13.46</b>	<b>14.31</b>	<b>20.09</b>	<b>30.75</b>	<b>-7.09</b>	<b>20.79</b>	<b>11.46</b>	<b>10.65</b>	<b>05/01/2003</b>
Domestic Equity Custom Index	8.46	15.29	44.43	18.87	17.91	14.21	14.89	21.10	31.14	-5.20	21.05	13.03	11.40	
Difference	-0.30	0.94	1.28	-0.99	-0.63	-0.75	-0.58	-1.01	-0.39	-1.89	-0.26	-1.57	-0.75	
<b>International Equity</b>	<b>5.35</b>	<b>9.13</b>	<b>37.65</b>	<b>10.14</b>	<b>11.70</b>	<b>6.14</b>	<b>5.97</b>	<b>13.35</b>	<b>22.86</b>	<b>-14.99</b>	<b>28.67</b>	<b>3.87</b>	<b>5.53</b>	<b>04/01/1997</b>
International Equity Custom Index	5.60	9.58	37.18	9.42	11.20	5.56	5.63	11.12	21.63	-14.76	27.81	4.41	5.74	
Difference	-0.25	-0.45	0.47	0.72	0.50	0.58	0.34	2.23	1.23	-0.23	0.86	-0.54	-0.21	
<b>Core Fixed Income</b>	<b>1.83</b>	<b>-1.54</b>	<b>-0.15</b>	<b>5.00</b>	<b>2.78</b>	<b>3.26</b>	<b>3.67</b>	<b>8.25</b>	<b>6.90</b>	<b>0.95</b>	<b>2.29</b>	<b>3.19</b>	<b>5.87</b>	<b>04/01/1995</b>
Core Fixed Income Custom Index	1.83	-1.60	-0.33	4.54	2.53	2.92	3.14	7.51	6.39	0.68	2.57	2.65	5.22	
Difference	0.00	0.06	0.18	0.46	0.25	0.34	0.53	0.74	0.51	0.27	-0.28	0.54	0.65	
<b>Non-Core Fixed Income</b>	<b>2.96</b>	<b>2.51</b>	<b>13.19</b>	<b>6.81</b>	<b>6.36</b>	<b>4.71</b>	<b>6.11</b>	<b>6.40</b>	<b>13.98</b>	<b>-2.27</b>	<b>5.99</b>	<b>12.47</b>	<b>8.04</b>	<b>06/01/2009</b>
Bloomberg US HY 2% Issuer Cap Index	2.74	3.61	15.34	7.42	7.47	5.47	6.65	7.05	14.32	-2.08	7.50	17.13	9.11	
Difference	0.22	-1.10	-2.15	-0.61	-1.11	-0.76	-0.54	-0.65	-0.34	-0.19	-1.51	-4.66	-1.07	
<b>Real Assets</b>	<b>9.61</b>	<b>16.21</b>	<b>20.42</b>	<b>0.60</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>-13.43</b>	<b>-2.18</b>	<b>5.55</b>	<b>N/A</b>	<b>N/A</b>	<b>2.31</b>	<b>04/01/2017</b>
Real Assets Custom Index	4.01	9.26	30.29	-3.08	3.68	-2.59	-1.95	-12.32	13.06	-11.75	13.70	32.44	2.35	
Difference	5.60	6.95	-9.87	3.68	N/A	N/A	N/A	-1.11	-15.24	17.30	N/A	N/A	-0.04	
<b>Real Estate</b>	<b>3.10</b>	<b>6.43</b>	<b>8.62</b>	<b>5.86</b>	<b>7.02</b>	<b>8.59</b>	<b>9.18</b>	<b>-0.35</b>	<b>6.97</b>	<b>9.19</b>	<b>9.17</b>	<b>8.82</b>	<b>4.12</b>	<b>06/01/2006</b>
Real Estate Custom Index	1.89	3.00	1.47	-0.60	1.79	4.75	6.87	-19.66	25.84	-4.57	5.99	9.08	4.39	
Difference	1.21	3.43	7.15	6.46	5.23	3.84	2.31	19.31	-18.87	13.76	3.18	-0.26	-0.27	
<b>Cash Pension</b>	<b>0.04</b>	<b>0.09</b>	<b>0.19</b>	<b>1.39</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>0.84</b>	<b>2.28</b>	<b>2.00</b>	<b>N/A</b>	<b>N/A</b>	<b>1.41</b>	<b>05/01/2017</b>
Short Term Custom Index	0.00	0.02	0.06	1.19	1.18	0.92	0.70	0.36	2.14	1.95	1.15	0.52	1.27	
Difference	0.04	0.07	0.13	0.20	N/A	N/A	N/A	0.48	0.14	0.05	N/A	N/A	0.14	
<b>Private Investments*</b>	<b>14.02</b>	<b>22.46</b>	<b>41.55</b>	<b>16.89</b>	<b>15.84</b>	<b>13.27</b>	<b>13.30</b>	<b>10.91</b>	<b>12.95</b>	<b>11.55</b>	<b>15.20</b>	<b>7.37</b>	<b>13.04</b>	<b>05/01/2002</b>
Private Investments Custom Index	4.46	15.45	57.16	13.96	15.60	14.26	15.72	18.90	27.38	-9.99	20.59	20.11	12.22	
Difference	9.56	7.01	-15.61	2.93	0.24	-0.99	-2.42	-7.99	-14.43	21.54	-5.39	-12.74	0.82	

For additional information on the Private Investments Custom Index, please see the Addendum.

\*Performance is based on the prior quarter's fair market value adjusted for cash flows during the most recent quarterly period.

Performance shown is net of all manager fees and expenses (Net-All). Benchmark returns reflect unmanaged indices which are not impacted by management fees. Fiscal year ends on 06/30. Please see Addendum for custom index specification. Since inception performance may vary from State Street reported performance due to calculation methodology differences.



Montana Board of Investments  
Comparative Performance  
Investment Pools

As of June 30, 2021

	QTD	CYTD	FYTD/ 1 Year	3 Years	5 Years	7 Years	10 Years	2020	2019	2018	2017	2016	Since Incep.	Inception Date
<b>Domestic Equity</b>	<b>8.23</b>	<b>16.37</b>	<b>46.07</b>	<b>18.20</b>	<b>17.61</b>	<b>13.79</b>	<b>14.65</b>	<b>20.37</b>	<b>31.13</b>	<b>-6.78</b>	<b>21.16</b>	<b>11.77</b>	<b>10.95</b>	<b>05/01/2003</b>
All Public Plans-US Equity Segment Median	7.93	15.14	43.96	17.43	17.11	13.18	14.10	18.92	30.04	-5.83	20.31	12.78	11.02	
Rank	38	20	30	33	39	31	30	32	28	74	31	74	57	
Population	57	57	52	49	46	45	34	67	65	66	89	90	10	
<b>International Equity</b>	<b>5.44</b>	<b>9.30</b>	<b>38.08</b>	<b>10.50</b>	<b>12.06</b>	<b>6.49</b>	<b>6.33</b>	<b>13.71</b>	<b>23.28</b>	<b>-14.72</b>	<b>29.06</b>	<b>4.24</b>	<b>5.95</b>	<b>04/01/1997</b>
All Public Plans-Intl. Equity Segment Median	5.85	10.27	39.57	11.24	12.22	6.90	7.04	12.76	23.71	-13.63	28.75	4.00	N/A	
Rank	78	76	70	64	61	68	81	45	62	78	46	44	N/A	
Population	57	56	53	51	51	49	35	68	65	68	84	88	N/A	
<b>Core Fixed Income</b>	<b>1.84</b>	<b>-1.52</b>	<b>-0.09</b>	<b>5.05</b>	<b>2.82</b>	<b>3.30</b>	<b>3.71</b>	<b>8.31</b>	<b>6.94</b>	<b>1.00</b>	<b>2.34</b>	<b>3.21</b>	<b>6.01</b>	<b>04/01/1995</b>
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	1.97	-1.23	1.05	6.07	3.67	3.80	3.96	8.52	9.19	0.07	4.03	3.10	5.75	
Rank	79	72	80	97	97	90	73	55	97	8	100	47	24	
Population	126	126	126	123	121	119	113	147	152	158	163	170	63	
<b>Non-Core Fixed Income</b>	<b>3.05</b>	<b>2.72</b>	<b>13.71</b>	<b>7.37</b>	<b>6.92</b>	<b>5.25</b>	<b>6.66</b>	<b>6.94</b>	<b>14.60</b>	<b>-1.71</b>	<b>6.58</b>	<b>13.04</b>	<b>8.61</b>	<b>06/01/2009</b>
IM U.S. High Yield Bonds (SA+CF) Median	2.67	3.60	14.71	7.31	7.31	5.38	6.63	6.52	14.25	-1.66	7.49	14.07	8.99	
Rank	23	84	63	48	64	59	49	40	41	52	74	63	72	
Population	136	136	136	133	127	122	101	164	182	192	197	203	90	
<b>Trust Funds Investment Pool</b>	<b>2.08</b>	<b>-0.19</b>	<b>1.61</b>	<b>5.88</b>	<b>3.76</b>	<b>4.14</b>	<b>4.50</b>	<b>7.30</b>	<b>9.06</b>	<b>0.53</b>	<b>4.10</b>	<b>4.12</b>	<b>6.07</b>	<b>10/01/1995</b>
All Public Plans-US Fixed Income Segment Median	2.45	-0.29	3.04	5.98	4.04	3.87	4.12	8.59	9.25	-0.25	4.59	4.61	N/A	
Rank	66	47	66	57	62	41	37	78	53	22	62	61	N/A	
Population	63	62	59	55	54	53	42	74	68	72	85	90	N/A	
<b>Real Estate</b>	<b>3.79</b>	<b>7.30</b>	<b>9.98</b>	<b>7.45</b>	<b>8.64</b>	<b>10.16</b>	<b>10.73</b>	<b>1.11</b>	<b>8.65</b>	<b>11.12</b>	<b>10.91</b>	<b>10.26</b>	<b>5.59</b>	<b>06/01/2006</b>
All Public Plans-Real Estate Segment Median	3.70	6.70	8.70	6.46	7.82	9.51	10.49	1.66	7.65	9.04	8.84	9.98	N/A	
Rank	44	38	32	29	37	19	42	72	39	15	26	47	N/A	
Population	44	40	35	26	21	16	13	38	35	27	32	28	N/A	

Performance shown is gross of fees. Fiscal year ends on 06/30. Since inception performance may vary from State Street reported performance due to calculation methodology differences.

Montana Board of Investments  
Comparative Performance  
Equity Composites

As of June 30, 2021

	QTD	CYTD	FYTD/ 1 Year	3 Years	5 Years	7 Years	10 Years	2020	2019	2018	2017	2016	Since Incep.	Inception Date
<b>Domestic Large Cap Equity - Net</b>	<b>8.63</b>	<b>15.83</b>	<b>43.93</b>	<b>19.52</b>	<b>18.21</b>	<b>14.45</b>	<b>14.97</b>	<b>21.44</b>	<b>31.06</b>	<b>-4.71</b>	<b>21.66</b>	<b>11.30</b>	<b>10.27</b>	<b>12/01/2006</b>
S&P 500 Index (Cap Wtd)	8.55	15.25	40.79	18.67	17.65	14.10	14.84	18.40	31.49	-4.38	21.83	11.96	10.25	
Difference	0.08	0.58	3.14	0.85	0.56	0.35	0.13	3.04	-0.43	-0.33	-0.17	-0.66	0.02	
<b>Domestic Large Cap Equity - Gross</b>	<b>8.68</b>	<b>15.94</b>	<b>44.20</b>	<b>19.74</b>	<b>18.41</b>	<b>14.64</b>	<b>15.17</b>	<b>21.66</b>	<b>31.29</b>	<b>-4.52</b>	<b>21.82</b>	<b>11.45</b>	<b>10.49</b>	<b>12/01/2006</b>
IM U.S. Large Cap Equity (SA+CF) Median	8.04	15.33	42.05	18.29	17.55	13.71	14.64	17.90	30.24	-5.01	21.73	11.04	10.43	
Rank	33	43	34	33	35	33	35	34	41	45	49	47	47	
<b>Domestic Large Cap Active - Net</b>	<b>8.14</b>	<b>17.04</b>	<b>45.71</b>	<b>19.43</b>	<b>18.28</b>	<b>14.35</b>	<b>14.95</b>	<b>21.48</b>	<b>31.03</b>	<b>-5.88</b>	<b>21.85</b>	<b>9.63</b>	<b>9.96</b>	<b>07/01/2007</b>
S&P 500 Index (Cap Wtd)	8.55	15.25	40.79	18.67	17.65	14.10	14.84	18.40	31.49	-4.38	21.83	11.96	10.06	
Difference	-0.41	1.79	4.92	0.76	0.63	0.25	0.11	3.08	-0.46	-1.50	0.02	-2.33	-0.10	
<b>Domestic Large Cap Active - Gross</b>	<b>8.30</b>	<b>17.36</b>	<b>46.55</b>	<b>20.14</b>	<b>18.93</b>	<b>14.95</b>	<b>15.53</b>	<b>22.24</b>	<b>31.82</b>	<b>-5.34</b>	<b>22.40</b>	<b>10.12</b>	<b>10.49</b>	<b>07/01/2007</b>
IM U.S. Large Cap Equity (SA+CF) Median	8.04	15.33	42.05	18.31	17.56	13.71	14.65	17.94	30.24	-5.01	21.73	11.04	10.21	
Rank	44	32	24	32	30	30	31	33	34	55	43	57	42	
<b>Domestic Mid Cap Equity - Net</b>	<b>3.53</b>	<b>17.55</b>	<b>53.06</b>	<b>14.13</b>	<b>14.52</b>	<b>10.23</b>	<b>12.10</b>	<b>13.53</b>	<b>28.03</b>	<b>-10.75</b>	<b>19.45</b>	<b>12.30</b>	<b>9.72</b>	<b>01/01/2005</b>
Russell Mid Cap Index	7.50	16.25	49.80	16.45	15.62	12.03	13.24	17.10	30.54	-9.06	18.52	13.80	10.64	
Difference	-3.97	1.30	3.26	-2.32	-1.10	-1.80	-1.14	-3.57	-2.51	-1.69	0.93	-1.50	-0.92	
<b>Domestic Mid Cap Equity - Gross</b>	<b>3.53</b>	<b>17.55</b>	<b>53.06</b>	<b>14.26</b>	<b>14.86</b>	<b>10.65</b>	<b>12.59</b>	<b>13.53</b>	<b>28.11</b>	<b>-10.28</b>	<b>20.18</b>	<b>12.97</b>	<b>10.18</b>	<b>01/01/2005</b>
IM U.S. Mid Cap Equity (SA+CF) Median	6.26	15.40	49.67	15.69	15.84	11.86	13.30	15.92	30.07	-9.06	19.38	12.65	11.24	
Rank	94	39	33	58	58	68	64	59	64	59	48	49	88	
<b>Domestic Small Cap Equity - Net</b>	<b>5.81</b>	<b>21.42</b>	<b>63.43</b>	<b>13.18</b>	<b>15.75</b>	<b>11.39</b>	<b>12.62</b>	<b>13.07</b>	<b>25.76</b>	<b>-10.51</b>	<b>15.65</b>	<b>19.31</b>	<b>12.66</b>	<b>03/01/2003</b>
Russell 2000 Index	4.29	17.54	62.03	13.52	16.47	11.39	12.34	19.96	25.53	-11.01	14.65	21.31	12.14	
Difference	1.52	3.88	1.40	-0.34	-0.72	0.00	0.28	-6.89	0.23	0.50	1.00	-2.00	0.52	
<b>Domestic Small Cap Equity - Gross</b>	<b>5.92</b>	<b>21.66</b>	<b>64.09</b>	<b>13.63</b>	<b>16.29</b>	<b>11.95</b>	<b>13.26</b>	<b>13.50</b>	<b>26.25</b>	<b>-10.09</b>	<b>16.27</b>	<b>19.97</b>	<b>13.20</b>	<b>03/01/2003</b>
IM U.S. Small Cap Equity (SA+CF) Median	4.57	18.18	61.25	13.85	16.42	11.66	13.21	16.66	25.86	-10.59	15.17	20.86	13.55	
Rank	29	37	41	52	51	48	50	57	48	48	44	56	58	

Net performance shown is net of all manager fees and expenses (Net-All). Gross returns are compared to median performance of similar managers. A peer group of similar managers may not exist for all composites. Fiscal year ends on 06/30. Since inception performance may vary from State Street reported performance due to calculation methodology differences.



Montana Board of Investments  
Comparative Performance  
Equity Composites

As of June 30, 2021

	QTD	CYTD	FYTD/ 1 Year	3 Years	5 Years	7 Years	10 Years	2020	2019	2018	2017	2016	Since Incep.	Inception Date
<b>International Large Cap Passive - Net</b>	<b>5.44</b>	<b>9.22</b>	<b>35.71</b>	<b>9.53</b>	<b>11.28</b>	<b>5.68</b>	<b>5.68</b>	<b>10.81</b>	<b>21.59</b>	<b>-14.04</b>	<b>27.79</b>	<b>4.87</b>	<b>7.76</b>	<b>06/01/2009</b>
MSCI ACW Ex US Index (USD) (Net)	5.48	9.16	35.72	9.38	11.08	5.33	5.45	10.65	21.51	-14.20	27.19	4.50	7.54	
Difference	-0.04	0.06	-0.01	0.15	0.20	0.35	0.23	0.16	0.08	0.16	0.60	0.37	0.22	
<b>International Large Cap Passive - Gross</b>	<b>5.45</b>	<b>9.25</b>	<b>35.79</b>	<b>9.60</b>	<b>11.35</b>	<b>5.75</b>	<b>5.76</b>	<b>10.88</b>	<b>21.66</b>	<b>-13.98</b>	<b>27.88</b>	<b>4.96</b>	<b>7.84</b>	<b>06/01/2009</b>
<b>International Equity Active - Net</b>	<b>5.24</b>	<b>9.06</b>	<b>39.88</b>	<b>11.11</b>	<b>12.49</b>	<b>7.33</b>	<b>6.97</b>	<b>15.91</b>	<b>25.83</b>	<b>-16.18</b>	<b>30.82</b>	<b>2.63</b>	<b>4.62</b>	<b>04/01/1997</b>
MSCI ACW Ex US Index (USD) (Net)	5.48	9.16	35.72	9.38	11.08	5.33	5.45	10.65	21.51	-14.20	27.19	4.50	5.80	
Difference	-0.24	-0.10	4.16	1.73	1.41	2.00	1.52	5.26	4.32	-1.98	3.63	-1.87	-1.18	
<b>International Equity Active - Gross</b>	<b>5.36</b>	<b>9.33</b>	<b>40.58</b>	<b>11.68</b>	<b>13.08</b>	<b>7.88</b>	<b>7.49</b>	<b>16.50</b>	<b>26.48</b>	<b>-15.73</b>	<b>31.50</b>	<b>3.17</b>	<b>5.14</b>	<b>04/01/1997</b>
IM International Large Cap Core Equity (SA+CF) Median	5.69	9.63	35.41	9.77	11.57	6.45	7.23	10.99	23.69	-14.33	26.33	1.52	7.21	
Rank	60	61	17	27	25	18	37	27	29	68	12	31	100	
<b>International Value - Net</b>	<b>5.04</b>	<b>9.97</b>	<b>39.29</b>	<b>8.84</b>	<b>11.34</b>	<b>5.77</b>	<b>5.83</b>	<b>9.31</b>	<b>20.76</b>	<b>-13.97</b>	<b>30.72</b>	<b>5.59</b>	<b>3.59</b>	<b>11/01/2006</b>
MSCI ACW Ex US Val Index (USD) (Net)	4.33	11.69	37.56	5.22	8.54	2.43	3.48	-0.77	15.72	-13.97	22.66	8.92	2.80	
Difference	0.71	-1.72	1.73	3.62	2.80	3.34	2.35	10.08	5.04	0.00	8.06	-3.33	0.79	
<b>International Value - Gross</b>	<b>5.16</b>	<b>10.24</b>	<b>39.98</b>	<b>9.39</b>	<b>11.91</b>	<b>6.32</b>	<b>6.40</b>	<b>9.87</b>	<b>21.37</b>	<b>-13.52</b>	<b>31.39</b>	<b>6.17</b>	<b>4.17</b>	<b>11/01/2006</b>
IM International Large Cap Value Equity (SA+CF) Median	4.49	10.80	38.46	7.86	10.13	5.34	6.54	5.02	21.16	-14.52	25.90	4.29	5.22	
Rank	30	58	41	34	27	30	58	32	46	40	12	31	66	
<b>International Growth - Net</b>	<b>4.49</b>	<b>6.57</b>	<b>37.05</b>	<b>14.54</b>	<b>13.28</b>	<b>8.34</b>	<b>7.27</b>	<b>23.08</b>	<b>31.39</b>	<b>-16.09</b>	<b>28.01</b>	<b>0.51</b>	<b>5.29</b>	<b>11/01/2006</b>
MSCI ACW Ex US Grth Index (USD) (Net)	6.60	6.52	33.68	13.23	13.37	8.06	7.28	22.20	27.34	-14.43	32.01	0.12	5.90	
Difference	-2.11	0.05	3.37	1.31	-0.09	0.28	-0.01	0.88	4.05	-1.66	-4.00	0.39	-0.61	
<b>International Growth - Gross</b>	<b>4.63</b>	<b>6.85</b>	<b>37.77</b>	<b>15.16</b>	<b>13.91</b>	<b>8.94</b>	<b>7.83</b>	<b>23.74</b>	<b>32.10</b>	<b>-15.61</b>	<b>28.74</b>	<b>1.12</b>	<b>5.84</b>	<b>11/01/2006</b>
IM International Large Cap Growth Equity (SA+CF) Median	7.04	7.86	35.44	13.16	14.33	8.88	8.90	20.46	28.35	-13.91	31.37	0.00	6.85	
Rank	85	72	38	33	54	46	70	39	18	68	68	35	82	
<b>International Small Cap - Net</b>	<b>6.56</b>	<b>11.63</b>	<b>44.93</b>	<b>9.48</b>	<b>12.38</b>	<b>7.36</b>	<b>7.80</b>	<b>14.63</b>	<b>23.91</b>	<b>-18.90</b>	<b>33.61</b>	<b>1.84</b>	<b>6.08</b>	<b>09/01/2006</b>
MSCI ACWI Ex US Sm Cap Index IMI (USD) (Net)	6.35	12.24	47.04	9.78	11.97	7.07	7.02	14.24	22.42	-18.20	31.65	3.91	6.58	
Difference	0.21	-0.61	-2.11	-0.30	0.41	0.29	0.78	0.39	1.49	-0.70	1.96	-2.07	-0.50	

Gross of fees performance is not available (N/A) for the International Small Cap composite which currently consists of DFA Intl Sm Co;I (DFISX), DFA Emg Mkts Sm Cap;I (DEMSX), BlackRock ACWI Ex-US Small Cap (CF), Templeton Investment Counsel (SA), and American Century Investment Mgmt (SA).

Net performance shown is net of all manager fees and expenses (Net-All). Gross returns are compared to median performance of similar managers. A peer group of similar managers may not exist for all composites. Fiscal year ends on 06/30. Since inception performance may vary from State Street reported performance due to calculation methodology differences.



Montana Board of Investments  
Comparative Performance  
Equity Sub Composites

As of June 30, 2021

	QTD	CYTD	FYTD/ 1 Year	3 Years	5 Years	7 Years	10 Years	2020	2019	2018	2017	2016	Since Incep.	Inception Date
<b>Domestic Large Cap Passive - Net</b>	<b>8.88</b>	<b>14.86</b>	<b>42.40</b>	<b>19.45</b>	<b>18.08</b>	<b>14.32</b>	<b>15.00</b>	<b>21.33</b>	<b>30.99</b>	<b>-3.94</b>	<b>21.34</b>	<b>12.01</b>	<b>7.41</b>	<b>05/01/2000</b>
S&P 500 Index (Cap Wtd)	8.55	15.25	40.79	18.67	17.65	14.10	14.84	18.40	31.49	-4.38	21.83	11.96	7.32	
Difference	0.33	-0.39	1.61	0.78	0.43	0.22	0.16	2.93	-0.50	0.44	-0.49	0.05	0.09	
<b>Domestic Large Cap Passive - Gross</b>	<b>8.88</b>	<b>14.87</b>	<b>42.41</b>	<b>19.46</b>	<b>18.09</b>	<b>14.33</b>	<b>15.01</b>	<b>21.35</b>	<b>31.00</b>	<b>-3.93</b>	<b>21.35</b>	<b>12.03</b>	<b>7.44</b>	<b>05/01/2000</b>
IM U.S. Large Cap Index Equity (SA+CF) Median	8.52	15.25	42.79	18.71	17.89	14.10	14.84	19.39	31.41	-4.75	21.73	12.01	7.50	
Rank	15	82	62	19	26	23	21	19	66	20	61	49	54	
<b>Domestic Large Cap Enhanced - Net</b>	<b>8.76</b>	<b>14.35</b>	<b>42.12</b>	<b>18.57</b>	<b>17.98</b>	<b>14.45</b>	<b>15.08</b>	<b>18.62</b>	<b>32.81</b>	<b>-4.20</b>	<b>24.21</b>	<b>9.73</b>	<b>10.41</b>	<b>06/01/2006</b>
S&P 500 Index (Cap Wtd)	8.55	15.25	40.79	18.67	17.65	14.10	14.84	18.40	31.49	-4.38	21.83	11.96	10.68	
Difference	0.21	-0.90	1.33	-0.10	0.33	0.35	0.24	0.22	1.32	0.18	2.38	-2.23	-0.27	
<b>Domestic Large Cap Enhanced - Gross</b>	<b>8.83</b>	<b>14.50</b>	<b>42.52</b>	<b>18.90</b>	<b>18.30</b>	<b>14.78</b>	<b>15.41</b>	<b>18.97</b>	<b>33.17</b>	<b>-3.96</b>	<b>24.53</b>	<b>10.05</b>	<b>10.73</b>	<b>06/01/2006</b>
IM U.S. Large Cap Core Equity (SA+CF) Median	7.95	15.36	40.71	17.73	17.25	13.63	14.52	17.25	30.00	-5.20	21.84	10.63	10.76	
Rank	19	65	35	32	23	18	24	40	15	30	21	58	52	
<b>Domestic Large Cap 130/30 - Net</b>	<b>8.01</b>	<b>17.58</b>	<b>46.44</b>	<b>19.29</b>	<b>18.20</b>	<b>13.97</b>	<b>15.00</b>	<b>21.97</b>	<b>30.67</b>	<b>-7.10</b>	<b>20.28</b>	<b>9.54</b>	<b>11.71</b>	<b>03/01/2008</b>
S&P 500 Index (Cap Wtd)	8.55	15.25	40.79	18.67	17.65	14.10	14.84	18.40	31.49	-4.38	21.83	11.96	11.49	
Difference	-0.54	2.33	5.65	0.62	0.55	-0.13	0.16	3.57	-0.82	-2.72	-1.55	-2.42	0.22	
<b>Domestic Large Cap 130/30 - Gross</b>	<b>8.18</b>	<b>17.94</b>	<b>47.36</b>	<b>20.12</b>	<b>19.02</b>	<b>14.75</b>	<b>15.78</b>	<b>22.79</b>	<b>31.57</b>	<b>-6.32</b>	<b>21.10</b>	<b>10.22</b>	<b>12.46</b>	<b>03/01/2008</b>
IM U.S. Large Cap Core Equity (SA+CF) Median	7.95	15.36	40.71	17.66	17.23	13.61	14.52	17.19	30.00	-5.20	21.84	10.63	11.52	
Rank	41	19	13	16	14	20	11	24	33	71	63	56	17	

Net performance shown is net of all manager fees and expenses (Net-All). Gross returns are compared to median performance of similar managers. A peer group of similar managers may not exist for all composites. Fiscal year ends on 06/30. Since inception performance may vary from State Street reported performance due to calculation methodology differences.



Montana Board of Investments  
Comparative Performance  
Domestic Equity Managers

As of June 30, 2021

	QTD/ CYTD	FYTD	1 Year	3 Years	5 Years	7 Years	10 Years	2020	2019	2018	2017	2016	Since Incep.	Inception Date
<b>Domestic Large Cap Equity</b>														
<b>BlackRock MSCI US Equity Index (SA) - Net</b>	<b>8.89</b>	<b>42.47</b>	<b>42.47</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>21.33</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>23.57</b>	<b>04/01/2019</b>
MSCI US Index (USD) (Gross)	8.90	42.51	42.51	19.43	18.15	14.35	15.02	21.37	31.64	-4.50	21.90	11.61	23.61	
Difference	-0.01	-0.04	-0.04	N/A	N/A	N/A	N/A	-0.04	N/A	N/A	N/A	N/A	-0.04	
<b>BlackRock MSCI US Equity Index (SA) - Gross</b>	<b>8.89</b>	<b>42.49</b>	<b>42.49</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>21.34</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>23.59</b>	<b>04/01/2019</b>
IM U.S. Large Cap Core Equity (SA+CF) Median	7.95	40.71	40.71	17.73	17.25	13.63	14.52	17.25	30.00	-5.20	21.84	10.63	21.63	
Rank	16	35	35	N/A	N/A	N/A	N/A	28	N/A	N/A	N/A	N/A	26	
<b>SPDR S&amp;P 500 ETF (SPY) - Net</b>	<b>8.34</b>	<b>40.70</b>	<b>40.70</b>	<b>19.05</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>19.28</b>	<b>31.49</b>	<b>-5.30</b>	<b>N/A</b>	<b>N/A</b>	<b>17.50</b>	<b>07/01/2017</b>
S&P 500 Index (Cap Wtd)	8.55	40.79	40.79	18.67	17.65	14.10	14.84	18.40	31.49	-4.38	21.83	11.96	17.58	
Difference	-0.21	-0.09	-0.09	0.38	N/A	N/A	N/A	0.88	0.00	-0.92	N/A	N/A	-0.08	
<b>Northern Trust MSCI US Index (SA) - Net</b>	<b>8.89</b>	<b>42.47</b>	<b>42.47</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>21.34</b>	<b>31.70</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>22.09</b>	<b>11/01/2018</b>
MSCI US Index (USD) (Gross)	8.90	42.51	42.51	19.43	18.15	14.35	15.02	21.37	31.64	-4.50	21.90	11.61	22.09	
Difference	-0.01	-0.04	-0.04	N/A	N/A	N/A	N/A	-0.03	0.06	N/A	N/A	N/A	0.00	
<b>Northern Trust MSCI US Index (SA) - Gross</b>	<b>8.89</b>	<b>42.48</b>	<b>42.48</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>21.36</b>	<b>31.71</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>22.10</b>	<b>11/01/2018</b>
IM U.S. Large Cap Core Equity (SA+CF) Median	7.95	40.71	40.71	17.73	17.25	13.63	14.52	17.25	30.00	-5.20	21.84	10.63	20.07	
Rank	16	35	35	N/A	N/A	N/A	N/A	28	32	N/A	N/A	N/A	27	
<b>T. Rowe U.S. Structured Research (SA) - Net</b>	<b>8.76</b>	<b>42.67</b>	<b>42.67</b>	<b>18.72</b>	<b>18.26</b>	<b>14.56</b>	<b>15.21</b>	<b>18.62</b>	<b>32.81</b>	<b>-4.20</b>	<b>23.94</b>	<b>10.68</b>	<b>11.15</b>	<b>06/01/2006</b>
S&P 500 Index (Cap Wtd)	8.55	40.79	40.79	18.67	17.65	14.10	14.84	18.40	31.49	-4.38	21.83	11.96	10.68	
Difference	0.21	1.88	1.88	0.05	0.61	0.46	0.37	0.22	1.32	0.18	2.11	-1.28	0.47	
<b>T. Rowe U.S. Structured Research (SA) - Gross</b>	<b>8.83</b>	<b>43.07</b>	<b>43.07</b>	<b>19.05</b>	<b>18.57</b>	<b>14.87</b>	<b>15.53</b>	<b>18.97</b>	<b>33.17</b>	<b>-3.96</b>	<b>24.24</b>	<b>10.98</b>	<b>11.48</b>	<b>06/01/2006</b>
IM U.S. Large Cap Core Equity (SA+CF) Median	7.95	40.71	40.71	17.66	17.23	13.61	14.52	17.19	30.00	-5.20	21.84	10.63	10.76	
Rank	19	31	31	32	18	16	20	40	15	30	24	47	21	
<b>Jacobs Levy 130/30 (SA) - Net</b>	<b>7.64</b>	<b>48.35</b>	<b>48.35</b>	<b>17.96</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>17.03</b>	<b>31.63</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>17.94</b>	<b>04/01/2018</b>
MSCI US Index (USD) (Gross)	8.90	42.51	42.51	19.43	18.15	14.35	15.02	21.37	31.64	-4.50	21.90	11.61	19.08	
Difference	-1.26	5.84	5.84	-1.47	N/A	N/A	N/A	-4.34	-0.01	N/A	N/A	N/A	-1.14	
<b>Jacobs Levy 130/30 (SA) - Gross</b>	<b>7.82</b>	<b>49.33</b>	<b>49.33</b>	<b>18.78</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>17.81</b>	<b>32.55</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>18.79</b>	<b>04/01/2018</b>
IM U.S. Large Cap Core Equity (SA+CF) Median	7.95	40.71	40.71	17.73	17.25	13.63	14.52	17.25	30.00	-5.20	21.84	10.63	17.12	
Rank	54	8	8	35	N/A	N/A	N/A	48	22	N/A	N/A	N/A	28	

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<b>J.P. Morgan 130/30 (SA) - Net</b>	<b>8.43</b>	<b>43.44</b>	<b>43.44</b>	<b>20.41</b>	<b>19.66</b>	<b>14.56</b>	<b>15.50</b>	<b>27.16</b>	<b>30.55</b>	<b>-6.93</b>	<b>22.86</b>	<b>10.30</b>	<b>12.72</b>	<b>03/01/2008</b>
JPM US Equity Custom Benchmark	8.90	42.51	42.51	19.49	18.13	14.44	15.08	21.37	31.37	-4.38	21.83	11.96	11.66	
Difference	-0.47	0.93	0.93	0.92	1.53	0.12	0.42	5.79	-0.82	-2.55	1.03	-1.66	1.06	
<b>J.P. Morgan 130/30 (SA) - Gross</b>	<b>8.59</b>	<b>44.30</b>	<b>44.30</b>	<b>21.24</b>	<b>20.52</b>	<b>15.37</b>	<b>16.33</b>	<b>28.00</b>	<b>31.42</b>	<b>-6.13</b>	<b>23.79</b>	<b>11.09</b>	<b>13.53</b>	<b>03/01/2008</b>
IM U.S. Large Cap Core Equity (SA+CF) Median	7.95	40.71	40.71	17.66	17.23	13.61	14.52	17.19	30.00	-5.20	21.84	10.63	11.52	
Rank	25	21	21	6	7	7	5	6	36	67	28	45	4	
<b>Domestic Mid Cap Equity</b>														
<b>iShares:Core S&amp;P Md-Cp (IJH) - Net</b>	<b>3.53</b>	<b>53.06</b>	<b>53.06</b>	<b>13.10</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>13.53</b>	<b>26.24</b>	<b>-13.95</b>	<b>N/A</b>	<b>N/A</b>	<b>12.31</b>	<b>07/01/2017</b>
S&P Mid Cap 400 Index (Cap Wtd)	3.64	53.24	53.24	13.17	14.29	11.20	12.40	13.66	26.20	-11.08	16.24	20.74	13.25	
Difference	-0.11	-0.18	-0.18	-0.07	N/A	N/A	N/A	-0.13	0.04	-2.87	N/A	N/A	-0.94	

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<b>Domestic Small Cap Equity</b>														
<b>Vaughan Nelson Management (SA) - Net</b>	7.47	62.15	62.15	12.25	12.20	9.56	11.36	9.83	25.34	-13.78	6.83	20.50	10.29	03/01/2007
Russell 2000 Val Index	4.56	73.28	73.28	10.27	13.62	9.26	10.85	4.63	22.39	-12.86	7.84	31.74	7.42	
Difference	2.91	-11.13	-11.13	1.98	-1.42	0.30	0.51	5.20	2.95	-0.92	-1.01	-11.24	2.87	
<b>Vaughan Nelson Management (SA) - Gross</b>	7.66	63.30	63.30	13.07	13.04	10.41	12.25	10.64	26.25	-13.13	7.66	21.49	11.20	03/01/2007
IM U.S. Small Cap Value Equity (SA+CF) Median	4.13	66.68	66.68	10.83	13.77	9.69	11.78	5.18	24.99	-14.16	11.64	26.80	9.41	
Rank	7	59	59	26	66	36	37	28	35	39	77	76	15	
<b>BlackRock MSCI US Sm Cap Equity Index (CF) - Net</b>	5.18	61.54	61.54	15.01	N/A	N/A	N/A	18.93	27.30	-9.96	N/A	N/A	15.67	07/01/2017
MSCI US Sm Cap Index (USD) (Net)	5.10	60.93	60.93	14.49	16.20	11.54	12.68	18.32	26.74	-10.40	16.75	19.15	15.15	
Difference	0.08	0.61	0.61	0.52	N/A	N/A	N/A	0.61	0.56	0.44	N/A	N/A	0.52	
<b>BlackRock MSCI US Sm Cap Equity Index (CF) - Gross</b>	5.19	61.58	61.58	15.04	N/A	N/A	N/A	18.96	27.34	-9.93	N/A	N/A	15.71	07/01/2017
<b>DFA US Sm Cap Tr (CF) - Net</b>	4.68	65.88	65.88	11.69	14.58	10.70	12.38	11.63	21.66	-12.27	11.86	24.42	12.67	03/01/2003
Russell 2000 Index	4.29	62.03	62.03	13.52	16.47	11.39	12.34	19.96	25.53	-11.01	14.65	21.31	12.14	
Difference	0.39	3.85	3.85	-1.83	-1.89	-0.69	0.04	-8.33	-3.87	-1.26	-2.79	3.11	0.53	
<b>DFA US Sm Cap Tr (CF) - Gross</b>	4.76	66.44	66.44	12.07	14.98	11.08	12.77	11.98	22.07	-11.95	12.25	24.85	13.00	03/01/2003
IM U.S. Small Cap Core Equity (SA+CF) Median	4.99	60.30	60.30	13.90	16.21	12.02	13.27	18.45	25.59	-10.65	15.07	20.77	13.55	
Rank	55	21	21	70	76	72	62	74	73	64	73	21	63	
<b>iShares:Russ 2000 ETF (IWM) - Net</b>	3.97	62.15	62.15	13.72	N/A	N/A	N/A	20.90	25.52	N/A	N/A	N/A	15.33	05/01/2018
Russell 2000 Index	4.29	62.03	62.03	13.52	16.47	11.39	12.34	19.96	25.53	-11.01	14.65	21.31	15.14	
Difference	-0.32	0.12	0.12	0.20	N/A	N/A	N/A	0.94	-0.01	N/A	N/A	N/A	0.19	

Gross of fees performance is not available (N/A) for the following funds: SPDR S&P 500 ETF (SPY), iShares:Core S&P Md-Cp (IJH), and iShares:Russ 2000 ETF (IWM).

The current annual expense ratios for the SPDR S&P 500 ETF (SPY), iShares:Core S&P Md-Cp (IJH), and iShares:Russ 2000 ETF (IWM) are 0.09%, 0.05%, and 0.19%, respectively.

See the Addendum for custom index specification.

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<b>International Developed Large Cap Equity</b>														
<b>Acadian Asset Non-US Equity (SA) - Net</b>	<b>6.49</b>	<b>47.40</b>	<b>47.40</b>	<b>9.71</b>	<b>14.31</b>	<b>7.55</b>	<b>7.84</b>	<b>8.89</b>	<b>19.38</b>	<b>-13.44</b>	<b>34.76</b>	<b>12.40</b>	<b>4.82</b>	<b>11/01/2006</b>
MSCI ACW Ex US Val Index (USD) (Net)	4.33	37.56	37.56	5.22	8.54	2.43	3.48	-0.77	15.72	-13.97	22.66	8.92	2.80	
Difference	2.16	9.84	9.84	4.49	5.77	5.12	4.36	9.66	3.66	0.53	12.10	3.48	2.02	
<b>Acadian Asset Non-US Equity (SA) - Gross</b>	<b>6.62</b>	<b>48.13</b>	<b>48.13</b>	<b>10.27</b>	<b>14.90</b>	<b>8.11</b>	<b>8.41</b>	<b>9.45</b>	<b>19.98</b>	<b>-12.99</b>	<b>35.45</b>	<b>13.01</b>	<b>5.39</b>	<b>11/01/2006</b>
IM ACWI Ex US Value (SA+CF) Median	4.18	40.87	40.87	8.84	11.64	5.91	6.54	6.65	21.34	-14.78	26.02	4.87	5.21	
Rank	8	20	20	39	16	18	28	44	59	26	8	10	46	
<b>Lazard Asset Management (SA) - Net</b>	<b>4.00</b>	<b>33.94</b>	<b>33.94</b>	<b>8.22</b>	<b>8.94</b>	<b>N/A</b>	<b>N/A</b>	<b>9.59</b>	<b>21.70</b>	<b>-14.32</b>	<b>27.00</b>	<b>0.22</b>	<b>5.74</b>	<b>06/01/2015</b>
Lazard Custom Index	5.48	35.72	35.72	9.38	11.10	4.15	4.69	10.65	21.51	-15.55	22.66	8.92	5.79	
Difference	-1.48	-1.78	-1.78	-1.16	-2.16	N/A	N/A	-1.06	0.19	1.23	4.34	-8.70	-0.05	
<b>Lazard Asset Management (SA) - Gross</b>	<b>4.12</b>	<b>34.59</b>	<b>34.59</b>	<b>8.76</b>	<b>9.49</b>	<b>N/A</b>	<b>N/A</b>	<b>10.14</b>	<b>22.31</b>	<b>-13.88</b>	<b>27.65</b>	<b>0.77</b>	<b>6.29</b>	<b>06/01/2015</b>
IM ACWI Ex US Value (SA+CF) Median	4.18	40.87	40.87	8.84	11.64	5.91	6.54	6.65	21.34	-14.78	26.02	4.87	7.00	
Rank	51	81	81	51	71	N/A	N/A	42	43	35	38	86	66	
<b>BlackRock ACW Ex US SuperFund A (CF) - Net</b>	<b>5.54</b>	<b>35.89</b>	<b>35.89</b>	<b>9.57</b>	<b>11.30</b>	<b>5.54</b>	<b>5.65</b>	<b>10.81</b>	<b>21.77</b>	<b>-13.99</b>	<b>27.49</b>	<b>4.77</b>	<b>7.76</b>	<b>06/01/2009</b>
MSCI ACW Ex US Index (USD) (Net)	5.48	35.72	35.72	9.38	11.08	5.33	5.45	10.65	21.51	-14.20	27.19	4.50	7.54	
Difference	0.06	0.17	0.17	0.19	0.22	0.21	0.20	0.16	0.26	0.21	0.30	0.27	0.22	
<b>BlackRock ACW Ex US SuperFund A (CF) - Gross</b>	<b>5.56</b>	<b>35.99</b>	<b>35.99</b>	<b>9.64</b>	<b>11.38</b>	<b>5.62</b>	<b>5.73</b>	<b>10.89</b>	<b>21.85</b>	<b>-13.93</b>	<b>27.58</b>	<b>4.86</b>	<b>7.84</b>	<b>06/01/2009</b>
IM All ACWI Ex US (SA+CF) Median	5.43	38.47	38.47	10.95	12.31	6.86	7.44	14.60	24.97	-14.64	28.74	2.12	9.49	
Rank	48	67	67	60	64	69	88	60	66	43	62	25	84	
<b>iShares:MSCI EAFE ETF (EFA) - Net</b>	<b>5.39</b>	<b>32.59</b>	<b>32.59</b>	<b>8.55</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>7.71</b>	<b>22.03</b>	<b>-12.88</b>	<b>N/A</b>	<b>N/A</b>	<b>8.15</b>	<b>07/01/2017</b>
MSCI EAFE Index (USD) (Net)	5.17	32.35	32.35	8.27	10.28	4.96	5.89	7.82	22.01	-13.79	25.03	1.00	7.91	
Difference	0.22	0.24	0.24	0.28	N/A	N/A	N/A	-0.11	0.02	0.91	N/A	N/A	0.24	
<b>Baillie Gifford (SA) - Net</b>	<b>5.88</b>	<b>42.15</b>	<b>42.15</b>	<b>16.97</b>	<b>16.12</b>	<b>N/A</b>	<b>N/A</b>	<b>34.22</b>	<b>34.34</b>	<b>-17.35</b>	<b>31.99</b>	<b>0.73</b>	<b>11.75</b>	<b>06/01/2015</b>
MSCI ACW Ex US Grth Index (USD) (Net)	6.60	33.68	33.68	13.23	13.37	8.06	7.28	22.20	27.34	-14.43	32.01	0.12	9.23	
Difference	-0.72	8.47	8.47	3.74	2.75	N/A	N/A	12.02	7.00	-2.92	-0.02	0.61	2.52	
<b>Baillie Gifford (SA) - Gross</b>	<b>6.00</b>	<b>42.80</b>	<b>42.80</b>	<b>17.53</b>	<b>16.70</b>	<b>N/A</b>	<b>N/A</b>	<b>34.86</b>	<b>34.99</b>	<b>-16.93</b>	<b>32.66</b>	<b>1.28</b>	<b>12.31</b>	<b>06/01/2015</b>
IM ACWI Ex US Growth (SA+CF) Median	6.88	37.39	37.39	13.28	14.89	9.29	9.37	22.06	29.57	-13.78	32.56	-0.76	10.49	
Rank	66	20	20	17	21	N/A	N/A	12	9	85	49	33	24	

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<b>Invesco (SA) - Net</b>	<b>3.32</b>	<b>32.91</b>	<b>32.91</b>	<b>12.59</b>	<b>11.06</b>	<b>N/A</b>	<b>N/A</b>	<b>14.84</b>	<b>29.29</b>	<b>-15.17</b>	<b>24.92</b>	<b>0.32</b>	<b>7.33</b>	<b>06/01/2015</b>
MSCI ACW Ex US Grth Index (USD) (Net)	6.60	33.68	33.68	13.23	13.37	8.06	7.28	22.20	27.34	-14.43	32.01	0.12	9.23	
Difference	-3.28	-0.77	-0.77	-0.64	-2.31	N/A	N/A	-7.36	1.95	-0.74	-7.09	0.20	-1.90	
<b>Invesco (SA) - Gross</b>	<b>3.46</b>	<b>33.66</b>	<b>33.66</b>	<b>13.25</b>	<b>11.73</b>	<b>N/A</b>	<b>N/A</b>	<b>15.51</b>	<b>30.05</b>	<b>-14.64</b>	<b>25.70</b>	<b>1.01</b>	<b>7.99</b>	<b>06/01/2015</b>
IM ACWI Ex US Growth (SA+CF) Median	6.88	37.39	37.39	13.28	14.89	9.29	9.37	22.06	29.57	-13.78	32.56	-0.76	10.49	
Rank	96	71	71	51	87	N/A	N/A	83	44	56	91	36	87	
<b>International Developed Small Cap Equity</b>														
<b>American Century Investment Mgmt (SA) - Net</b>	<b>5.42</b>	<b>37.14</b>	<b>37.14</b>	<b>11.36</b>	<b>15.28</b>	<b>9.95</b>	<b>N/A</b>	<b>31.60</b>	<b>29.44</b>	<b>-20.76</b>	<b>43.80</b>	<b>-5.31</b>	<b>9.50</b>	<b>03/01/2014</b>
MSCI ACW Ex US Sm Cap Grth Index (USD) (Net)	6.75	44.91	44.91	11.91	13.29	8.59	7.90	23.69	24.61	-18.27	33.64	-0.28	8.64	
Difference	-1.33	-7.77	-7.77	-0.55	1.99	1.36	N/A	7.91	4.83	-2.49	10.16	-5.03	0.86	
<b>American Century Investment Mgmt (SA) - Gross</b>	<b>5.62</b>	<b>38.25</b>	<b>38.25</b>	<b>12.28</b>	<b>16.24</b>	<b>10.88</b>	<b>N/A</b>	<b>32.68</b>	<b>30.50</b>	<b>-20.09</b>	<b>44.99</b>	<b>-4.49</b>	<b>10.42</b>	<b>03/01/2014</b>
IM ACWI Ex US Growth (SA+CF) Median	6.88	37.39	37.39	13.28	14.89	9.29	9.37	22.06	29.57	-13.78	32.56	-0.76	9.55	
Rank	69	46	46	73	31	22	N/A	24	42	100	6	79	29	
<b>BlackRock MSCI ACW Ex US Sm Cap Index (CF) - Net</b>	<b>6.42</b>	<b>46.90</b>	<b>46.90</b>	<b>9.98</b>	<b>12.23</b>	<b>7.34</b>	<b>N/A</b>	<b>14.45</b>	<b>22.68</b>	<b>-17.85</b>	<b>31.96</b>	<b>4.26</b>	<b>9.25</b>	<b>02/01/2012</b>
MSCI ACWI Ex US Sm Cap Index IMI (USD) (Net)	6.35	47.04	47.04	9.78	11.97	7.07	7.02	14.24	22.42	-18.20	31.65	3.91	9.02	
Difference	0.07	-0.14	-0.14	0.20	0.26	0.27	N/A	0.21	0.26	0.35	0.31	0.35	0.23	
<b>BlackRock MSCI ACW Ex US Sm Cap Index (CF) - Gross</b>	<b>6.45</b>	<b>47.08</b>	<b>47.08</b>	<b>10.11</b>	<b>12.38</b>	<b>7.49</b>	<b>N/A</b>	<b>14.50</b>	<b>22.90</b>	<b>-17.74</b>	<b>32.15</b>	<b>4.44</b>	<b>9.42</b>	<b>02/01/2012</b>
<b>DFA Intl Sm Co;l (DFISX) - Net</b>	<b>5.91</b>	<b>44.99</b>	<b>44.99</b>	<b>7.86</b>	<b>11.20</b>	<b>6.62</b>	<b>7.52</b>	<b>9.24</b>	<b>24.21</b>	<b>-19.41</b>	<b>30.24</b>	<b>5.74</b>	<b>8.39</b>	<b>11/01/2004</b>
MSCI Wrld Ex US Sm Cap Index (USD) (Net)	4.81	42.28	42.28	8.92	11.88	7.20	7.66	12.78	25.41	-18.07	31.04	4.32	8.12	
Difference	1.10	2.71	2.71	-1.06	-0.68	-0.58	-0.14	-3.54	-1.20	-1.34	-0.80	1.42	0.27	
<b>Templeton Investment Counsel (SA) - Net</b>	<b>6.75</b>	<b>47.16</b>	<b>47.16</b>	<b>8.84</b>	<b>11.83</b>	<b>6.55</b>	<b>N/A</b>	<b>9.98</b>	<b>24.17</b>	<b>-18.48</b>	<b>33.07</b>	<b>-1.13</b>	<b>6.81</b>	<b>03/01/2014</b>
Templeton Custom Index	6.35	47.04	47.04	9.78	11.99	6.45	6.77	14.24	22.42	-19.75	29.72	8.24	6.78	
Difference	0.40	0.12	0.12	-0.94	-0.16	0.10	N/A	-4.26	1.75	1.27	3.35	-9.37	0.03	
<b>Templeton Investment Counsel (SA) - Gross</b>	<b>6.96</b>	<b>48.37</b>	<b>48.37</b>	<b>9.76</b>	<b>12.78</b>	<b>7.48</b>	<b>N/A</b>	<b>10.91</b>	<b>25.20</b>	<b>-17.78</b>	<b>34.21</b>	<b>-0.23</b>	<b>7.74</b>	<b>03/01/2014</b>
IM ACWI Ex US Value (SA+CF) Median	4.18	40.87	40.87	8.84	11.64	5.91	6.54	6.65	21.34	-14.78	26.02	4.87	5.89	
Rank	7	19	19	44	34	25	N/A	35	26	84	8	89	27	

Net performance shown is net of all manager fees and expenses (Net-All). Gross returns are compared to median performance of similar managers. A peer group of similar managers may not exist for all funds. Fiscal year ends on 06/30. Since inception performance may vary from State Street reported performance due to calculation methodology differences. See the Addendum for custom index specification.



Montana Board of Investments  
Comparative Performance  
International Equity Managers

As of June 30, 2021

	QTD/ CYTD	FYTD	1 Year	3 Years	5 Years	7 Years	10 Years	2020	2019	2018	2017	2016	Since Incep.	Inception Date
<b>International Emerging Equity</b>														
<b>BlackRock MSCI Emg Mkts Index NL (CF) - Net</b>	<b>4.99</b>	<b>40.29</b>	<b>40.29</b>	<b>10.98</b>	<b>12.76</b>	<b>6.09</b>	<b>N/A</b>	<b>17.92</b>	<b>18.12</b>	<b>-14.69</b>	<b>37.05</b>	<b>10.85</b>	<b>5.47</b>	<b>02/01/2012</b>
MSCI Emg Mkts Index (USD) (Net)	5.05	40.90	40.90	11.27	13.03	6.35	4.29	18.31	18.44	-14.58	37.28	11.19	5.73	
Difference	-0.06	-0.61	-0.61	-0.29	-0.27	-0.26	N/A	-0.39	-0.32	-0.11	-0.23	-0.34	-0.26	
<b>BlackRock MSCI Emg Mkts Index NL (CF) - Gross</b>	<b>5.02</b>	<b>40.44</b>	<b>40.44</b>	<b>11.10</b>	<b>12.89</b>	<b>6.24</b>	<b>N/A</b>	<b>18.04</b>	<b>18.25</b>	<b>-14.60</b>	<b>37.16</b>	<b>11.08</b>	<b>5.63</b>	<b>02/01/2012</b>
<b>iShares:MSCI Em Mkts (EEM) - Net</b>	<b>3.85</b>	<b>39.83</b>	<b>39.83</b>	<b>10.68</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>16.99</b>	<b>18.12</b>	<b>-16.45</b>	<b>36.86</b>	<b>N/A</b>	<b>12.43</b>	<b>01/01/2017</b>
MSCI Emg Mkts Index (USD) (Net)	5.05	40.90	40.90	11.27	13.03	6.35	4.29	18.31	18.44	-14.58	37.28	11.19	13.46	
Difference	-1.20	-1.07	-1.07	-0.59	N/A	N/A	N/A	-1.32	-0.32	-1.87	-0.42	N/A	-1.03	
<b>DFA Emg Mkts Sm Cap;I (DEMSX) - Net</b>	<b>10.57</b>	<b>55.52</b>	<b>55.52</b>	<b>11.68</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>13.79</b>	<b>14.88</b>	<b>-17.56</b>	<b>N/A</b>	<b>N/A</b>	<b>11.70</b>	<b>02/01/2017</b>
MSCI Emg Mkts Sm Cap Index (USD) (Net)	11.25	63.75	63.75	12.31	11.86	6.29	4.55	19.29	11.51	-18.59	33.84	2.28	12.13	
Difference	-0.68	-8.23	-8.23	-0.63	N/A	N/A	N/A	-5.50	3.37	1.03	N/A	N/A	-0.43	

Gross of fees performance is not available (N/A) for the following funds: iShares:MSCI EAFE ETF (EFA), International Equity Pool STIF, DFA Intl Sm Co;I (DFISX), iShares:MSCI Em Mkts (EEM), and DFA Emg Mkts Sm Cap;I (DEMSX).

The current annual expense ratios for the iShares:MSCI EAFE ETF (EFA), DFA Intl Sm Co;I (DFISX), iShares:MSCI Em Mkts (EEM), and DFA Emg Mkts Sm Cap;I (DEMSX) are 0.32%, 0.44%, 0.68%, and 0.60%, respectively.

Net performance shown is net of all manager fees and expenses (Net-All). Gross returns are compared to median performance of similar managers. A peer group of similar managers may not exist for all funds. Fiscal year ends on 06/30. Since inception performance may vary from State Street reported performance due to calculation methodology differences. See the Addendum for custom index specification.



Montana Board of Investments  
 Comparative Performance  
 Core Fixed Income Managers

As of June 30, 2021

	QTD/ CYTD	FYTD	1 Year	3 Years	5 Years	7 Years	10 Years	2020	2019	2018	2017	2016	Since Incep.	Inception Date
<b>US Fixed Income Aggregate - Net</b>	<b>1.84</b>	<b>-0.52</b>	<b>-0.52</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>7.65</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>3.72</b>	<b>12/01/2019</b>
Bloomberg US Agg Bond Index	1.83	-0.34	-0.34	5.34	3.03	3.28	3.39	7.51	8.72	0.01	3.54	2.65	3.57	
Difference	0.01	-0.18	-0.18	N/A	N/A	N/A	N/A	0.14	N/A	N/A	N/A	N/A	0.15	
<b>Reams Asset Core Plus (SA) - Net</b>	<b>1.84</b>	<b>2.15</b>	<b>2.15</b>	<b>8.33</b>	<b>4.92</b>	<b>4.69</b>	<b>4.78</b>	<b>17.14</b>	<b>8.08</b>	<b>1.31</b>	<b>3.21</b>	<b>4.18</b>	<b>6.02</b>	<b>10/01/2008</b>
Reams Custom Index	1.96	1.12	1.12	5.53	3.37	3.46	3.69	7.58	8.72	0.01	3.83	3.91	4.57	
Difference	-0.12	1.03	1.03	2.80	1.55	1.23	1.09	9.56	-0.64	1.30	-0.62	0.27	1.45	
<b>Reams Asset Core Plus (SA) - Gross</b>	<b>1.89</b>	<b>2.33</b>	<b>2.33</b>	<b>8.53</b>	<b>5.11</b>	<b>4.88</b>	<b>4.97</b>	<b>17.35</b>	<b>8.28</b>	<b>1.49</b>	<b>3.38</b>	<b>4.35</b>	<b>6.21</b>	<b>10/01/2008</b>
IM U.S. Broad Market Core+ FI (SA+CF) Median	2.24	3.37	3.37	6.68	4.44	4.20	4.59	8.96	9.87	-0.24	4.78	4.67	5.87	
Rank	89	71	71	4	24	14	29	2	93	4	95	57	34	

Net performance shown is net of all manager fees and expenses (Net-All). Gross returns are compared to median performance of similar managers. Fiscal year ends on 06/30. Since inception performance may vary from State Street reported performance due to calculation methodology differences.



Montana Board of Investments  
Comparative Performance  
Non-Core Fixed Income Managers

As of June 30, 2021

	QTD/ CYTD	FYTD	1 Year	3 Years	5 Years	7 Years	10 Years	2020	2019	2018	2017	2016	Since Incep.	Inception Date
<b>Neuberger Berman High Yield (SA) - Net</b>	<b>2.84</b>	<b>14.80</b>	<b>14.80</b>	<b>7.05</b>	<b>6.67</b>	<b>4.77</b>	<b>6.09</b>	<b>6.30</b>	<b>13.75</b>	<b>-1.99</b>	<b>5.80</b>	<b>14.98</b>	<b>7.09</b>	<b>01/01/2010</b>
Bloomberg US HY 2% Issuer Cap Index	2.74	15.34	15.34	7.42	7.47	5.47	6.65	7.05	14.32	-2.08	7.50	17.13	7.50	
Difference	0.10	-0.54	-0.54	-0.37	-0.80	-0.70	-0.56	-0.75	-0.57	0.09	-1.70	-2.15	-0.41	
<b>Neuberger Berman High Yield (SA) - Gross</b>	<b>2.85</b>	<b>15.17</b>	<b>15.17</b>	<b>7.48</b>	<b>7.11</b>	<b>5.22</b>	<b>6.55</b>	<b>6.75</b>	<b>14.26</b>	<b>-1.56</b>	<b>6.27</b>	<b>15.50</b>	<b>7.56</b>	<b>01/01/2010</b>
IM U.S. High Yield Bonds (SA+CF) Median	2.67	14.71	14.71	7.31	7.31	5.38	6.63	6.52	14.25	-1.64	7.49	14.07	7.58	
Rank	34	47	47	46	62	60	56	43	50	49	79	33	52	
<b>Oaktree US High Yield (SA) (CAPP) - Net</b>	<b>2.66</b>	<b>14.30</b>	<b>14.30</b>	<b>7.21</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>6.56</b>	<b>15.44</b>	<b>-3.99</b>	<b>N/A</b>	<b>N/A</b>	<b>5.79</b>	<b>01/01/2018</b>
Bloomberg US HY 2% Issuer Cap Index	2.74	15.34	15.34	7.42	7.47	5.47	6.65	7.05	14.32	-2.08	7.50	17.13	6.38	
Difference	-0.08	-1.04	-1.04	-0.21	N/A	N/A	N/A	-0.49	1.12	-1.91	N/A	N/A	-0.59	
<b>Oaktree US High Yield (SA) (CAPP) - Gross</b>	<b>2.75</b>	<b>14.82</b>	<b>14.82</b>	<b>7.73</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>7.07</b>	<b>16.02</b>	<b>-3.47</b>	<b>N/A</b>	<b>N/A</b>	<b>6.31</b>	<b>01/01/2018</b>
IM U.S. High Yield Bonds (SA+CF) Median	2.67	14.71	14.71	7.31	7.31	5.38	6.63	6.52	14.25	-1.66	7.49	14.07	6.22	
Rank	41	50	50	34	N/A	N/A	N/A	39	16	92	N/A	N/A	49	
<b>Shenkman High Yield Fixed Income (SA) (CAPP) - Net</b>	<b>2.52</b>	<b>13.02</b>	<b>13.02</b>	<b>6.96</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>6.32</b>	<b>13.65</b>	<b>-1.96</b>	<b>N/A</b>	<b>N/A</b>	<b>5.57</b>	<b>12/01/2017</b>
Bloomberg US HY 2% Issuer Cap Index	2.74	15.34	15.34	7.42	7.47	5.47	6.65	7.05	14.32	-2.08	7.50	17.13	6.31	
Difference	-0.22	-2.32	-2.32	-0.46	N/A	N/A	N/A	-0.73	-0.67	0.12	N/A	N/A	-0.74	
<b>Shenkman High Yield Fixed Income (SA) (CAPP) - Gross</b>	<b>2.64</b>	<b>13.54</b>	<b>13.54</b>	<b>7.46</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>6.82</b>	<b>14.18</b>	<b>-1.46</b>	<b>N/A</b>	<b>N/A</b>	<b>6.07</b>	<b>12/01/2017</b>
IM U.S. High Yield Bonds (SA+CF) Median	2.67	14.71	14.71	7.31	7.31	5.38	6.63	6.52	14.25	-1.66	7.49	14.07	6.25	
Rank	53	66	66	46	N/A	N/A	N/A	42	52	46	N/A	N/A	55	
<b>Cohen &amp; Steers Preferred Securities (SA) - Net</b>	<b>2.97</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>7.45</b>	<b>11/01/2020</b>
Cohen & Steers Preferred Securities Custom Benchmark	2.92	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	6.56	
Difference	0.05	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.89	
<b>Cohen &amp; Steers Preferred Securities (SA) - Gross</b>	<b>3.06</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>7.71</b>	<b>11/01/2020</b>
<b>Payden &amp; Rygel EMD (SA) - Net</b>	<b>4.37</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>-1.12</b>	<b>01/01/2021</b>
Payden & Rygel EMD Custom Benchmark	3.91	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-1.48	
Difference	0.46	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.36	
<b>Payden &amp; Rygel EMD (SA) - Gross</b>	<b>4.47</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>-0.95</b>	<b>01/01/2021</b>
IM Emerging Markets Debt (SA+CF) Median	3.83	9.86	9.86	6.68	5.20	3.83	4.85	6.71	14.23	-5.33	12.43	11.04	-0.68	
Rank	22	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	57	

Net performance shown is net of all manager fees and expenses (Net-All). Gross returns are compared to median performance of similar managers. Fiscal year ends on 06/30. Since inception performance may vary from State Street reported performance due to calculation methodology differences. No peer group is shown for Cohen & Steers Preferred Securities (SA) due to the lack of suitable Preferred Securities peer groups.



Montana Board of Investments  
Comparative Performance  
TFIP Fixed Income Managers

As of June 30, 2021

	QTD/ CYTD	FYTD	1 Year	3 Years	5 Years	7 Years	10 Years	2020	2019	2018	2017	2016	Since Incep.	Inception Date
<b>Trust Funds Investment Pool Fixed Income</b>	<b>2.09</b>	<b>1.39</b>	<b>1.39</b>	<b>6.19</b>	<b>3.63</b>	<b>3.93</b>	<b>4.17</b>	<b>8.84</b>	<b>9.12</b>	<b>0.25</b>	<b>3.83</b>	<b>3.44</b>	<b>5.93</b>	<b>10/01/1995</b>
Bloomberg US Agg Bond Index	1.83	-0.34	-0.34	5.34	3.03	3.28	3.39	7.51	8.72	0.01	3.54	2.65	5.11	
Difference	0.26	1.73	1.73	0.85	0.60	0.65	0.78	1.33	0.40	0.24	0.29	0.79	0.82	
<b>Trust Funds Investment Pool Fixed Income</b>	<b>2.09</b>	<b>1.39</b>	<b>1.39</b>	<b>6.19</b>	<b>3.63</b>	<b>3.93</b>	<b>4.17</b>	<b>8.84</b>	<b>9.12</b>	<b>0.25</b>	<b>3.83</b>	<b>3.44</b>	<b>5.93</b>	<b>10/01/1995</b>
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	1.97	1.05	1.05	6.07	3.67	3.80	3.96	8.52	9.19	0.07	4.03	3.10	5.55	
Rank	36	40	40	40	56	41	35	37	55	32	62	42	12	
<b>Shenkman High Yield Fixed Income (SA) (TFIP) - Net</b>	<b>2.58</b>	<b>13.07</b>	<b>13.07</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>6.05</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>6.55</b>	<b>07/01/2019</b>
Bloomberg US HY 2% Issuer Cap Index	2.74	15.34	15.34	7.42	7.47	5.47	6.65	7.05	14.32	-2.08	7.50	17.13	7.39	
Difference	-0.16	-2.27	-2.27	N/A	N/A	N/A	N/A	-1.00	N/A	N/A	N/A	N/A	-0.84	
<b>Shenkman High Yield Fixed Income (SA) (TFIP) - Gross</b>	<b>2.70</b>	<b>13.59</b>	<b>13.59</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>6.54</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>7.05</b>	<b>07/01/2019</b>
IM U.S. High Yield Bonds (SA+CF) Median	2.67	14.71	14.71	7.31	7.31	5.38	6.63	6.52	14.25	-1.66	7.49	14.07	7.34	
Rank	47	65	65	N/A	N/A	N/A	N/A	49	N/A	N/A	N/A	N/A	59	
<b>Oaktree US High Yield (SA) (TFIP) - Net</b>	<b>2.60</b>	<b>14.36</b>	<b>14.36</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>6.72</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>7.44</b>	<b>08/01/2019</b>
Bloomberg US HY 2% Issuer Cap Index	2.74	15.34	15.34	7.42	7.47	5.47	6.65	7.05	14.32	-2.08	7.50	17.13	7.41	
Difference	-0.14	-0.98	-0.98	N/A	N/A	N/A	N/A	-0.33	N/A	N/A	N/A	N/A	0.03	
<b>Oaktree US High Yield (SA) (TFIP) - Gross</b>	<b>2.69</b>	<b>14.88</b>	<b>14.88</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>7.25</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>7.94</b>	<b>08/01/2019</b>
IM U.S. High Yield Bonds (SA+CF) Median	2.67	14.71	14.71	7.31	7.31	5.38	6.63	6.52	14.25	-1.66	7.49	14.07	7.34	
Rank	48	50	50	N/A	N/A	N/A	N/A	35	N/A	N/A	N/A	N/A	32	
<b>Neuberger Berman High Yield (SA) (TFIP) - Net</b>	<b>2.76</b>	<b>14.85</b>	<b>14.85</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>18.78</b>	<b>04/01/2020</b>
Bloomberg US HY 2% Issuer Cap Index	2.74	15.34	15.34	7.42	7.47	5.47	6.65	7.05	14.32	-2.08	7.50	17.13	21.09	
Difference	0.02	-0.49	-0.49	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-2.31	
<b>Neuberger Berman High Yield (SA) (TFIP) - Gross</b>	<b>2.77</b>	<b>15.23</b>	<b>15.23</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>19.17</b>	<b>04/01/2020</b>
IM U.S. High Yield Bonds (SA+CF) Median	2.67	14.71	14.71	7.31	7.31	5.38	6.63	6.52	14.25	-1.66	7.49	14.07	19.90	
Rank	40	47	47	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	58	

Net performance shown is net of all manager fees and expenses (Net-All). Gross returns are compared to median performance of similar managers. Fiscal year ends on 06/30. Since inception performance may vary from State Street reported performance due to calculation methodology differences.

Montana Board of Investments  
Comparative Performance  
Trust Accounts

As of June 30, 2021

	QTD	CYTD	FYTD/ 1 Year	3 Years	5 Years	7 Years	10 Years	2020	2019	2018	2017	2016	Since Incep.	Inception Date
Abandoned Mine Trust	0.03	0.07	0.22	1.45	1.24	1.23	1.34	0.73	2.41	1.85	1.04	1.10	3.81	12/01/1993
Barker Hughesville St Response	1.91	-0.24	1.35	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.88	05/01/2020
Belt Water Treatment Plant Fund	1.86	-0.23	1.42	5.50	N/A	N/A	N/A	6.80	8.56	N/A	N/A	N/A	5.11	03/01/2018
Big Sky Economic Development Fund	2.01	-0.24	1.50	5.65	3.60	3.98	4.32	7.12	8.67	0.48	3.97	3.98	4.92	07/01/2005
Butte Area One Restoration	1.70	-0.15	1.29	4.75	3.13	3.10	3.01	6.07	6.76	1.24	2.92	2.60	3.45	11/01/2008
Clark Fork River Restoration	1.61	-0.18	1.22	4.61	3.04	3.11	3.15	5.65	7.04	0.96	2.85	2.72	3.72	11/01/2008
Coal Tax Cultural Trust Fund	1.95	-0.23	1.48	5.61	3.57	3.95	4.30	6.99	8.64	0.47	3.96	3.95	5.97	12/01/1993
Coal Tax Park Acquisition	1.89	-0.23	1.44	5.55	3.54	3.92	4.26	6.86	8.63	0.48	3.96	3.90	5.94	12/01/1993
East Helena Compensation Fund	0.39	0.05	0.48	3.17	2.25	2.29	N/A	2.65	5.52	1.20	2.56	2.12	2.09	01/01/2013
East Helena Greenway Trail Maintenance	1.35	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.35	03/01/2021
Endowment for Children	1.97	-0.25	1.50	5.57	3.55	3.86	4.21	7.01	8.54	0.46	3.89	3.66	4.95	08/01/2007
Flying J CECRA Facilities Fund	1.90	-0.24	1.44	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.93	05/01/2020
FWP License Account	0.84	-0.22	0.36	2.04	1.50	1.31	1.21	1.85	3.33	1.50	1.11	0.84	2.86	11/01/1997
FWP Mitigation Trust Fund	1.40	-0.17	0.89	3.49	2.20	1.90	1.80	3.84	5.46	1.14	1.15	0.67	3.84	12/01/1993
FWP Real Property Trust	1.89	-0.23	1.43	5.54	3.53	3.86	4.17	6.83	8.62	0.51	3.80	3.82	5.35	12/01/1993
Group Benefits	0.46	0.13	0.57	2.47	1.72	1.64	1.53	2.05	4.01	1.37	1.30	1.16	3.79	12/01/1993
Harold Hamm Endowment	1.89	-0.19	1.45	5.47	3.34	N/A	N/A	6.71	8.45	0.57	1.11	N/A	3.34	07/01/2016
Invasive Species Trust Fund	1.66	-0.31	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.44	10/01/2020
Libby Asbestos Site State Cost	1.83	-0.29	1.36	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.87	05/01/2020
Luttrell Pit - Operational & Maintenance	1.90	-0.24	1.31	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.83	05/01/2020
Montana Pole	1.51	-0.16	1.18	4.77	3.12	3.36	3.60	5.61	7.48	0.74	3.38	3.23	5.06	09/01/1996
Montana State University	0.18	0.06	0.37	1.80	1.53	1.30	1.16	1.30	2.87	1.87	1.39	0.95	1.96	08/01/2004
Montana Tech-UM Agency Funds	0.12	0.06	0.28	1.58	1.40	1.12	0.92	1.01	2.56	1.91	1.22	0.72	1.75	03/01/2003
MT BOI - Clark Fork Site	1.93	-0.21	1.43	5.28	3.40	3.66	3.75	6.65	8.00	0.67	3.64	3.63	4.36	11/01/2008
MT BOI UOFM Other	0.68	0.03	1.15	3.13	2.23	2.27	2.12	3.47	4.54	1.42	2.15	2.34	2.95	08/01/2002
MUS Group Insurance	0.30	0.01	0.39	2.09	1.62	1.59	N/A	1.70	3.39	1.96	1.09	1.33	1.42	10/01/2011
MUS Workers Compensation	0.55	-0.03	0.58	2.73	2.02	N/A	N/A	2.55	4.43	1.62	1.80	N/A	2.02	04/01/2016

Performance shown is gross of fees. Fiscal year ends on 06/30. Since inception performance may vary from State Street reported performance due to calculation methodology differences.

Montana Board of Investments  
Comparative Performance  
Trust Accounts

As of June 30, 2021

	QTD	CYTD	FYTD/ 1 Year	3 Years	5 Years	7 Years	10 Years	2020	2019	2018	2017	2016	Since Incep.	Inception Date
Older Montanans Trust	1.97	-0.25	1.47	5.65	3.60	3.93	3.93	7.19	8.62	0.49	3.87	3.86	4.81	08/01/2007
Permanent Coal Trust Excl Crp	1.64	0.40	1.87	4.73	3.34	3.67	4.06	5.57	6.81	1.28	3.49	3.79	5.65	12/01/1993
PERS Defined Cont Disability	5.57	8.82	27.46	12.32	11.05	N/A	N/A	14.06	20.77	-4.88	14.57	3.42	9.42	09/01/2015
Potter Trust Fund	1.91	-0.22	1.46	5.48	3.50	N/A	N/A	6.78	8.47	0.51	3.87	N/A	3.79	06/01/2016
Resource Indemnity Trust	2.04	-0.24	1.52	5.76	3.65	4.03	4.38	7.23	8.88	0.44	4.01	4.02	6.05	12/01/1993
School Facilities Fund	1.96	-0.25	1.46	5.29	N/A	N/A	N/A	6.97	7.88	-0.13	N/A	N/A	4.06	01/01/2018
Smelter Hill Up Restorative	1.73	-0.19	1.27	4.13	2.80	2.56	2.35	5.62	5.64	1.57	1.85	1.79	2.47	11/01/2008
State Fund Insurance	2.05	1.50	5.61	6.47	4.70	4.48	4.70	7.62	9.65	0.38	5.05	3.50	5.64	12/01/1993
Streamside Tailings Operable Unit	1.72	-0.20	1.40	5.19	3.35	3.67	3.95	6.47	7.92	0.57	3.69	3.58	5.28	02/01/1999
Subsequent Injury Fund	0.03	0.07	0.22	1.39	1.30	1.00	0.77	0.73	2.28	1.98	1.11	0.61	2.94	12/01/1993
Tobacco Trust Fund	1.98	-0.21	1.53	5.66	3.59	3.98	4.33	7.10	8.67	0.46	3.96	3.99	5.57	01/01/2001
Treasurers	0.03	0.07	0.18	1.36	1.26	1.01	0.78	0.63	2.28	1.97	1.07	0.68	2.78	12/01/1993
Treasure State Endowment	2.02	-0.24	1.51	5.71	3.63	4.01	4.35	7.15	8.81	0.46	4.00	3.98	5.92	12/01/1993
Treasure State Reg. Water System	2.02	-0.24	1.51	5.71	3.63	4.00	4.34	7.15	8.80	0.45	4.00	3.96	5.72	06/01/2000
Trust and Legacy Account	2.03	-0.24	1.52	5.73	3.64	4.02	4.35	7.19	8.84	0.43	4.00	4.01	6.61	07/01/1991
UCFRB Assess/Litig Cost Rec	2.02	-0.17	1.45	5.47	3.48	3.81	4.08	6.68	8.50	0.49	3.77	3.84	5.63	07/01/1999
UCFRB Restoration Fund	1.93	-0.26	1.42	5.54	3.56	3.81	4.11	6.90	8.52	0.67	3.73	3.52	5.54	06/01/1999
Upper Blackfoot Response	0.25	0.05	0.36	2.36	1.77	1.77	1.62	1.55	4.24	1.49	1.90	1.74	1.60	09/01/2010
Weed Control Trust	2.04	-0.24	1.52	5.76	3.65	4.03	4.32	7.23	8.88	0.44	4.01	4.02	5.24	12/01/1993
Wildlife Habitat Trust	1.86	-0.22	1.43	5.50	3.49	3.83	4.15	6.75	8.54	0.51	3.78	3.79	5.36	12/01/1993
Yellowstone Pipeline Cleanup Fund	0.66	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.66	04/01/2021
Zortman/Landusky LT H2O	0.03	0.07	0.22	1.39	1.26	1.22	2.17	0.73	2.28	1.98	1.01	1.36	6.14	09/01/1999
Z/L Long Term H2O Trust Fund	0.03	0.07	0.22	1.39	1.27	1.30	2.06	0.73	2.28	1.98	1.08	1.39	4.03	09/01/2005

Performance shown is gross of fees. Fiscal year ends on 06/30. Since inception performance may vary from State Street reported performance due to calculation methodology differences.



### Performance Notes

- All gross and net performance data is provided by State Street Analytics (SSA). Reported gross returns for the retirement plans prior to 07/01/2002 are net of all fees.
- Gross performance for the retirement plans is calculated with fee accruals provided by Montana's Accounting department.
- Gross of fees performance is not available (N/A) for the following funds: SPDR S&P 500 ETF (SPY), Domestic Equity Pool STIF, iShares:Core S&P Md-Cp (IJH), iShares:Russ 2000 ETF (IWM), DFA Intl Sm Co;I (DFISX), iShares:MSCI EAFE ETF (EFA), International Equity Pool STIF, iShares:MSCI Em Mkts (EEM), and DFA Emg Mkts Sm Cap;I (DEMSX). The current annual expense ratios are as listed below.

### Index Notes

- Retirement plan custom benchmarks are provided by State Street Bank and are calculated daily using actual allocations.
- The CAPP Custom Benchmark consists of the portfolio weighted average of the primary benchmark for each CAPP asset class.
- The Short Term Custom Benchmark consists of 100% ICE 1 Mo LIBOR Index (USD) through 4/30/2018, and 100% Federal Reserve US Treasury 1 Mo Constant Maturity Index thereafter.
- The Domestic Equity Custom Index consists of 100% S&P 1500 Comp Index through 04/30/2017 and 100% MSCI USA IM Index (USD) (Gross) thereafter.
- The International Equity Custom Index consists of 100% MSCI EAFE Index (USD) (Net) through 10/31/2006, 100% MSCI ACW Ex US Index (USD) (Net) through 06/30/2007, 92.5% MSCI ACW Ex US Index (USD) (Net) and 7.5% MSCI ACW Ex US SC IM Index (USD) (Net) through 02/28/2014, and 100% MSCI ACW Ex-US IM Index thereafter.
- The Real Estate Custom Index consists of 100% NCREIF ODCE Index (AWA) (Net) (1 Qtr Lag) through 03/31/2017, 100% MSCI US REIT Index (USD) (Gross) through 06/30/2020, and 100% NCREIF ODCE Value Weighted (1 Qtr Lag) Index thereafter.
- The Private Investments Custom Index consists of 100% S&P 1500 Comp Index+4% (1 Qtr Lag) through 03/31/2017, 100% MSCI US Small Cap Index (USD) (Gross) through 12/31/2020, and the portfolio weighted MSCI US SC / S&P LSTA US Leverage Loan 100 Index for PE / PC thereafter.
- The Lazard Custom Index consists of 100% MSCI ACW Ex US Value Index (USD) (Net) through 6/30/2018 and 100% MSCI ACW Ex US Index (USD) (Net) thereafter.
- The Templeton Custom Index consists of 100% MSCI ACW Ex US Small Cap Value Index (USD) (Net) through 5/31/2018, and 100% MSCI ACW Ex US Small Cap Index (USD) (Net) thereafter.
- The Reams Custom Index consists of 100% Bloomberg US Unv Bond Index through 03/31/2017, 100% Bloomberg US Agg Bond Index through 12/31/2019, and 100% Bloomberg US Unv Bond Index thereafter.
- The Cohen & Steers Custom Index consists of 60% ICE BofAML US IG Institutional Capital Securities Index, 20% ICE BofAML Core Fixed Rate Preferred Securities Index, and 20% Bloomberg Barclays Developed Market USD Contingent Capital Index.
- The Payden & Rygel Custom Index consists of 70% JP Morgan EMBI Global Diversified Index, 30% JP Morgan GBI-EM Global Diversified Index.
- The JPM US Equity Custom Benchmark consists of 100% S&P 500 Index (Cap Weighted) through 06/30/2019 and 100% MSCI US Index (USD) (Gross) thereafter.
- The Real Assets Custom Index consists of 100% MSCI All Country World Commodity Producers Index (USD) (Net) through 12/31/2020 and 33.33% MSCI All Country World Commodity Producers Index (USD) (Net), 33.33% MSCI All Country World Infrastructure Index, 33.33% Bloomberg Barclays Global Inflation Linked US TIPS Index thereafter.
- The Core Fixed Income Custom Index consists of 100% Bloomberg US Agg Bond Index through 03/31/2017, the portfolio weighted average of Broad Fixed Income - PAC Custom Blend, Bloomberg US Corp Inv Grade Index, Bloomberg US MBS Index, Bloomberg US Int TIPS Index, Bloomberg US Trsy Int Trm Index through 11/30/2019, and 100% Bloomberg US Agg Bond Index thereafter.

### Trust Accounts Comments

- Barker Hughesville St Response, Libby Asbestos Site State Cost, Flying J CECRA Facilities Fund, and Luttrell Pit - Operations and Maintenance were added in 05/2020.
- The Belt Water Treatment Plant Fund was added in 03/2018.
- The School Facilities Fund was added in 01/2018.
- The Potter Trust Fund and the Harold Hamm Endowment were added in 06/2016.
- MUS Workers Compensation was added in 04/2016.
- The Invasive Species Trust Fund was added in 10/2020.
- The East Helena Greenway Trail Maintenance Fund was added in 03/2021.
- The Yellowstone Pipeline Cleanup Fund was added in 04/2021.

### Manager Transition Comments

- Neuberger Berman High Yield (SA) and TFIP Private Real Estate were funded in the Trust Fund Investment Pool during Q1 2020.
- Post High Yield Plus (SA), GMO:Bchmk-Fr All;III (GBMFX), and PIMCO:All Asset;Inst (PAAIX) were liquidated during Q3 2019.
- Oaktree US High Yield Fixed Income (SA) and Shenkman High Yield Fixed Income (SA) were funded in the Trust Fund Investment Pool during Q3 2019.
- Artisan Partners (SA), Iridian Asset Management (SA), Congress Mid Cap Growth (SA), TimeSquare Capital Management (SA), and Alliance Bernstein (SA) were liquidated in Q2 2019.
- BlackRock MSCI US Equity Index (CF) was transitioned into a separately managed account during Q1 2019.



**Manager Transition Comments (cont.)**

- Northern Trust MSCI US Equity Index (SA), GMO:Bchmk-Fr All;III (GBMFX), and PIMCO:All Asset;Inst (PAAIX) were funded during Q4 2018.
- Voya Investment Management (SA) was liquidated in 07/2018.
- iShares:Russ 2000 ETF (IWM) was funded in 04/2018.
- Jacobs Levy 130/30 Large Cap (SA) was funded in 03/2018.
- Congress Mid Cap Growth (SA) was funded in 02/2018.
- Oaktree US High Yield (SA) and Shenkman High Yield Fixed Income (SA) were funded in 12/2017.
- Analytic Investors 130/30 (SA) was liquidated in 09/2017.
- BlackRock MSCI US Equity Index (CF), BlackRock MSCI US Sm Cap Equity Index (CF), and iShares:Core S&P Md-Cp (IJH) were funded in 06/2017.
- SPDR S&P 500 ETF (SPY) and iShares:MSCI EAFE ETF (EFA) were re-funded in 06/2017.
- INTECH Enhanced Plus was liquidated in 06/2017.
- Residual assets from the liquidation of AllianceBernstein Int'l Value (SA), Martin Currie (SA), Hansberger Global Investors (SA), and Aberdeen Total Return Bond Strategy (SA) were distributed in 06/2017.
- BlackRock Equity Index Fund A (CF) and BlackRock Mid Cap Equity Index A (CF) were liquidated in 05/2017.
- DFA Emg Mkts Sm Cap;I (DEMSX) was funded in 02/2017.
- SPDR S&P 500 ETF (SPY) was liquidated in 01/2017.
- iShares:MSCI Em Mkts (EEM) was funded in 12/2016.
- SPDR S&P 500 ETF (SPY) was initially funded in 09/2015, was then liquidated in 12/2015, and was re-funded in 10/2016.
- Wells Capital Management (SA), Domestic Equity Pool SPIF, and International Equity Pool SPIF were liquidated in 10/2016. Wells Capital Management (SA) residual assets from liquidation were distributed in 03/2017.
- Nicholas Investment Partners was liquidated in 07/2016. Residual assets from liquidation were distributed in 03/2017.
- Effective 07/2016, the Metropolitan West Capital Management legal entity merged into the Wells Capital Management Incorporated legal entity. The Metropolitan West Capital Mgmt (SA) has been updated to Wells Capital Management (SA) to reflect the change.
- iShares S&P SmallCap 600 Index ETF (IJR) was liquidated in 01/2016.
- Effective 05/2014, ING rebranded to Voya. The ING Investment Management (SA) has been updated to Voya Investment Management (SA) to reflect the change.
- Cohen & Steers Preferred Securities (SA) was funded in 10/2020.
- Payden & Rygel EMD (SA) was funded in 12/2020.

**Miscellaneous Comments**

- Fiscal year ends on 06/30.
- During Q4 2019 Diversifying Strategies investments were liquidated and Investment Grade Credit, US Treasury & Agency, and TIPS were consolidated into the Core Fixed Income composite.
- Non-Core Fixed Income currently consists of High Yield and EMD.
- Private Investments currently consist of Private Equity, Private Credit, Venture Capital, and Passive ETFs.
- During Q1 2021 the Natural Resources PAC was renamed to the Real Assets PAC.

Montana Board of Investments  
 Fee Schedule

As of June 30, 2021

	Fee Schedule	Market Value As of 06/30/2021 (\$)
SPDR S&P 500 ETF (SPY)	0.09 % of Assets	22,800,039
iShares:Core S&P Md-Cp (IJH)	0.05 % of Assets	39,080,598
iShares:Russ 2000 ETF (IWM)	0.19 % of Assets	1,147
iShares:MSCI EAFE ETF (EFA)	0.32 % of Assets	163,597,120
DFA Intl Sm Co;I (DFISX)	0.44 % of Assets	115,772,017
iShares:MSCI Em Mkts (EEM)	0.68 % of Assets	64,542,045
DFA Emg Mkts Sm Cap;I (DEMSX)	0.60 % of Assets	38,069,348

ETF fees are sourced from Morningstar and/or the investment manager. Mutual Fund fees are provided by staff.



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# Investment Update

Board Meeting: August 10-11, 2021

Information as of: June 30, 2021

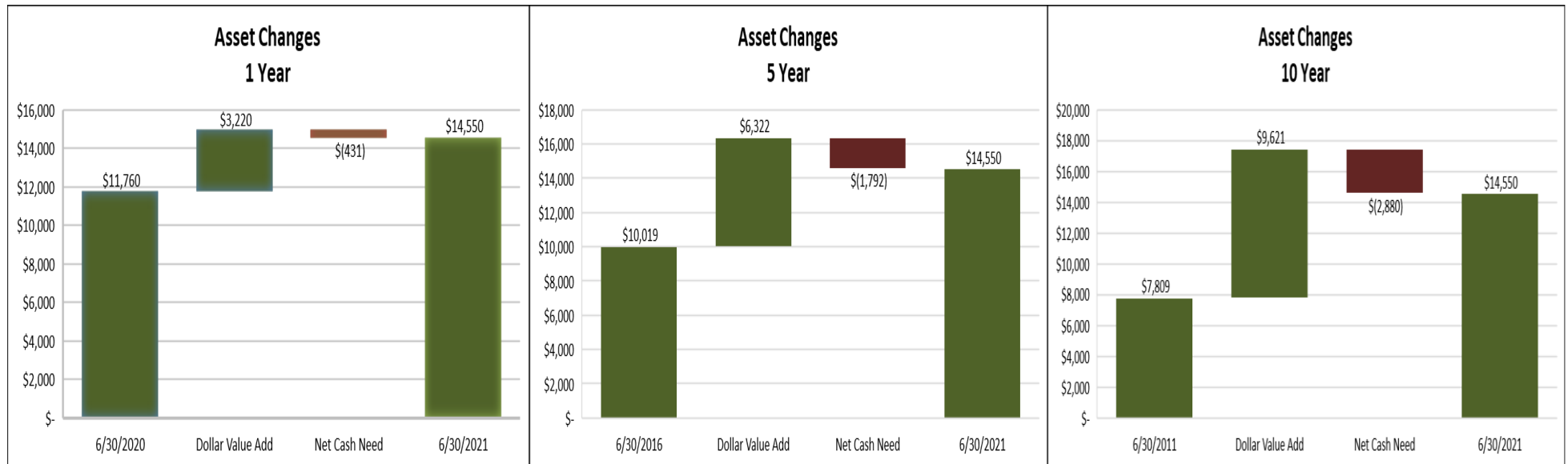
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# CIO Update

## Retirement Plans Net Performance



\* Dollar values are in \$1,000,000

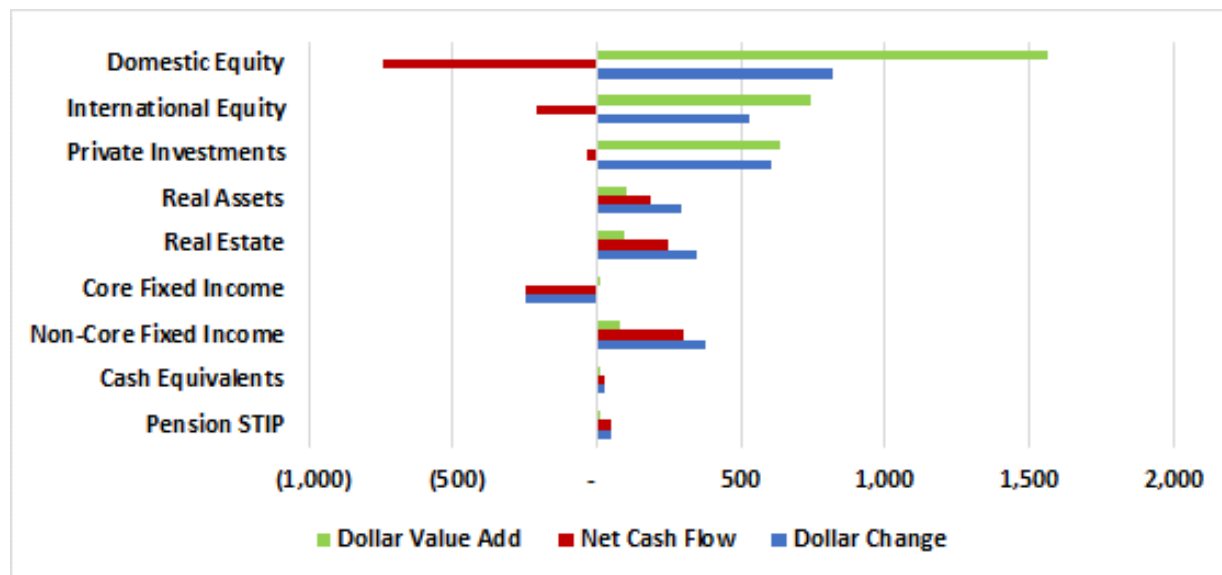
- Dollar Value Added – The total dollar return of the portfolio including income and capital gains.
- Net Cash Need - The total dollar amount distributed from portfolio assets to meet the deficit of contributions minus distributions.
  - A red bar indicates an aggregate net outflow by all plans even though some plans may have experienced net inflows.
  - Though aggregates are shown, each plan is independent and not able to rely on other plans to meet their respective liabilities.

# CIO Update

## Retirement Plans Net Performance

	6/30/2020 (NAV)	6/30/2021 (NAV)	Dollar Change	Net Cash Flow	Dollar Value Add
<b>Domestic Equity</b>	3,679.1	4,499.4	820.3	(742.3)	1,562.6
<b>International Equity</b>	1,995.3	2,522.0	526.7	(212.4)	739.1
<b>Private Investments</b>	1,542.1	2,144.3	602.1	(35.1)	637.2
<b>Real Assets</b>	361.5	651.0	289.5	185.7	103.8
<b>Real Estate</b>	1,010.0	1,354.9	344.9	247.0	97.8
<b>Core Fixed Income</b>	2,364.9	2,114.6	(250.3)	(251.2)	0.9
<b>Non-Core Fixed Income</b>	516.7	894.9	378.3	300.2	78.0
<b>Cash Equivalents</b>	188.9	216.1	27.2	26.8	0.4
<b>Pension STIP</b>	101.5	152.5	51.0	50.7	0.3
<b>Grand Total</b>	<b>11,759.9</b>	<b>14,549.7</b>	<b>2,789.8</b>	<b>(430.5)</b>	<b>3,220.3</b>

\* Dollar values are in \$1,000,000





# CIO Update

## Retirement Plans Net Performance

	6/30/2020 (NAV)	6/30/2021 (NAV)	Dollar Change	Net Cash Flows	Dollar Value Added
<b>Public Employees Retirement</b>	5,836.5	7,196.5	1,360.0	(233.1)	1,593.1
<b>Teachers Retirement</b>	4,137.7	5,084.8	947.1	(182.6)	1,129.7
<b>Firefighters Retirement</b>	459.3	592.3	133.0	3.3	129.6
<b>Police Officers Retirement</b>	433.6	550.4	116.9	(4.7)	121.6
<b>Sheriffs Retirement</b>	383.5	484.7	101.3	(4.7)	106.0
<b>Game Wardens Retirement</b>	212.6	272.7	60.2	1.0	59.1
<b>Highway Patrol Retirement</b>	151.3	185.4	34.2	(7.1)	41.3
<b>Judges Retirement</b>	105.7	133.2	27.5	(1.7)	29.1
<b>Vol Firefighters Retirement</b>	39.9	49.6	9.8	(0.9)	10.6
<b>Grand Total</b>	<b>11,759.9</b>	<b>14,549.7</b>	<b>2,789.8</b>	<b>(430.5)</b>	<b>3,220.3</b>

\* Dollar values are in \$1,000,000

# CIO Update

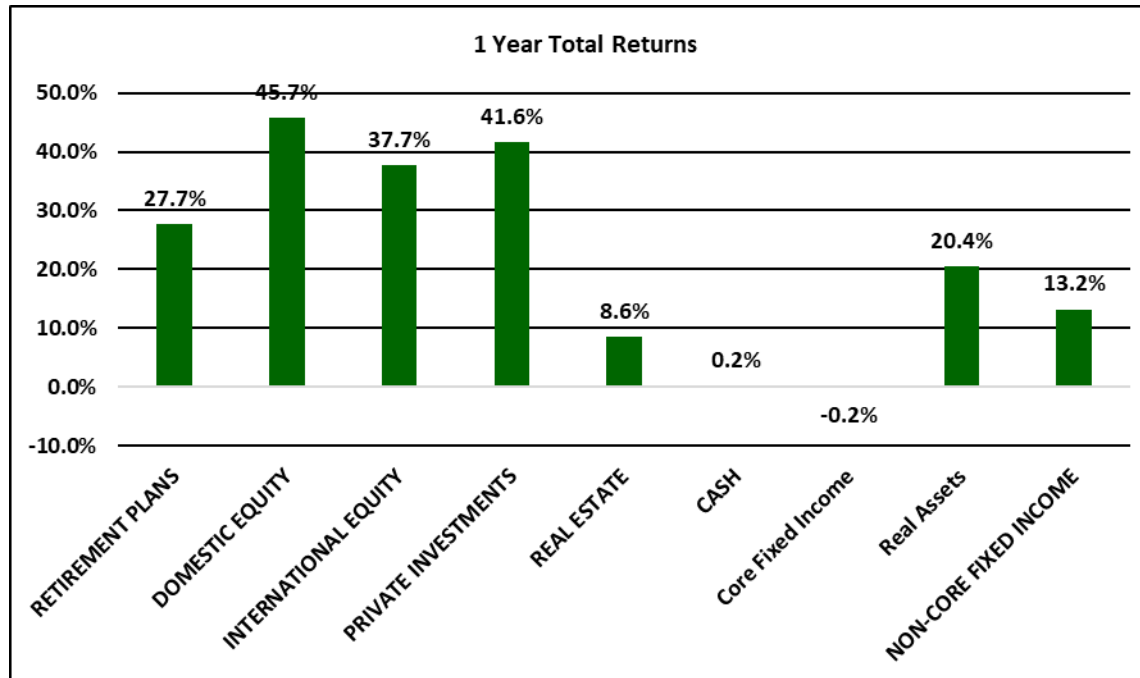
## Retirement Plans Net Performance

Name	1 Year	3 Year	5 Year	10 Year	20 Year	Since Incept
<b>PUBLIC EMPLOYEES RETIREMENT</b>	27.72%	11.51%	11.06%	9.36%	7.12%	8.16%
<b>TEACHERS RETIREMENT</b>	27.71%	11.51%	11.05%	9.36%	7.12%	8.17%
<b>FIREFIGHTERS RETIREMENT</b>	27.73%	11.53%	11.06%	9.36%	7.09%	8.02%
<b>POLICE OFFICERS RETIREMENT</b>	27.73%	11.53%	11.06%	9.36%	7.08%	8.03%
<b>SHERIFFS RETIREMENT</b>	27.72%	11.51%	11.06%	9.35%	7.12%	8.06%
<b>GAME WARDENS RETIREMENT</b>	27.71%	11.50%	11.06%	9.35%	7.08%	8.07%
<b>HIGHWAY PATROL RETIREMENT</b>	27.72%	11.52%	11.06%	9.36%	7.12%	8.05%
<b>JUDGES RETIREMENT</b>	27.73%	11.52%	11.07%	9.36%	7.12%	8.06%
<b>VOL FIREFIGHTERS RETIREMENT</b>	27.74%	11.52%	11.06%	9.36%	7.37%	7.87%

Inception 7/1/1994

# CIO Update

## Retirement Plans Asset Class Net Performance



# CIO Update

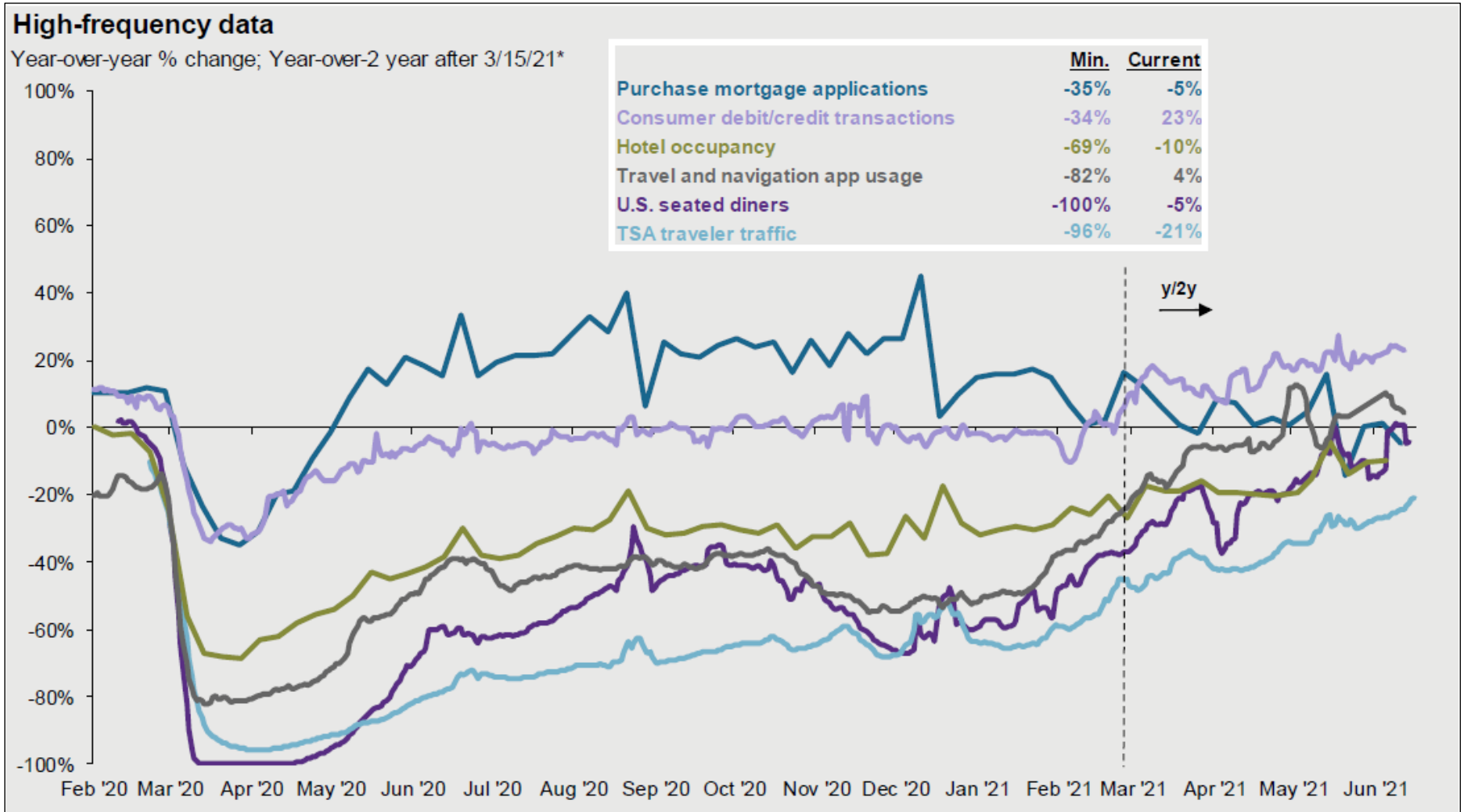
## Retirement Plans Asset Class Allocation

	6/30/2021 (NAV)	% of Total	Mid Point	Deviation from Mid Point	Board Approved Ranges
<b>Domestic Equity</b>	4,499.4	30.9%	30.0%	0.9%	24% - 36%
<b>International Equity</b>	2,522.0	17.3%	17.0%	0.3%	12% - 22%
<b>Private Investments</b>	2,144.3	14.7%	15.0%	-0.3%	11% - 19%
<b>Real Assets</b>	651.0	4.5%	5.0%	-0.5%	2% - 8%
<b>Real Estate</b>	1,354.9	9.3%	9.0%	0.3%	5% - 13%
<b>Core Fixed Income</b>	2,114.6	14.5%	15.0%	-0.5%	10% - 20%
<b>Non-Core Fixed Income</b>	894.9	6.2%	6.0%	0.2%	4% - 8%
<b>Cash Equivalents + Pension STIP</b>	368.6	2.5%	3.0%	-0.5%	0% - 6%
	<b>14,549.7</b>	<b>100.0%</b>	<b>100.0%</b>		

# CIO Update

## Economic Environment

- Economic activity is approaching pre-COVID levels



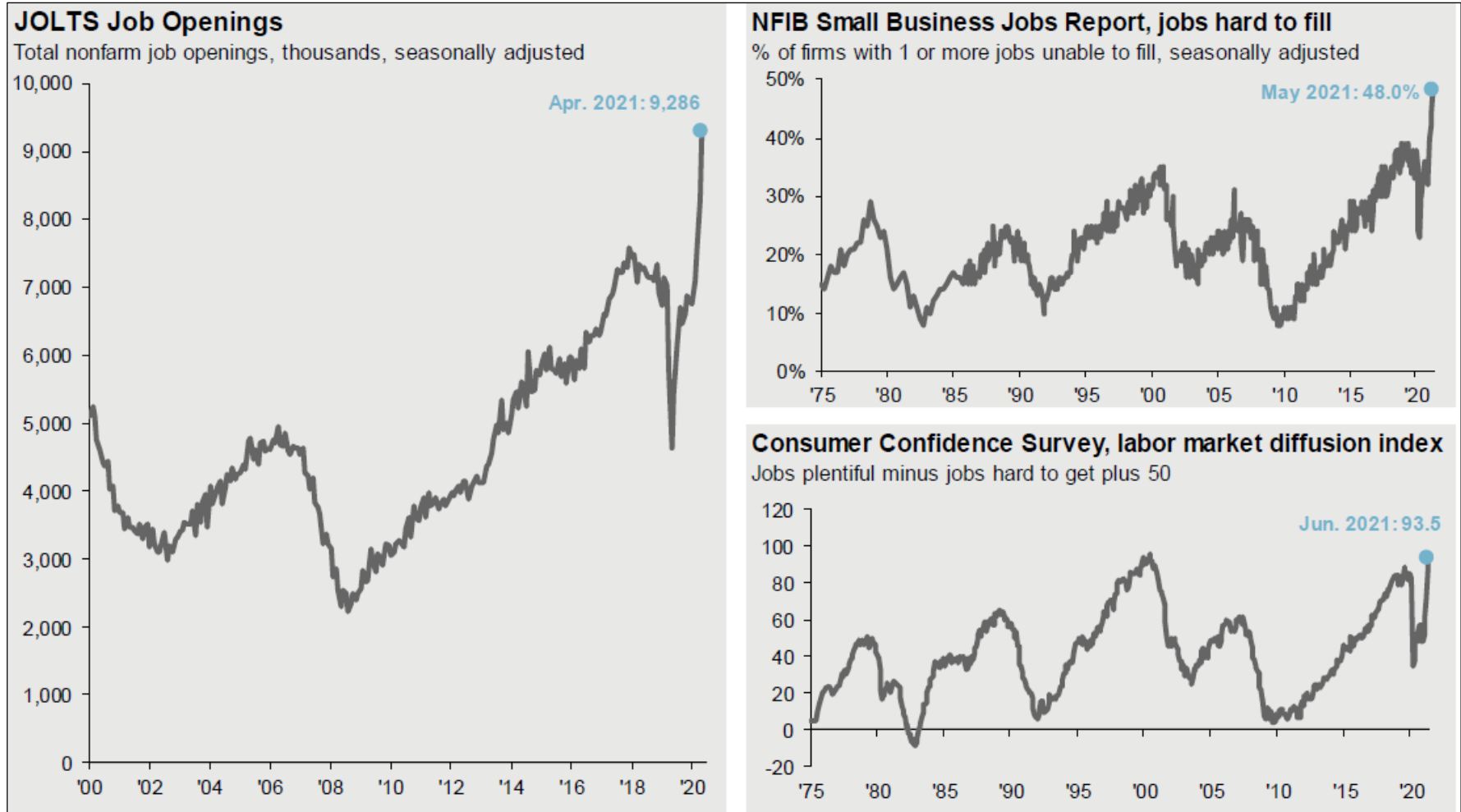
Source: J.P. Morgan Guide to the Markets 2021Q3

March 31, 2021

# CIO Update

## Economic Environment

- Jobs are plentiful. Workforce participation is lagging pre-COVID levels.

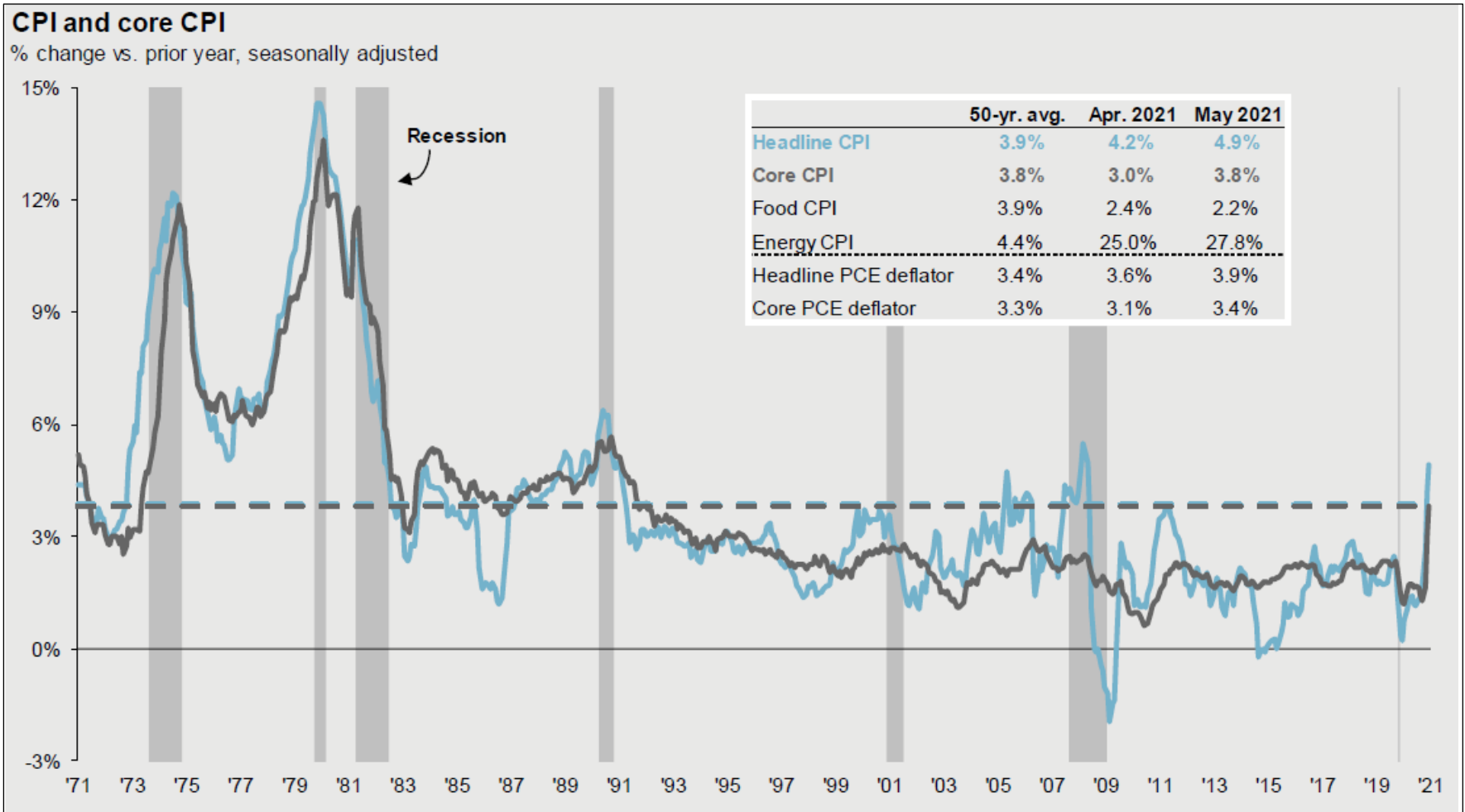


Source: J.P. Morgan Guide to the Markets 2021Q3

# CIO Update

## Economic Environment

- Inflation has accelerated. Transitory or permanent?

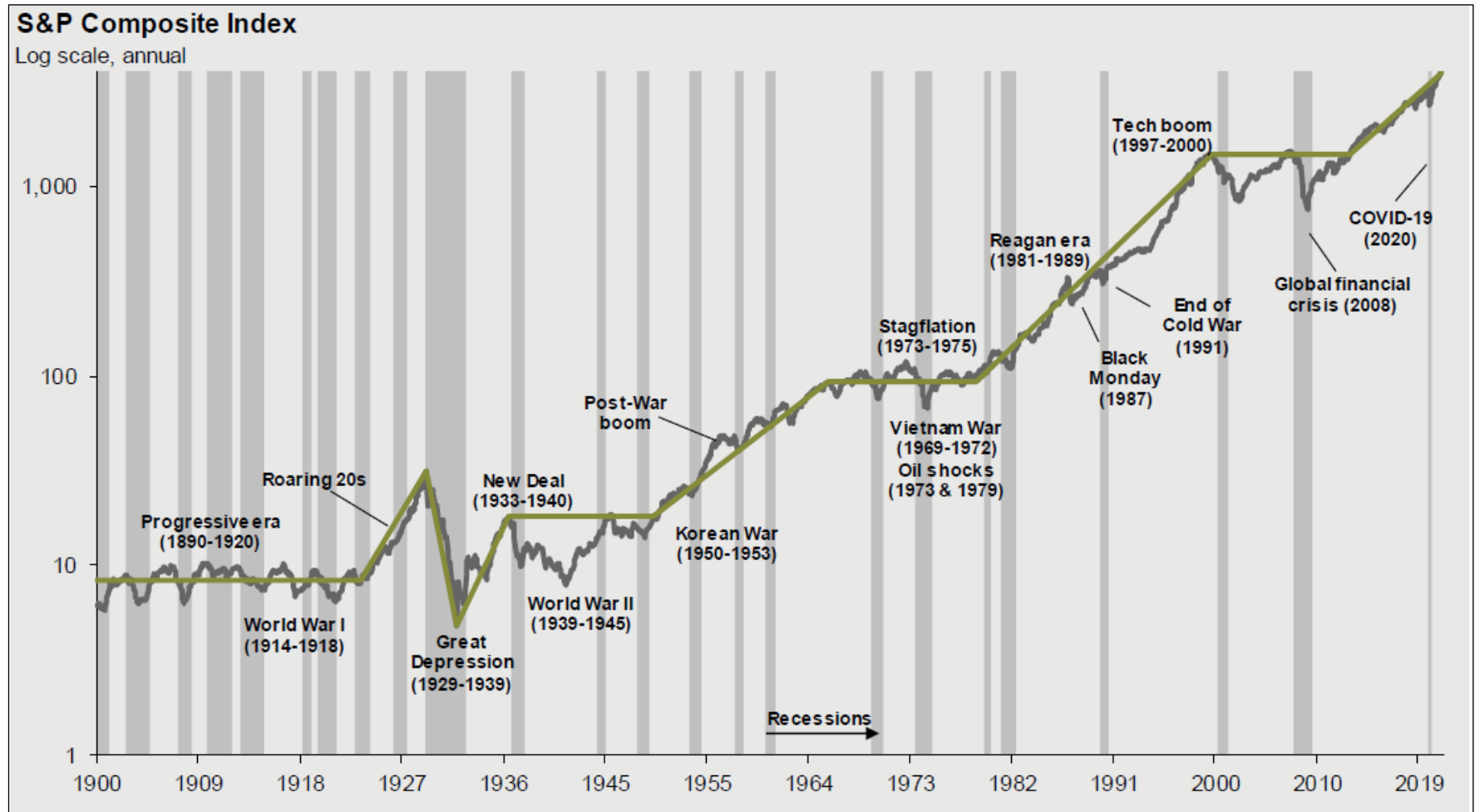


Source: J.P. Morgan Guide to the Markets 2021Q3

# CIO Update

## Economic Environment

- Long-term equity returns have been strong despite periods of decline/stagnation



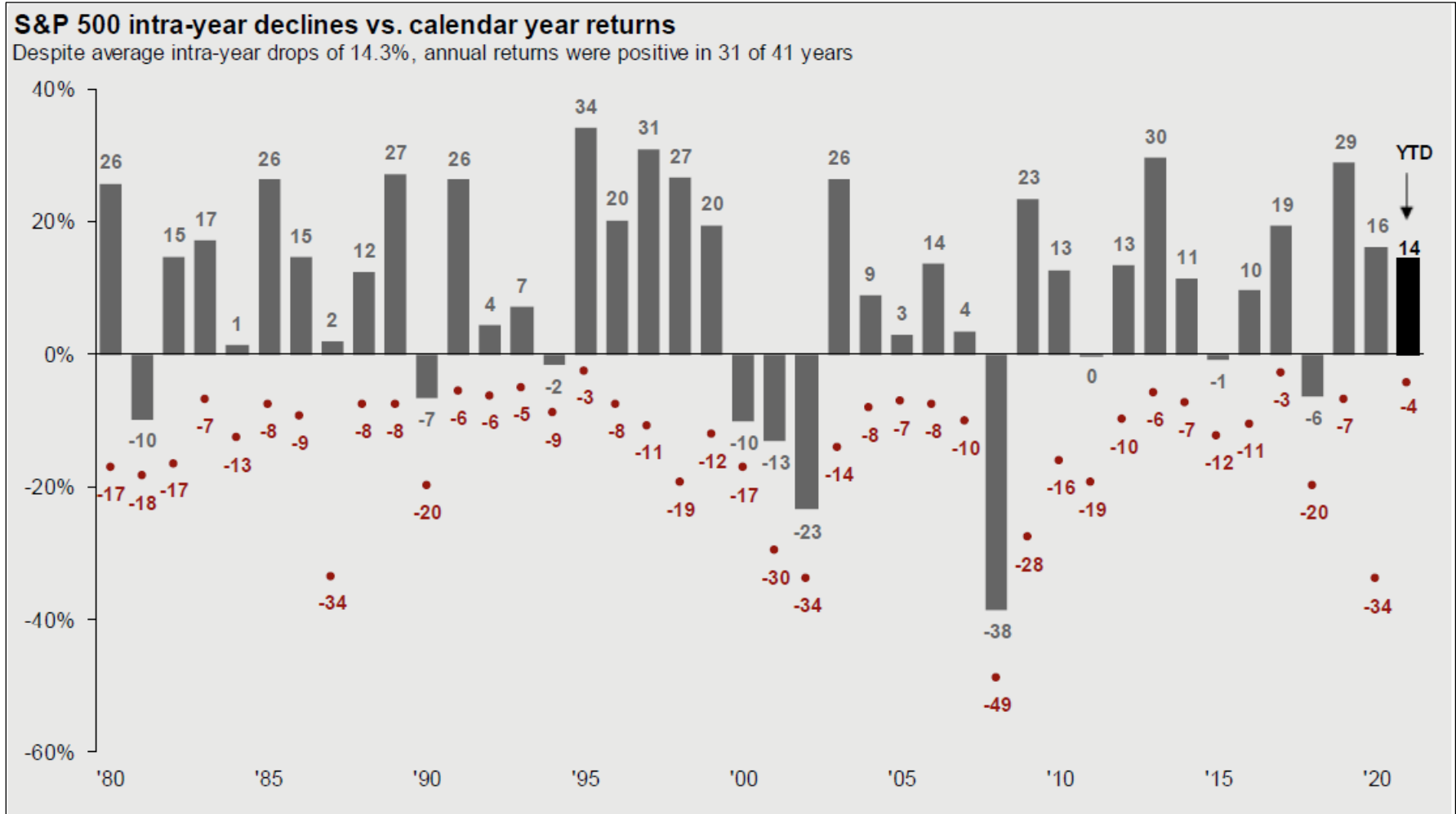
Source: J.P. Morgan Guide to the Markets 2021Q3



# CIO Update

## Economic Environment

- Large declines in equity valuations are common in any given year



Source: J.P. Morgan Guide to the Markets 2021Q3

# CIO Update

- Investment challenges in the current environment
  - Strong returns are often followed by periods of weaker return
  - Uncertainty around monetary policy and inflation expectations
  - High valuations/low yields in most risk assets
- Annual asset allocation discussion with senior investment staff and RVK
- Annual staff review process and goal setting for next year
- Continue to look at new public and private manager opportunities
- Advertise for vacant analyst position
- Process improvements/projects
  - Custodial contract, Public Market contract template, Compliance process, Operations procedure manual

# Macro Attribution

## Key Takeaways – 1 Year

### **Strategic Asset Allocation** - *What was the performance of our midpoint weighted benchmark portfolio?*

- Every benchmark with the exception of Cored Fixed Income's added positive contributions to the pension policy-neutral 28.6% return.
- The Domestic Equities asset class benchmark, the MSCI USA IMI, was the largest positive contributor.

### **Tactical Asset Allocation** - *Did the actual asset class weights add additional return over the midpoint weighted benchmark portfolio?*

- On average, we were slightly overweight Domestic Equities, International Equities, and Core Fixed Income while being slightly underweight or at the midpoint weight for the remaining asset classes.
- About \$557M of equity asset classes were sold and \$127M of fixed income/cash asset classes were bought during the year with the difference funding the pension net cash need of \$-431M.
- In aggregate, the overweighting/underweighting of the asset classes relative to their midpoints decreased the pension portfolio's return by 9bps.

### **Style Selection** - *Did the portfolio benchmarks add additional return over their asset class benchmarks?*

- Higher exposure to Small Cap and Small Cap Value benchmarks were the reasons for Domestic style outperformance of 14 bps.
- Slightly Higher exposure to developed growth benchmarks was the primary reason for International Style underperformance of 8 bps
- As of 12/31/20 the Real Assets benchmark consists of 33% ACWI Commodity Producers Index, 33% ACWI Infrastructure, 33% BBG BARC Global Inflation Linked US TIPS whereas the current exposure of Real Assets portfolios is about 55% to ACWI Commodity Producers Index. The strong outperformance of the Commodity Producers Index relative to Infrastructure and TIPS was the main contributor to the style outperformance of about 13 bps.
- Exposure to EMD and Preferred benchmarks within Non-Core Fixed Income led to a slight style underperformance of 6 bps.

### **Manager Selection** - *Did the portfolio managers add additional return over their portfolio benchmarks?*

- In Domestic Equity, a 130/30 manager was the primary contributor to manager selection outperformance. Their positive contribution was dampened by a small cap value manager which led to a net 18 bps in manager selection outperformance. The remaining managers did not materially contribute to manager selection effects.
- In International Equity, there was a notable well performing growth manager and value manager with the remaining managers having returns similar to their benchmarks. In total, there was about 11 bps of manager selection outperformance.
- There was not meaningful manager selection effects within Core Fixed Income.
- Our EMD and Preferred managers slightly underperformed their benchmarks while the HY managers were relatively close to their benchmarks for a slight manager selection underperformance of 5 bps.
- Private Investments was the primary contributor to manager selection underperformance in our non-publicly traded investments. The publicly traded benchmarks for these asset classes are an imperfect proxy for actual holdings. In addition, the pricing of private assets lags the publicly traded benchmarks. Thus, short term performance differentials may not reflect the actual value of assets at quarter end.

# Macro Attribution



Strategic Asset Allocation (SAA) - The return that would have been achieved if we had invested in our asset class benchmarks at the midpoint weights

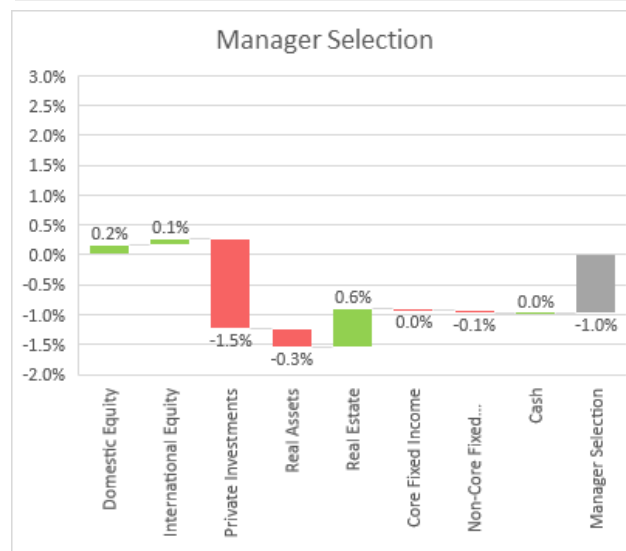
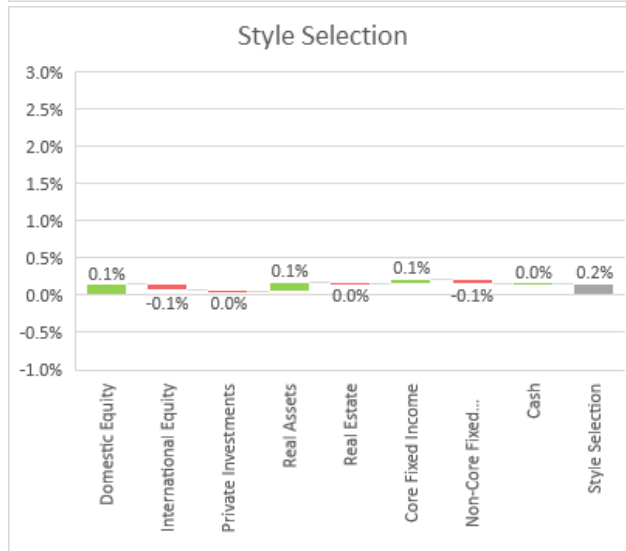
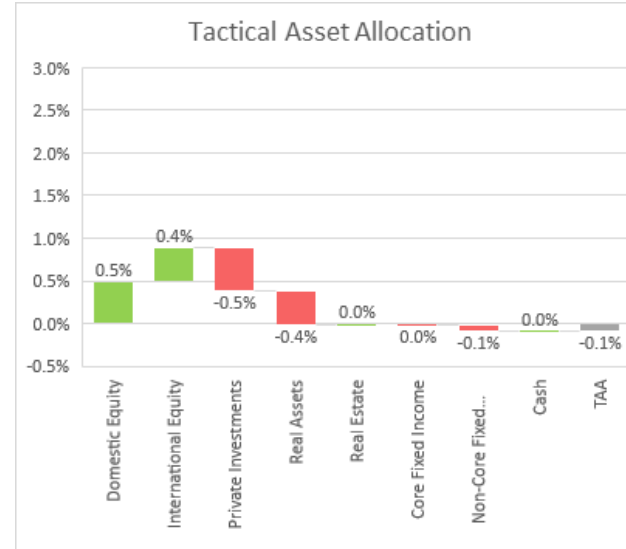
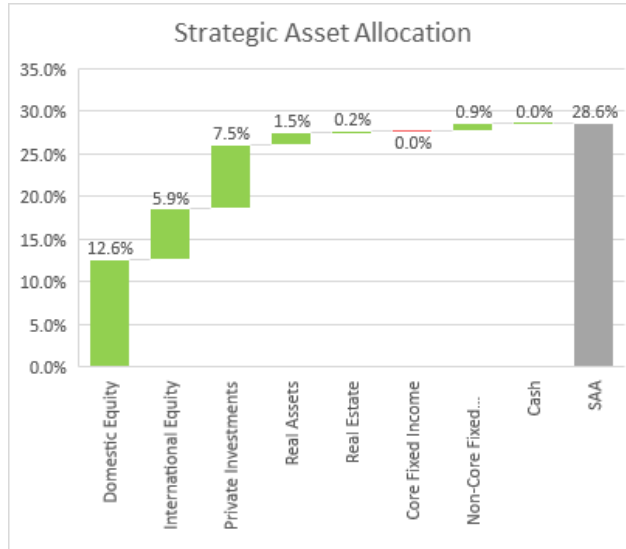
Tactical Asset Allocation (TAA) - The *additional* return earned by investing in the asset class benchmarks at our actual rather than midpoint weights.

Style Selection (SS) - The *additional* return earned by investing in the underlying manager benchmarks rather than the asset class benchmarks.

Manager Selection - The *additional* return earned by investing in the underlying managers rather than the underlying manager benchmarks.

\* The valuation lag observed in Private Equity, Real Estate, and Natural Resources are likely to lead to large differences in returns between these asset classes and their benchmarks in short-mid term time periods. The manager selection component is therefore likely to be large for these asset class in the short and medium term.

# Macro Attribution



# Private Investments Environment

- Private equity deal flow continues to rebound from 2020. 1,285 private equity-backed buyout deals were completed in Q2 2021 with an aggregate deal value of \$175 billion, on par with volume from a rolling 20 quarter average.
- Valuations for buyouts continued to rise in the second quarter of 2021, coming in at a purchase price multiple of 13.0x EV/EBITDA. For comparison, the 10-year average is 11.6x EV/EBITDA.
- Leverage or debt usage for buyouts came in at 6.6x EBITDA, compared to the rolling 20 quarter average of 6.2x.
- The pace of fundraising in 2020 was tepid with the restrictions in travel. As expected, US private equity fundraising rebounded in the first half of 2021. Current fundraising is on pace for a record year.
- Key takeaways – Private equity activity continues to further bifurcate into the haves and the have nots. Valuations, debt usage, access to cheap credit and dry powder all remain at elevated levels compared to longer term historical levels.

# Private Investments Net Performance



## Private Investments Pension Asset Class (PAC) Custom Blend:

- From inception to 3/31/2017: S&P 1500 + 4% Qtr Lag
- 4/1/2017 to 12/31/2020: MSCI USA Small Cap Index
- 1/1/2021 to present: The portfolio weighted average of MSCI USA Small Cap Index and S&P LSTA US Leveraged Loan 100 Index
- Inception – 5/1/2002

# Private Investments

## Characteristics and Activity

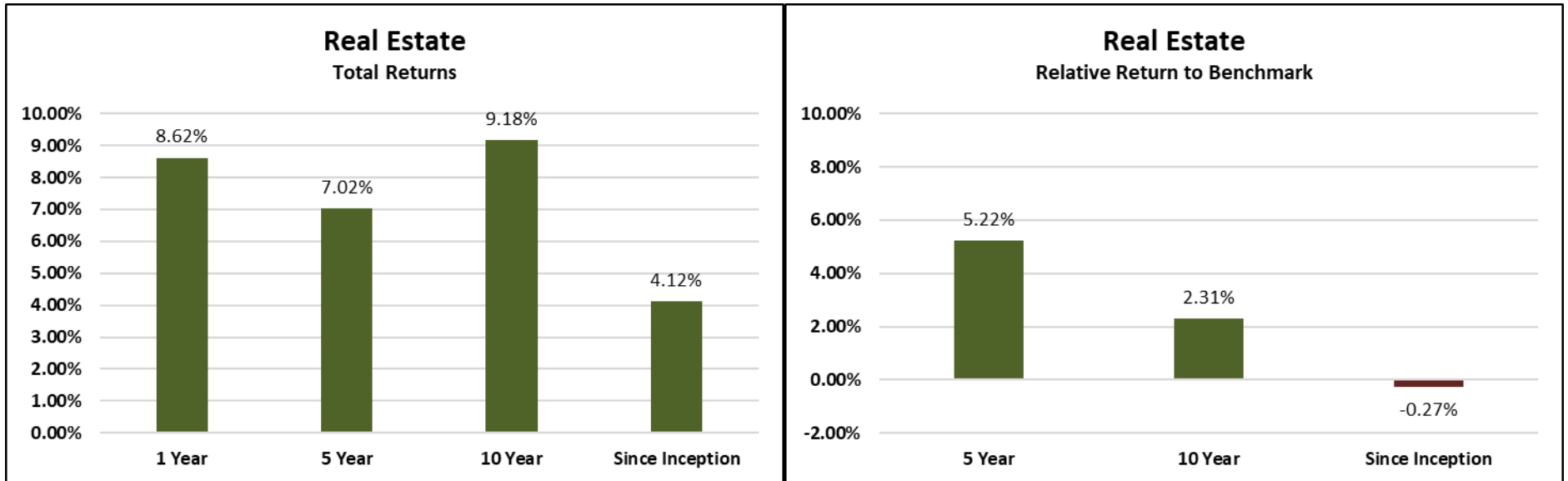
- Total Market Value of \$2.14 billion as of 6/30/21
- North American-centric at ~74%, ~15% non-US developed, and ~11% emerging markets
- Direct/primary fund exposure focus at ~80% vs. Fund-of-Funds at ~20%
- Primarily focused on existing buy-out and venture capital relationships
- Selectively increasing allocation to credit strategies and sector specialists
- Net Cash Flow Profile
  - \$10.89 million for quarter ending 6/30/21
- Five new commitments
  - BuildersVC Fund II - \$25 million
  - Centerbridge Special Credit Partners IV - \$50 million
  - Foundation Capital X - \$25 million
  - Foundation Capital Leadership Fund III - \$25 million
  - GoldenTree Distressed Fund IV - \$75 million



# Real Estate Environment

- Recovery has been uneven with considerable variation in occupancy and rent trends across markets, property types and quality
- CRE transaction volume has picked up notably over the past few months, but the market is still nowhere near normal
- While lending standards have tightened over the last year, debt remains affordable and accommodative for most sectors
- Valuations across assets have largely held steady or surpassed pre-pandemic levels
- REITs continue to deliver strong performance YTD 2021
- CMBS loan delinquencies continued their steady drift lower through 2Q21
- Fundraising consistent with 2020, approx. \$63B raised through July 2021
- Dry powder remains elevated at approx. \$366B through July 2021
- Rent collections across MBOI portfolio remain strong
- Summary points – Fundamentals vary, transactions rebounding, debt markets remain cautious, values resilient, REITs delivering, delinquencies dropping, fundraising steady, dry powder remains elevated

# Real Estate Net Performance



## Real Estate – Pension Asset Class (PAC) Custom Blend:

- From inception to 3/31/2017: NCREIF ODCE 1 Qtr Lag (Net)
- 4/1/2017 to 6/30/2020: MSCI US REIT Index Gross
- 7/1/2020 to present: NCREIF ODCE 1 Qtr Lag (Net)
- Inception – 6/1/2006

# Real Estate

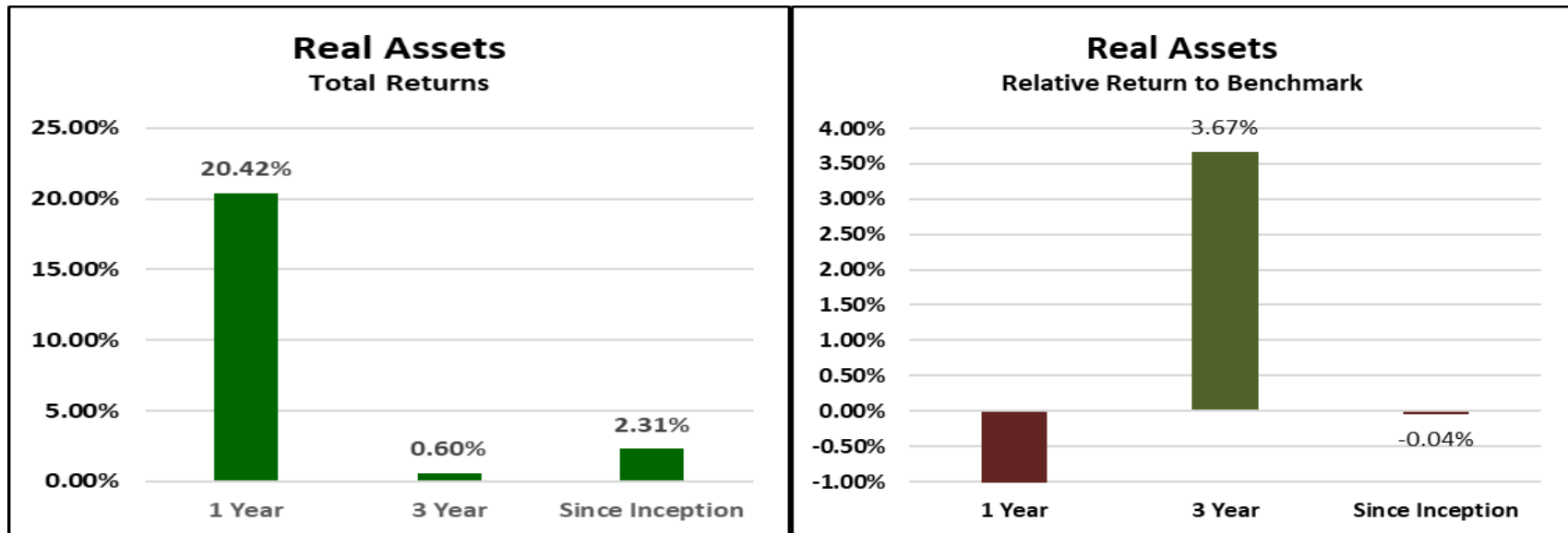
## Characteristics and Activity

- Total Net Asset Value of approx. \$1.35B as of 6/30/21
- US-centric, broadly diversified across property types, markets and geographies
- Continued focus on property type specific operators
- Looking to establish separate accounts for longer duration holds, cash flow
- Focus on existing, high conviction managers, reducing core equity exposure, may continue to opportunistically add to existing REIT and high yield CMBS exposure
- Cash Flow Profile
  - Negative cash flow of approx. \$64.1M for the quarter ending 6/30/21
- New investment commitments/additions
  - New \$50M commitment to Centerbridge Partners Real Estate Fund II, LP
  - New \$50M commitment to Sterling Consumer Logistics Properties Fund I, LP
- Total Leverage – 48.5% as of 3/31/21
  - Debt – 17.4%
  - Core – 26.6%
  - Core-Plus/Non-Core – 58.3%

# Real Assets Environment

- Oil demand up, supply constrained (OPEC and US capital discipline, general ongoing underinvestment), inventory draw downs ongoing
- US production up slightly at 11.3M barrels per day through July 2021
- Operating rig counts stabilizing as companies continue to focus on cash flow and debt reduction vs. production growth
- MLPs continue their strong performance, strong current yield play
- Aggregates continue to prove resilient with stable growth
- Prices for sawlogs down across the PNW and US South through 1Q21
- Lumber prices plummet from record setting highs, but still at historically high levels
- April housing starts were 1.56M, down 9.5% from March, but remain up year-over-year
- Real assets dry powder stood at approx. \$299B through July 2021
- Summary points – Positive outlook for oil, MLPs delivering, aggregates remain resilient, log prices down, housing market remains robust, ample dry powder in the system

# Real Assets Net Performance



## Real Assets – Pension Asset Class (PAC) Custom Blend:

- From inception to 12/31/2020: MSCI ACWI Commodity Producers Index
- 1/1/2021 to present: 33.33% MSCI ACWI Commodity Producers Index, 33.33% MSCI ACWI Infrastructure Index, 33.34% Bloomberg Barclays US TIPS Index
- Inception – 4/1/2017

# Real Assets

## Characteristics and Activity

- Total Net Asset Value of approx. \$651M as of 6/30/21
  - Commodities-Related Portfolio – approx. \$353M as of 6/30/21
  - Infrastructure-Related Portfolio – approx. \$163M as of 6/30/21
  - Inflation-linked Bonds (TIPs) Portfolio – approx. \$135M as of 6/30/21
- Portfolios are primarily North American-centric, international exposure continues to grow with recent infrastructure commitments
- Exploring other types of strategies to further diversify and gain new exposures
- Cash Flow Profile
  - Positive cash flow of \$2.8M for the quarter ending 6/30/21
- No new investment commitments
- Timber Portfolio Total Leverage – 6.5% as of 3/31/21

# Core Fixed Income Environment

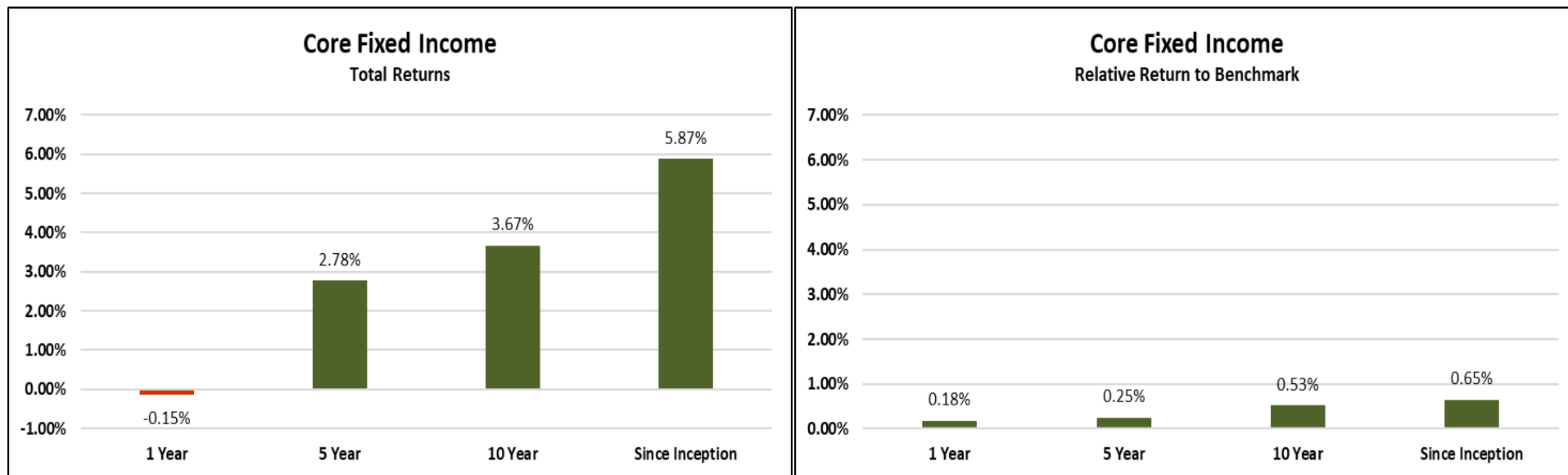
- The U.S. Treasury curve steepened over the last year. The yield on the 10-year Treasury increased 81 bps year over year. There was little change in yields for maturities less than 2 years.
- The Federal Reserve held short-term rates steady with the Effective Rate in a tight range around 5 bps.
- Headline inflation posted a dramatic increase to 5.4% year over year, at the end of the quarter with significant variability throughout the year. Core inflation was 4.5% year over year.
- Money market yields continue to be very low. Commercial paper yields remains near record lows.
- Spreads on corporate bonds narrowed significantly throughout the year, finishing 60 bps tighter to a near record low of 80 bps.

# Core Fixed Income Environment

- Spreads on mortgage-backed securities (MBS) ended the year at 28 bps. MBS spreads started the year at 71 bps; declined to 7bps before widening in June
- The Barclays Aggregate returned -0.33% on the year. The loss was due to higher interest rates partially offset by reduced risk premiums.
- Bond market liquidity continued to be strong with robust corporate new issuance. Bid/ask spreads remained tight as the bond market remained confident.



# Core Fixed Income Net Performance



## Core Fixed Income - Pension Asset Class (PAC) Custom Blend:

- From Inception to 04/01/2017: Bloomberg Barclays U.S. Aggregate Bond Index
- 4/1/2017 to 11/29/2019: Intermediate TIPS, Intermediate US Treasury & Agency, Intermediate Investment Grade Credit, Mortgage Backed, and Diversified Strategies PACs.
- 11/29/2019 to present: Bloomberg Barclays U.S. Aggregate Bond Index
- Inception – 4/1/1995

# Core Fixed Income

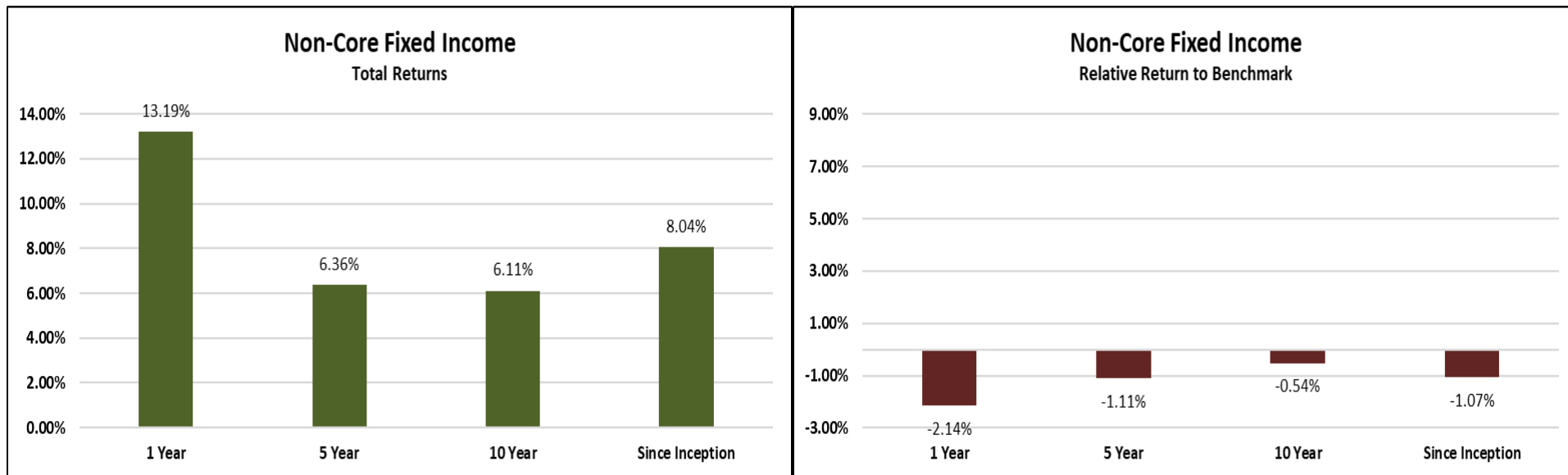
## Performance, Characteristics, and Activity

- Negative total return of -0.33% on the year. The internal portfolio underperformed the index by 18 bps. Reams outperformed by 248 bps.
- Reams outperformed on an overweight to credit. The internal portfolio underperformed due to an underweight to credit partially offset by short duration relative to the index.
- Total market value of approx. \$2.11 billion at quarter end.
- Duration was approx. 92% of the benchmark at year end. Significantly underweight the long end of the curve.
- Portfolio was underweight Treasuries/Agencies and overweight spread product at the end of the year. The duration of corporate securities was significantly shorter than the index

# Non-Core Fixed Income Environment

- High yield spreads continued to compress, ending the quarter at +270 bps over Treasuries
- Belying its name, the high yield bond index now yields below 4%, an all-time low
- Credit quality of the high yield market is as high as it has ever been, with BB-rated bonds comprising over 50% of the index (it was 38% in June 2007)
- Default expectations continue to decline and are now less than 1% for 2021
- Preferred ETF flows rebounded in the quarter as Treasury yields declined. Lower-quality securities outperformed higher-rated ones in the period
- Recent bank stress tests indicate a healthy financial sector, which is important for the financials-heavy preferred securities market
- Emerging market debt rebounded in the quarter. Low vaccination rates remain the primary risk for emerging markets, but global growth forecasts for 2021 and a continued demand for yield have provided support for the asset class

# Non-Core Fixed Income Net Performance



## Non-Core Fixed Income - Pension Asset Class (PAC) Custom Blend:

- From Inception to present Bloomberg Barclays US High Yield – 2% Issuer Cap
- High Yield Asset Class name changed to Non-Core Fixed Income 11/30/19
- Inception Date: 6/1/2009

# Non-Core Fixed Income

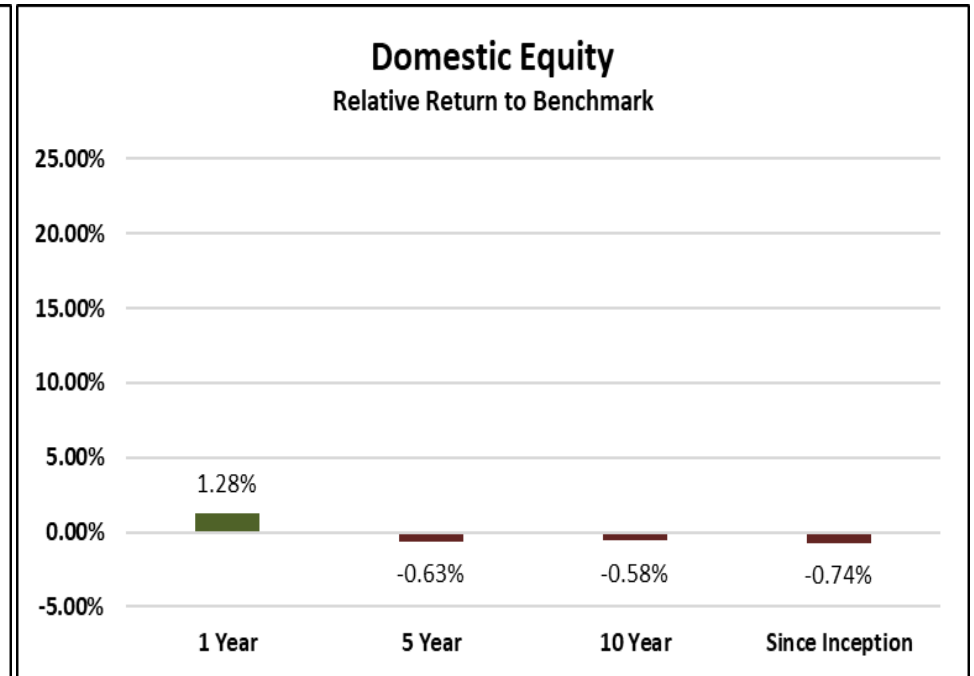
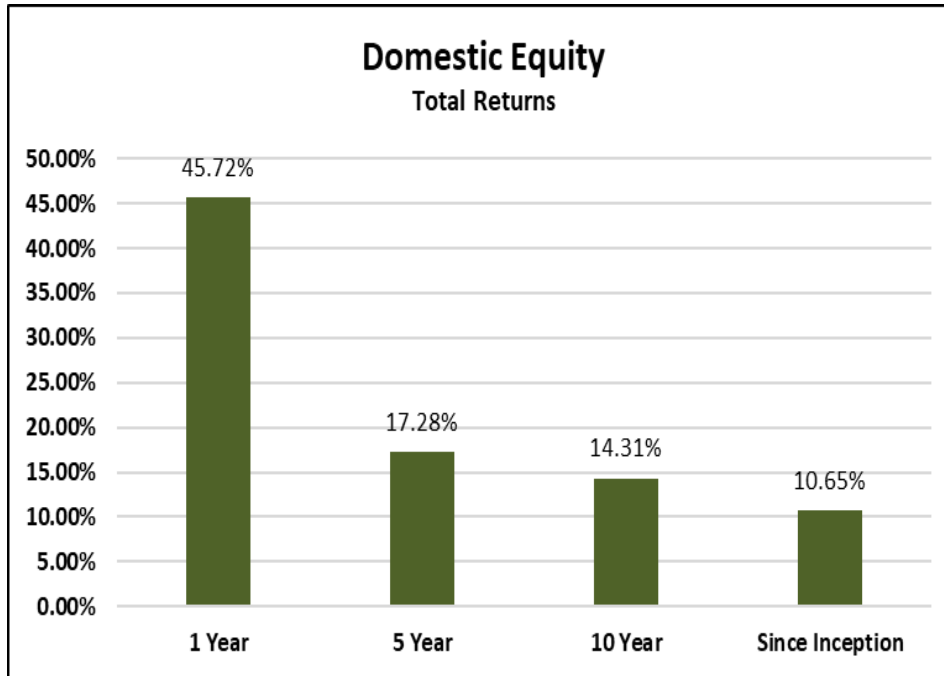
## Performance, Characteristics, and Activity

- The high yield benchmark posted a +2.74% return in the quarter. The high yield portfolios in aggregate lagged slightly due to their more conservative tilt
- Both the preferred securities and emerging markets debt manager outperformed their benchmarks in the period and returns for both asset classes outperformed the asset class benchmark
- The asset class outperformed by +0.23% for the quarter but underperformed by -2.17% for the trailing twelve months. Although absolute returns for high yield were very strong for the fiscal year, the conservativeness of the high yield managers weighed on relative returns. While the preferred securities and emerging markets debt managers were hired after the start of the fiscal year, weaker absolute returns for those strategies also contributed to the underperformance
- \$75 million was added to the asset class in the quarter: \$25 million to emerging market debt and \$50 million to preferred securities

# Domestic Equity Environment

- US equities continued their rally which basically began on vaccine approvals and distribution in late 2020. During the quarter, large cap stocks generated positive returns of 8.55% (S&P 500), while small cap stocks returned 4.29% (Russell 2000).
- At the end of June, the S&P 500 Index was valued at 21.3x generous next 12-month earnings estimates.
- Confidence in earnings estimates for 2021 and 2022 is improving, but still somewhat uncertain. It is important that earnings growth improve given the lofty forward valuation of the market and interest rates gradually rising.

# Domestic Equity Net Performance



## Domestic Equity - Pension Asset Class (PAC) Custom Blend:

- From inception to 4/30/2017: S&P 1500 Super Composite
- 5/1/2017 to present: MSCI USA IMI, Gross
- Inception Date: 5/1/2003

# Domestic Equity Performance

- The domestic equities asset class underperformed its benchmark during the quarter by -0.30% but outperformed for the last twelve months by +1.29%. This was continued evidence of a broadening market. Value stocks outperformed growth stocks.
- Attribution for the quarter showed a drag from the small cap overweight, but a benefit from manager selection, particularly from the Vaughan Nelson portfolio.
- For the last twelve months, there was a benefit from the small cap overweight, value exposure and from manager selection, particularly the Jacobs Levy and DFA portfolios.
- The asset class has outperformed its benchmark for the 1-year period and has lagged slightly over the 5 year and 10-year periods ended June 30.



# Domestic Equity

## Characteristics and Activity

- Index funds account for the majority of the allocation to large cap stocks.
- Small cap stocks are slightly overweight to the benchmark weight.
- Cash at the asset class level is minimal per policy.
- There were no changes to the manager lineup during the quarter.

# International Equity Environment

- International stocks turned in another solid quarter. Developed market stocks returned 5.65% (MSCI World ex-US) and emerging market stocks returned 5.05% (MSCI EM). Small caps underperformed large caps within developed markets by returning 4.81% (MSCI World ex-US SC).
- After a volatile quarter, the US dollar rose within less than a percentage point of where it started the quarter as characterized by the DXY Index.
- At quarter end, the MSCI World ex-US Index (developed markets) was valued at 15.8x estimated next 12-month earnings, while the MSCI Emerging Markets Index was valued at 12.9x estimated next 12-month earnings. Yet as with the US valuations based upon estimates, the level of confidence in the accuracy of these levels is relatively low.

# International Equity Net Performance



## International Equity – Pension Asset Class (PAC) Custom Blend:

- From inception to 10/31/2006: MSCI EAFE, Net
- 11/1/2006 to 6/30/2007: MSCI ACWI ex-US, Net
- 7/1/2007 to 2/28/2014: 92.5% ACWI ex-US + 7.5% ACWI ex-US Small Cap
- 3/1/2014 to present: MSCI ACWI ex-US IMI, Net
- Inception Date: 4/1/1997

# International Equity Performance

- The international equities asset class underperformed its benchmark during the quarter by -0.25% but outperformed for the last twelve months by +0.47%.
- For the quarter there was a benefit from manager selection, particularly from the Invesco and Lazard portfolios.
- For the last twelve months, there was a benefit from manager selection, particularly from the Baillie Gifford and Acadian portfolios. The slight growth tilt was a detractor.
- The asset class has outperformed its benchmark for the 1 year, 5 year, and 10-year periods ended June 30.

# International Equity

## Characteristics and Activity

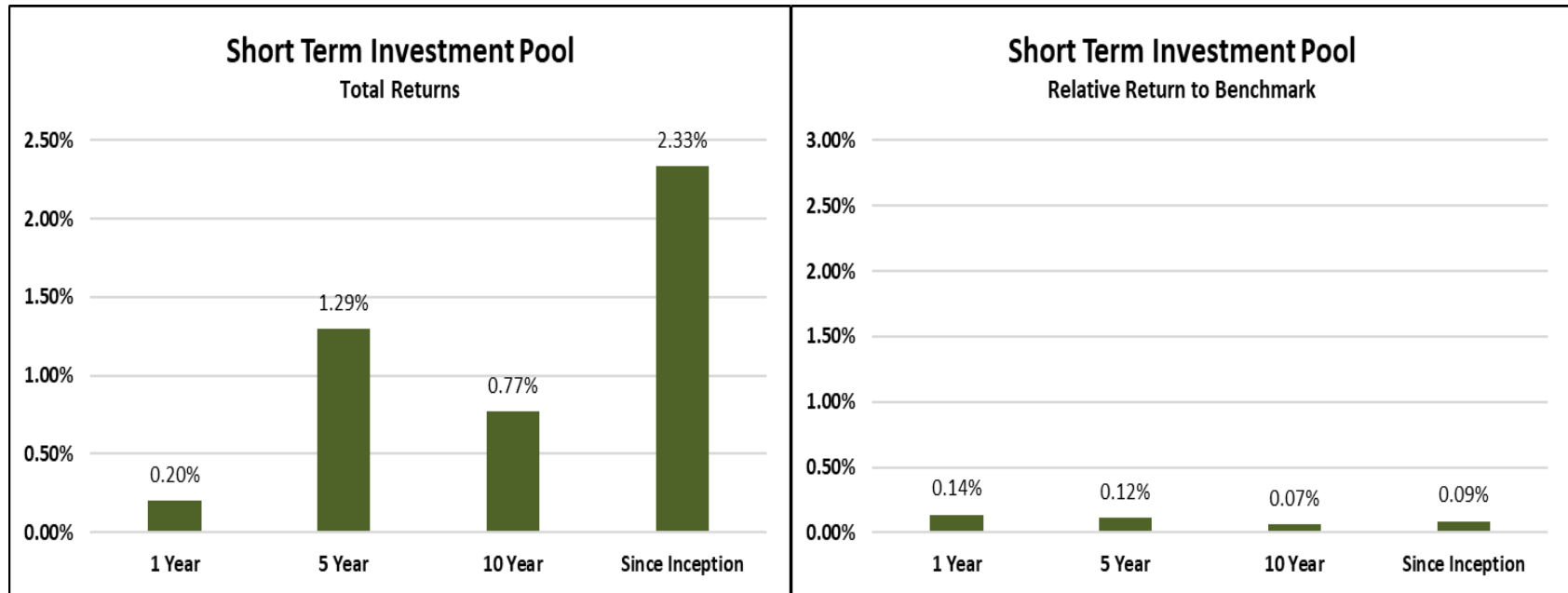
- The large cap allocation retains a significant weight to index funds.
- Small capitalization stocks are slightly overweight.
- There is a slight underweight to emerging markets.
- Cash at the asset class level is minimal per policy.
- There were no changes to the manager lineup during the quarter.

# Short Term Investment Pool

## Performance, Characteristics, and Activity

- The yield on STIP was 0.10% at the end of June.
- Outperformed the index by 14 bps over the year, net of fees.
- Good performance versus the index over 3, 5, & 10 years.
- Treasuries, Agencies, and Government money market funds made up just under 30% of the Pool on 06/30/21, down from 38% on 06/30/20.
- Local Government participants' percentage was 29.6% on 06/30/21, down compared to the prior year.
- The STIP assets were \$6.26 billion on 06/30/21, up over \$1.86 billion since 06/30/20.
- The STIP reserve was \$54.21 million on 06/30/21.

# Short Term Investment Pool Net Performance



## Short Term Investment Pool (STIP) Custom Blend:

- Inception to 4/30/2018 - LIBOR 1 Month
- 5/1/2018 to present: Federal Reserve US Treasury 1M Constant Maturity Index
- Inception - 4/1/1997

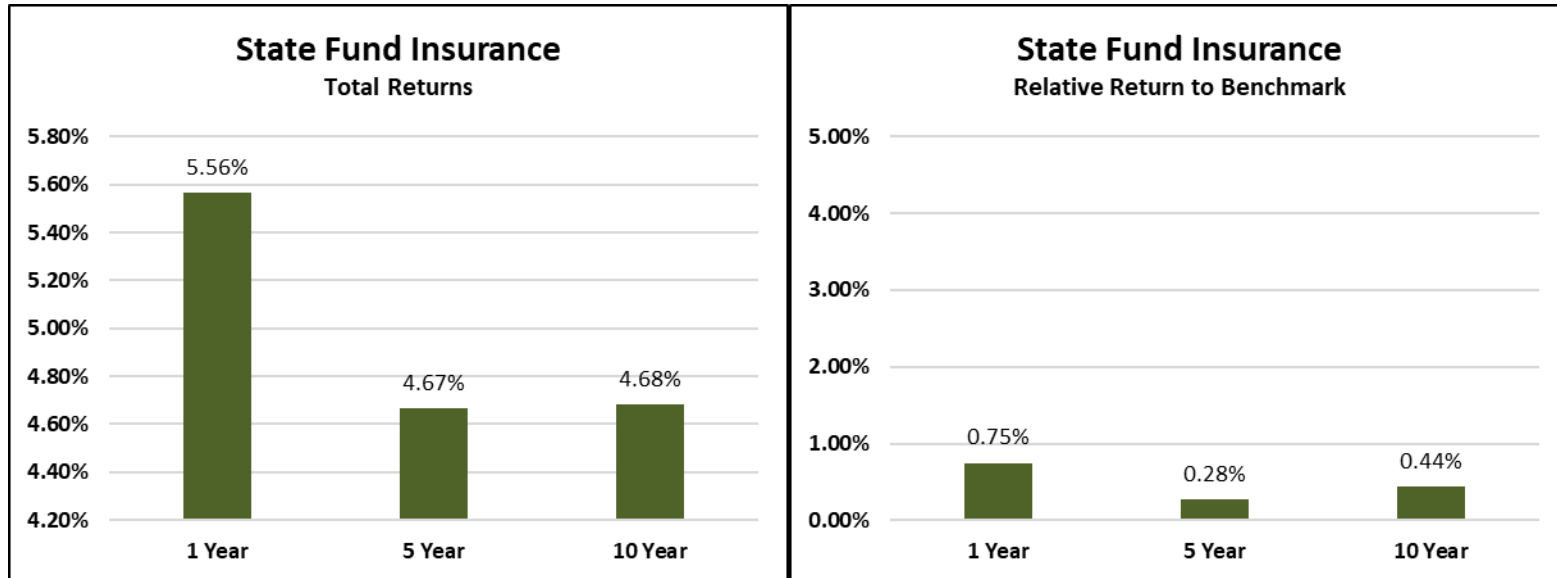
# State Fund Investment Portfolio

## Performance, Characteristics, and Activity

- Total portfolio return was 5.57% over the last year. Led by equities at 39.38%.
- Portfolio outperformed the benchmark by 75 bps on the year.
- The Investment Grade portfolio returned 58 bps on the year, outperforming its index by 53 bps due to a credit overweight.
- Total market value of approx. \$1.60B at quarter end.
- Duration was equal to the benchmark at quarter end.
- Continued overweight to spread product and underweight to Treasuries. Adding to MBS over time.
- Sold \$61 million of Equities during the year.



# State Fund Investment Pool Net Performance



## Montana State Fund Investment Pool (SFIP) Custom Blend:

- Inception to 3/31/2020 - Bloomberg Barclays Intermediate Aggregate Bond Index
- 3/31/20 To present - State Fund Custom Benchmark: Proportionately weighted Bloomberg Barclays Intermediate Aggregate Bond Index, S&P 500 Index, MSCI ACWI ex U.S. Index, NCREIF ODCCE Index
- Inception – 12/1/1993

# Trust Funds Investment Portfolio Performance

- The Pool outperformed the benchmark by 186 bps on the year. Led by High Yield with a return of 18.08 %. The benchmark was changed after quarter end.
- Real Estate had a return of 4.46% .
- The internal portfolio returned -0.10%, outperforming its benchmark by 81 bps due to short duration.

# Trust Funds Investment Portfolio

## Characteristics and Activity

- Total market value of approx. \$2.70B at quarter end.
- TFBP duration was below the benchmark at quarter end on an increase in cash. Significantly underweight the long end of the curve.
- TFBP maintained overweight to Corporates, CMBS and ABS, and underweight to Treasuries and MBS.
- TFIP purchased \$55.0 million of High Yield during the year. TFIP purchased \$215.0 million of Real Estate during the year.
- Staff continues to add to Real Estate in order to diversify and increase the yield of TFIP consistent with last year's change to the IPS.

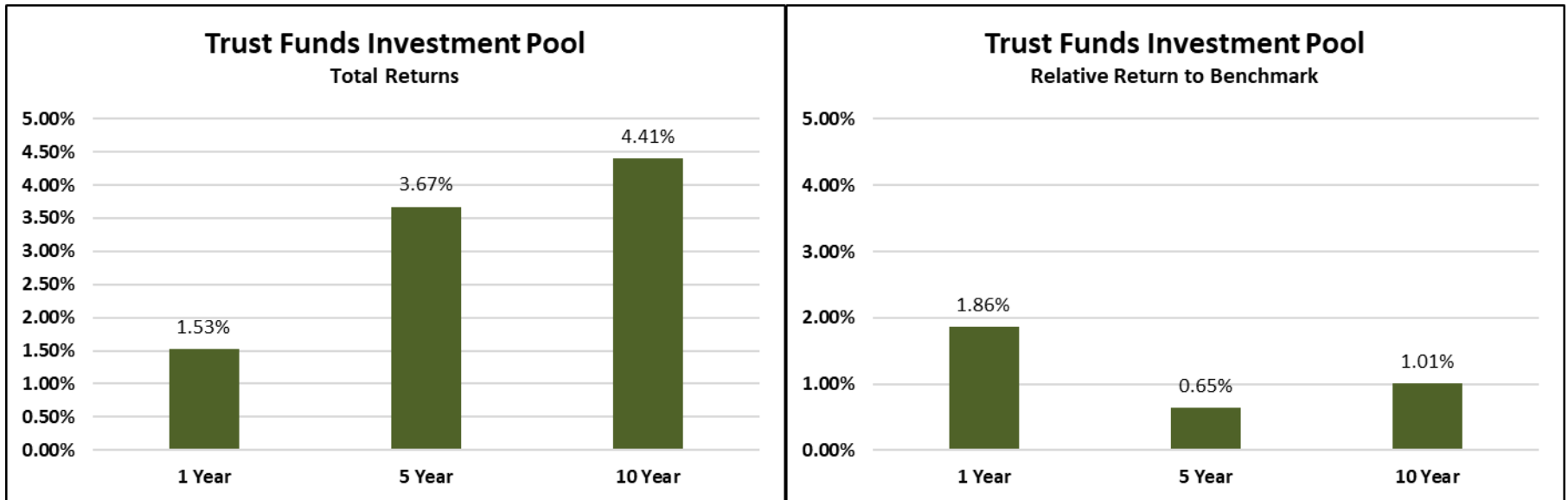
# Trust Funds Investment Portfolio

## Characteristics and Activity

- Total market value of approx. \$2.75B at quarter end.
- TFBP duration was below the benchmark at quarter end on an increase in cash. Significantly underweight the long end of the curve.
- TFBP maintained overweight to Corporates, CMBS and ABS, and underweight to Treasuries and MBS.
- TFIP purchased \$148.0 million of Real Estate during the year.
- Staff continues to add to Real Estate in order to diversify and increase the yield of TFIP consistent with last year's change to the IPS.

# Trust Funds Investment Portfolio

## Net Performance



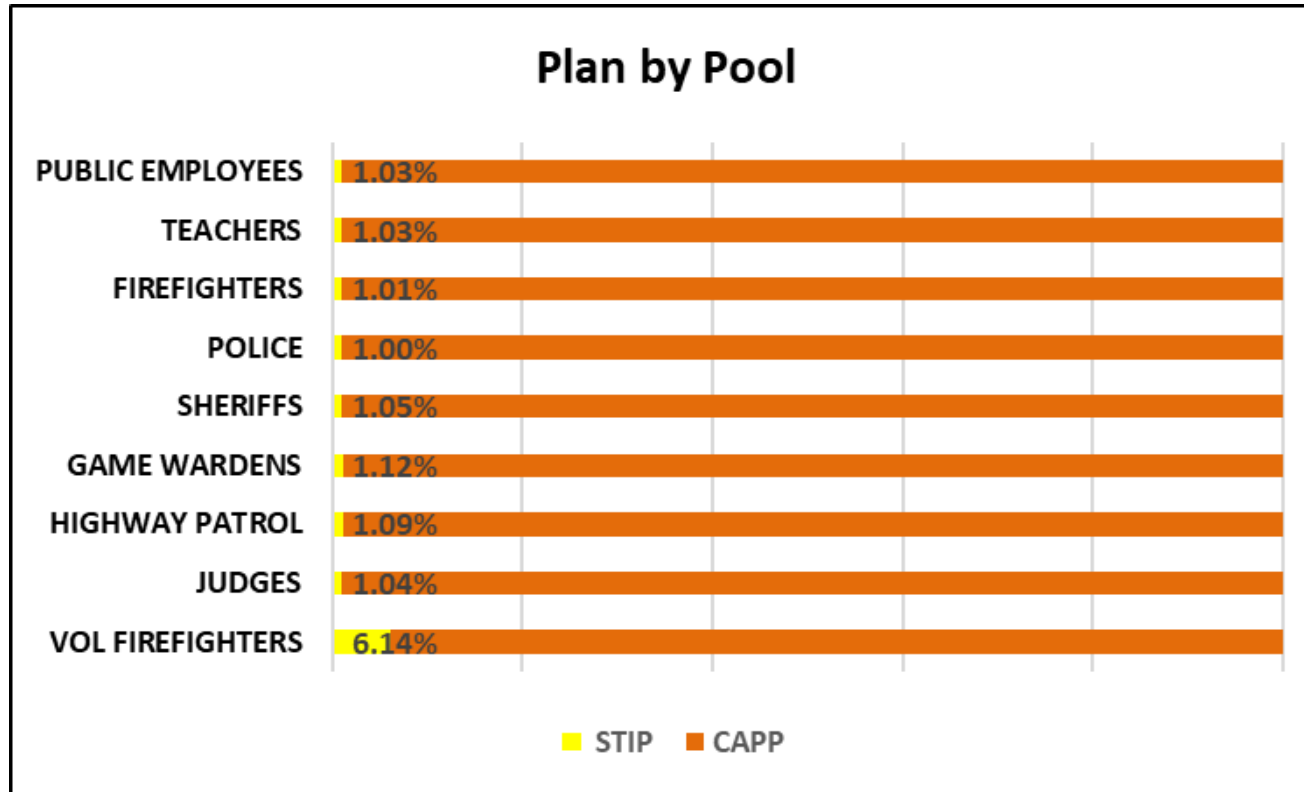
### Trust Funds Investment Pool Custom Blend:

- Since Inception to 6/30/21 - Bloomberg Barclays U.S. Aggregate Bond Index
- 6/30/21 to present - Proportionately weighted Bloomberg Barclays US Aggregate Bond Index, Bloomberg Barclays US High Yield – 2% Issuer Cap Index and the NCREIF ODCE Index
- Inception - 10/1/1995

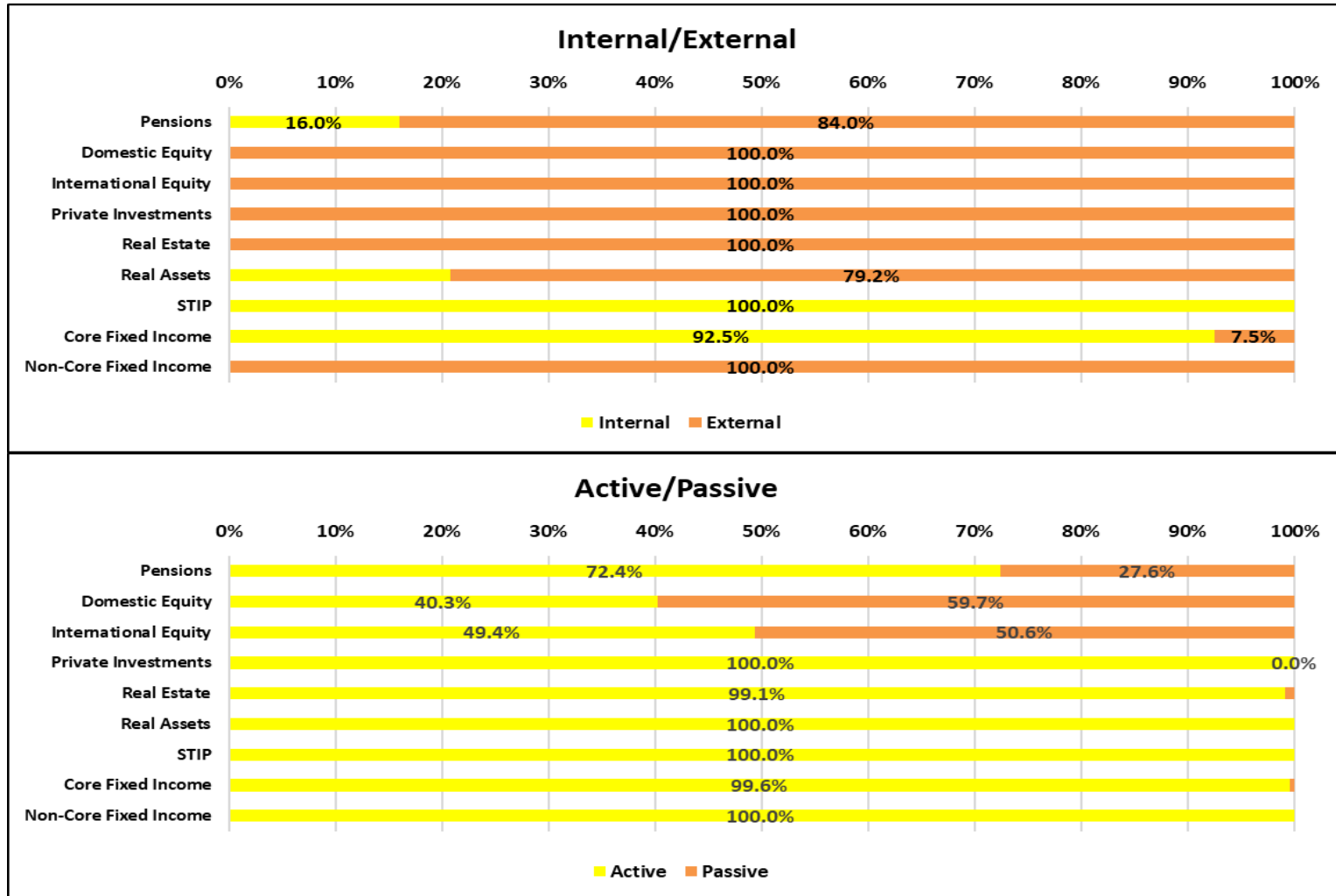
# APPENDIX

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# Retirement Plans Allocations by Pool

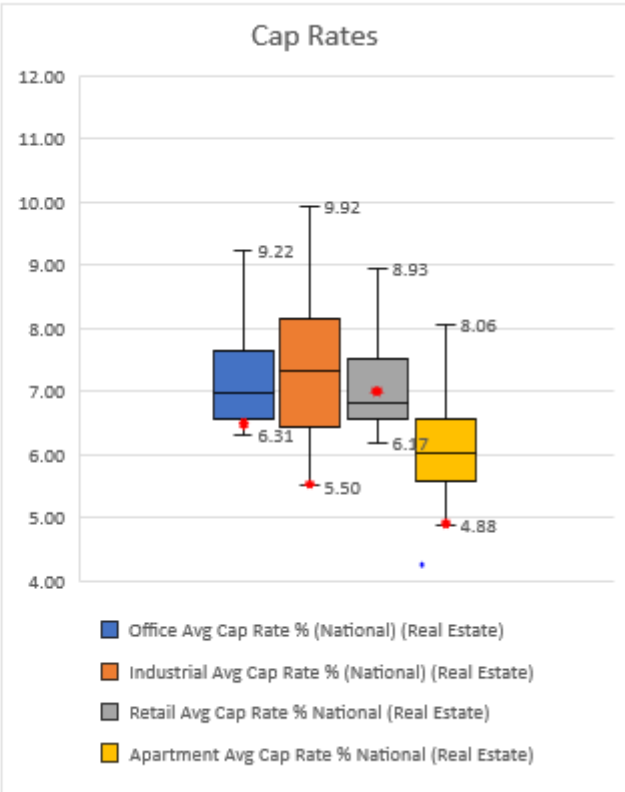
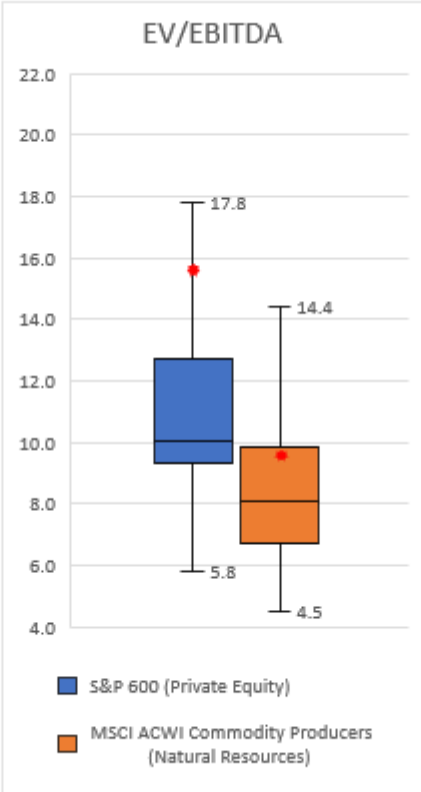
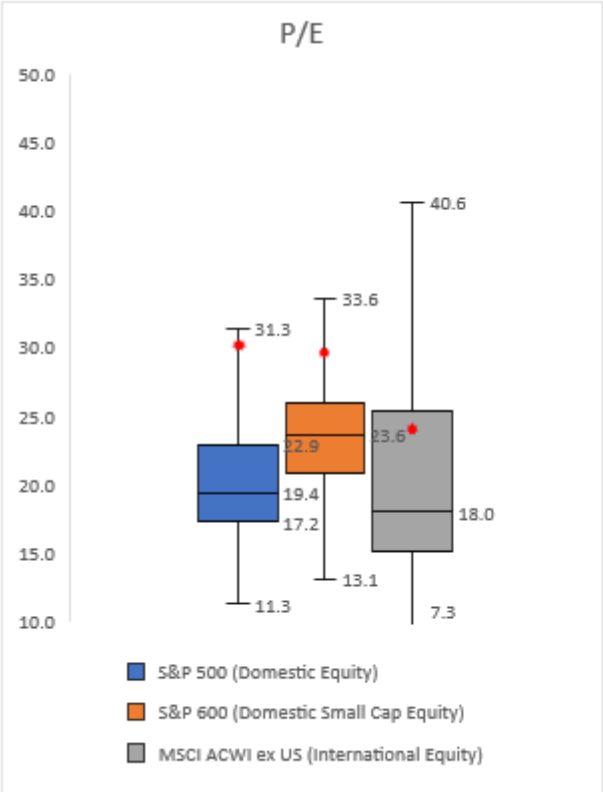


# Retirement Plans Characteristics

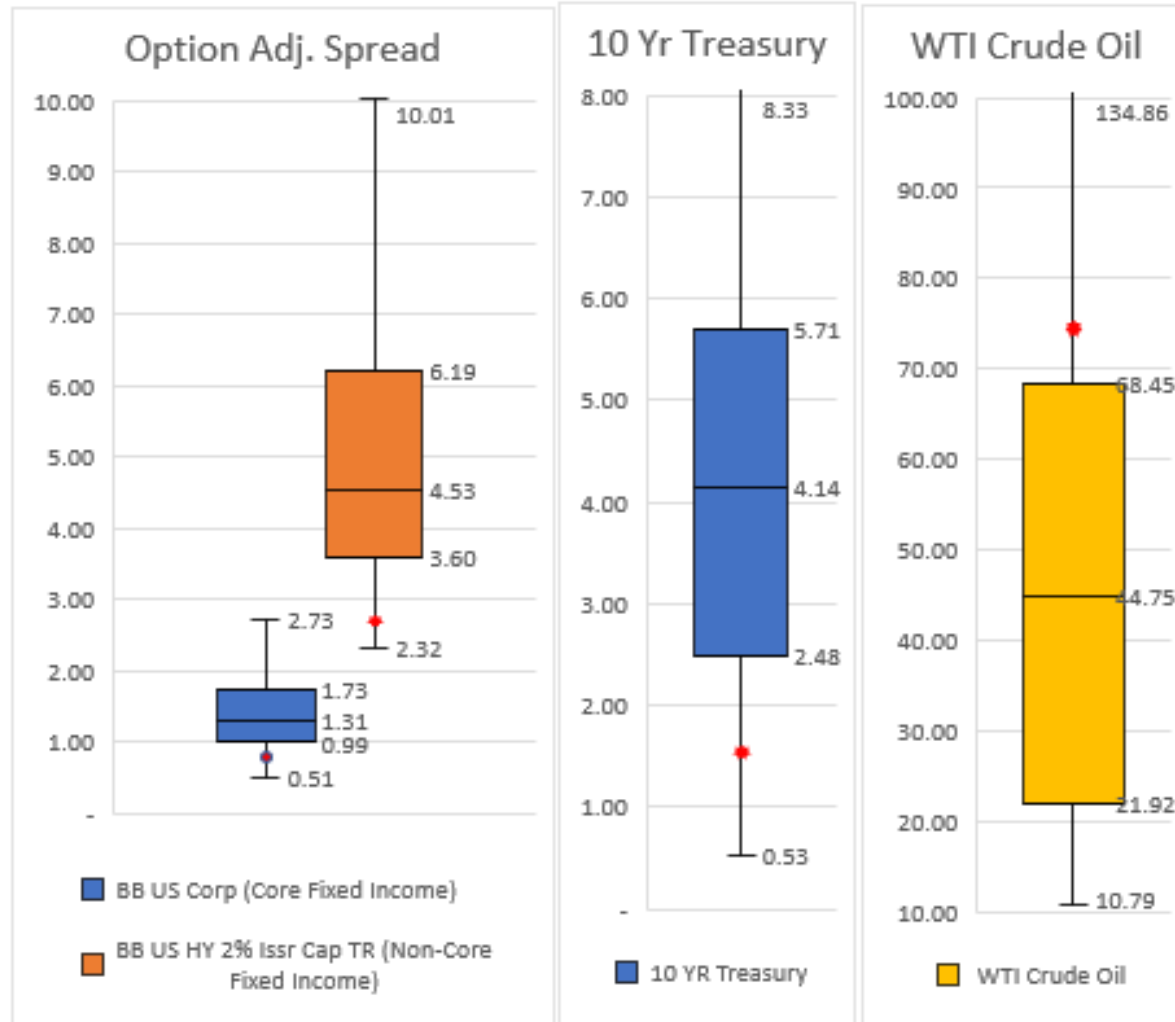




# Risk Management Benchmark Valuation

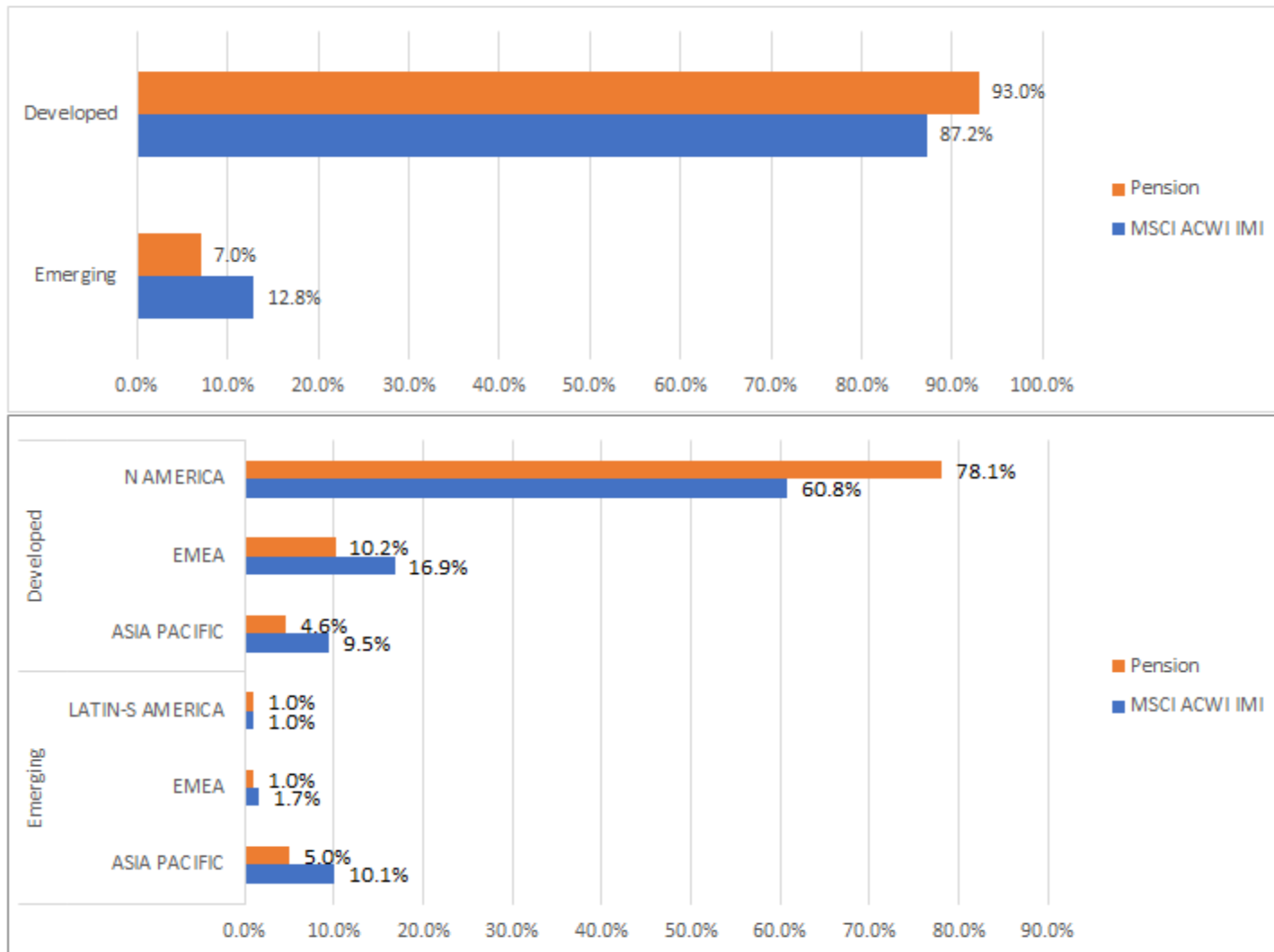


# Risk Management Benchmark Valuation

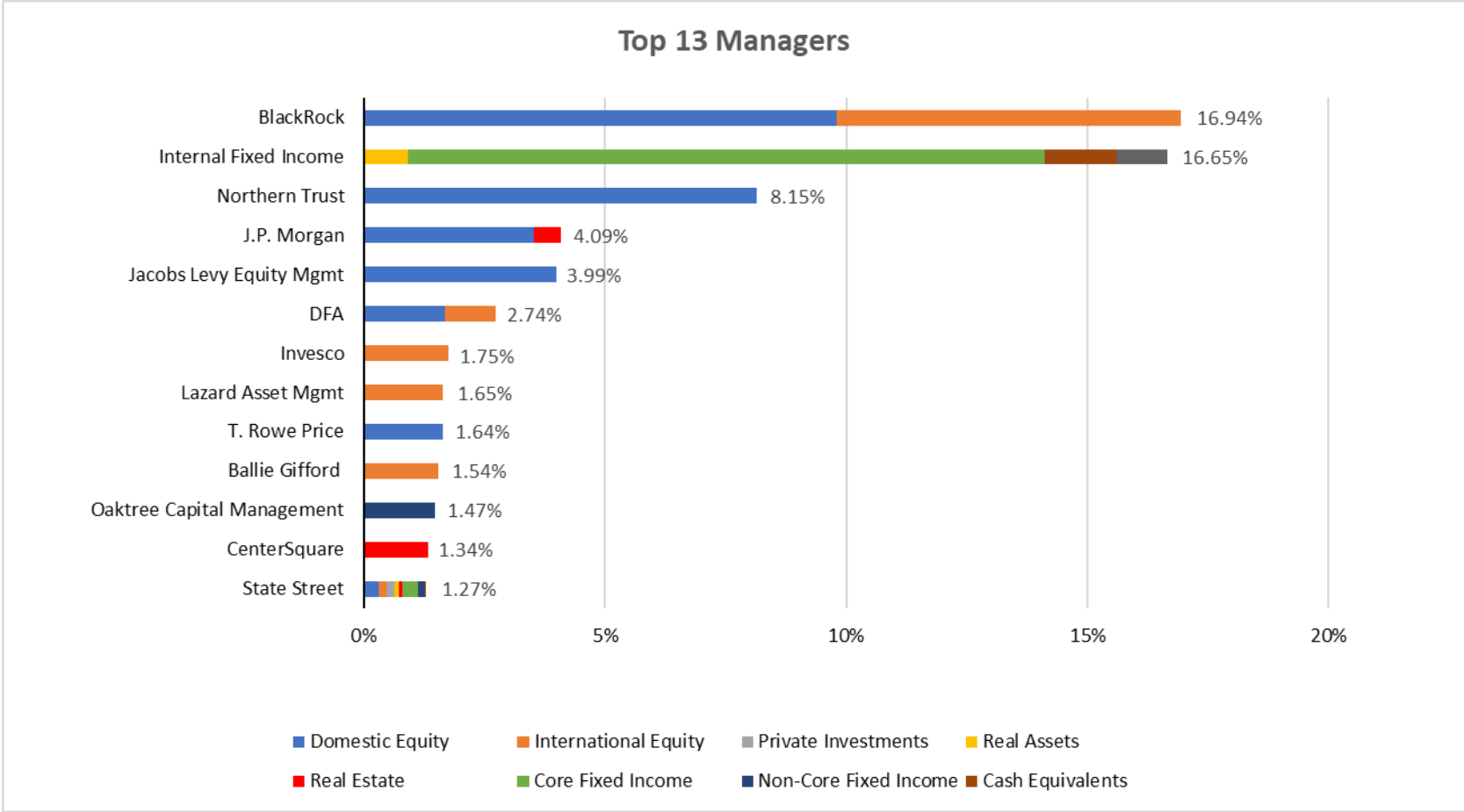


# Risk Management

## Pension Geographic

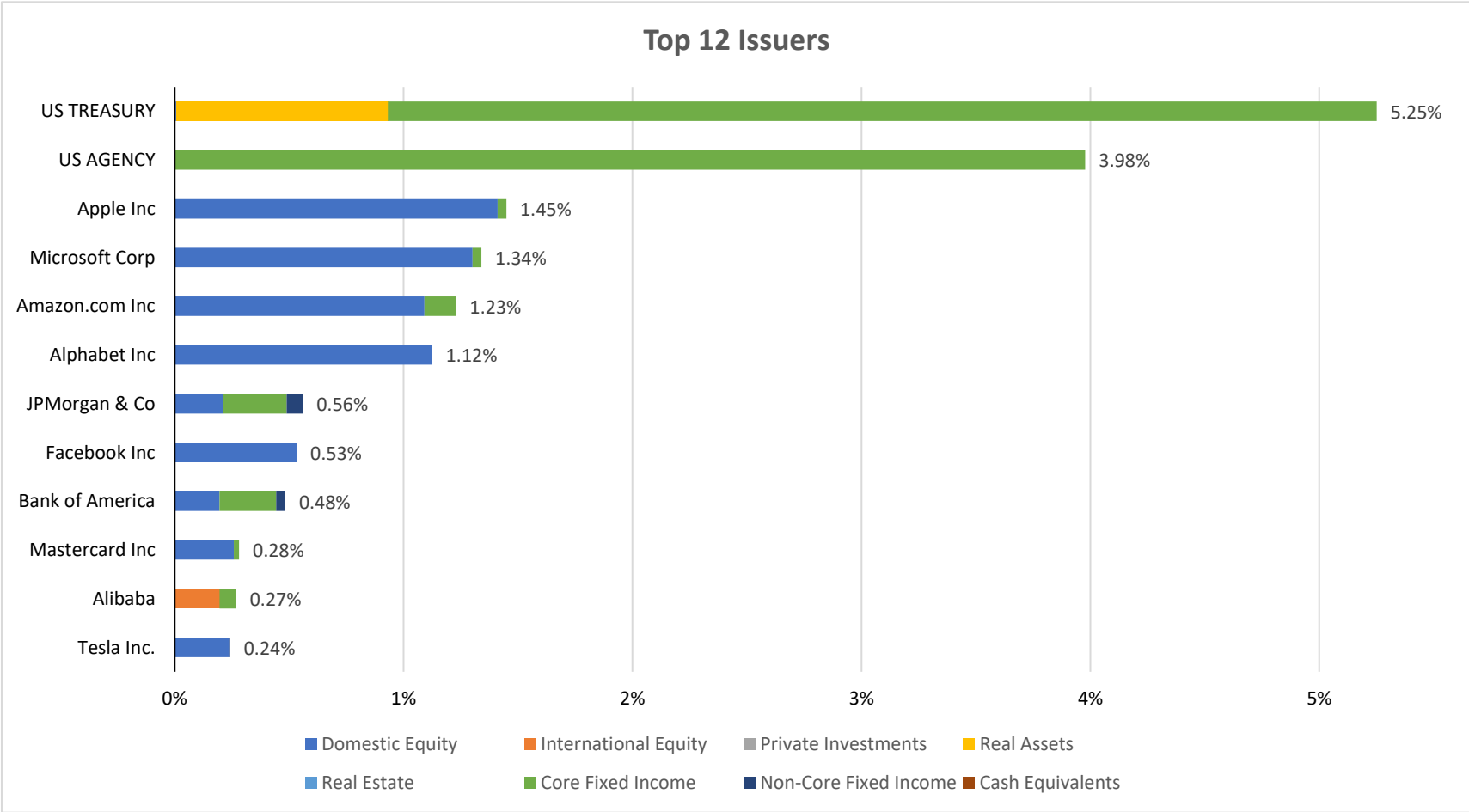


# Risk Management Pension Holdings

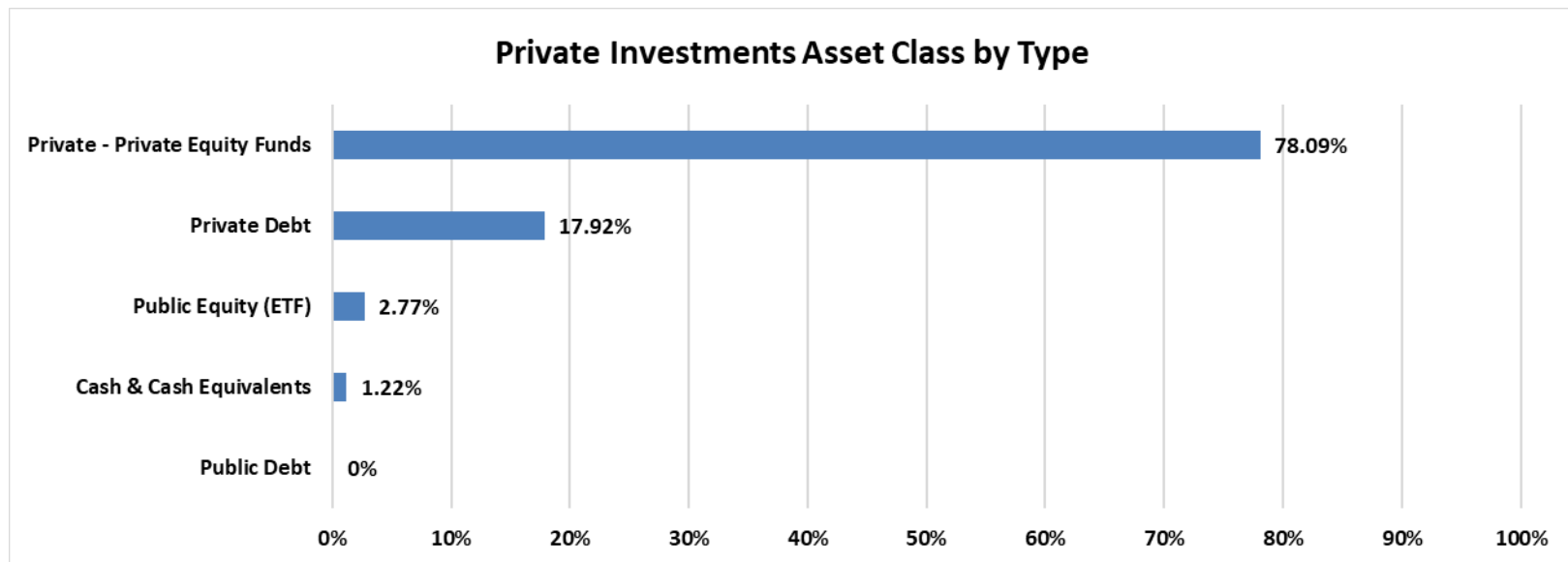


\*Montana Public Retirement Plans shall have no greater than 5% of its Net Asset Value managed by any one external manager using an active investment strategy

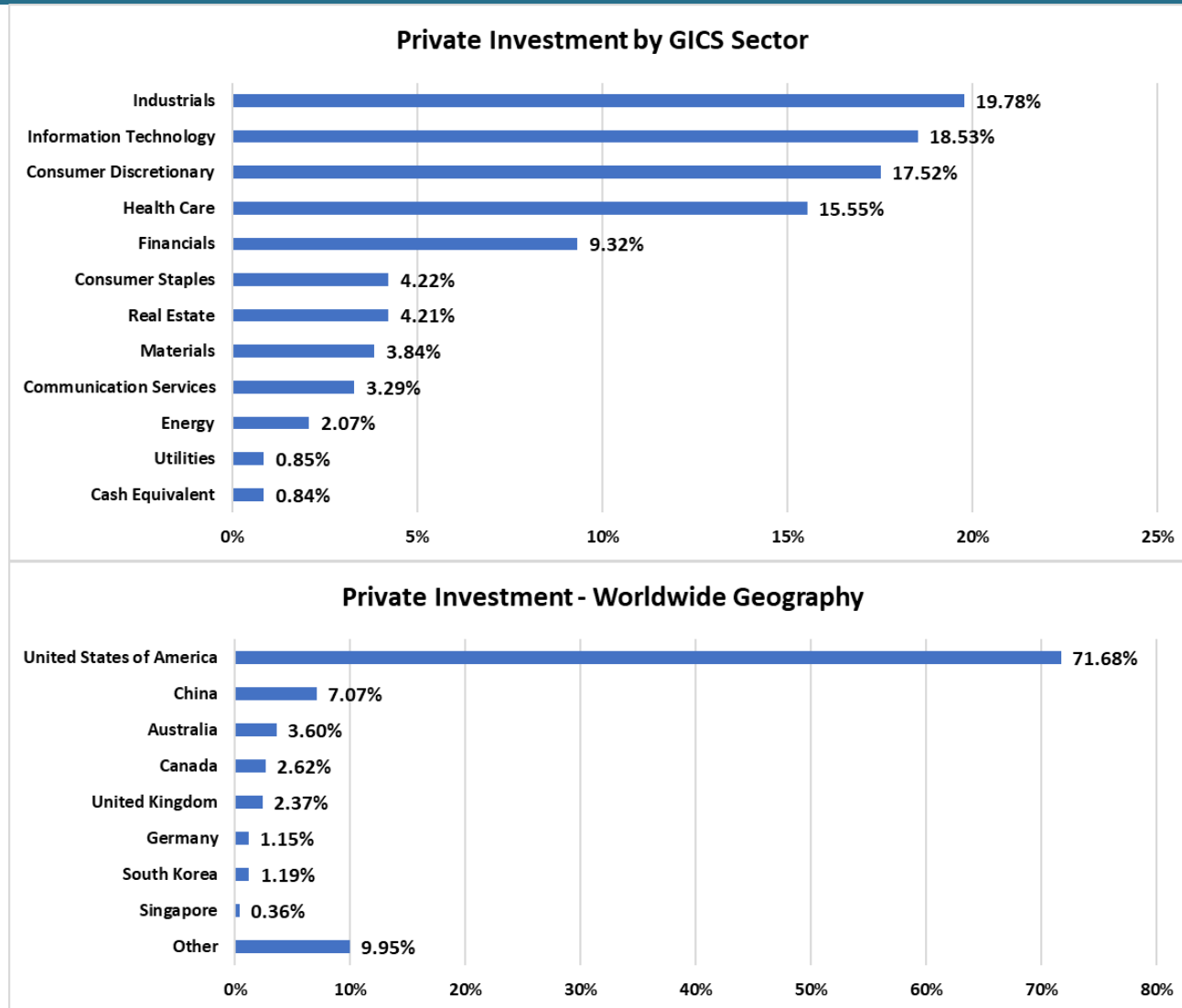
# Risk Management Pension Holdings



# Private Investments Characteristics

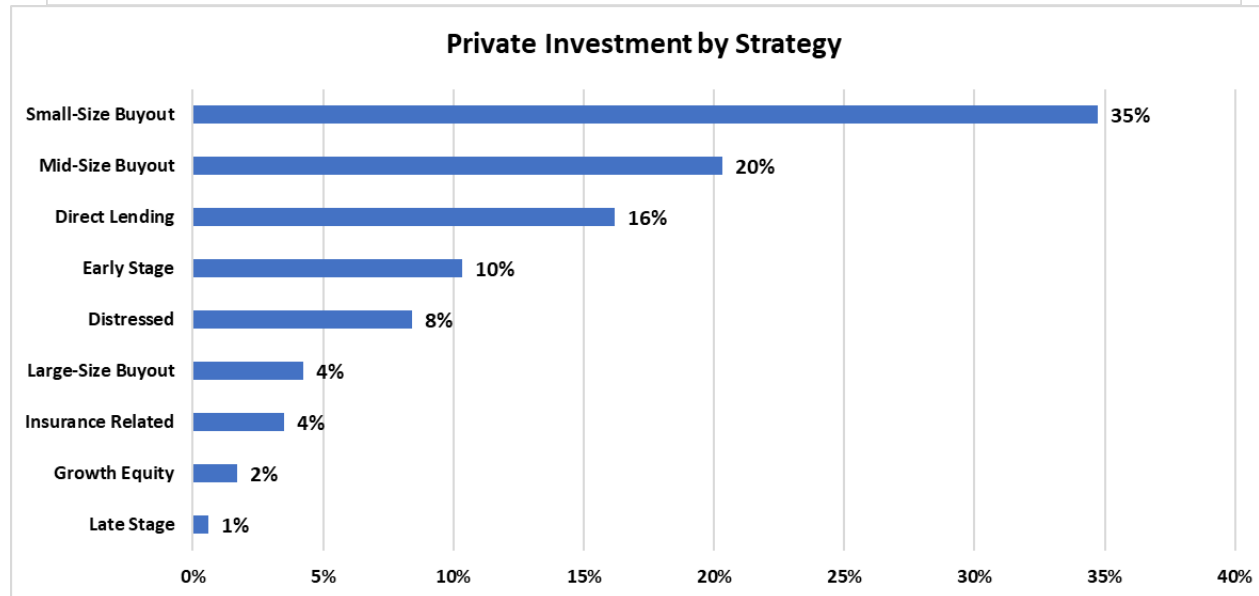
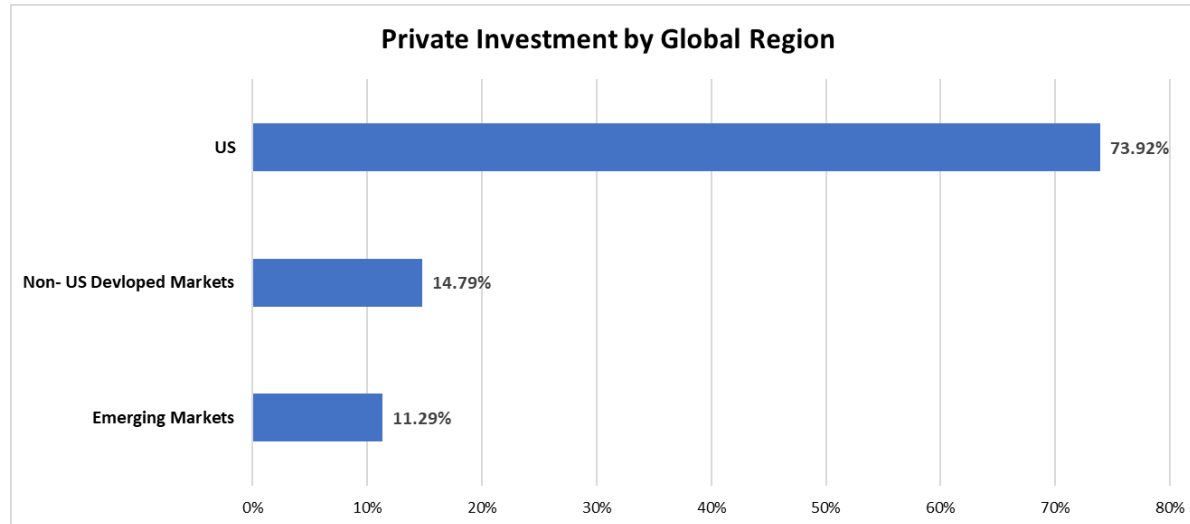


# Private Investments Characteristics



Note: Data reflects most recent GP-reported holdings as of 3/31/21  
June 30, 2021

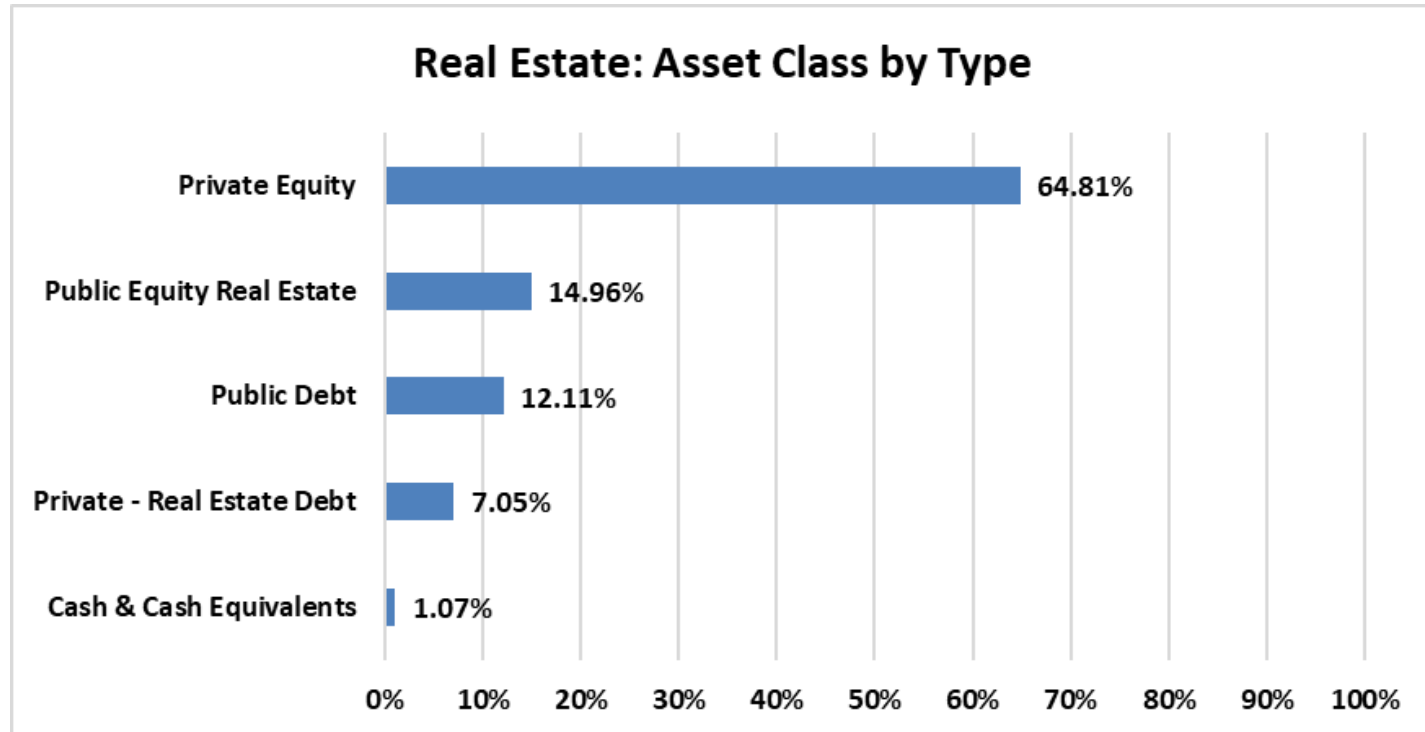
# Private Investments Characteristics



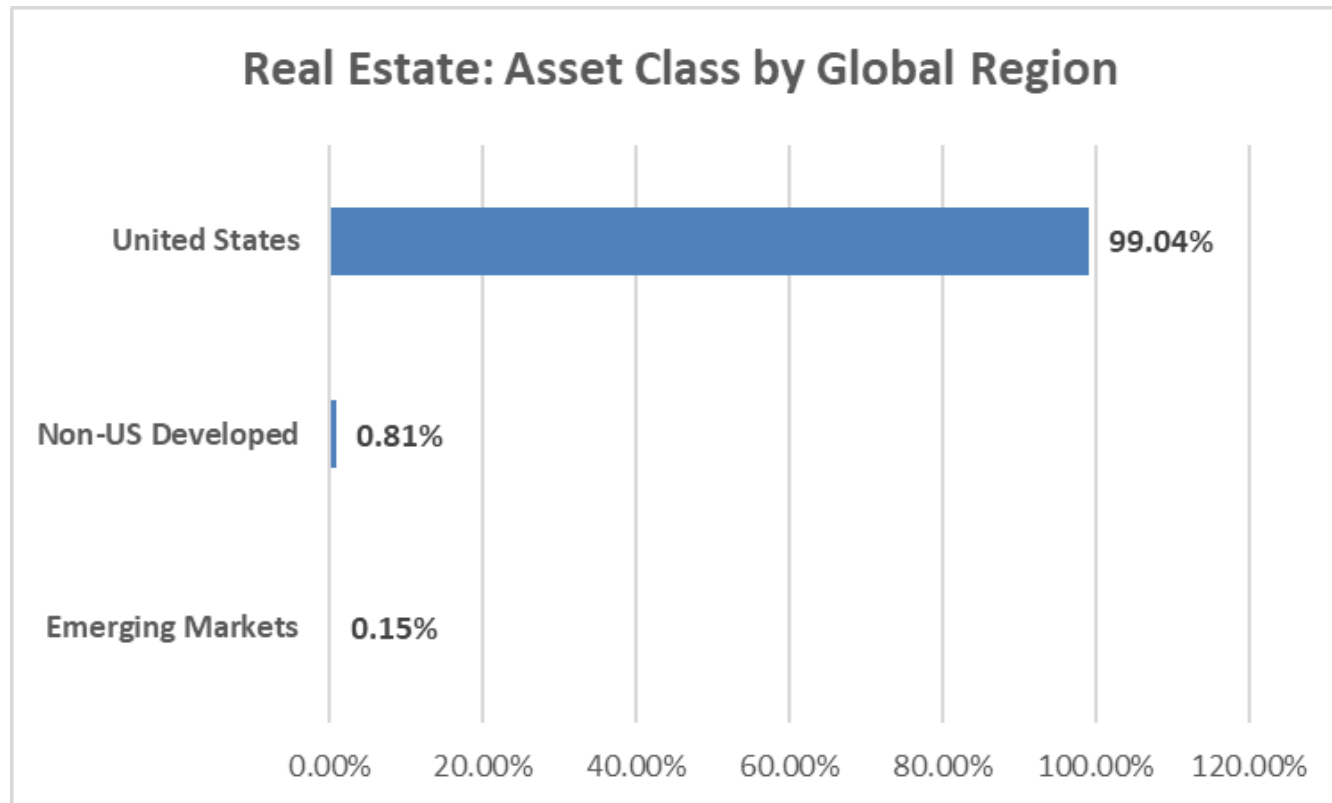
Note: Data reflects most recent GP-reported holdings as of 3/31/21  
June 30, 2021



# Real Estate Characteristics

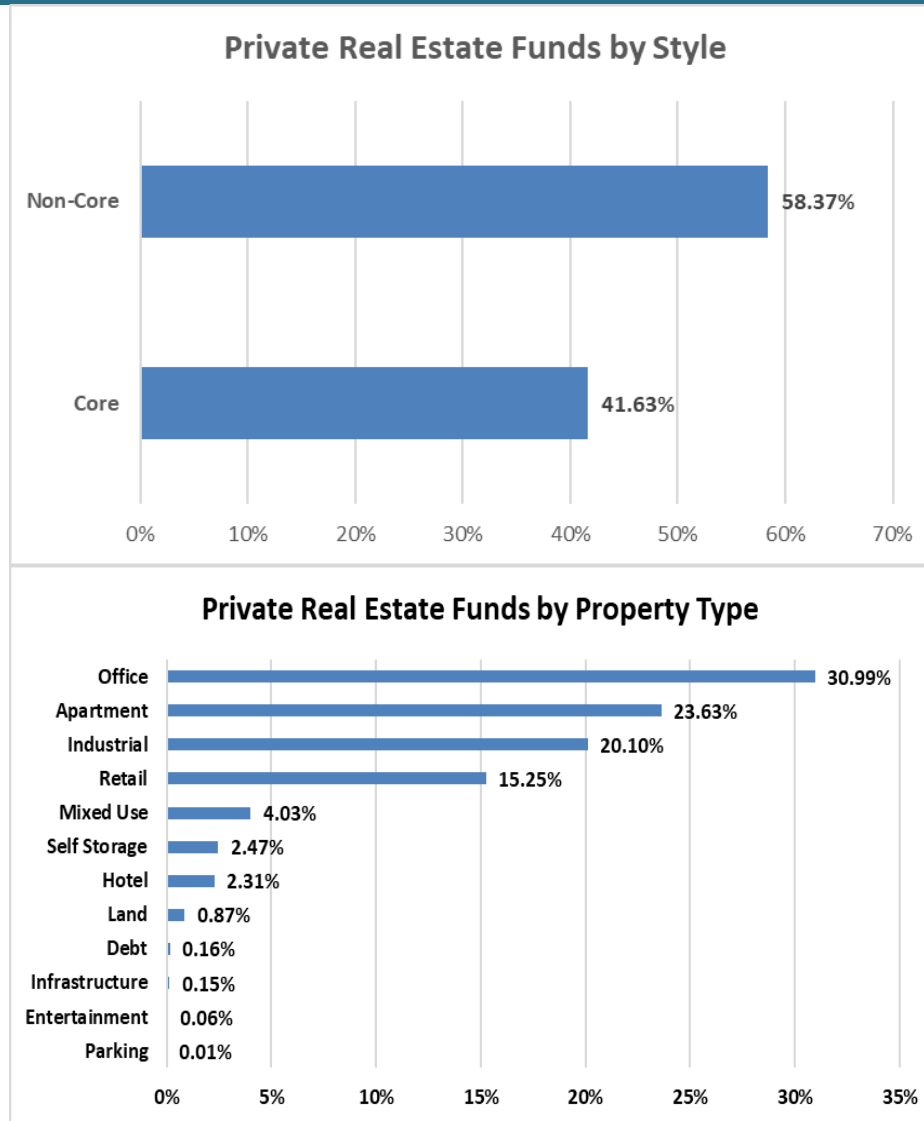


# Real Estate Characteristics



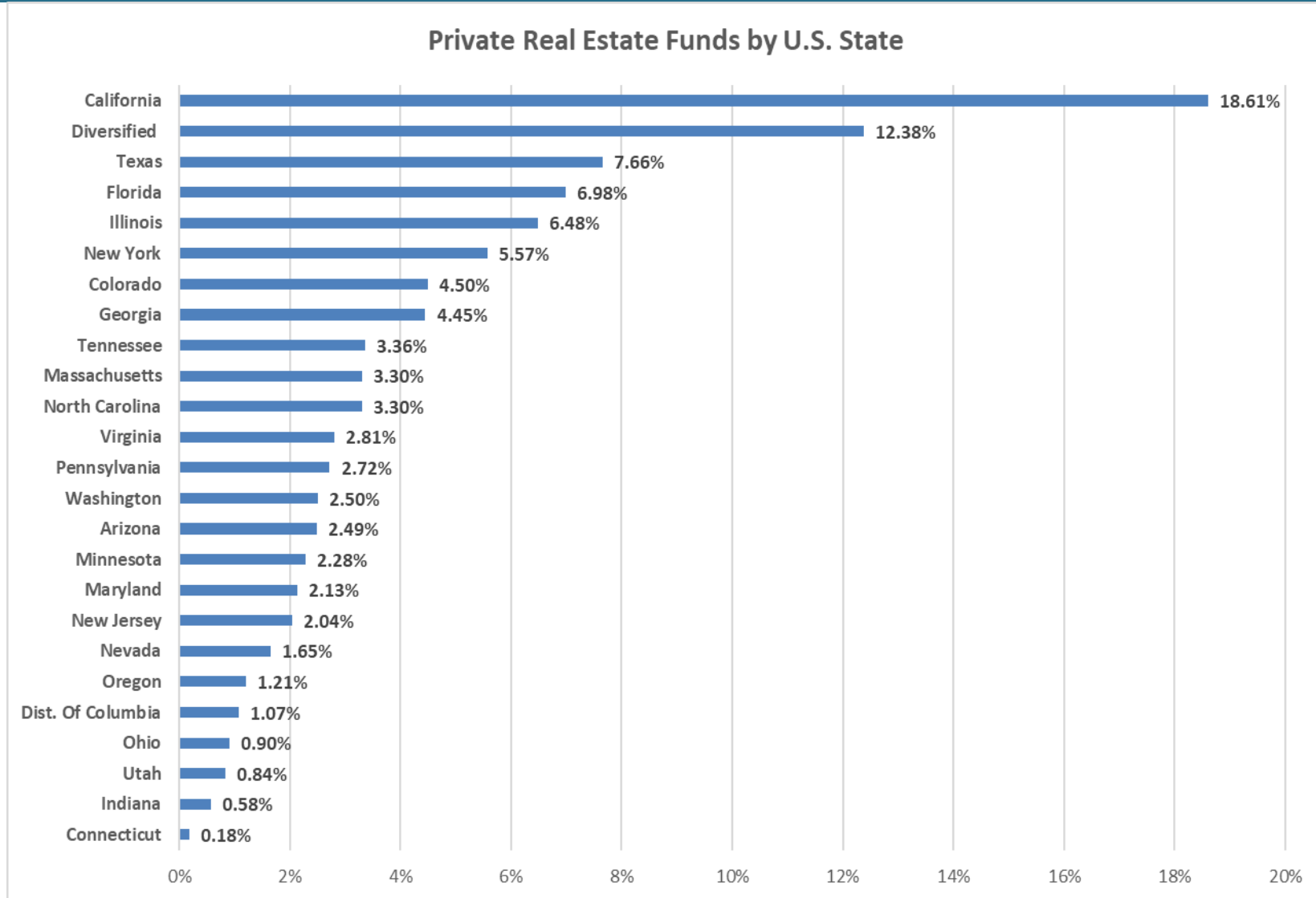
Note: Data reflects most recent GP-reported holdings as of 3/31/21  
June 30, 2021

# Real Estate Characteristics



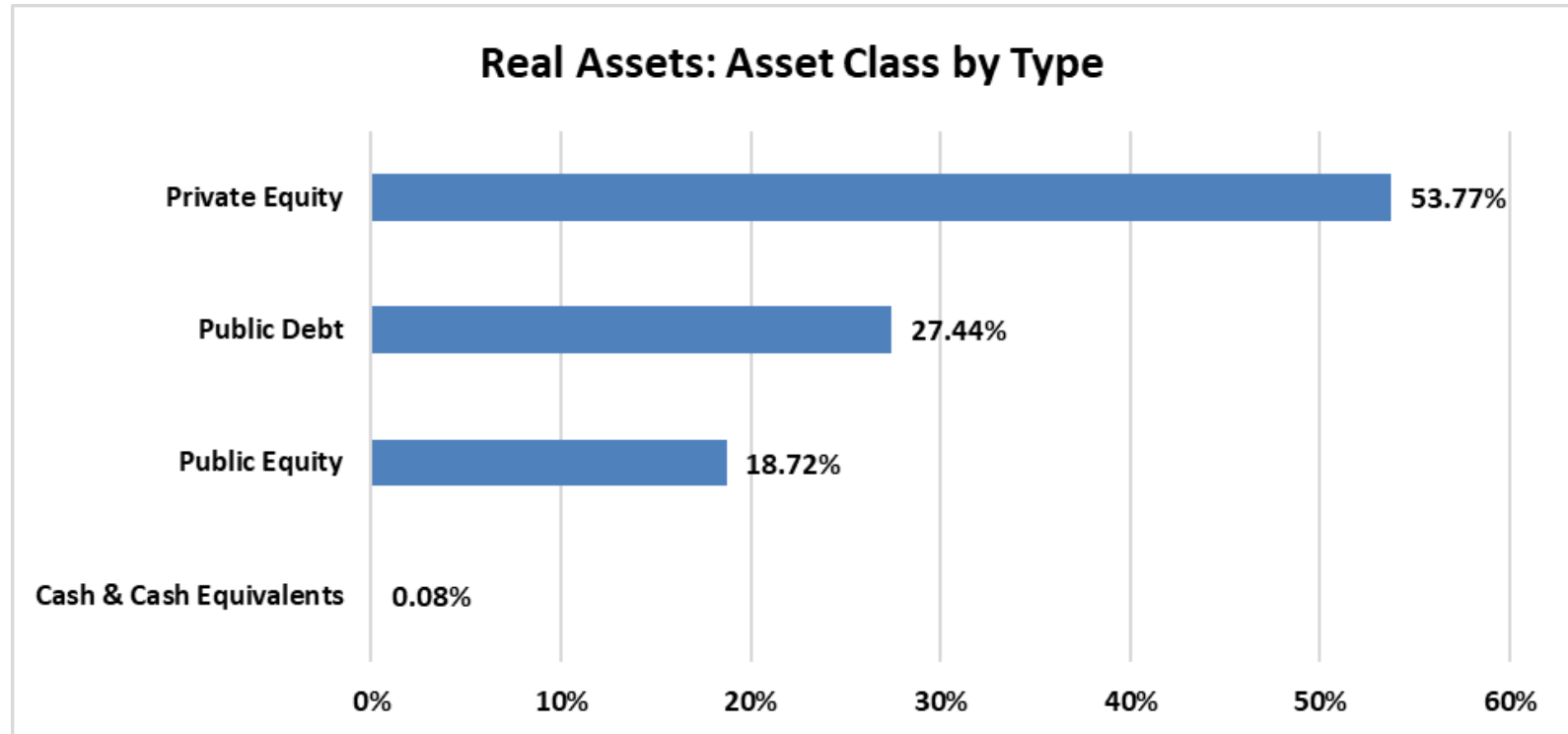
Note: Data reflects most recent GP-reported holdings as of 3/31/21  
June 30, 2021

# Real Estate Characteristics

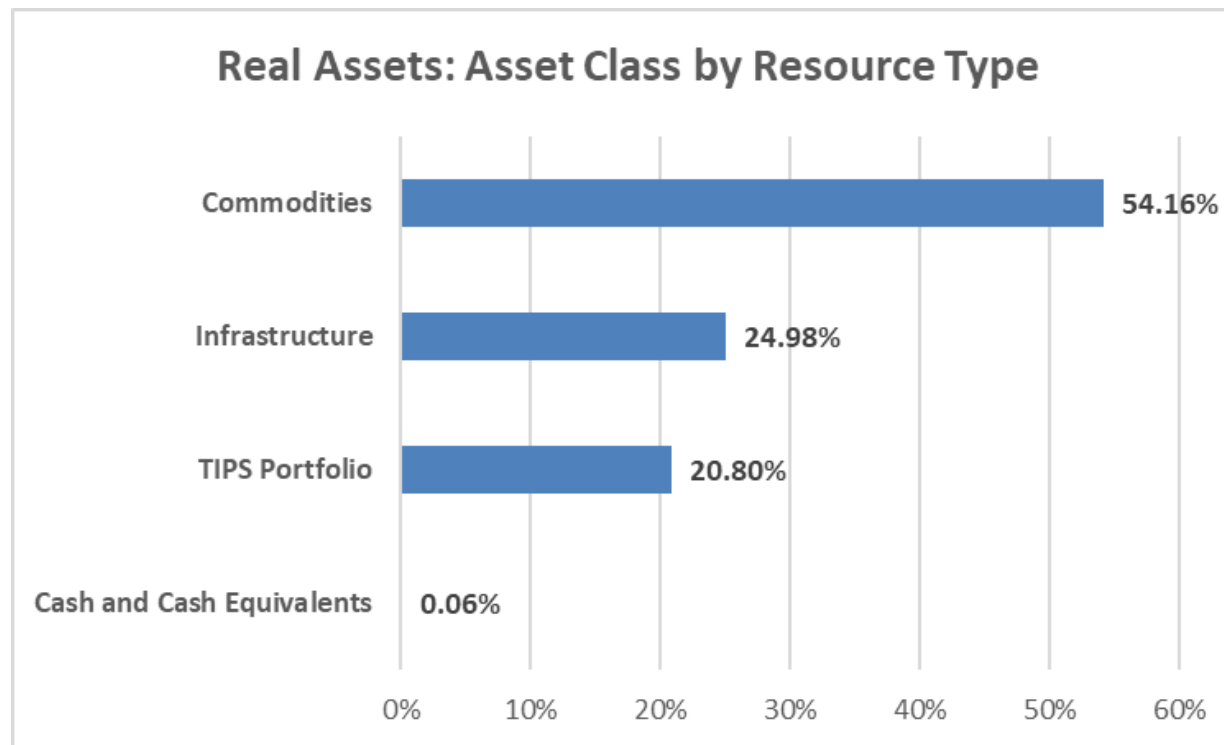


Note: Data reflects most recent GP-reported holdings as of 3/31/21  
June 30, 2021

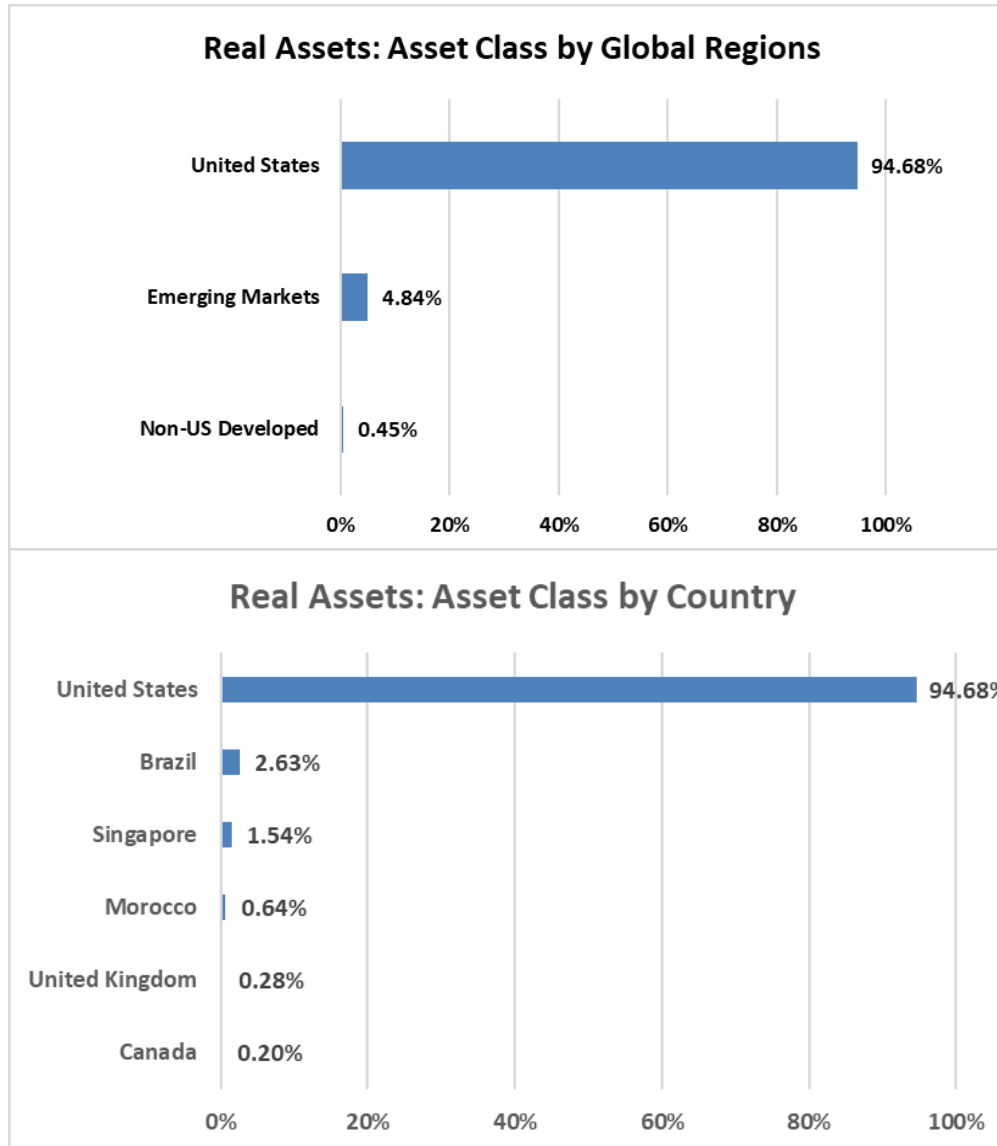
# Real Assets Characteristics



# Real Assets Characteristics

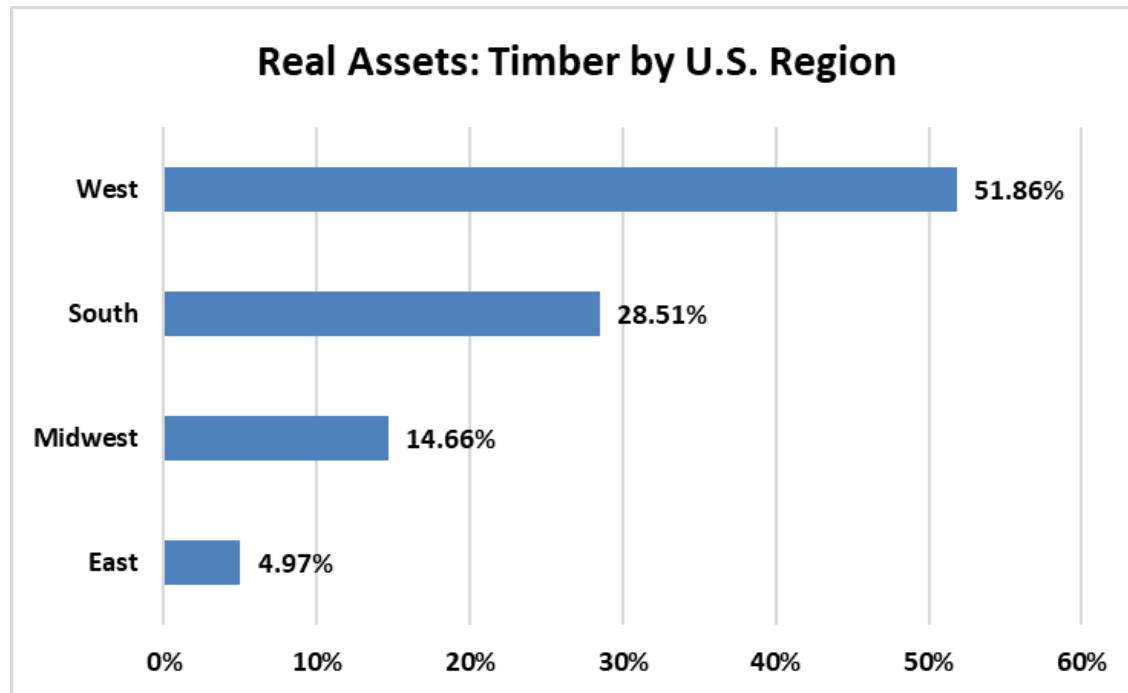


# Real Assets Characteristics



Note: Data reflects most recent GP-reported holdings as of 12/31/20  
June 30, 2021

# Real Assets Characteristics

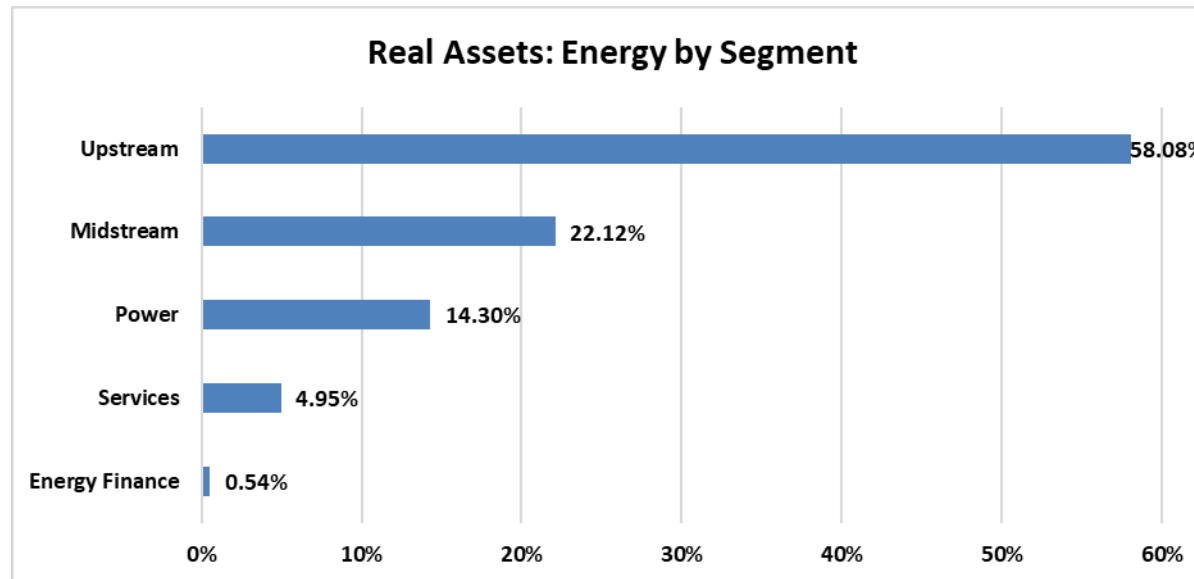


Note: Data reflects most recent GP-reported holdings as of 3/31/21

June 30, 2021



# Real Assets Characteristics



**Upstream**

**Exploration and production**

**Services  
transport oil and**

**Businesses that provide ancillary services and equipment required to explore for, produce and gas**

**Power**

**Generation plants that create power**

**Midstream**

**Pipelines, terminals and storage of oil and gas and involves the transportation of oil and gas**

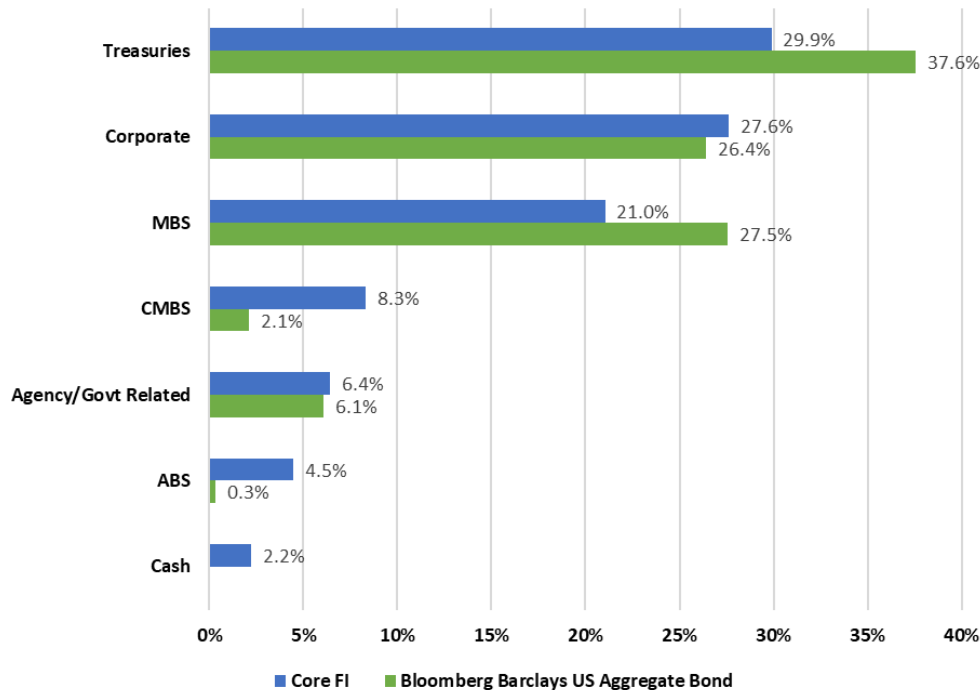
**Energy Finance**

**Investments in a portfolio of liquid or yield-oriented securities**

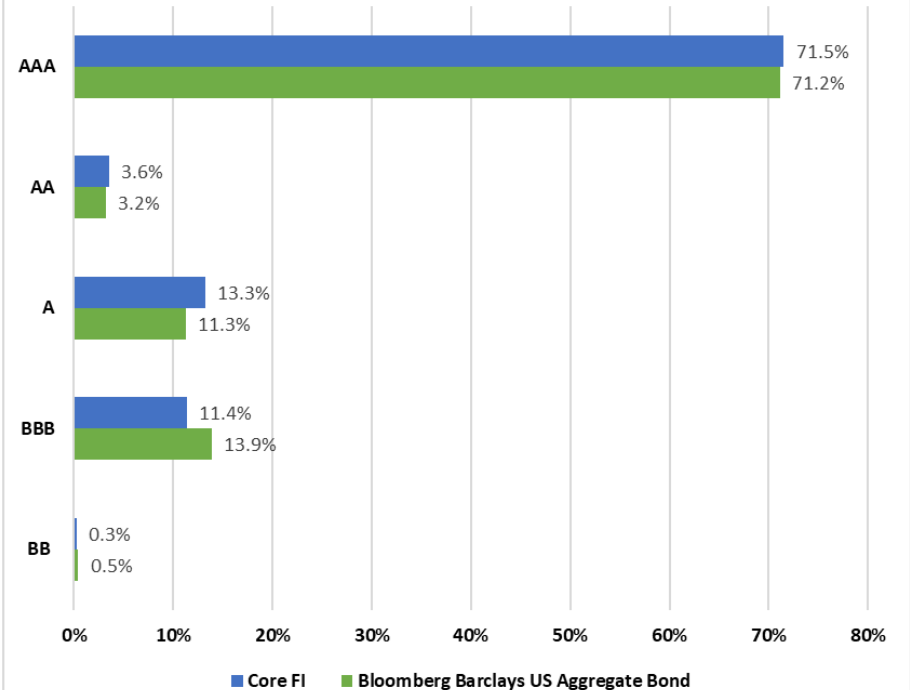
Note: Data reflects most recent GP-reported holdings as of 12/31/20  
June 30, 2021

# Core Fixed Income Characteristics

### Core Fixed Income Sector Weights

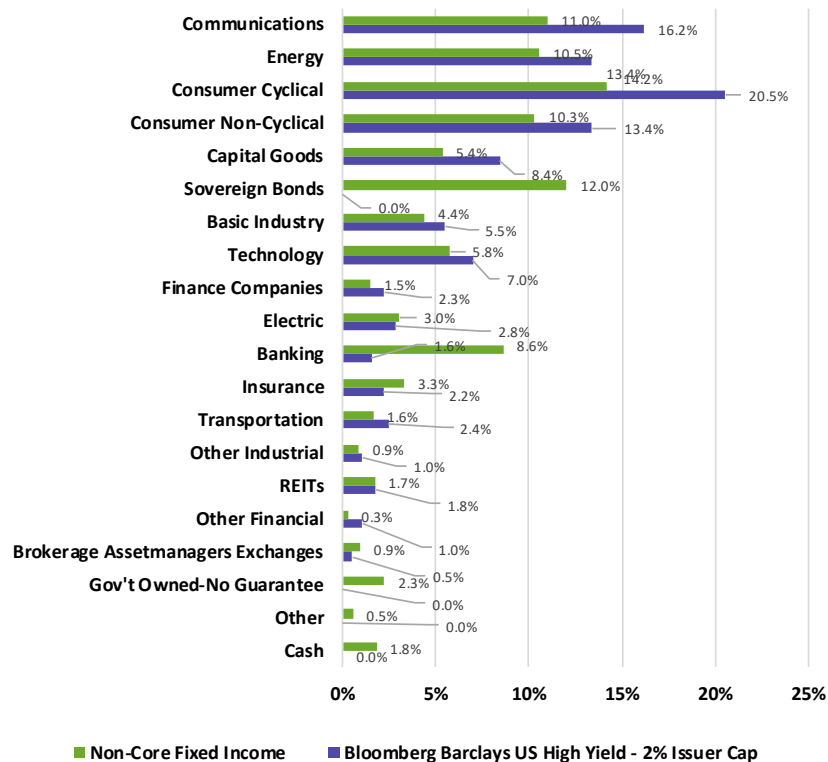


### Core Fixed Income Credit Quality

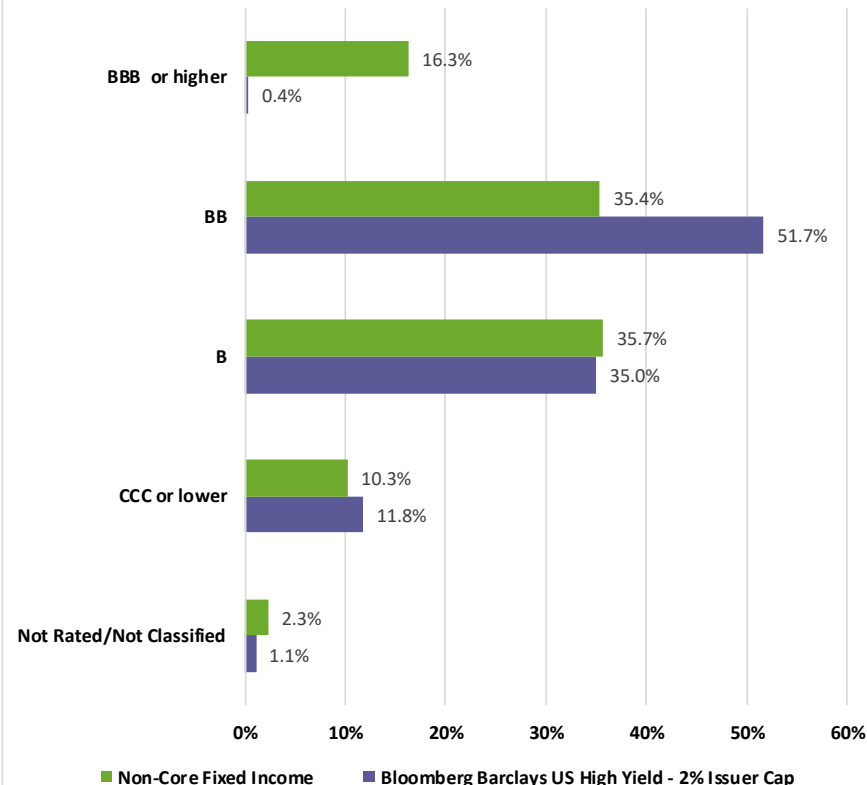


# Non-Core Fixed Income Characteristics

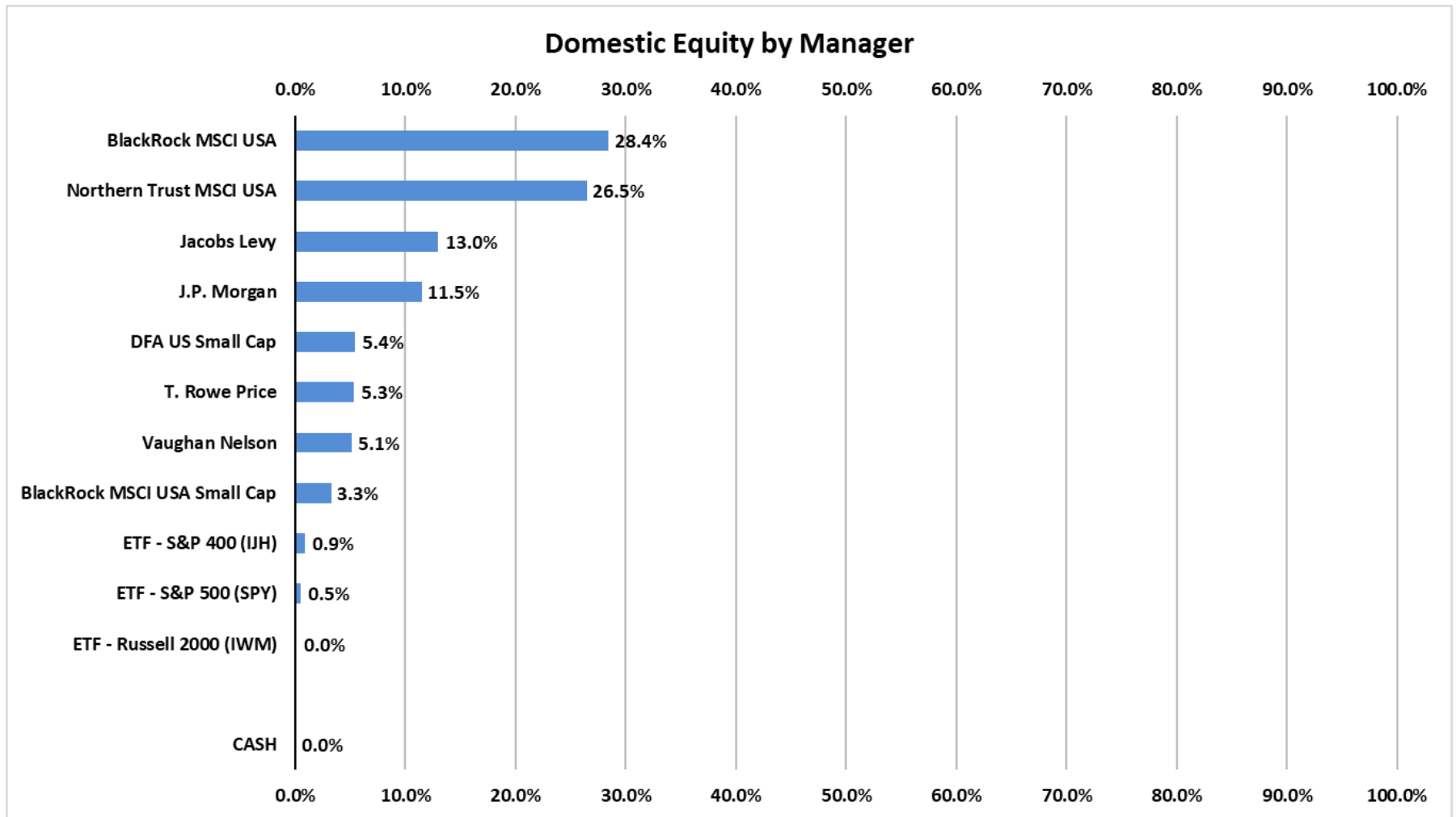
## Non-Core Fixed Income Sector Weights



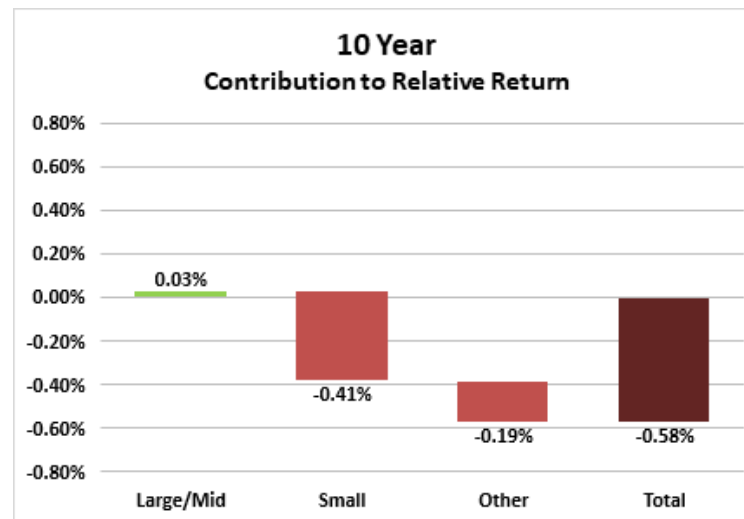
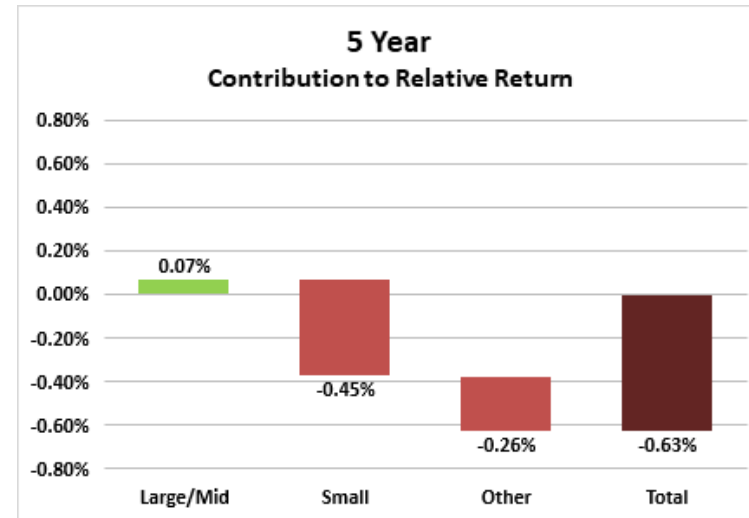
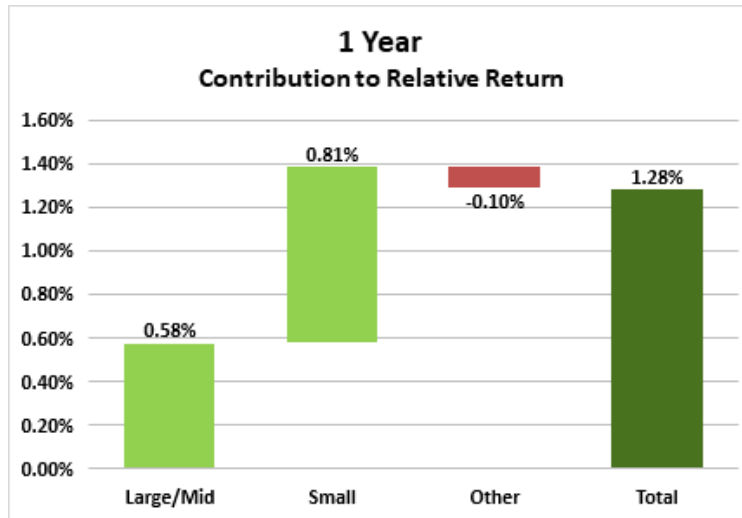
## Non-Core Fixed Income Credit Quality



# Domestic Equity Policy



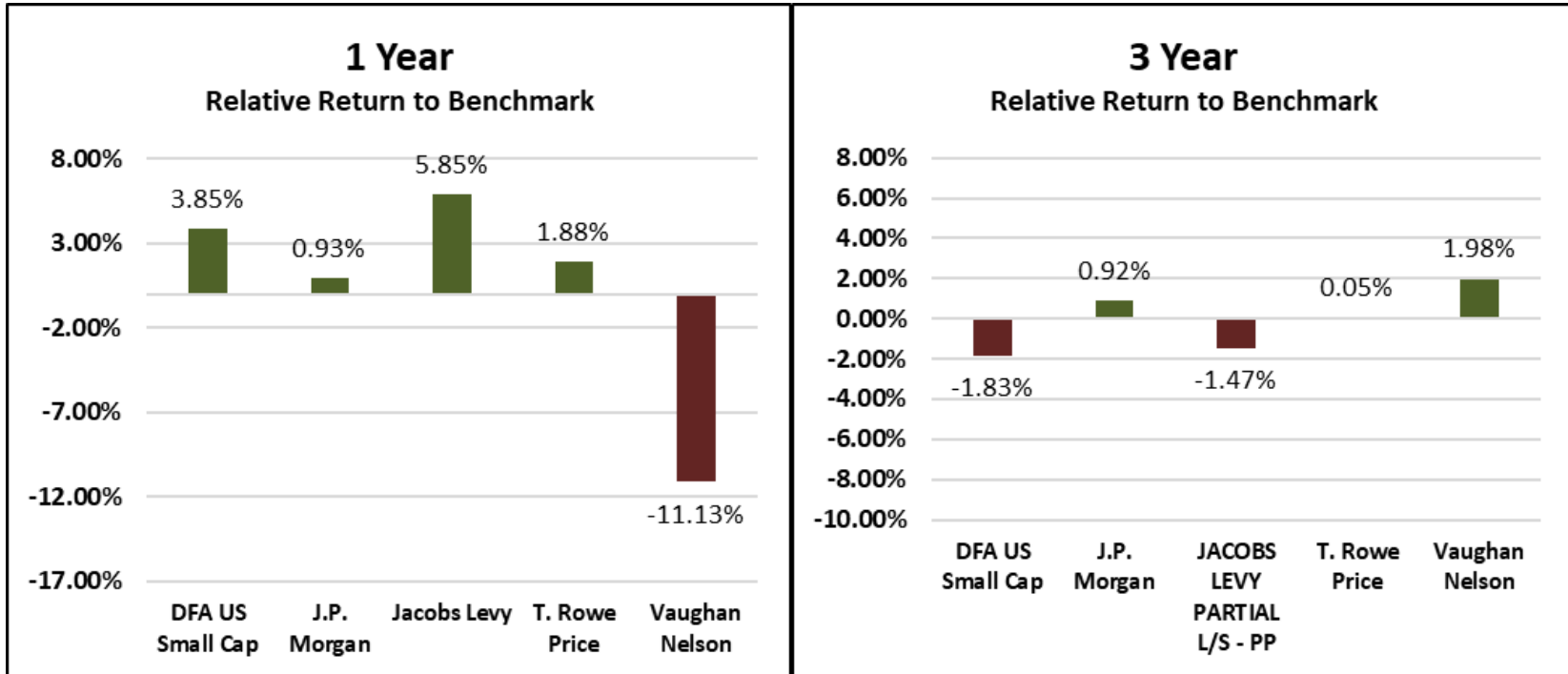
# Domestic Equity Performance



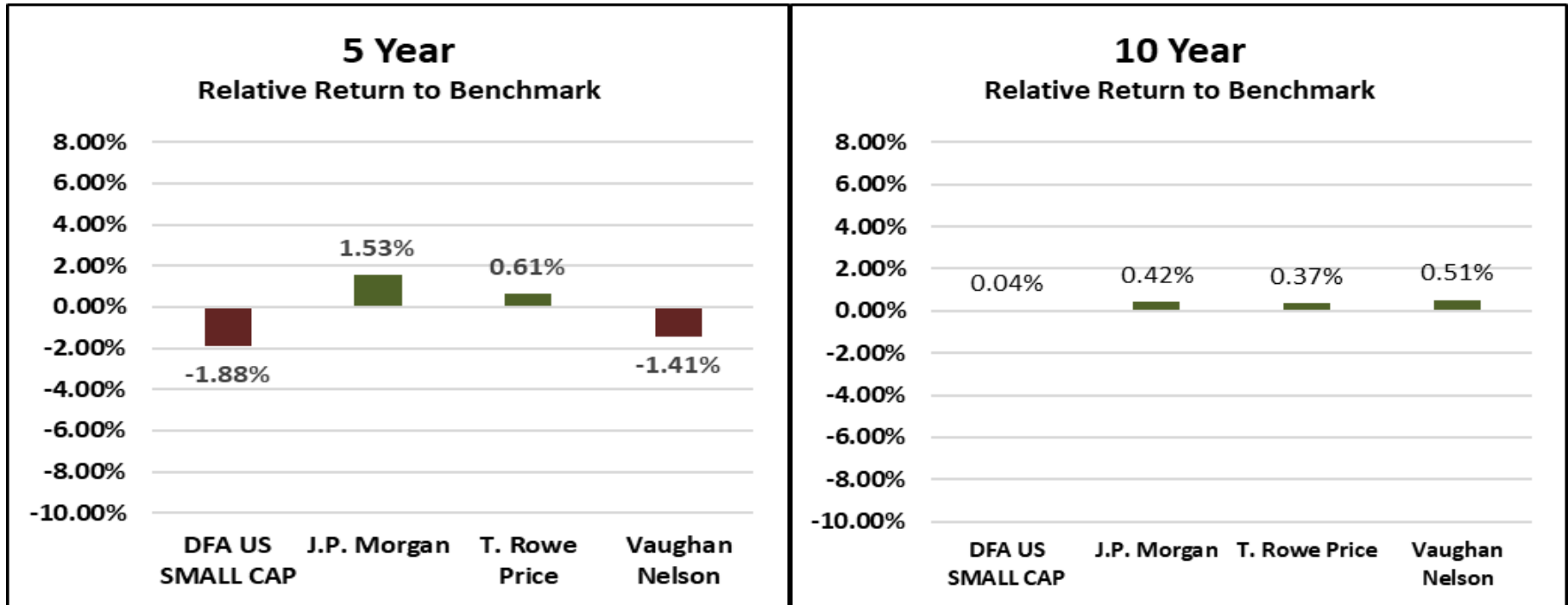
Benchmark: Domestic Equity – PAC Custom Blend

June 30, 2021

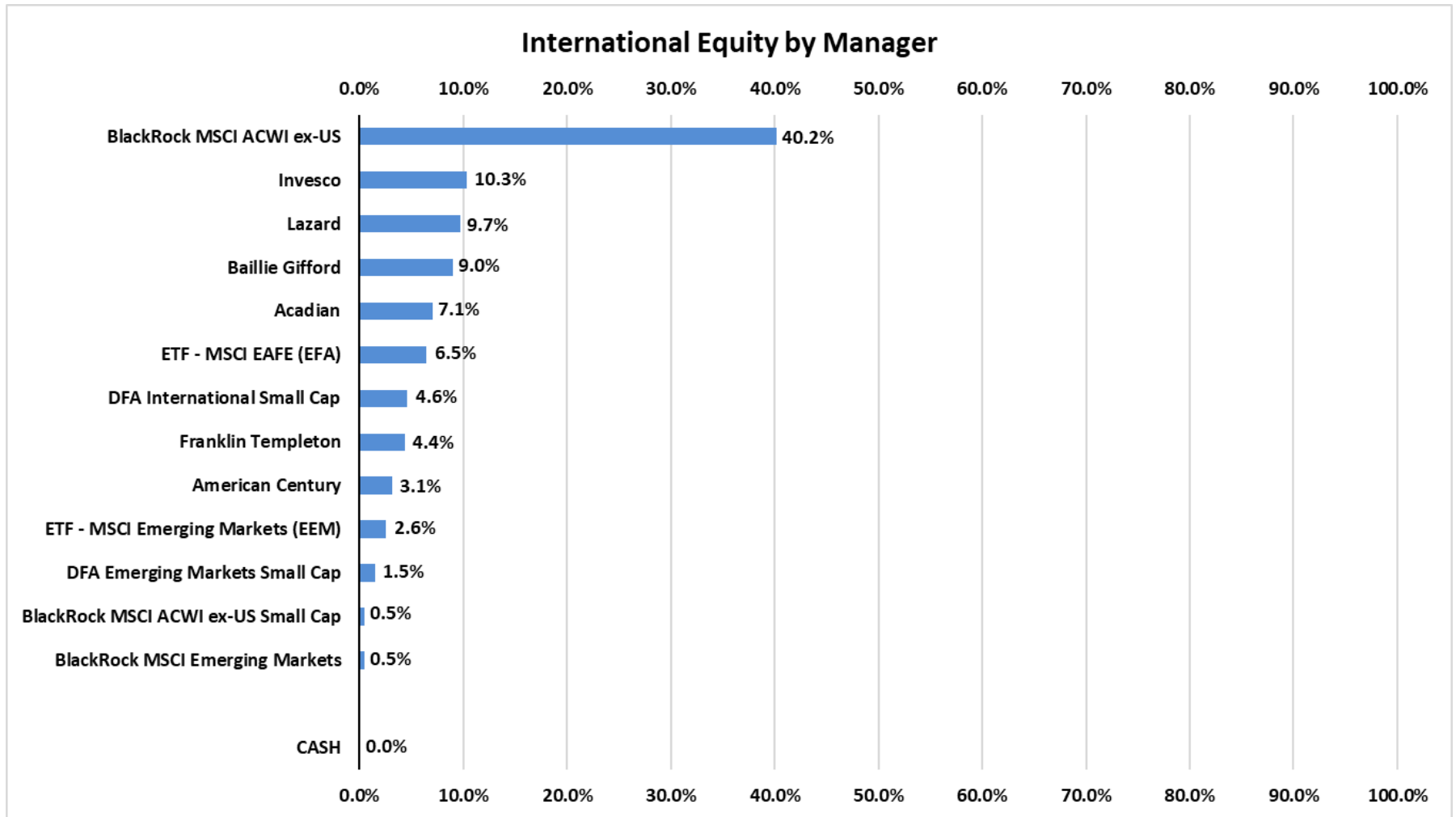
# Domestic Equity – Active Managers Net Performance



# Domestic Equity – Active Managers Net Performance

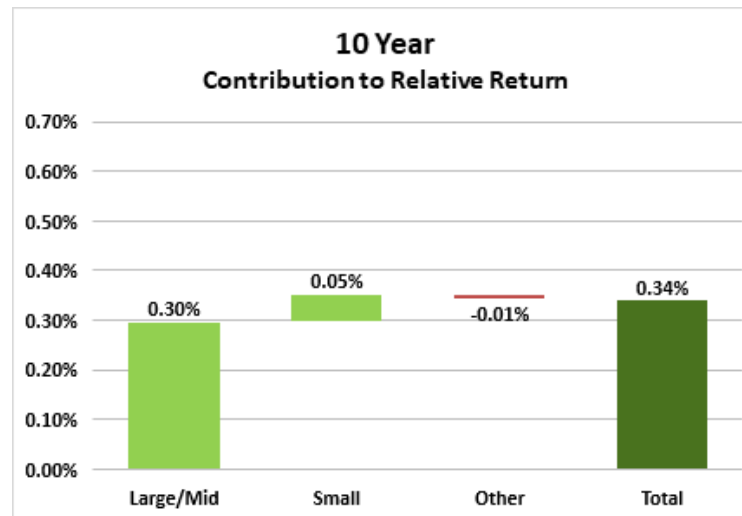
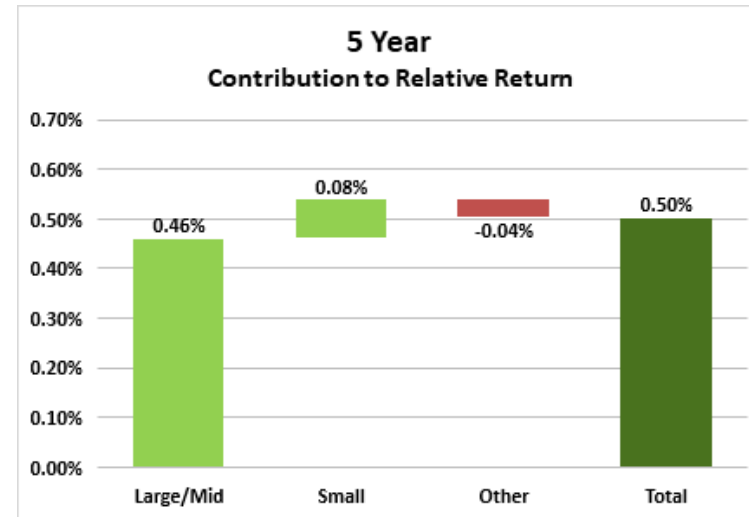
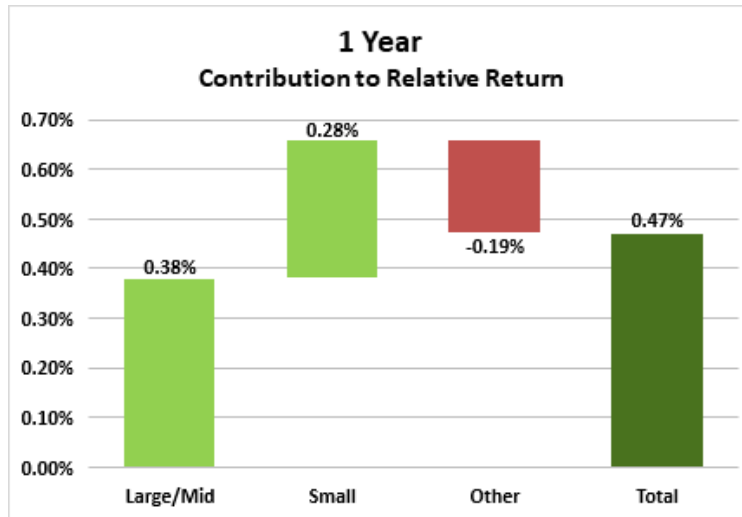


# International Equity Policy





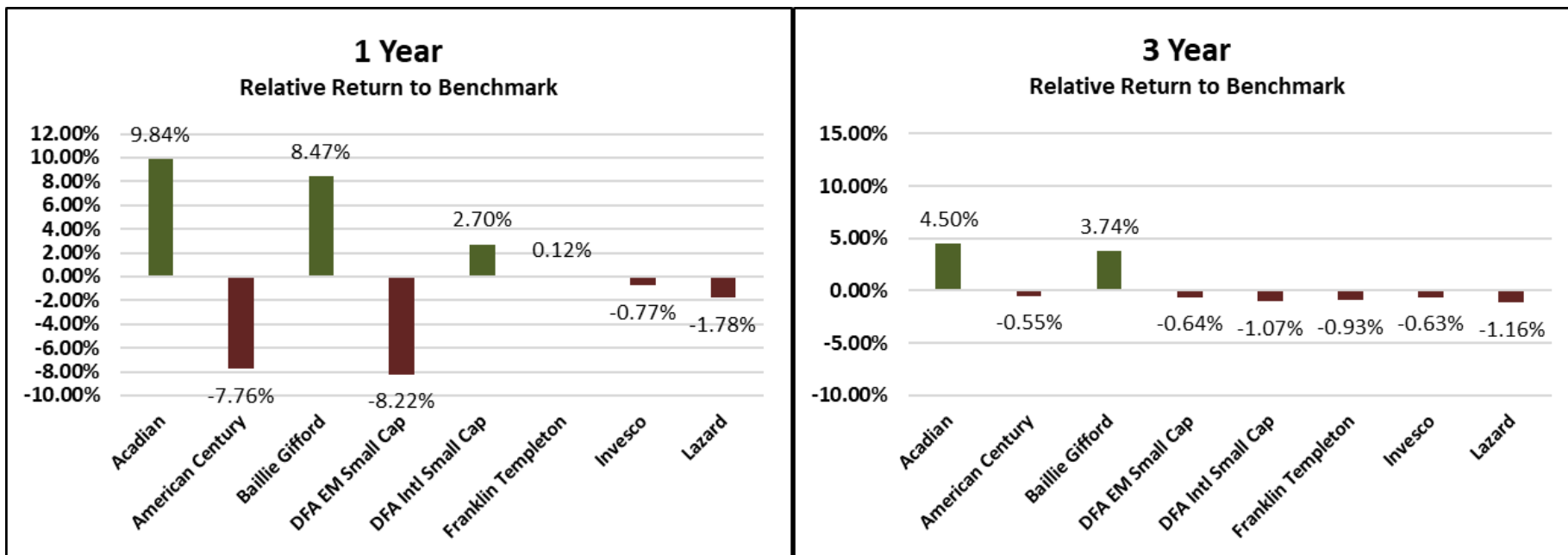
# International Equity Performance



Benchmark: International Equity – PAC Custom Blend

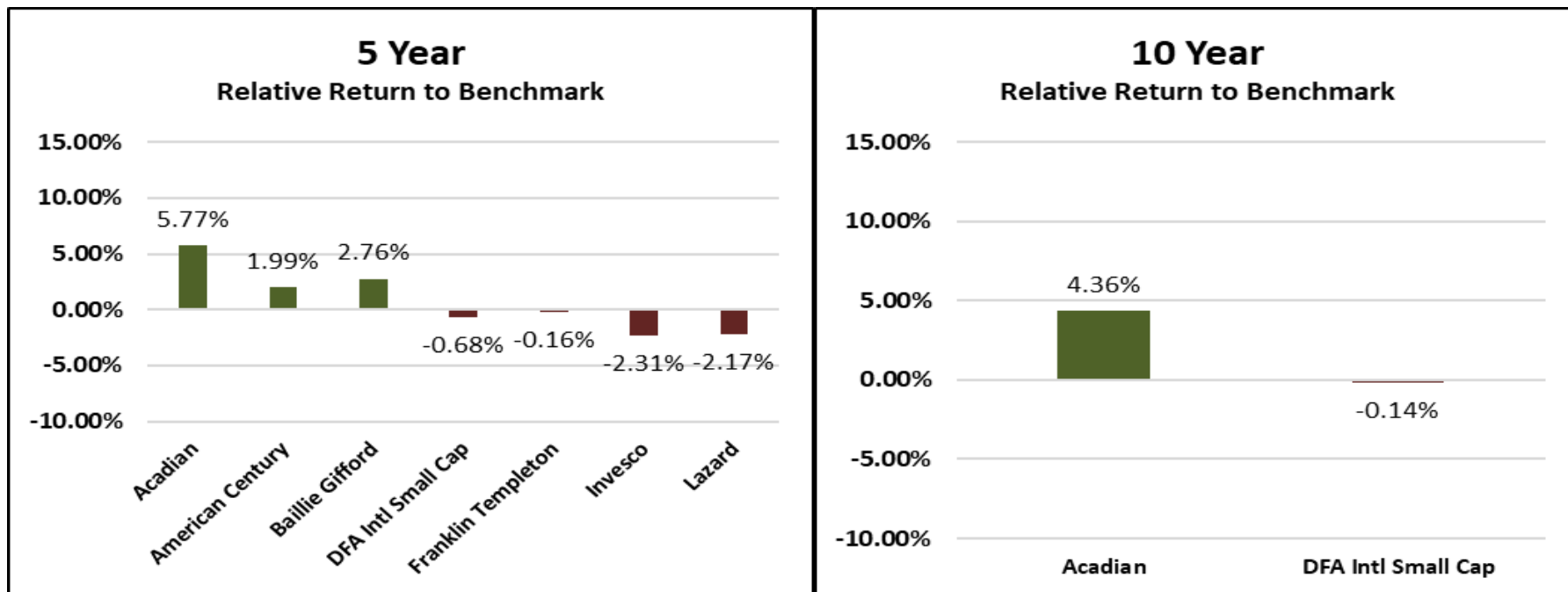
June 30, 2021

# International Equity – Active Managers Net Performance

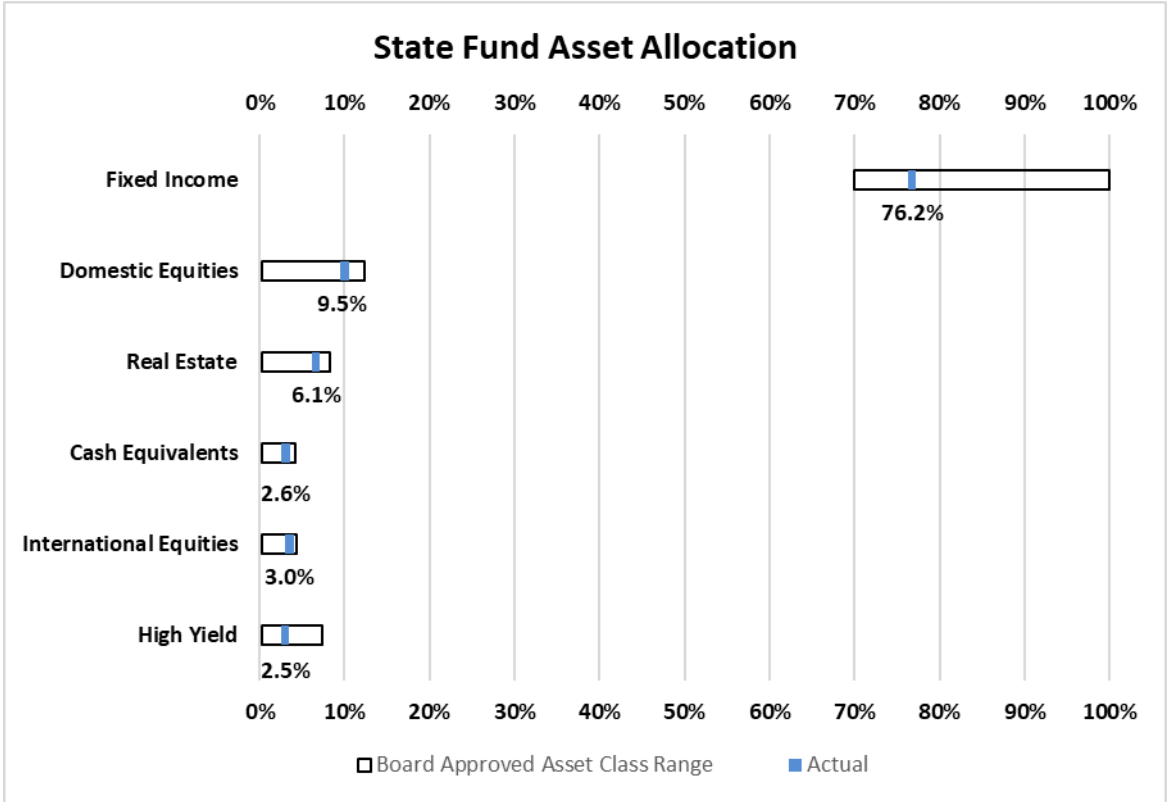


# International Equity – Active Managers

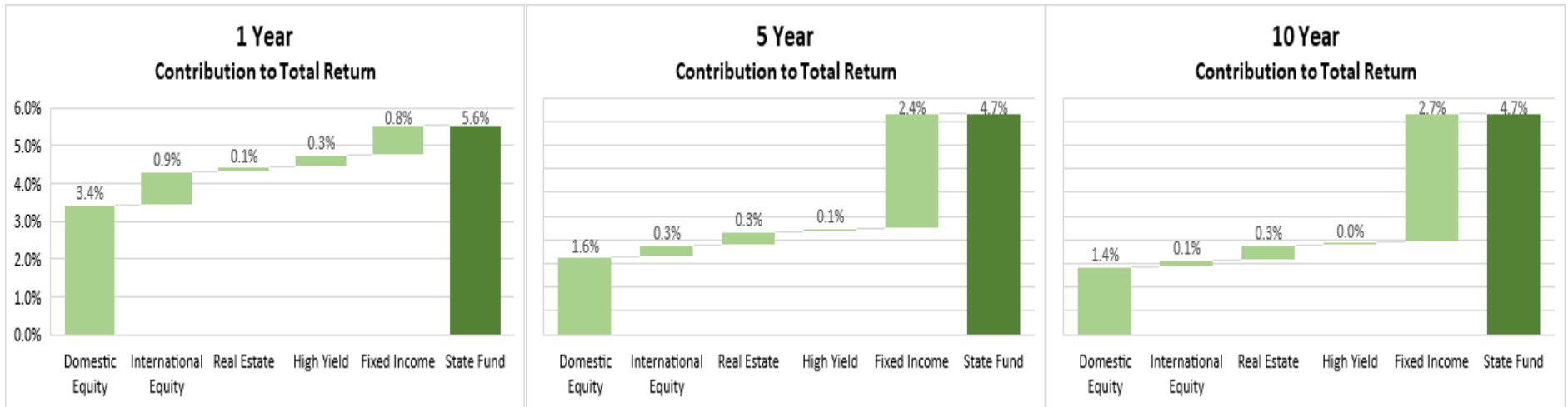
## Net Performance



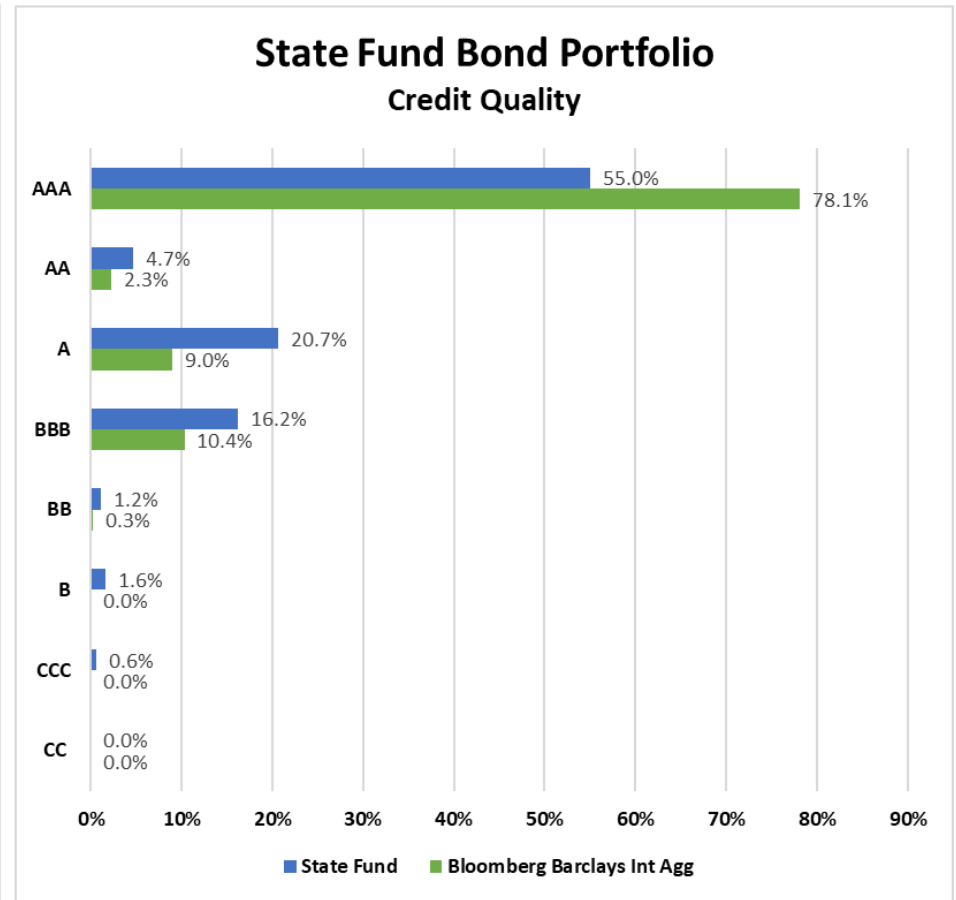
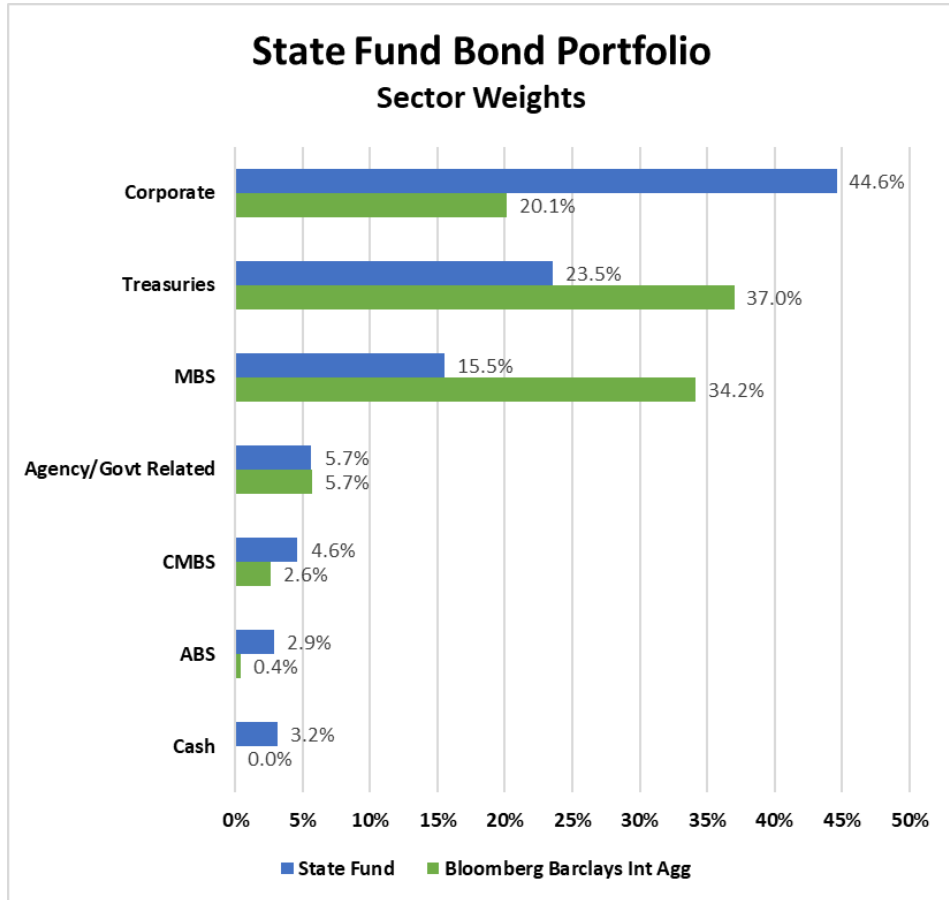
# State Fund Policy



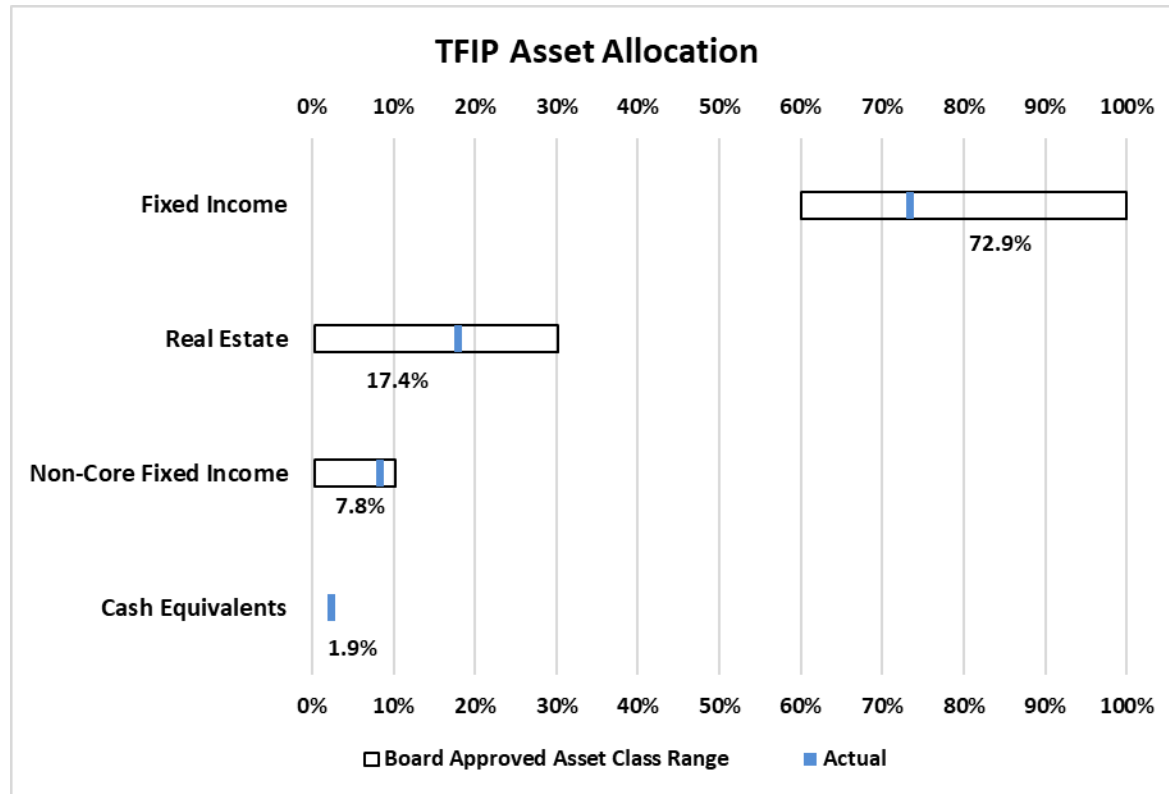
# State Fund Performance



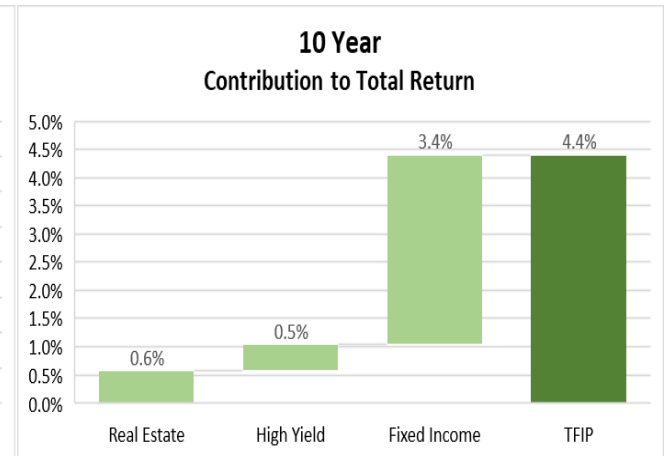
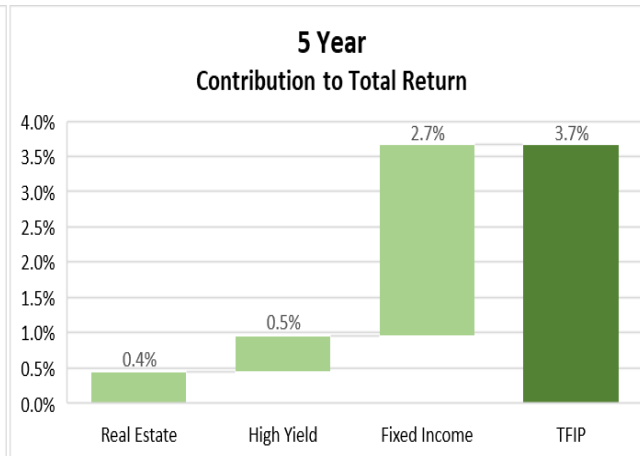
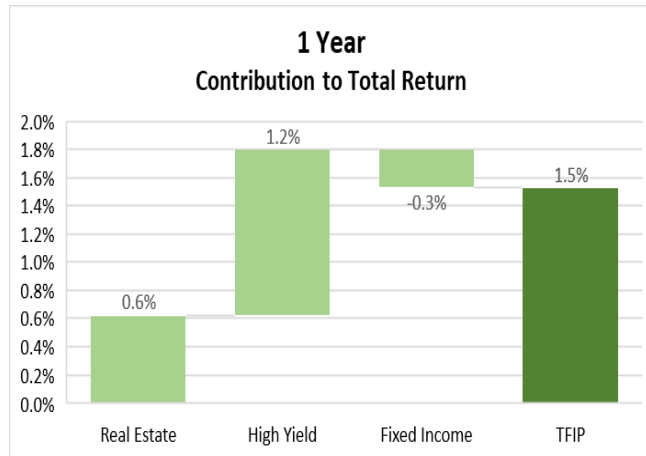
# State Fund Investment Pool Characteristics



# Trust Funds Investment Pool Policy



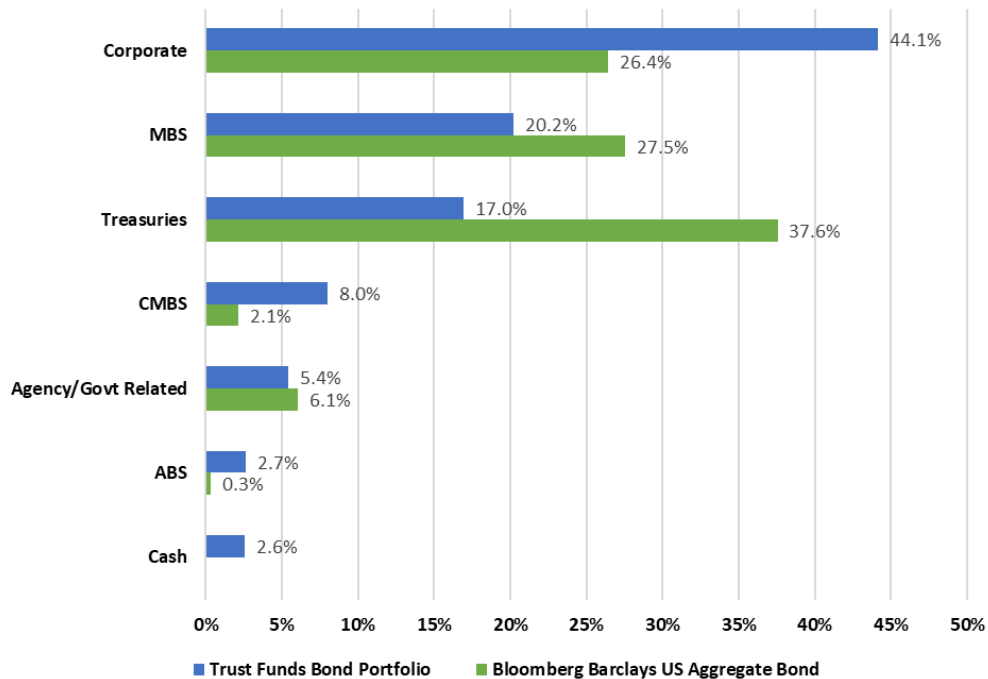
# Trust Funds Investment Pool Performance



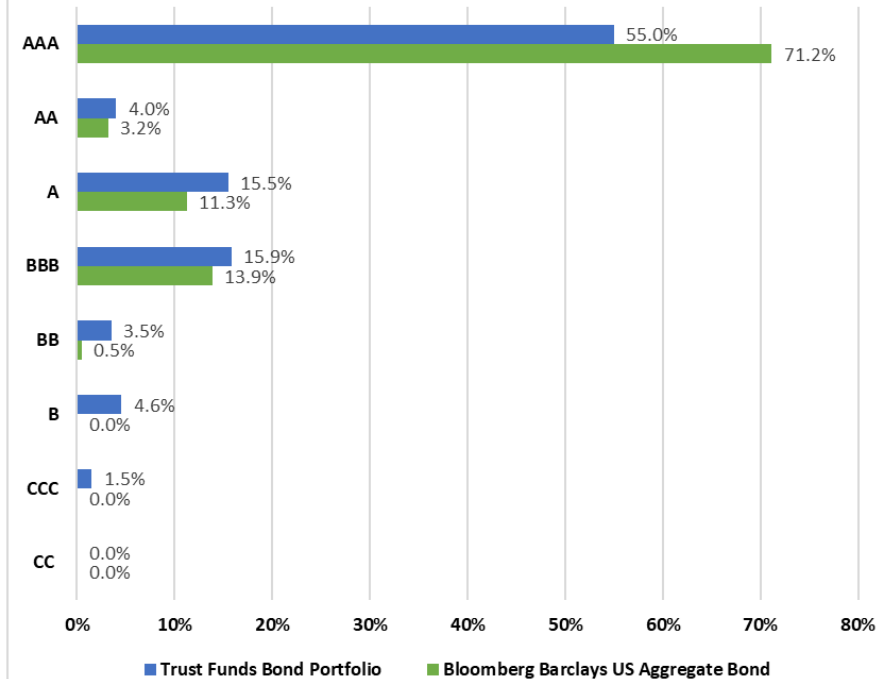


# Trust Funds Investment Pool Characteristics

**Trust Funds Bond Portfolio  
Sector Weights**

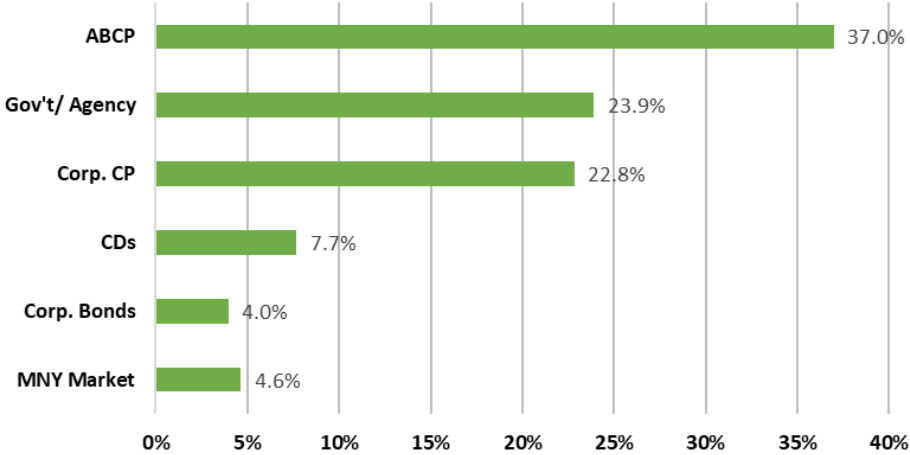


**Trust Funds Bond Portfolio  
Credit Quality**



# Short Term Investment Pool Characteristics

**Assets by Type**



**Participant by Type**

