

MONTANA

BOARD OF INVESTMENTS

REGULAR BOARD MEETING
Zoom Conference
August 3-4, 2022

COMMITTEE MEETINGS

- A. Audit Committee – Maggie Peterson, Chair** **9:30 AM**
1. Public Comment – *Public Comment on Issues with Committee Jurisdiction*
 2. Approval of May 25, 2022, 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 May 25, 2022, Committee Meeting Minutes
 3. Executive Director Comments
 4. New Approved Lender
 5. INTERCAP Loan Requests – **Decisions**
- C. Human Resource Committee – Terry Cohea, Chair** **10:30 AM**
1. Public Comment – *Public Comment on Issues with Committee Jurisdiction*
 2. Executive Director Comments – **Closed Session**
 3. Recommendation to Transfer Exempt Staff – **Decision**
 4. Exempt Compensation Adjustment - **Decision**

BREAK **11:00 PM**

- Tab 1 CALL TO ORDER – Karl Englund, Chairman** **11:15 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 May 25-26, 2022, Meeting Minutes
 - E. Administrative Business
 1. Audit Committee Report
 2. Loan Committee Report
 3. Human Resources Committee Report - **Decisions**
 - F. Comments from Pension Board Members
 - G. Comments from Board Legislative Liaisons

- Tab 2 EXECUTIVE DIRECTOR REPORTS – Dan Villa** **11:30 AM**
- A. Member Requests from Prior Meeting
 - B. Monthly Snapshot
 - C. Budget Proposal for FY 24-25 – **Decision**
 - D. Budget Status Prior FY
 - E. Board Policy Manual – **Decisions**
 - F. Coal Severance Tax Trust Fund Study Report

BREAK FOR LUNCH **12:00 PM**

| | |
|---|-----------------|
| Tab 3 INVESTMENTS – NEW COMMITMENTS 1:00 PM | |
| A. Private Investments – Ian Horwood | |
| B. Real Estate/Real Assets – Ethan Hurley | |
| Tab 4 PROXY VOTING – Jon Putnam | 1:30 PM |
| BREAK | 2:30 PM |
| Tab 5 RVK | 2:45 PM |
| Tab 6 INVESTMENT UPDATE | 3:30 PM |
| ADJOURN | |
| RECONVENE AND CALL TO ORDER – Karl Englund, Chairman | 9:30 AM |
| A. Roll Call | |
| B. Notice of Video Recording and Meeting | |
| C. Public Comment – <i>Public Comment on issues within Board Jurisdiction</i> | |
| Tab 7 CORE FIXED INCOME ASSET CLASS REVIEW – John Romasko, CFA | 9:45 AM |
| Tab 8 MONTANA LOAN PROGRAM – Doug Hill | 11:15 AM |
| A. Commercial and Residential Portfolios Report | |
| Tab 9 BOND PROGRAM – Louise Welsh | 11:30 AM |
| A. INTERCAP | |
| 1. Activity Report | |
| 2. Staff Approved Loans Report | |
| 3. Annual Detail Report | |
| RECAP OF STAFF TO DO LIST AND ADJOURNMENT – Karl Englund, Chairman | 12:00 PM |
| Appendix | |
| A. Annual Board Meeting Schedule | |
| B. 2022/2023 Work Plan | |
| C. Terminology and Acronym List | |

MONTANA

BOARD OF INVESTMENTS

REGULAR BOARD MEETING MINUTES

May 25-26, 2022

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

Call to Order

The Board of Investment's meeting was called to order by Vice Chairman Jack Prothero at 1:00 p.m. on Wednesday, May 25, 2022.

Attendance

Board Members Present: Jack Prothero, Bruce Nelson, Diane Fladmo, Maggie Peterson, Mark Barry, Jeff Meredith, Terry Cohea, Daniel Trost

Board Members Absent: Chairman Karl Englund

Legislative Liaisons Present: Rep. Ken Walsh

Legislative Liaisons Absent: Sen. Ryan Lynch

Board Staff Present: Brenda Thomas, 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, Roberta Diaz, Sam Holman, Savannah Morgan, Sheli Jacoby, Steve Strong, Tammy Lindgren, Teri Kolnik, Thomas Winkler, Tim House, Ian Horwood, Matt Hoffman

Interested Parties Present: Becky Gratsinger, Eryn Bacewich, Jim Voytko – RVK; McCyril Espanol – With Intelligence; Gregg Gethard – PEI Media; Danny Day – Bank of Montana

May 25, 2022

Tab 1 CALL TO ORDER (00:03)

A. Notice of Video Recording (00:17)

Vice Chairman Prothero advised of audio and video recording of the meeting.

B. Roll Call (00:29)

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

C. Public Comment (01:20)

Vice Chairman Prothero asked for public comment. None was given.

D. Approval of Minutes (01:37)

April 20, 2022, Regular Board Meeting

Member Cohea moved to approve. Member Barry seconded the motion which passed unanimously.

E. Administrative Business

1. Audit Committee Report (02:12)

Chair Peterson briefed the Board.

2. Loan Committee Report (04:59)

Chair Prothero and Doug Hill briefed the Board.

- Chair Prothero moved to approve Jackrabbit Rentals, LLC's loan request as presented. Member Peterson seconded the motion, which passed unanimously.
- Chair Prothero moved to approve OSD Tech Campus A, LLC's loan request as presented. Member Cohea seconded the motion, which passed unanimously.

3. HR Committee Report (11:06)

Chair Cohea briefed the Board.

- Chair Cohea moved to approve salaries for the exempt staff for FY23 as recommended by the HR Committee. Member Fladmo seconded the motion, which passed unanimously.

F. Comments from Pension Board Members

Member Peterson briefed the Board. (12:28)

Member Trost briefed the Board. (18:19)

G. Comments from Board Legislative Liaisons (21:45)

Rep. Walsh briefed the Board.

Tab 2 EXECUTIVE DIRECTOR REPORTS (22:16)

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. Montana Buildings

Executive Director Villa briefed the Board.

D. Budget Status FYTD

Executive Director Villa briefed the Board.

E. Board Policy Manual Review

Executive Director Villa briefed the Board.

Member Peterson moved to approve the revised policies with minor edits. Member Nelson seconded the motion, which passed unanimously.

Executive Director Villa introduced Ethan Kittle and Halton Stancil as the Board's investment interns.

Tab 3 RVK (39:30)

Becky Gratsinger and Jim Voytko briefed the Board and answered questions.

Tab 4 INVESTMENT UPDATE

CIO Update (1:33:33)

Jon Putnam briefed the Board.

Macro Attribution (1:49:57)

Eron Krpan briefed the Board.

Private Equity (1:54:30)

Michael Nguyen briefed the Board.

Real Estate and Real Assets (2:05:30)

Ethan Hurley briefed the Board.

Core Fixed Income (2:33:05)

John Romasko briefed the Board.

Non-Core Fixed Income, Domestic Equity, and International Equity (2:36:10)

Jason Brent briefed the Board.

STIP (2:49:49)

Kirsten Haswell briefed the Board.

State Fund and Trust Fund Investment Pool (2:52:50)

John Romasko briefed the Board and answered questions.

Tab 5 INVESTMENTS – NEW COMMITMENTS

A. Private Investments (3:00:20)

Michael Nguyen briefed the Board.

May 26, 2022

CALL TO ORDER (00:03)

A. Notice of Video Recording (00:10)

Vice Chairman Prothero advised of audio and video recording of the meeting.

B. Roll Call (00:25)

Roll was taken. Eight Board members were present including Vice Chairman Jack Prothero, Bruce Nelson, Diane Fladmo, Maggie Peterson, Mark Barry, Jeff Meredith, Terry Cohea, and Daniel Trost, forming a quorum.

C. Public Comment (01:09)

Vice Chairman Prothero asked for public comment. None was given.

Tab 6 INVESTMENT POLICY STATEMENTS (1:44)

Jon Putnam, John Romasko, and Kirsten Haswell briefed the Board.

- Member Cohea moved to approve revised Consolidated Asset Pension Pool Investment Policy Statements 40.204, 40.205, and 40.206 as submitted. Member Peterson seconded the motion, which passed unanimously.
- Member Fladmo moved to approve revised Trust Fund Investment Pool Investment Policy Statements 40.501 and 40.502 and new Investment Policy Statement 40.505 as submitted. Member Cohea seconded the motion, which passed unanimously.

- Member Peterson moved to approve the revised Short Term Investment Pool Investment Policy Statement 40.601 with a minor edit. Member Cohea seconded the motion, which passed unanimously.

Tab 7 REAL ESTATE ASSET CLASS (39:03)

Ethan Hurley and Thomas Winkler briefed the Board and answered questions.

Tab 8 MONTANA LOAN PROGRAM (1:54:10)

A. Commercial and Residential Portfolios Report

Doug Hill briefed the Board.

Tab 9 BOND PROGRAM (2:01:18)

A. INTERCAP

1. Activity Report
2. Staff Approved Loans Report

Louise Welsh briefed the Board.

RECAP OF STAFF TO DO LIST AND ADJOURNMENT (2:07:16)

Vice Chairman Prothero and Executive Director Villa listed items to recap.

Vice Chairman Prothero adjourned the meeting at 11:41 a.m.

MONTANA BOARD OF INVESTMENTS

APPROVE: _____

Karl J. Englund, Chairman

ATTEST: _____

Dan Villa, Executive Director

DATE: _____

MONTANA

BOARD OF INVESTMENTS

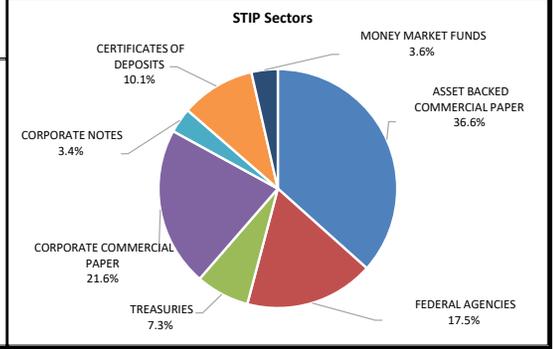
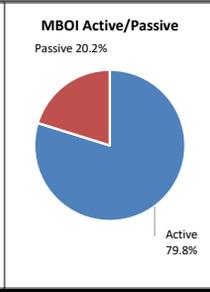
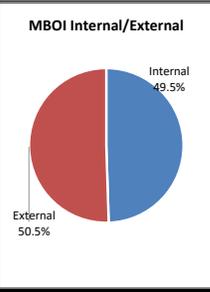
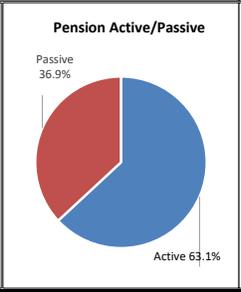
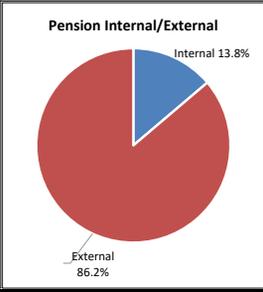
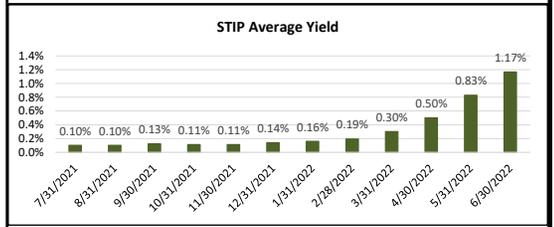
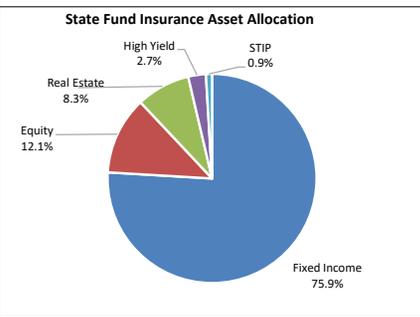
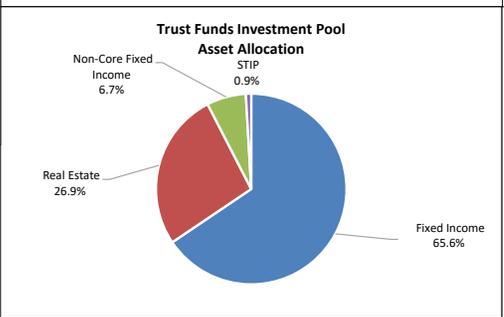
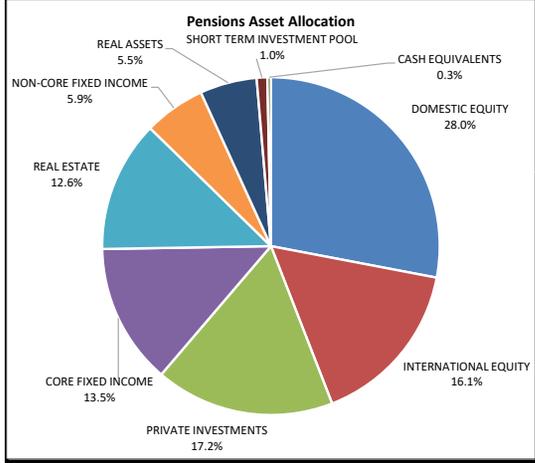
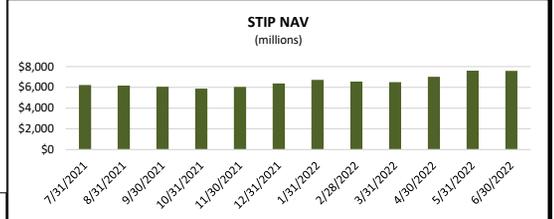
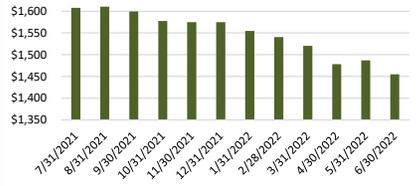
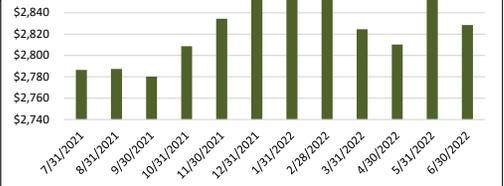
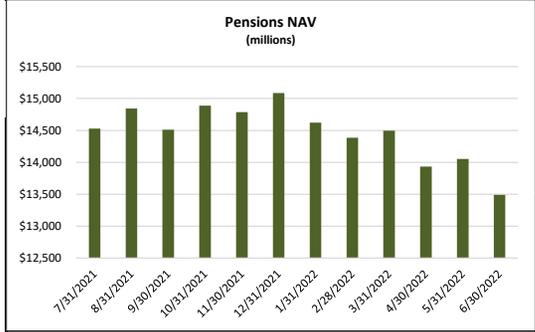
To: Members of the Board
From: Dan Villa, Executive Director
Date: August 3, 2022
Re: Executive Director Report

- A. Member Requests from Prior Meeting
- B. Monthly Snapshot – *attached*
- C. Budget Proposal for FY 24-25 – *attached*
- D. Budget Status Prior FY – *attached*
- E. Board Policy Manual – *attached*
- F. Coal Severance Tax Trust Fund Study Report – *attached*

MBOI Snapshot
 Asset Management View
 6/30/2022 Unaudited
 Assets Under Management \$25,432,139,424



| Pensions | NAV | % | TFIP | NAV | % | State Fund | NAV | % | Other Fixed Income & Pending | \$ | 75,713,271 |
|----------------------------|------------------|---------|-----------------------|------------------|---------|------------------|------------------|--------------------|-------------------------------|-----------------|------------|
| DOMESTIC EQUITY | \$3,775,978,768 | 27.99% | Fixed Income | \$ 1,854,421,664 | 65.56% | Fixed Income | \$ 1,104,622,548 | 75.94% | | | |
| INTERNATIONAL EQUITY | \$2,172,086,352 | 16.10% | Real Estate | \$ 760,147,962 | 26.87% | Equity | \$ 175,300,511 | 12.05% | STIP* | NAV | % |
| PRIVATE INVESTMENTS | \$2,315,127,915 | 17.16% | Non-Core Fixed Income | \$ 188,446,280 | 6.66% | Real Estate | \$ 121,318,199 | 8.34% | ASSET BACKED COMMERCIAL PAPER | \$2,777,044,049 | 36.61% |
| CORE FIXED INCOME | \$1,816,485,715 | 13.47% | STIP | \$ 25,470,898 | 0.90% | High Yield | \$ 39,634,363 | 2.72% | CORPORATE COMMERCIAL PAPER | \$1,638,881,035 | 21.61% |
| REAL ESTATE | \$1,695,806,361 | 12.57% | Total | \$ 2,828,486,805 | 100.00% | STIP | \$ 13,794,053 | 0.95% | FEDERAL AGENCIES | \$1,328,009,451 | 17.51% |
| NON-CORE FIXED INCOME | \$794,207,435 | 5.89% | | | | State Fund Total | \$ 1,454,669,675 | 100.00% | CERTIFICATES OF DEPOSITS | \$763,491,654 | 10.07% |
| REAL ASSETS | \$735,904,911 | 5.46% | | | | | | TREASURIES | \$550,200,816 | 7.25% | |
| SHORT TERM INVESTMENT POOL | \$136,952,036 | 1.02% | | | | | | MONEY MARKET FUNDS | \$270,330,078 | 3.56% | |
| CASH EQUIVALENTS | \$46,000,542 | 0.34% | | | | | | CORPORATE NOTES | \$256,762,555 | 3.39% | |
| Pensions Total | \$13,488,550,035 | 100.00% | | | | | | STIP Total | \$7,584,719,638 | 100.00% | |



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 \$73,132,769 is attributable the portion of STIP held within CAPP (\$44,894,832) and TFIP (\$25,430,591) as a cash investment as well as a pending distribution to participants (2,807,347) held over FYE. Such value is represented in the NAV for the CAPP and STIP columns.

MBOI Snapshot
Asset Ownership View
6/30/2022 Unaudited



| | CAPP Holdings | CAPP % | STIP Holdings* | STIP % | TFIP Holdings | TFIP% | Other Holdings ¹ | Other % | Asset Value | Total Net |
|--------------------------------|----------------------|---------------|---------------------|---------------|---------------------|---------------|-----------------------------|---------------|----------------------|---------------------|
| Total Funds \$(000) | \$13,351,598 | 52.50% | \$7,511,587 | 29.54% | \$2,828,487 | 11.12% | \$1,740,468 | 6.84% | | \$25,432,139 |
| Pensions | CAPP | % | STIP | % | TFIP | % | Other | % | Total | |
| FIREFIGHTERS RETIREMENT | \$ 563,504 | 98.95% | \$ 5,966 | 1.05% | \$ - | 0.00% | \$ 6 | 0.00% | \$ 569,476 | |
| GAME WARDENS RETIREMENT | \$ 257,190 | 98.99% | \$ 2,633 | 1.01% | \$ - | 0.00% | \$ 3 | 0.00% | \$ 259,826 | |
| HIGHWAY PATROL RETIREMENT | \$ 173,260 | 98.99% | \$ 1,774 | 1.01% | \$ - | 0.00% | \$ 2 | 0.00% | \$ 175,035 | |
| JUDGES RETIREMENT | \$ 122,828 | 98.99% | \$ 1,256 | 1.01% | \$ - | 0.00% | \$ 1 | 0.00% | \$ 124,085 | |
| POLICE OFFICERS RETIREMENT | \$ 518,849 | 98.95% | \$ 5,491 | 1.05% | \$ - | 0.00% | \$ 6 | 0.00% | \$ 524,346 | |
| PUBLIC EMPLOYEES RETIREMENT | \$ 6,571,287 | 98.97% | \$ 68,061 | 1.03% | \$ - | 0.00% | \$ 72 | 0.00% | \$ 6,639,420 | |
| SHERIFFS RETIREMENT | \$ 454,663 | 98.94% | \$ 4,850 | 1.06% | \$ - | 0.00% | \$ 5 | 0.00% | \$ 459,519 | |
| TEACHERS RETIREMENT | \$ 4,645,912 | 99.06% | \$ 43,909 | 0.94% | \$ - | 0.00% | \$ 62 | 0.00% | \$ 4,689,883 | |
| VOL FIREFIGHTERS RETIREMENT | \$ 44,106 | 93.61% | \$ 3,010 | 6.39% | \$ - | 0.00% | \$ 1 | 0.00% | \$ 47,117 | |
| Total | \$ 13,351,598 | 98.98% | \$ 136,952 | 1.02% | \$ - | 0.00% | 157 | 0.00% | \$ 13,488,707 | |
| Trust Funds | CAPP | % | STIP | % | TFIP | % | Other | % | Total | |
| ABANDONED MINE RECLAMATION | \$ - | 0.00% | \$ 6,670 | 99.90% | \$ - | 0.00% | \$ 6 | 0.10% | \$ 6,677 | |
| BARKER HUGHESVILLE ST RESPONSE | \$ - | 0.00% | \$ 894 | 9.89% | \$ 8,117 | 89.74% | \$ 33 | 0.37% | \$ 9,045 | |
| BELT WATER TREATMENT PLANT | \$ - | 0.00% | \$ 3,076 | 11.58% | \$ 23,380 | 88.05% | \$ 97 | 0.36% | \$ 26,553 | |
| BUTTE AREA ONE REST | \$ - | 0.00% | \$ 1,230 | 18.87% | \$ 5,267 | 80.79% | \$ 22 | 0.34% | \$ 6,519 | |
| BUTTE AREA REDEVELOP AUTHORITY | \$ - | 0.00% | \$ 1,573 | 11.33% | \$ 12,258 | 88.30% | \$ 51 | 0.37% | \$ 13,882 | |
| CLARK FORK REST | \$ - | 0.00% | \$ 5,401 | 19.23% | \$ 22,589 | 80.43% | \$ 97 | 0.34% | \$ 28,087 | |
| CLARK FORK SITE RESP ACTION | \$ - | 0.00% | \$ 1,000 | 1.69% | \$ 57,926 | 97.91% | \$ 235 | 0.40% | \$ 59,161 | |
| COAL TAX PARK TRUST FUND | \$ - | 0.00% | \$ 2,158 | 7.12% | \$ 28,029 | 92.50% | \$ 115 | 0.38% | \$ 30,302 | |
| CULTURAL TRUST FUND | \$ - | 0.00% | \$ 538 | 3.32% | \$ 15,591 | 96.29% | \$ 63 | 0.39% | \$ 16,192 | |
| E HELENA GREENWAY TRAIL MAINT | \$ - | 0.00% | \$ 277 | 27.70% | \$ 719 | 71.98% | \$ 3 | 0.32% | \$ 999 | |
| EAST HELENA COMPENSATION FUND | \$ - | 0.00% | \$ 3,055 | 78.08% | \$ 850 | 21.74% | \$ 7 | 0.18% | \$ 3,912 | |
| ENDOWMENT FOR CHILDREN | \$ - | 0.00% | \$ 97 | 6.91% | \$ 1,305 | 92.72% | \$ 5 | 0.38% | \$ 1,408 | |
| FLYING J CECRA FACILITIES FUND | \$ - | 0.00% | \$ 269 | 10.23% | \$ 2,346 | 89.40% | \$ 10 | 0.37% | \$ 2,625 | |
| FWP MITIGATION TRUST | \$ - | 0.00% | \$ 3,126 | 28.86% | \$ 7,207 | 66.53% | \$ 499 | 4.61% | \$ 10,833 | |
| HAROLD HAMM ENDOWMENT | \$ - | 0.00% | \$ 4 | 8.72% | \$ 46 | 90.90% | \$ 0 | 0.37% | \$ 50 | |
| INVASIVE SPECIES TRUST FUND | \$ - | 0.00% | \$ - | 0.00% | \$ 2,639 | 99.60% | \$ 11 | 0.40% | \$ 2,650 | |
| LIBBY ASBESTOS SITE STATE COST | \$ - | 0.00% | \$ 700 | 14.03% | \$ 4,272 | 85.61% | \$ 18 | 0.36% | \$ 4,990 | |
| LUTTRELL PIT - OPER & MAINT | \$ - | 0.00% | \$ 500 | 21.81% | \$ 1,785 | 77.86% | \$ 8 | 0.33% | \$ 2,293 | |
| MONTANA HISTORICAL SOCIETY | \$ - | 0.00% | \$ 732 | 18.00% | \$ 3,320 | 81.65% | \$ 14 | 0.34% | \$ 4,066 | |
| MT POLE SUPERFUND SETTLEMENT | \$ - | 0.00% | \$ 2,800 | 12.19% | \$ 20,079 | 87.44% | \$ 85 | 0.37% | \$ 22,964 | |
| NOXIOUS WEED MGMT TRUST FUND | \$ - | 0.00% | \$ - | 0.00% | \$ 10,800 | 99.60% | \$ 43 | 0.40% | \$ 10,843 | |
| OLDER MONTANANS TRUST FUND | \$ - | 0.00% | \$ 16 | 4.92% | \$ 303 | 94.70% | \$ 1 | 0.38% | \$ 319 | |
| POTTER TRUST FUND | \$ - | 0.00% | \$ 21 | 8.51% | \$ 225 | 91.12% | \$ 1 | 0.37% | \$ 247 | |
| PUBLIC SCHOOL TRUST | \$ - | 0.00% | \$ - | 0.00% | \$ 831,558 | 99.60% | \$ 3,343 | 0.40% | \$ 834,901 | |
| REAL PROPERTY TRUST FUND | \$ - | 0.00% | \$ 394 | 5.37% | \$ 6,912 | 94.25% | \$ 28 | 0.38% | \$ 7,334 | |
| RESOURCE INDEMNITY TRUST FUND | \$ - | 0.00% | \$ 23 | 0.02% | \$ 110,862 | 99.58% | \$ 445 | 0.40% | \$ 111,330 | |
| SMELTER HILL UPLANDS REST FUND | \$ - | 0.00% | \$ 1,362 | 15.15% | \$ 7,597 | 84.50% | \$ 32 | 0.35% | \$ 8,991 | |
| STREAMSIDE TAILINGS OU FUND | \$ - | 0.00% | \$ 2,000 | 11.60% | \$ 15,173 | 88.03% | \$ 63 | 0.37% | \$ 17,235 | |
| TOBACCO TRUST FUND | \$ - | 0.00% | \$ 5,009 | 1.69% | \$ 290,807 | 97.92% | \$ 1,171 | 0.39% | \$ 296,987 | |
| UPPER BLACKFT RESP ACT & REST | \$ - | 0.00% | \$ 1,085 | 92.40% | \$ 88 | 7.48% | \$ 1 | 0.12% | \$ 1,175 | |
| UPPER CLRK FK RIVER BASIN RES | \$ - | 0.00% | \$ 319 | 1.46% | \$ 21,361 | 98.14% | \$ 86 | 0.40% | \$ 21,766 | |
| UPPER CLRK FK RIVER BASIN REST | \$ - | 0.00% | \$ 2,197 | 3.07% | \$ 69,037 | 96.54% | \$ 279 | 0.39% | \$ 71,513 | |
| WILDLIFE HABITAT TRUST FUND | \$ - | 0.00% | \$ 872 | 5.49% | \$ 14,934 | 94.12% | \$ 61 | 0.38% | \$ 15,866 | |
| YELLOWSTONE PIPELINE CLEANUPFD | \$ - | 0.00% | \$ 3,183 | 49.29% | \$ 3,259 | 50.46% | \$ 16 | 0.25% | \$ 6,458 | |
| ZORTMAN/LANDUSKY LT WATER | \$ - | 0.00% | \$ 15,670 | 99.90% | \$ - | 0.00% | \$ 15 | 0.10% | \$ 15,685 | |
| ZORTMANLANDUSKY LT WATER TRUST | \$ - | 0.00% | \$ 20,380 | 99.90% | \$ - | 0.00% | \$ 20 | 0.10% | \$ 20,400 | |
| Total | \$ - | 0.00% | \$ 86,630 | 5.11% | \$ 1,600,641 | 94.47% | \$ 6,984 | 0.41% | \$ 1,694,255 | |
| Coal Severance | CAPP | % | STIP | % | TFIP | % | Other | % | Total | |
| BIG SKY ECONOMIC DEV FUND | \$ - | 0.00% | \$ 2,895 | 2.19% | \$ 128,535 | 97.41% | \$ 518 | 0.39% | \$ 131,949 | |
| COAL SEVERANCE TAX PERM FUND | \$ - | 0.00% | \$ - | 0.00% | \$ 363,688 | 87.98% | \$ 49,689 | 12.02% | \$ 413,377 | |
| MONTANA COAL ENDOWMENT FUND | \$ - | 0.00% | \$ 3,069 | 1.08% | \$ 280,332 | 98.52% | \$ 1,128 | 0.40% | \$ 284,529 | |
| SCHOOL FACILITIES FUND | \$ - | 0.00% | \$ 3,908 | 4.13% | \$ 90,391 | 95.48% | \$ 366 | 0.39% | \$ 94,665 | |
| MT COAL ENDOWMENT REGIONAL WAT | \$ - | 0.00% | \$ 14,258 | 5.60% | \$ 97,025 | 38.12% | \$ 143,251 | 56.28% | \$ 254,534 | |
| Total | \$ - | 0.00% | \$ 24,131 | 2.05% | \$ 959,972 | 81.42% | \$ 194,952 | 16.53% | \$ 1,179,055 | |
| Operating Funds | CAPP | % | STIP | % | TFIP | % | Other | % | Total | |
| FWP GENERAL LICENSE ACCOUNT | \$ - | 0.00% | \$ 34,351 | 49.94% | \$ 31,235 | 45.41% | \$ 3,199 | 4.65% | \$ 68,785 | |
| MONTANA LOCAL GOVERNMENTS | \$ - | 0.00% | \$ 1,810,686 | 99.90% | \$ - | 0.00% | \$ 1,765 | 0.10% | \$ 1,812,452 | |
| MONTANA STATE AGENCIES | \$ - | 0.00% | \$ 873,615 | 99.87% | \$ - | 0.00% | \$ 1,116 | 0.13% | \$ 874,732 | |
| MONTANA STATE UNIVERSITY | \$ - | 0.00% | \$ 121,197 | 66.82% | \$ 59,771 | 32.95% | \$ 404 | 0.22% | \$ 181,372 | |
| MONTANA TECH | \$ - | 0.00% | \$ 7,858 | 94.24% | \$ 471 | 5.65% | \$ 9 | 0.11% | \$ 8,339 | |
| STATE TREASURER'S FUND | \$ - | 0.00% | \$ 4,173,859 | 96.19% | \$ 90,280 | 2.08% | \$ 75,127 | 1.73% | \$ 4,339,266 | |
| UNIVERSITY OF MONTANA | \$ - | 0.00% | \$ 53,942 | 60.42% | \$ 30,427 | 34.08% | \$ 4,911 | 5.50% | \$ 89,280 | |
| Total | \$ - | 0.00% | \$ 7,075,508 | 95.95% | \$ 212,183 | 2.88% | \$ 86,533 | 1.17% | \$ 7,374,224 | |
| Insurance Reserves | CAPP | % | STIP | % | TFIP | % | Other | % | Total | |
| SUBSEQUENT INJURY TRUST FUND | \$ - | 0.00% | \$ 931 | 99.90% | \$ - | 0.00% | \$ 1 | 0.10% | \$ 932 | |
| STATE EMPLOYEE GROUP BENEFITS | \$ - | 0.00% | \$ 86,108 | 67.81% | \$ 38,346 | 30.20% | \$ 2,535 | 2.00% | \$ 126,989 | |
| PERS-DCRP LT DISABILITY PLAN | \$ - | 0.00% | \$ 724 | 10.14% | \$ - | 0.00% | \$ 6,419 | 89.86% | \$ 7,144 | |
| MUS WORKERS COMPENSATION | \$ - | 0.00% | \$ 11,470 | 73.36% | \$ 4,136 | 26.46% | \$ 28 | 0.18% | \$ 15,635 | |
| MUS GROUP INSURANCE | \$ - | 0.00% | \$ 75,356 | 83.24% | \$ 13,208 | 14.59% | \$ 1,965 | 2.17% | \$ 90,529 | |
| MONTANA STATE FUND | \$ - | 0.00% | \$ 13,777 | 0.95% | \$ - | 0.00% | \$ 1,440,892 | 99.05% | \$ 1,454,670 | |
| Total | \$ - | 0.00% | \$ 188,366 | 11.11% | \$ 55,691 | 3.28% | \$ 1,451,841 | 85.61% | \$ 1,695,898 | |

Short Term Investment Pool

| Account | #Accounts | Total Market Value | % |
|--------------------------------|------------|-------------------------|---------------|
| Total State | 353 | 5,772,826,718 | 76.1% |
| Total Local | 181 | 1,811,892,920 | 23.9% |
| Total STIP | 534 | \$ 7,584,719,638 | 100.0% |
| STIP Reserve | | \$ 57,094,119 | |
| Prior month average STIP Yield | | 1.1668% | |

Intercap Statistics

| | |
|---------------------|---------------|
| Loans Outstanding | \$ 69,203,350 |
| Bonds Outstanding | \$ 68,706,869 |
| Number of Borrowers | 142 |
| Loan Rate | 1.50% |

MONTANA

BOARD OF INVESTMENTS

To: Board Members
From: Dan Villa, Executive Director
Date: 7/13/2022
Re: Budget Proposal for FY 24-25

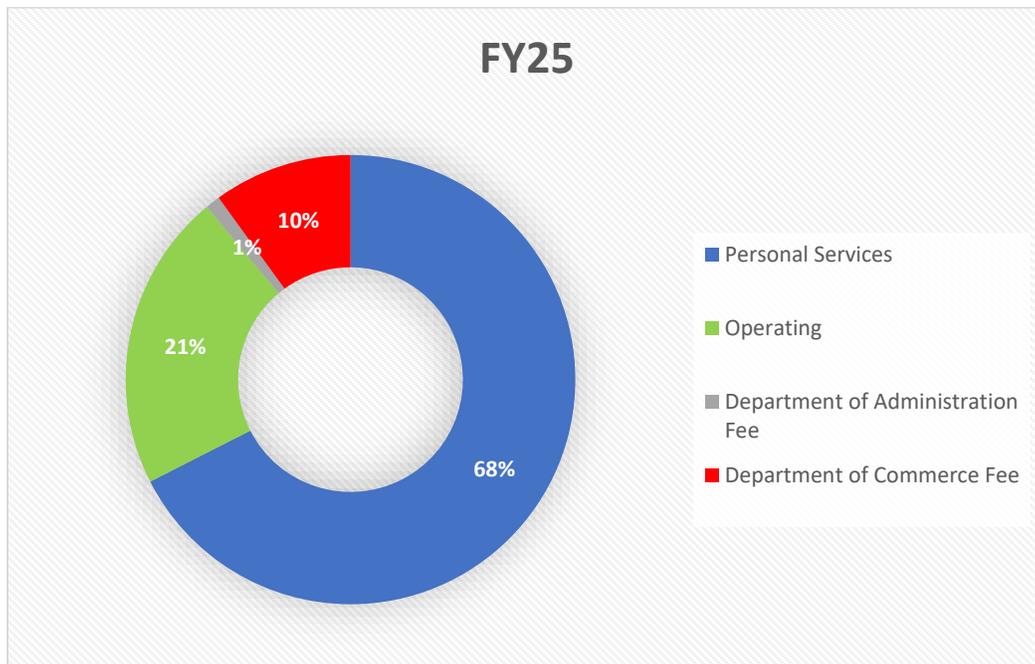
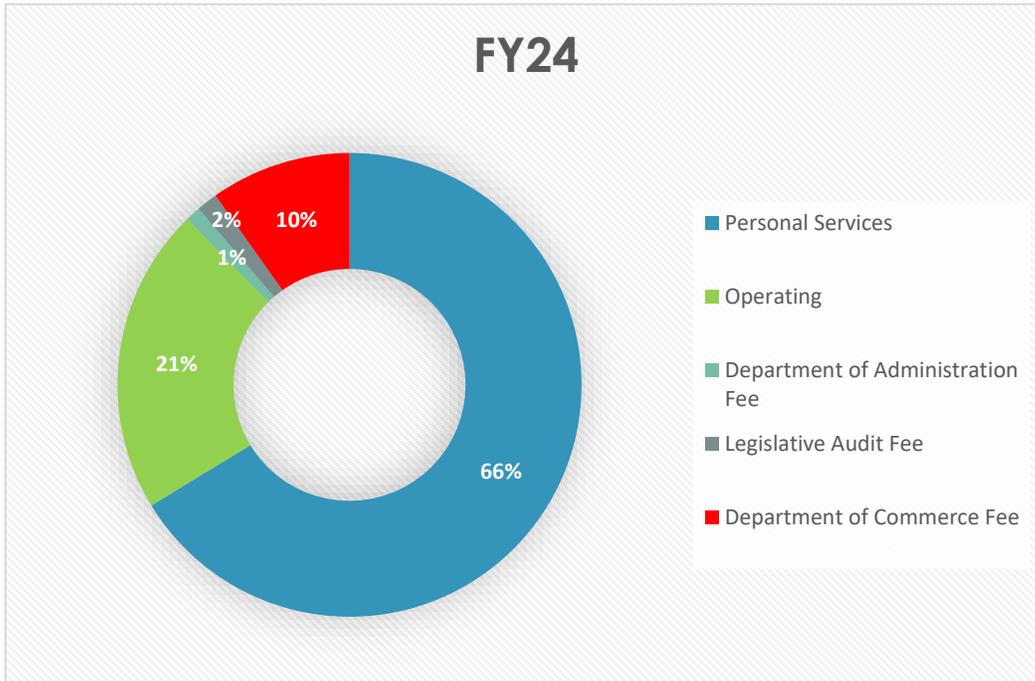
Each biennium BOI must submit a budget request to the Governor's Office of Budget and Program Planning (OBPP) for their consideration and inclusion in the Executive Budget. Our budget proposal constitutes two requests, one for the enterprise fund (INTERCAP) and one for the proprietary fund (UIP/Investments/Loans). Our budget is a rate set in the "Rates" section of HB2, the General Appropriations Act, and establishes the maximum we can charge participants for the services we provide.

For several reasons, I am requesting the Board not increase BOI administrative fees for the upcoming biennium with one exception. The Department of Commerce, Department of Administration, and Legislative Audit Division all establish their budgets independent of our process and, typically, after our budget request is submitted. These entities carve their portions out of our request. So, in simplified terms, if we request a \$10 budget to meet our needs while they establish a \$1 to meet their needs, we will only have \$9 in budget authority remaining.

This year, I propose we submit our rate as it was in FY 22-23 and build any other increases from other entities in as a separate rate increase. Our total rate, including Commerce, Administration and Legislative Audit costs, would be the same as FY23 at \$7,695,543 for both FY 24 and FY 25. The Enterprise fund would be \$650,434.07 for the same period. These, along with other entity charges, are reflected in the charts below.

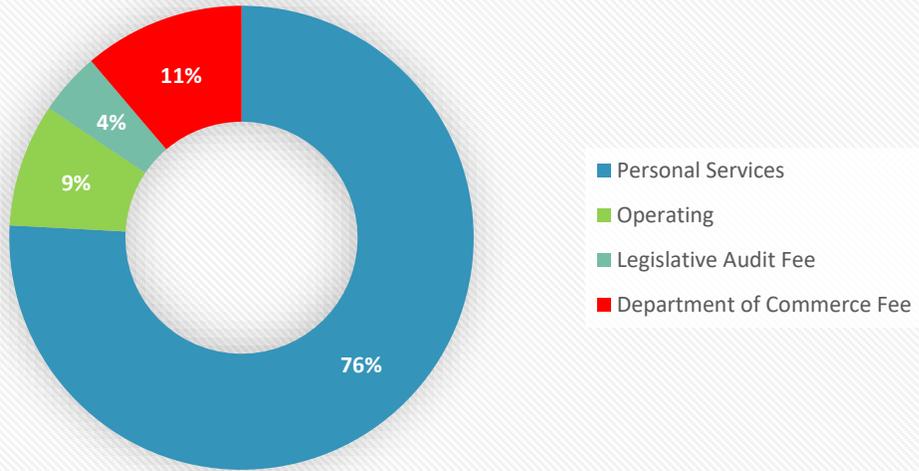
Peg or I are happy to answer any questions you may have.

Proprietary Fund

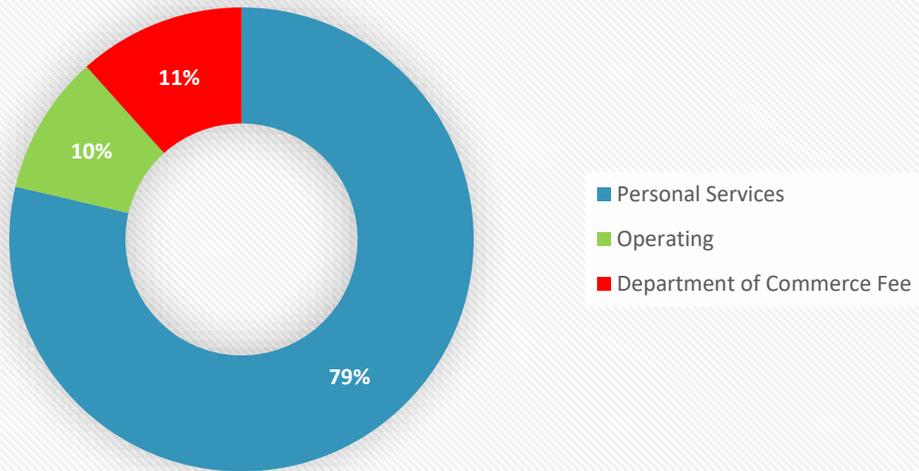


Enterprise Fund

FY24



FY25



65010 Department of Commerce
Standard Budget Summary By Org, Account
 Data Selected for Month/FY: 01 (Jul)/2022 through 12 (Jun)/2022

Report Run 7/27/22 at 1:15 PM after FY22 closed

| | |
|----------------|-------------------------|
| 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) |
| Acct Lvl 2 | (All) |
| Account Type | (All) |
| Project | (All) |
| Ledger | (All) |

[Return to Menu](#)

| Subclass | Fund | Org | Acct Lvl 1 | Standard Budget | Actuals Amt | Balance | |
|---|---|--|--------------------------|---------------------|---------------------|---------------------|-----|
| 765N1 INVESTMENTS DIVISION - HB576 | | | | 8,815,604.00 | 8,523,908.50 | 291,695.50 | 97% |
| | 06014 BOI Municipal Finance Programs | | | 638,283.00 | 431,379.40 | 206,903.60 | 68% |
| | | 750200 STAND ALONE IDB PROG OPERTNS | | 637,383.00 | 430,162.30 | 207,220.70 | |
| | | | 61000 Personal Services | 435,983.00 | 379,337.49 | 56,645.51 | |
| | | | 62000 Operating Expenses | 200,844.00 | 88,191.86 | 112,652.14 | |
| | | 750201 IDB Board Member Travel | | 900.00 | 1,217.10 | (317.10) | |
| | | | 61000 Personal Services | 500.00 | 420.33 | 79.67 | |
| | | | 62000 Operating Expenses | 400.00 | 796.77 | (396.77) | |
| | 06527 Investment Division | | | 8,177,321.00 | 8,092,529.10 | 84,791.90 | 99% |
| | | 750100 INVESTMENT OPERATIONS | | 8,162,321.00 | 8,066,078.46 | 96,242.54 | |
| | | | 61000 Personal Services | 4,201,321.00 | 3,833,159.89 | 368,161.11 | |
| | | | 62000 Operating Expenses | 3,958,406.00 | 4,046,007.72 | (87,601.72) | |
| | | 750101 BOARD MEMBER EXPENSES | | 15,000.00 | 26,450.64 | (11,450.64) | |
| | | | 61000 Personal Services | 9,000.00 | 7,829.67 | 1,170.33 | |
| | | | 62000 Operating Expenses | 6,000.00 | 18,620.97 | (12,620.97) | |
| 765N3 LEGISLATIVE AUDIT (RST/BIEN) | | | | 140,972.00 | 51,056.78 | 89,915.22 | 36% |
| | 06014 BOI Municipal Finance Programs | | | 28,194.00 | 2,385.16 | 25,808.84 | 8% |
| | 06527 Investment Division | | | 112,778.00 | 48,671.62 | 64,106.38 | 43% |
| 765S1 MEDB DEBT SERVICE - SA | | | | 2,080,451.00 | 478,899.17 | 1,601,551.83 | 23% |
| | 06014 BOI Municipal Finance Programs | | | 2,080,451.00 | 478,899.17 | 1,601,551.83 | |
| | | 750320 BOND DEBT SERVICE | | 2,080,451.00 | 478,899.17 | 1,601,551.83 | |
| | | | 69000 Debt Service | 2,080,451.00 | 478,899.17 | 1,601,551.83 | |

POLICY NUMBER: 10.162

EFFECTIVE DATE: August 3, 2022

TITLE: Human Resources Committee Charter

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: July 20, 2022

I. Human Resources Committee Charter

A. Purpose of Committee

1. The purpose of the Human Resources Committee (Committee) is to assist the Board in fulfilling its oversight responsibilities relating to personnel matters and compensation of exempt Board staff.

B. Committee Authority and Resources

1. The Committee has authority to conduct or authorize an investigation on any matters within its scope of responsibility. It is empowered to:
 - a) Select and retain external legal counsel or others to advise the Committee, or assist in the conduct of an investigation, as it deems appropriate.
 - b) Seek any information it requires from any Board employee, all of whom are directed to cooperate with the Committee's requests or external party requests on behalf of the Committee.
 - c) Meet with Board management and other external parties, as necessary.

C. Committee Membership

1. The Committee shall consist of at least three (3) Board Members. The Chair of the Board shall serve as an ex officio member of the Committee. The Board Chair will appoint committee members and the Committee Chair per Policy 10.160 of the Governance Manual.

D. Committee Meetings

1. The Committee will meet at least twice a year, with authority to convene additional meetings, as circumstances require.
 - a) Committee members are expected to attend each meeting in person or by alternative electronic means.
 - b) Minutes will be prepared.
2. The Committee may invite members of Board staff or others to attend meetings and provide pertinent information.
3. The Executive Director shall attend all meetings, except when excused by the Committee for the purposes of reviewing the Executive Director's performance or compensation.

E. Board Staff Duties and Responsibilities

1. In consultation with the Committee Chair, Board staff will prepare meeting agendas which will be provided in advance to committee members, along with appropriate briefing materials.

2. Board staff will direct and recommend to the Committee the hiring of exempt staff, excluding the Executive Director and Chief Investment Officer (CIO) positions.
3. The Executive Director, CIO, or portfolio director will prepare performance evaluations for any exempt staff reporting to them. The Executive Director and CIO will review any evaluation prepared by portfolio directors.
4. The Executive Director shall prepare an improvement plan for exempt staff reporting to the Executive Director or CIO.

F. Committee Duties and Responsibilities

1. Exempt staff hiring, disciplinary, or termination action, including:
 - a) Direct and recommend to the Board hiring, discipline or termination of the Executive Director and CIO.
 - b) Upon recommendation of the Executive Director, approve hiring, job duties and compensation of other exempt staff.
 - c) Upon recommendation of the Executive Director, approve or deny unpaid suspension of 10 days or more, demotion, or termination of exempt staff.
2. Review exempt staff human resource policies, including:
 - a) Review and approve policies relating to the evaluation or compensation of exempt staff, subject to budget constraints.
 - b) Oversee the development and implementation of compensation programs.
 - c) Review and advise the Board concerning the adequacy and competitiveness of the Board's compensation programs.
 - (1) This activity may include the commissioning of peer salary surveys, the reviewing of such surveys, and establishing pay ranges based on the surveys.
3. Evaluation and compensation of exempt staff
 - a) Evaluate and advise the Board concerning the performance of the Executive Director and CIO against established goals and objectives of the Committee.
 - b) Review job descriptions and performance for the other exempt staff as prepared by the Executive Director or CIO against established goals and objectives.
 - c) The Committee will recommend to the Board the compensation level for all exempt staff, within budget constraints, for the upcoming year.
 - (1) The Committee may consider, among other factors:
 - (a) The Board's investment performance and return relative to investment performance at comparable investment boards.
 - (b) The awards given to the exempt staff in past years.
 - (c) The provisions of the Board's compensation plan for exempt staff.
 - d) Recommend, as appropriate, a course of action to remedy deficiencies or improve performance.
4. Other Responsibilities
 - a) Oversee the Executive Director in the development and maintenance of a succession plan for exempt staff and other key employees.

- b) Oversee regulatory compliance with respect to compensation matters for all employees, in consultation with the Executive Director.
- c) Consider and act on written employee appeals and grievances when the Executive Director is unable to resolve differences with exempt employees.
- d) Review and assess the adequacy of the Committee charter annually, requesting Board approval for proposed changes.
- e) Perform other activities related to human resources management, as requested by the Board.

G. Committee Reports

1. The Committee will keep the Board informed on a timely basis on actions taken, recommendations, and decisions made by the Committee.
 - a) The Committee has the discretion to keep specific personnel matters within the Committee or, if required by the Board, to report on any such matter in executive session of the Board.

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 10.163

EFFECTIVE DATE: August 3, 2022

TITLE: Loan Committee Charter

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: June 23, 2022

I. Loan Committee Charter

A. Delegated Authority

1. This Charter delegates authority to Board staff and the Loan Committee (Committee) as follows:
 - a) Board staff may approve federally guaranteed loans of any size.
 - b) Board staff and committee authority is based upon the aggregate dollar amount of any requested credit under consideration and any remaining credit balance outstanding for any single borrower of all Coal Tax Trust loans.
 - c) Board staff may approve all Coal Tax Trust and INTERCAP loans up to \$1.0 million, provided that the underwriting for such loans complies with all provisions of the relevant loan policies approved by the Board.
 - d) Board staff may authorize enhancement of up to \$1.0 million in Montana Facility Finance Authority Act (MFFA) bonds.
 - e) Board staff may approve all Coal Tax Trust and INTERCAP loans greater than \$1.0 million and up to \$5.0 million only with approval of the Committee.
 - f) All non-federally guaranteed Coal Tax Trust and INTERCAP loans in excess of \$5.0 million must be reviewed and approved by the Committee and recommended to the full Board for final approval.
 - g) Board staff may authorize write-downs to a single borrower of all Coal Tax Trust and INTERCAP loans up to \$1.0 million without approval of the Committee.
 - (1) Board staff shall report write-downs to the full Board at its next scheduled meeting.
 - (2) Coal Tax Trust and INTERCAP loan write-downs greater than \$1.0 million and up to \$5.0 million require Committee approval.
 - (3) Coal Tax Trust and INTERCAP loan write-downs in excess of \$5.0 million shall be reviewed and approved by the Committee and recommended to the full Board for final approval.
 - h) Board staff may authorize enhancement of MFFA bonds greater than \$1.0 million and up to \$5.0 million, only with approval of the Committee. Enhancement of MFFA bonds greater than \$5.0 million shall be reviewed by the Committee and recommended to the full Board for final approval.
2. For purposes of this Charter, loan amounts include only the Board's portion of a participation loan.

Adopted: November 30, 2021

Revised: August 3, 2022

Reviewed: June 23, 2022

B. Loan Parameters

1. Commercial maximum loan size is limited by law to ten percent (10%) of the Coal Tax Trust.
2. Value-Added maximum loan size is limited by law to one percent (1%) of the Coal Tax Trust.
3. Value-Added minimum loan size is set by law at \$250,000.
4. Maximum amount of Value-Added loans outstanding is limited by law to \$70.0 million.
5. Infrastructure maximum loan size is limited by law to \$16,666 per job created.
6. Infrastructure minimum loan size is set by law at \$250,000.
7. Maximum amount of Infrastructure loans outstanding is limited by law to \$80.0 million.
8. Maximum Board participation in commercial loans is eighty percent (80%).
9. Board participation in Value-Added loans is set by law at seventy-five percent (75%).
10. Infrastructure loans are made directly to local government entities.

C. Purpose of Committee

1. Provide the due diligence required for Coal Tax Trust loans and enhancement of MFFA bonds in an amount greater than \$1.0 million.
2. Review and approve Coal Tax Loan Program Policy and Residential Loan Program Policy prior to presentation to the Board.
3. Provide guidance regarding pricing of loans.

D. The Committee Is Charged with:

1. Reviewing and taking appropriate action on all staff recommendations for non-federally guaranteed Coal Tax Trust loans, INTERCAP loans, and the enhancement of MFFA bonds in excess of \$1.0 million and up to \$5.0 million.
2. Reviewing staff recommendations for non-federally guaranteed Coal Tax Trust loans and INTERCAP loans in excess of \$5.0 million and enhancement of MFFA bonds in excess of \$5.0 million and making a recommendation to the full Board.
3. Reviewing staff recommendations to issue additional INTERCAP bonds and recommending to the full Board approval of the recommendation as modified by the Committee.

E. Committee Membership

1. The Committee shall consist of at least three (3) Board members.
2. The Board Chair shall:
 - a) Appoint members.
 - b) Notify the Board of all appointments as they are made.
 - c) Designate one (1) member of the Committee as its chairperson.

3. The Board Chair may remove a committee member at any time and appoint a replacement to complete the removed Member's term, provided the Board Chair notifies the Board of the removal and the reasons at the time of the removal.

F. Committee Structure and Operations

1. Loans, Loan Write-Downs, and Bond Enhancement Greater than \$1.0 Million and up to \$5.0 Million:

- a) Staff shall provide written recommendations to each committee member.

- (1) Such documents shall include all pertinent information required by members to fulfill their obligations under this Charter.

- (2) After reviewing such documents, the Committee must meet as required to perform their obligations under this Charter.

- (a) In lieu of meeting in person or telephonically, members may e-mail staff with their input and approval, subject to the "Confidentiality" provisions of this Charter.

- (3) Committee members may require that certain loan or loan write-down provisions, loan participation share (when permitted by law), or loan covenants recommended by staff be revised.

- (4) If two (2) committee members do not concur with staff recommendations for loan or loan write-down approval as modified or revised by members, the staff recommendation shall be forwarded to the full Board at a public meeting in which the lender and the borrower may be present.

- (5) If committee approval is granted via e-mail, such approval shall serve as a written record of approval.

2. Loans, Loan Write-Downs and Bond Enhancement Greater than \$5.0 million

- a) Staff shall provide loan and loan write-down approval recommendations to each committee member.

- (1) Such documents shall include all pertinent information required by members to fulfill their obligations under this Charter.

- (2) After reviewing such documents, the Committee must meet as required to perform their obligations under this Charter

- (3) Committee members may require that certain loan or loan write-down provisions, loan participation share (when permitted by law), or loan covenants recommended by staff be revised.

- (a) Such revisions shall be incorporated into the staff recommendations and if the staff recommendations with any such revisions are approved by at least two (2) members, the recommendations shall be forwarded to the full Board for a final decision.

- (b) If the staff recommendations with any such revisions are not approved by at least two (2) members, the lender and the borrower may appeal such decision to the full Board at its next regularly scheduled meeting.

G. Committee Duties and Responsibilities

1. Review staff recommendations to approve Coal Tax Trust loans and loan write-downs, INTERCAP loans and loan write-downs, and MFFA bond enhancement greater than \$1.0 million and up to \$5.0 million and suggest revisions or modifications to the staff recommendations as necessary.
2. Concur or not concur with staff recommendations as revised or modified by committee members.
3. Review staff recommendations to approve Coal Tax Trust loans and loan write-downs, INTERCAP loans and loan write-downs, and MFFA bond enhancement in excess of \$5.0 million, and recommend to the full Board modifications to or approval of the staff recommendations.
4. Review staff recommendations to approve the issuance of Municipal Finance Consolidation Act bonds and the purchase of tendered bonds that have not been remarketed and recommend to the full Board modifications to and approval of the staff recommendations.
5. Provide, when necessary and appropriate, an appeals function for lenders and borrowers whose loan applications have been disapproved by staff.
6. Review staff-recommended revisions to the various loan program policies/applications and recommend to the full Board the approval, denial, or modifications of such revisions.
7. When necessary and prudent, recommend to the full Board the waiver of certain loan policy provisions, as long as such waiver is limited to the merits of an individual loan application and is considered by the Committee to be in the public interest.
8. Advise the Executive Director on the job performance of the loan and bond program staff.
9. Prepare and deliver to the Board, at such time as the Board shall request and as required by this Charter, reports concerning the activities and recommendations of the Committee.
10. Perform other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to in-state investments.

H. Reports

1. A written summary of the actions taken, recommendations and decisions made by the Committee shall be presented to the Board at the Board meeting following the action/decision.

I. Resources and Authority of the Committee

1. The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities.

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 10.217

EFFECTIVE DATE: August 3, 2022

TITLE: Staff Authorization for
Investment Managers

SUPERSEDES: April 20, 2022

BOARD ADOPTION: November 30, 2021

REVIEWED: June 23, 2022

I. Staff Authorization for Investment Managers

A. The Board designates its Executive Director as agent of the Board to deal with investment managers in connection with Board accounts with such managers.

1. The investment managers are authorized to deal with the Executive Director or the Executive Director's designated staff as agents of the Board. Board staff may not transact business with investment managers without the specific approval of the Executive Director.
2. The investment managers are authorized to accept all orders for purchases and sales and all instructions given by the Executive Director or the Executive Director's designated staff on behalf of the Board without further inquiry as to their authority.
3. The investment managers are authorized to receive any funds, securities, or property for the account of the Board. Board funds may not be committed, wired, or otherwise transferred to an investment firm without the specific approval of the Executive Director.
4. The investment managers are authorized to sell, assign, transfer, or deliver any funds, securities, or other property held for the account of the Board, to said persons or otherwise, as ordered by the Executive Director or the Executive Director's designated staff.
 - a) Orders shall be in writing or verbally with subsequent confirmation in writing.
 - b) Funds, securities, or other property are in bearer form, in street certificates, or in such names as directed by the Executive Director or the Executive Director's designated staff.
5. The investment managers shall send all confirmations, notices, demands, and other communications to the Executive Director or the Executive Director's designated staff, and the Board, at the following address:

Montana Board of Investments
P.O. Box 200126
Helena, MT 59620-0126

B. The establishment and maintenance of all the accounts, and the actions of the Executive Director or the Executive Director's designated staff member shown, acting on behalf of the Board dealing with investment managers related to said accounts since January 21, 1993, are approved and ratified.

C. The Board authorizes the Executive Director to:

1. Close any account,
2. Open new accounts,
3. Designate staff members to act on behalf of the Board for the purpose of dealing with investment managers regarding any account, or

Adopted: November 30, 2021

Revised: August 3, 2022

Reviewed: June 23, 2022

4. Remove the authority of any staff member to act on behalf of the Board for purposes of dealing with investment managers regarding any account.
- D. An investment manager may continue to act in reliance upon the foregoing policy and subsequent designations by the Executive Director of staff members acting on behalf of the Board, until receipt of written notice that the authority of a designated staff member to act on behalf of the Board has been terminated.
 - E. The Executive Director shall provide an annual report to the Board showing the staff members and the accounts added to, or deleted from, and the date on which the addition or deletion occurred. The report shall be provided at the last regularly scheduled Board meeting of each calendar year.

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 10.250

EFFECTIVE DATE: August 3, 2022

TITLE: Securities and Litigation

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: June 23, 2022

I. Securities and Litigation

A. Purpose

1. The Board shall adopt, maintain, and revise as necessary a process and policy to ensure that it participates in all class action litigation to which it is entitled.

B. Principles

1. The Board manages the assets entrusted to it “in accordance with the prudent expert principle” which requires that the Board act “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 a like character and with like aims.” Section 17-6-201, MCA. See also, Montana Constitution, Art. VIII, Sec.13.
2. Claims under state and federal securities laws arising out of losses on securities under the Board’s management are assets subject to the Board’s fiduciary duty of prudent management. Accordingly, the Board shall take reasonable steps to identify and recover on such claims. Such steps may include:
 - a) Participating as a passive class member in class actions brought by others and filing a proof of claim when action is settled/resolved.
 - b) Enhanced participation as a class member in class actions brought and led by others by considering objections or comments on settlements.
 - c) Active participation in a class action litigation, including serving as a “lead plaintiff” or “co-lead plaintiff” pursuant to the Private Securities Litigation Reform Act.
 - d) Separate litigation on behalf of the Board.
3. The Board shall delegate the responsibility to take steps to identify, analyze, pursue, and collect on securities law claims to qualified service providers.
 - a) The duties of each service provider shall be clearly articulated in contracts and the Board shall adopt prudent documented procedures to monitor the implementation of its policies.

C. Policies

1. The Board shall take reasonable, cost-effective steps to identify, pursue, and collect upon claims under state and federal securities laws for losses suffered by the Board on its investments because of alleged or proven violations of securities laws.
2. A proof of claim shall be filed on behalf of the Board in connection with every securities class action litigation settlement or judgment in which the Board is a member of the plaintiff class.
3. Unless the Board determines otherwise, it shall not initiate separate litigation or be a lead plaintiff with respect to any claim unless the value of the claim is at least \$1,000,000.

Adopted: November 30, 2021

Revised: August 3, 2022

Reviewed: June 23, 2022

4. When the losses exceed \$1,000,000, the Board may commence separate litigation or apply for lead or co-lead plaintiff status, after receiving advice from the Board's legal counsel that it is in the interest of the Board to do so.
 - a) The criteria to be considered in deciding whether to commence separate litigation or apply for lead plaintiff status are set forth in Policy 10.251.
5. If the Board has suffered losses of \$500,000 or more, and the Board is not pursuing separate litigation or acting as lead or co-lead plaintiff in a class action, the Board may play an enhanced role. This may include review of the terms of any settlement, including applications for legal fees, to determine if the Board should file a comment or objection with respect to the settlement, or opt out of the class.
 - a) The criteria for deciding whether to opt out are set forth in Policy 10.251.
 - b) The Board is authorized to direct the filing of a comment or objection.
6. The Board shall act only as a passive class member with respect to any claim in which the losses suffered are less than \$500,000. Proofs of claim shall be filed on behalf of the Board upon a settlement or final judgment awarding damages in relevant class actions.
7. The Board delegates the decision to seek lead or co-lead plaintiff status or to play an enhanced role in a class action under this Policy to the Audit Committee.
8. The Executive Director, the Chief Investment Officer, the Board's legal counsel, and the Board's investment consultant shall receive reports from the Monitoring Legal Firm, regarding the status of all securities class action litigation matters in which the Board is or could be a member.
 - a) The Executive Director shall receive such reports at least quarterly and upon each filing of proofs of claim.

D. Roles and Authority

1. Board Role and Authority
 - a) Review staff reports regarding securities litigation matters.
 - b) Periodically review and, as appropriate, modify this Policy.
 - c) Establish, periodically review, and, as appropriate, modify protocols for implementation of this Policy.
 - d) Select a securities class action monitoring firm to identify and evaluate potential claims and oversee the process for selecting such firm.
 - e) Approve, modify, or terminate agreements with service providers responsible for implementation of this policy.
2. Audit Committee Role and Authority
 - a) Authorize commencement of separate litigation or filing of motion for lead plaintiff or co-lead plaintiff status or support for another's application for lead plaintiff status, consistent with this Policy.
 - b) Approve settlement of separate litigation or class action in which the Board is lead plaintiff or co-lead plaintiff, consistent with Board policy.
 - c) Authorize opting out of a class settlement, consistent with this Policy.
 - d) Authorize filing of objections and comments on settlements, consistent with Board policy.
 - e) Receive and review staff reports on the status of matters other than passive claim filings.
3. Staff Role and Authority
 - a) Circulate to Board members, legal counsel, and investment consultant the reports from the custodian and monitoring firm showing status of all securities litigation matters in which the

Board may have an interest. The status includes:

- (1) Date case filed.
- (2) Date of settlement.
- (3) Due date for claim filing.
- (4) Date Board's claim filed.
- (5) Date of recovery.

- b) Approve, circulate, and review responses to requests for proposals for monitoring firm services and make recommendations to the Board regarding selection.
- c) Monitor, with assistance from the Board's legal counsel, performance of the Monitoring Firm and report deficiencies to the Board.
- d) As appropriate, recommend to the Board modifications to this Policy and to implementation protocols.

4. Board Legal Counsel Role and Authority

- a) Assist in the preparation of requests for proposals for a monitoring firm, review responses and make recommendations to Board members and staff regarding candidates.
- b) Assist in negotiations of terms and agreements with the Monitoring Firm, with assistance from the Board's investment consultant.
- c) Prior to submission to the Audit Committee, review, all recommendations from the Monitoring Firm regarding whether to commence separate litigation or seek lead plaintiff or co-lead plaintiff designation, or to opt out of or object to class settlements.
- d) Prior to submission to the Audit Committee, review, prior to submission to the Audit Committee, all recommendations from the Monitoring Firm regarding proposed settlements of separate actions brought by the Board or class actions in which the Board is lead or co-lead plaintiff.
- e) Prior to submission to the Audit Committee, review, prior to submission to the Audit Committee, all recommendations from the Monitoring Firm regarding whether to file objections to or comment upon settlements.
- f) Supervise and monitor outside legal counsel conduct of litigation when the Board pursues separate litigation or acts as lead or co-lead plaintiff.

5. Custodian Role and Authority

- a) Maintain and communicate data necessary to identify the Board's securities holdings and transactions to determine if the Board is a class member and calculate losses.
- b) Collect and distribute to the Monitoring Firm all notices regarding the commencement, class certification and settlement of class action lawsuits in which the Board has an interest as an actual or potential class member.
- c) Collect, record on the Board's custody statements and deposit into appropriate accounts for investment, proceeds from the Board's claims.

6. Custodian/Class Action Role and Authority

- a) Establish and implement procedures to identify all securities class actions filed by others in which the Board is or may be a class member.
- b) Collect and distribute to all official notices of pendency of class actions in which the Board, according to this Policy, may consider applying for lead plaintiff status or pursuing separate litigation.
- c) Timely file accurate proofs of claim on behalf of the Board in all class actions in which the

Board may participate as class member and notify the Monitoring Firm.

d) Provide necessary custody data to the Monitoring Firm.

7. Monitoring Firm Role and Authority

a) Ensure by written communication that the Custodian has filed the appropriate documents for Board participation in pending class action litigation.

b) Identify circumstances in which the Board may have incurred investment losses in excess of the minimum threshold which would give rise to potentially meritorious claims for the Board which are not yet the subject of litigation.

c) Evaluate claims over \$1,000,000 and recommend whether the Board should pursue separate litigation or lead or co-lead plaintiff designation.

d) Evaluate settlements of actions in which the Board is not lead plaintiff where losses exceed \$500,000 and recommend whether Board should object to, comment upon, or opt out of settlement.

e) File objections to and comments upon settlements as authorized.

E. Implementation

1. These Policies shall be implemented in accordance with a written statement of procedures to be adopted by the Board incorporated as Policy 10.251.

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 10.251

EFFECTIVE DATE: August 3, 2022

TITLE: Decision Criteria to Pursue Litigation

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: June 23, 2022

I. Considerations in Deciding on Separate Litigation, Lead, or Co-Lead Plaintiff Status

A. When deciding to act as a lead or co-lead or to engage in separate litigation, the Board shall consider, as appropriate, the following:

1. Size of the Board's damages measured by standards applicable to securities litigation.
2. Strength of claims, including evaluation of defenses.
3. Special circumstances which render the Board's claims different from, stronger, or weaker than claims of typical class members such that it would be in the interest of the Board to act as lead or co-lead plaintiff.
4. Venue of litigation.
5. Resources available to pay a significant judgment.
 - a) Financial condition of potential defendants.
 - b) Availability of insurance.
 - c) Potential for bankruptcy.
6. Qualifications of other lead plaintiff candidates and their counsel and the likelihood that the Board would be selected as lead or co-lead plaintiff.
7. Relation of claims to other corporate governance issues of special interest to the Board and impact on other Board holdings.
8. Potential for non-monetary remedies of special importance to the Board which other class members/lead plaintiffs may not pursue.
9. Costs to the Board of separate litigation/lead or co-lead plaintiff status such as discovery, legal fees, and Board staff time and resources needed to monitor litigation more actively.
10. Potential exposure to counterclaims/court costs and willingness of litigation counsel to indemnify the Board against such exposure.

II. Board Considerations in Deciding to Opt Out, Object to, or Comment on Settlements

A. In deciding whether to opt out, object to or comment on settlements, the Board shall consider, as appropriate, the following:

1. Financial value of settlement to class and the Board in particular.
2. The presence or absence of non-monetary aspects of settlement such as corporate governance.
3. Amount of attorney's fees sought and merits of attorney's fee claim.
4. Expense and risk, including value which might be lost if settlement is disrupted or rejected, associated with opting out, commenting, or objecting in relation to expected benefits of doing so.

Adopted: November 30, 2021

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Reviewed: June 23, 2022

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 10.300

EFFECTIVE DATE: August 3, 2022

TITLE: Investment Consultant

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: July 20, 2022

I. Investment Consultant

- A. The Board has the authority to procure and select the Investment Consultant. The Executive Director shall prepare a competitive selection process to be used in solicitation and selection of an Investment Consultant after which, the Executive Director shall negotiate a contract.
- B. The purpose of this Policy is to acknowledge the complex and substantial role of the Investment Consultant, describe the range of services provided, and establish the minimum qualifications for respondents.
- C. The Investment Consultant provides a range of services, including, but not limited to:
 1. Conducting annual review of asset allocations,
 2. Providing quarterly investment performance reports,
 3. Advising the Board's investment manager structure,
 4. Assisting in searches for external investment managers,
 5. Reviewing benchmarks for all external managers, internally managed portfolios, and investment pools,
 6. Providing pacing studies,
 7. Reviewing investment guidelines and policies,
 8. Conducting asset liability studies,
 9. Assisting in searches for custody and securities lending services, and
 10. Providing training to Board members and staff on requested investment topics.
- D. Given the complex role, responsibility, and trust associated with the Board's Investment Consultant, the Board specifies the following *minimum* qualifications for respondents. Respondents must:
 1. Be a registered investment advisor under the Investment Advisers Act of 1940,
 2. Have five (5) years of experience providing investment consulting services to at least five (5) public institutional investors with assets of at least \$5 billion,
 3. Have five (5) years of experience completing asset/liability studies and have completed at least three (3) studies within the past three (3) years,
 4. Agree to be a fiduciary to the Board and UIP Funds as that term is defined by the laws and rules governing the Board,
 5. Not have any direct or indirect ownership of investment managers, investment brokers, investment banking services, or to directly or indirectly manage money,
 6. Disclose annually to the Board any revenues or income received by the consultant or any affiliates from investment managers, brokerage firms, investment banks, or other financial services businesses, and

Adopted: November 30, 2021

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7. Submit current Uniform Application for Investment Adviser Registration and Report by Exempt Reporting Advisor Form (ADV Parts I and II).
- E. In addition to the above minimum qualifications, respondents must be able to demonstrate to the Board's satisfaction their investment strategy, financial stability, and ability to provide superior investment consulting services which further the Board's mission.

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 10.310

EFFECTIVE DATE: August 3, 2022

TITLE: Custodial Bank

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: July 20, 2022

I. Custodial Bank

- A. The Board has the authority to procure and select the Custodial Bank. The Executive Director shall prepare a competitive selection process to be used in solicitation and selection of a Custodial Bank after which, the Executive Director shall negotiate a contract.
- B. The Board acknowledges the complex and substantial role of the Custodial Bank and the associated custodial credit risk specific to the custodial bank relationship.
- C. The purpose of this Policy is to describe the range of services provided, establish the minimum qualifications for respondents, and establish requirements to help mitigate risks.
 1. Risk in this context is the event of failure of the financial institution in possession of the Board's assets whereby the state is not able to recover the investments or collateral securities.
 2. This risk is not limited only to the Custodial Bank; there may be sub-custodial banks particularly in foreign countries that may not be affiliates of the primary Custodial Bank.
- D. The Custodial Bank provides a range of services, including, but not limited to:
 1. Safekeeping securities and settlement services, including global and domestic U.S. custody,
 2. Processing global and domestic cash, including foreign exchange,
 3. Accounting and reporting securities,
 4. Providing participant (transfer agent) accounting and reporting,
 5. Reporting investment performance and analytics,
 6. Lending custodial securities or facilitating non-custodial securities lending at the Board's option, and
 7. Providing and maintaining a comprehensive online accounting system to account for the Board's entire portfolio and all transactions.
- E. Given the complex role, responsibility, and trust associated with the Board's Custodial Bank, the Board specifies the following *minimum* qualifications for respondents. Respondents must:
 1. Have been providing domestic and global master custody services for at least ten (10) years,
 2. Have under custody at least \$1 trillion in assets at fair value, \$500 billion of which must include international foreign currency assets,
 3. Have been providing domestic and global master custody services for at least ten (10) public or corporate pension funds, each with assets of at least \$10 billion, at fair value for a minimum of five (5) years,
 4. Have provided securities lending services for public pension and non-pension funds for a minimum of ten (10) years, and the fair value of securities on loan must have averaged \$40 billion daily during the twelve (12) preceding months,

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5. Be able to perform all procedures necessary to convert from the current Custodial Bank's system to the new Custodial Bank's system of record. Offeror must have completed transitions of at least five (5) public funds with diversified assets totaling at least \$25 billion at fair value,
 6. Be able to provide participant (transfer agent) accounting and reporting (mutual fund type accounting) and be able to demonstrate to the Board's satisfaction its ability to provide such accounting,
 7. Be able to provide on-line comprehensive securities accounting and be able to demonstrate to the Board's satisfaction its ability to provide such accounting,
 8. Allow Board staff to customize reports and provide an electronic interface for such reports,
 9. Be able to provide a direct interface between its securities accounting system and the Board's Financial Asset and Investment Management System (the Board's trade order management system),
 10. Be able to provide assurance through a third party, in writing, that its internal control reviews are conducted in compliance with applicable audit standards, including, but not limited to Report on Controls at a Service Organization, and
 11. Have in place an internal audit staff who consistently evaluates all internal control systems and risks associated with master trust/custody services.
- F. In addition to the above minimum qualifications, respondents must be able to demonstrate to the Board's satisfaction:
1. Organizational resources, technology and staffing securities safekeeping, and core servicing securities,
 2. Settlement, accounting, cash reporting, and exposure management,
 3. Foreign exchange securities lending, and
 4. Comprehensive accounting system including transfer agency performance measurement and portfolio risk analysis transition and conversion.
- G. The Board acknowledges that the Custodial Bank shall generally have investment and deposit options available to the Board. To mitigate risk, the Custodial Bank must:
1. Demonstrate it has sufficient financial strength to protect the interests of the Board,
 2. Be rated at a minimum at the sixth (6th) highest investment grade rating by at least two (2) nationally recognized statistical rating organizations, and
 3. Hold any cash balance deposits of Custodial Bank or sub-custodial banks in the name of the Board. All cash balances may be held for short periods while awaiting proper instructions.
- H. The Board designates the Custodial Bank as the investment 'book of record' but, the Board reserves its fiduciary responsibility to assure accurate records regarding both holdings and performance.
- I. The Board acknowledges and allows that some of its fiduciary assets are by their nature held elsewhere, other than by the Custodial Bank, and by cross-reference to Policy 30.400, directs and requires the Chief Investment Officer to set appropriate due diligence and control standards to provide for the prudent safeguarding of assets such as:
1. Index Funds,
 2. Private equity and real estate ownership interests, and
 3. Any commingled funds held within managed accounts (these would include use of any ETF's or proprietary commingled funds in the form of an institutional trust vehicle).

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 10.402

EFFECTIVE DATE: August 3, 2022

TITLE: Administrative Rules

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: June 23, 2022

I. Administrative Rules

- A. The Board has rulemaking authority under state law and Article VIII, Section 13 of the Montana Constitution.
 - 1. Administrative rules are regulations, standards, or statements of applicability that implement, interpret, or set law or policy.
 - 2. Administrative rules can also describe the organization, procedures, or practice requirements of the Board.
 - 3. The Board adopts, by reference, Administrative Rules of Montana Title 8, chapter 97.
- B. The authority to revise Board administrative rules may not be delegated to staff.

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 10.500

EFFECTIVE DATE: August 3, 2022

TITLE: Coal Tax Trust Loan Policies

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: June 23, 2022

I. Coal Tax Trust Loan Policies

A. The Board shall create, maintain, and revise as necessary loan policies for each of the Coal Tax Trust loan programs assigned to it by law.

1. The loan policies shall be based on the law creating the programs and may be revised from time to time as necessary to accommodate changes in the law or to enhance or clarify the programs.
2. Loan policy revisions may be made only by the Board and may not be delegated to staff.
3. All loan policies shall be posted on the Board's website.
 - a) Specific loan policies can be found in Chapter 70, Section 700.

B. The Board shall establish and approve an interest rate setting process for loan programs for which it has discretion to set rates.

1. Staff shall utilize the approved process and post the rates weekly on the Board's website.

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 10.600

EFFECTIVE DATE: August 3, 2022

TITLE: Bond Program Policies

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: June 23, 2022

I. Bond Program Policies

- A. The Board shall create, maintain, and revise policies for its various bond programs assigned to it by law.
 1. The bond program policies shall be based on the law creating the programs and may be revised from time to time as necessary to accommodate changes in the law or to enhance or clarify the programs.
 2. Bond program policy revisions may be made only by the Board and may not be delegated to staff.
 3. All bond program policies shall be posted on the Board's website.
 4. Specific bond program policies can be found in Chapter 70 of the Governance Manual.

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 10.700

EFFECTIVE DATE: August 3, 2022

TITLE: Credit Enhancement

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: July 20, 2022

I. Credit Enhancement

- A. The Board has the primary authority to invest state funds and to determine the types of investments to be made, subject to the restrictions of the Montana Constitution and the Unified Investment Program Act.
- B. The Board adopts this Policy to codify and clarify the circumstances under which the Board provides Credit Enhancement and to authorize the Executive Director to honor and fulfill the Board's obligations under the bond documents and Capital Reserve Account Agreement.
- C. The Board may approve Credit Enhancement for the Municipal Finance Consolidation Act (MFCA) and the Montana Health Facility Finance Authority (MFFA) Bonds.
- D. The decision to provide Credit Enhancement is specific to each series of Bonds to be issued.
- E. The Board provides Credit Enhancement when it is prudent to do so and, in the Board's judgment, would result in a lower interest rate to the borrowers under the MFCA and MFFA than could be otherwise obtained.
- F. The funds in the Unified Investment Program from which the Board's Credit Enhancement obligations could be satisfied include but are not limited to:
 1. The Coal Severance Tax Permanent Fund,
 2. The Short-Term Investment Pool, or
 3. The Treasurer's Fund.
- G. Authorization
 1. Each series of the MFFA Bonds for which Credit Enhancement is provided, requires a resolution from the Board. The resolution authorizes the Board to enter into an agreement with the MFFA whereby the Board agrees to make an interest-bearing loan to the Capital Reserve Account to restore any deficiency.
 2. The Board may provide Credit Enhancements including purchase of defaulting bonds issued or provide funds to the MFCA.
- H. Duties of the Executive Director
 1. The Executive Director is authorized to take all necessary actions to implement Credit Enhancement activity authorized by the Board.
 2. If the Executive Director makes a loan or purchases bonds pursuant to the bond documents, he/she shall:
 - a) Notify Board members via e-mail within three (3) business days of such action, and
 - b) Provide a full report to the Board at its next regularly scheduled meeting, specifying:
 - (1) The reasons for such action,

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- (2) The dollar amount, and
- (3) The terms and the funding source for the loan or bond purchase.

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 10.900

EFFECTIVE DATE: August 3, 2022

TITLE: Asset Allocation

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: June 23, 2022

I. Asset Allocation

- A. The Board, as the fiduciary of the Unified Investment Program, is responsible for establishing the investment parameters of the Unified Investment Program.
- B. The Board has the authority to allocate portfolios to any asset class in the proportions it considers prudent, subject to such limitations as are contained in law.
- C. Asset allocation decisions shall be made by the Board and may not be delegated to staff.
- D. The Board shall review and affirm pension allocation ranges at least annually.

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 30.240

EFFECTIVE DATE: August 3, 2022

TITLE: Contracts Generally

SUPERSEDES: April 20, 2022

BOARD ADOPTION: November 30, 2021

REVIEWED: July 20, 2022

I. Contracts in General

A. The Board reserves the sole discretion to enter into investment-related contracts necessary for the Board to meet its fiduciary responsibilities under Montana Constitution, Article VIII, § 13 and § 17-6-201, MCA

1. The Executive Director is authorized to negotiate and enter into contracts necessary to carry out the Board's mission without advance approval of the Board, except for contracts with the Board's Custodial Bank and Investment Consultant.
2. Subject to state law and Board policies, legal counsel shall review all contracts.

B. Building Management Services

1. The Executive Director is authorized to make all day-to-day decisions required in managing the Board's direct real estate holdings. These decisions include but are not limited to:
 - a) Negotiating and signing leases.
 - b) Authorizing payment of invoices.
 - c) Authorizing repair and renovation.
 - d) Authorizing improvement, construction, and contracting with a Building Manager.
2. The Board must approve the purchase and sale of all direct real estate.

C. Personal Services Contracts

1. The Executive Director is empowered to negotiate personal services contracts as necessary to ensure proper staffing levels or to obtain specialized services not otherwise available.

D. Interagency Agreements

1. The Executive Director is empowered to sign Interagency Agreements and contracts with other state agencies as necessary to fulfill the Board's mission or to implement recently enacted legislation.

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 30.260

EFFECTIVE DATE: August 3, 2022

TITLE: Credit Enhancement Implementation

SUPERSEDES: April 20, 2022

BOARD ADOPTION: November 30, 2021

REVIEWED: July 20, 2022

I. Credit Enhancement Implementation

- A. The Executive Director is authorized to take all necessary actions to implement credit enhancement activity authorized by the Board per Policy 10.700 of the Governance Manual.

Commented [FL1]: Language added to Policy 10.700

Repealed

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 40.603

EFFECTIVE DATE: August 3, 2022

TITLE: Definitions

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: July 20, 2022

I. Definitions

- A. **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.
- B. **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.
- C. **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.
- D. **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 two (2) to two hundred seventy (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.
- E. **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.
- F. **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.
- G. **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.

Commented [FL1]: Definitions added to BOI Terminology & Acronym List

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 70.100

EFFECTIVE DATE: August 3, 2022

TITLE: INTERCAP Loan Program

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: July 20, 2022

I. INTERCAP Program

A. Requirements for all INTERCAP Loans

1. For purposes of INTERCAP loans under this policy, the definitions in Section 17-5-1604, MCA, apply.
2. The INTERCAP Loan Program may not be used to finance Tax Increment Financing (TIF) or Targeted Economic Development (TEDD) bonds or loans.
3. Applications may be completed online at <https://investmentmt.com/INTERCAP/>. A hard copy application is available upon request.
4. Upon loan approval, a Term Sheet explaining the conditions of the loan will be forwarded to the Borrower for review.
5. Borrower has one (1) year from date of receipt of the Term Sheet to access the funds. A Borrower who fails to access the funds within the year may be required to reapply for the loan.
6. Three (3) weeks prior to accessing the funds, the Borrower must notify Board staff of their intention to access the funds.
7. Prior to receiving funds, the Borrower must complete, execute, and return to Board staff the original loan documents, including:
 - a) A resolution from the local governing body approving the loan.
 - b) A form signed by the local government unit counsel stating the local government unit has the authority to participate in the loan program, that the project qualifies for the loan program, and that the loan is legal and binding on the local government.
8. Execution of original documents may be a manual signature or electronic signature.
9. The local government is required to annually appropriate funds for the repayment of the loan.
10. Invoices or certificates of completed work must be submitted before INTERCAP funds are disbursed.
11. The Interest Adjustment Date is effective February 16 of each year.
12. A new interest rate will be posted on the Board's website and adjusted amortization schedules mailed out in March.
13. Any state or federal permits required must be obtained prior to closing the loan.
14. If the project is dependent on other funding sources, those funding sources must be committed prior to funding the INTERCAP loan.

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15. Eligible government units must adhere to Montana law when financing capital projects.
 - a) Board staff will consider the maximum loan term authorized in statute, as well as the repayment ability of the eligible Borrower, when reviewing loan requests.
 - b) Loan terms may not exceed fifteen (15) years or the useful life of the project being financed, whichever is less.
16. The maximum amount of the loan is limited to the Borrower's legal debt limit.
17. Loans previously approved by the Board may be increased by the Executive Director in an amount up to ten percent (10%) of the original approved loan amount.

B. Short-Term Loans Specific Criteria

1. Short-term INTERCAP loans may be made to cover two types of needs:
 - a) Money to provide financing on an interim basis for projects funded from other sources.
 - b) Operating money to cover a temporary cash flow deficit.

Examples of eligible temporary project funding include, but are not limited to, interim financing in anticipation of state or federal grants and/or long-term loans. Specific written evidence of the commitment for funding of the grant or long-term loan is required prior to releasing funds.

2. Counties, cities, towns, and school districts are statutorily authorized to borrow for cash flow deficits to be repaid within the statutory time limit. Other types of local governments may borrow through their respective county.

C. Enterprise Debt Loans Specific Criteria

1. Enterprise funds are used to report the functions presented as business-type activities in government-wide financial statements. Enterprise project financing pledges revenues of the Borrower to repay the loan for associated costs.
2. The Board must receive documentation of revenue rates currently in effect and any proposed adjustments.
3. Enterprise debt requires the Borrower to:
 - a) Pledge the revenues of the system.
 - b) Set and maintain rates and charges that will generate net revenues to cover debt service by a factor of one and a quarter (1.25).
 - c) Maintain a reserve account of one (1) year debt service or ten percent (10%) of the loan, whichever is less.
4. In most cases the obligation is not required to be secured by the full faith and credit of the issuer and the obligation does not require voter approval.
5. If the revenue pledged for repayment is on parity, or in equal position, with other outstanding debt, the Board will require Montana-licensed bond counsel to prepare the parity revenue bond documents and provide the opinion at the Borrower's expense.

D. Preliminary Engineering Report (PER) Loans Specific Criteria

1. Local governments may finance the costs to prepare the PER planning document required by many state and federal funding agencies for utility improvement loans.
2. The engineer must be a registered professional licensed to practice in his or her area(s) of competence and expertise in the State of Montana and be obtained prior to the Board's commitment.
3. The maximum PER loan term is six (6) years.
 - a) At the time of loan application review, Board staff will determine if the loan will be repayable interest-only for up to three (3) years with an optional three (3) year amortization of principal and interest thereafter or amortized principal and interest over the six (6) year term.
 - b) Rates and fees will be annually reviewed and increased as necessary to provide adequate repayment of debt.
4. A written approval from a state or federal engineer stating the PER scope of work generally conforms to the requirements outlined in the Uniform Preliminary Engineering Report for Montana Public Facility Projects.
5. Special or Rural Improvement Districts are not eligible for PER loans.

E. Grant Writing Loans Specific Criteria

1. Local governments may finance the costs to prepare grant applications.
2. The maximum loan term is six (6) years.
3. Board staff will determine at the time of loan application review if the loan will be repayable interest-only for up to three (3) years with an optional three (3) year amortization of principal and interest thereafter or amortized principal and interest over the six (6) year term.
4. Rates and fees will be annually reviewed and increased as necessary to provide adequate repayment of debt.

F. General Obligation Loans Specific Criteria

1. Voter-approved general obligation debt has the backing by the full faith and credit of the issuer and obligates the issuer to levy a tax sufficient to repay the obligation.
 - a) The Board will require copies of the election process leading up to and the results of the election for review.
2. Bond counsel is required to certify that all legal requirements for the loan have been met. The cost of bond counsel opinion is to be paid by the Borrower.

G. Special or Rural Improvement District (SID/RID) Loan Specific Criteria

1. SID/RID loans are payable from special assessments levied against real property in the district to finance improvements to projects such as street, road, curbing, etc. The loans are not full faith and credit obligations of the city or county.
2. All statutory requirements for establishing the SID/RID must be met prior to the loan and available for review as part of the loan process.
3. City or county funds must secure the SID/RID with a pledge to levy for and maintain the revolving fund to the maximum amount permitted by law.
4. All local government SID/RIDs and the balance in the revolving fund are subject to review as part of the loan process.
5. Preliminary engineering loans will not be made to SIDs/RIDs.

H. Street Maintenance District Loans Specific Criteria

1. Street Maintenance Districts and SID/RIDs are loans payable from special assessments levied against real property in the district to finance improvements to projects such as street, road, curbing, etc. Street Maintenance District loans do not require voter approval and are not secured by the local government's revolving fund.
2. The appropriate steps to create the Street Maintenance District and set the annual assessments must comply with Section 7-12-44, MCA, and be available for review as part of the loan process.
3. Assessment revenue will be pledged to the repayment of the loan and must be set to generate net revenues to cover the debt service by a factor of one and a quarter (1.25).
4. If revenue pledge for repayment is on parity with other outstanding debt, the Board will require Montana-licensed bond counsel to prepare the parity revenue bond documents and provide the opinion at the Borrower's expense.
5. The Board will require a reserve account that is equal to one (1) year debt service or ten percent (10%) of the loan, whichever is less.

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 70.110

EFFECTIVE DATE: August 3, 2022

TITLE: University System INTERCAP Agreements

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: July 20, 2022

I. University System INTERCAP Agreements

A. Purpose

1. The public purpose of this policy is to provide a means for the University System to obtain low-cost financing for capital projects.

B. The Board administers the INTERCAP loan program (INTERCAP) under the Municipal Finance Consolidation Act (Act) as a means of providing low interest loans to eligible Montana government entities to finance capital improvements and other needs.

C. The 1991 Legislature amended the Act to include the Board of Regents as an eligible borrower.

1. The legal authority for the Board of Regents to borrow through INTERCAP is found on Section 17-5-1604(3), MCA, and Section 20-25-402, MCA.

D. Procedures

1. Board staff may, without the concurrence of the Loan Committee, authorize University System loan requests, in an amount up to \$1.0 million.
2. Board staff may, with the concurrence of the Loan Committee, authorize University System loan requests, in an amount greater than \$1.0 million and up to \$5.0 million.
3. The Board must authorize University System loan requests in excess of \$5 million.

E. Loan Concentration Cap

1. University of Montana campuses (UM)

- a) The aggregate outstanding principal amount of all INTERCAP loans (Loan) made by the Board to UM, when added to the maximum principal amount of such proposed Loan, may not exceed nineteen percent (19%) of the principal amount of INTERCAP Bonds outstanding.

2. Montana State University campuses (MSU)

- a) The aggregate outstanding principal amount of all Loans made by the Board to MSU, when added to the maximum principal amount of such proposed Loan, may not exceed nineteen percent (19%) of the principal amount INTERCAP Bonds outstanding.

3. For the purpose of making the foregoing calculations, a Loan to the UM or MSU is deemed to be outstanding in the maximum principal amount of the committed amount of the Loan, even if only a portion or none of such committed amount is advanced as of the date of calculation.

4. The unadvanced commitment of a Loan will be disregarded for the purpose of determining the outstanding principal amount of Loans to the Borrower only if at the time of making the calculation:
 - a) The Board has received written notice from the Borrower that no further advances on the Loan are contemplated and the Board is directed by the Borrower to release the unadvanced principal from the loan commitment; or
 - b) The loan commitment has expired by its terms.

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 70.710

EFFECTIVE DATE: August 3, 2022

TITLE: Approved Lenders

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: July 20, 2022

I. Approved Lender Requirements

- A. Any financial institution meeting the requirements found in § 17-6-302(7) and whose business activity meets the requirements found in Section 17-6-203(12), MCA, may request approval to Participant to sell loans to the Board on a whole or participation basis and services the loan throughout the term.
- B. All requests must include:
 1. A listing of the applicant's principal officers and officer(s) authorized to execute contracts, agreements, and other documents, and
 2. A certificate of errors and omissions insurance coverage in an amount to be determined by the Board at the time of approval.
- C. An applicant that is governed by one or more regulatory agencies must:
 1. Submit its most recent quarterly consolidated report of condition and income or its most recent quarter-end balance sheet and income statement, and
 2. If available, copies of its previous three years' consolidated reports of condition and income or audited financial statements, including both balance sheets and income statements which must:
 - a) indicate a positive return on average assets based on generally accepted accounting principles (GAAP), and
 - b) indicate a total capital as a percentage of average assets of at least six percent (6%) or meet all applicable capital requirements of the regulatory agency.
- D. An applicant that is not governed by a regulatory agency defined herein, must submit:
 1. Copies of its last three (3) years audited financial statements, including both balance sheets and income statements,
 2. Its most recent quarter-end balance sheet and income statement which must:
 - a) Have been prepared within sixty (60) days of submission,
 - b) Indicate a positive return on average assets, and
 - c) Indicate total capital as a percentage of average assets of at least six percent (6%) with a minimum GAAP net worth of \$1,000,000.
 3. Evidence of its current corporate and ownership structure demonstrating more than three (3) years of existence.
- E. Board staff will determine approval of each applicant after reviewing the application.
- F. If approved as a Participant, the financial institution must sign the appropriate sales and servicing agreement(s) and an electronic funds transfer authorization form.

Adopted: November 30, 2021

Revised: August 3, 2022

Reviewed: July 20, 2022

- G. The Board may suspend approval of a Participant and discontinue purchasing loans or otherwise participating with the Participant in purchasing and servicing loans if any of the following situations occur:
1. Fees due to the Board by the Participant remain unpaid for more than thirty (30) calendar days,
 2. The Board determines that more than seven percent (7%) of loan payments have been delinquent for more than ninety (90) calendar days, or
 3. The Board determines that the Participant has violated the servicing or participation agreement, or rules adopted by the Board.

POLICY NUMBER: 70.720

EFFECTIVE DATE: August 3, 2022

TITLE: Commercial Loan Program

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: July 20, 2022

I. Commercial Loan Program

A. General Parameters for Commercial and Multi-Tenant Housing Loans:

1. The Board does not lend directly to businesses and participates only with approved lenders in making loans to Montana businesses.
2. Approved Lenders originate all loans and submit loan applications and loan reservation forms.
3. The term Borrower means the Borrower applying for a loan from the Lender.
4. Borrowers must provide preference to Montana labor when constructing projects.
5. Project construction contractors are subject to prevailing wages.
6. Small Business Loan Incentives are only available for Commercial Coal Tax Trust loans.
7. Job Credit Interest Rate Reductions are only available for Commercial Coal Tax Trust loans.
8. Commercial Coal Tax Trust loans maximum size is limited to ten percent (10%) of the Trust.
9. Commercial Coal Tax Trust loans exceeding six percent (6%) of the Trust require thirty percent (30%) Lender Participation.
10. The submission of a fee with the Loan Reservation Form locks an interest rate and reserves funding.

B. Interest Rates

1. Interest rates are effective for a one (1) week period and are posted on the Commercial Loan Rate Sheet.
2. The Commercial Loan Rate Sheet is posted on the Board's website each Thursday.
3. The interest rates reflect net yield to the Board and are exclusive of any Lender fees.
4. Initial interest rate is determined by the interest rate posted on the Commercial Loan Rate Sheet on the date the loan reservation form is received.

C. Loan Reservations

1. Reservations with an Identifiable Borrower
 - a) Lenders with an identifiable Borrower(s) at the time of the reservation, may reserve funds for one year (365 days) with a fee of one quarter percent (0.25%) of the reserved amount.
 - b) Lenders may lock interest rates at any time during the one-year (365 days) period at the rate last set.
 - c) If the loan has **not** been committed and the Board's interest rates decline after a Lender has locked interest rates during the one-year (365 days) period, a reservation at the lower rate for an additional one-year (365 days) may be obtained via payment of another one-quarter percent (0.25%) fee.

- d) If the loan has been committed and the Board's interest rates decline after a Lender has locked interest rates during the one-year (365 days) period, the lower rate may be obtained via payment of another one-quarter percent (0.25%) fee, but the original commitment letter expiration date will remain the same.
- e) Lenders must offer, underwrite, accept, and close the loan during the one-year (365 days) period.
- f) All applicable checklist items must be received within ninety (90) days after expiration of the one-year (365 days) period.
- g) The reservation may be extended as outlined in Section C.2. of this Policy.
- h) Blended interest rates may be applied for increases in the reserved amount of an existing reservation.
- i) The last fee paid is refundable if the loan is funded or the application is rejected.

2. Reservation Extensions

- a) If the project for which the loan proceeds will be utilized is not completed within the initial one-year (365 days) reservation period, up to two (2) additional one-year (365 days) increments may be granted upon written request and payment of an additional one-quarter percent (0.25%) fee for each extension.
- b) Additional one-year (365 days) extensions will not be granted if the project has been completed within the existing reservation/commitment period.
- c) Extension fees must be received via ACH within fifteen (15) working days after the expiration date of the current one-year (365 days) period in order to keep the reservation in force.

D. Financial Institution Incentive for Small Business Loans

- 1. The Board's interest rates may be reduced by one-half percent (0.50%) for loans of less than five-hundredths percent (0.05%) of the Montana Permanent Coal Tax Trust balance at the most recent fiscal year-end. The amount is posted weekly with the interest rates.
- 2. This reduction is available for loans made to small businesses, which the Board defines as businesses with gross annual payroll of less than \$10.0 million (Section 17-6-319, MCA).

E. Job Creation Interest Rate Reduction

- 1. With the exception of Link Deposit and Value-Added loans, Borrowers who create jobs as a result of a Coal Tax Trust commercial loan are entitled to an interest rate reduction of five-hundredths percent (0.05%) for each qualifying job created up to a maximum of two and a half percent (2.50%).
- 2. One job is equal to the Private Annual Wage shown on the weekly posted Commercial Loan Rate Sheet.
- 3. For jobs paying more than the Private Annual Wage, job credits will be increased proportionately for each twenty-five percent (25%) increment above the Private Annual Wage to a maximum of two jobs.
- 4. For jobs paying less than the Private Annual wage, job credits will be reduced proportionately for each twenty-five percent (25%) increment below the Private Annual Wage.
- 5. Job credits are not available unless one whole job is created.
- 6. Nonprofit corporations may qualify for the job credit interest rate reductions if the interest rate reduction passes through to a for-profit business creating the jobs.
- 7. The Board may increase the interest rate commensurate with the number of jobs eliminated if the Borrower eliminates qualifying jobs. Lenders must notify the Board if the Borrower

eliminates qualifying jobs.

8. The beginning date for counting jobs created is the date of the first written contact from the Lender or the Borrower pertaining to the project.
9. Applications for interest rate reductions may be delivered with the loan funding documents or at least ten (10) working days before the end of each calendar quarter.
10. The Borrower seeking an interest rate reduction must provide payroll records as evidence of the creation of jobs.
11. The Board shall notify the Lender within fifteen (15) business days what action has been taken on an interest rate reduction request.
12. Investors owning business properties may receive an interest rate reduction if the lease passes the reduction to the lessee for the full term of the loan.
13. Interest rate reductions provided in this part will be effective on the next scheduled payment date.
14. The posted Private Annual Wage and State of Montana minimum wage will be used in calculating a job creation interest rate reduction request. Job credit interest rate reductions are not available for jobs paying less than the state minimum wage.

F. Interest Rate Buy Down on Existing Commercial Loans

1. The Board's portion of an outstanding loan interest rate may be reduced to the Board's current rate at the time the Loan Reservation Form and fee are received.
2. The interest rate will be calculated by rounding the remaining term up to the nearest year and applying the buy down interest rate for that specific year. The fee is:
 - a) One percent (1%) of outstanding Board loan balance, for sixty (60) months or less,
 - b) One and a half percent (1.5%) of outstanding Board loan balance for sixty-one to one hundred and twenty (61 to 120) months, or
 - c) Two percent (2%) of outstanding Board loan balance for one hundred and twenty-one (121) months or more.
3. Interest rate reductions are effective on the next payment due date after the fee is received and the reduction is approved by the Board.
4. Job creation interest rate reduction can be applied to the buy down interest rate for all new jobs created after the date of the rate buy down.
 - a) If a rate reduction resulting from the creation of jobs was applied to the loan prior to the interest rate buy down the previously applied rate reduction and any new job-related rate reduction after the interest rate buy down cannot exceed a total of two and a half percent (2.50%).
 - b) The previously used job credit rate reduction cannot be applied to the buy down interest rate.

G. Collateral Requirements

1. Collateral requirements include:
 - a) A first mortgage/lien position shared proportionately with Lender,
 - b) Sufficient economic life to support the term of the loan,
 - c) Personal guarantees as required by Lender or the Board,
 - d) Due-on-sale clauses, requiring Lender’s consent prior to loan transfer,
 - e) An attorney opinion on authority of Borrower to borrow and all collateral documents if required by Lender, or
 - f) Other collateral as required by Lender or the Board.

H. Appraisals Requirements

1. Licensed Montana commercial appraisers are preferred unless a specialized property collateral requires an out-of-state appraiser.
2. Requirements apply to all appraisals irrespective of the Lender’s appraisal or loan policy appraisal requirements and are based on the total loan amount shown below:
 - a) Up To \$500,000 - As required by Lender to provide basis for value.
 - b) Over \$500,000 - Appraisal Report, as defined by the Uniform Standards of Professional Appraisal Practice.
3. Appraisal requirements are based on the total loan amount.

I. Pricing Adjustment for Participation Loans Based on Loan-To-Value

1. Loan-To-Value (LTV) is based on the lessor of reasonable project costs or market value appraisal. Reasonable project costs do not include any form of payout to an owner, developer, or shareholder.
2. The following risk adjustments for Loan-To-Value on collateral will be made to the posted interest rate:

| <u>Loan-To-Collateral Value</u> | <u>Board Participation</u> | <u>Net Yield To Board</u> |
|---------------------------------|----------------------------|---------------------------|
| 1-75% LTV | 80% | Posted Rate |
| 76% - 80% LTV | 70% | Posted Rate |
| 81% - 85% LTV | 60% | Posted Rate |
| 86% - 90% LTV | 50% | Posted Rate |
| <u>OR:</u> | | |
| 76% - 80% LTV | 75% | Posted Rate + .25% |
| 81% - 85% LTV | 70% | Posted Rate + .50% |
| 86% - 90% LTV | 65% | Posted Rate + .75% |

J. Fundings

1. The loan in which the Board is to participate must be closed prior to the commitment letter expiration date.
2. Funding documents required in the commitment letter must be received within ninety (90) days following the first principal and interest payment due date of the project term note or the commitment date expiration, whichever comes first.
3. Fundings should occur on or around the tenth (10) day of the month.
4. At least thirty (30) days’ notice must be provided to be eligible for fundings.

K. Ineligible Loans

1. Ineligible loans are:

- a) Loans classified as substandard, doubtful, loss or similar category in Lender's most recent examination report,
- b) Loans to businesses with classified loans at the Lender, other than the loan offered to the Board,
- c) Loans to trusts,
- d) Loans for land development or speculative ventures,
- e) Revolving lines of credit, working capital or operating money, or
- f) Loans to pay delinquent taxes.

L. Project Specific Requirements

1. Any contract to construct a project financed by loan proceeds must require all contractors to give preference to the employment of bona fide Montana residents, as defined in Section 18-2-401, MCA, in the performance of the work on the projects if their qualifications are substantially equal to those of nonresidents.
2. Substantially equal qualifications mean the qualifications of two (2) or more persons among whom the employer cannot make a reasonable determination that the qualifications held by one person are significantly better suited for the position than the qualifications held by the other persons.
3. If the Board participates in construction financing and its share of the loan equals or exceeds \$1.5 million, the general contractor and all subcontractors shall be subject to Montana's prevailing wage law specified in Section 18-2-4, MCA.

M. Other Commercial Loan Policy Considerations

1. A loan that includes refinance of existing debt, other than construction financing, will be considered if, at a minimum, the refinanced amount is retained by the Lender.
2. The Board participation will not exceed eighty percent (80%) of the total loan.
3. If the Borrower already has a loan participated with the Board and the Borrower wants to acquire additional debt, which would consolidate the existing participated loan and a new construction/equipment loan, using the same or a different Lender, the Board will not consider its portion of the existing participated loan as a refinance. The additional debt should create new jobs and/or create economic development.
4. Investor properties must cash flow with coverage at one and a quarter times (1.25X) on a twenty (20) year amortization, or other financial consideration. The Board may establish a higher coverage ratio depending on economic conditions and/or industry.
5. Balloon payment loans are eligible provided Loan-To-Value at maturity is acceptable to the Board.
6. The Board will proportionately participate in any prepayment penalty required by the Lender.
7. Loans for projects on leased land will be considered if the lease does not expire prior to loan maturity.
8. Loan assumptions are permitted upon Board approval with a loan assumption fee of \$500.00.
9. Escrow impounds may be required for taxes and hazard insurance when Loan-To-Value exceeds fifty percent (50%).
10. Maximum loan amount to any Borrower is limited to ten percent (10%) of the book value of the Coal Tax Trust as of the month-end prior to a loan commitment.

11. If a Borrower has received or will receive a value-added loan from the Board or is a business for which a local government has provided infrastructure funded by an infrastructure loan made by the Board, the outstanding principal of the value-added and/or infrastructure loan will be applied against the ten percent (10%) maximum loan size. A Borrower or business may not incur a debt to the Coal Tax Trust exceeding ten percent (10%) of the Trust's book value.
12. Any loan exceeding six percent (6%) of the Trust requires thirty percent (30%) Lender participation.
13. The Board may apply different criteria to loan requests from nonprofit Borrowers.
14. Maximum loan terms are:
 - a) Participation with Federal Guarantee, thirty (30) years,
 - b) Participation, twenty-five (25) years, or
 - c) Link Deposit, twenty (20) years.
15. All loans submitted for participation to the Board from Board members or Board staff shall first be approved by the Board before the loan is committed and funded.
16. Any time an approved Lender downgrades a commercial loan participated with the Board, the approved Lender must notify the Board of the downgrade and submit to the Board the most recent Lender credit review and an explanation why the credit was downgraded, within (thirty) 30 days of the downgrade.
17. If the approved Lender applies a default interest rate to a participated loan, the Board interest rate will also be increased to that default interest rate and remain effective for the same period of time as for the approved Lender.
18. Thirty percent (30%) cash equity is required for hotel/motel facilities. The LTV will consider the lower of hard costs or appraised value.
19. The Board may require additional due diligence and research on loans at its sole discretion.
20. Loans must cash flow with coverage at a one and a quarter times (1.25X) debt service.

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 70.730

EFFECTIVE DATE: August 3, 2022

TITLE: Infrastructure Loan Program

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: July 20, 2022

I. Infrastructure Loan Program

A. General Parameters for the Infrastructure Loans

1. The program is funded by a \$80.0 million allocation from the Permanent Coal Tax Trust.
2. The term Borrower means the public entity applying for the loan from the Board.
3. Applications must be submitted by eligible local governments.
4. The user of the infrastructure must meet one of the following Basic Sector definitions and is referred to as the Business:
 - a) Business activity conducted in-state that produces goods and services for which fifty percent (50%) or more of the gross revenues are derived from out-of-state sources; or
 - b) Business activity conducted in-state that produces goods and services, fifty percent (50%) or more of which will be purchased by in-state residents in lieu of like or similar goods and services which would otherwise be purchased from out-of-state sources.
5. The Loans will fund infrastructure projects that provide facilities/services to Businesses.
6. The Business pays a user fee to the local government that is pledged to the Board for loan repayment.
7. Businesses may reduce their Montana state income tax liability by the amount of the fee, (Section 15-31-301, MCA).
8. The Business must create at least fifteen (15) full time jobs to be eligible for the program. Created jobs are based on Job Creation Interest Rate Reduction criteria.
9. The maximum loan size is \$16,666 times the number of full-time jobs created.
10. The minimum loan size is \$250,000.
11. The maximum loan term is twenty-five (25) years.
12. The loan amount will not exceed seventy-five percent (75%) of the loan-to-value. The loan-to-value is based on the lesser of the reasonable project cost or market value appraisal. Reasonable project costs do not include any form of payment to an owner, developer, or shareholder.

B. Interest Rates

1. Interest rates are posted weekly on the Commercial Loan Rate Sheet and are effective for a one (1) week period.
2. The Commercial Loan Rate Sheet is posted on the Board's website each Thursday.
3. Initial interest rate is determined by the interest rate posted on the Commercial Loan Rate Sheet on the date the infrastructure Loan application is received.

Adopted: November 30, 2021

Revised: August 3, 2022

Reviewed: July 20, 2022

C. Job Creation Interest Rate Reduction

1. A Business creating jobs as a result of an infrastructure loan is entitled to an interest rate reduction of five-hundredths percent (0.05%) for each job created up to a maximum of two and a half percent (2.50%). The reduction will be reflected in the user fee rate charged to the Business.
2. One job is equal to the Private Annual Wage shown on the weekly posted Commercial Loan Rate Sheet.
3. For jobs paying more than the Private Annual Wage, job credits will be increased proportionately for each twenty-five percent (25%) increment above the Private Annual Wage to a maximum of two jobs.
4. For jobs paying less than the Private Annual Wage, job credits will be reduced proportionately for each twenty-five percent (25%) increment below the Private Annual Wage.
5. Job credits are not available unless one whole job is created.
6. Job credit interest rate reductions are not available for jobs paying less than the State of Montana minimum wage.
7. The Business must provide evidence of the creation of jobs prior to the reduction and annually thereafter.
8. Interest rate reductions will be effective on the next scheduled payment date.
9. The Board may increase the interest rate commensurate with the number of jobs eliminated if the Business eliminates qualifying jobs. The Business must notify the Board if it eliminates qualifying jobs.
10. The beginning date for counting jobs created is the date of the first written contact from the Borrower or the Business pertaining to the project.

D. Collateral Requirements

1. Collateral requirements include:
 - a) A note or other evidence of indebtedness,
 - b) A loan agreement,
 - c) First mortgage/lien position when appropriate,
 - d) A pledge from the local government of infrastructure fees for repayment of the loan,
 - e) The loan resolution adopted by the local government,
 - f) All necessary state, federal and local government permits must be obtained before loan closing.
 - g) Sufficient economic life to support the term of the loan,
 - h) Personal or corporate guaranty as determined by the Board,
 - i) Attorney opinion on authority of local government to borrow and the validity of all collateral documents,
 - j) Attorney opinion to the local government on the legal and binding nature of obligations on the local government and the Business for which the infrastructure is provide, or
 - k) Other collateral or loan documents as required by Board.

E. Appraisals Requirements

1. Licensed Montana commercial appraisers are preferred unless a specialized property collateral requires an out-of-state appraiser.

2. Requirements apply to all appraisals irrespective of the Lender's appraisal or loan policy and appraisal requirements and are based on the total loan amount shown below:
 - a) Up To \$500,000 - As required by Board to provide basis for value.
 - b) Over \$500,000 - Appraisal Report, as defined by the Uniform Standards of Professional Appraisal Practice.
3. Appraisal requirements are based on the total loan amount.

F. Ineligible Loans

1. Ineligible loans include:
 - a) Loans to any local government in default on any obligation,
 - b) Loans to local governments for infrastructure to Businesses in default on any obligation, or
 - c) Loans providing infrastructure to Business creating fewer than fifteen (15) jobs in a four (4) year period.

G. Project Specific Requirements

1. Any contract to construct a project financed by loan proceeds must require all contractors to give preference to the employment of bona fide Montana residents, as defined in Section 18-2-401, MCA, in the performance of the work on the projects if their qualifications are substantially equal to those of nonresidents.
2. Substantially equal qualifications mean the qualifications of two (2) or more persons among whom the employer cannot make a reasonable determination that the qualifications held by one person are significantly better suited for the position than the qualifications held by the other persons.
3. If the Board participates in construction financing and its share of the loan equals or exceeds \$1.5 million, the general contractor and all subcontractors shall be subject to Montana's prevailing wage law specified in Section 18-2-401, MCA.

H. Other Infrastructure Loan Policy Considerations

1. Loans for infrastructure on leased land will be considered if the lease does not expire prior to loan maturity.
2. Consultant fees may be financed as part of the larger project but may not be financed on a stand-alone basis.
3. Commercial Loan Policy underwriting criteria will be considered.
4. If there are not a sufficient number of jobs created within the first four (4) years of the infrastructure loan, the Business:
 - a) Will have ninety (90) additional days to create those jobs, or
 - b) Will have to pay down the infrastructure loan to a level which the current number of jobs supports the outstanding loan balance.
5. The Business will reimburse the Board for all legal fees and closing costs associated with the preparation of the loan documents.
6. If there are not a sufficient number of jobs created within the first four (4) years of the infrastructure loan the Business:
 - a) Will have ninety (90) additional days to create those jobs, or
 - b) Will have to pay down the infrastructure loan to a level which the current number of jobs supports the outstanding loan balance.

7. Investor loans are not eligible.
8. The Board may require additional due diligence and research on loans at its sole discretion.

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 70.740

EFFECTIVE DATE: August 3, 2022

TITLE: Value Added Loan Program

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: July 20, 2022

I. Value Added Loan Program

A. General Parameters for the Value-Added Loans

1. Value-Added means the mechanical, physical, or chemical transformation of materials, substances, or components into new products.
2. The program is funded by a \$70.0 million allocation from the Permanent Coal Tax Trust.
3. The Board does not lend directly to Businesses and participates only with Approved Lenders in making loans to Montana Businesses.
4. Approved Lenders originate all loans and submit loan applications.
5. The Montana Business must be a "Value-Added" Business.
6. The loan amount will not exceed seventy-five percent (75%) of the Loan-To-Value. The Loan-To-Value is based on the lesser of reasonable project cost or market value appraisal. Reasonable project costs do not include any form of payout to an owner, developer, or shareholder.
7. The Montana Business must create or retain at least ten (10) jobs.
8. The term "jobs" as it relates to program eligibility is defined in the Job Creation/Retention Requirements section of this Policy.
9. The term "Borrower" means the Borrower applying for a loan from the Lender.
10. Borrowers must provide preference to Montana labor when constructing projects.
11. Project construction contractors may be subject to prevailing wages.
12. Board loan participation is seventy-five percent (75%) and Lender participation is twenty-five percent (25%).
13. The Lender service fee is limited to one-half percent (.5%) on the participated portion.
14. Board interest rates and maximum loan term are set by law.
15. Fees to reserve funds or lock interest rates are not required. Reservation considered effective upon receipt of application.
16. Loan prepayments penalties are not permitted.
17. Minimum loan size is \$250,000, of which the Board may participate up to seventy-five percent (75%).
18. Maximum loan size (the 75% Board's Share) is limited to one percent (1%) of the Coal Tax Trust.

Adopted: November 30, 2021

Revised: August 3, 2022

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19. Interest rate reductions for job credit and small business loans are not available.
20. The Board shares proportionately in all security or guarantees obtained by the Lender.
21. Borrower must operate a Value-Added Business, examples of which are listed in the Value-Added Business Examples section.
22. Loan term limited to fifteen (15) years from date of note, including any construction financing, if the Board participates in the construction loan.
23. Borrower must provide equity of at least twenty-five percent (25%) of the total loan amount.
24. If at any time during the term of the loan, the Business and all the required jobs are moved out of state, the Board may request the Lender to repurchase the participated loan amount.
25. No bonuses or dividends can be paid to investors if the loan is outstanding, except as provided by Section 17-6-317(5)(b)(c) MCA.
26. A public utility regulated by the Public Service Commission in accordance with Title 69 of the MCA, or a Business enterprise for the production of alcohol to be used as provided in Section 15-70-5, MCA, may pay dividends to investors and bonuses to employees if the Business enterprise is current on its loan payments and has available funds equal to at least fifteen percent (15%) of the outstanding principal balance of the loan.
27. For purposes of this policy, available funds are considered to be cash and cash equivalents plus trade receivables minus total current liabilities, and such funds shall be calculated using Generally Accepted Accounting Principles.
28. The Borrower shall furnish annual audited financial statements satisfactory to the Approved Lender and the Board within one hundred and twenty (120) days after the end of the period covered.

B. Interest Rates

1. During construction financing or permanent loan funding, and prior to the Borrower's meeting the minimum job requirements, the interest rate will be set at the Commercial Loan Program's posted rate.
2. Once the ten (10) or fifteen (15) jobs eligibility requirement is met and certified to the Board, the interest rate will be reduced to the level appropriate to the number of jobs created/retained. Rates for the program are:
 - a) Two percent (2%) for the first five (5) years if fifteen (15) or more jobs are created or retained,
 - b) Four percent (4%) for the first five (5) years if ten to fourteen (10 -14) jobs are created or retained,
 - c) Six percent (6%) for the second five (5) years, and
 - d) The Board's posted rate for the third five (5) years, but not to exceed ten percent (10%) per year.
3. If a Business reduces the number of required jobs, the Board may apply a graduated scale to increase the interest rate, not to exceed the Board's posted rate.
4. All rate changes are effective on the payment date following approval.

C. Collateral and Underwriting Requirements

1. Requirements include:

Adopted: November 30, 2021
Revised: August 3, 2022
Reviewed: July 20, 2022

- a) First mortgage/lien position shared proportionately with Lender,
 - b) Sufficient economic life to support the term of the loan,
 - c) A Loan-To-Value based on the lesser of reasonable project costs (including architecture, engineering, and capitalized interest) or the market value appraisal,
 - d) Personal guaranties as required by Lender to be shared proportionally with the Board,
 - e) Collateral documents must contain due-on-sale clauses, requiring Lender's consent prior to loan transfer,
 - f) Environmental risk assessment as required by Lender,
 - g) An attorney opinion on authority of Borrower to borrow and all collateral documents if required by the Lender, or
 - h) Other collateral as required by Lender or Board.
2. Loans for projects on leased land will be considered if the lease does not expire prior to loan maturity.
 3. Escrow accounts may be required for taxes and hazard insurance when Loan-To-Value exceeds fifty percent (50%).
 4. Commercial Loan Policy underwriting criteria will also be considered.
 5. The Board may require additional due diligence and research on loans at its sole discretion.
- D. Appraisals Requirements
1. Licensed Montana commercial appraisers are preferred unless a specialized property collateral requires an out-of-state appraiser.
 2. Requirements apply to all appraisals irrespective of the Lender's appraisal or loan policy appraisal requirements and are based on the total loan amount shown below:
 - a) Up To \$500,000 - As required by Board to provide basis for value.
 - b) Over \$500,000 - Appraisal Report, as defined by the Uniform Standards of Professional Appraisal Practice.
 3. Appraisal requirements are based on the total loan amount.
- E. Job Creation/Retention Requirements
1. One job is equal to the Private Annual Wage shown on the weekly posted Commercial Loan Rate Sheet.
 2. For jobs paying more than the Private Annual Wage, job credits will be increased proportionately for each twenty-five percent (25%) increment above the Private Annual Wage to a maximum of two jobs.
 3. For jobs paying less than the Private Annual wage, job credits will be reduced proportionately for each twenty-five percent (25%) increment below the Private Annual Wage.
 4. Job credits are not available unless one whole job is created.
 5. Job credit interest rate reductions are not available for jobs paying less than the state minimum wage.
 6. During the terms of reduced interest rates, the Borrower must annually submit appropriate payroll documents to the Board to certify the number of jobs maintained or retained.

7. Borrowers applying for a loan under the “retention” provision must submit all financial statements and Business plans required by the Board to assist the Board in determining if a Value-Added loan will prevent the elimination of jobs.

F. Value-Added Business Examples

1. Although Businesses may be reviewed on a case-by-cases basis, the following are examples of specific Businesses that would or would not qualify for the Value-Added Loan Program.

| Wood Products | Loan Eligibility | |
|--|-------------------------|----|
| Logging | | NO |
| Timber Tracts | | NO |
| Christmas Tree Farm | | NO |
| Tree Nurseries | | NO |
| Log Home Crafters | YES | |
| Modular Home Manufacturers | YES | |
| Sawmills | YES | |
| Wood Components (Trusses, Beams, Wall Panels) | YES | |
| Chip Mill | YES | |
| Pulp Mills | YES | |
| Manufacturing | Loan Eligibility | |
| Businesses engaged in the mechanical, physical, or chemical transformation of materials, substances or components into new products that meets the North American Industry Classification System (NAICS) classification of manufacturing | YES | |
| Agriculture | Loan Eligibility | |
| Farming | | NO |
| Ranching | | NO |
| Orchards | | NO |
| Crop Harvesting | | NO |
| Landscaping | | NO |
| Retail Plant Nurseries | | NO |
| Wholesale Plant Nurseries | YES | |
| Retail Bakeries | | NO |
| Wholesale Bakeries | YES | |
| Sugar Refinery | YES | |
| Cattle Feed Lots | YES | |
| Dairies | YES | |
| Winery | YES | |
| Meat Processing Plants | YES | |
| Grain Milling and Processing | YES | |
| Information Technology | Loan Eligibility | |
| Printing/Publishing | | NO |
| Internet Service Provider (ISP) | | NO |
| Call Centers | | NO |
| Data Transmission Lines | | NO |
| Computer Consultant Services | | NO |
| Software Production & Licensing | YES | |
| Computer Hardware Manufacturing | YES | |

Adopted: November 30, 2021

Revised: August 3, 2022

Reviewed: July 20, 2022

| Construction | Loan Eligibility | |
|---|------------------|----|
| Businesses meeting the NAICS definition of a heavy medium or light construction enterprise. | | NO |

G. Lender Requirements

1. A participating private financial institution may charge interest in an amount equal to the national prime interest rate, adjusted on January 1 of each year, but the interest rate may not be less than six percent (6%) or greater than twelve percent (12%).
2. At the Borrower's discretion, the Borrower may request the lead Lender to change this prime rate to an adjustable or fixed rate on terms acceptable to the Borrower and Lender. However, the interest rate may not be less than six percent (6%) and no greater than twelve percent (12%).
3. Lenders may require Borrower to provide guarantees.
4. Any federal guarantees provided are shared seventy-five percent (75%) to the Board and twenty-five percent (25%) to the Lender.
5. A participating private financial institution or lead private financial institution, if more than one is participating, may charge a one-half percent (0.5%) annual service fee on the participated loan amount.
6. The loan agreement must contain provisions providing for pro rata lien priority and pro rata liquidation provisions based upon the loan percentage of the board and each participating private Lender.
7. If a portion of a loan made pursuant to this section is for construction, disbursement of that portion of the loan must be made based upon the percentage of completion to ensure that the construction portion of the loan is advanced prior to completion of the project.
8. A private financial institution shall participate in a loan made pursuant to this section to the extent of eighty-five percent (85%) of its lending limit or twenty-five percent (25%) of the loan, whichever is less. However, the board's participation in the loan must be seventy-five percent (75%) of the loan amount.
9. Lender will have an initial one-year (365 days) from the date the application is received by the Board to close, fund, and participate the Value-Added loan with the Board.
10. If the project for which the loan proceeds will be utilized is not completed within the initial one-year (365 days) period, up to two additional one-year (365 days) increments may be granted upon written request from the Lender for each requested extension.
11. The loan must be closed prior to the expiration of the commitment letter.
12. Funding documents required in the commitment letter must be received within ninety (90) days after the first principal and interest payment date of the project term note or the commitment date expiration, whichever comes first.
13. Loans must cash flow with coverage at a one and a quarter times (1.25X) debt service.
14. The Board may require additional due diligence and research on loans at its sole discretion.

H. Project Specific Requirements

1. Any contract to construct a project financed by loan proceeds must require all contractors to give preference to the employment of bona fide Montana residents, as defined in Section 18-

- 2-401, MCA, in the performance of the work on the projects if their qualifications are substantially equal to those of nonresidents.
2. Substantially equal qualifications mean the qualifications of two (2) or more persons among whom the employer cannot make a reasonable determination that the qualifications held by one person are significantly better suited for the position than the qualifications held by the other persons.
 3. If the Board participates in construction financing and its share of the loan equals or exceeds \$1.5 million, the general contractor and all subcontractors shall be subject to Montana's prevailing wage law specified in Section 18-2-4, MCA.

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 70.750

EFFECTIVE DATE: August 3, 2022

TITLE: Residential Loan Program

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: July 20, 2022

I. Residential Loan Program

A. General Parameters for the Board's Mortgage Loans

1. Interest rates, effective for a one-week period, are posted each Thursday.
2. Interest rates may be locked in for thirty (30) and sixty (60) calendar day reservation period during the one-week posting period.
3. Interest rates may be locked for a one hundred and eighty (180) and two hundred and forty (240) calendar day reservation period at the rate during the one-week posting period for take-out loans on residences under construction.
4. Conventional loans shall be submitted by means of Automated Underwriting through Federal Home Loan Mortgage Company (FHLMC) or Federal National Mortgage Association (FNMA) only, subject to the Board's criteria.
5. Residential loans must be secured by property owned by fee simple interest and located in Montana.
6. Maximum loan term is thirty (30) years, and each loan must be amortized monthly over the loan term.
7. FHLMC underwriting guidelines are used to evaluate all conforming conventional loans.
8. For loans requiring private mortgage insurance after July 29, 1999, the Board will consider cancellation when the Homeowners Protection Act and/or FHLMC guidelines have been met.

B. Interest Rates

1. Interest rates are effective for a one (1) week period and are posted on the Residential Loan Rate Sheet.
2. The Residential Loan Rate Sheet is posted on the Board's website each Thursday.
3. The posted rates reflect net yield to the Board and are exclusive of any Lender fees.
4. The net yield requirements on property not the primary residence of one of the Borrowers, will be one-quarter of one percent (25 basis points) above the residential rates.

C. Reservations

1. Participants may lock interest rates for a thirty (30) calendar day or sixty (60) calendar day reservation period at the rate last set.
2. Participants may lock interest rates for a one hundred and eighty (180) calendar day or two hundred and forty (240) calendar day reservation period at the rate last set for take-out loans on residences under construction.
3. A loan must be offered, underwritten, accepted, and closed by the Participant during the reservation period.

4. All documentation required for delivery under the commitment letter must be delivered to the Board as a complete package by the delivery due date. The delivery date shall be no later than sixty (60) days after expiration of the stated reservation period.
5. The Board reserves the right to take whatever action it deems appropriate to protect its interests and enforce its rights in the event of a late or non-delivery of documentation required under the commitment letter, including, but not limited to, assessing late delivery fees of up to fifty (50) basis points of the committed amount.
6. The Board will process mortgage reservations through "Lender online" or fax a written confirmation to Participants within five (5) business days of receipt. A reservation number will be assigned for each confirmed reservation and the number will be permanently used by the Board and the Participant to identify the Reservation and the Loan.

D. Take-Out Loans for Residences Under Construction

1. The first reservation period for a construction loan may be extended in thirty (30) day increments up to a maximum of three hundred and sixty (360) days upon written request.
2. The Board will adjust to the higher of the original reservation rate or the prevailing interest at the time of the request to compensate for changes in its interest rate from the original commitment.

E. General Requirements One to Four Unit Family Residential Loans

1. The following requirements apply to all residential loans purchased by the Board:
 - a) Mortgages must be secured by property owned by fee simple interest and located within the State of Montana.
 - b) Only loans secured by a first mortgages on real property will be considered for purchase.
 - c) The minimum size loan that the Board will purchase is \$20,000.
 - d) The maximum term for a loan offering is thirty (30) years. Each loan must be amortized monthly over the loan term.
 - e) Mortgage offerings will be purchased on a net yield basis, with consideration given to the amount of funds available for investment and the return available on other permissible investments at the time of offering.
 - f) In computing the yield to maturity, twelve (12) years average life estimate will be used for residential mortgages amortized for sixteen (16) years or more, and eight (8) years average life estimate for residential mortgages amortized for fifteen (15) years or less.
 - g) Partial release of secured property will be considered. The Participant should provide a recommendation and furnish all necessary information and items in the form of a written request including the reasons for the partial release; anticipated use of the land; the legal description of the land to be released and survey, if required. The Board will not assume any costs associated with the release.
 - h) The Participant must notify the Board of any transfer of ownership on a loan purchased by the Board. Transfers include, but are not limited to, sales on contract and wraparounds.
 - i) The Participant must enforce the "due-on-sale" clause where it exists for all transfers and sales. The acceleration of the due date may be waived upon approval by the Board and upon written agreement on the rate of interest payable on the remaining amount.
 - j) The Participant may not change the interest rate or Participant fee rate without written approval.
 - k) All loans submitted for purchase to the Board from Board members or Board staff shall first be approved by the Board before the loan is committed and funded.

F. Conventional Loans – Appraisals

1. Licensed Montana appraisers are required. In submitting the appraisal, the Participant certifies that the appraiser is competent, has the appropriate experience, lacks a conflict of interest regarding the appraised property and that the appraisal report has been made in conformity with Uniform Standards of Professional Appraisal Practices (USPAP).
2. If the appraisal is not acceptable, another appraisal may be requested of the Participant.
3. Participants are responsible for the selection of appraisers and are solely accountable for the quality of the appraiser's work.
4. The following specific appraisal formats and requirements will be required for different classes of real property:
 - a) Freddie Mac/Federal National Mortgage Association or Fannie Mae Quantitative Analysis Appraisal Report Form 2055 on a previously occupied single-family owner-occupied residence.
 - b) A uniform residential appraisal report is mandatory if required by the Desktop Underwriter finding report or Loan Prospector's feedback report. All appraisals must include internal/external inspections.

G. Conventional Loans - Underwriting

1. Only conforming conventional loans offerings utilizing Automated Underwriting through FHLMC or FNMA will be accepted subject to the following:
 - a) Credit approval must be at least Accept or Approve Eligible.
 - b) Freddie Mac/Fannie Mae Quantitative Analysis Appraisal Report Form 2055 on a previously occupied single-family owner-occupied residence.
 - (1) A uniform residential appraisal report is mandatory if required by the Desktop Underwriter finding report or Loan Prospector's feedback report.
 - (2) All appraisals must include internal/external inspections.
 - c) Review and approval of qualified appraisal of the subject property by the Board.
 - d) Investor-owned properties are ineligible for Automated Underwriting.
2. Freddie Mac underwriting guidelines will be used in evaluating all conforming conventional loans.
3. A manufactured home will be considered if it meets all FHA and Freddie Mac underwriting requirements, but is subject to the following limitations:
 - a) No single-wide manufactured homes.
 - b) Must have been built after June 15, 1976.
 - c) Foundations must meet FHA requirements.
4. By submitting the loan application, the Participant warrants that the property is or will be in finished condition prior to the Board's purchase of the loan.
5. Escrow account requirements will be based on Freddie Mac policy.
6. Unique characteristics that affect the marketability of a particular property in a particular community will be considered in determining whether the Board will require a lower Loan-To-Value ratio.

H. Conventional Loans - Restrictions

1. Ineligible loans include:
 - a) Loans to trusts.
 - b) Loans with conservation easements.
 - c) A single lot (surveyed from a larger parcel) which does not abut a public road or is not in a neighborhood of like properties; determined on a case-by-case basis.
 - d) Property which is in significant disrepair as determined in the appraisal or home inspection report.
2. Sweat equity will be considered in cases where the value of the work performed by the Borrower is verified at the time of application by an estimate from an independent contractor experienced in the type of work performed who is not involved in the construction of the property.
 - a) The Borrower must verify his or her qualifications for satisfactorily completing the work. In no event will sweat equity be allowed to exceed the lesser of fifty percent (50%) of the total equity requirement, or ten percent (10%) of the appraised value.
 - b) A separate inspection of work performed by the Borrower may be required.
3. Second-home property will be considered at a maximum Loan-To-Value of sixty-five percent (65%) if approved by FHLMC or FNMA automated underwriting guidelines.
4. Condominium projects will be considered if ninety percent (90%) of the units have been sold, all phases or add-ons to the project have been completed and the homeowner's association has been controlled by the unit owners, other than the developer, for at least two (2) years.
5. Condominium projects less than two (2) years old will be considered if unit owners are in complete control of the homeowner's association, the project is one hundred percent (100%) complete, including recreational facilities and common areas and the project is not subject to further phasing or annexation. The project must also have FNMA or FHLMC approval.

I. Conventional Loans - Private Mortgage Insurance

1. For loans requiring private mortgage insurance prior to July 29, 1999, the Board will consider cancellation when the following requirements are met and a written request to cancel is submitted to the Board by the Participant:
 - a) The Board must have held the loan for at least three years unless a substantial cash reduction has been applied to principal or substantial improvements have been made to the property.
 - b) Submission of a current acceptable appraisal prepared by an approved appraiser. The current appraisal must be performed within one hundred and twenty (120) days of the date on which the Participant receives the Borrower's request to cancel mortgage insurance.
 - c) the loan balance as a percent of the lower of original cost or current appraised value must not exceed original approved exposure to the Board, not to exceed eighty percent (80%).
 - d) The Borrower's payment history must, as it applies to the age of the Mortgage, show:
 - (1) No payment thirty (30) days or more past due in the last twelve (12) months, and
 - (2) No payment sixty (60) days or more past due in the last twenty-four (24) months.
 - e) Automatic Cancellation
 - (1) The cancellation point shall be at the midpoint of the amortization period.
 - (2) All principal, interest, and escrow payments with a due date prior to the midpoint must be paid by the midpoint in order for mortgage insurance to be canceled.

(3) The requirements for the automatic cancellation of mortgage insurance are mandatory effective January 2, 2001.

- f) For loans requiring private mortgage insurance after July 29, 1999, the Board will consider cancellation when the requirements of the Homeowners Protection Act and/or the Freddie Mac guidelines have been met.

J. Conventional Loans - Title Insurance

- 1. The following requirements apply to all residential loans purchased by the Board.
 - a) The title agent must have a title plant or access to a title plant.
 - b) The underwriter company must be registered with the State Auditor/Insurance Commissioner.
 - c) "Curbstoning" is not acceptable.

K. Hazard Insurance

- 1. The following requirements apply to all residential loans purchased by the Board.
 - a) The insurance company must be rated by A.M. Best as B+ or better.
 - b) Re-insurance companies are not acceptable.
 - c) On loans with Loan-To-Values greater than fifty percent (50%), the maximum deductible is \$1,000.
 - d) On loans with loan to values less than fifty percent (50%), the maximum deductible is subject to Freddie Mac requirements and Board approval.
 - e) Guaranteed replacement cost for the loan amount or value of improvement whichever is lesser.

L. General Requirements - FHA and VA Loans

- 1. Maximum exposure to the Board shall not exceed sixty-five percent (65%) of VA offerings.
- 2. Each VA offering must include any combination of a down payment and VA guarantee, which equals at least thirty-five percent (35%) of the lower of cost or appraisal.
- 3. Automated Underwritten loans are acceptable for purchase.
- 4. Streamline refinances are eligible for purchase.

M. Conventional, FHA, and VA Loan Assumptions

- 1. Conventional loans may not be assumed.
- 2. FHA and VA loans may be assumed without payment of a fee.

N. Participant - Loan Delinquency

- 1. The Participant shall service the Mortgage Loans in accordance with acceptable mortgage practices.
- 2. The Participant must monitor the delinquent portfolio in a prompt and efficient manner.
- 3. The Participant must vary collections efforts in order to accommodate hardship cases and should avoid establishment of fixed procedures, which may be ineffective in counseling Borrowers who are frequently delinquent.
- 4. Modifications of repayment terms and conditions must be approved by the Board.
- 5. The Participant must establish a definite commitment with the delinquent Borrower to cure the delinquency.
- 6. The Participant must submit, by the 25th of the month, a Loan Service Report, to be provided

by the Board, for all loans in arrears sixty (60) days or more.

7. The Participant must also submit, by the 25th of each month, a Supplemental Loan Service Report until the loan is either current or liquidated
8. The Participant must also submit, by the 25th of each month, a property inspection report, to be provided by the Board, for all loans in arrears ninety (90) days or more.
9. The Participant must also submit a supplemental property inspection report every sixty (60) days until the loan is either current or liquidated
10. The Participant must comply with all requirements imposed by federal agencies or private mortgage insurers guaranteeing or insuring the loan.
11. Copies of all required notices must be furnished to the Board.

O. Participant - Loan Foreclosure

1. The Participant shall, upon the request and under the direction of the Board, assist in the foreclosure or other acquisition of the property securing the collection of any applicable mortgage insurance.
2. The Participant must manage and protect the mortgaged property from waste.
3. As directed by the Board, the Participant shall manage, operate, improve, rent and sell such real estate.
4. Upon the sale of such real estate, on terms as specified by the buyer, if payments are deferred and payable under contract or mortgage, the Participant shall service the same until completely liquidated, upon the terms provided for the servicing of mortgages.
5. The Board will reimburse the Participant for the Board's portion of reasonable out-of-pocket expenses incurred during the liquidation of the mortgaged property provided that such items are made part of the claim, and upon receipt of the Cash Disbursement Request Form, to be provided by the Board.
6. If warranty violations or deficiencies exist, the Participant may be required to repurchase the Board's interest in the loan including accrued interest.

P. Remittance and Reporting

1. The Participant shall transmit by Electronic Funds Transfer (EFT) all funds applicable to the monthly payment of principal and interest on the Mortgage Loans serviced by the Participant by the 25th of each month.
2. Remittances shall be reported and submitted to the Board of Housing on the Reconciliation Statement of Mortgage Loans and Exception Reporting Forms.
 - a) These forms, prepared by the Participant, are based on an Exception Reporting system of accounting and detail all mortgage loan activity for the reporting period from the twenty-first day of the previous month to the twentieth day of the current month.
 - b) The Participant shall transmit the Reconciliation Statement to the Board of Housing, subject to the warranty in the Servicing Agreement.

Q. Remedies

1. The Participant shall repurchase any Mortgage Loan purchased by the Board in accordance with the Servicing Agreement if the Board determines at any time with respect to such Mortgage Loan that:
 - a) Any representation herein was untrue when made.
 - b) Any warranty or term hereunder has been breached.
 - c) A misstatement of a material fact by the Participant exists in any of the documents for such

Mortgage Loan to include items listed in Schedule A of the Commitment Letter.

2. The Participant shall certify that the mortgage loan documents are true and accurate copies of their respective original documents.
 - a) The review by the Board of all loan documents or documents required under the Commitment Letter and Schedule A does not constitute the concurrence by the Board of the accuracy, validity, or legality of the documents presented.
 - b) The examination of said documents by the Board and/or legal counsel shall not constitute a waiver of any warranty, representation, or term thereof.
3. The Participant hereby waives the defense of any statute of limitation that could otherwise be raised in defense of any repurchase obligation or damage to the Board.

R. Funding

1. Funding will occur on the 15th and 25th of the month.

Suspended

MONTANA

BOARD OF INVESTMENTS

POLICY NUMBER: 70.760

EFFECTIVE DATE: August 3, 2022

TITLE: Intermediary Relending Loan Program SUPERSEDES:

BOARD ADOPTION: August 3, 2022

REVIEWED: July 20, 2022

I. Intermediary Relending Loan Program

A. General Parameters for Intermediary Relending Loan Program (IRP)

1. The program is funded by a \$10.0 million allocation from the Permanent Coal Tax Trust.
2. IRP loans may be made to board-approved local economic development organizations with a revolving loan fund.
3. IRP loans may be offered only to an applicant that will pledge and use the loan funds as matching funds for the U.S. Department of Agriculture Rural Development Loan Program provided for in 42 U.S.C. 9812 and 9812a or other federal revolving loan programs, including but not limited to programs from the Economic Development Administration of the U.S. Department of Commerce and the Community Development Financial Institution Program from the U.S. Department of the Treasury.
4. Each IRP loan may not exceed \$500,000.
5. The Maximum aggregate dollar amount available to a local economic development organization is fifteen percent (15%) of the program allocation from the Permanent Coal Tax Trust.
6. Additional requirements are outlined in Sections 17-6-345 and 346, MCA.

Adopted: August 3, 2022

Revised:

Reviewed:



June 2022 (DRAFT)

Revenue Interim Committee

Megan Moore

FINAL REPORT TO THE 68TH MONTANA LEGISLATURE

DRAFT

HJ 6 COAL SEVERANCE TAX TRUST FUND STUDY REPORT



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This report is a summary of the work of the Revenue Interim Committee, specific to the Revenue Interim Committee’s 2021-2022 study as outlined in the Revenue Interim Committee’s 2021-22 work plan and House Joint Resolution 6 (2021). Members received additional information and public testimony on the subject, and this report is an effort to highlight key information and the processes followed by the Revenue Interim Committee in reaching its conclusions. To review additional information, including audio minutes, and exhibits, visit the Revenue Interim Committee website: <https://leg.mt.gov/committees/interim/ric/>.

A full report, including links to the documents referenced in this print report, is available at the Revenue Interim Committee website: <https://leg.mt.gov/committees/interim/ric>.

HJ 6 COAL SEVERANCE TAX TRUST FUND STUDY REPORT

BACKGROUND

The [House Joint Resolution 6](#) study of the coal severance tax trust fund ranked fifth among 2021-2022 interim studies. The Revenue Interim Committee (RIC) devoted one-third of staff time to the study.

[Article IX, Section 5](#) of the Montana Constitution requires the Legislature to dedicate 50% of coal severance tax revenue to a trust fund. The Legislature may appropriate the interest earned on the trust fund, but the principal may only be appropriated with a three-quarters vote of the Legislature.

The 1975 Legislature both enacted the coal severance tax (to replace the coal license tax) and passed legislation to place the constitutional amendment creating the coal severance tax trust fund on the ballot. The constitutional amendment passed in 1976 with 63% of votes in support.

The Montana Constitution requires the deposit of 50% of coal severance tax revenue in a trust fund.

The committee began the trust fund study by collecting background information on the distribution of the coal severance tax and considering coal extraction forecasts and coal export opportunities.

The study then shifted to consideration of revising the inputs, the outputs, and the investment of the trust fund. Discussion of revisiting the allocations of coal severance tax revenue and whether to use the trust fund to pay for infrastructure costs did not result in any committee recommendations. Nor did the committee recommend expanding the trust to include other severance taxes or production taxes.

Learning about other states' natural resources fiscal policies generated interest in how Montana's investment of the trust fund compares with other states' investments of severance and royalty trust funds.

FINDINGS AND RECOMMENDATIONS¹

Possible finding: Montana's constitutional prohibition on investing the coal severance tax trust fund in corporate stocks is out of step with 12 states with severance or royalty trust funds reviewed by the committee.

Possible recommendation: The Legislature should conduct a study on the investment of the coal severance tax trust fund, including an evaluation of state programs funded with coal tax permanent funds and consideration of allowing investment of the fund in corporate stock.

¹ Possible findings and recommendations drafted by staff. Committee has not yet discussed.

HJ 6 COAL SEVERANCE TAX TRUST FUND STUDY REPORT

COAL SEVERANCE TAX DISTRIBUTION AND FORECASTS

The coal severance tax, provided for in [15-35-103](#) is imposed on each ton of coal produced in the state. The tax is a percentage of the contract sales price and varies based on the heating quality of the coal and how the coal is mined.

Production of 50,000 tons or less in a calendar year is not subject to the coal severance tax. However, if production exceeds 50,000 tons, the severance tax is levied on all production in excess of 20,000 tons.

COAL SEVERANCE TAX RATES

| Heating Quality (BTU/lb) | Surface Mining | Augur Mining ² | Underground Mining |
|--------------------------|----------------|---------------------------|--------------------|
| Under 7,000 | 10% of value | 3.75% of value | 3% of value |
| 7,000 and over | 15% of value | 5% of value | 4% of value |

Coal Severance Tax Distributions

Half of coal severance tax revenue is distributed to the trust fund and the other half funds a variety of state programs. The Legislative Fiscal Division maintains a detailed [Coal Severance Tax Trust Fund brochure](#) showing dollars distributed to each fund and how the funds are spent.

A committee review of trust fund and non-trust fund coal severance tax revenue distributions and of [estimated Montana infrastructure costs](#) resulted in no recommended changes to the allocation of revenue.

Trust Fund Distributions

There are six subtrusts within the trust fund, but only three currently receive revenue. The revenue first goes to the Coal Tax Bond Fund to pay principal and interest on coal severance tax bonds used for renewable resource projects. The remaining revenue is split: 75% to the School Facilities Fund and 25% to the Big Sky Economic Development Fund.

The three subtrusts that do not receive revenue still earn interest that is designated for various projects. Those funds are the Montana Coal Endowment Fund, the Montana Coal Endowment Regional Water System Fund, and the Permanent Fund.³

² The tax rate for augur mining applies only to coal that would be uneconomical to recover using conventional strip-mining methods.

³ [SB 258](#) (2021) renamed two of the funds. Some materials may still refer to them as the Treasure State Endowment Fund and the Treasure State Endowment Regional Water System Fund.

HJ 6 COAL SEVERANCE TAX TRUST FUND STUDY REPORT

Other Distributions

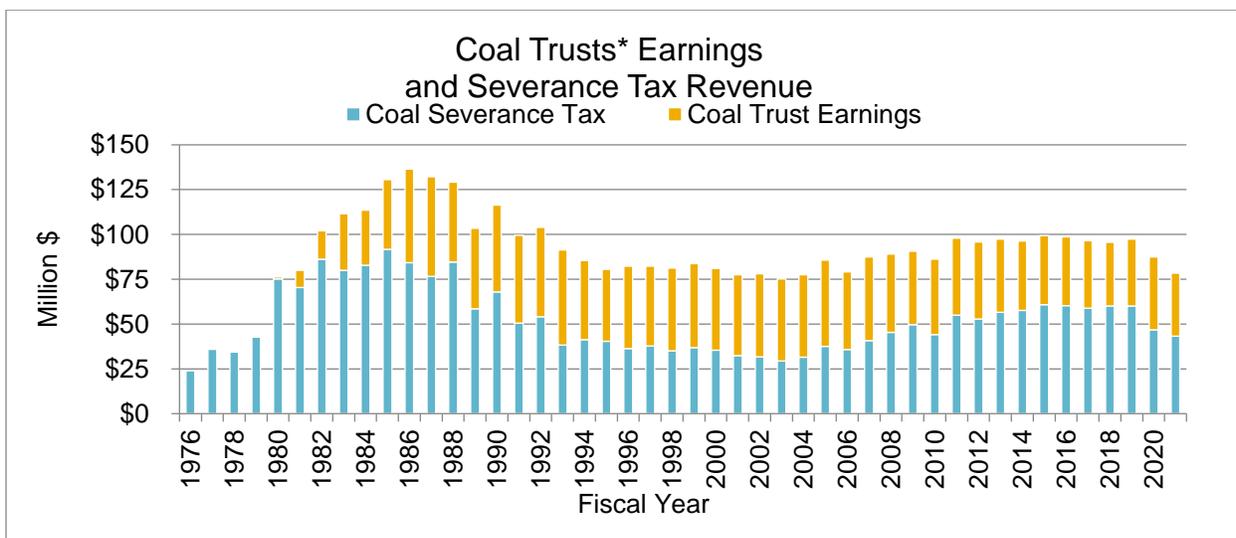
Section [15-35-108](#) provides for the distribution of the revenue not dedicated to the coal severance tax trust fund. The funds are allocated as follows:

- 12% to the major repair long-range building program account;
- 5.8% to the coal natural resource account (reduced to 2.9% beginning July 1, 2023);
- 3.71% to the conservation district account;
- 1.27% to the permanent fund account for parks acquisition and management;
- 0.95% for renewable resource loan debt service;
- 0.93% to the basic library services account;
- 0.82% to the growth through agriculture account;
- 0.63% to a trust fund for protection of art and cultural and aesthetic project in the capitol;
- \$250,000 to the coal and uranium mine permitting and reclamation program account; and
- the remainder to the general fund.

Coal Severance Tax and Trust Fund Forecasts

Two panel discussions in September 2021 provided information on possible future coal severance tax revenue. Representatives of Spring Creek Mine, Westmoreland, and Westmoreland's Rosebud Mine discussed coal extraction forecasts. Navajo Transitional Energy Company, which owns Spring Creek Mine, [predicts](#) increased demand for coal on the international market.

Coal severance tax forecasters from the [Legislative Fiscal Division](#) and the [Office of Budget and Program Planning](#) and a representative of the [Bureau of Business and Economic Research](#) addressed coal tax revenue forecasts and trust fund earnings forecasts. They expect the coal production decline over the last decade to continue, resulting in less coal severance tax revenue.



Source: Sam Schaefer, Legislative Fiscal Division

HJ 6 COAL SEVERANCE TAX TRUST FUND STUDY REPORT

Trust fund interest earnings are also expected to be less than in previous years. Less coal severance tax revenue means smaller increases in principal and low interest rates since the Great Recession result in lower interest earnings.

EXPANDING THE TRUST FUND

The coal severance tax trust fund is the only trust fund for natural resource revenue. However, Montana also levies taxes on oil and natural gas production, metal mines, electrical energy generation, energy transmission, bentonite, and cement and gypsum. As part of the HJ 6 study, the committee considered whether to [increase the principal of the trust fund](#) by adding other natural resource revenue.

| Natural Resource Historical and Projected Values in HJ 2 | | | | | |
|--|----------------|----------------|----------------|-------------------|-------------------|
| (\$ Millions) | | | | | |
| | Actual FY 2019 | Actual FY 2020 | Actual FY 2021 | Estimated FY 2022 | Estimated FY 2023 |
| Oil & Natural Gas Production Tax | 118.9 | 84.6 | 87.4 | 97.3 | 89.6 |
| Coal Severance Tax | 60.0 | 46.8 | 43.3 | 35.9 | 31.7 |
| US Mineral Royalties | 28.8 | 24.7 | 16.1 | 21.6 | 19.4 |
| Coal Gross Proceeds | 20.3 | 23.3 | 20.8 | 15.4 | 14.0 |
| Federal Forest Receipts | 15.1 | 14.2 | 13.8 | 3.8 | 3.9 |
| Metal Mines Tax | 14.7 | 18.6 | 25.8 | 17.1 | 17.5 |
| Electrical Energy Generation | 7.0 | 5.8 | 5.2 | 3.8 | 3.7 |
| Wholesale Energy Transmission Tax | 3.5 | 3.4 | 3.0 | 3.5 | 3.5 |
| Resource Indemnity Tax | 2.9 | 2.3 | 2.0 | 1.9 | 1.7 |
| Bentonite Production Tax | 0.9 | 0.9 | 0.4 | 0.7 | 0.7 |
| Cement & Gypsum Tax | <u>0.1</u> | <u>0.1</u> | <u>0.2</u> | <u>0.1</u> | <u>0.1</u> |
| Total | 272.1 | 224.6 | 217.9 | 201.1 | 185.8 |

Source: Sam Schaefer, Legislative Fiscal Division

A Legislative Fiscal Division [analysis](#) estimated the principal and interest that could be generated from depositing additional coal severance tax revenue in the trust fund and adding some metal mines tax revenue and oil and natural gas tax revenue.

The committee did not make any recommendations to change the revenue deposited in the trust fund.

INVESTMENT OF THE TRUST FUND

The Board of Investments manages coal severance tax [trust fund investments](#). However, the trust fund's investments are limited in two ways. [Article VIII, Section 13](#) of the Montana Constitution prohibits investment of most public funds, including the coal severance tax trust fund, in private corporate capital stock.

HJ 6 COAL SEVERANCE TAX TRUST FUND STUDY REPORT

In addition, [17-6-308](#) authorizes loan programs to utilize specified amounts of trust fund principal. These programs affect coal trust earnings because some interest rates are set in state law rather than by the market. As of Sept. 30, 2021, \$113 million of the trust fund was designated for these programs.

Trust fund investments are limited by a constitutional prohibition on investment in corporate stock and by use of trust funds for loan programs.

The coal severance tax trust fund is part of the Trust Fund Investment Pool (TFIP). The TFIP asset portfolio includes corporate bonds, commercial mortgage-backed securities, asset backed securities, treasuries, mortgage-backed securities, high-yield bonds, and real estate.

Prohibition on Investment in Corporate Stock

Of 17 severance and royalty [trust funds in 12 states](#), the Montana coal severance tax trust fund is the only one that may not be invested in corporate stocks.

Five States Specify Maximum Stock Investments

Among the states included in the analysis, five states specify a maximum percentage of the trust fund that may be invested in stocks. The percentages range from a low of 35% in Louisiana to 80% in Utah. The other three states have limits closer to Utah's than Louisiana's: Arizona, 60%; New Mexico, 65%; and Wyoming, 70%. In addition, North Dakota sets a target of 10% of investment in stocks for one of its trust funds.

Many State Distributions Based on Multi-year Fund Value Averages

The distributions for seven of the 12 royalty trusts are based on a percentage of the average value of the trust over a number of years ranging from 2 years to 6 years. Three states – Arizona, Oregon, and Utah – set distribution percentages based on the current year value of the fund, and Colorado and Louisiana distribute a certain dollar amount.

Half of the states with severance tax trust funds distribute a percentage of the 5-year average value of the trust: New Mexico, North Dakota, and Wyoming. Colorado's trust is available for legislative appropriation, but half is reserved for loans. Montana and Utah distribute current year earnings rather than a percentage of the trust's total value.

HJ 6 COAL SEVERANCE TAX TRUST FUND STUDY REPORT

APPENDIX A: REVENUE INTERIM COMMITTEE MEMBERS

Before the close of each legislative session, the House and Senate leadership appoint lawmakers to interim committees. The members of the Revenue Interim Committee, like most other interim committees, serve one 20-month term. Members who are reelected to the Legislature, subject to overall term limits and if appointed, may serve again on an interim committee. This information is included in order to comply with 2-15-155, MCA.

Senate Members

Senator Jill Cohenour, Chair
2610 Colt Dr
East Helena, MT 59635-3442
Ph: 406-227-114
Email: jill.cohenour@mtleg.gov

Senator Greg Hertz
PO Box 1747
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Ph: 406-253-9505
Email: greg.hertz@mtleg.gov

Senator Brian Hoven
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Email: brian.hoven@mtleg.gov

Senator Mike Lang
PO Box 104
Malta, MT 59538
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Email: mike.lang@mtleg.gov

Senator Edie McClafferty
1311 Stuart
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Email: edie.mcclafferty@mtleg.gov

Senator Shannon O'Brien
1480 Clarkia Ln
Missoula, MT 59802-3327
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House Members

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Representative Alice Buckley
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Representative Mark Thane
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Representative Jeremy Trebas
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Ph: 406-899-5445
Email: trebasformthouse@gmail.com

Representative Tom Welch
607 Highlands Ave
Dillon, MT 59725
Ph: 406-660-2988
Email: tom.welch@mtleg.gov

Revenue Interim Committee Staff

Jaret Coles, Attorney | Megan Moore, Legislative Research Analyst | Alexis Newcomer, Secretary

Proxy Voting Review

Presented by:
Jon Putnam – Chief Investment Officer

Date: August 3, 2022

Shareholder Voting Rights

What are shareholder voting rights?

- Shareholder voting rights allow stockholders to vote on issues that can impact company performance. Votes are based on the number and type of shares owned

Typical proposals include:

- Election of the Board of Directors
- Ratification of the outside auditor
- Advisory vote on executive compensation
- Approval of M&A transactions
- Shareholder proposals

Why vote?

- Fiduciary duty to MBOI clients to safeguard and protect the assets
- Ensures shareholders have a voice in the management of their investment
- Voting is part of the corporate governance process which plays a role in maintaining viable entities and safeguarding investor interests

The primary objective for the Board of Investments is to protect shareholder value.

Shareholder Votes

- In 2021, there were 53,000+ company meetings with votes on 445,000+ items across 109 countries according to Institutional Shareholder Services (ISS) research
- Over the last 3 years, 98.8% of proposals came from management according to Bloomberg
- MBOI had 7,600+ issues submitted for vote in our passive Domestic Equity portfolios in Fiscal Year 2021
- MBOI does not have the internal staff to research and vote on each issue
- Voting shares does not provide any direct economic benefit to MBOI

Top 20 MBOI Public Equity Holdings

How much influence does MBOI have on shareholder votes?

| | MBOI Market Value 06/30/22 | Company Market Cap 06/30/22 | MBOI Ownership |
|--|---------------------------------------|--|---------------------------|
| APPLE INC | \$188,550,825 | \$2,212,837,946,300 | 0.000085 |
| MICROSOFT CORP | \$154,575,190 | \$1,920,840,080,100 | 0.000080 |
| AMAZON.COM INC | \$82,207,496 | \$1,080,624,045,700 | 0.000076 |
| ALPHABET INC CLASS A | \$55,385,893 | \$1,437,790,648,300 | 0.000039 |
| ALPHABET INC CLASS C (No voting rights) | \$52,514,112 | \$1,437,790,648,300 | 0.000037 |
| TESLA INC | \$49,993,354 | \$697,926,137,000 | 0.000072 |
| UNITEDHEALTH GROUP INC | \$40,839,749 | \$481,873,080,400 | 0.000085 |
| JOHNSON + JOHNSON | \$39,441,124 | \$467,100,134,200 | 0.000084 |
| NVIDIA CORP | \$32,034,454 | \$378,975,000,000 | 0.000085 |
| META PLATFORMS INC CLASS A | \$31,465,196 | \$436,394,646,200 | 0.000072 |
| TAIWAN SEMICONDUCTOR MFG | \$30,815,976 | \$423,984,398,000 | 0.000073 |
| EXXON MOBIL CORP | \$30,639,166 | \$360,762,202,700 | 0.000085 |
| BERKSHIRE HATHAWAY INC CLASS B | \$29,790,850 | \$602,011,306,300 | 0.000049 |
| PROCTER + GAMBLE CO | \$29,127,253 | \$344,994,892,800 | 0.000084 |
| JPMORGAN CHASE + CO | \$28,099,911 | \$330,741,253,000 | 0.000085 |
| VISA INC CLASS A SHARES | \$27,593,740 | \$423,282,578,400 | 0.000065 |
| PFIZER INC | \$24,915,260 | \$294,179,266,800 | 0.000085 |
| HOME DEPOT INC | \$24,202,956 | \$281,882,349,000 | 0.000086 |
| CHEVRON CORP | \$23,828,037 | \$284,465,692,200 | 0.000084 |
| MASTERCARD INC CLASS A | \$23,267,596 | \$306,849,957,200 | 0.000076 |
| Grand Total | \$999,288,138 | | |

MBOI Shareholder Voting

Upcoming changes to MBOI shareholder votes

- MBOI is subscribing to the Institutional Shareholder Services (ISS) Taft-Hartley Proxy Voting Guidelines
- MBOI is moving to separate accounts for all Domestic Equities. Provides greater ability to control the assets and vote our shares
- Blackrock recently added the ability for clients to vote their shares in commingled accounts. MBOI has selected that option going forward

Key parameters for ISS Taft-Hartley Proxy Voting Guidelines:

- Two-thirds of the board should be independent. CEO and Chair positions should be separate
- Vote against board for material failures of governance or oversight
- Ensure auditor independence and vote for auditor rotation every seven years
- Case by case on climate-related risks. Determine if the company is taking the minimum steps to understand, assess and mitigate risks to the company
- Case by case on executive compensation issues. Vote against excessive compensation or significant dilution of existing shareholders
- Case by case on M&A proposals
- Case by case on shareholder proposals. Consider whether proposal is likely to enhance or protect shareholder value. Support greater disclosure

Summary

- MBOI has a fiduciary duty to vote shareholder ballots. Focus on protecting shareholder value.
- MBOI does not have the resources to vote ballots with internal staff
- MBOI is highly unlikely to be the deciding vote on any issue
- MBOI is converting to the ISS Taft-Hartley Proxy Guidelines to vote shares



Quarterly Investment Performance Analysis

Montana Board of Investments

Period Ended: June 30, 2022



Montana Board of Investments
Comparative Performance
Retirement Plans

As of June 30, 2022

| | QTD | CYTD | FYTD/ 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 20 Years | 2021 | 2020 | 2019 | 2018 | 2017 | Since Incep. | Inception Date |
|---|--------------|--------------|-----------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|-----------------|-------------------|
| Public Employees' Retirement - Net | -7.07 | -9.85 | -4.32 | 7.87 | 7.63 | 7.42 | 8.62 | 7.29 | 17.61 | 11.94 | 16.77 | -2.63 | 14.80 | 7.68 | 07/01/1994 |
| Public Employees' Benchmark | -10.80 | -13.13 | -9.43 | 5.61 | 6.31 | 6.60 | 8.20 | N/A | 14.31 | 11.58 | 20.45 | -5.57 | 15.35 | N/A | |
| Difference | 3.73 | 3.28 | 5.11 | 2.26 | 1.32 | 0.82 | 0.42 | N/A | 3.30 | 0.36 | -3.68 | 2.94 | -0.55 | N/A | |
| Public Employees' Retirement - Gross | -6.91 | -9.55 | -3.60 | 8.48 | 8.25 | 7.99 | 9.18 | 7.76 | 18.32 | 12.53 | 17.44 | -2.03 | 15.34 | 8.02 | 07/01/1994 |
| All Public Plans (>\$5B) Total Fund Median | -8.49 | -10.84 | -5.82 | 7.36 | 7.56 | 7.26 | 8.36 | 7.60 | 16.85 | 12.11 | 17.27 | -2.58 | 16.17 | 8.01 | |
| Rank | 36 | 38 | 34 | 29 | 32 | 27 | 5 | 33 | 31 | 40 | 43 | 44 | 67 | 49 | |
| Teachers' Retirement - Net | -7.07 | -9.86 | -4.33 | 7.87 | 7.62 | 7.41 | 8.62 | 7.29 | 17.61 | 11.93 | 16.78 | -2.64 | 14.76 | 7.70 | 07/01/1994 |
| Teachers' Benchmark | -10.80 | -13.14 | -9.44 | 5.58 | 6.29 | 6.58 | 8.16 | N/A | 14.29 | 11.53 | 20.43 | -5.57 | 15.32 | N/A | |
| Difference | 3.73 | 3.28 | 5.11 | 2.29 | 1.33 | 0.83 | 0.46 | N/A | 3.32 | 0.40 | -3.65 | 2.93 | -0.56 | N/A | |
| Teachers' Retirement - Gross | -6.91 | -9.56 | -3.62 | 8.48 | 8.24 | 7.99 | 9.18 | 7.76 | 18.32 | 12.52 | 17.45 | -2.03 | 15.31 | 8.03 | 07/01/1994 |
| All Public Plans (>\$5B) Total Fund Median | -8.49 | -10.84 | -5.82 | 7.36 | 7.56 | 7.26 | 8.36 | 7.60 | 16.85 | 12.11 | 17.27 | -2.58 | 16.17 | 8.01 | |
| Rank | 36 | 38 | 34 | 29 | 32 | 27 | 5 | 33 | 31 | 40 | 43 | 44 | 67 | 46 | |
| Police Retirement - Net | -7.07 | -9.85 | -4.35 | 7.87 | 7.63 | 7.42 | 8.62 | 7.27 | 17.58 | 11.95 | 16.80 | -2.63 | 14.79 | 7.56 | 07/01/1994 |
| Police Benchmark | -10.80 | -13.14 | -9.50 | 5.59 | 6.30 | 6.59 | 8.18 | N/A | 14.24 | 11.60 | 20.44 | -5.57 | 15.33 | N/A | |
| Difference | 3.73 | 3.29 | 5.15 | 2.28 | 1.33 | 0.83 | 0.44 | N/A | 3.34 | 0.35 | -3.64 | 2.94 | -0.54 | N/A | |
| Police Retirement - Gross | -6.91 | -9.55 | -3.64 | 8.48 | 8.25 | 7.99 | 9.18 | 7.74 | 18.28 | 12.54 | 17.47 | -2.02 | 15.33 | 7.90 | 07/01/1994 |
| All Public Plans (>\$5B) Total Fund Median | -8.49 | -10.84 | -5.82 | 7.36 | 7.56 | 7.26 | 8.36 | 7.60 | 16.85 | 12.11 | 17.27 | -2.58 | 16.17 | 8.01 | |
| Rank | 36 | 38 | 34 | 29 | 32 | 27 | 5 | 34 | 31 | 40 | 43 | 44 | 67 | 57 | |

Net performance shown is net of all manager fees and expenses (Net-All). All Public Plans > \$5B 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, 2022

| | QTD | CYTD | FYTD/ 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 20 Years | 2021 | 2020 | 2019 | 2018 | 2017 | Since Incep. | Inception Date |
|--|--------------|--------------|-----------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|-----------------|-------------------|
| Firefighters' Retirement - Net | -7.07 | -9.85 | -4.34 | 7.87 | 7.63 | 7.42 | 8.62 | 7.28 | 17.58 | 11.95 | 16.79 | -2.62 | 14.79 | 7.55 | 07/01/1994 |
| Firefighters' Benchmark | -10.81 | -13.14 | -9.50 | 5.58 | 6.30 | 6.59 | 8.18 | N/A | 14.23 | 11.59 | 20.44 | -5.57 | 15.33 | N/A | |
| Difference | 3.74 | 3.29 | 5.16 | 2.29 | 1.33 | 0.83 | 0.44 | N/A | 3.35 | 0.36 | -3.65 | 2.95 | -0.54 | N/A | |
| Firefighters' Retirement - Gross | -6.91 | -9.55 | -3.64 | 8.48 | 8.25 | 7.99 | 9.18 | 7.75 | 18.28 | 12.53 | 17.46 | -2.01 | 15.34 | 7.89 | 07/01/1994 |
| All Public Plans (>\$5B) Total Fund Median | -8.49 | -10.84 | -5.82 | 7.36 | 7.56 | 7.26 | 8.36 | 7.60 | 16.85 | 12.11 | 17.27 | -2.58 | 16.17 | 8.01 | |
| Rank | 36 | 38 | 34 | 29 | 32 | 27 | 5 | 33 | 31 | 40 | 43 | 44 | 67 | 58 | |
| Sheriffs' Retirement - Net | -7.06 | -9.83 | -4.30 | 7.87 | 7.63 | 7.42 | 8.61 | 7.29 | 17.61 | 11.94 | 16.75 | -2.62 | 14.80 | 7.59 | 07/01/1994 |
| Sheriffs' Benchmark | -10.80 | -13.13 | -9.43 | 5.60 | 6.31 | 6.60 | 8.19 | N/A | 14.30 | 11.58 | 20.43 | -5.56 | 15.35 | N/A | |
| Difference | 3.74 | 3.30 | 5.13 | 2.27 | 1.32 | 0.82 | 0.42 | N/A | 3.31 | 0.36 | -3.68 | 2.94 | -0.55 | N/A | |
| Sheriffs' Retirement - Gross | -6.90 | -9.53 | -3.59 | 8.49 | 8.25 | 8.00 | 9.18 | 7.76 | 18.32 | 12.53 | 17.42 | -2.02 | 15.34 | 7.92 | 07/01/1994 |
| All Public Plans (>\$5B) Total Fund Median | -8.49 | -10.84 | -5.82 | 7.36 | 7.56 | 7.26 | 8.36 | 7.60 | 16.85 | 12.11 | 17.27 | -2.58 | 16.17 | 8.01 | |
| Rank | 36 | 38 | 34 | 29 | 32 | 26 | 6 | 33 | 31 | 40 | 43 | 44 | 67 | 55 | |
| Highway Patrol Retirement - Net | -7.06 | -9.83 | -4.30 | 7.88 | 7.64 | 7.42 | 8.62 | 7.30 | 17.62 | 11.94 | 16.78 | -2.62 | 14.79 | 7.58 | 07/01/1994 |
| Highway Patrol Benchmark | -10.79 | -13.12 | -9.41 | 5.62 | 6.32 | 6.61 | 8.21 | N/A | 14.31 | 11.60 | 20.45 | -5.56 | 15.34 | N/A | |
| Difference | 3.73 | 3.29 | 5.11 | 2.26 | 1.32 | 0.81 | 0.41 | N/A | 3.31 | 0.34 | -3.67 | 2.94 | -0.55 | N/A | |
| Highway Patrol Retirement - Gross | -6.90 | -9.53 | -3.59 | 8.49 | 8.26 | 8.00 | 9.19 | 7.78 | 18.33 | 12.53 | 17.45 | -2.01 | 15.33 | 7.92 | 07/01/1994 |
| All Public Plans (>\$5B) Total Fund Median | -8.49 | -10.84 | -5.82 | 7.36 | 7.56 | 7.26 | 8.36 | 7.60 | 16.85 | 12.11 | 17.27 | -2.58 | 16.17 | 8.01 | |
| Rank | 36 | 38 | 34 | 29 | 32 | 26 | 4 | 32 | 31 | 40 | 43 | 43 | 67 | 55 | |

Net performance shown is net of all manager fees and expenses (Net-All). All Public Plans > \$5B 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, 2022

| | QTD | CYTD | FYTD/ 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 20 Years | 2021 | 2020 | 2019 | 2018 | 2017 | Since Incep. | Inception Date |
|---|--------------|--------------|-----------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|-----------------|-------------------|
| Game Wardens' Retirement - Net | -7.07 | -9.84 | -4.31 | 7.86 | 7.62 | 7.42 | 8.61 | 7.27 | 17.62 | 11.91 | 16.77 | -2.62 | 14.81 | 7.60 | 07/01/1994 |
| Game Wardens' Benchmark | -10.80 | -13.14 | -9.44 | 5.60 | 6.31 | 6.60 | 8.19 | N/A | 14.30 | 11.56 | 20.45 | -5.56 | 15.36 | N/A | |
| Difference | 3.73 | 3.30 | 5.13 | 2.26 | 1.31 | 0.82 | 0.42 | N/A | 3.32 | 0.35 | -3.68 | 2.94 | -0.55 | N/A | |
| Game Wardens' Retirement - Gross | -6.90 | -9.54 | -3.60 | 8.47 | 8.25 | 8.00 | 9.18 | 7.73 | 18.32 | 12.50 | 17.44 | -2.01 | 15.35 | 7.93 | 07/01/1994 |
| All Public Plans (>\$5B) Total Fund Median | -8.49 | -10.84 | -5.82 | 7.36 | 7.56 | 7.26 | 8.36 | 7.60 | 16.85 | 12.11 | 17.27 | -2.58 | 16.17 | 8.01 | |
| Rank | 36 | 38 | 34 | 30 | 32 | 26 | 7 | 34 | 31 | 42 | 43 | 44 | 66 | 54 | |
| Judges' Retirement - Net | -7.07 | -9.85 | -4.32 | 7.87 | 7.63 | 7.42 | 8.62 | 7.30 | 17.63 | 11.94 | 16.78 | -2.64 | 14.82 | 7.59 | 07/01/1994 |
| Judges' Benchmark | -10.81 | -13.15 | -9.45 | 5.61 | 6.32 | 6.60 | 8.20 | N/A | 14.31 | 11.59 | 20.47 | -5.57 | 15.37 | N/A | |
| Difference | 3.74 | 3.30 | 5.13 | 2.26 | 1.31 | 0.82 | 0.42 | N/A | 3.32 | 0.35 | -3.69 | 2.93 | -0.55 | N/A | |
| Judges' Retirement - Gross | -6.91 | -9.55 | -3.61 | 8.49 | 8.26 | 8.00 | 9.18 | 7.78 | 18.34 | 12.53 | 17.45 | -2.03 | 15.36 | 7.93 | 07/01/1994 |
| All Public Plans (>\$5B) Total Fund Median | -8.49 | -10.84 | -5.82 | 7.36 | 7.56 | 7.26 | 8.36 | 7.60 | 16.85 | 12.11 | 17.27 | -2.58 | 16.17 | 8.01 | |
| Rank | 36 | 38 | 34 | 29 | 32 | 26 | 5 | 32 | 31 | 40 | 43 | 44 | 66 | 55 | |
| Volunteer Firefighters' Retirement - Net | -7.06 | -9.84 | -4.32 | 7.88 | 7.63 | 7.40 | 8.61 | 7.33 | 17.61 | 11.94 | 16.79 | -2.64 | 14.79 | 7.41 | 07/01/1994 |
| Volunteer Firefighters' Benchmark | -10.82 | -13.16 | -9.41 | 5.62 | 6.32 | 6.60 | 8.21 | N/A | 14.37 | 11.59 | 20.47 | -5.59 | 15.33 | N/A | |
| Difference | 3.76 | 3.32 | 5.09 | 2.26 | 1.31 | 0.80 | 0.40 | N/A | 3.24 | 0.35 | -3.68 | 2.95 | -0.54 | N/A | |
| Volunteer Firefighters' Retirement - Gross | -6.90 | -9.55 | -3.62 | 8.49 | 8.25 | 7.97 | 9.18 | 7.80 | 18.31 | 12.53 | 17.46 | -2.04 | 15.34 | 7.74 | 07/01/1994 |
| All Public Plans (>\$5B) Total Fund Median | -8.49 | -10.84 | -5.82 | 7.36 | 7.56 | 7.26 | 8.36 | 7.60 | 16.85 | 12.11 | 17.27 | -2.58 | 16.17 | 8.01 | |
| Rank | 36 | 38 | 34 | 29 | 32 | 29 | 6 | 32 | 31 | 40 | 43 | 44 | 67 | 68 | |

Net performance shown is net of all manager fees and expenses (Net-All). All Public Plans > \$5B 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.

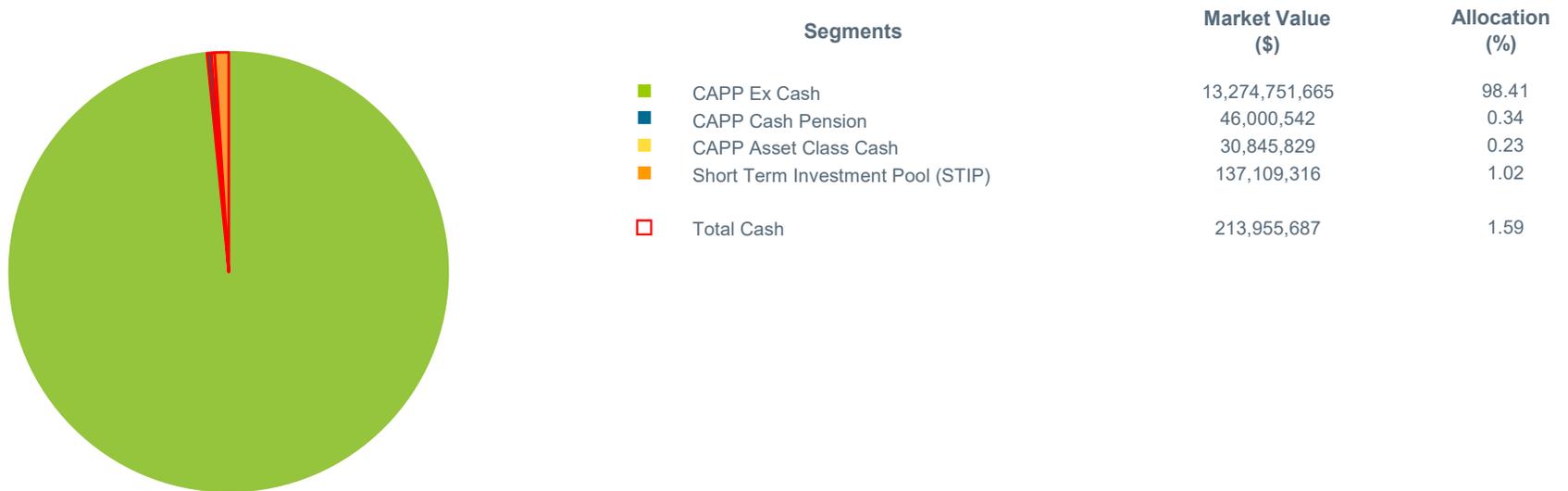


Montana Board of Investments
 Asset Allocation by Segment
 Retirement Plans

As of June 30, 2022

| | Consolidated Asset Pension Pool (CAPP) | | Short Term Investment Pool (STIP) | | Total Fund | |
|--|--|--------------|-----------------------------------|-------------|-----------------------|---------------|
| | (\$) | % | (\$) | % | (\$) | % |
| Public Employees' Retirement | 6,571,287,440 | 49.22 | 68,132,876 | 49.69 | 6,639,420,316 | 49.22 |
| Teachers' Retirement | 4,645,911,815 | 34.80 | 43,971,533 | 32.07 | 4,689,883,348 | 34.77 |
| Firefighters' Retirement | 563,503,997 | 4.22 | 5,972,440 | 4.36 | 569,476,437 | 4.22 |
| Police Retirement | 518,848,705 | 3.89 | 5,496,916 | 4.01 | 524,345,621 | 3.89 |
| Sheriffs' Retirement | 454,663,456 | 3.41 | 4,855,199 | 3.54 | 459,518,655 | 3.41 |
| Game Wardens' Retirement | 257,189,650 | 1.93 | 2,636,141 | 1.92 | 259,825,790 | 1.93 |
| Highway Patrol Retirement | 173,259,566 | 1.30 | 1,775,719 | 1.30 | 175,035,285 | 1.30 |
| Judges' Retirement | 122,827,544 | 0.92 | 1,257,665 | 0.92 | 124,085,209 | 0.92 |
| Volunteer Firefighters' Retirement | 44,105,865 | 0.33 | 3,010,826 | 2.20 | 47,116,691 | 0.35 |
| Retirement Plans Total Fund Composite | 13,351,598,036 | 98.98 | 137,109,316 | 1.02 | 13,488,707,352 | 100.00 |

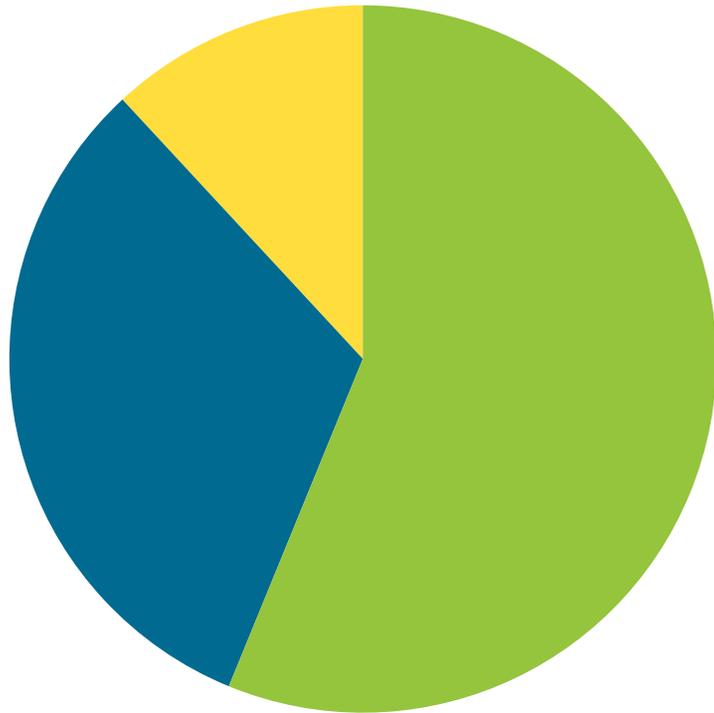
June 30, 2022 : \$13,488,707,352



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, 2022 : \$23,761,981,066



| | Market Value (\$) | Allocation (%) |
|--|----------------------|-------------------|
| Consolidated Asset Pension Pool (CAPP) | 13,351,598,000 | 56.19 |
| Short Term Investment Pool | 7,581,896,261 | 31.91 |
| Trust Funds Investment Pool | 2,828,486,805 | 11.90 |

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, 2022

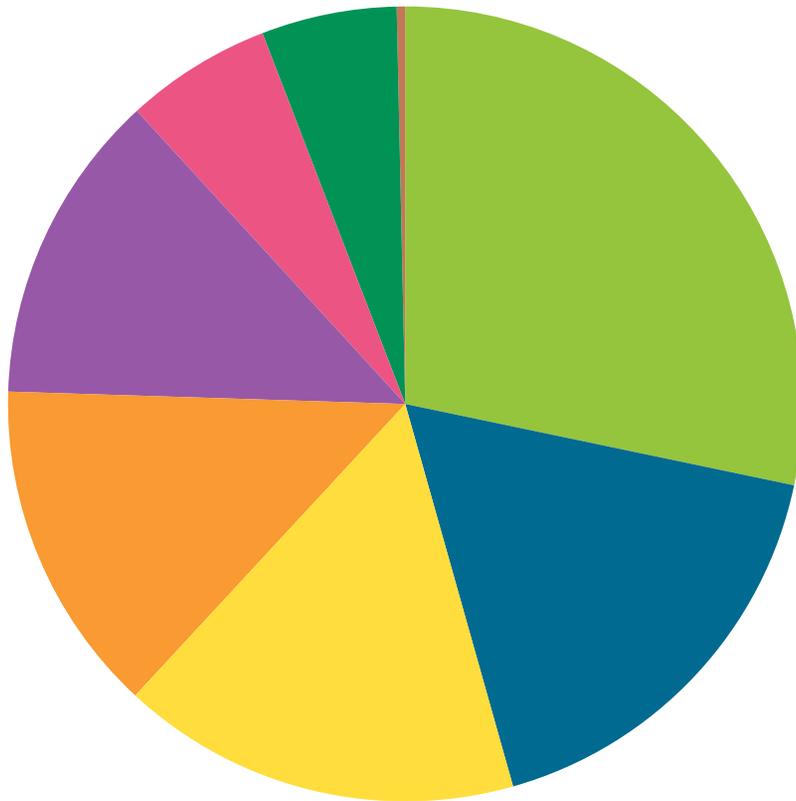
| | QTD | CYTD | FYTD/ 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2021 | 2020 | 2019 | 2018 | 2017 | Since Incep. | Inception Date |
|---|--------------|--------------|-----------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|-------------|-----------------|-------------------|
| Consolidated Asset Pension Pool (CAPP) | -7.14 | -9.95 | -4.36 | 7.98 | 7.75 | N/A | N/A | 17.83 | 12.10 | 17.12 | -2.74 | N/A | 7.99 | 04/01/2017 |
| CAPP Custom Benchmark | -10.92 | -13.29 | -9.56 | 5.86 | 6.54 | N/A | N/A | 14.57 | 12.38 | 20.70 | -5.64 | N/A | 6.74 | |
| Difference | 3.78 | 3.34 | 5.20 | 2.12 | 1.21 | N/A | N/A | 3.26 | -0.28 | -3.58 | 2.90 | N/A | 1.25 | |
| Trust Funds Investment Pool | -1.87 | -4.45 | -2.79 | 2.13 | 2.91 | 3.16 | 3.30 | 1.49 | 7.23 | 8.98 | 0.45 | 4.01 | 5.67 | 10/01/1995 |
| Trust Fund Custom Benchmark | -2.01 | -4.56 | -2.32 | 1.92 | 2.61 | 2.66 | 2.41 | 0.71 | 7.51 | 8.72 | 0.01 | 3.54 | 4.82 | |
| Difference | 0.14 | 0.11 | -0.47 | 0.21 | 0.30 | 0.50 | 0.89 | 0.78 | -0.28 | 0.26 | 0.44 | 0.47 | 0.85 | |
| Short Term Investment Pool | 0.21 | 0.26 | 0.32 | 0.71 | 1.19 | 1.03 | 0.77 | 0.11 | 0.73 | 2.28 | 1.98 | 1.11 | 2.25 | 04/01/1997 |
| Short Term Custom Index | 0.16 | 0.18 | 0.21 | 0.51 | 1.06 | 0.92 | 0.70 | 0.04 | 0.36 | 2.14 | 1.95 | 1.15 | 2.17 | |
| Difference | 0.05 | 0.08 | 0.11 | 0.20 | 0.13 | 0.11 | 0.07 | 0.07 | 0.37 | 0.14 | 0.03 | -0.04 | 0.08 | |
| iMoney.net Money Fund (Gross) Median | 0.22 | 0.24 | 0.31 | 0.74 | 1.28 | 1.09 | 0.83 | 0.15 | 0.73 | 2.45 | 2.15 | 1.21 | 2.24 | |
| Difference | -0.01 | 0.02 | 0.01 | -0.03 | -0.09 | -0.06 | -0.06 | -0.04 | 0.00 | -0.17 | -0.17 | -0.10 | 0.01 | |

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, 2022

June 30, 2022 : \$13,351,598,149



| | Market Value (\$) | Allocation (%) |
|-----------------------|-------------------|----------------|
| Domestic Equity | 3,775,978,751 | 28.28 |
| Private Investments | 2,315,127,918 | 17.34 |
| International Equity | 2,172,086,350 | 16.27 |
| Core Fixed Income | 1,816,485,724 | 13.61 |
| Real Estate | 1,695,806,519 | 12.70 |
| Non-Core Fixed Income | 794,207,435 | 5.95 |
| Real Assets* | 735,904,910 | 5.51 |
| Cash Pension | 46,000,542 | 0.34 |

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, 2022

| | QTD | CYTD | FYTD/ 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2021 | 2020 | 2019 | 2018 | 2017 | Since Incep. | Inception Date |
|-------------------------------------|---------------|---------------|-----------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|---------------|--------------|-----------------|-------------------|
| Domestic Equity | -16.70 | -21.05 | -13.62 | 9.83 | 10.20 | 10.00 | 12.32 | 27.17 | 20.09 | 30.75 | -7.09 | 20.79 | 9.23 | 05/01/2003 |
| Domestic Equity Custom Index | -16.75 | -21.15 | -13.74 | 9.97 | 10.74 | 10.70 | 12.69 | 26.12 | 21.10 | 31.14 | -5.20 | 21.05 | 9.92 | |
| Difference | 0.05 | 0.10 | 0.12 | -0.14 | -0.54 | -0.70 | -0.37 | 1.05 | -1.01 | -0.39 | -1.89 | -0.26 | -0.69 | |
| International Equity | -14.07 | -19.91 | -20.87 | 1.61 | 2.71 | 3.28 | 5.27 | 7.83 | 13.35 | 22.86 | -14.99 | 28.67 | 4.34 | 04/01/1997 |
| International Equity Custom Index | -14.28 | -19.08 | -19.86 | 1.55 | 2.50 | 3.02 | 4.97 | 8.53 | 11.12 | 21.63 | -14.76 | 27.81 | 4.59 | |
| Difference | 0.21 | -0.83 | -1.01 | 0.06 | 0.21 | 0.26 | 0.30 | -0.70 | 2.23 | 1.23 | -0.23 | 0.86 | -0.25 | |
| Core Fixed Income | -4.13 | -9.24 | -9.24 | -0.54 | 1.01 | 1.48 | 1.84 | -1.54 | 8.25 | 6.90 | 0.95 | 2.29 | 5.28 | 04/01/1995 |
| Core Fixed Income Custom Index | -4.69 | -10.35 | -10.29 | -1.25 | 0.48 | 1.07 | 1.30 | -1.54 | 7.51 | 6.39 | 0.68 | 2.57 | 4.61 | |
| Difference | 0.56 | 1.11 | 1.05 | 0.71 | 0.53 | 0.41 | 0.54 | 0.00 | 0.74 | 0.51 | 0.27 | -0.28 | 0.67 | |
| Non-Core Fixed Income | -9.74 | -14.25 | -13.66 | -0.62 | 1.31 | 2.50 | 3.93 | 3.21 | 6.40 | 13.98 | -2.27 | 5.99 | 6.21 | 06/01/2009 |
| Bloomberg US HY 2% Issuer Cap Index | -9.84 | -14.19 | -12.82 | 0.18 | 2.09 | 3.48 | 4.47 | 5.26 | 7.05 | 14.32 | -2.08 | 7.50 | 7.25 | |
| Difference | 0.10 | -0.06 | -0.84 | -0.80 | -0.78 | -0.98 | -0.54 | -2.05 | -0.65 | -0.34 | -0.19 | -1.51 | -1.04 | |
| Real Assets | 3.13 | 9.18 | 13.90 | 3.76 | 3.64 | N/A | N/A | 21.24 | -13.43 | -2.18 | 5.55 | N/A | 4.42 | 04/01/2017 |
| Real Assets Custom Index | -8.36 | -2.21 | 1.43 | -1.08 | 3.09 | 1.91 | 0.25 | 13.32 | -12.32 | 13.06 | -11.75 | 13.70 | 2.18 | |
| Difference | 11.49 | 11.39 | 12.47 | 4.84 | 0.55 | N/A | N/A | 7.92 | -1.11 | -15.24 | 17.30 | N/A | 2.24 | |
| Real Estate | 6.65 | 9.55 | 23.52 | 10.57 | 9.54 | 9.96 | 10.30 | 20.00 | -0.35 | 6.97 | 9.19 | 9.17 | 5.24 | 06/01/2006 |
| Real Estate Custom Index | 7.14 | 15.34 | 27.26 | 4.01 | 5.29 | 6.62 | 8.09 | 13.64 | -19.66 | 25.84 | -4.57 | 5.99 | 5.69 | |
| Difference | -0.49 | -5.79 | -3.74 | 6.56 | 4.25 | 3.34 | 2.21 | 6.36 | 19.31 | -18.87 | 13.76 | 3.18 | -0.45 | |
| Cash Pension | 0.39 | 0.42 | 0.46 | 0.77 | 1.22 | N/A | N/A | 0.13 | 0.84 | 2.28 | 2.00 | N/A | 1.22 | 05/01/2017 |
| Short Term Custom Index | 0.16 | 0.18 | 0.21 | 0.51 | 1.06 | 0.92 | 0.70 | 0.04 | 0.36 | 2.14 | 1.95 | 1.15 | 1.07 | |
| Difference | 0.23 | 0.24 | 0.25 | 0.26 | 0.16 | N/A | N/A | 0.09 | 0.48 | 0.14 | 0.05 | N/A | 0.15 | |
| Private Investments* | 5.11 | 6.96 | 22.12 | 21.29 | 17.66 | 15.21 | 14.38 | 39.81 | 10.91 | 12.95 | 11.55 | 15.20 | 13.48 | 05/01/2002 |
| Private Investments Custom Index | -14.41 | -18.48 | -17.71 | 6.65 | 7.47 | 8.66 | 12.19 | 16.54 | 18.90 | 27.38 | -9.99 | 20.59 | 10.51 | |
| Difference | 19.52 | 25.44 | 39.83 | 14.64 | 10.19 | 6.55 | 2.19 | 23.27 | -7.99 | -14.43 | 21.54 | -5.39 | 2.97 | |

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, 2022

| | QTD | CYTD | FYTD/ 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2021 | 2020 | 2019 | 2018 | 2017 | Since Incep. | Inception Date |
|---|---------------|---------------|-----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|-----------------|-------------------|
| Domestic Equity | -16.69 | -21.04 | -13.50 | 10.06 | 10.48 | 10.29 | 12.62 | 27.47 | 20.37 | 31.13 | -6.78 | 21.16 | 9.52 | 05/01/2003 |
| All Public Plans-US Equity Segment Median | -16.11 | -20.11 | -13.38 | 8.79 | 9.56 | 9.69 | 11.98 | 24.57 | 18.92 | 30.04 | -5.83 | 20.31 | 9.40 | |
| Rank | 74 | 64 | 53 | 24 | 29 | 25 | 26 | 30 | 32 | 28 | 74 | 31 | 41 | |
| Population | 54 | 54 | 53 | 45 | 42 | 41 | 33 | 70 | 67 | 65 | 66 | 89 | 10 | |
| International Equity | -13.99 | -19.79 | -20.61 | 1.94 | 3.04 | 3.62 | 5.61 | 8.18 | 13.71 | 23.28 | -14.72 | 29.06 | 4.75 | 04/01/1997 |
| All Public Plans-Intl. Equity Segment Median | -14.02 | -19.06 | -19.54 | 3.06 | 3.69 | 4.07 | 6.30 | 9.51 | 12.76 | 23.71 | -13.63 | 28.75 | N/A | |
| Rank | 50 | 58 | 55 | 75 | 74 | 75 | 83 | 74 | 45 | 62 | 78 | 46 | N/A | |
| Population | 54 | 53 | 53 | 48 | 48 | 47 | 38 | 69 | 68 | 65 | 68 | 84 | N/A | |
| Core Fixed Income | -4.12 | -9.22 | -9.20 | -0.49 | 1.06 | 1.52 | 1.88 | -1.48 | 8.31 | 6.94 | 1.00 | 2.34 | 5.41 | 04/01/1995 |
| IM U.S. Broad Market Core Fixed Income (SA+CF) Median | -4.74 | -10.32 | -10.24 | -0.41 | 1.29 | 1.89 | 2.03 | -1.20 | 8.52 | 9.19 | 0.06 | 4.01 | 5.09 | |
| Rank | 12 | 14 | 16 | 56 | 81 | 85 | 70 | 68 | 55 | 97 | 8 | 100 | 21 | |
| Population | 110 | 110 | 110 | 110 | 106 | 103 | 99 | 141 | 150 | 152 | 158 | 163 | 55 | |
| Non-Core Fixed Income | -9.65 | -14.10 | -13.34 | -0.17 | 1.81 | 3.02 | 4.46 | 3.64 | 6.91 | 14.60 | -1.71 | 6.58 | 6.75 | 06/01/2009 |
| IM U.S. High Yield Bonds (SA+CF) Median | -9.40 | -12.78 | -11.21 | 0.79 | 2.49 | 3.54 | 4.66 | 5.31 | 6.53 | 14.21 | -1.64 | 7.50 | 7.24 | |
| Rank | 61 | 82 | 89 | 86 | 89 | 80 | 65 | 91 | 42 | 41 | 52 | 74 | 72 | |
| Population | 124 | 124 | 124 | 124 | 119 | 111 | 98 | 152 | 170 | 185 | 195 | 198 | 83 | |
| Trust Funds Investment Pool | -1.79 | -4.31 | -2.60 | 2.25 | 3.01 | 3.26 | 3.40 | 1.59 | 7.30 | 9.06 | 0.53 | 4.10 | 5.74 | 10/01/1995 |
| All Public Plans-US Fixed Income Segment Median | -5.30 | -10.11 | -9.49 | 0.08 | 1.67 | 2.14 | 2.37 | -0.11 | 8.59 | 9.25 | -0.25 | 4.59 | N/A | |
| Rank | 9 | 9 | 5 | 7 | 1 | 4 | 7 | 12 | 78 | 53 | 22 | 62 | N/A | |
| Population | 58 | 58 | 57 | 50 | 48 | 47 | 41 | 73 | 74 | 68 | 72 | 85 | N/A | |
| Real Estate | 7.07 | 10.17 | 24.61 | 11.88 | 11.09 | 11.49 | 11.81 | 21.37 | 1.11 | 8.65 | 11.12 | 10.91 | 6.68 | 06/01/2006 |
| All Public Plans-Real Estate Segment Median | 6.26 | 11.91 | 26.61 | 12.92 | 11.45 | 11.60 | 11.88 | 20.84 | 1.66 | 7.65 | 9.04 | 8.84 | N/A | |
| Rank | 32 | 76 | 74 | 76 | 70 | 57 | 66 | 47 | 72 | 39 | 15 | 26 | N/A | |
| Population | 41 | 39 | 38 | 26 | 23 | 19 | 14 | 41 | 38 | 35 | 27 | 32 | 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. The All Public Plans US Equity, Intl Equity, US Fixed Income, and Real Estate segments currently do not have enough members to calculate trailing period returns.

Montana Board of Investments
Comparative Performance
Equity Composites

As of June 30, 2022

| | QTD | CYTD | FYTD/ 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2021 | 2020 | 2019 | 2018 | 2017 | Since Incep. | Inception Date |
|--|---------------|---------------|-----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|-----------------|-------------------|
| Domestic Large Cap Equity - Net | -16.74 | -21.02 | -12.46 | 10.88 | 11.36 | 11.09 | 13.05 | 28.39 | 21.44 | 31.06 | -4.71 | 21.66 | 8.64 | 12/01/2006 |
| S&P 500 Index (Cap Wtd) | -16.10 | -19.96 | -10.62 | 10.60 | 11.31 | 11.14 | 12.96 | 28.71 | 18.40 | 31.49 | -4.38 | 21.83 | 8.77 | |
| Difference | -0.64 | -1.06 | -1.84 | 0.28 | 0.05 | -0.05 | 0.09 | -0.32 | 3.04 | -0.43 | -0.33 | -0.17 | -0.13 | |
| Domestic Large Cap Equity - Gross | -16.74 | -21.02 | -12.39 | 11.04 | 11.54 | 11.26 | 13.22 | 28.61 | 21.66 | 31.29 | -4.52 | 21.82 | 8.86 | 12/01/2006 |
| IM U.S. Large Cap Equity (SA+CF) Median | -15.52 | -19.68 | -10.63 | 9.70 | 10.80 | 10.45 | 12.79 | 27.31 | 18.24 | 30.37 | -4.96 | 21.77 | 8.87 | |
| Rank | 71 | 65 | 60 | 27 | 33 | 30 | 34 | 37 | 33 | 42 | 46 | 50 | 51 | |
| Domestic Mid Cap Equity - Net | -15.40 | -19.56 | -14.36 | 6.90 | 7.48 | 7.27 | 10.45 | 25.15 | 13.53 | 28.03 | -10.75 | 19.45 | 8.18 | 01/01/2005 |
| Russell Mid Cap Index | -16.85 | -21.57 | -17.30 | 6.59 | 7.96 | 8.04 | 11.29 | 22.58 | 17.10 | 30.54 | -9.06 | 18.52 | 8.81 | |
| Difference | 1.45 | 2.01 | 2.94 | 0.31 | -0.48 | -0.77 | -0.84 | 2.57 | -3.57 | -2.51 | -1.69 | 0.93 | -0.63 | |
| Domestic Mid Cap Equity - Gross | -15.40 | -19.56 | -14.36 | 6.90 | 7.66 | 7.59 | 10.87 | 25.15 | 13.53 | 28.11 | -10.28 | 20.18 | 8.60 | 01/01/2005 |
| IM U.S. Mid Cap Equity (SA+CF) Median | -15.42 | -19.85 | -14.63 | 6.91 | 8.49 | 8.53 | 11.58 | 24.66 | 16.08 | 30.18 | -9.06 | 19.38 | 9.47 | |
| Rank | 49 | 49 | 47 | 51 | 68 | 74 | 78 | 44 | 59 | 65 | 58 | 48 | 89 | |
| Domestic Small Cap Equity - Net | -16.64 | -21.76 | -17.80 | 6.32 | 7.00 | 7.06 | 10.69 | 27.56 | 13.07 | 25.76 | -10.51 | 15.65 | 10.84 | 03/01/2003 |
| Russell 2000 Index | -17.20 | -23.43 | -25.20 | 4.21 | 5.17 | 5.91 | 9.35 | 14.82 | 19.96 | 25.53 | -11.01 | 14.65 | 9.82 | |
| Difference | 0.56 | 1.67 | 7.40 | 2.11 | 1.83 | 1.15 | 1.34 | 12.74 | -6.89 | 0.23 | 0.50 | 1.00 | 1.02 | |
| Domestic Small Cap Equity - Gross | -16.64 | -21.75 | -17.67 | 6.64 | 7.39 | 7.52 | 11.24 | 28.00 | 13.50 | 26.25 | -10.09 | 16.27 | 11.35 | 03/01/2003 |
| IM U.S. Small Cap Equity (SA+CF) Median | -15.39 | -20.84 | -17.00 | 6.86 | 7.36 | 7.72 | 11.16 | 23.97 | 17.38 | 25.82 | -10.38 | 15.18 | 11.75 | |
| Rank | 60 | 55 | 53 | 53 | 50 | 54 | 50 | 33 | 58 | 47 | 49 | 45 | 60 | |

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, 2022

| | QTD | CYTD | FYTD/ 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2021 | 2020 | 2019 | 2018 | 2017 | Since Incep. | Inception Date |
|---|---------------|---------------|-----------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|---------------|--------------|-----------------|-------------------|
| International Large Cap Passive - Net | -13.31 | -18.18 | -19.27 | 1.48 | 2.66 | 3.26 | 5.08 | 7.76 | 10.81 | 21.59 | -14.04 | 27.79 | 5.41 | 06/01/2009 |
| MSCI ACW Ex US Index (USD) (Net) | -13.73 | -18.42 | -19.42 | 1.35 | 2.50 | 2.92 | 4.83 | 7.82 | 10.65 | 21.51 | -14.20 | 27.19 | 5.20 | |
| Difference | 0.42 | 0.24 | 0.15 | 0.13 | 0.16 | 0.34 | 0.25 | -0.06 | 0.16 | 0.08 | 0.16 | 0.60 | 0.21 | |
| International Large Cap Passive - Gross | -13.30 | -18.16 | -19.23 | 1.54 | 2.72 | 3.33 | 5.15 | 7.82 | 10.88 | 21.66 | -13.98 | 27.88 | 5.48 | 06/01/2009 |
| International Equity Active - Net | -14.84 | -21.54 | -22.47 | 1.88 | 2.96 | 3.90 | 6.13 | 7.77 | 15.91 | 25.83 | -16.18 | 30.82 | 3.38 | 04/01/1997 |
| MSCI ACW Ex US Index (USD) (Net) | -13.73 | -18.42 | -19.42 | 1.35 | 2.50 | 2.92 | 4.83 | 7.82 | 10.65 | 21.51 | -14.20 | 27.19 | 4.66 | |
| Difference | -1.11 | -3.12 | -3.05 | 0.53 | 0.46 | 0.98 | 1.30 | -0.05 | 5.26 | 4.32 | -1.98 | 3.63 | -1.28 | |
| International Equity Active - Gross | -14.72 | -21.33 | -22.07 | 2.40 | 3.49 | 4.45 | 6.66 | 8.30 | 16.50 | 26.48 | -15.73 | 31.50 | 3.90 | 04/01/1997 |
| IM International Large Cap Core Equity (SA+CF) Median | -14.42 | -20.04 | -18.43 | 2.59 | 3.31 | 3.79 | 6.46 | 12.01 | 11.79 | 23.49 | -14.57 | 26.48 | 5.96 | |
| Rank | 56 | 71 | 82 | 53 | 48 | 31 | 37 | 80 | 28 | 29 | 68 | 13 | 100 | |
| International Value - Net | -13.56 | -15.68 | -16.18 | 2.10 | 3.43 | 4.13 | 5.93 | 9.32 | 9.31 | 20.76 | -13.97 | 30.72 | 2.20 | 11/01/2006 |
| MSCI ACW Ex US Val Index (USD) (Net) | -11.90 | -11.79 | -12.77 | 0.56 | 1.23 | 1.72 | 3.76 | 10.46 | -0.77 | 15.72 | -13.97 | 22.66 | 1.73 | |
| Difference | -1.66 | -3.89 | -3.41 | 1.54 | 2.20 | 2.41 | 2.17 | -1.14 | 10.08 | 5.04 | 0.00 | 8.06 | 0.47 | |
| International Value - Gross | -13.45 | -15.47 | -15.77 | 2.61 | 3.95 | 4.67 | 6.49 | 9.85 | 9.87 | 21.37 | -13.52 | 31.39 | 2.77 | 11/01/2006 |
| IM International Large Cap Value Equity (SA+CF) Median | -12.02 | -16.02 | -15.94 | 2.30 | 2.62 | 3.22 | 6.13 | 11.90 | 5.46 | 21.06 | -14.58 | 26.24 | 3.62 | |
| Rank | 72 | 49 | 48 | 45 | 21 | 21 | 43 | 67 | 33 | 45 | 39 | 13 | 73 | |
| International Growth - Net | -15.34 | -26.77 | -28.69 | 0.68 | 2.45 | 3.32 | 5.39 | 3.79 | 23.08 | 31.39 | -16.09 | 28.01 | 2.70 | 11/01/2006 |
| MSCI ACW Ex US Grth Index (USD) (Net) | -15.71 | -24.79 | -25.80 | 1.62 | 3.43 | 3.86 | 5.71 | 5.09 | 22.20 | 27.34 | -14.43 | 32.01 | 3.53 | |
| Difference | 0.37 | -1.98 | -2.89 | -0.94 | -0.98 | -0.54 | -0.32 | -1.30 | 0.88 | 4.05 | -1.66 | -4.00 | -0.83 | |
| International Growth - Gross | -15.23 | -26.58 | -28.31 | 1.22 | 3.01 | 3.90 | 5.95 | 4.33 | 23.74 | 32.10 | -15.61 | 28.74 | 3.24 | 11/01/2006 |
| IM International Large Cap Growth Equity (SA+CF) Median | -15.52 | -24.58 | -22.20 | 3.16 | 4.52 | 4.71 | 7.13 | 11.05 | 21.14 | 28.44 | -13.90 | 31.26 | 4.64 | |
| Rank | 43 | 65 | 80 | 79 | 79 | 71 | 91 | 84 | 42 | 19 | 68 | 69 | 90 | |
| International Small Cap - Net | -16.30 | -22.96 | -23.00 | 2.46 | 2.39 | 3.78 | 6.79 | 11.57 | 14.63 | 23.91 | -18.90 | 33.61 | 3.96 | 09/01/2006 |
| MSCI ACWI Ex US Sm Cap Index IMI (USD) (Net) | -17.55 | -22.92 | -22.45 | 2.94 | 2.55 | 3.71 | 6.22 | 12.93 | 14.24 | 22.42 | -18.20 | 31.65 | 4.46 | |
| Difference | 1.25 | -0.04 | -0.55 | -0.48 | -0.16 | 0.07 | 0.57 | -1.36 | 0.39 | 1.49 | -0.70 | 1.96 | -0.50 | |

Gross of fees performance is not available (N/A) for the International Small Cap composite which currently consists of 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
Domestic Equity Managers

As of June 30, 2022

| | QTD | CYTD | FYTD/ 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2021 | 2020 | 2019 | 2018 | 2017 | Since Incep. | Inception Date |
|--|---------------|---------------|-----------------|--------------|-------------|------------|-------------|--------------|--------------|--------------|---------------|------------|-----------------|-------------------|
| Domestic Large Cap Equity | | | | | | | | | | | | | | |
| BlackRock MSCI US Equity Index (SA) - Net | -16.77 | -21.10 | -12.80 | 10.43 | N/A | N/A | N/A | 26.95 | 21.33 | N/A | N/A | N/A | 11.00 | 04/01/2019 |
| MSCI US Index (USD) (Gross) | -16.78 | -21.11 | -12.80 | 10.45 | 11.21 | 10.97 | 12.89 | 26.97 | 21.37 | 31.64 | -4.50 | 21.90 | 11.03 | |
| Difference | 0.01 | 0.01 | 0.00 | -0.02 | N/A | N/A | N/A | -0.02 | -0.04 | N/A | N/A | N/A | -0.03 | |
| BlackRock MSCI US Equity Index (SA) - Gross | -16.77 | -21.10 | -12.79 | 10.44 | N/A | N/A | N/A | 26.96 | 21.34 | N/A | N/A | N/A | 11.01 | 04/01/2019 |
| IM U.S. Large Cap Core Equity (SA+CF) Median | -15.04 | -19.02 | -10.43 | 9.86 | 10.71 | 10.44 | 12.87 | 27.83 | 17.26 | 29.99 | -5.15 | 21.86 | 10.56 | |
| Rank | 84 | 75 | 72 | 36 | N/A | N/A | N/A | 56 | 28 | N/A | N/A | N/A | 39 | |
| Northern Trust MSCI US Index (SA) - Net | -16.77 | -21.10 | -12.79 | 10.44 | N/A | N/A | N/A | 26.97 | 21.34 | 31.70 | N/A | N/A | 11.38 | 11/01/2018 |
| MSCI US Index (USD) (Gross) | -16.78 | -21.11 | -12.80 | 10.45 | 11.21 | 10.97 | 12.89 | 26.97 | 21.37 | 31.64 | -4.50 | 21.90 | 11.38 | |
| Difference | 0.01 | 0.01 | 0.01 | -0.01 | N/A | N/A | N/A | 0.00 | -0.03 | 0.06 | N/A | N/A | 0.00 | |
| Northern Trust MSCI US Index (SA) - Gross | -16.76 | -21.10 | -12.78 | 10.45 | N/A | N/A | N/A | 26.98 | 21.36 | 31.71 | N/A | N/A | 11.40 | 11/01/2018 |
| IM U.S. Large Cap Core Equity (SA+CF) Median | -15.04 | -19.02 | -10.43 | 9.86 | 10.71 | 10.44 | 12.87 | 27.83 | 17.26 | 29.99 | -5.15 | 21.86 | 11.05 | |
| Rank | 84 | 75 | 72 | 36 | N/A | N/A | N/A | 56 | 28 | 32 | N/A | N/A | 45 | |
| iShares:Core S&P Tot USM (ITOT) - Net | -16.73 | -21.18 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | -18.19 | 12/01/2021 |
| S&P Tot Mkt Index | -16.84 | -21.33 | -14.24 | 9.61 | 10.48 | 10.34 | 12.48 | 25.66 | 20.79 | 30.90 | -5.30 | 21.16 | -18.34 | |
| Difference | 0.11 | 0.15 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 0.15 | |
| iShares:Core S&P 500 (IVV) - Net | -16.15 | -18.92 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | -15.21 | 12/01/2021 |
| S&P 500 Index (Cap Wtd) | -16.10 | -19.96 | -10.62 | 10.60 | 11.31 | 11.14 | 12.96 | 28.71 | 18.40 | 31.49 | -4.38 | 21.83 | -16.37 | |
| Difference | -0.05 | 1.04 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 1.16 | |
| Domestic Mid Cap Equity | | | | | | | | | | | | | | |
| iShares:Core S&P Md-Cp (IJH) - Net | -15.40 | -19.56 | -14.36 | 6.90 | 6.39 | N/A | N/A | 25.15 | 13.53 | 26.24 | -13.95 | N/A | 6.39 | 07/01/2017 |
| S&P Mid Cap 400 Index (Cap Wtd) | -15.42 | -19.54 | -14.64 | 6.87 | 7.02 | 7.76 | 10.90 | 24.76 | 13.66 | 26.20 | -11.08 | 16.24 | 7.02 | |
| Difference | 0.02 | -0.02 | 0.28 | 0.03 | -0.63 | N/A | N/A | 0.39 | -0.13 | 0.04 | -2.87 | N/A | -0.63 | |

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.

Montana Board of Investments
Comparative Performance
Domestic Equity Managers

As of June 30, 2022

| | QTD | CYTD | FYTD/ 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2021 | 2020 | 2019 | 2018 | 2017 | Since Incep. | Inception Date |
|---|---------------|---------------|-----------------|-------------|-------------|------------|-------------|--------------|--------------|--------------|--------------|------------|-----------------|-------------------|
| Domestic Small Cap Equity | | | | | | | | | | | | | | |
| BlackRock MSCI US Sm Cap Equity Index (CF) - Net | -16.52 | -21.45 | -20.82 | 6.27 | 7.23 | N/A | N/A | 19.63 | 18.93 | 27.30 | -9.96 | N/A | 7.23 | 07/01/2017 |
| MSCI US Sm Cap Index (USD) (Net) | -16.66 | -21.66 | -21.26 | 5.75 | 6.72 | 6.96 | 10.30 | 19.11 | 18.32 | 26.74 | -10.40 | 16.75 | 6.72 | |
| Difference | 0.14 | 0.21 | 0.44 | 0.52 | 0.51 | N/A | N/A | 0.52 | 0.61 | 0.56 | 0.44 | N/A | 0.51 | |
| BlackRock MSCI US Sm Cap Equity Index (CF) - Gross | -16.52 | -21.43 | -20.79 | 6.30 | 7.26 | N/A | N/A | 19.66 | 18.96 | 27.34 | -9.93 | N/A | 7.26 | 07/01/2017 |
| iShares:Russ 2000 ETF (IWM) - Net | -17.26 | -23.50 | -25.49 | 4.30 | N/A | N/A | N/A | 14.32 | 20.90 | 25.52 | N/A | N/A | 3.85 | 05/01/2018 |
| Russell 2000 Index | -17.20 | -23.43 | -25.20 | 4.21 | 5.17 | 5.91 | 9.35 | 14.82 | 19.96 | 25.53 | -11.01 | 14.65 | 3.82 | |
| Difference | -0.06 | -0.07 | -0.29 | 0.09 | N/A | N/A | N/A | -0.50 | 0.94 | -0.01 | N/A | N/A | 0.03 | |

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

The current annual expense ratios for the iShares:Core S&P Tot USM (ITOT), iShares:Core S&P 500 (IVV), iShares:Core S&P Md-Cp (IJH), and iShares:Russ 2000 ETF (IWM) are 0.03%, 0.03%, 0.05%, and 0.19%, respectively.

See the Addendum for custom index specification.

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.

Montana Board of Investments
Comparative Performance
International Equity Managers

As of June 30, 2022

| | QTD | CYTD | FYTD/ 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2021 | 2020 | 2019 | 2018 | 2017 | Since Incep. | Inception Date |
|---|---------------|---------------|-----------------|------------|------------|------------|-------------|-------|-------|-------|---------------|-------|-----------------|-------------------|
| International Developed Large Cap Equity | | | | | | | | | | | | | | |
| Acadian Asset Non-US Equity (SA) - Net | -14.61 | -15.57 | -15.02 | 4.45 | 4.77 | 6.29 | 7.62 | 16.67 | 8.89 | 19.38 | -13.44 | 34.76 | 3.42 | 11/01/2006 |
| MSCI ACW Ex US Val Index (USD) (Net) | -11.90 | -11.79 | -12.77 | 0.56 | 1.23 | 1.72 | 3.76 | 10.46 | -0.77 | 15.72 | -13.97 | 22.66 | 1.73 | |
| Difference | -2.71 | -3.78 | -2.25 | 3.89 | 3.54 | 4.57 | 3.86 | 6.21 | 9.66 | 3.66 | 0.53 | 12.10 | 1.69 | |
| Acadian Asset Non-US Equity (SA) - Gross | -14.51 | -15.37 | -14.62 | 4.96 | 5.29 | 6.83 | 8.17 | 17.23 | 9.45 | 19.98 | -12.99 | 35.45 | 3.99 | 11/01/2006 |
| IM ACWI Ex US Value (SA+CF) Median | -11.90 | -15.29 | -15.94 | 2.09 | 2.52 | 3.33 | 6.07 | 11.05 | 6.52 | 21.34 | -14.78 | 26.02 | 3.34 | |
| Rank | 85 | 51 | 27 | 13 | 12 | 5 | 13 | 7 | 43 | 59 | 26 | 8 | 27 | |
| Lazard Asset Management (SA) - Net | -12.29 | -15.80 | -17.31 | 0.37 | 2.36 | 2.41 | N/A | 4.11 | 9.59 | 21.70 | -14.32 | 27.00 | 2.13 | 06/01/2015 |
| Lazard Custom Index | -13.73 | -18.42 | -19.42 | 1.35 | 1.99 | 2.26 | 4.15 | 7.82 | 10.65 | 21.51 | -15.55 | 22.66 | 1.80 | |
| Difference | 1.44 | 2.62 | 2.11 | -0.98 | 0.37 | 0.15 | N/A | -3.71 | -1.06 | 0.19 | 1.23 | 4.34 | 0.33 | |
| Lazard Asset Management (SA) - Gross | -12.18 | -15.59 | -16.90 | 0.87 | 2.88 | 2.93 | N/A | 4.62 | 10.14 | 22.31 | -13.88 | 27.65 | 2.66 | 06/01/2015 |
| IM ACWI Ex US Value (SA+CF) Median | -11.90 | -15.29 | -15.94 | 2.09 | 2.52 | 3.33 | 6.07 | 11.05 | 6.52 | 21.34 | -14.78 | 26.02 | 3.02 | |
| Rank | 59 | 53 | 55 | 77 | 39 | 64 | N/A | 94 | 41 | 43 | 35 | 38 | 60 | |
| BlackRock ACW Ex US SuperFund A (CF) - Net | -13.56 | -18.22 | -19.19 | 1.54 | 2.71 | 3.14 | 5.04 | 8.00 | 10.81 | 21.77 | -13.99 | 27.49 | 5.41 | 06/01/2009 |
| MSCI ACW Ex US Index (USD) (Net) | -13.73 | -18.42 | -19.42 | 1.35 | 2.50 | 2.92 | 4.83 | 7.82 | 10.65 | 21.51 | -14.20 | 27.19 | 5.20 | |
| Difference | 0.17 | 0.20 | 0.23 | 0.19 | 0.21 | 0.22 | 0.21 | 0.18 | 0.16 | 0.26 | 0.21 | 0.30 | 0.21 | |
| BlackRock ACW Ex US SuperFund A (CF) - Gross | -13.54 | -18.19 | -19.14 | 1.62 | 2.78 | 3.22 | 5.12 | 8.07 | 10.89 | 21.85 | -13.93 | 27.58 | 5.49 | 06/01/2009 |
| IM All ACWI Ex US (SA+CF) Median | -14.15 | -20.41 | -20.07 | 2.48 | 3.37 | 4.00 | 6.51 | 9.74 | 14.60 | 25.13 | -14.73 | 28.74 | 6.84 | |
| Rank | 46 | 36 | 39 | 65 | 64 | 67 | 86 | 63 | 60 | 66 | 43 | 62 | 84 | |
| iShares:MSCI EAFE ETF (EFA) - Net | -13.08 | -18.69 | -17.30 | 1.42 | 2.50 | N/A | N/A | 11.47 | 7.71 | 22.03 | -12.88 | N/A | 2.50 | 07/01/2017 |
| MSCI EAFE Index (USD) (Net) | -14.51 | -19.57 | -17.77 | 1.07 | 2.20 | 2.70 | 5.40 | 11.26 | 7.82 | 22.01 | -13.79 | 25.03 | 2.20 | |
| Difference | 1.43 | 0.88 | 0.47 | 0.35 | 0.30 | N/A | N/A | 0.21 | -0.11 | 0.02 | 0.91 | N/A | 0.30 | |
| Baillie Gifford (SA) - Net | -18.07 | -33.22 | -36.42 | 0.54 | 2.23 | 3.58 | N/A | 1.69 | 34.22 | 34.34 | -17.35 | 31.99 | 3.19 | 06/01/2015 |
| MSCI ACW Ex US Grth Index (USD) (Net) | -15.71 | -24.79 | -25.80 | 1.62 | 3.43 | 3.86 | 5.71 | 5.09 | 22.20 | 27.34 | -14.43 | 32.01 | 3.42 | |
| Difference | -2.36 | -8.43 | -10.62 | -1.08 | -1.20 | -0.28 | N/A | -3.40 | 12.02 | 7.00 | -2.92 | -0.02 | -0.23 | |
| Baillie Gifford (SA) - Gross | -17.98 | -33.06 | -36.12 | 1.02 | 2.73 | 4.10 | N/A | 2.16 | 34.86 | 34.99 | -16.93 | 32.66 | 3.71 | 06/01/2015 |
| IM ACWI Ex US Growth (SA+CF) Median | -15.98 | -26.22 | -24.88 | 2.60 | 4.46 | 4.68 | 6.96 | 9.00 | 22.14 | 29.57 | -13.78 | 32.56 | 4.24 | |
| Rank | 73 | 92 | 97 | 79 | 83 | 71 | N/A | 91 | 13 | 9 | 85 | 49 | 70 | |

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.



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International Equity Managers

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| | QTD | CYTD | FYTD/ 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2021 | 2020 | 2019 | 2018 | 2017 | Since Incep. | Inception Date |
|---|---------------|---------------|-----------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|---------------|--------------|-----------------|-------------------|
| Invesco (SA) - Net | -13.30 | -21.41 | -21.97 | 0.78 | 2.59 | 3.09 | N/A | 5.60 | 14.84 | 29.29 | -15.17 | 24.92 | 2.61 | 06/01/2015 |
| MSCI ACW Ex US Grth Index (USD) (Net) | -15.71 | -24.79 | -25.80 | 1.62 | 3.43 | 3.86 | 5.71 | 5.09 | 22.20 | 27.34 | -14.43 | 32.01 | 3.42 | |
| Difference | 2.41 | 3.38 | 3.83 | -0.84 | -0.84 | -0.77 | N/A | 0.51 | -7.36 | 1.95 | -0.74 | -7.09 | -0.81 | |
| Invesco (SA) - Gross | -13.17 | -21.18 | -21.52 | 1.36 | 3.20 | 3.72 | N/A | 6.20 | 15.51 | 30.05 | -14.64 | 25.70 | 3.23 | 06/01/2015 |
| IM ACWI Ex US Growth (SA+CF) Median | -15.98 | -26.22 | -24.88 | 2.60 | 4.46 | 4.68 | 6.96 | 9.00 | 22.14 | 29.57 | -13.78 | 32.56 | 4.24 | |
| Rank | 14 | 25 | 32 | 75 | 71 | 74 | N/A | 77 | 83 | 45 | 56 | 91 | 74 | |
| International Developed Small Cap Equity | | | | | | | | | | | | | | |
| American Century Investment Mgmt (SA) - Net | -20.42 | -31.97 | -31.66 | 1.57 | 3.06 | 4.16 | N/A | 6.24 | 31.60 | 29.44 | -20.76 | 43.80 | 3.47 | 03/01/2014 |
| MSCI ACW Ex US Sm Cap Grth Index (USD) (Net) | -19.81 | -28.13 | -27.34 | 2.84 | 2.97 | 3.85 | 6.31 | 11.53 | 23.69 | 24.61 | -18.27 | 33.64 | 3.52 | |
| Difference | -0.61 | -3.84 | -4.32 | -1.27 | 0.09 | 0.31 | N/A | -5.29 | 7.91 | 4.83 | -2.49 | 10.16 | -0.05 | |
| American Century Investment Mgmt (SA) - Gross | -20.26 | -31.69 | -31.10 | 2.40 | 3.91 | 5.03 | N/A | 7.10 | 32.68 | 30.50 | -20.09 | 44.99 | 4.34 | 03/01/2014 |
| IM ACWI Ex US Growth (SA+CF) Median | -15.98 | -26.22 | -24.88 | 2.60 | 4.46 | 4.68 | 6.96 | 9.00 | 22.14 | 29.57 | -13.78 | 32.56 | 4.36 | |
| Rank | 97 | 91 | 87 | 54 | 58 | 43 | N/A | 65 | 26 | 42 | 100 | 6 | 55 | |
| BlackRock MSCI ACW Ex US Sm Cap Index (CF) - Net | -17.36 | -22.70 | -22.26 | 3.09 | 2.79 | 3.94 | 6.44 | 12.84 | 14.45 | 22.68 | -17.85 | 31.96 | 5.74 | 02/01/2012 |
| MSCI ACWI Ex US Sm Cap Index IMI (USD) (Net) | -17.55 | -22.92 | -22.45 | 2.94 | 2.55 | 3.71 | 6.22 | 12.93 | 14.24 | 22.42 | -18.20 | 31.65 | 5.51 | |
| Difference | 0.19 | 0.22 | 0.19 | 0.15 | 0.24 | 0.23 | 0.22 | -0.09 | 0.21 | 0.26 | 0.35 | 0.31 | 0.23 | |
| BlackRock MSCI ACW Ex US Sm Cap Index (CF) - Gross | -17.33 | -22.65 | -22.16 | 3.21 | 2.91 | 4.08 | 6.60 | 12.98 | 14.50 | 22.90 | -17.74 | 32.15 | 5.90 | 02/01/2012 |
| Templeton Investment Counsel (SA) - Net | -14.15 | -24.59 | -25.63 | 0.00 | 0.94 | 2.10 | N/A | 11.79 | 9.98 | 24.17 | -18.48 | 33.07 | 2.27 | 03/01/2014 |
| Templeton Custom Index | -17.55 | -22.92 | -22.45 | 2.94 | 2.03 | 3.47 | 6.05 | 12.93 | 14.24 | 22.42 | -19.75 | 29.72 | 2.76 | |
| Difference | 3.40 | -1.67 | -3.18 | -2.94 | -1.09 | -1.37 | N/A | -1.14 | -4.26 | 1.75 | 1.27 | 3.35 | -0.49 | |
| Templeton Investment Counsel (SA) - Gross | -13.97 | -24.28 | -25.02 | 0.83 | 1.79 | 2.98 | N/A | 12.71 | 10.91 | 25.20 | -17.78 | 34.21 | 3.15 | 03/01/2014 |
| IM ACWI Ex US Value (SA+CF) Median | -11.90 | -15.29 | -15.94 | 2.09 | 2.52 | 3.33 | 6.07 | 11.05 | 6.52 | 21.34 | -14.78 | 26.02 | 2.76 | |
| Rank | 80 | 92 | 93 | 78 | 70 | 64 | N/A | 36 | 35 | 26 | 84 | 8 | 39 | |
| Acadian Ex US Small Cap (SA) - Net | -15.74 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | -13.15 | 03/01/2022 |
| MSCI ACW Ex US Sm Cap Index (USD) (Net) | -17.55 | -22.92 | -22.45 | 2.94 | 2.55 | 3.71 | 6.22 | 12.93 | 14.24 | 22.42 | -18.20 | 31.65 | -16.71 | |
| Difference | 1.81 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 3.56 | |
| Acadian Ex US Small Cap (SA) - Gross | -15.57 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | -13.02 | 03/01/2022 |
| IM All ACWI Ex US (SA+CF) Median | -14.15 | -20.41 | -20.07 | 2.48 | 3.37 | 4.00 | 6.51 | 9.74 | 14.60 | 25.13 | -14.73 | 28.74 | -14.23 | |
| Rank | 73 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 28 | |

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.



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International Equity Managers

As of June 30, 2022

| | QTD | CYTD | FYTD/ 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2021 | 2020 | 2019 | 2018 | 2017 | Since Incep. | Inception Date |
|--|---------------|---------------|-----------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|---------------|--------------|-----------------|-------------------|
| International Emerging Equity | | | | | | | | | | | | | | |
| BlackRock MSCI Emg Mkts Index NL (CF) - Net | -11.33 | -17.63 | -25.40 | 0.32 | 1.95 | 2.56 | 2.82 | -2.82 | 17.92 | 18.12 | -14.69 | 37.05 | 2.02 | 02/01/2012 |
| MSCI Emg Mkts Index (USD) (Net) | -11.45 | -17.63 | -25.28 | 0.57 | 2.18 | 2.79 | 3.06 | -2.54 | 18.31 | 18.44 | -14.58 | 37.28 | 2.26 | |
| Difference | 0.12 | 0.00 | -0.12 | -0.25 | -0.23 | -0.23 | -0.24 | -0.28 | -0.39 | -0.32 | -0.11 | -0.23 | -0.24 | |
| BlackRock MSCI Emg Mkts Index NL (CF) - Gross | -11.31 | -17.59 | -25.32 | 0.43 | 2.06 | 2.68 | 2.97 | -2.71 | 18.04 | 18.25 | -14.60 | 37.16 | 2.17 | 02/01/2012 |
| iShares:Core MSCI EmMkts (IEMG) | -10.62 | -19.07 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | -19.07 | 01/01/2022 |
| MSCI Emg Mkts IM Index (USD) (Net) | -12.10 | -17.94 | -24.75 | 1.15 | 2.33 | 2.76 | 3.20 | -0.28 | 18.39 | 17.65 | -15.05 | 36.83 | -17.94 | |
| Difference | 1.48 | -1.13 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | -1.13 | |

Gross of fees performance is not available (N/A) for the following funds: iShares:MSCI EAFE ETF (EFA), International Equity Pool STIF, and iShares:Core MSCI Em Mkts (IEMG).

The current annual expense ratios for the iShares:MSCI EAFE ETF (EFA), and iShares:Core MSCI Em Mkts (IEMG): are 0.32%, and 0.09%, 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, 2022

| | QTD | CYTD | FYTD/ 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2021 | 2020 | 2019 | 2018 | 2017 | Since Incep. | Inception Date |
|--|--------------|---------------|-----------------|-------------|-------------|-------------|-------------|--------------|--------------|-------------|-------------|-------------|-----------------|-------------------|
| US Fixed Income Aggregate - Net | -4.06 | -9.16 | -9.16 | N/A | N/A | N/A | N/A | -1.52 | 7.65 | N/A | N/A | N/A | -1.47 | 12/01/2019 |
| Bloomberg US Agg Bond Index | -4.69 | -10.35 | -10.29 | -0.94 | 0.88 | 1.42 | 1.54 | -1.55 | 7.51 | 8.72 | 0.01 | 3.54 | -2.04 | |
| Difference | 0.63 | 1.19 | 1.13 | N/A | N/A | N/A | N/A | 0.03 | 0.14 | N/A | N/A | N/A | 0.57 | |
| Reams Asset Core Plus (SA) - Net | -5.07 | -10.27 | -9.94 | 2.02 | 2.81 | 2.85 | 2.73 | -1.25 | 17.14 | 8.08 | 1.31 | 3.21 | 4.77 | 10/01/2008 |
| Reams Custom Index | -5.13 | -10.93 | -10.89 | -0.98 | 0.85 | 1.54 | 1.78 | -1.10 | 7.58 | 8.72 | 0.01 | 3.83 | 3.36 | |
| Difference | 0.06 | 0.66 | 0.95 | 3.00 | 1.96 | 1.31 | 0.95 | -0.15 | 9.56 | -0.64 | 1.30 | -0.62 | 1.41 | |
| Reams Asset Core Plus (SA) - Gross | -5.02 | -10.19 | -9.78 | 2.21 | 3.00 | 3.04 | 2.92 | -1.07 | 17.35 | 8.28 | 1.49 | 3.38 | 4.96 | 10/01/2008 |
| IM U.S. Broad Market Core+ FI (SA+CF) Median | -5.49 | -10.88 | -10.61 | -0.18 | 1.61 | 2.22 | 2.58 | -0.26 | 8.96 | 9.88 | -0.25 | 4.78 | 4.56 | |
| Rank | 32 | 27 | 20 | 3 | 4 | 16 | 31 | 86 | 2 | 93 | 4 | 95 | 31 | |

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, 2022

| | QTD | CYTD | FYTD/ 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2021 | 2020 | 2019 | 2018 | 2017 | Since Incep. | Inception Date |
|---|---------------|---------------|-----------------|--------------|------------|------------|-------------|--------------|-------|-------|--------------|-------|-----------------|-------------------|
| Neuberger Berman High Yield (SA) - Net | -10.54 | -14.73 | -13.69 | -0.37 | 1.52 | 2.72 | 3.87 | 4.76 | 6.30 | 13.75 | -1.99 | 5.80 | 5.26 | 01/01/2010 |
| Bloomberg US HY 2% Issuer Cap Index | -9.84 | -14.19 | -12.82 | 0.18 | 2.09 | 3.48 | 4.47 | 5.26 | 7.05 | 14.32 | -2.08 | 7.50 | 5.71 | |
| Difference | -0.70 | -0.54 | -0.87 | -0.55 | -0.57 | -0.76 | -0.60 | -0.50 | -0.75 | -0.57 | 0.09 | -1.70 | -0.45 | |
| Neuberger Berman High Yield (SA) - Gross | -10.49 | -14.64 | -13.53 | -0.06 | 1.89 | 3.12 | 4.29 | 4.96 | 6.75 | 14.26 | -1.56 | 6.27 | 5.70 | 01/01/2010 |
| IM U.S. High Yield Bonds (SA+CF) Median | -9.40 | -12.78 | -11.21 | 0.79 | 2.49 | 3.54 | 4.66 | 5.31 | 6.53 | 14.21 | -1.63 | 7.50 | 5.87 | |
| Rank | 86 | 91 | 90 | 84 | 87 | 73 | 73 | 59 | 44 | 50 | 49 | 79 | 63 | |
| Oaktree US High Yield (SA) (CAPP) - Net | -9.86 | -13.54 | -12.03 | 0.34 | N/A | N/A | N/A | 4.91 | 6.56 | 15.44 | -3.99 | N/A | 1.54 | 01/01/2018 |
| Bloomberg US HY 2% Issuer Cap Index | -9.84 | -14.19 | -12.82 | 0.18 | 2.09 | 3.48 | 4.47 | 5.26 | 7.05 | 14.32 | -2.08 | 7.50 | 1.77 | |
| Difference | -0.02 | 0.65 | 0.79 | 0.16 | N/A | N/A | N/A | -0.35 | -0.49 | 1.12 | -1.91 | N/A | -0.23 | |
| Oaktree US High Yield (SA) (CAPP) - Gross | -9.78 | -13.41 | -11.72 | 0.77 | N/A | N/A | N/A | 5.34 | 7.07 | 16.02 | -3.47 | N/A | 2.01 | 01/01/2018 |
| IM U.S. High Yield Bonds (SA+CF) Median | -9.40 | -12.78 | -11.21 | 0.79 | 2.49 | 3.54 | 4.66 | 5.31 | 6.53 | 14.21 | -1.64 | 7.50 | 2.25 | |
| Rank | 70 | 65 | 62 | 52 | N/A | N/A | N/A | 49 | 40 | 16 | 92 | N/A | 65 | |
| Shenkman High Yield Fixed Income (SA) (CAPP) - Net | -8.65 | -12.00 | -10.86 | 0.55 | N/A | N/A | N/A | 4.24 | 6.32 | 13.65 | -1.96 | N/A | 1.74 | 12/01/2017 |
| Bloomberg US HY 2% Issuer Cap Index | -9.84 | -14.19 | -12.82 | 0.18 | 2.09 | 3.48 | 4.47 | 5.26 | 7.05 | 14.32 | -2.08 | 7.50 | 1.81 | |
| Difference | 1.19 | 2.19 | 1.96 | 0.37 | N/A | N/A | N/A | -1.02 | -0.73 | -0.67 | 0.12 | N/A | -0.07 | |
| Shenkman High Yield Fixed Income (SA) (CAPP) - Gross | -8.56 | -11.83 | -10.52 | 0.99 | N/A | N/A | N/A | 4.68 | 6.82 | 14.18 | -1.46 | N/A | 2.21 | 12/01/2017 |
| IM U.S. High Yield Bonds (SA+CF) Median | -9.40 | -12.78 | -11.21 | 0.79 | 2.49 | 3.54 | 4.66 | 5.31 | 6.53 | 14.21 | -1.64 | 7.50 | 2.27 | |
| Rank | 35 | 36 | 39 | 42 | N/A | N/A | N/A | 70 | 43 | 51 | 47 | N/A | 58 | |
| Cohen & Steers Preferred Securities (SA) - Net | -7.20 | -12.17 | -11.32 | N/A | N/A | N/A | N/A | 3.70 | N/A | N/A | N/A | N/A | -2.86 | 11/01/2020 |
| Cohen & Steers Preferred Securities Custom Benchmark | -7.55 | -12.84 | -12.55 | N/A | N/A | N/A | N/A | 2.72 | N/A | N/A | N/A | N/A | -4.15 | |
| Difference | 0.35 | 0.67 | 1.23 | N/A | N/A | N/A | N/A | 0.98 | N/A | N/A | N/A | N/A | 1.29 | |
| Cohen & Steers Preferred Securities (SA) - Gross | -7.12 | -12.03 | -11.02 | N/A | N/A | N/A | N/A | 4.06 | N/A | N/A | N/A | N/A | -2.52 | 11/01/2020 |
| Payden & Rygel EMD (SA) - Net | -12.50 | -19.18 | -21.11 | N/A | N/A | N/A | N/A | -3.49 | N/A | N/A | N/A | N/A | -15.26 | 01/01/2021 |
| Payden & Rygel EMD Custom Benchmark | -10.59 | -18.60 | -20.62 | N/A | N/A | N/A | N/A | -3.92 | N/A | N/A | N/A | N/A | -15.11 | |
| Difference | -1.91 | -0.58 | -0.49 | N/A | N/A | N/A | N/A | 0.43 | N/A | N/A | N/A | N/A | -0.15 | |
| Payden & Rygel EMD (SA) - Gross | -12.42 | -19.03 | -20.83 | N/A | N/A | N/A | N/A | -3.14 | N/A | N/A | N/A | N/A | -14.96 | 01/01/2021 |
| IM Emerging Markets Debt (SA+CF) Median | -8.65 | -15.16 | -18.25 | -3.68 | -0.59 | 1.52 | 1.80 | -2.45 | 6.72 | 14.27 | -5.29 | 12.46 | -13.53 | |
| Rank | 89 | 77 | 76 | N/A | N/A | N/A | N/A | 57 | N/A | N/A | N/A | N/A | 76 | |

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, 2022

| | QTD | CYTD | FYTD/ 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2021 | 2020 | 2019 | 2018 | 2017 | Since Incep. | Inception Date |
|---|---------------|---------------|-----------------|-------------|-------------|-------------|-------------|--------------|-------------|-------------|-------------|-------------|-----------------|-------------------|
| Trust Funds Investment Pool Fixed Income | -4.48 | -9.39 | -9.02 | 0.19 | 1.70 | 2.16 | 2.39 | -0.47 | 8.84 | 9.12 | 0.25 | 3.83 | 5.33 | 10/01/1995 |
| Bloomberg US Agg Bond Index | -4.69 | -10.35 | -10.29 | -0.94 | 0.88 | 1.42 | 1.54 | -1.55 | 7.51 | 8.72 | 0.01 | 3.54 | 4.49 | |
| Difference | 0.21 | 0.96 | 1.27 | 1.13 | 0.82 | 0.74 | 0.85 | 1.08 | 1.33 | 0.40 | 0.24 | 0.29 | 0.84 | |
| Trust Funds Investment Pool Fixed Income | -4.48 | -9.39 | -9.02 | 0.19 | 1.70 | 2.16 | 2.39 | -0.47 | 8.84 | 9.12 | 0.25 | 3.83 | 5.33 | 10/01/1995 |
| IM U.S. Broad Market Core Fixed Income (SA+CF) Median | -4.74 | -10.32 | -10.24 | -0.41 | 1.29 | 1.89 | 2.03 | -1.20 | 8.52 | 9.19 | 0.06 | 4.01 | 4.91 | |
| Rank | 25 | 18 | 14 | 22 | 21 | 21 | 23 | 22 | 37 | 55 | 30 | 62 | 9 | |
| Shenkman High Yield Fixed Income (SA) (TFIP) - Net | -8.74 | -12.15 | -11.01 | 0.35 | N/A | N/A | N/A | 4.31 | 6.05 | N/A | N/A | N/A | 0.35 | 07/01/2019 |
| Bloomberg US HY 2% Issuer Cap Index | -9.84 | -14.19 | -12.82 | 0.18 | 2.09 | 3.48 | 4.47 | 5.26 | 7.05 | 14.32 | -2.08 | 7.50 | 0.18 | |
| Difference | 1.10 | 2.04 | 1.81 | 0.17 | N/A | N/A | N/A | -0.95 | -1.00 | N/A | N/A | N/A | 0.17 | |
| Shenkman High Yield Fixed Income (SA) (TFIP) - Gross | -8.66 | -11.98 | -10.67 | 0.78 | N/A | N/A | N/A | 4.74 | 6.54 | N/A | N/A | N/A | 0.78 | 07/01/2019 |
| IM U.S. High Yield Bonds (SA+CF) Median | -9.40 | -12.78 | -11.21 | 0.79 | 2.49 | 3.54 | 4.66 | 5.31 | 6.53 | 14.21 | -1.64 | 7.50 | 0.79 | |
| Rank | 36 | 38 | 40 | 51 | N/A | N/A | N/A | 68 | 50 | N/A | N/A | N/A | 51 | |
| Oaktree US High Yield (SA) (TFIP) - Net | -9.70 | -13.28 | -11.83 | N/A | N/A | N/A | N/A | 4.93 | 6.72 | N/A | N/A | N/A | 0.40 | 08/01/2019 |
| Bloomberg US HY 2% Issuer Cap Index | -9.84 | -14.19 | -12.82 | 0.18 | 2.09 | 3.48 | 4.47 | 5.26 | 7.05 | 14.32 | -2.08 | 7.50 | -0.01 | |
| Difference | 0.14 | 0.91 | 0.99 | N/A | N/A | N/A | N/A | -0.33 | -0.33 | N/A | N/A | N/A | 0.41 | |
| Oaktree US High Yield (SA) (TFIP) - Gross | -9.62 | -13.14 | -11.52 | N/A | N/A | N/A | N/A | 5.36 | 7.25 | N/A | N/A | N/A | 0.83 | 08/01/2019 |
| IM U.S. High Yield Bonds (SA+CF) Median | -9.40 | -12.78 | -11.21 | 0.79 | 2.49 | 3.54 | 4.66 | 5.31 | 6.53 | 14.21 | -1.64 | 7.50 | 0.61 | |
| Rank | 60 | 59 | 55 | N/A | N/A | N/A | N/A | 49 | 36 | N/A | N/A | N/A | 41 | |
| Neuberger Berman High Yield (SA) (TFIP) - Net | -10.44 | -14.60 | -13.56 | N/A | N/A | N/A | N/A | 4.62 | N/A | N/A | N/A | N/A | 3.13 | 04/01/2020 |
| Bloomberg US HY 2% Issuer Cap Index | -9.84 | -14.19 | -12.82 | 0.18 | 2.09 | 3.48 | 4.47 | 5.26 | 7.05 | 14.32 | -2.08 | 7.50 | 4.64 | |
| Difference | -0.60 | -0.41 | -0.74 | N/A | N/A | N/A | N/A | -0.64 | N/A | N/A | N/A | N/A | -1.51 | |
| Neuberger Berman High Yield (SA) (TFIP) - Gross | -10.40 | -14.51 | -13.40 | N/A | N/A | N/A | N/A | 4.81 | N/A | N/A | N/A | N/A | 3.41 | 04/01/2020 |
| IM U.S. High Yield Bonds (SA+CF) Median | -9.40 | -12.78 | -11.21 | 0.79 | 2.49 | 3.54 | 4.66 | 5.31 | 6.53 | 14.21 | -1.64 | 7.50 | 4.94 | |
| Rank | 84 | 89 | 89 | N/A | N/A | N/A | N/A | 64 | N/A | N/A | N/A | N/A | 82 | |

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, 2022

| | QTD | CYTD | FYTD/ 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2021 | 2020 | 2019 | 2018 | 2017 | Since Incep. | Inception Date |
|--|-------|-------|-----------------|------------|------------|------------|-------------|------|------|------|------|------|-----------------|-------------------|
| Abandoned Mine Trust | 0.21 | 0.26 | 0.32 | 0.73 | 1.18 | 1.11 | 1.18 | 0.13 | 0.73 | 2.41 | 1.85 | 1.04 | 3.68 | 12/01/1993 |
| Barker Hughesville St Response | -1.32 | -3.68 | -2.13 | N/A | N/A | N/A | N/A | 1.36 | N/A | N/A | N/A | N/A | 0.01 | 05/01/2020 |
| Belt Water Treatment Plant Fund | -1.27 | -3.57 | -2.05 | 2.21 | N/A | N/A | N/A | 1.34 | 6.80 | 8.56 | N/A | N/A | 3.41 | 03/01/2018 |
| Big Sky Economic Development Fund | -1.45 | -3.97 | -2.34 | 2.22 | 2.93 | 3.17 | 3.27 | 1.45 | 7.12 | 8.67 | 0.48 | 3.97 | 4.48 | 07/01/2005 |
| Butte Area One Restoration | -1.14 | -3.21 | -1.84 | 1.96 | 2.58 | 2.55 | 2.38 | 1.26 | 6.07 | 6.76 | 1.24 | 2.92 | 3.05 | 11/01/2008 |
| Clark Fork River Restoration | -1.09 | -3.13 | -1.80 | 1.86 | 2.50 | 2.52 | 2.46 | 1.19 | 5.65 | 7.04 | 0.96 | 2.85 | 3.30 | 11/01/2008 |
| Coal Tax Cultural Trust Fund | -1.41 | -3.89 | -2.28 | 2.20 | 2.91 | 3.15 | 3.26 | 1.43 | 6.99 | 8.64 | 0.47 | 3.96 | 5.67 | 12/01/1993 |
| Coal Tax Park Acquisition | -1.36 | -3.79 | -2.25 | 2.16 | 2.89 | 3.13 | 3.23 | 1.37 | 6.86 | 8.63 | 0.48 | 3.96 | 5.64 | 12/01/1993 |
| East Helena Compensation Fund | -0.07 | -0.53 | -0.17 | 1.41 | 2.04 | 2.05 | N/A | 0.42 | 2.65 | 5.52 | 1.20 | 2.56 | 1.85 | 01/01/2013 |
| East Helena Greenway Trail Maintenance | -1.02 | -2.92 | -1.65 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | -0.24 | 03/01/2021 |
| Endowment for Children | -1.37 | -3.80 | -2.21 | 2.21 | 2.91 | 3.09 | 3.19 | 1.41 | 7.01 | 8.54 | 0.46 | 3.89 | 4.46 | 08/01/2007 |
| Flying J CECRA Facilities Fund | -1.31 | -3.66 | -2.12 | N/A | N/A | N/A | N/A | 1.36 | N/A | N/A | N/A | N/A | 0.04 | 05/01/2020 |
| FWP License Account | -0.61 | -1.99 | -1.32 | 0.50 | 1.12 | 1.04 | 0.94 | 0.46 | 1.85 | 3.33 | 1.50 | 1.11 | 2.69 | 11/01/1997 |
| FWP Mitigation Trust Fund | -0.95 | -2.86 | -1.74 | 1.18 | 1.77 | 1.50 | 1.44 | 0.98 | 3.84 | 5.46 | 1.14 | 1.15 | 3.64 | 12/01/1993 |
| FWP Real Property Trust | -1.39 | -3.87 | -2.32 | 2.13 | 2.87 | 3.08 | 3.17 | 1.38 | 6.83 | 8.62 | 0.51 | 3.80 | 5.07 | 12/01/1993 |
| Group Benefits | -0.31 | -1.11 | -0.62 | 0.97 | 1.51 | 1.37 | 1.29 | 0.63 | 2.05 | 4.01 | 1.37 | 1.30 | 3.63 | 12/01/1993 |
| Harold Hamm Endowment | -1.34 | -3.73 | -2.16 | 2.15 | 2.72 | N/A | N/A | 1.43 | 6.71 | 8.45 | 0.57 | 1.11 | 2.40 | 07/01/2016 |
| Invasive Species Trust Fund | -1.41 | -3.93 | -2.49 | N/A | N/A | N/A | N/A | 1.19 | N/A | N/A | N/A | N/A | -1.18 | 10/01/2020 |
| Libby Asbestos Site State Cost | -1.24 | -3.48 | -2.00 | N/A | N/A | N/A | N/A | 1.25 | N/A | N/A | N/A | N/A | 0.07 | 05/01/2020 |
| Luttrell Pit - Operational & Maintenance | -1.00 | -3.36 | -1.81 | N/A | N/A | N/A | N/A | 1.36 | N/A | N/A | N/A | N/A | 0.13 | 05/01/2020 |
| Montana Pole | -1.12 | -3.15 | -1.90 | 1.84 | 2.55 | 2.71 | 2.76 | 1.14 | 5.61 | 7.48 | 0.74 | 3.38 | 4.78 | 09/01/1996 |
| Montana State University | -0.09 | -0.50 | -0.27 | 0.75 | 1.31 | 1.20 | 1.01 | 0.30 | 1.30 | 2.87 | 1.87 | 1.39 | 1.83 | 08/01/2004 |
| Montana Tech-UM Agency Funds | 0.13 | 0.05 | 0.19 | 0.78 | 1.27 | 1.12 | 0.87 | 0.20 | 1.01 | 2.56 | 1.91 | 1.22 | 1.67 | 03/01/2003 |
| MT BOI - Clark Fork Site | -1.37 | -3.80 | -2.22 | 2.08 | 2.76 | 2.94 | 2.91 | 1.44 | 6.65 | 8.00 | 0.67 | 3.64 | 3.86 | 11/01/2008 |
| MT BOI UOFM Other | -0.23 | -0.96 | -0.28 | 1.60 | 2.02 | 1.99 | 1.86 | 0.73 | 3.47 | 4.54 | 1.42 | 2.15 | 2.78 | 08/01/2002 |
| MUS Group Insurance | -0.06 | -0.49 | -0.24 | 0.90 | 1.46 | 1.36 | 1.27 | 0.26 | 1.70 | 3.39 | 1.96 | 1.09 | 1.27 | 10/01/2011 |
| MUS Workers Compensation | -0.21 | -0.85 | -0.36 | 1.22 | 1.79 | N/A | N/A | 0.46 | 2.55 | 4.43 | 1.62 | 1.80 | 1.63 | 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, 2022

| | QTD | CYTD | FYTD/ 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2021 | 2020 | 2019 | 2018 | 2017 | Since Incep. | Inception Date |
|-----------------------------------|--------|--------|-----------------|------------|------------|------------|-------------|-------|-------|-------|-------|-------|-----------------|-------------------|
| Older Montanans Trust | -1.40 | -3.89 | -2.30 | 2.25 | 2.94 | 3.14 | 3.23 | 1.41 | 7.19 | 8.62 | 0.49 | 3.87 | 4.31 | 08/01/2007 |
| Permanent Coal Trust Excl Crp | -0.62 | -2.13 | -0.75 | 2.37 | 2.88 | 3.07 | 3.28 | 1.82 | 5.57 | 6.81 | 1.28 | 3.49 | 5.42 | 12/01/1993 |
| PERS Defined Cont Disability | -12.04 | -16.57 | -13.23 | 4.79 | 5.81 | N/A | N/A | 13.16 | 14.06 | 20.77 | -4.88 | 14.57 | 5.77 | 09/01/2015 |
| Potter Trust Fund | -1.34 | -3.73 | -2.17 | 2.16 | 2.87 | N/A | N/A | 1.41 | 6.78 | 8.47 | 0.51 | 3.87 | 2.78 | 06/01/2016 |
| Resource Indemnity Trust | -1.47 | -4.05 | -2.39 | 2.25 | 2.97 | 3.21 | 3.32 | 1.48 | 7.23 | 8.88 | 0.44 | 4.01 | 5.74 | 12/01/1993 |
| School Facilities Fund | -1.49 | -4.07 | -2.49 | 2.09 | N/A | N/A | N/A | 1.39 | 6.97 | 7.88 | -0.13 | N/A | 2.57 | 01/01/2018 |
| Smelter Hill Up Restorative | -1.22 | -3.43 | -2.00 | 1.67 | 2.24 | 2.06 | 1.87 | 1.29 | 5.62 | 5.64 | 1.57 | 1.85 | 2.13 | 11/01/2008 |
| State Fund Insurance | -3.82 | -7.24 | -5.83 | 1.90 | 2.94 | 3.14 | 3.47 | 3.04 | 7.62 | 9.65 | 0.38 | 5.05 | 5.22 | 12/01/1993 |
| Streamside Tailings Operable Unit | -1.26 | -3.53 | -2.11 | 2.06 | 2.72 | 2.92 | 3.02 | 1.27 | 6.47 | 7.92 | 0.57 | 3.69 | 4.96 | 02/01/1999 |
| Subsequent Injury Fund | 0.20 | 0.25 | 0.31 | 0.71 | 1.20 | 1.03 | 0.77 | 0.13 | 0.73 | 2.28 | 1.98 | 1.11 | 2.84 | 12/01/1993 |
| Tobacco Trust Fund | -1.49 | -4.05 | -2.40 | 2.20 | 2.91 | 3.16 | 3.28 | 1.51 | 7.10 | 8.67 | 0.46 | 3.96 | 5.19 | 01/01/2001 |
| Treasurers | 0.13 | 0.04 | 0.07 | 0.60 | 1.12 | 0.98 | 0.76 | 0.10 | 0.63 | 2.28 | 1.97 | 1.07 | 2.68 | 12/01/1993 |
| Treasure State Endowment | -1.45 | -4.01 | -2.36 | 2.23 | 2.96 | 3.19 | 3.30 | 1.47 | 7.15 | 8.81 | 0.46 | 4.00 | 5.62 | 12/01/1993 |
| Treasure State Reg. Water System | -1.45 | -4.00 | -2.36 | 2.23 | 2.95 | 3.18 | 3.29 | 1.47 | 7.15 | 8.80 | 0.45 | 4.00 | 5.34 | 06/01/2000 |
| Trust and Legacy Account | -1.47 | -4.05 | -2.40 | 2.23 | 2.95 | 3.19 | 3.31 | 1.47 | 7.19 | 8.84 | 0.43 | 4.00 | 6.31 | 07/01/1991 |
| UCFRB Assess/Litig Cost Rec | -1.47 | -3.99 | -2.36 | 2.08 | 2.81 | 3.04 | 3.13 | 1.53 | 6.68 | 8.50 | 0.49 | 3.77 | 5.27 | 07/01/1999 |
| UCFRB Restoration Fund | -1.41 | -3.90 | -2.34 | 2.15 | 2.88 | 3.04 | 3.12 | 1.36 | 6.90 | 8.52 | 0.67 | 3.73 | 5.19 | 06/01/1999 |
| Upper Blackfoot Response | 0.09 | -0.06 | 0.21 | 1.08 | 1.66 | 1.64 | 1.44 | 0.32 | 1.55 | 4.24 | 1.49 | 1.90 | 1.48 | 09/01/2010 |
| Weed Control Trust | -1.47 | -4.05 | -2.39 | 2.25 | 2.97 | 3.21 | 3.32 | 1.48 | 7.23 | 8.88 | 0.44 | 4.01 | 4.96 | 12/01/1993 |
| Wildlife Habitat Trust | -1.39 | -3.84 | -2.29 | 2.11 | 2.85 | 3.05 | 3.15 | 1.38 | 6.75 | 8.54 | 0.51 | 3.78 | 5.08 | 12/01/1993 |
| Yellowstone Pipeline Cleanup Fund | -0.62 | -1.91 | -1.08 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | -0.34 | 04/01/2021 |
| Zortman/Landusky LT H2O | 0.21 | 0.26 | 0.32 | 0.72 | 1.20 | 1.09 | 1.23 | 0.13 | 0.73 | 2.28 | 1.98 | 1.01 | 5.88 | 09/01/1999 |
| Z/L Long Term H2O Trust Fund | 0.21 | 0.26 | 0.32 | 0.72 | 1.20 | 1.11 | 1.13 | 0.13 | 0.73 | 2.28 | 1.98 | 1.08 | 3.80 | 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), iShares:MSCI EAFE ETF (EFA), and International Equity Pool STIF. 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 (AWA) (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.
- The plan sponsor peer group was updated from All Public Plans >\$3B Total Fund Median to All Public Plans >\$5B Total Fund Median.
- As of 07/01/2021, the Trust Fund Custom Index Benchmark is the portfolio weighted averaged of the primary benchmark, consisting of NCREIF ODCE Index (1Q lag), Bloomberg US High Yield - 2% Issuer Cap Index, and Bloomberg US Aggregate Bond Index.

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.)

- Effective 05/2014, ING rebranded to Voya. The ING Investment Management (SA) has been updated to Voya Investment Management (SA) to reflect the change.
- iShares S&P SmallCap 600 Index ETF (IJR) was liquidated in 01/2016.
- 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.
- iShares:MSCI Em Mkts (EEM) was funded in 12/2016.
- SPDR S&P 500 ETF (SPY) was liquidated in 01/2017.
- DFA Emg Mkts Sm Cap;I (DEMSX) was funded in 02/2017.
- 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.
- BlackRock Equity Index Fund A (CF) and BlackRock Mid Cap Equity Index A (CF) were liquidated in 05/2017.
- 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.
- 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.
- Analytic Investors 130/30 (SA) was liquidated in 09/2017.
- Oaktree US High Yield (SA) and Shenkman High Yield Fixed Income (SA) were funded in 12/2017.
- Congress Mid Cap Growth (SA) was funded in 02/2018.
- Jacobs Levy 130/30 Large Cap (SA) was funded in 03/2018.
- iShares:Russ 2000 ETF (IWM) was funded in 04/2018.
- Voya Investment Management (SA) was liquidated in 07/2018.
- Northern Trust MSCI US Equity Index (SA), GMO:Bchmk-Fr All;III (GBMFX), and PIMCO:All Asset;Inst (PAAIX) were funded during Q4 2018.
- Cohen & Steers Preferred Securities (SA) was funded in 10/2020.
- Payden & Rygel EMD (SA) was funded in 12/2020.
- DFA US Sm Cap Tr (CF) was liquidated in 11/2021.
- Jacobs Levy 130/30 Large Cap (SA) was liquidated in 11/2021.
- J.P. Morgan 130/30 (SA) was liquidated in 11/2021.
- T. Rowe U.S. Structured Research (SA) was liquidated in 11/2021.
- Vaguhan Nelson Management (SA) was liquidated in 11/2021.
- iShares:Core S&P Tot USM (ITOT) was funded in 11/2021.
- iShares:Core S&P 500 (IVV) was funded in 11/2021.
- SPDR S&P 500 ETF (SPY) was liquidated in 12/2021.
- iShares:Core MSCI EmMkts (IEMG) was funded in 12/2021.
- iShares:MSCI Em Mkts (EEM) was liquidated in 01/2022.
- DFA Intl Sm Co;I (DFISX) was liquidated in 02/2022.
- DFA Emg Mkts Sm Cap;I (DEMSX) was liquidated in 02/2022.
- Acadian Ex US Small Cap (SA) was funded in 02/2022.

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, 2022

| | Fee Schedule | Market Value As of 06/30/2022 (\$) |
|---------------------------------|---------------------|---|
| iShares:Core S&P Tot USM (ITOT) | 0.03 % of Assets | 231,314,904 |
| iShares:Core S&P 500 (IVV) | 0.03 % of Assets | 122,901,473 |
| iShares:Core S&P Md-Cp (IJH) | 0.05 % of Assets | 16,436,741 |
| iShares:Russ 2000 ETF (IWM) | 0.19 % of Assets | 71,343,408 |
| iShares:MSCI EAFE ETF (EFA) | 0.32 % of Assets | 129,604,260 |
| iShares:Core MSCI EmMkts (IEMG) | 0.09 % of Assets | 68,862,726 |

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

PORTLAND

BOISE

CHICAGO

NEW YORK

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Investment Update

Board Meeting: August 3-4, 2022

Information as of: June 30, 2022

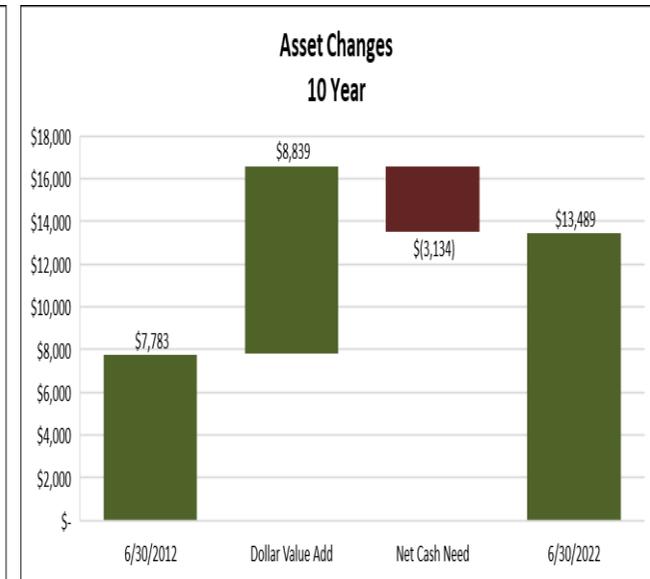
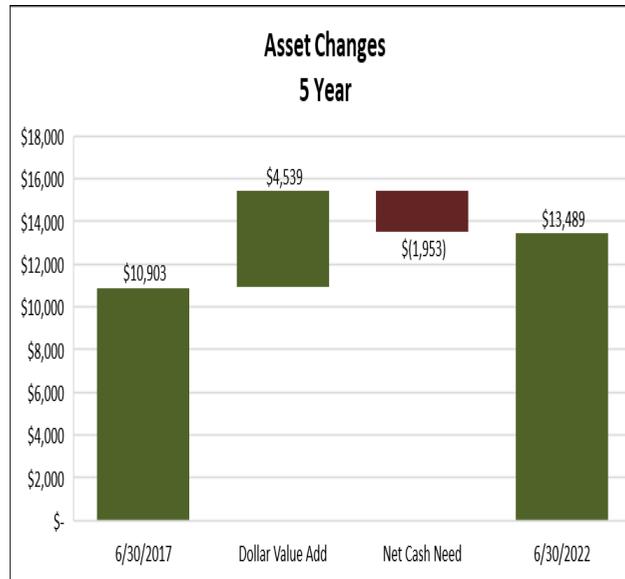
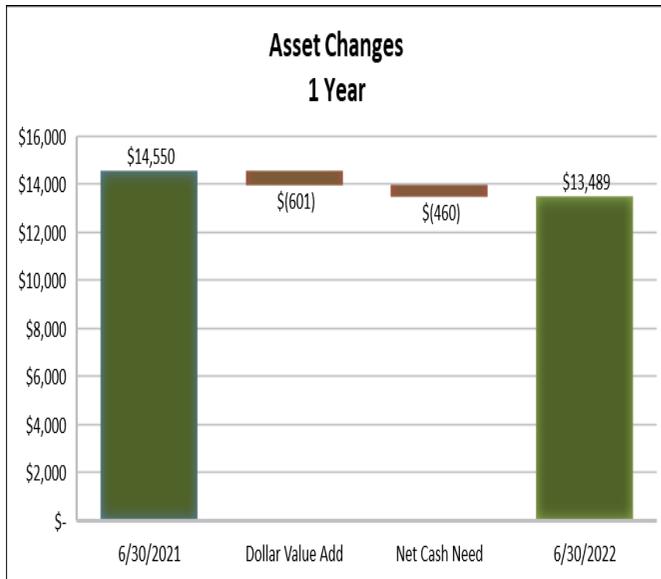
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CIO Update

Retirement Plans Net Performance



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

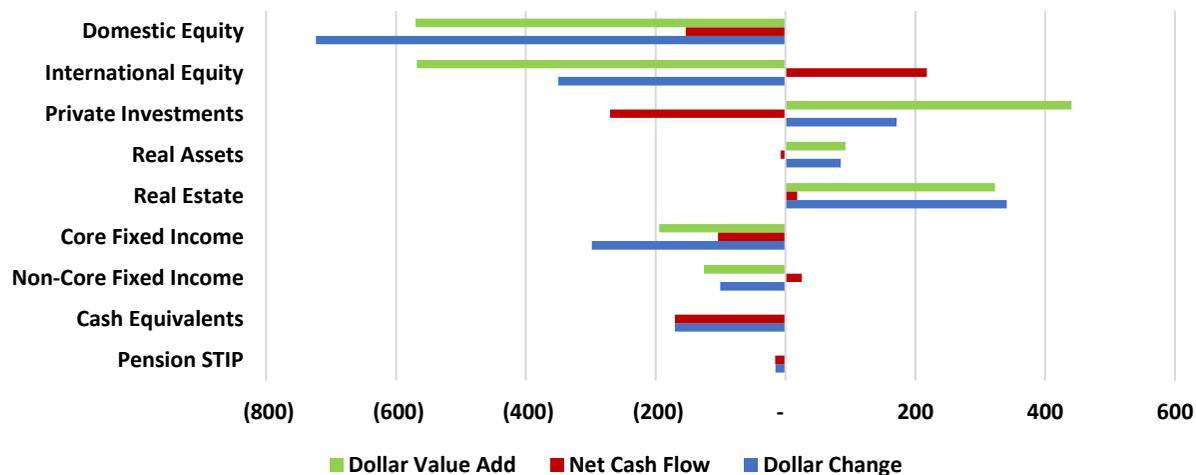
- Dollar Value Added – The total dollar return of the portfolio including income and capital gains.
- Net Cash Need - The total dollar amount distributed from portfolio assets to meet the deficit of contributions minus distributions.
 - A red bar indicates an aggregate net outflow by all plans even though 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

| | 6/30/2021 (NAV) | 6/30/2022 (NAV) | Dollar Change | Net Cash Flow | Dollar Value Add |
|------------------------------|-----------------|-----------------|------------------|----------------|------------------|
| Domestic Equity | 4,499.4 | 3,776.0 | (723.4) | (153.6) | (569.8) |
| International Equity | 2,522.0 | 2,172.1 | (349.9) | 217.8 | (567.7) |
| Private Investments | 2,144.3 | 2,315.1 | 170.9 | (270.0) | 440.9 |
| Real Assets | 651.0 | 735.9 | 84.9 | (7.6) | 92.6 |
| Real Estate | 1,354.9 | 1,695.8 | 340.9 | 18.3 | 322.6 |
| Core Fixed Income | 2,114.6 | 1,816.5 | (298.1) | (103.8) | (194.3) |
| Non-Core Fixed Income | 894.9 | 794.2 | (100.7) | 25.0 | (125.7) |
| Cash Equivalents | 216.1 | 46.0 | (170.1) | (170.4) | 0.3 |
| Pension STIP | 152.5 | 137.1 | (15.4) | (16.0) | 0.5 |
| Grand Total | 14,549.7 | 13,488.7 | (1,061.0) | (460.4) | (600.6) |

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



CIO Update

Retirement Plans Net Performance

| | 6/30/2021 (NAV) | 6/30/2022 (NAV) | Dollar Change | Net Cash Flows | Dollar Value Added |
|------------------------------------|-----------------|-----------------|------------------|----------------|--------------------|
| Public Employees Retirement | 7,196.5 | 6,639.4 | (557.0) | (261.3) | (295.7) |
| Teachers Retirement | 5,084.8 | 4,689.9 | (394.9) | (187.6) | (207.3) |
| Firefighters Retirement | 592.3 | 569.5 | (22.8) | 3.2 | (26.0) |
| Police Officers Retirement | 550.4 | 524.3 | (26.1) | (2.2) | (23.9) |
| Sheriffs Retirement | 484.7 | 459.5 | (25.2) | (4.6) | (20.6) |
| Game Wardens Retirement | 272.7 | 259.8 | (12.9) | (1.2) | (11.7) |
| Highway Patrol Retirement | 185.4 | 175.0 | (10.4) | (2.5) | (7.8) |
| Judges Retirement | 133.2 | 124.1 | (9.1) | (3.6) | (5.5) |
| Vol Firefighters Retirement | 49.6 | 47.1 | (2.5) | (0.5) | (2.0) |
| Grand Total | 14,549.7 | 13,488.7 | (1,061.0) | (460.4) | (600.6) |

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

CIO Update

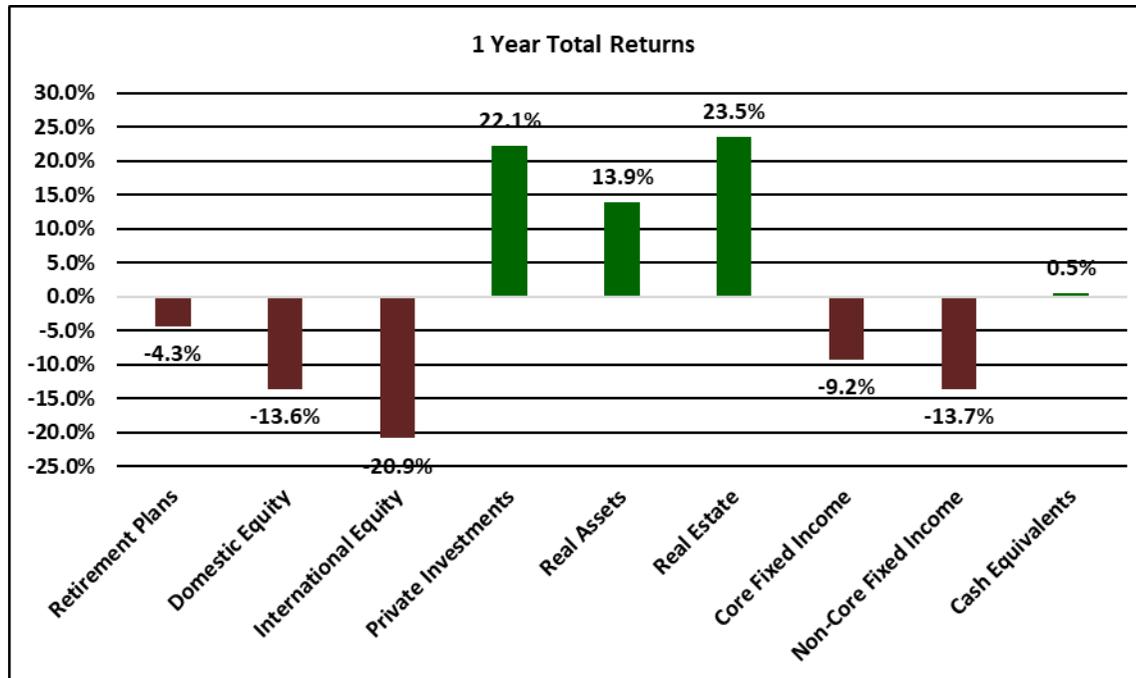
Retirement Plans Net Performance

| Name | 1 Year | 3 Year | 5 Year | 10 Year | 20 Year | Since Inception |
|------------------------------------|--------|--------|--------|---------|---------|-----------------|
| PUBLIC EMPLOYEES RETIREMENT | -4.32% | 7.87% | 7.63% | 8.62% | 7.29% | 7.68% |
| TEACHERS RETIREMENT | -4.33% | 7.87% | 7.62% | 8.62% | 7.29% | 7.70% |
| FIREFIGHTERS RETIREMENT | -4.35% | 7.87% | 7.63% | 8.62% | 7.28% | 7.55% |
| POLICE OFFICERS RETIREMENT | -4.35% | 7.87% | 7.63% | 8.62% | 7.27% | 7.56% |
| SHERIFFS RETIREMENT | -4.30% | 7.87% | 7.63% | 8.61% | 7.29% | 7.59% |
| GAME WARDENS RETIREMENT | -4.31% | 7.86% | 7.62% | 8.61% | 7.27% | 7.60% |
| HIGHWAY PATROL RETIREMENT | -4.30% | 7.88% | 7.64% | 8.62% | 7.30% | 7.58% |
| JUDGES RETIREMENT | -4.32% | 7.87% | 7.63% | 8.62% | 7.30% | 7.59% |
| VOL FIREFIGHTERS RETIREMENT | -4.32% | 7.88% | 7.63% | 8.61% | 7.33% | 7.41% |

Inception 7/1/1994

CIO Update

Retirement Plans Asset Class Net Performance



CIO Update

Retirement Plans Asset Class Allocation

| | 6/30/2022 (NAV) | % of Total | Mid Point | Deviation from Mid Point | Board Approved Ranges |
|--|-----------------|---------------|---------------|-----------------------------|-----------------------------|
| Domestic Equity | 3,776.0 | 28.0% | 30.0% | -2.0% | 24% - 36% |
| International Equity | 2,172.1 | 16.1% | 17.0% | -0.9% | 12% - 22% |
| Private Investments | 2,315.1 | 17.2% | 15.0% | 2.2% | 11% - 19% |
| Real Assets | 735.9 | 5.5% | 5.0% | 0.5% | 2% - 8% |
| Real Estate | 1,695.8 | 12.6% | 10.0% | 2.6% | 6% - 14% |
| Core Fixed Income | 1,816.5 | 13.5% | 14.0% | -0.5% | 9% - 19% |
| Non-Core Fixed Income | 794.2 | 5.9% | 7.0% | -1.1% | 5% - 9% |
| Cash Equivalents + Pension STIP | 183.1 | 1.4% | 2.0% | -0.6% | 0% - 5% |
| | 13,488.7 | 100.0% | 100.0% | | |

CIO Update

Economic Environment

| Economic Indicators | Data | | | | | | Change in Data | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|--------------------|--------------------|-------------------|
| | 6/30/2022 | 5/31/2022 | 4/30/2022 | 3/31/2022 | 2/28/2022 | 1/31/2022 | Δ 3 Month | Δ 6 Month | Δ 1 Year |
| Leading Economic Index | | | | | | | | | |
| Leading Economic Index | 117.1 | 118.0 | 118.7 | 119.3 | 119.4 | 118.5 | -1.6 | -2.2 | 1.6 |
| Job Growth | Jun-22 | May-22 | Apr-22 | Mar-22 | Feb-22 | Jan-22 | 3 Month Avg | 6 Month Avg | 1 Year Avg |
| Non-Farm Payrolls (MOM Net Δ) | 372.0 | 384.0 | 368.0 | 398.0 | 714.0 | 504.0 | 374.7 | 456.7 | 523.5 |
| Average Hourly Earnings (MOM % Δ) | 0.3 | 0.4 | 0.3 | 0.5 | 0.1 | 0.6 | 1.0 | 2.2 | 5.0 |
| Sales/Credit | Jun-22 | May-22 | Apr-22 | Mar-22 | Feb-22 | Jan-22 | Δ 3 Month | Δ 6 Month | Δ 1 Year |
| Retail Sales ex. Auto (MOM % Δ) | 1.0 | 0.6 | 0.5 | 2.0 | 1.7 | 1.6 | 2.1 | 7.4 | 10.2 |
| Consumer Credit ex. Real Estate (MOM Net Δ in \$Billions) | 22.3 | 36.8 | 47.5 | 34.4 | 15.6 | 23.0 | 35.5 | 29.9 | 26.2 |
| Inflation | Jun-22 | May-22 | Apr-22 | Mar-22 | Feb-22 | Jan-22 | 3 Month Avg | 6 Month Avg | 1 Year Avg |
| CPI ex. Food & Energy (YOY % Δ) | 5.9 | 6.0 | 6.2 | 6.5 | 6.4 | 6.0 | 6.0 | 6.2 | 5.4 |
| PCE Core (YOY % Δ) | 4.7 | 4.9 | 5.2 | 5.3 | 5.1 | 4.9 | 4.9 | 5.0 | 4.5 |
| Production | Jun-22 | May-22 | Apr-22 | Mar-22 | Feb-22 | Jan-22 | 3 Month Avg | 6 Month Avg | 1 Year Avg |
| ISM Manufacturing Index | 53.0 | 56.1 | 55.4 | 57.1 | 58.6 | 57.6 | 54.8 | 56.3 | 58.2 |
| ISM Services Index | 55.3 | 55.9 | 57.1 | 58.3 | 56.5 | 59.9 | 56.1 | 57.2 | 60.8 |
| Housing | Jun-22 | May-22 | Apr-22 | Mar-22 | Feb-22 | Jan-22 | 3 Month Avg | 6 Month Avg | 1 Year Avg |
| Existing Home Sales (SAAR/Millions) | 5.1 | 5.4 | 5.6 | 5.8 | 5.9 | 6.5 | 5.4 | 5.7 | 5.9 |
| Home Ownership Qtrly Rate (%) | 65.4 | 65.5 | 65.4 | 65.4 | 65.6 | 65.8 | -0.1 | 0.0 | -0.2 |
| Volatility Indicators | Jun-22 | May-22 | Apr-22 | Mar-22 | Feb-22 | Jan-22 | 3 Month Avg | 6 Month Avg | 1 Year Avg |
| VIX Index | 28.7 | 26.2 | 33.4 | 20.6 | 30.2 | 24.8 | 29.4 | 27.3 | 23.5 |
| Currency | Jun-22 | May-22 | Apr-22 | Mar-22 | Feb-22 | Jan-22 | Δ 3 Month | Δ 6 Month | Δ 1 Year |
| US Dollar Strength Index | 104.685 | 101.752 | 102.959 | 98.312 | 96.707 | 96.54 | 6.4 | 9.0 | 12.2 |

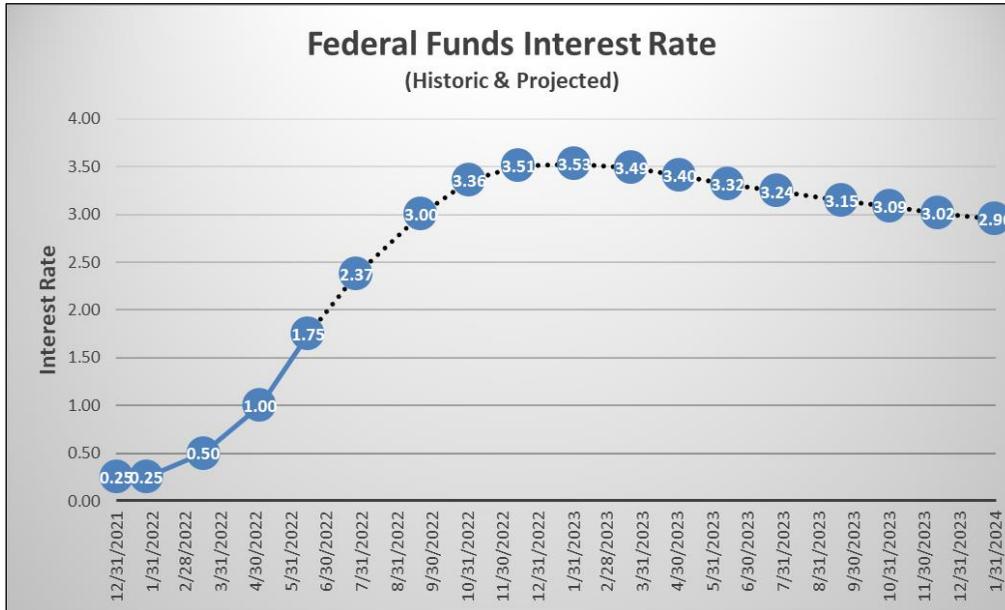
Source: Bloomberg as of 07/21/22

June 30, 2022

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CIO Update

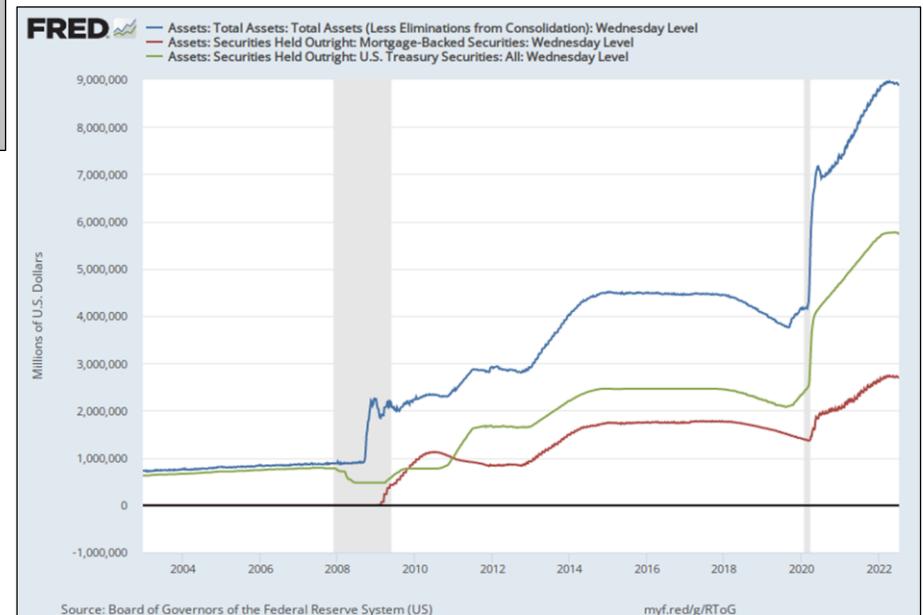
Economic Environment



Source: Bloomberg

The Federal Reserve is raising interest rates and shrinking the size of its balance sheet to reduce inflation.

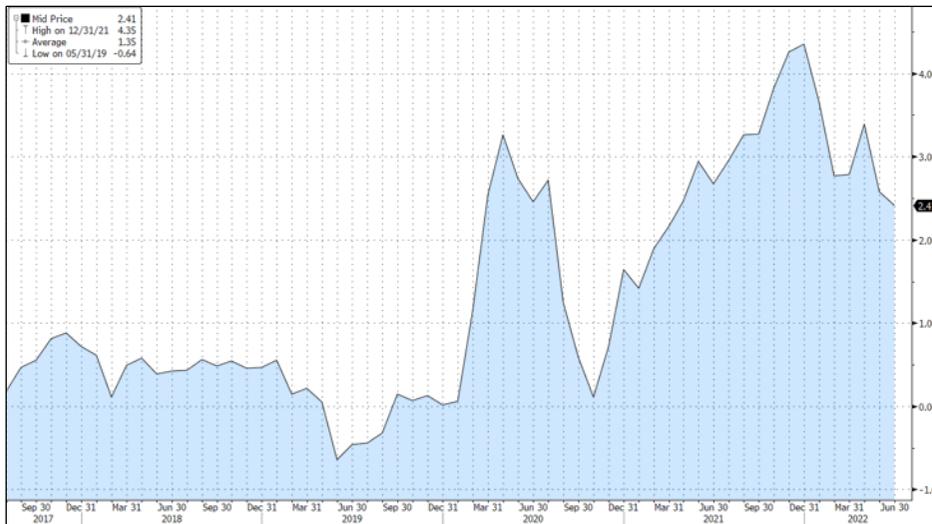
Federal Reserve Balance Sheet



CIO Update

Economic Environment

Federal Reserve Global Supply Chain Pressure Index



Source: Bloomberg

Supply chain issues and commodity prices are starting to ease but remain elevated.

Bloomberg Commodity Index



Source: Bloomberg

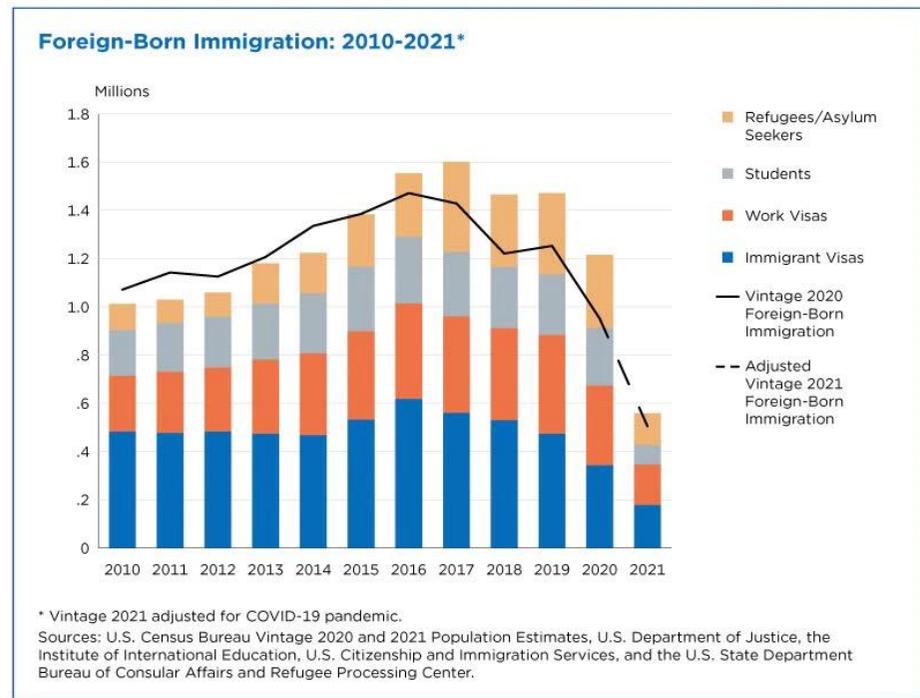
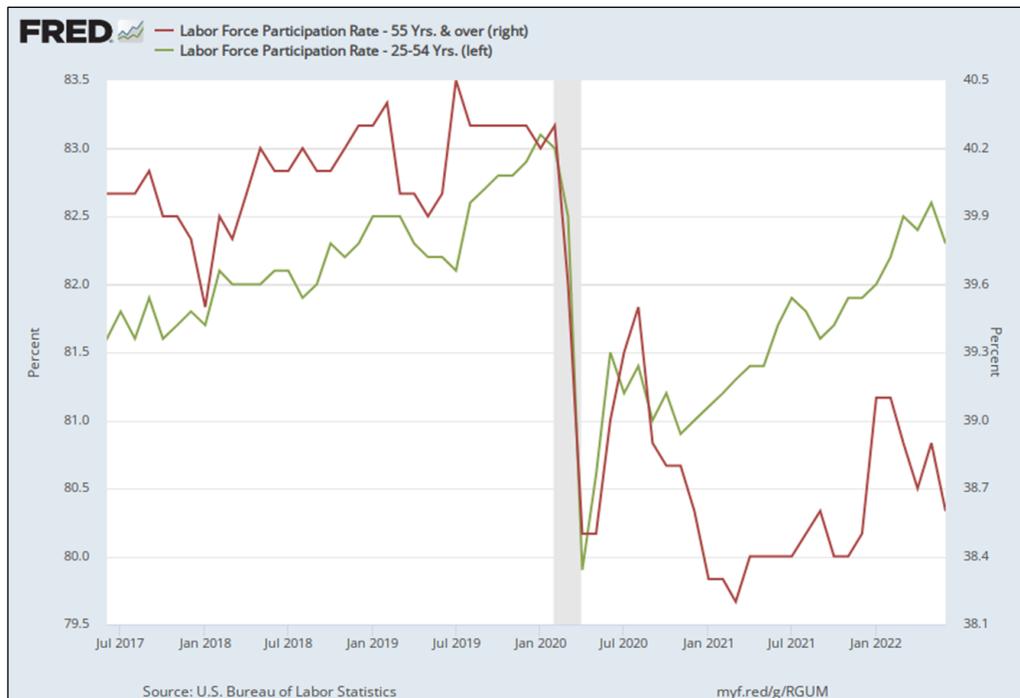
June 30, 2022

CIO Update

Economic Environment

Pressure for higher wages may continue with less slack in the labor force.

Labor Force Participation Rates



CIO Update

Economic Environment

The CBOE Volatility Index (VIX) measures the volatility of the S&P 500. VIX below 20 generally corresponds to stable environments, VIX above 30 indicates high uncertainty and fear.

VIX Index – 06/30/17 to 07/15/22



CIO Update

- Investment challenges in the current environment
 - Uncertainty around global growth, inflation, and the path of monetary policy
 - Increased volatility
- Utilize Institutional Shareholder Services (ISS) as a provider of proxy voting services
- Contract updates for external public market managers
- Potential improvements to securities lending
- On boarding Solovis/Solovis Risk systems will be a multi-quarter project. Continue to work on implementation
- Ongoing investment manager due diligence
- Continue to work with new and existing clients to meet their needs

Macro Attribution

Key Takeaways – 1 Year

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

- The benchmarks for Real Assets, Real Estate, and Cash were the only benchmarks to post positive contributions to the pension policy-neutral -10.6% return.
- The Real Estate asset class benchmark, the NCREIF ODCE, 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 Real Estate and underweight Core Fixed Income and Cash, with the remaining asset classes near their midpoints.
- About \$195M of equity asset classes and \$265M of fixed income/cash asset classes were sold during the year to fund the pension net cash need of \$460M.
- In aggregate, the overweighting/underweighting of the asset classes relative to their benchmarks increased the pension portfolio's return by 15 bps.

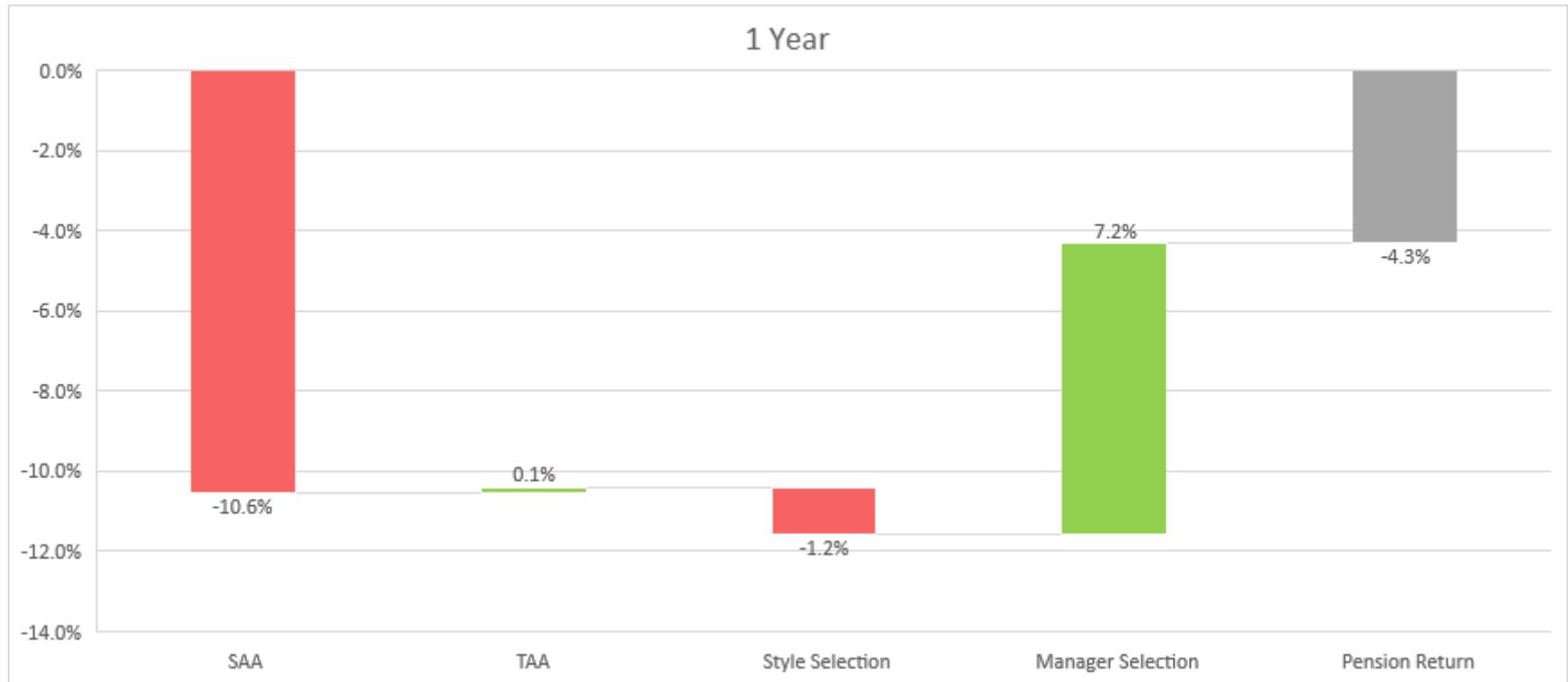
Style Selection - Did the portfolio benchmarks add additional return over their asset class benchmarks?

- There were not significant Style Selection effects in most asset classes.
- Within Real Estate, the exposure to REIT and CMBS indices were the contributors to style underperformance of 99 bps.

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

- In International Equity, most managers were near their benchmarks and provided little contribution to the manager selection underperformance of 15 bps.
- Within Core Fixed Income, our internal portfolio was the main contributor to the 17 bps of manager selection outperformance.
- Private Investments was by far the main contributor to manager selection outperformance. Much of this can be attributed to the lag in pricing of private investments.
- Both commodities and infrastructure contributed to the manager selection outperformance of 47 bps in Real Assets. Some of this can be attributed to the lag in pricing of non-public investments.
- Real Estate selection effects were positive for our LP's, REIT manager, and CMBS manager for outperformance of 54 bps.

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

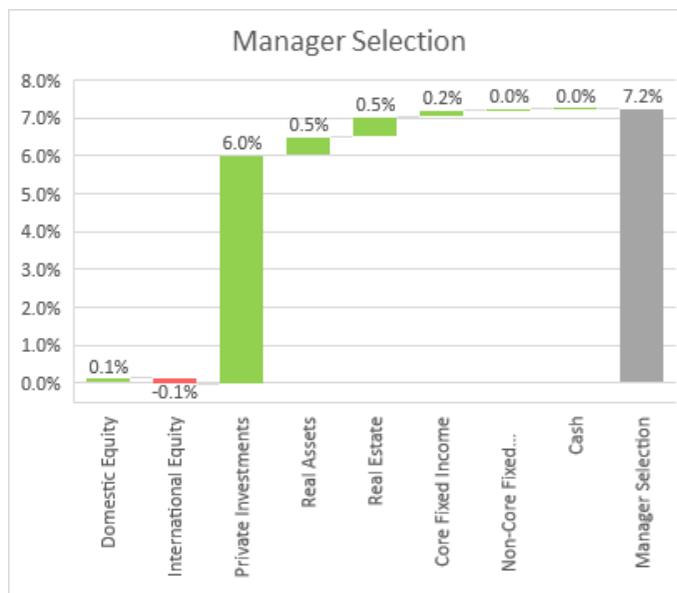
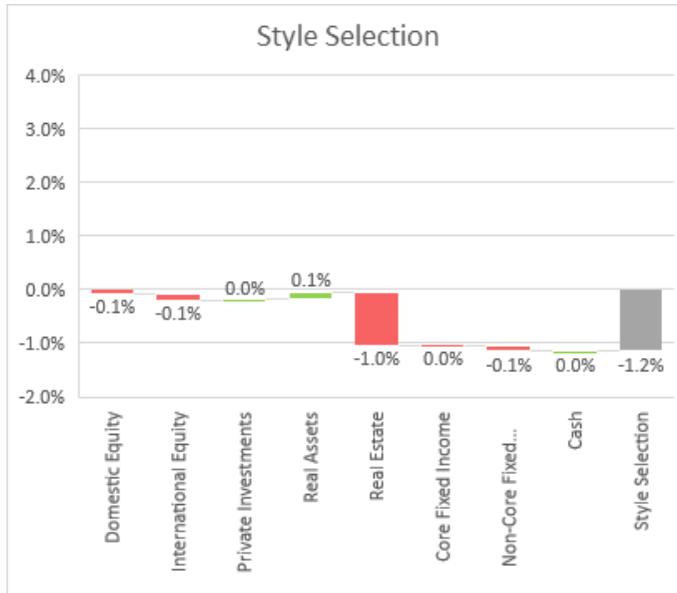
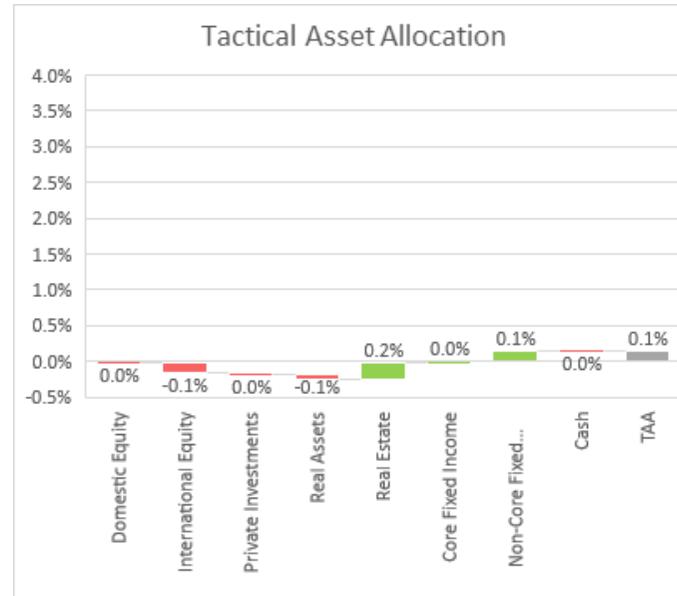
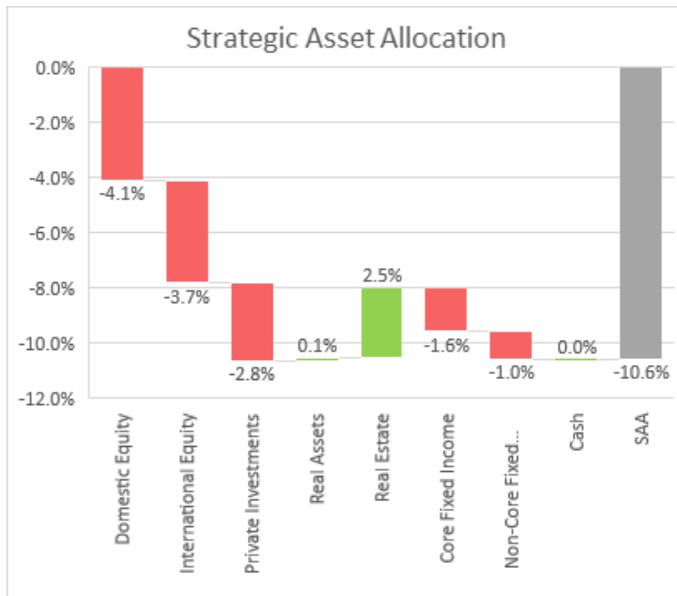
Tactical Asset Allocation (TAA) - The *additional* return earned by investing in the asset class benchmarks at our actual rather than midpoint

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.

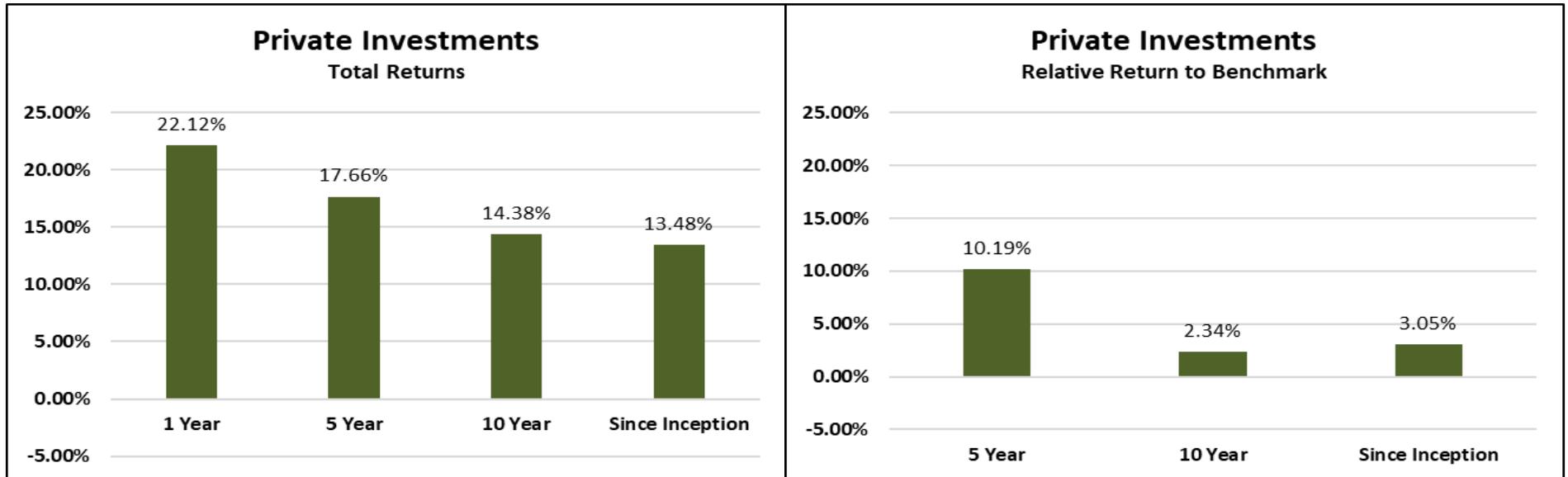
Macro Attribution



Private Investments Environment

- With the current macroeconomic environment and geopolitical backdrop, private equity deal flow slowed in 2022. In Q2 2022, 1,425 private equity-backed buyout deals were completed for a combined \$157 billion, representing a decrease of 28% by deal count and a decrease of 41% by value compared to the same period in 2021.
- Intense competition for deals drove elevated valuations for buyouts last year, and 2022 is no different. Purchase price multiples came in at an average of 15.4x EV/EBITDA. For comparison, the rolling 10-year average is 11.9x EV/EBITDA.
- Leverage or debt usage for buyouts came in at 6.5x EBITDA, compared to the 10-year average of 5.9x EBITDA.
- Fundraising continues to be strong. Through Q2, private investment firms have closed on 191 funds and raised a combined \$176 billion. 2021 was a record fundraising year at \$340 billion raised and 2022 looks poised to best that record.
- Key takeaways - While deal activity has slowed, it remains unclear if Q2 will be a minor bump in the road or a harbinger of greater slowing in the overall private equity ecosystem. Valuations, debt usage, access to cheap credit, and dry powder 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

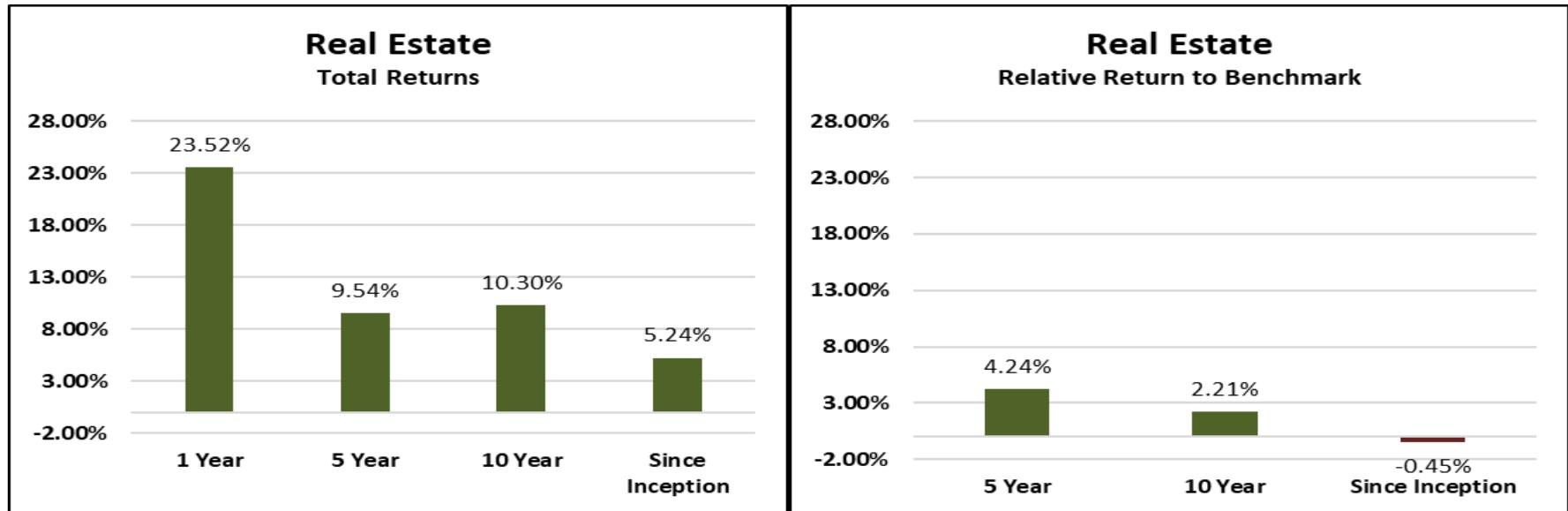
Characteristics and Activity

- Total Market Value of \$2.31 billion as of 6/30/22
- North American-centric at ~69%, ~17% non-US developed, and ~14% emerging markets
- Direct/primary fund exposure focus at ~84% vs. Fund-of-Funds at ~16%
- Primarily focused on existing Private Investments relationships
- Net Cash Flow Profile
 - Negative \$9.68 million for the quarter ending 6/30/22
- One new commitment
 - Tree Line Direct Lending III - \$75 million

Real Estate Environment

- Tail of two worlds, operating fundamentals remain largely healthy, but price declines and slowing transaction volume taking hold as cost of capital rises
- Debt markets shifting to cautionary stance, rates are up
- CMBS delinquency rate posted first uptick in months as of June 2022
- The Green Street Commercial Property Price Index declined by 3.7% in June. The all-property index is down 4.9% from its March high
- REITs down in '22, but continue to outperform the broader market
- Fundraising pace substantially below prior years, \$73B raised through early July
- Dry powder remains elevated, standing at approx. \$389B through early July
- Summary points – Mixed signals across markets, rates up, debt markets taking cautionary stance, delinquencies tick up for first time, REITs down, fundraising decelerating, 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. \$1.7B as of 6/30/22
- US-centric, broadly diversified across property types, markets and geographies
- Continued focus on operators with property and market specific expertise
- Looking to establish separate accounts for longer duration holds, cash flow
- Focus on existing, high conviction managers, reducing open-end core real estate exposure
- Cash Flow Profile
 - Negative cash flow of \$35.5M for the quarter ending 6/30/22
- One new investment commitment
 - Marcus Partners Fund IV, LP - \$50M
 - AEW Cold Storage Properties Fund, LP - \$80M
- Total Leverage – 42.5% as of 3/31/22
 - Debt – 24.2%
 - Core/Core-plus – 28.5%
 - Non-Core – 51.2%

Real Assets Environment

- Tight supplies globally, demand uncertainty remains with slowing economy, on again off again China lockdowns, Russian sanctions
- US oil production stands at 12.1M barrels per day through early July, rig count is up
- MLPs down 14% in June, up 11.5% YTD through early July, capacity utilization maxed out, strong current yield play
- NAHB construction spending index slowed down since early 2022 under the pressure of supply-chain issues and elevated interest rates
- Builders started work on 8.1% fewer single-family homes in June than in May, overall housing starts fell 2%, number of permits issued fell 0.6%.
- Lumber pricing volatility, PNW/southern timber prices remain elevated
- Fund raising on track to surpass 2021 level with \$139B raised through early July
- Real assets dry powder remains high at approx. \$412B through early July
- Summary points – Oil outlook remains uncertain, US production up, MLPs down, construction spending slowing, housing market slowing, timber/lumber pricing elevated, strong fundraising environment with plenty of 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. \$736M as of 6/30/22
 - Commodities-Related Portfolio – approx. \$386M as of 6/30/22
 - Infrastructure-Related Portfolio – approx. \$250M as of 6/30/22
 - Inflation-linked Bonds (TIPs) Portfolio – approx. \$100M as of 6/30/22
- Portfolios are primarily North American-centric, international exposure continues to grow with recent infrastructure commitments
- Looking to establish separate accounts for longer duration holds, cash flow
- Exploring other types of strategies to further diversify and gain new exposures
- Cash Flow Profile
 - Negative cash flow of \$10.4M for the quarter ending 6/30/22
- No new investment commitments
- Timber Portfolio Total Leverage – 5.0% as of 3/31/22

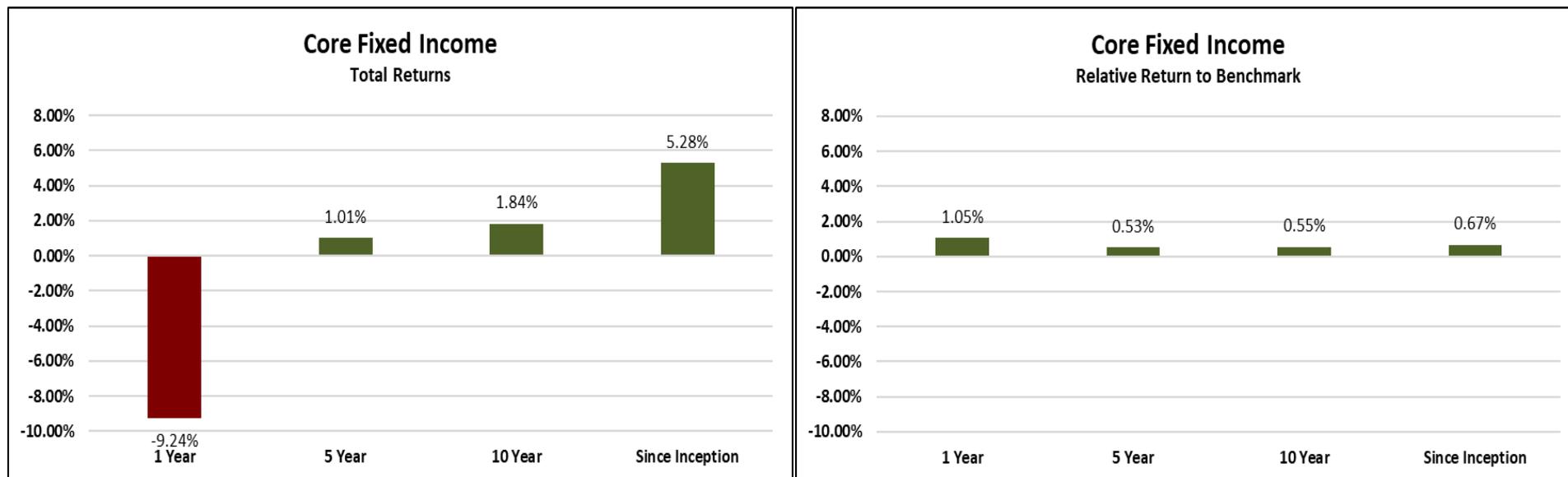
Core Fixed Income Environment

- The U.S. Treasury curve steepened over the last year, predominately in the shorter maturities. The 2-year yield increased 270 bps while the 10-year and 30-year increased by 155 bps and 110 bps, respectively.
- The Federal Reserve increased short-term rates 150 bps since March after having held the Effective Funds Rate near zero for two years.
- Headline inflation in June posted a dramatic increase of 9.1% year over year, with significant variability throughout the year. Core inflation was 5.9% year over year.
- Money market yields started to increase from very low levels with Ninety Day CP yields at 2.27% at fiscal year end.
- Spreads on corporate bonds saw significant volatility, finishing the year up 75 bps.

Core Fixed Income Environment

- Spreads on mortgage-backed securities (MBS) ended the quarter at 24 bps, up 12 bps from March 31, 2021. MBS spreads ranged from 18 bps to 54 bps during the fiscal year.
- The Barclays Aggregate returned -10.29% for the fiscal year. The loss was mainly due to higher interest rates along with increased risk spreads.
- Bond market liquidity continued to be strong with robust corporate new issuance. Bid/ask spreads saw increased volatility related to market uncertainty around inflation, and the Federal Reserve's reaction to it.

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

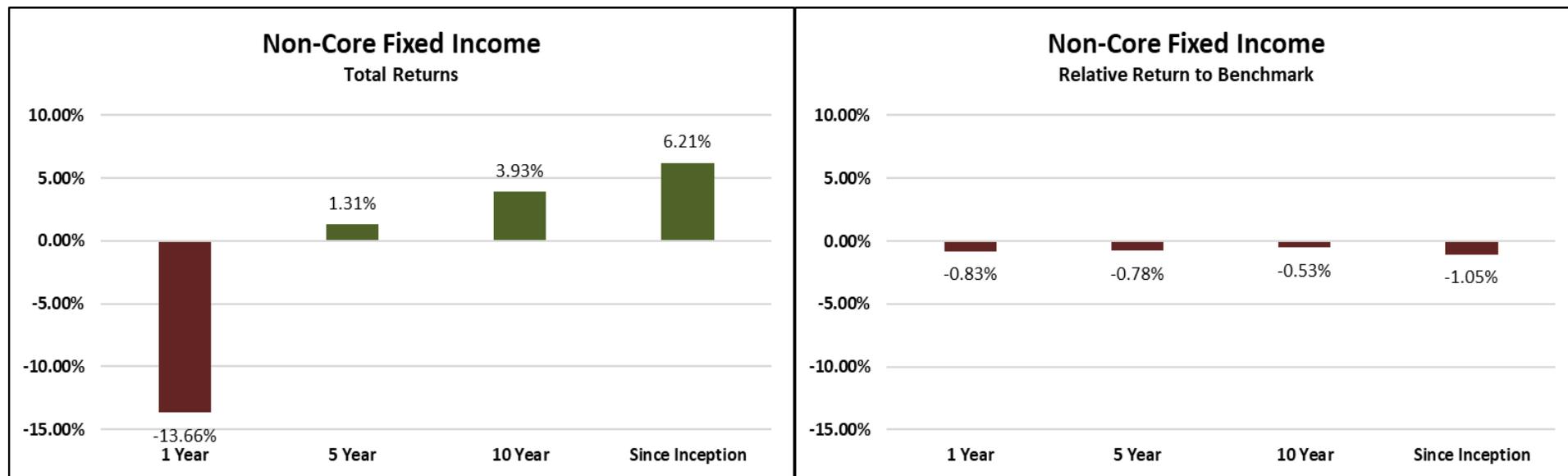
Performance, Characteristics, and Activity

- Negative total return of -9.24% for the year was 105 bps better than the index. The internal portfolio outperformed the index by 113 bps. Reams outperformed by 51 bps.
- Reams outperformed due to short duration partially offset by an overweight to credit. The internal portfolio outperformed the index on short duration and an underweight to corporates, partially offset by unfavorable yield curve positions.
- Total market value of approx. \$1.82 billion at quarter end.
- Duration was approx. 97% of the benchmark at quarter end. Significantly underweight the long end of the curve.
- Portfolio was overweight Treasuries/Agencies and underweight spread product at the end of the quarter. The duration of corporate securities was significantly shorter than the index.

Non-Core Fixed Income Environment

- Pressure on fixed income markets continued in the quarter, with increasing fears of a recession adding to uncertainty about inflation and the Fed's path of interest rate hikes
- US High Yield spreads reached two-year highs
- With increasing concerns about slowing economic growth, credit risk became the primary driver of fixed income performance in 2Q22 as higher-quality bonds outperformed lower-quality credits
- Preferred securities held up better than US High Yield, but growth concerns and a risk-off sentiment in global markets weighed particularly heavy on emerging market debt

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

- US high yield bonds continued their historic slide, posting a return of -9.84% for the quarter
- The Non-Core Fixed Income asset class outperformed its benchmark by 0.10% during the quarter but underperformed by -0.83% over the last twelve months
- Manager performance was mixed, but the conservative approach to US High Yield was a positive. Exposure to outperforming preferred securities also was a boost, while Emerging Market Debt continued its stretch of underperformance.
- There were no changes to the roster of nor were there any contributions or withdrawals from managers in the asset class during the period

Domestic Equity Environment

- The selloff in early 2022 continued in 2Q22, with fears of a recession/slowdown in the economy adding to pressures on equity markets from inflation, higher interest rates, and higher commodity prices
- As in 1Q22, high-growth, high-P/E stocks fared the worst, and Value stocks outperformed Growth by a wide margin in the quarter. Large Cap equity returns had a small edge over those of Small Caps in the period
- At the end of June, the S&P 500 was valued at 15.9x the next 12-month earnings estimates, continuing the downward slide in multiples that began at the start of 2022. The drop in equities YTD has been solely due to multiple contraction, as earnings growth has been positive
- The top 10 constituents of the S&P 500 were valued at 23.6x, well off the high of 32.5x in 2021 but still above the long-term average of 20.0x. The remaining stocks in the index traded at 13.9x, below the long-term average of 15.7x. The top 10 stocks in the S&P 500 comprised 28.1% of the index, down from almost 32% in 2021

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 outperformed its benchmark during the quarter by +0.05% and outperformed for the last twelve months by +0.12%
- The overweight to small caps was a modest drag on relative performance in the quarter
- Active management in 3Q21 was positive and was a boost to relative returns for the trailing twelve months

Domestic Equity

Characteristics and Activity

- The asset class consists entirely of indexed investments as of November 2021
- Small cap stocks are modestly overweight to the benchmark weight
- Cash at the asset class level is minimal per policy
- There were no changes to the roster of managers during the quarter and flows were limited to minor rebalancing activity

International Equity Environment

- International equities posted a -14.28% return for the quarter, as the selloff in the equities market that began in early 2022 accelerated in 2Q22. International equities managed to outperform domestic equities, as US high-P/E US mega-caps were hit especially hard
- Emerging Markets bucked the recent trend of underperforming Developed Markets, with Asia Pacific shares holding up better than other regions. Chinese stocks posted a positive absolute return for the quarter. The MSCI World ex-US Index posted a -14.66% return, while emerging market stocks returned -11.45% (MSCI EM)
- The Eurozone continues to feel pressure from geopolitical tensions, fears of energy security, and how those factors might impact economic growth
- At quarter end, the MSCI All Country World ex-US Index was valued at 11.7x estimated next 12-month earnings, below its 20-year average and at a historically large discount to US Equities (-27%)

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 outperformed its benchmark during the quarter by +0.21% and underperformed for the last twelve months by -1.01%
- Manager performance was mixed, with no discernable trend of either growth, value, large cap, or small cap managers outperforming
- The asset class has underperformed its benchmark for the 1-year period and has outperformed over the 5-year and 10-year periods ended June 30

International Equity

Characteristics and Activity

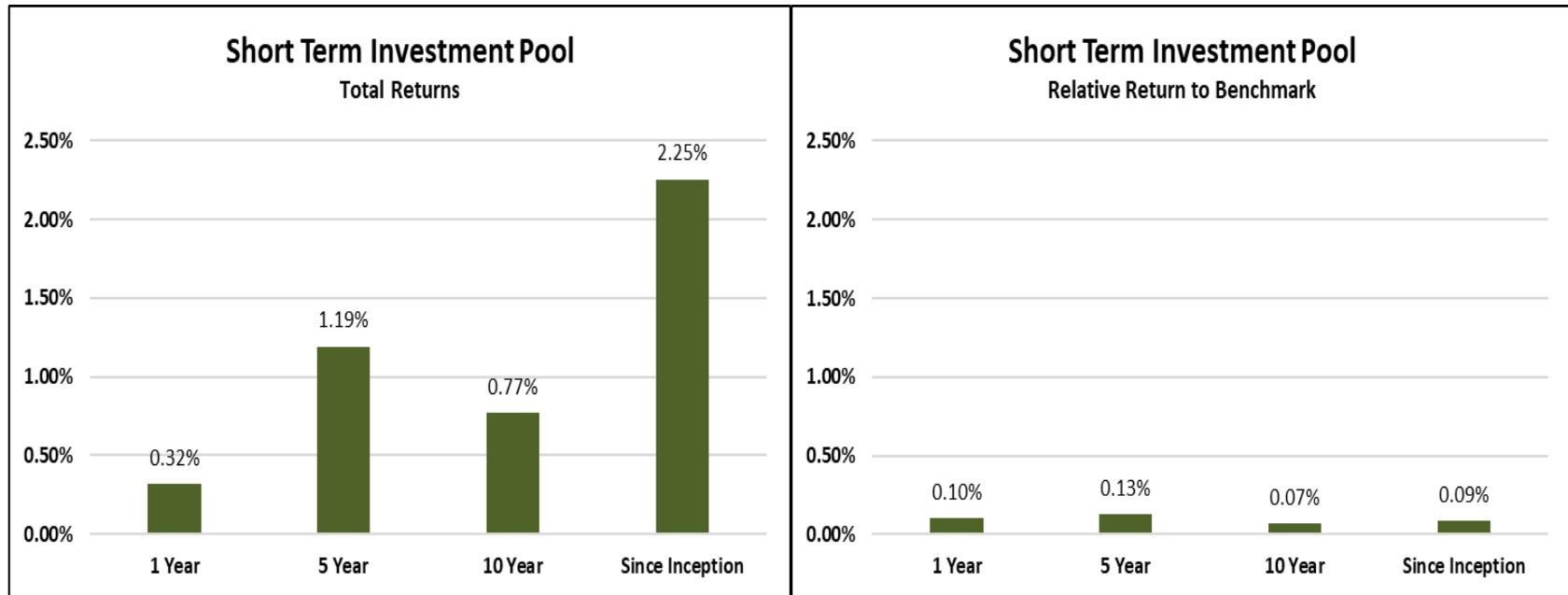
- The large cap allocation retains a significant weight to passive investments. The asset class has an approximately even split between active and indexed investments
- Small capitalization stocks are slightly overweight
- There is a slight overweight to emerging markets
- Cash at the asset class level is minimal per policy
- There were no changes to the roster of managers nor were there in- or outflows in the asset class in the quarter

Short Term Investment Pool

Performance, Characteristics, and Activity

- The yield on STIP was 1.37% at the end of June.
- Outperformed the index by 10 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 6/30/22, about the same as 6/30/21.
- Local Government participants' percentage was 23.9% on 6/30/22, down from 29.6% a year ago.
- The STIP assets were \$7.58 billion on 6/30/22, up over \$1.3 billion from 6/30/21.
- The STIP reserve was \$57.09 million on 6/30/22.

Short Term Investment Pool Net Performance



Short Term Investment Pool (STIP) Custom Blend:

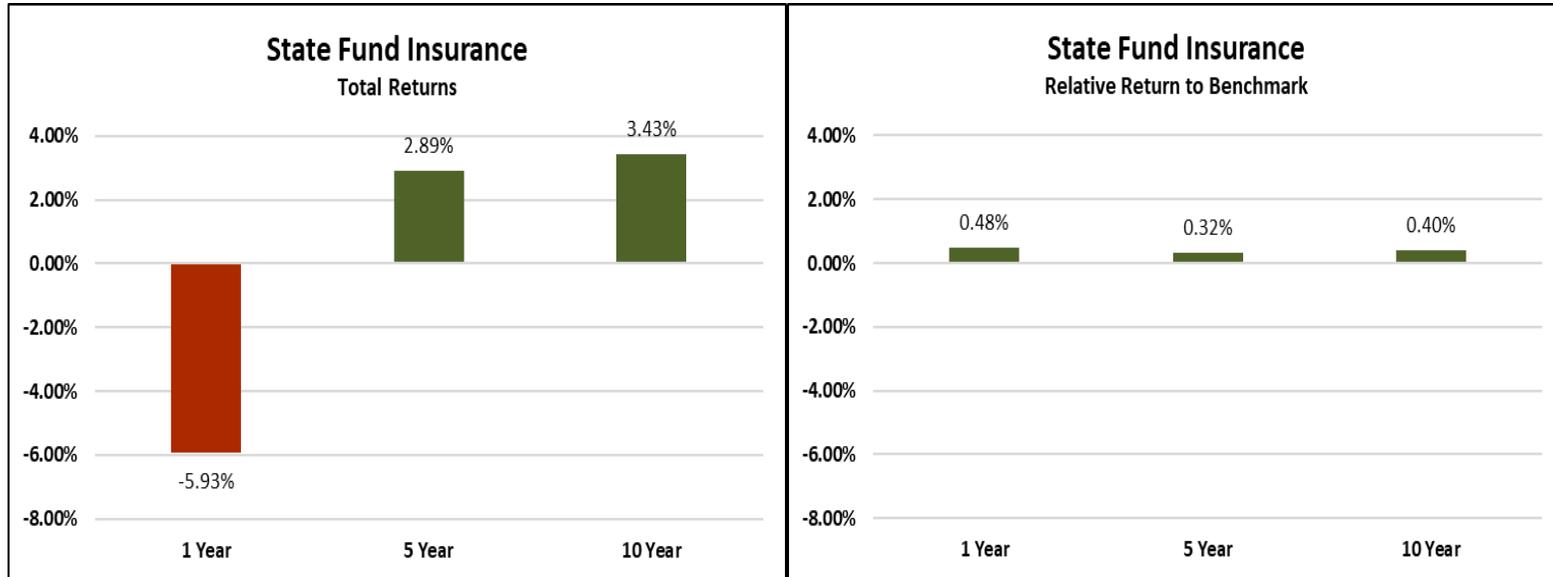
- Inception to 4/30/2018 - LIBOR 1 Month
- 5/1/2018 to present: Federal Reserve US Treasury 1M Constant Maturity Index
- Inception – 4/1/1997

State Fund Investment Pool

Performance, Characteristics, and Activity

- Total portfolio return was -5.93% over the last year, led by Real Estate at 28.36%
- Portfolio outperformed the benchmark by 48 bps over the fiscal year
- The Investment Grade portfolio returned -7.36% over the fiscal year, outperforming its index by 54 bps due to short duration partially offset by an overweight to spread product
- Total market value of approx. \$1.45B at quarter end
- Duration was short of the benchmark at quarter end
- Continued overweight to spread product and underweight to Treasuries. Continue to add to MBS over time.
- State Fund's allocation to Real Estate slightly exceeded the range during the 2nd quarter due to the valuation decline in other asset classes. MBOI has requested redemptions from Real Estate managers that would place us back inside the range.

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 Pool Performance

- The portfolio returned -2.79% underperforming the benchmark by 47 bps on the year. The underperformance was driven by the relative underperformance of Real Estate. Real Estate returned 23.12% on the year, 638 bps below its benchmark
- High Yield returns were -12.16%, outperforming the index by 66 bps
- The internal portfolio outperformed the benchmark by 135 bps due to short duration

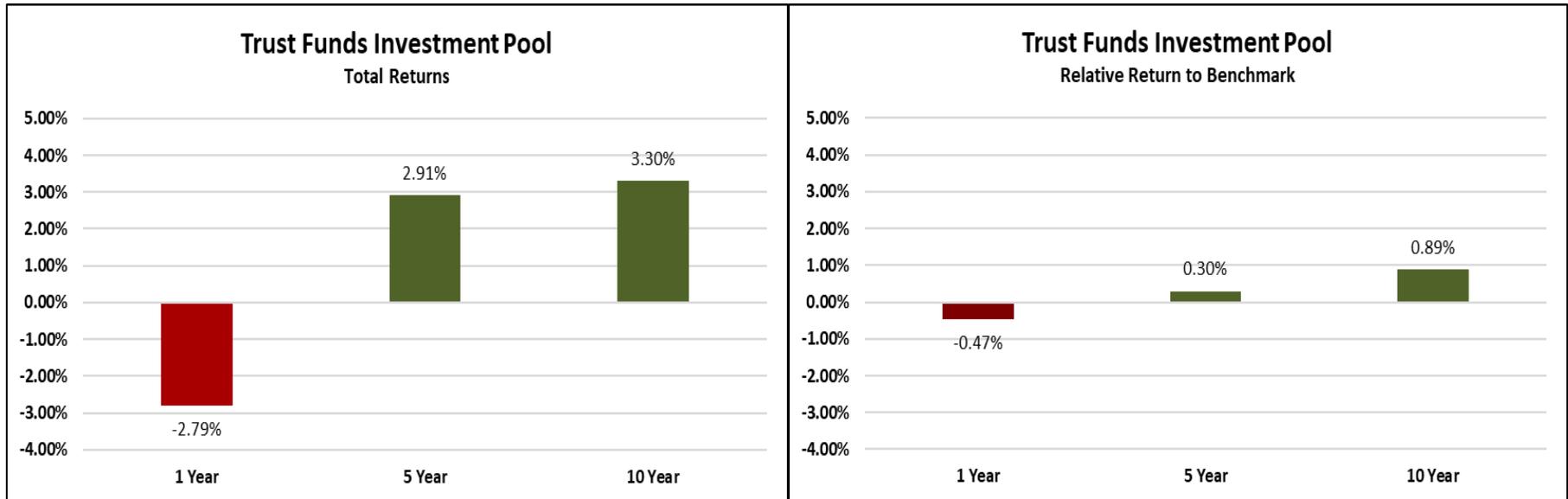
Trust Funds Investment Pool

Characteristics and Activity

- Total market value of approx. \$2.83B at quarter end
- TFBP duration was below the benchmark at quarter end. Portfolio remained significantly underweight the long end of the curve
- TFBP maintained overweight to Corporates, CMBS and ABS, and underweight to Treasuries and MBS
- TFIP purchased approximately \$196 million of Real Estate during the year. Real Estate was 27% of the TFIP at quarter end
- Staff continues to add to Real Estate in order to diversify and increase the yield of TFIP consistent with the 2020 change to the IPS

Trust Funds Investment Pool

Net Performance

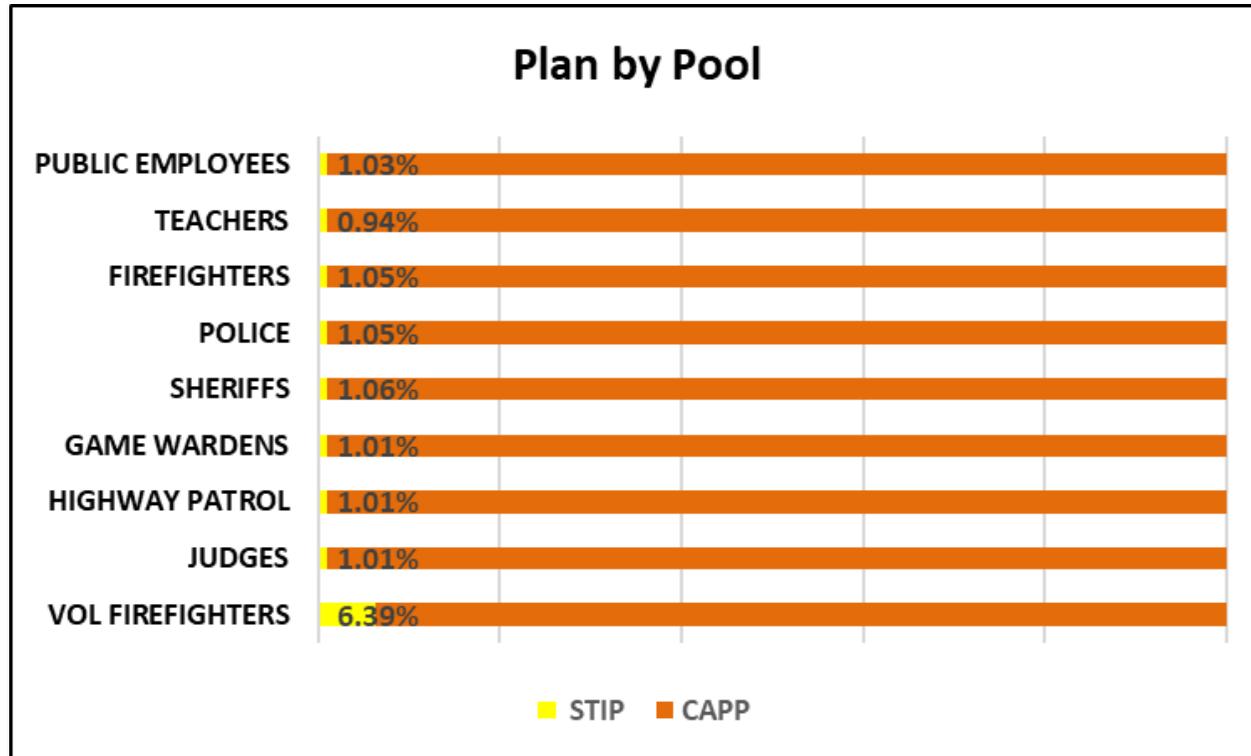


Trust Funds Investment Pool Custom Blend:

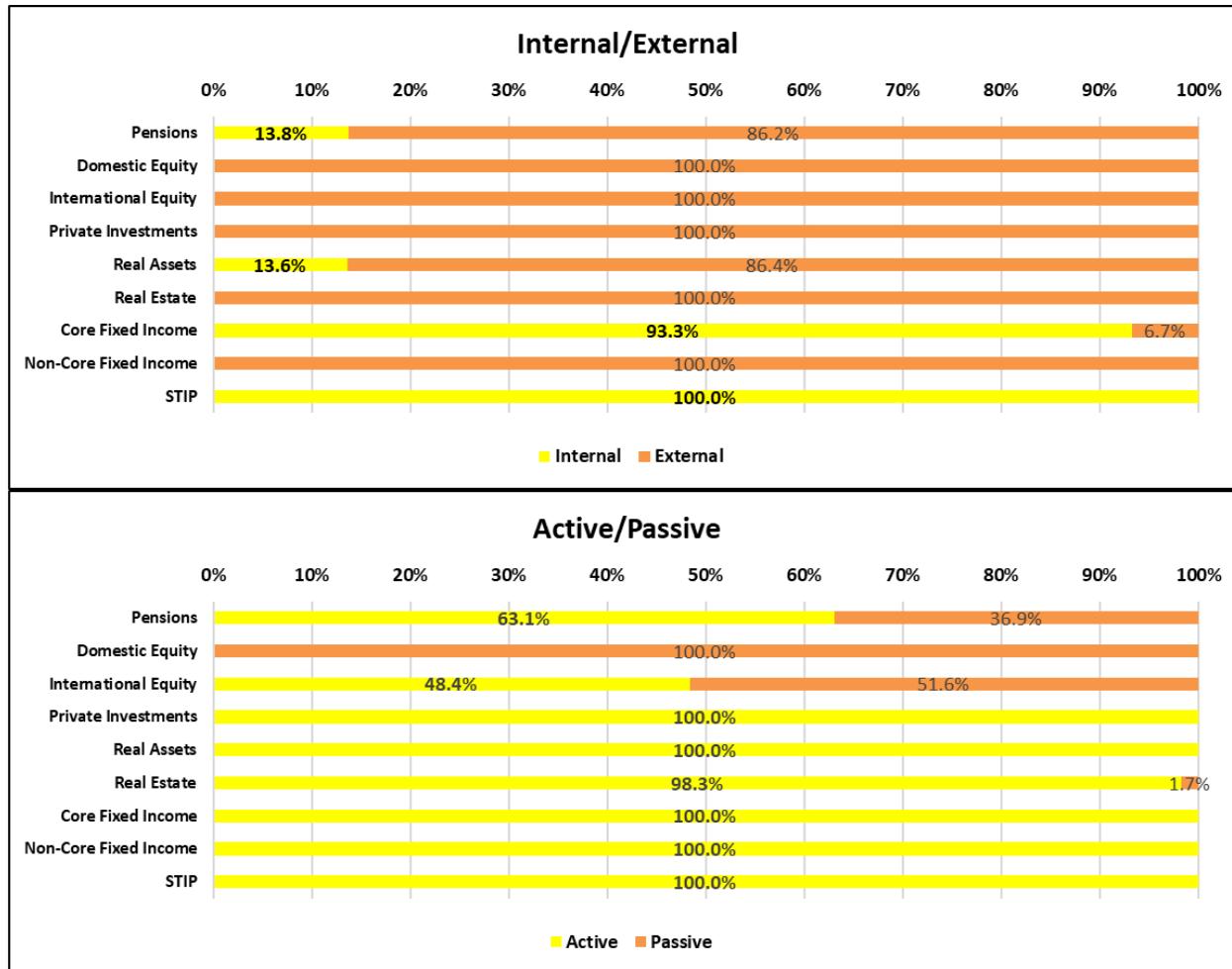
- Since Inception to 6/30/21 - Bloomberg Barclays U.S. Aggregate Bond Index
- 6/30/21 to present - Proportionately weighted Bloomberg Barclays US Aggregate Bond Index, Bloomberg Barclays US High Yield – 2% Issuer Cap Index and the NCREIF ODCE Index
- Inception - 10/1/1995

APPENDIX

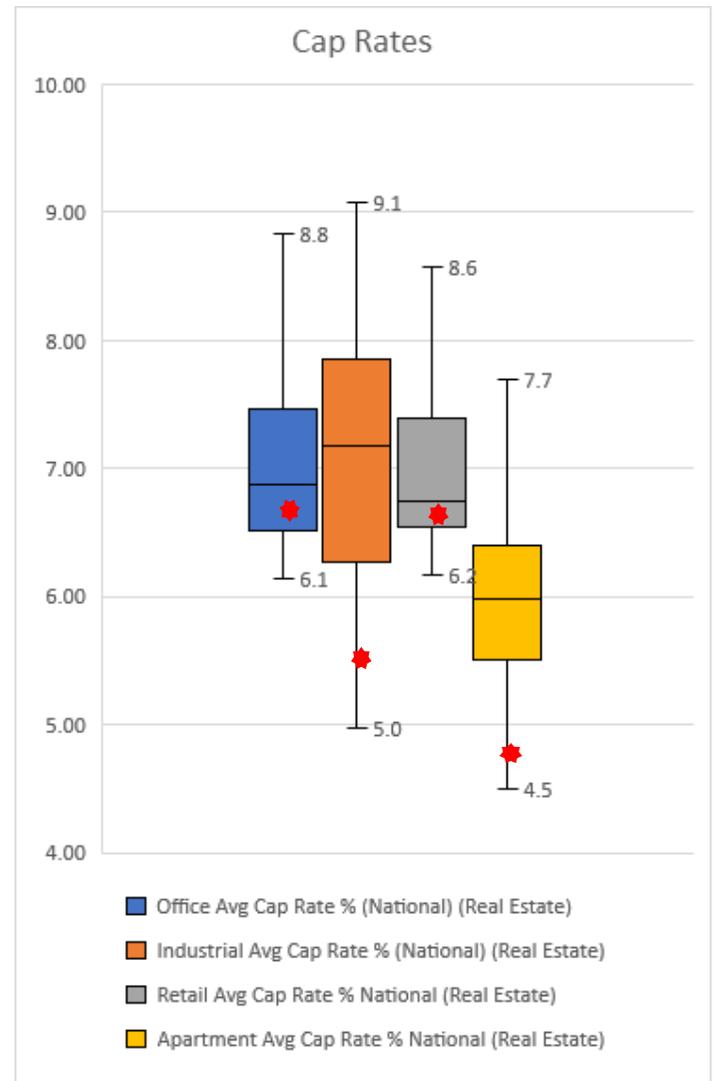
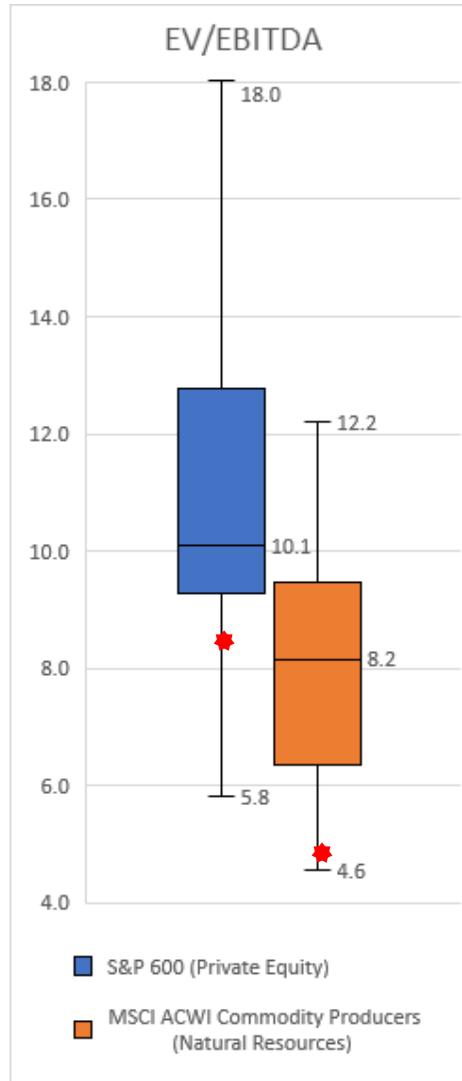
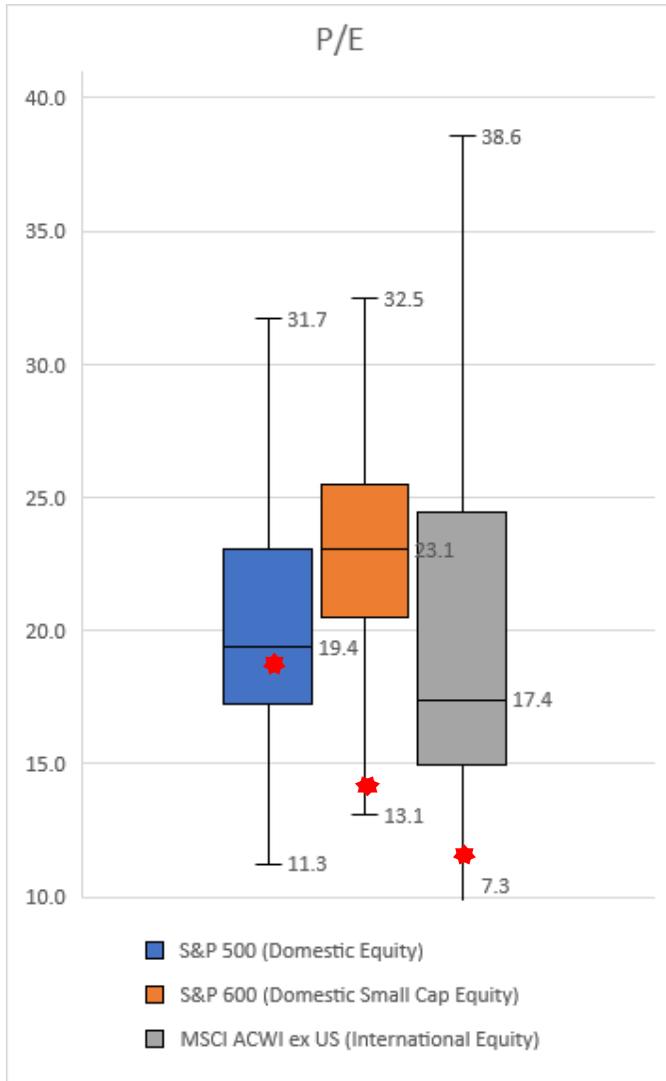
Retirement Plans Allocations by Pool



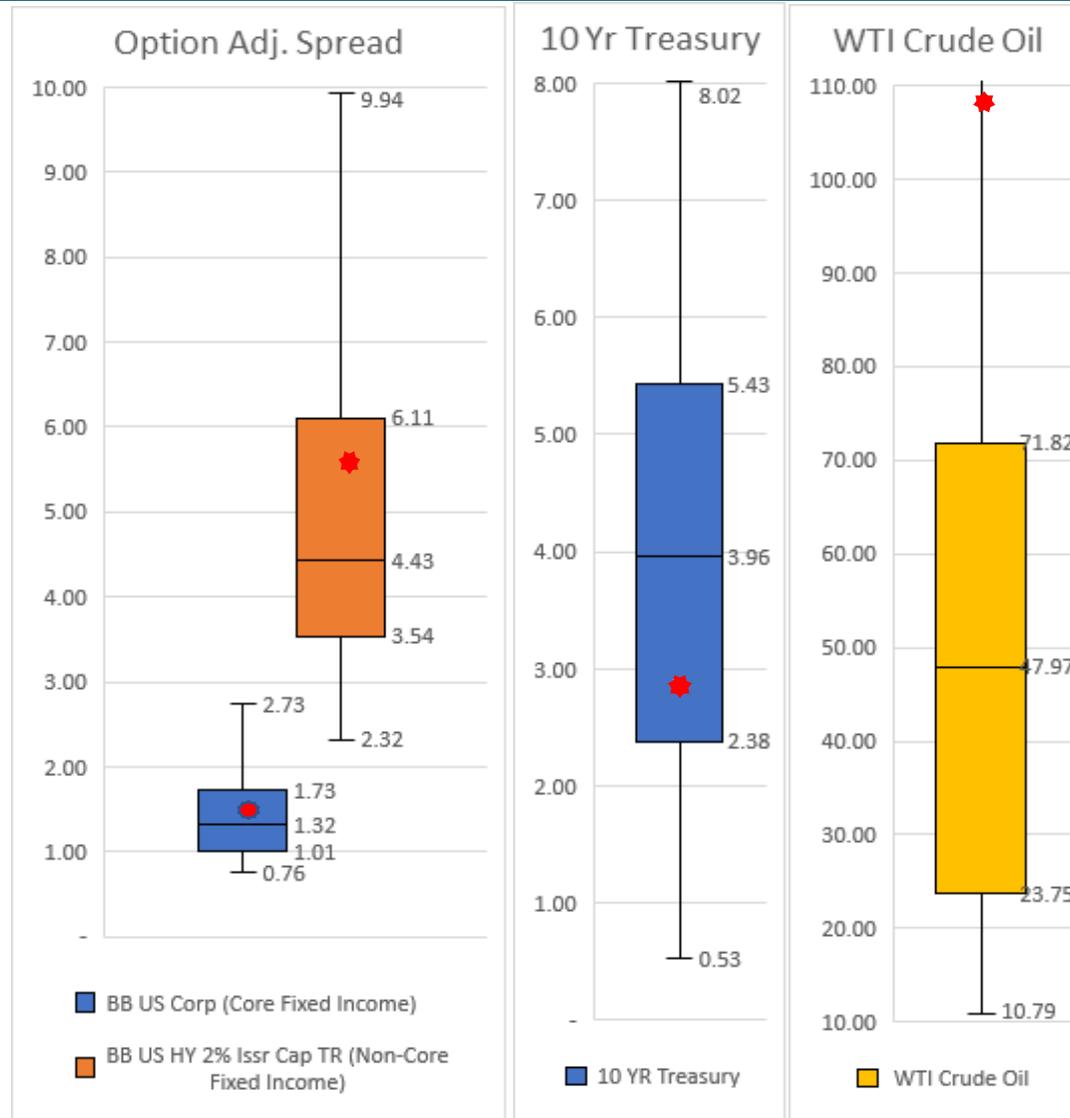
Retirement Plans Characteristics



Risk Management Benchmark Valuation



Risk Management Benchmark Valuation



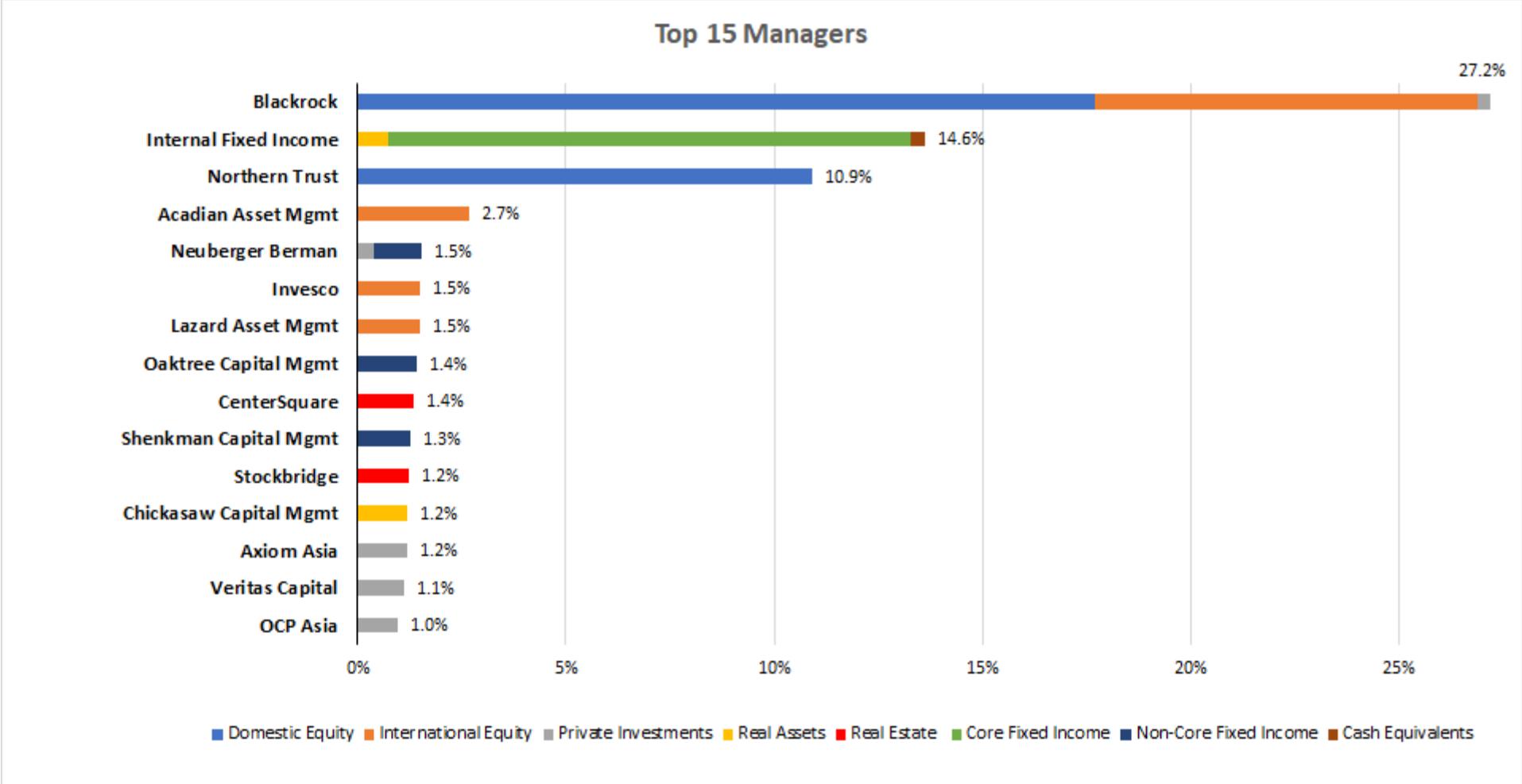
Risk Management Pension Geographic

Country Exposure - Percent

Base Market Values
0.0% 82.4%



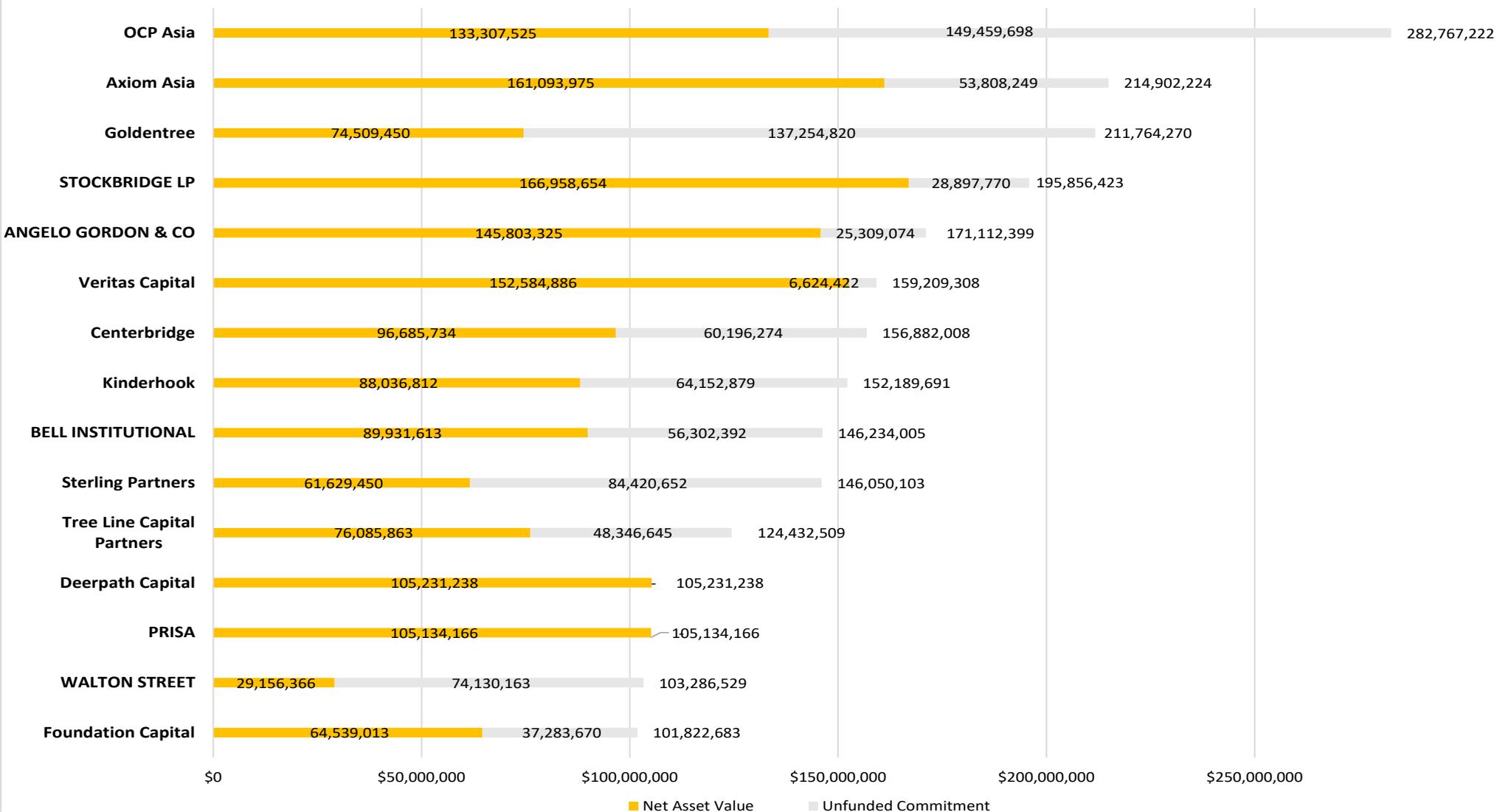
Risk Management Pension Holdings



*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

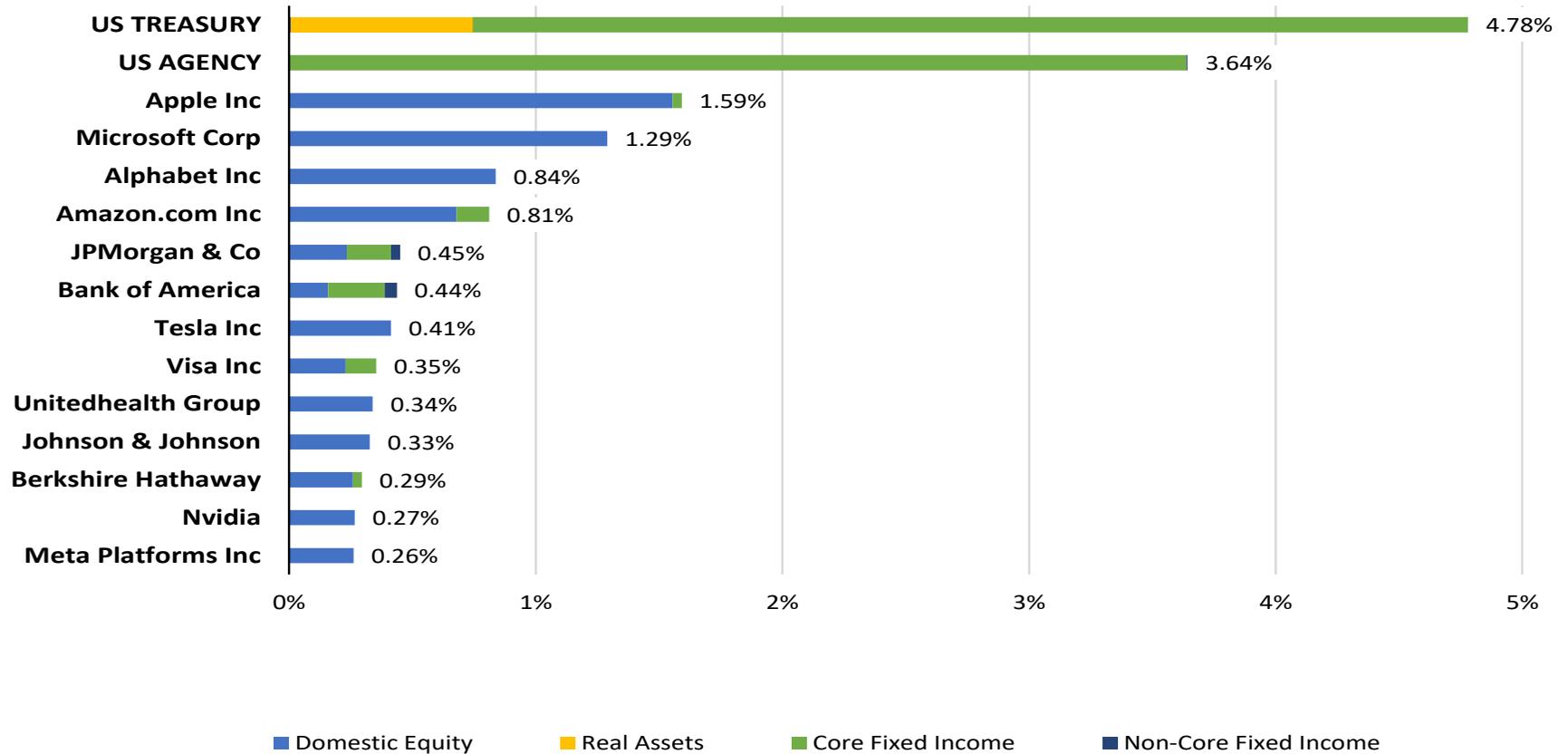
Top 15 Private Managers



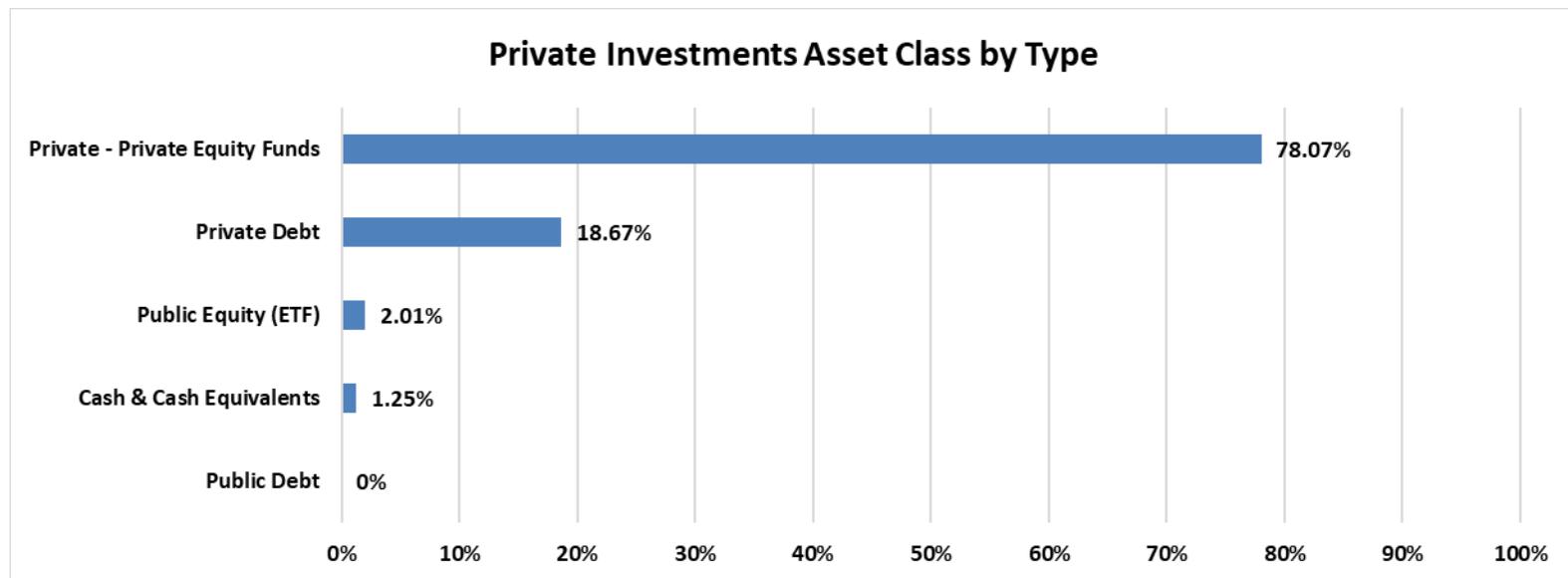
Risk Management

Pension Holdings

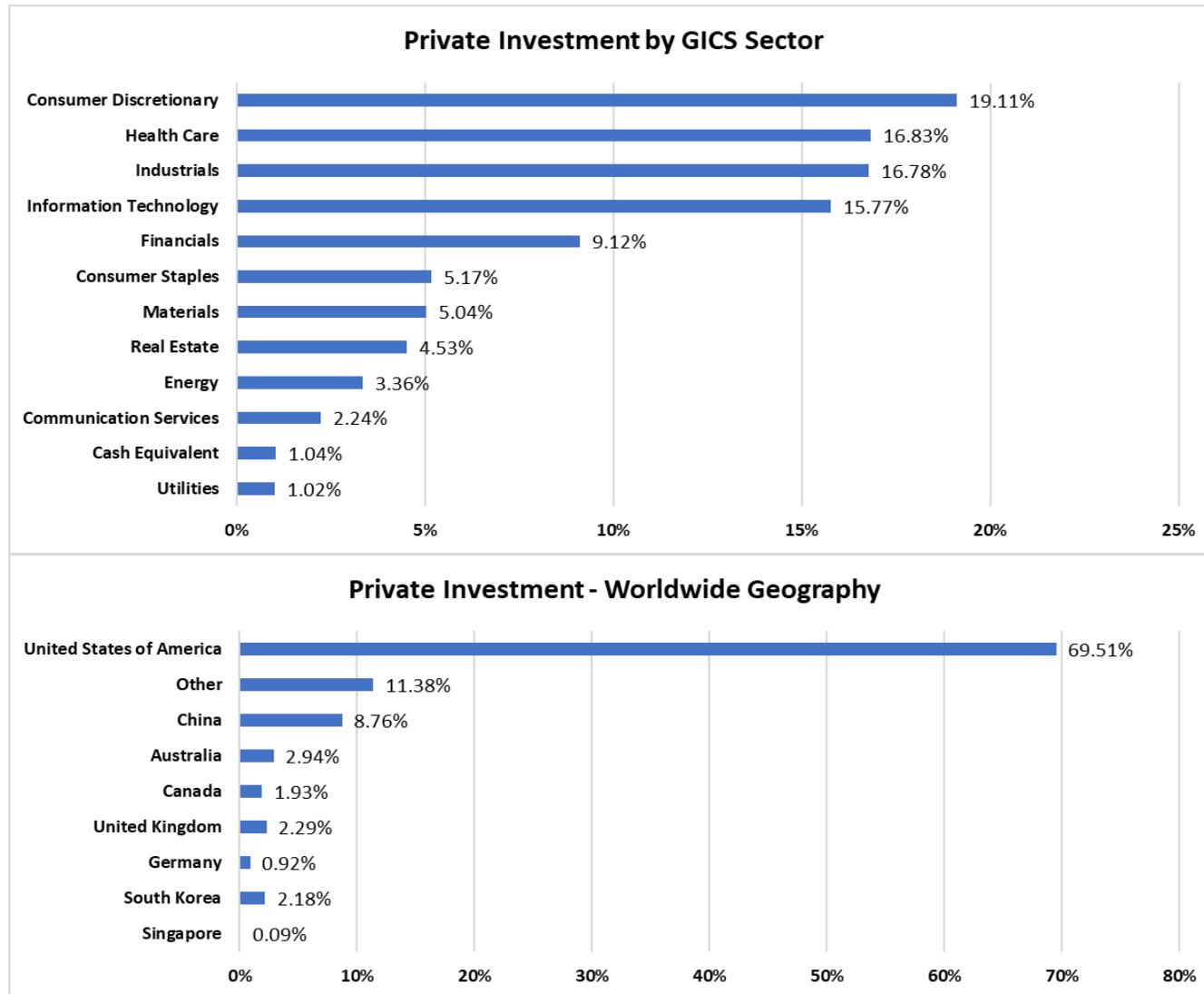
Top 15 Issuers



Private Investments Characteristics

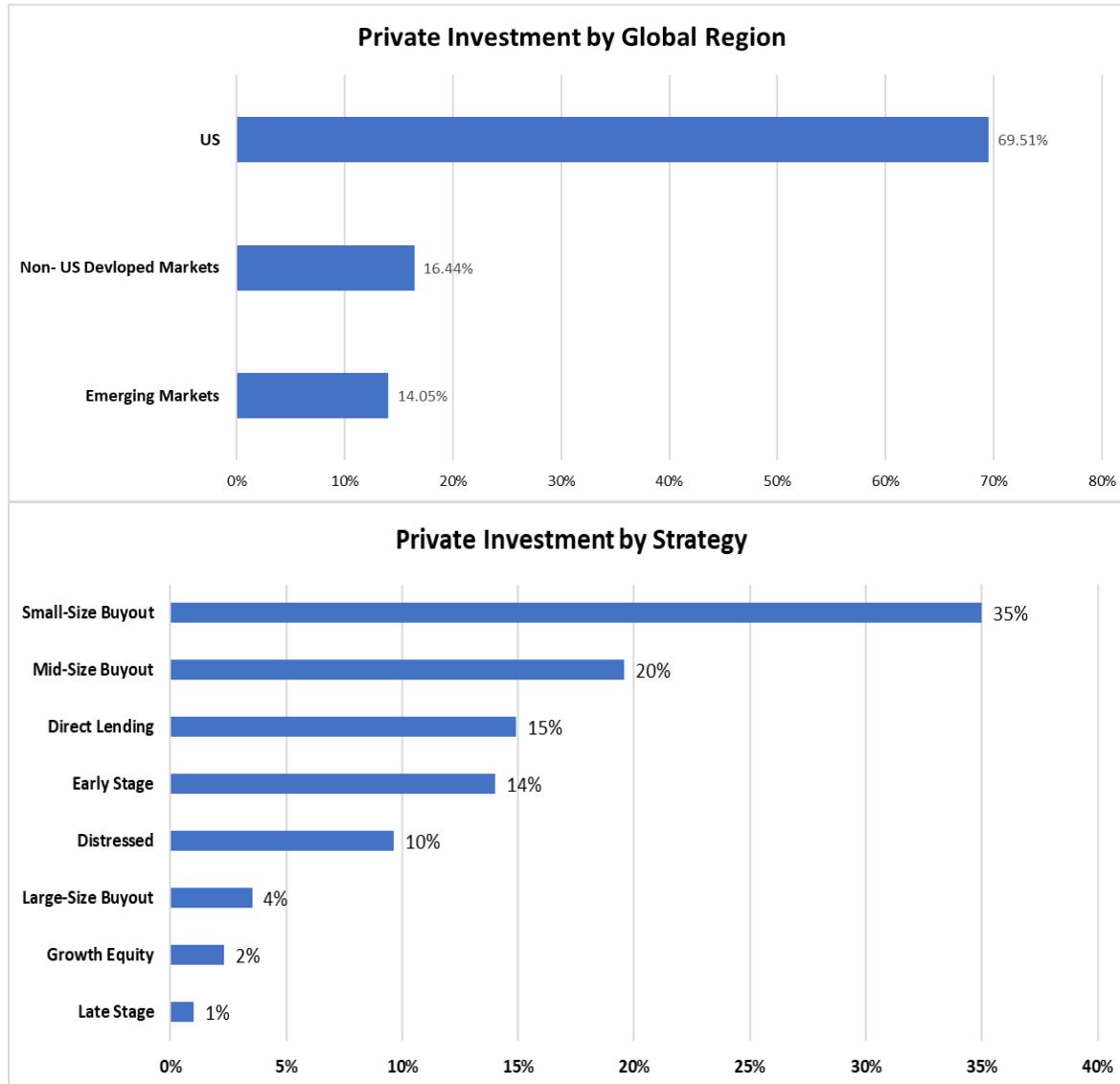


Private Investments Characteristics



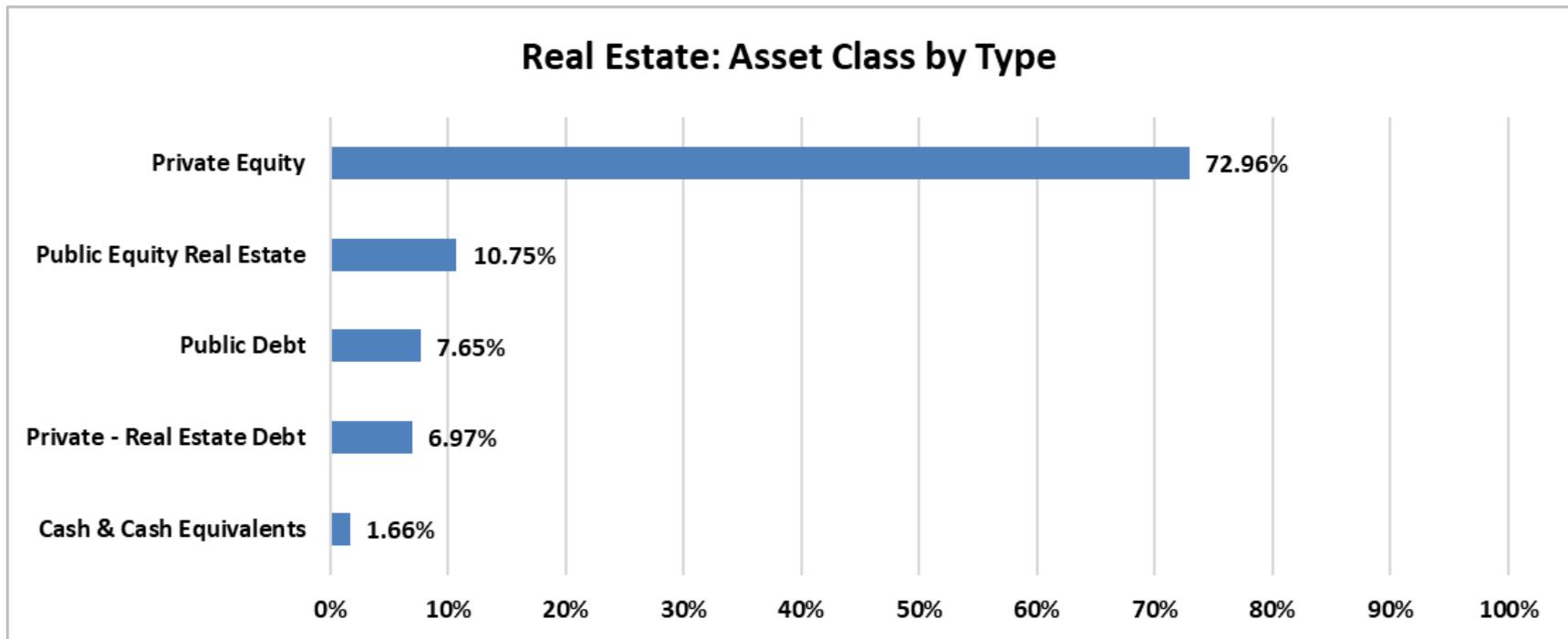
Note: Data reflects most recent GP-reported holdings as of 3/31/22
June 30, 2022

Private Investments Characteristics

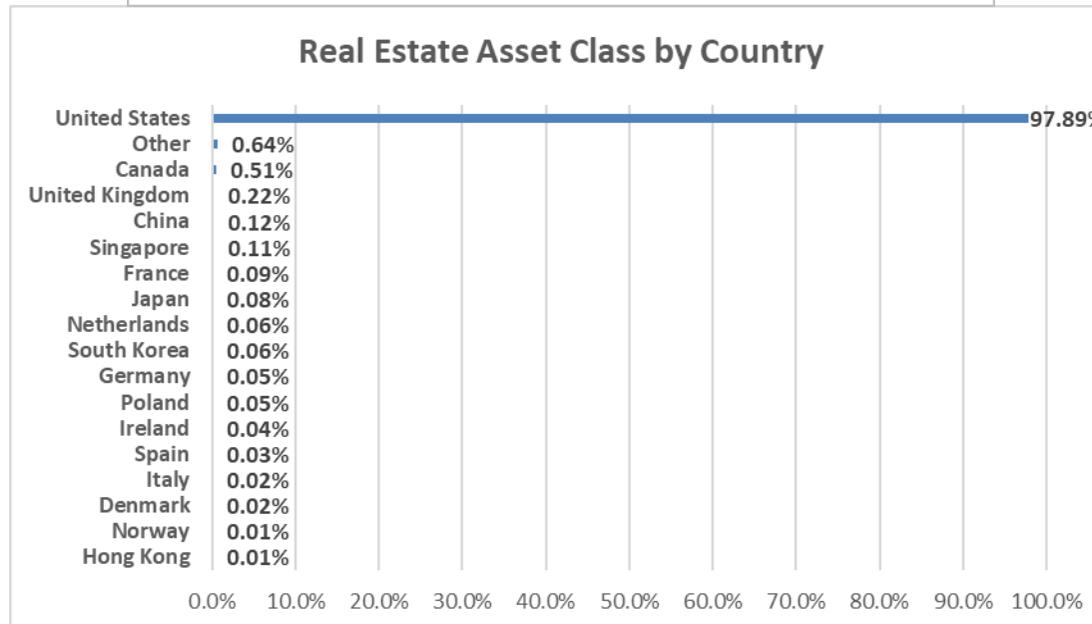
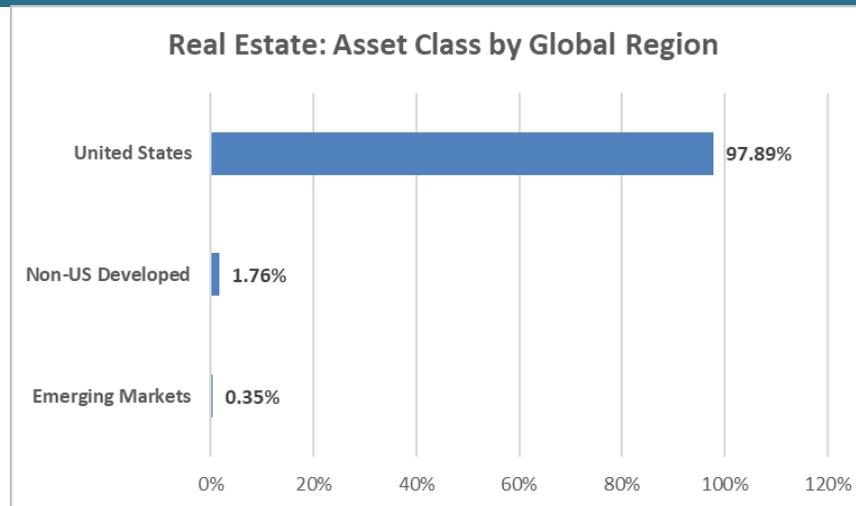


Note: Data reflects most recent GP-reported holdings as of 3/31/22
June 30, 2022

Real Estate Characteristics

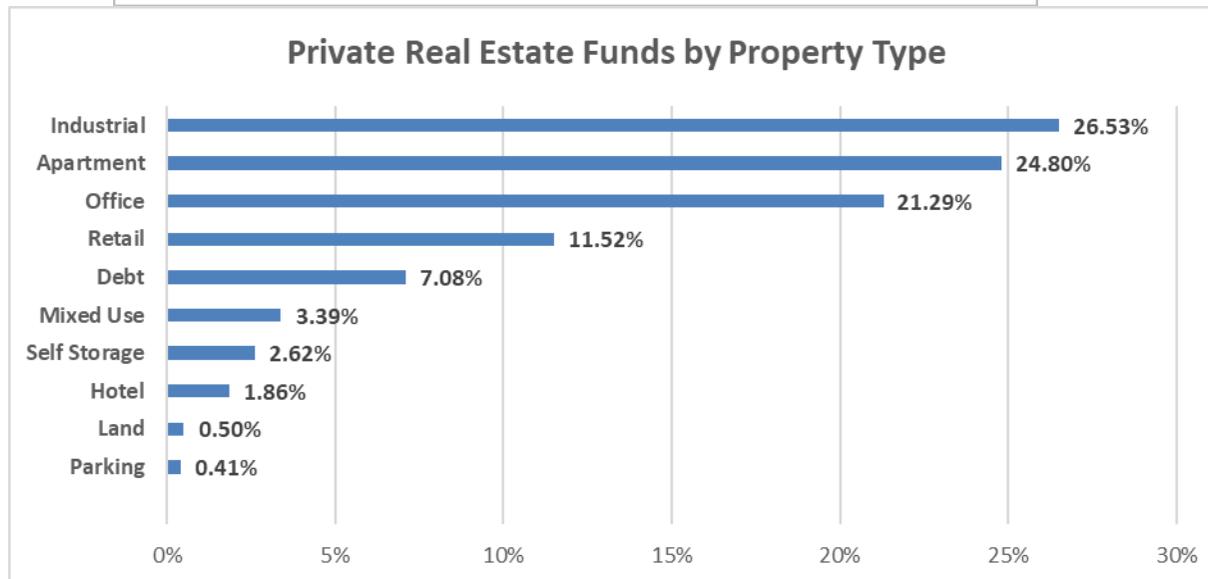
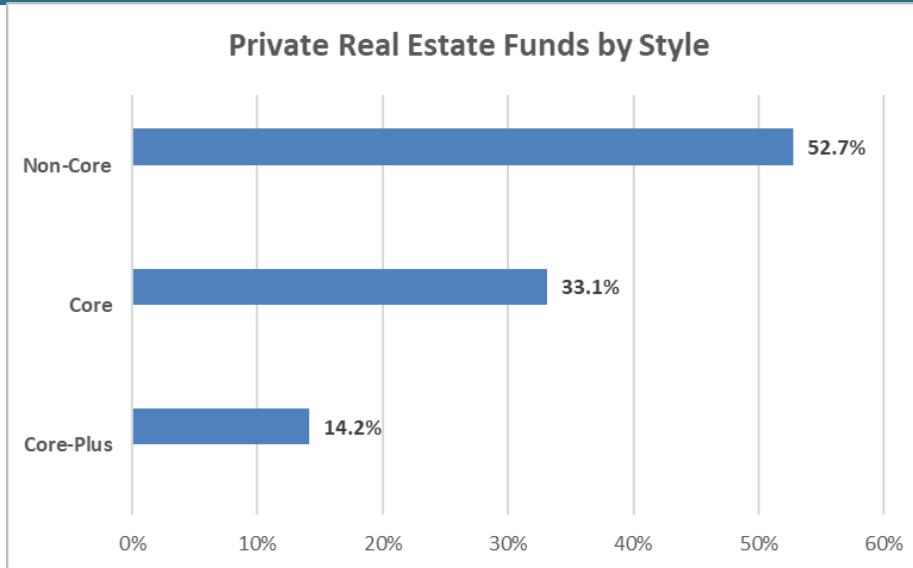


Real Estate Characteristics



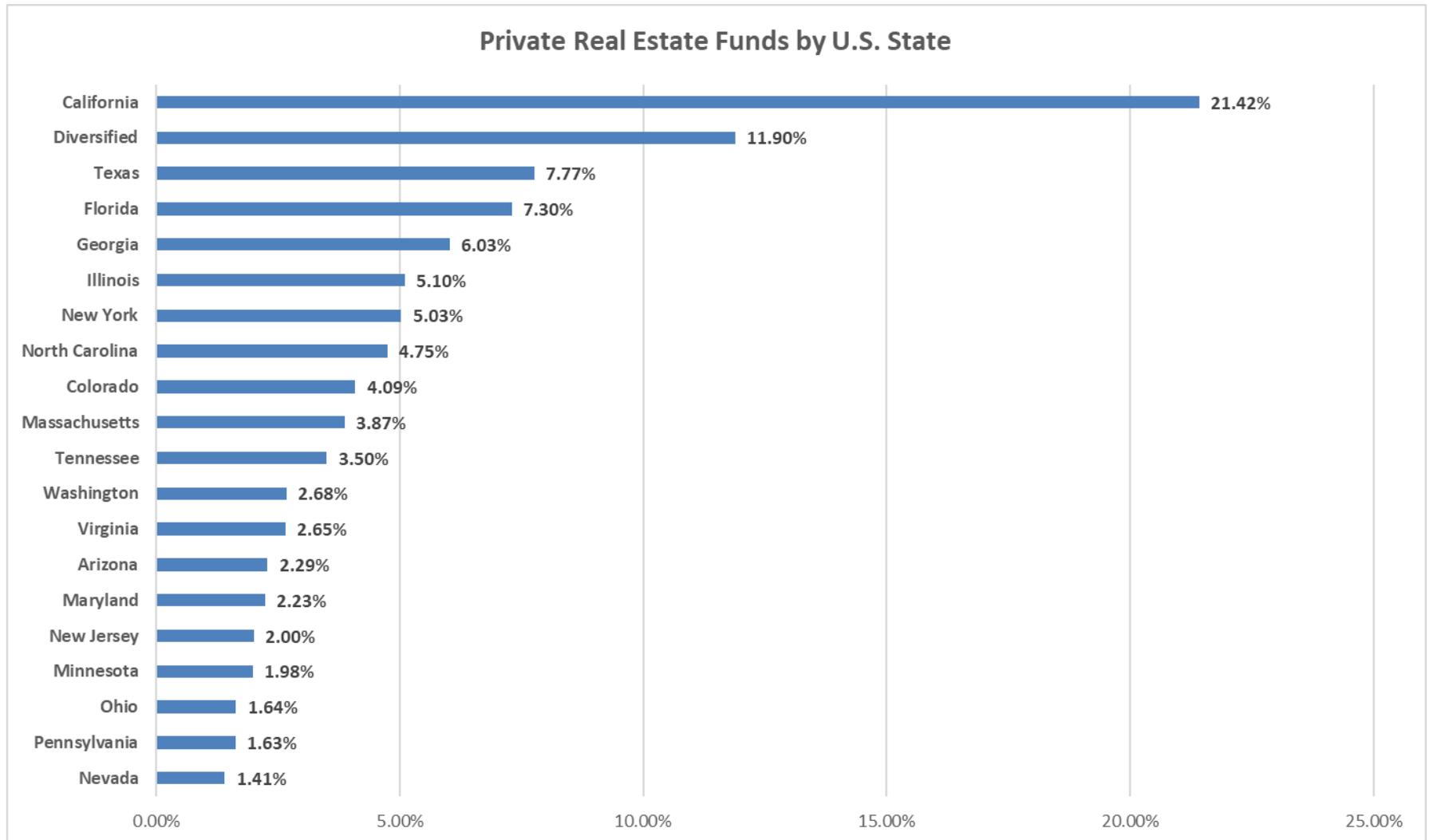
Note: Data reflects most recent GP-reported holdings as of 3/31/22
June 30, 2022

Real Estate Characteristics



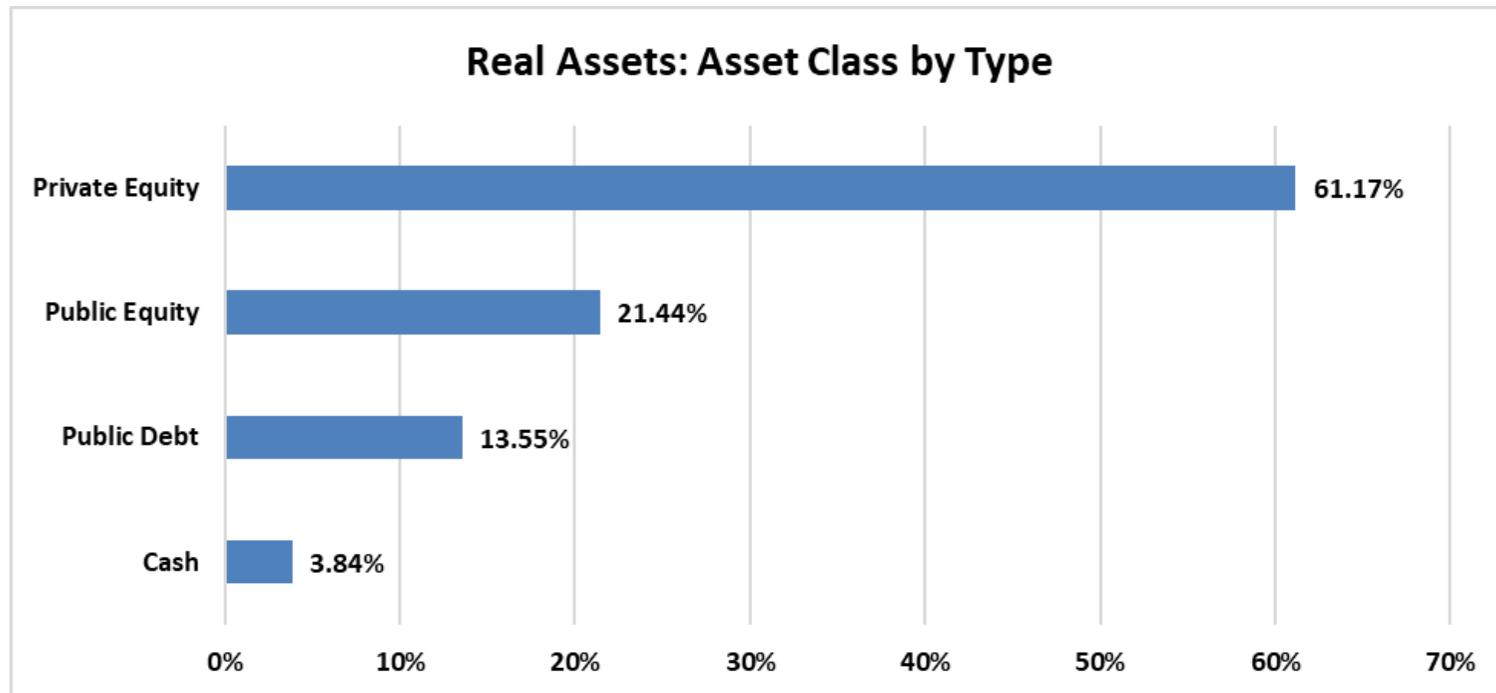
Note: Data reflects most recent GP-reported holdings as of 12/31/21
June 30, 2022

Real Estate Characteristics

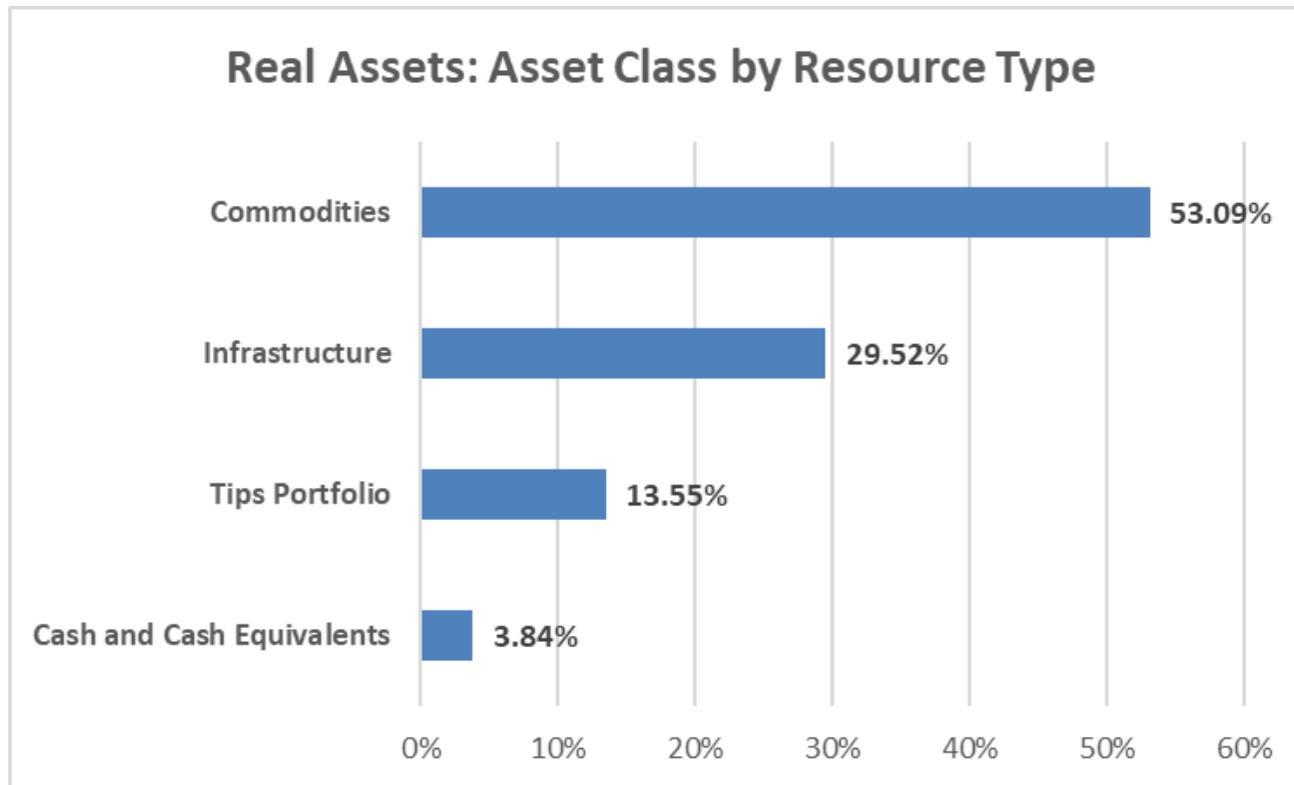


Note: Data reflects most recent GP-reported holdings as of 3/31/22
June 30, 2022

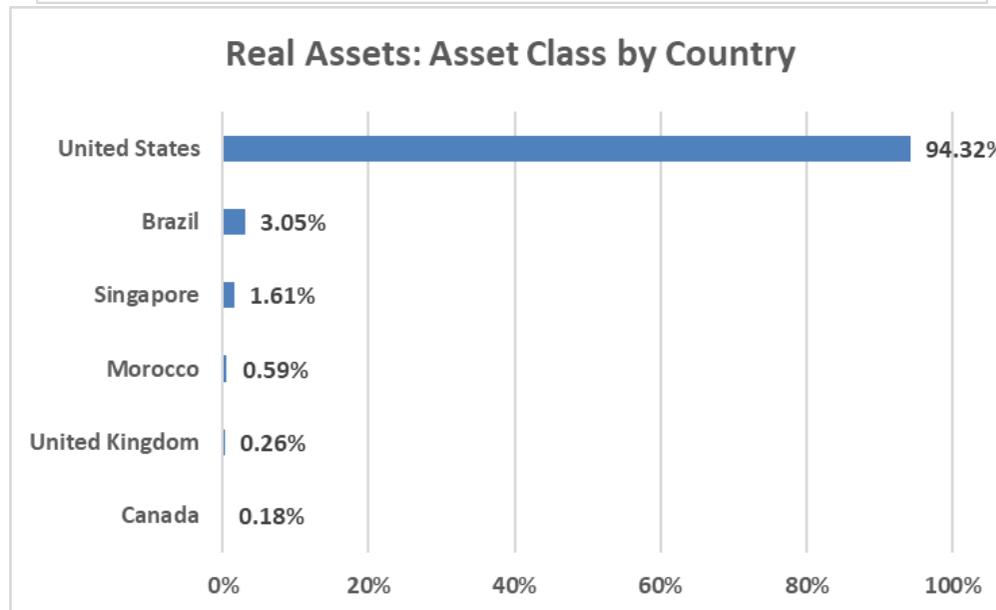
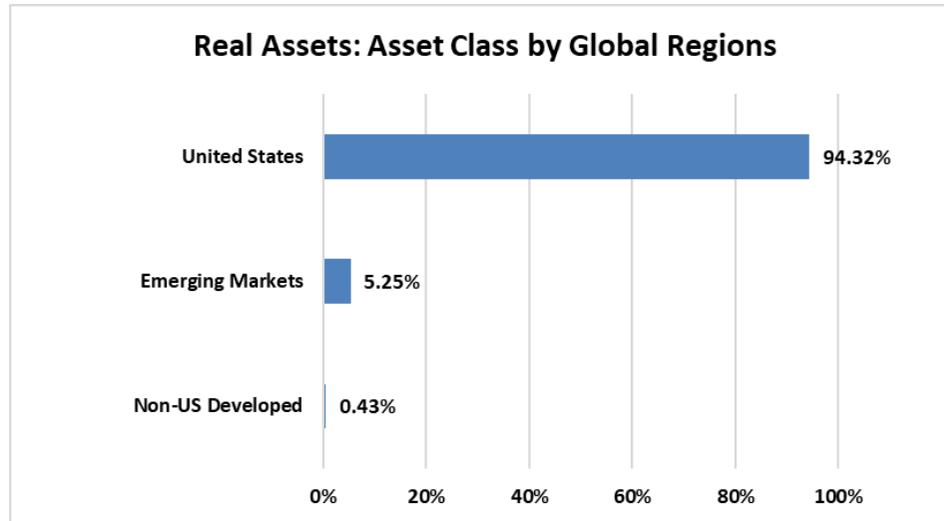
Real Assets Characteristics



Real Assets Characteristics

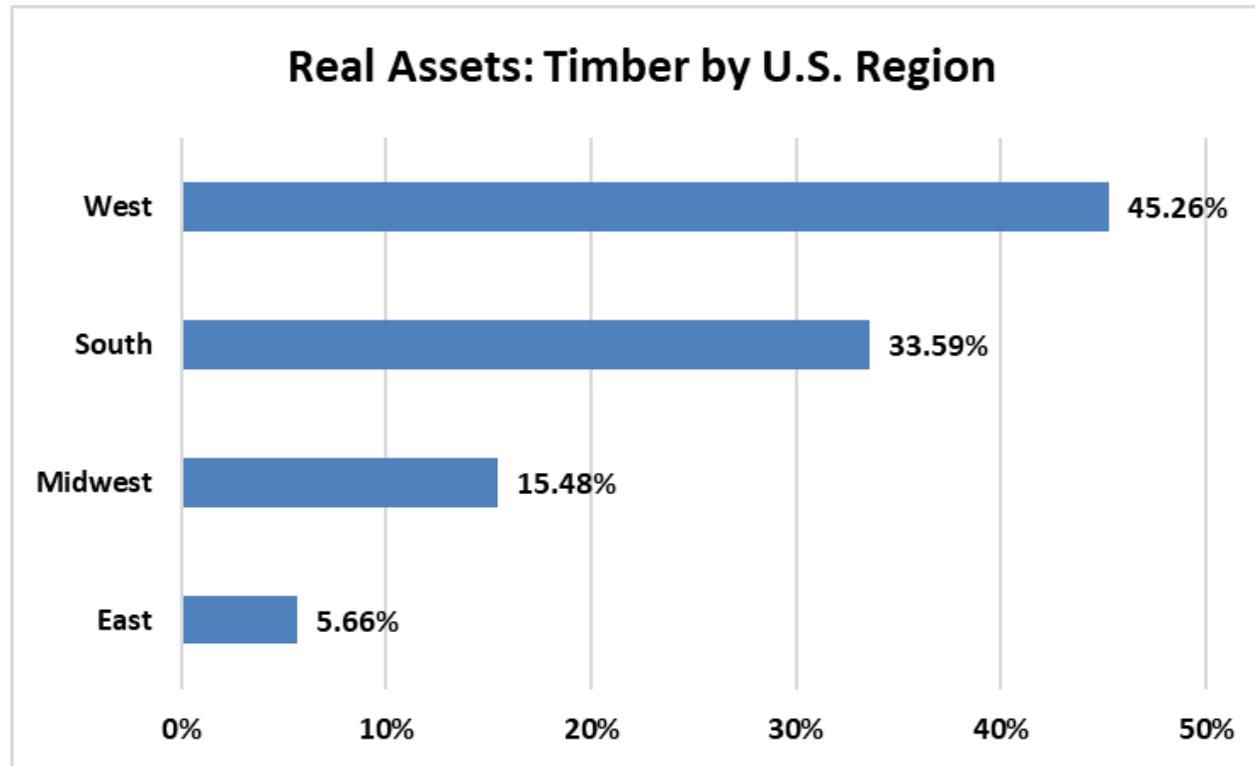


Real Assets Characteristics



Note: Data reflects most recent GP-reported holdings as of 3/31/22
June 30, 2022

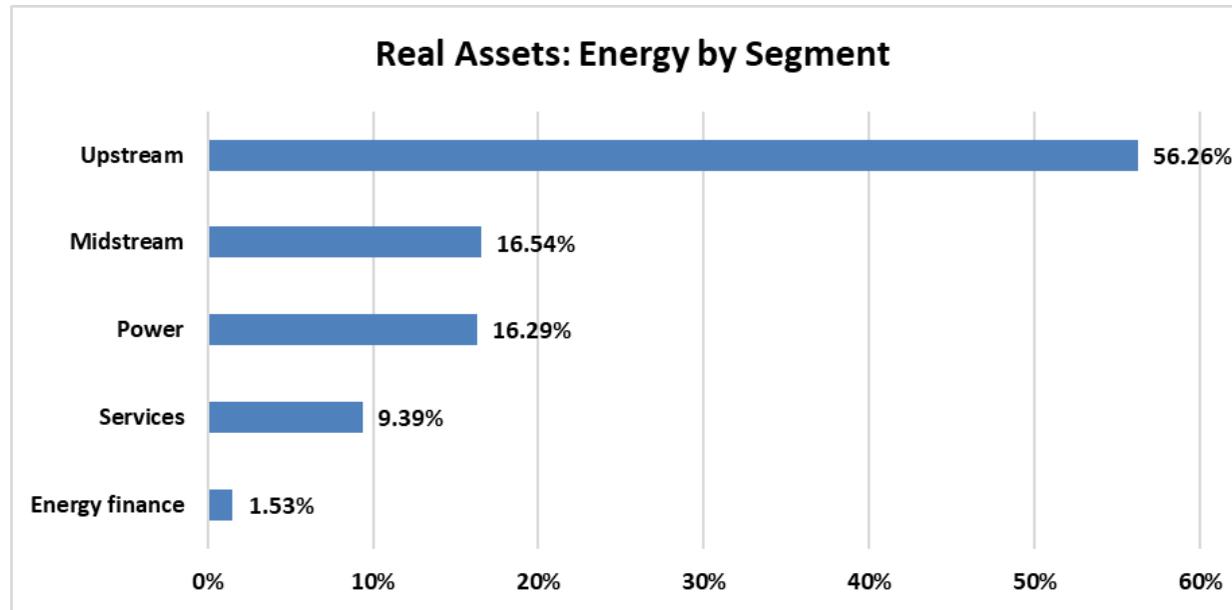
Real Assets Characteristics



Note: Data reflects most recent GP-reported holdings as of 12/31/21

June 30, 2022

Real Assets Characteristics

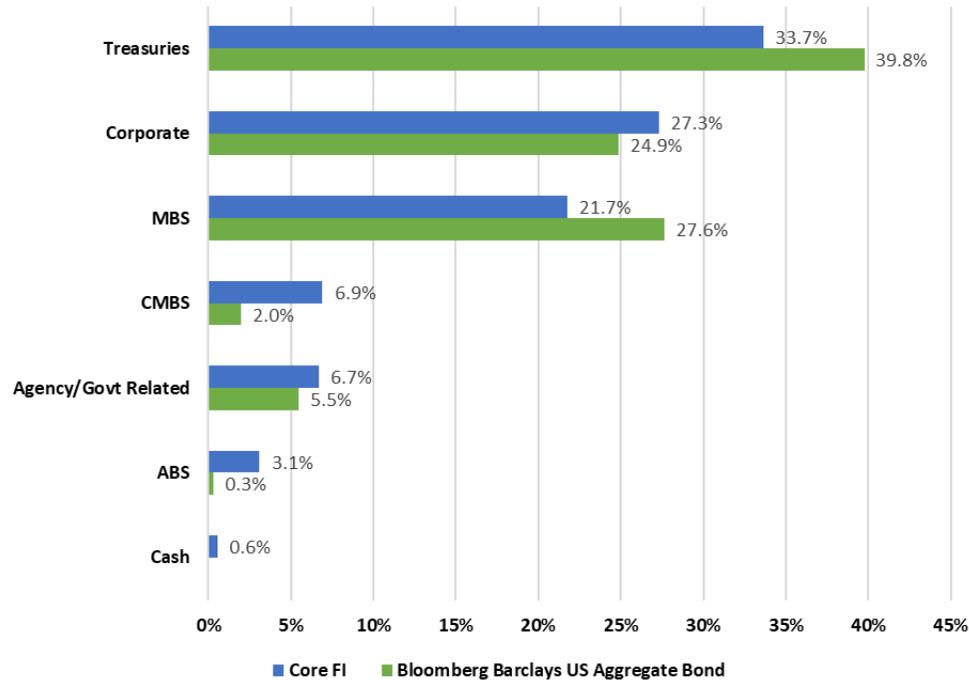


| | |
|-----------------------|--|
| Upstream | Exploration and production |
| Services | Businesses that provide ancillary services and equipment required to explore for, produce and transport oil and gas |
| Power | Generation plants that create power |
| Midstream | Pipelines, terminals and storage of oil and gas and involves the transportation of oil and gas |
| Energy Finance | Investments in a portfolio of liquid or yield-oriented securities |

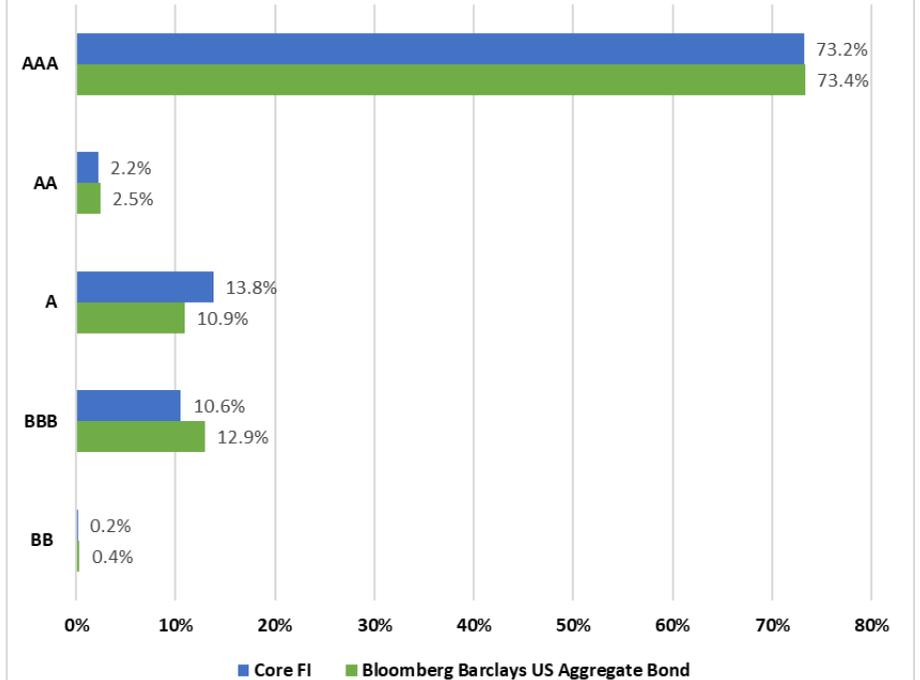
Note: Data reflects most recent GP-reported holdings as of 12/31/21
June 30, 2022

Core Fixed Income Characteristics

Core Fixed Income Sector Weights

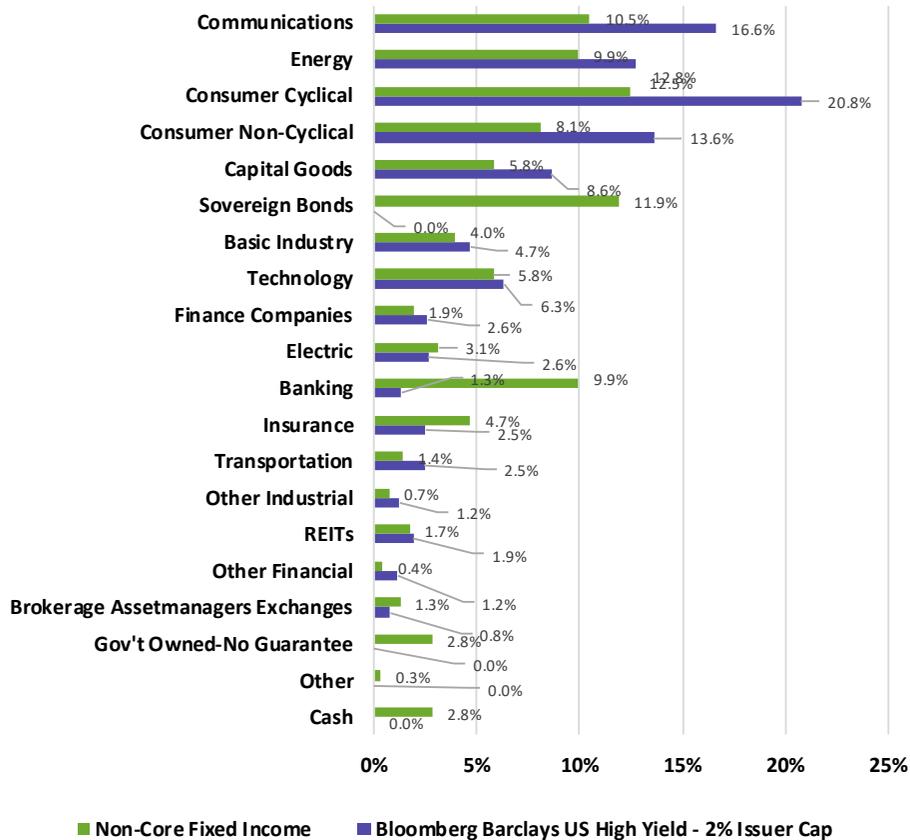


Core Fixed Income Credit Quality

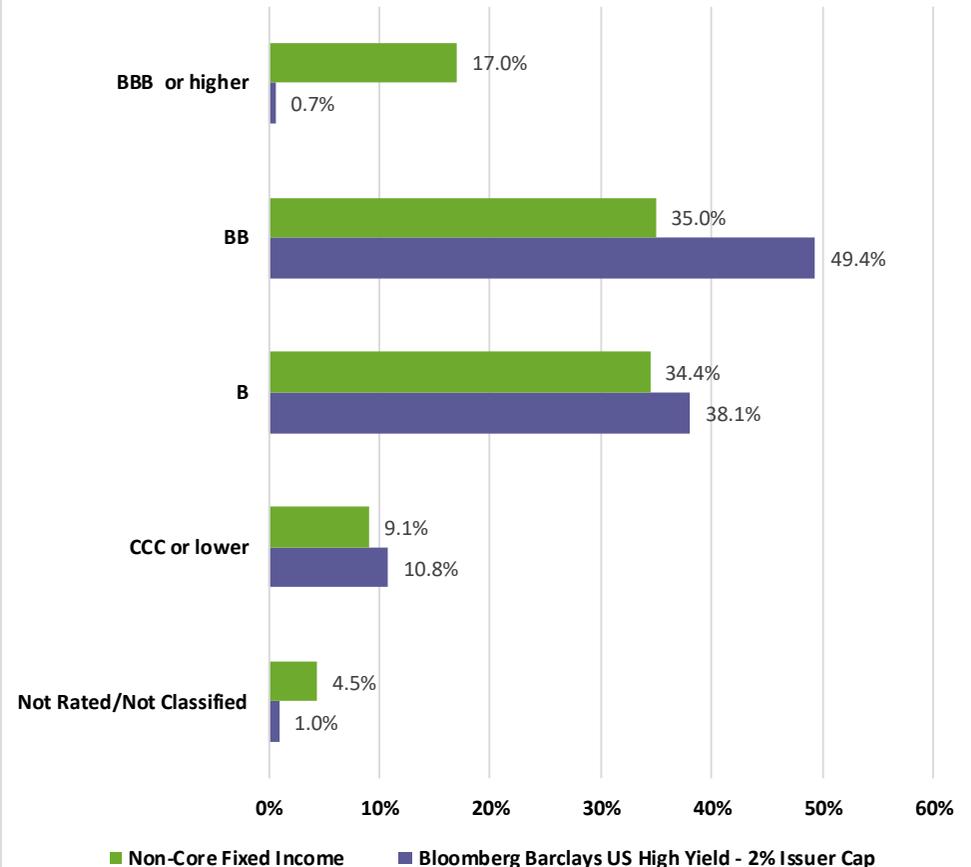


Non-Core Fixed Income Characteristics

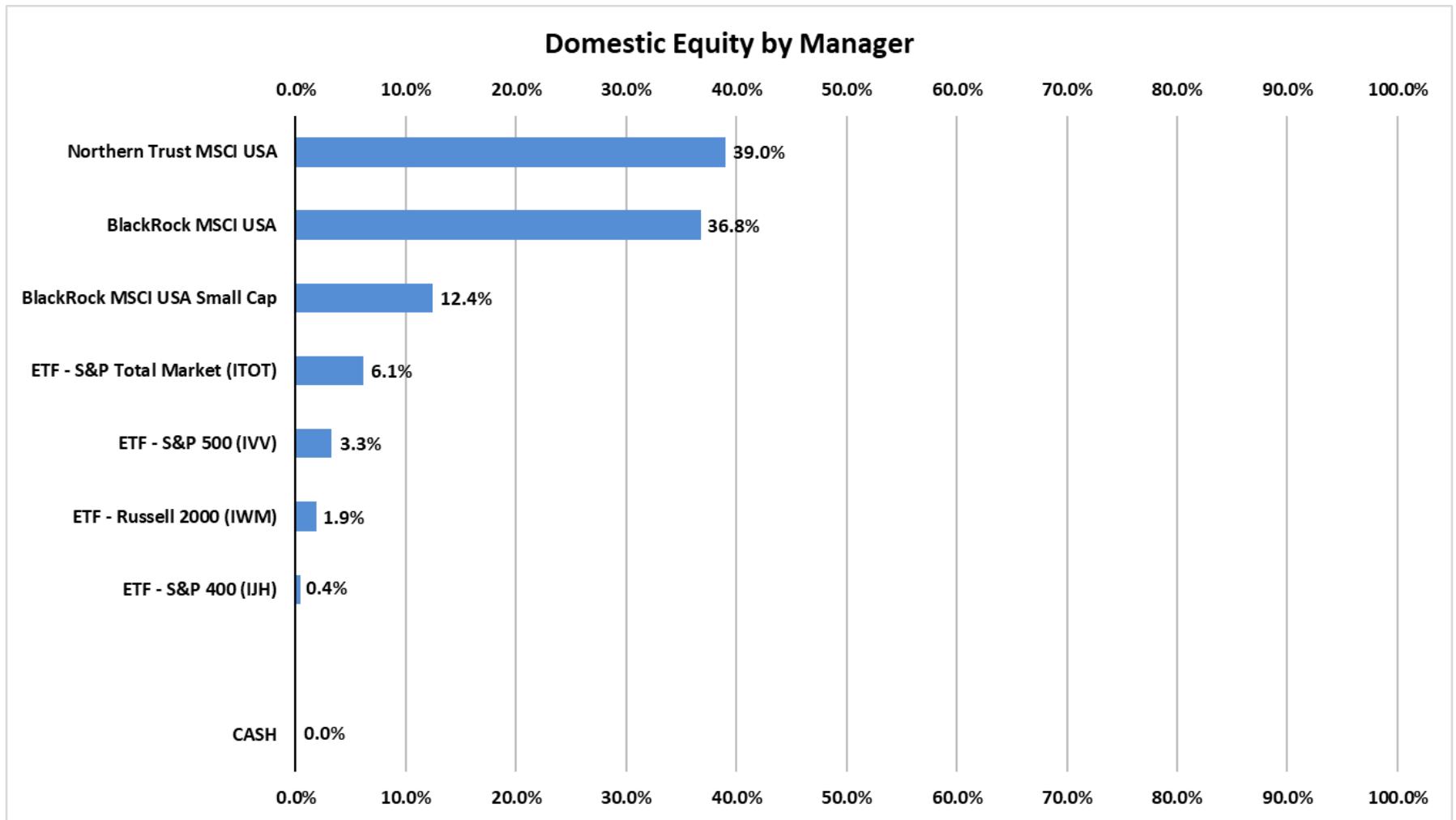
Non-Core Fixed Income Sector Weights



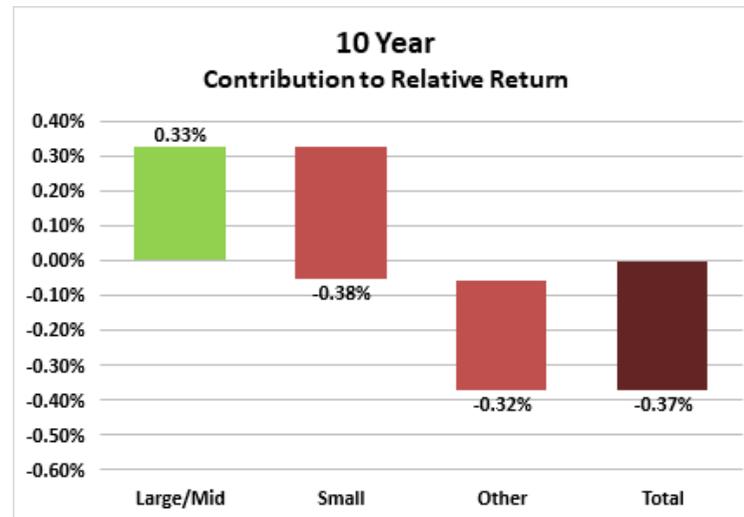
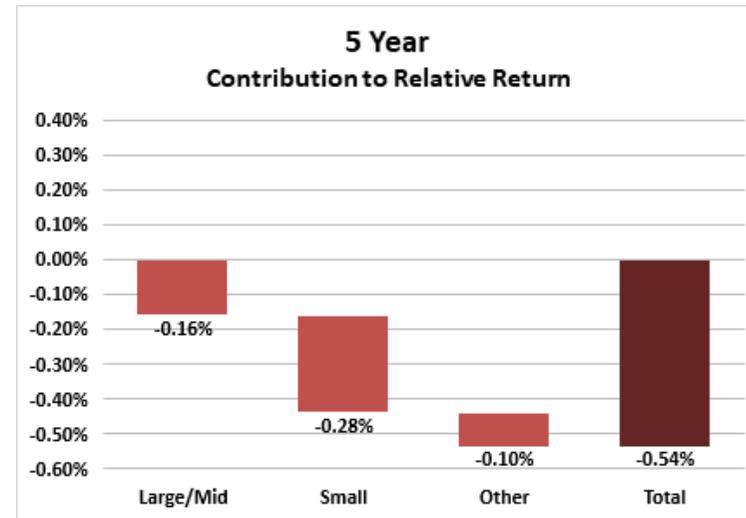
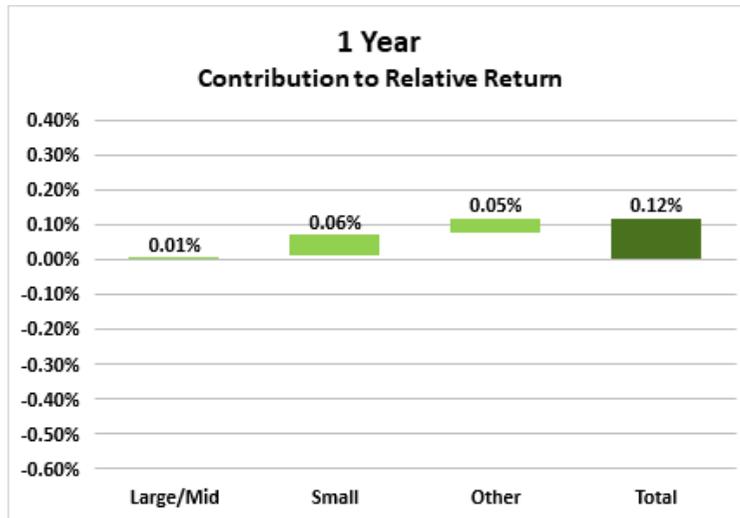
Non-Core Fixed Income Credit Quality



Domestic Equity Policy



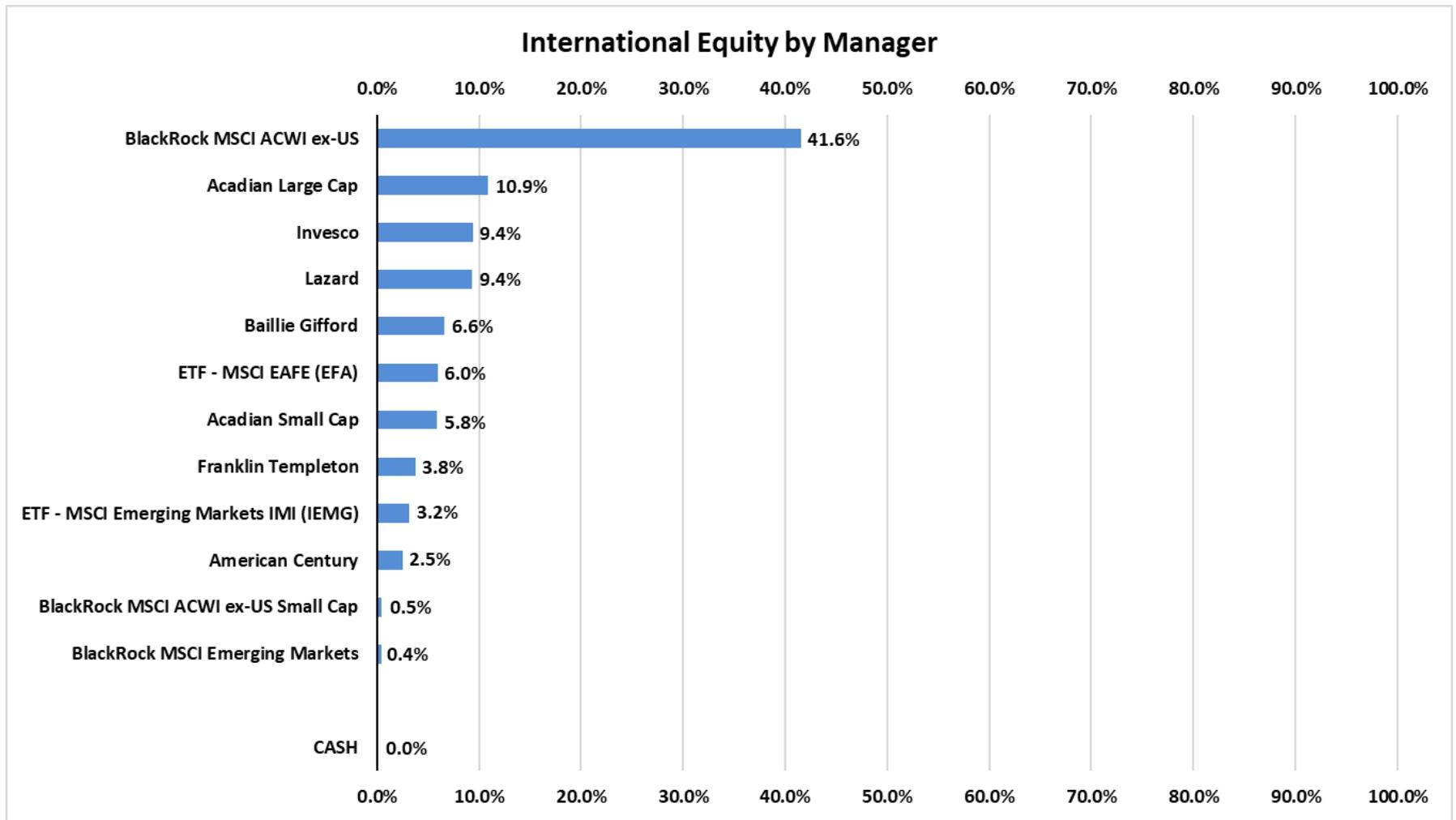
Domestic Equity Net Performance



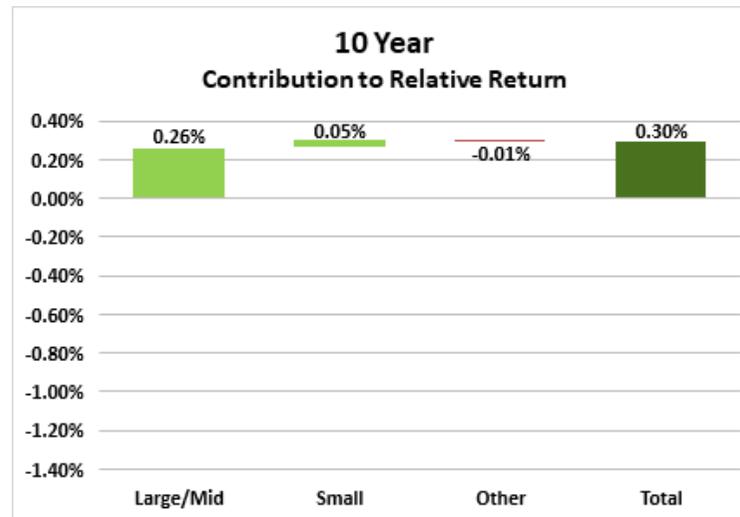
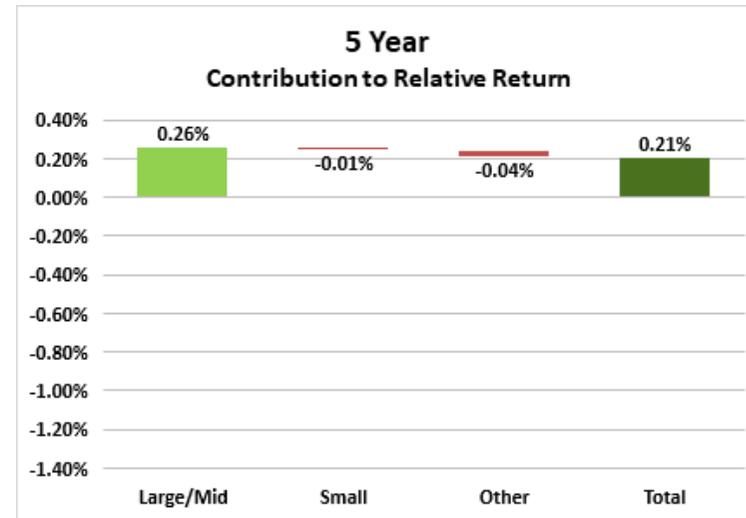
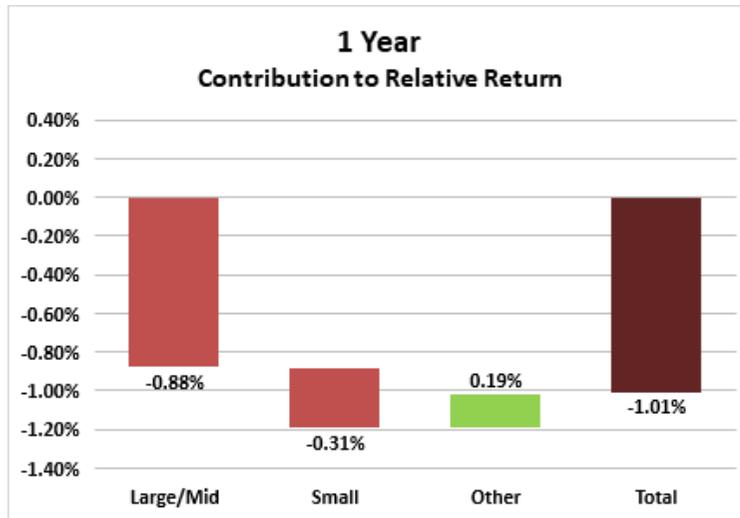
Benchmark: Domestic Equity – PAC Custom Blend

June 30, 2022

International Equity Policy

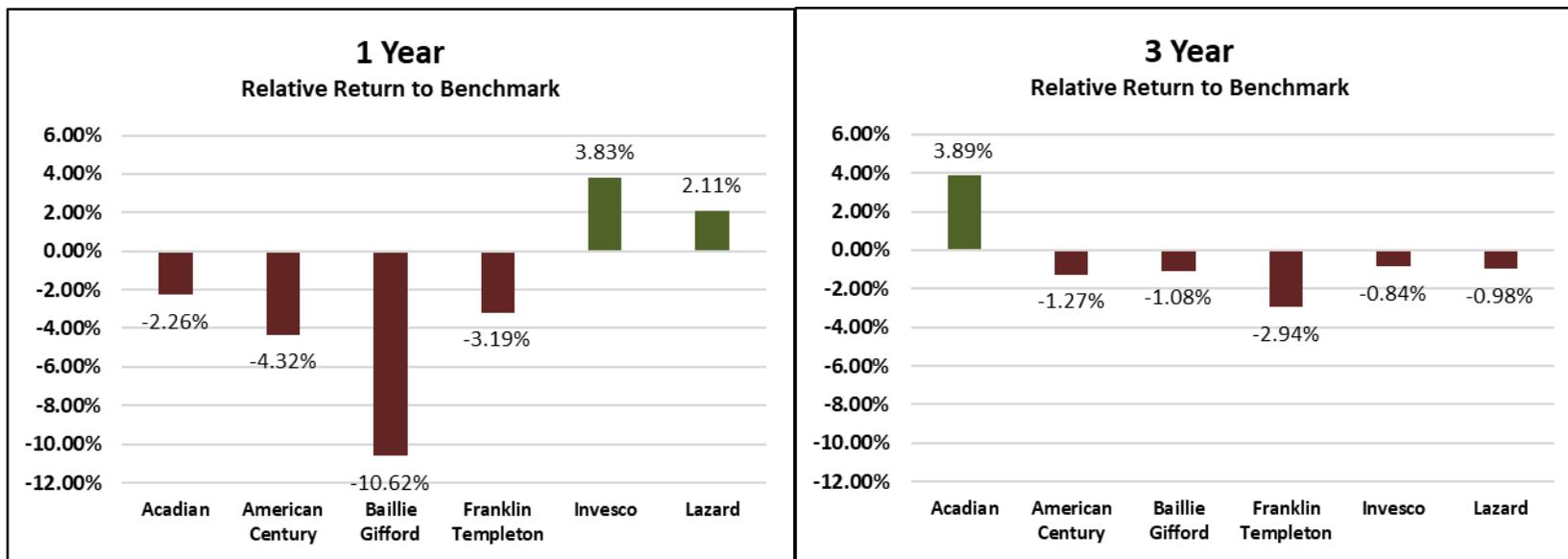


International Equity Net Performance

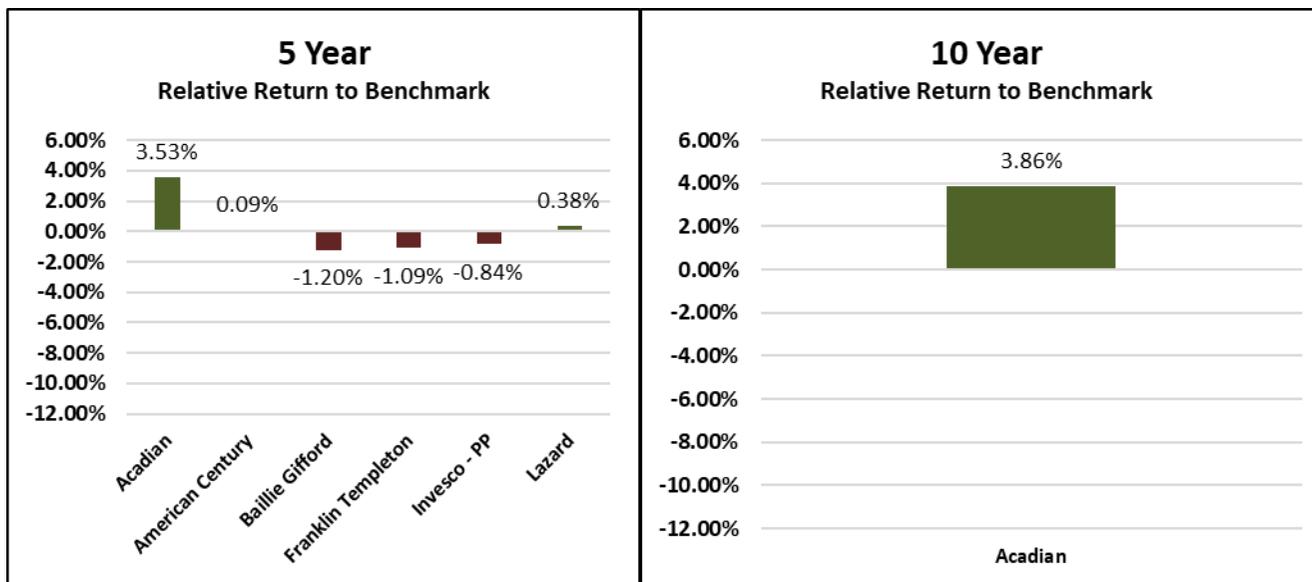


Benchmark: International Equity – PAC Custom Blend

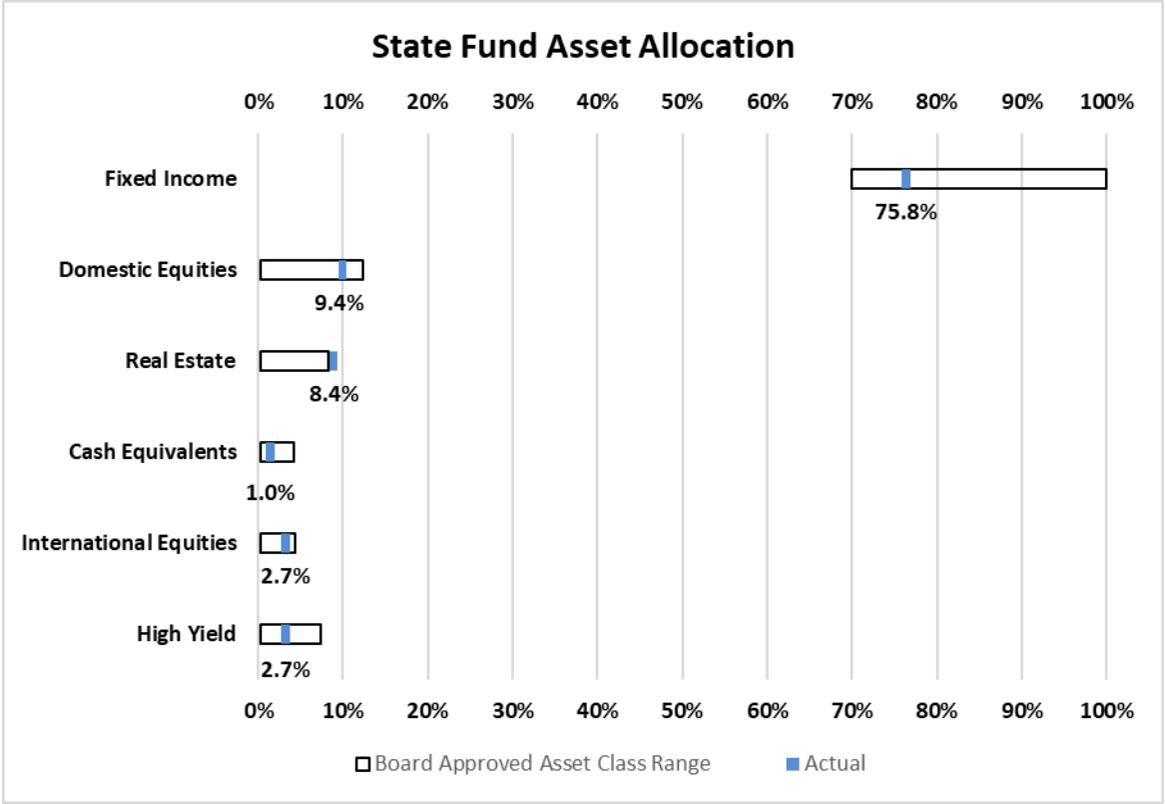
International Equity – Active Managers Net Performance



International Equity – Active Managers Net Performance

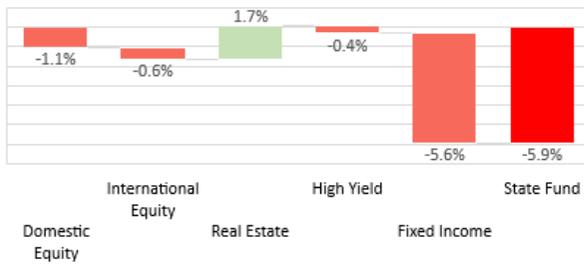


State Fund Policy



State Fund Investment Pool Performance

**1 Year
Contribution to Total Return**



**5 Year
Contribution to Total Return**

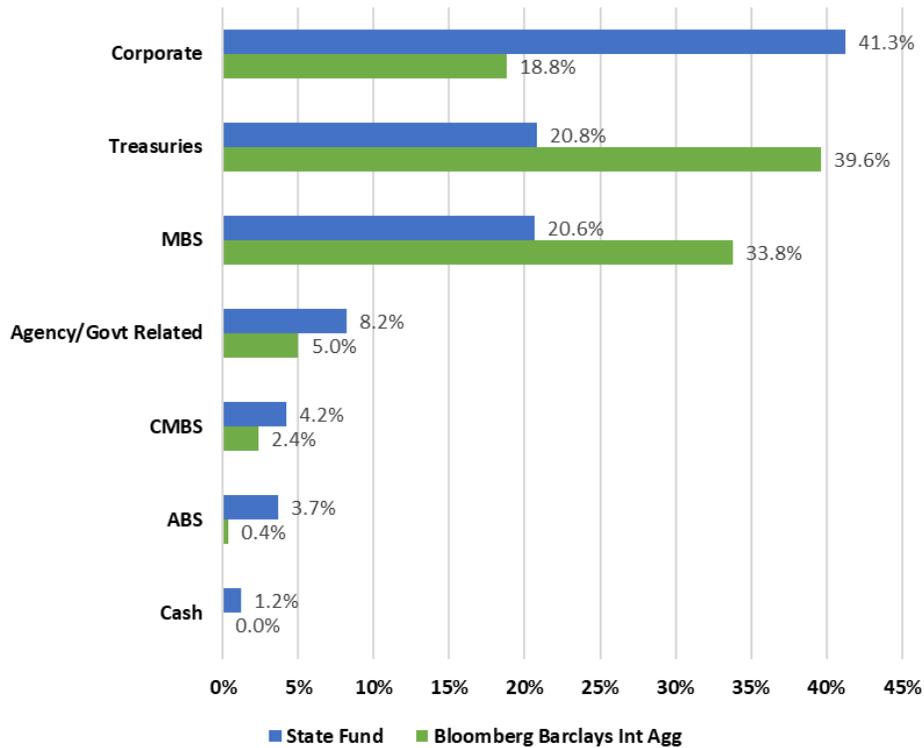


**10 Year
Contribution to Total Return**

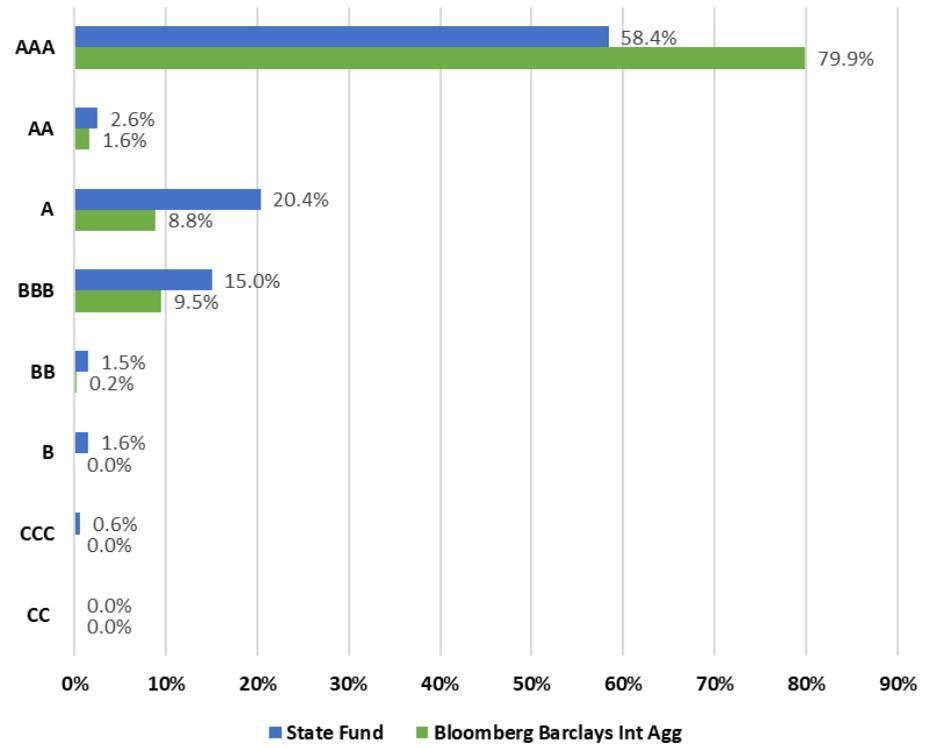


State Fund Investment Pool Characteristics

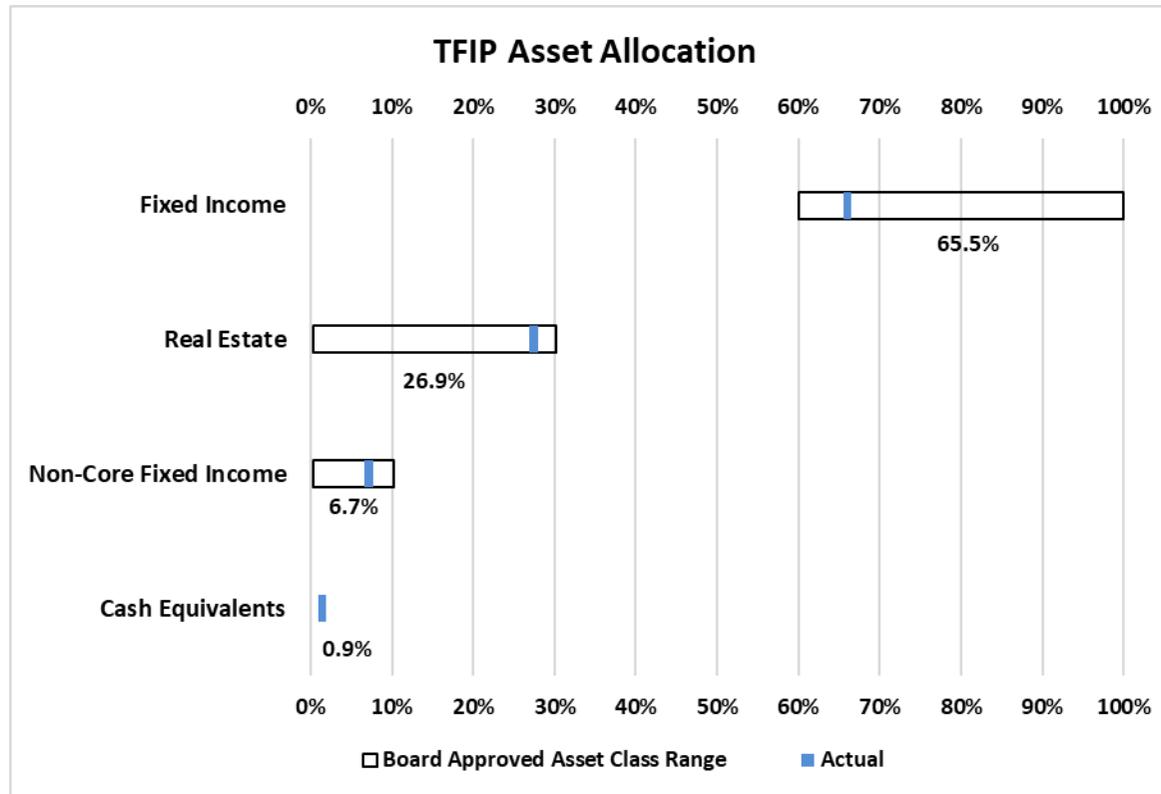
State Fund Bond Portfolio Sector Weights



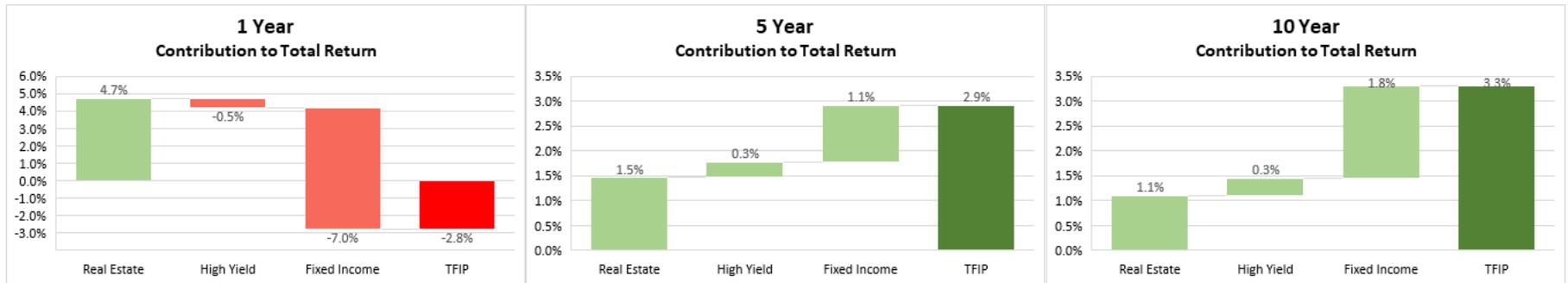
State Fund Bond Portfolio Credit Quality



Trust Funds Investment Pool Policy

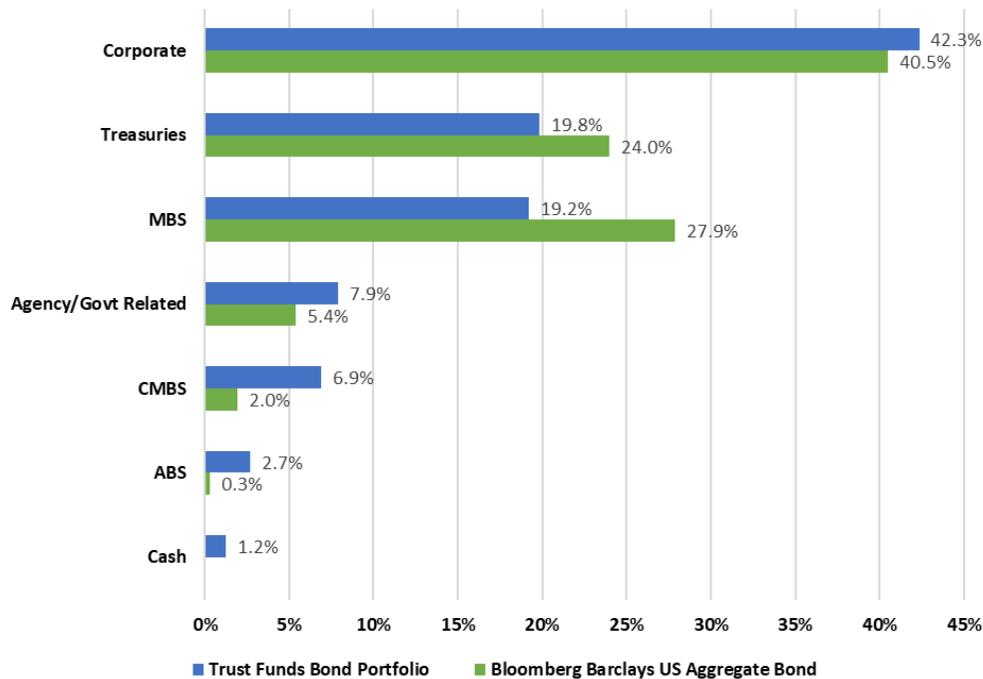


Trust Funds Investment Pool Performance

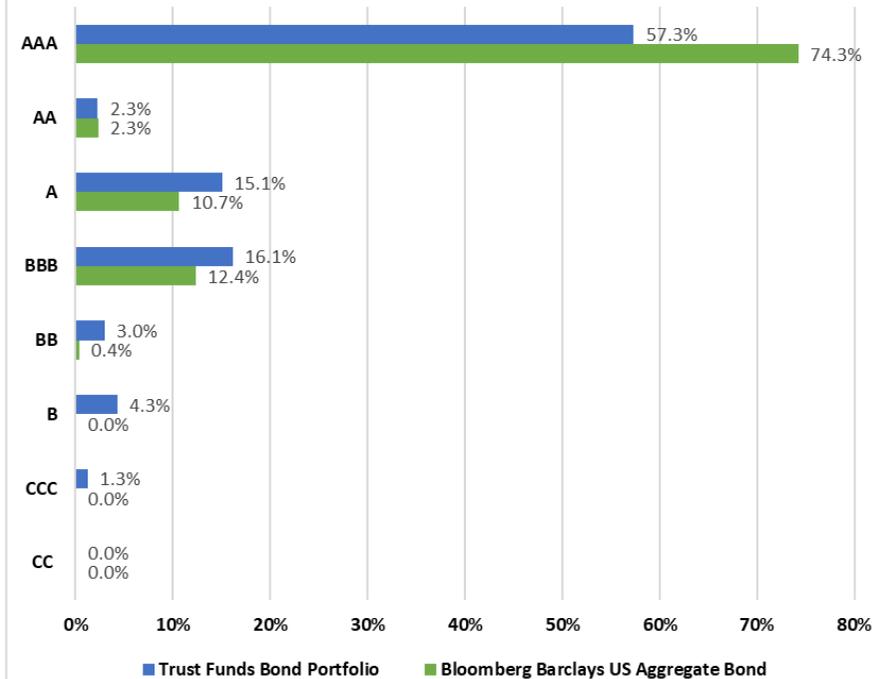


Trust Funds Investment Pool Characteristics

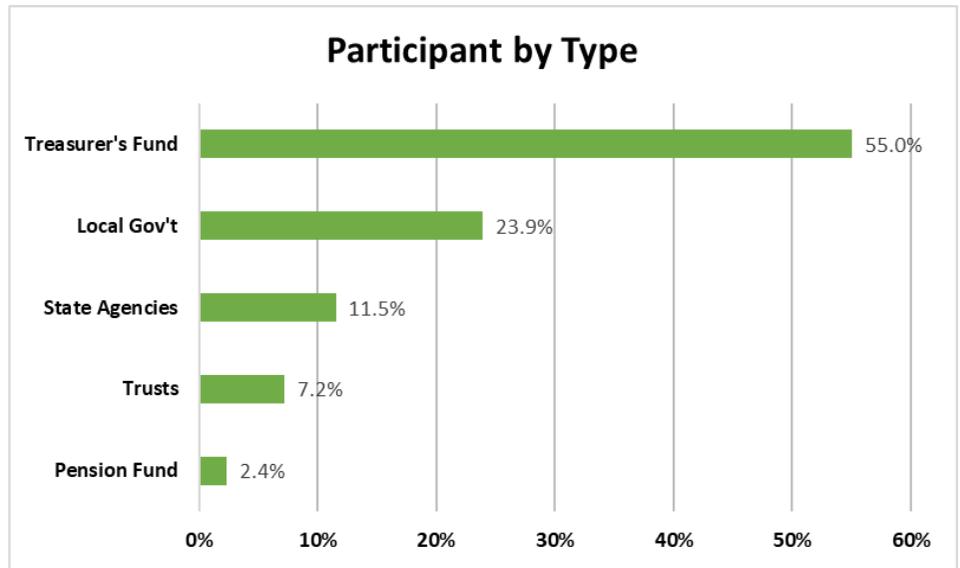
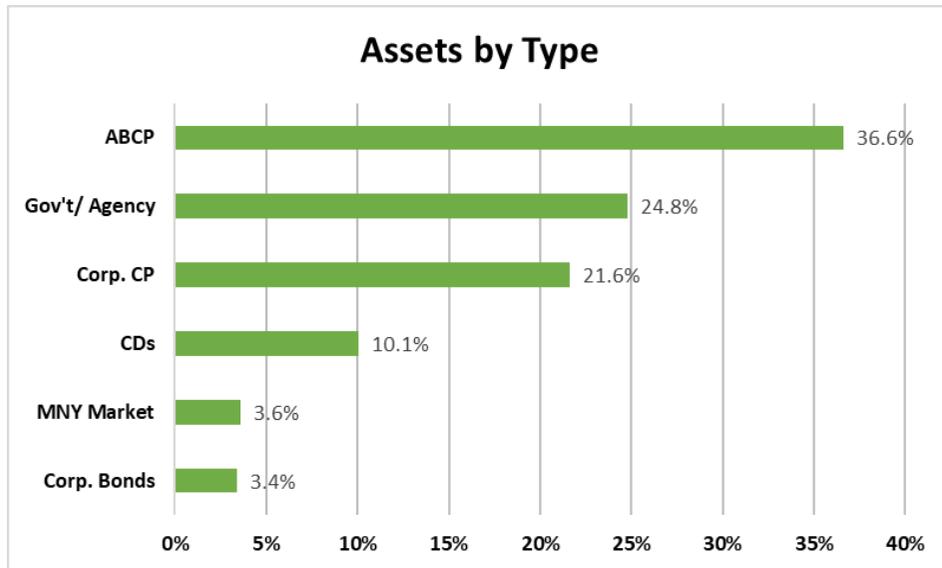
**Trust Funds Bond Portfolio
Sector Weights**



**Trust Funds Bond Portfolio
Credit Quality**



Short Term Investment Pool Characteristics



CORE FIXED INCOME ASSET CLASS REVIEW

Presented by: John Romasko, CFA, Kirsten Haswell, John
Carpenter, CPA, and Kelsey Gauthier, CPA

Date: August 4, 2022

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- Terminology
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- Client Assets
- Trust Fund Investment Pool (TFIP)
- Short Term Investment Pool (STIP)
- State Fund Investment Portfolio

Fixed Income Management

- Investment Philosophy
- Fixed Income Resources
- Costs
- Competitive Advantage
- Demonstration

Fixed Income Basics

What is “Fixed Income”?

- A contractual obligation to pay principal and interest over time.
- Bonds are issued by government or corporate entities.
- Obligations represent a claim on assets that is senior to equity.
- Coupons are contractually driven and may be fixed or floating rate.
- Maturities are predefined and generally range from 1 day to 30 years.

Fixed Income Basics

Fixed Income Terminology

- Principal – The initial size of a bond or investment.
- Coupon – The interest rate paid on a bond. This can be either fixed rate or floating rate. A floating interest rate is typically tied to a benchmark such as U.S. T-Bills. Payments can be monthly, semi-annual, or annual.
- Maturity – The agreed date that the full amount of the bond or investment must be paid back to the lender plus interest.
- Interest – The amount that must be paid to compensate the lender/investor for the use of funds.
- Sector – An area of the economy in which businesses share the same or related products or services, an economic sector. Alternatively, a group of securities that exhibit similar characteristics, an asset type sector.

Fixed Income Basics

Fixed Income Terminology

- Ratings – An assessment of the creditworthiness of a borrower. Bond ratings from NRSROs between AAA and BBB- are investment grade. BB and below are below investment grade/high yield.
- Average Credit Quality – The average credit rating for each bond in the portfolio adjusted for its relative weight in the portfolio.
- Duration – A measure of a bond or portfolio's sensitivity to changes in interest rates. As duration increases, the bond or portfolio's sensitivity to interest rates increases.
- Weighted Average Maturity or Life – Measures of how quickly the outstanding principal will be repaid. The higher the number the longer it is expected to take for the debt to be paid.

Fixed Income Basics

Fixed Income Terminology

- Yield to Maturity (YTM) – The total return anticipated on a bond or portfolio if it is held until maturity and all coupon payments are reinvested at the YTM.
- Yield Curve – A curve that plots the prevailing interest rate for bonds at different maturities.
- Spread – A measurement of the difference in yield between a non-Treasury bond and a U.S. Treasury bond. The U.S. Treasury is considered the risk-free alternative. A higher spread represents greater uncertainty of repayment.
- Inflation – The rate at which the general level of prices for goods and services is increasing. As inflation increases, the purchasing power of money falls.

Fixed Income Basics

Objectives of Fixed Income

- Total Return = Income + Change in Market Value
 - Income is primarily generated from coupon payments paid at regular intervals
 - Market value is driven by movements in yields (U.S. Treasury rates and spreads)
- Diversification
 - Fixed income provides a different risk profile to the portfolio than other asset classes
 - More likely to preserve principal in a stressed market environment
- Liquidity
 - Ability to raise cash in times of extreme market stress
 - Varying degrees of liquidity for different types of bonds

Fixed Income Basics

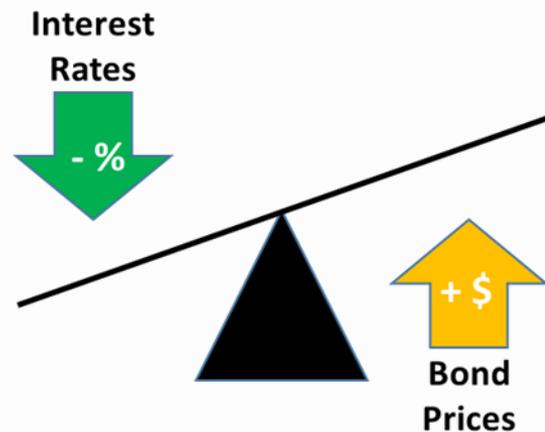
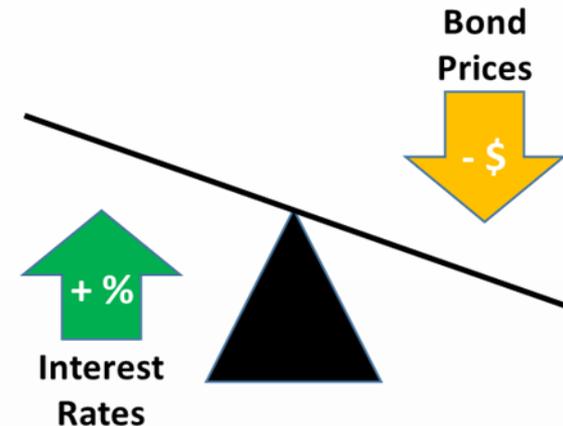
Primary Fixed Income Risk Factors

- Interest Rates are composed of the following:
 - Real Risk-Free Rate – Compensation above inflation that a lender demands of an investment with zero risk. Changes with the preference to lend or spend.
 - Inflation Risk – Inflation can erode the purchasing power of cash flows received over the life of a bond.
 - Maturity Risk – All else being equal, the longer the maturity the greater the sensitivity to interest rate changes.
 - Default Risk – Borrower may have less ability or willingness to meet their contractual obligations and may default.
 - Liquidity Risk – Most bonds are traded over the counter (OTC). May not be a willing buyer/seller. Pricing may be opaque. In times of market stress, liquidity may be reduced.

Fixed Income Basics

Interest Rate Sensitivity

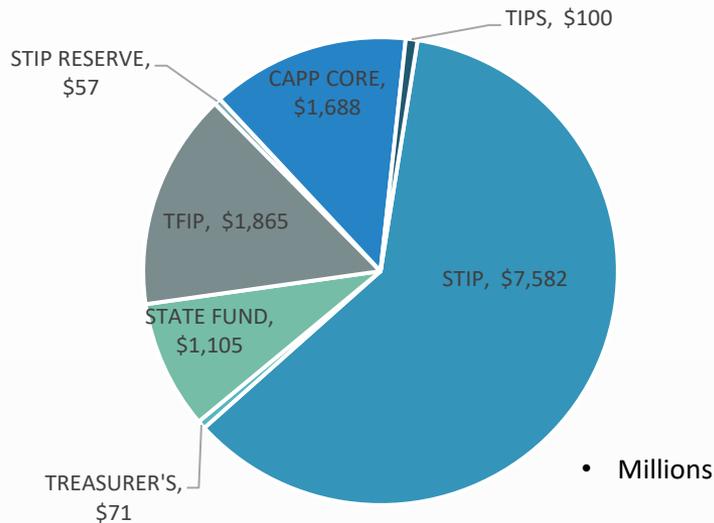
- When interest rates rise: the value of outstanding bonds falls because the income they pay is less than what investors could receive on a new bond with similar characteristics.
- When interest rates fall: the value of outstanding bonds rises because the income they pay is more than what investors could receive on a new bond with similar characteristics.



Fixed Income Basics

Core Internal Fixed Income Portfolios

- \$12.5 Billion as of 06/30/2022



| Year Ended 06/30/22 PORTFOLIO | Transactions | |
|----------------------------------|--------------------------|-------------|
| | \$ | # |
| STIP | \$ 50,769,592,000 | 1518 |
| TREASURER'S FUND | \$ 75,000,000 | 15 |
| STATE FUND | \$ 494,595,000 | 81 |
| TFIP | \$ 525,323,000 | 75 |
| STIP RESERVE | \$ 78,000,000 | 30 |
| CAPP CORE | \$ 693,072,000 | 92 |
| TIPS | \$ 45,000,000 | 6 |
| TOTAL | \$ 52,680,582,000 | 1817 |

Non-Pension Clients

Assets Under Management 06/30/2022

| Name | AUM Millions | Name | AUM Millions |
|---------------------------------|--------------|-----------------------------------|--------------|
| Trust Funds - Permanent | | East Helena Compensation Fund | \$ 3.9 |
| Coal Severance Tax Trust Fund | \$ 1,179.1 | Flying J CECRA Facilities Fund | \$ 2.6 |
| Coal Tax Park Trust Fund | \$ 30.3 | Libby Asbestos Site State Cost | \$ 5.0 |
| Cultural Trust Fund | \$ 16.2 | Luttrell Pit - Oper & Maint | \$ 2.3 |
| Endowment For Children | \$ 1.4 | Montana Pole Superfund Site | \$ 23.0 |
| FWP Mitigation Trust Fund | \$ 10.8 | Smelter Hill Uplands Restoration | \$ 9.0 |
| Harold Hamm Endowment | \$ 0.1 | Streamside Tailings Operable | \$ 17.2 |
| Historical Society Trust Funds | \$ 4.1 | Upper Blackfoot Resp Action and | \$ 1.2 |
| Invasive Species Trust Fund | \$ 2.7 | Upper Clark Fork River Basin | \$ 21.8 |
| Noxious Weed Management Trust | \$ 10.8 | Upper Clark Fork River Basin Rest | \$ 71.5 |
| Older Montanans Trust Fund | \$ 0.3 | Yellowstone Pipeline Cleanup Fd | \$ 6.5 |
| Potter Trust Fund | \$ 0.2 | Zortman/Landusky Long Term | \$ 15.7 |
| Public School Trust | \$ 834.9 | Zortman/Landusky LT Trust | \$ 20.4 |
| Real Property Trust Fund | \$ 7.3 | Insurance Funds | |
| Resource Indemnity Trust Fund | \$ 111.3 | State Employee Group Benefits | \$ 127.0 |
| Tobacco Trust Fund | \$ 297.0 | Subsequent Injury Trust Fund | \$ 0.9 |
| Wildlife Habitat Trust Fund | \$ 15.9 | MUS Group Insurance | \$ 90.5 |
| Trust Funds - Expendable | | MUS Workers Compensation | \$ 15.6 |
| Abandoned Mine Land Reclamation | \$ 6.7 | Montana State Fund | \$ 1,454.7 |
| Barker Hughesville St Reponse | \$ 9.0 | Operating Funds | |
| Belt Water Treatment Plant Fund | \$ 26.6 | FWP General License Account | \$ 68.8 |
| Butte Area One Restoration Fund | \$ 6.5 | Montana State University - | \$ 181.4 |
| Butte Area Redevelopment Trust | \$ 13.9 | Montana Tech | \$ 8.3 |
| Clark Fork Restoration Fund | \$ 28.1 | State Treasurer's Fund | \$ 4,339.3 |
| Clark Fork Site Response Action | \$ 59.2 | University Of Montana - Missoula | \$ 89.3 |
| E Helena Greenway Trail Fund | \$ 1.0 | | |

Non-Pension Clients

Policy and Portfolio Construction

- Develop portfolio objectives and constraints in consultation with clients and investment staff
- Choose an appropriate benchmark and define the investment guidelines
- Construct portfolio based on guidelines
 - Duration based on interest rate and economic outlook versus market
 - Relative value between sectors / securities
- Monitor portfolio
 - Regular review of portfolio characteristics relative to the benchmark
 - Continual evaluation of current securities and potential opportunities
 - Regular meetings to discuss news, market events, portfolio structure, relative value, and market color

Non-Pension Clients

Policy and Portfolio Construction

- All team members participate in portfolio management
- Continual search for efficiency improvements
 - Electronic trading
 - Systematic credit research process
 - Bloomberg data

Non-Pension Clients

Types of Investments and Why We Use Them

- Short Term Investment Pool (STIP)
 - Similar to a short-term money market fund
 - Provides liquidity
 - Modest increase in yield
 - Default fund to all investments not otherwise allocated
- Trust Funds Investment Pool (TFIP)
 - Diversify investments
 - Increase yield
 - Enhance Total Return
- Individual Securities
 - Special circumstances

Non-Pension Clients

Trust Funds Investment Pool Objectives

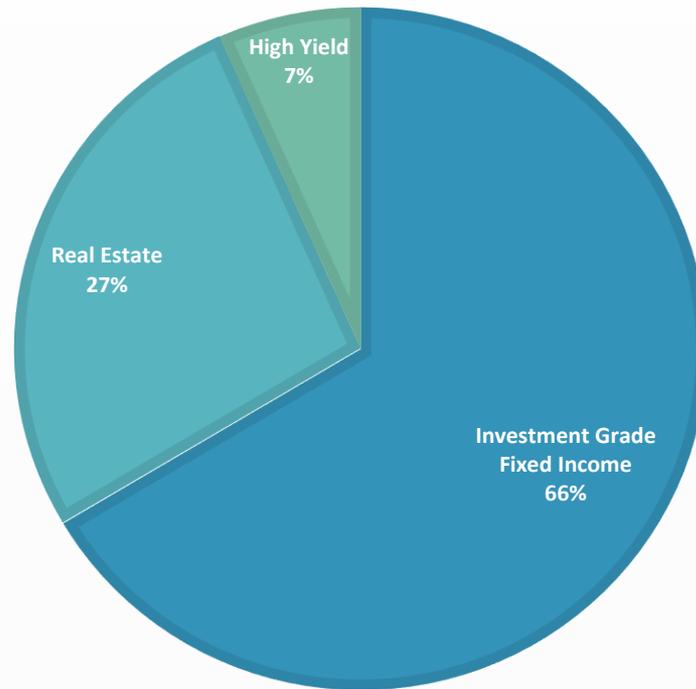
- Strategic Objective
 - Provide a diversified investment vehicle for participants that offers a return that assists in supporting client missions
- Investment Objectives
 - Provide investment income by assuming a prudent amount of risk
 - Preserve principal by diversifying the portfolio across risk factors

Non-Pension Clients

Trust Funds Investment Pool Characteristics 06/30/2022

- Total market value: \$2.83B

TFIP ASSET ALLOCATION



Non-Pension Clients

TFIP Participant Distributions

- Cash distributed is an important factor to Separate Accounts
- Distributions have been pressured downward with the secular decline in interest rates over the last 30+ years
- Based on current market rates, distribution yields stabilize.



Non-Pension Clients

Short Term Investment Pool Objectives

- STIP has three clearly defined objectives in order of importance:
 - Preservation of principal
 - Liquidity
 - Return

Non-Pension Clients

Short Term Investment Pool Characteristics 06/30/2022

- All securities in STIP are highly rated
- STIP is diversified over asset classes
- Weighted Average Life 77 days, Duration 0.18 years
- 1 Day Liquidity 12.9%, over \$1 billion
- Government/Agency allocation 24.1%, over \$1.8 billion
- Yield continuing to increase significantly

Non-Pension Clients

State Fund Investment Portfolio Objectives

- Strategic Objective
 - Attain returns that assist MSF in meeting liabilities as well as maintaining stable, cost-effective rates for workers' compensation insurance
- Primary Investment Objectives
 - Provide investment income by assuming a prudent amount of risk
 - Preserve principal by diversifying the portfolio across risk factors
- Secondary Investment Objectives
 - Long-term capital appreciation in excess of inflation

Fixed Income Management

Costs

- Costs are low relative to other methods of gaining exposure
 - Internal (Pension funds): 1.1 bps, average AUM of \$2.43B
 - Cost per the 2019 CEM Benchmark study
 - iShares IG Corporate Bond ETF (LQD): 14 bps, AUM \$41.1B
 - SPDR BB/Barclays Aggregate ETF (SPAB): 4 bps, AUM \$5.5B
 - External Manager IG Core Fixed Income: Median of 26 bps
 - Cost for \$100M separately managed account according to eVestment database per RVK

Fixed Income Management

Fixed Income Resources

- Fixed Income Team (John, Kirsten, John, Kelsey)
- Portfolio Analytics Systems
 - Bloomberg PORT+
- External Managers – a sounding board
- Operations, Accounting, & Risk Management

Fixed Income Management

Fixed Income Resources

- Trading Capabilities
 - Bloomberg AIM system
 - Bloomberg E-Trading (Treasuries/Agencies)
 - MarketAxess

- External Credit Research
 - CreditSights
 - S&P Capital IQ / Ratings Direct
 - Bloomberg
 - Brokerage contacts

Fixed Income Management

Competitive Advantage

- Experience - Extensive history of internally managing IG bonds. Experienced investment, operations, and accounting staff.
- Well-Defined Investment Process – Provides a stable, repeatable framework that applies to all investment accounts.
- Low-cost structure – Large asset base creates economies of scale.
- Control – Ability to tailor the characteristics of portfolios to meet the specific needs and risk tolerance of accounts.
- Solid long-term performance across portfolios vs. benchmarks.
- Internal Fixed Income Asset Management is a **Core Competency** of MBOI.

Fixed Income Management

Bloomberg/MarketAxess/Internal Tools

- Macroeconomic information
 - Yield Curve, Federal Reserve, Interest Rate Probability, Inflation, Spreads, Market Volume
- Benchmark comparison and analysis
 - Bloomberg Portfolio and Risk Analytics (PORT)
- Company financial analysis
 - Internal credit matrix, Bloomberg Financial Analysis, CreditSights
- Individual bond analysis
 - New Issue Monitor, Bond Description, Current and Historical Pricing, Credit Curve
- Trading platforms
 - Bloomberg AIM, Bloomberg E-trading, MarketAxess
- Demonstration of capabilities

MONTANA

BOARD OF INVESTMENTS

To: Board of Directors
From: Doug Hill-Director In-State Loan Programs
Date: August 3, 2022
Subject: Commercial and Residential Loan Portfolios

The Participation Loan Program reflected an outstanding balance, as of July 1, 2022, of \$100,440,589 and represents 44 loans with a yield of 2.52%. There are currently six loan reservations that total \$18,807,333 and four loans committed that total \$24,531,500. There are no past due loans.

The Infrastructure Loan Program reflected an outstanding balance, as of July 1, 2022, of \$11,084,809 and represents eight loans with a yield of 4.07%. There is one loan reservation for \$2,733,224. There are no past due loans.

The Intermediary Relending Program reflected an outstanding balance, as of July 1, 2022, of \$4,947,175 and represents 39 loans with a yield of 2.00%. There is one loan committed for \$500,000. There are no past due loans.

The Science and Tech portfolio reflected an outstanding balance, as of July 1, 2022, of \$7,808,734 and represents three loans with a yield of 2.76%. There are no past due loans.

The Montana Facility Finance Authority portfolio reflected an outstanding balance, as of July 1, 2022, of \$12,656,679 and represents 15 loans with a yield of 2.56%. There are currently two loan reservations that total \$1,482,592. There are no past due loans.

The Veterans Home Loan Mortgage portfolio reflected an outstanding balance, as of June 22, 2022, of \$47,905,431 and represents 273 loans with a yield of 1.66%. There are four reservations totaling \$987,669 with a projected yield of 3.06%. There are five loans over 90 days past due totaling \$935,401, or 1.95% of the portfolio. The remaining available funds is \$1,106,900.

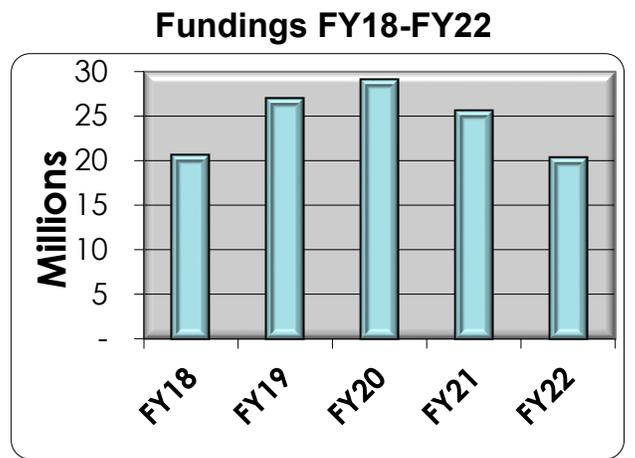
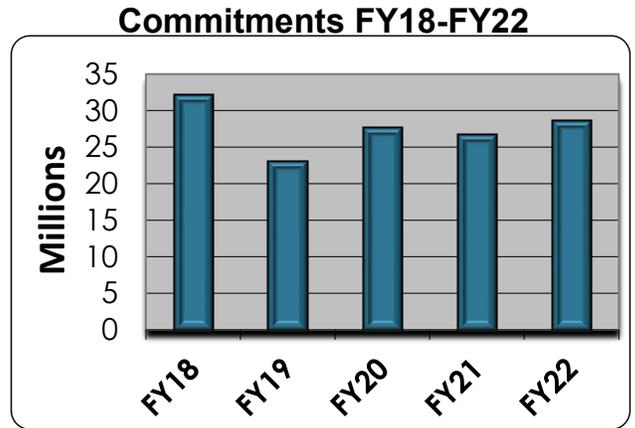
The Multifamily Coal Trust Homes Program reflected an outstanding balance, as of June 22, 2022, of \$5,786,765 and represents five loans with a yield of 2.60%. There are three reservations totaling \$9,155,486 with a projected yield of 2.46%. There are no past due loans. The remaining available funds is \$57,749.

The Residential loan portfolio reflected an outstanding balance, as of June 22, 2022, of \$1,800,461 and represents 52 loans with a yield of 6.28%. There are no outstanding reservations. There is one loan past due over 90 days.

The Montana Down Payment Assistance Program reflected an outstanding balance, as of July 1, 2022, of \$1,011,500 and represents five loans. There are currently 28 loan reservations that total \$21,813,302 and 23 loans committed that total \$14,570,251.

| | | | |
|--------------------------|------------|---------------------|------------|
| Bond Series 2022: | | Loans: | |
| Outstanding | 68,706,869 | Outstanding | 69,203,350 |
| Available for Drawdown | 51,293,131 | Pending Commitments | 26,618,415 |
| Total Committed | | 682,545,995 | |
| Total Funded | | 655,927,580 | |

| FY2022 | | |
|----------------|-------------------|-------------------|
| Month | Commitments | Fundings |
| July-21 | 33,390 | 1,815,374 |
| August | 8,116,340 | 300,927 |
| September | 480,000 | 861,242 |
| October | 250,000 | 1,627,988 |
| November | 4,954,072 | 2,067,150 |
| December | 702,087 | 1,201,519 |
| January | 998,134 | 810,000 |
| February | 1,075,000 | 2,333,162 |
| March | 818,736 | 5,918,674 |
| April | 3,500,000 | 1,077,173 |
| May | 6,874,377 | 1,257,757 |
| June-22 | 780,000 | 1,087,657 |
| To Date | 28,582,136 | 20,358,623 |



Note: Commitments include withdrawn and expired loans.

Variable Loan Rate History February 16, 2015 - February 15, 2023

| | | | |
|---------------------------------------|--------------|---------------------------------------|----------------|
| 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, 2021 - February 15, 2022 | <u>1.65%</u> |
| February 16, 2018 - February 15, 2019 | <u>3.15%</u> | February 16, 2022 - February 15, 2023 | <u>1.55%**</u> |

*BOI decreased interest rates for INTERCAP loans to 1.00% until August 15, 2020 in response to the COVID-19 pandemic.
 **1.50% for borrowers set up with Autopay.

MONTANA

BOARD OF INVESTMENTS

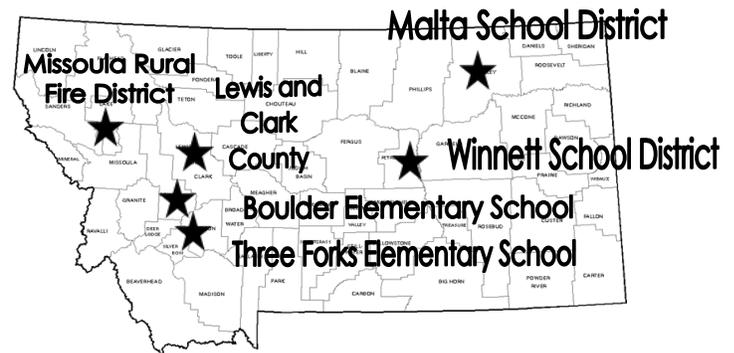
INTERCAP

TO: Members of the Board

FROM: Louise Welsh,
Sr. Bond Program Officer

DATE: August 3, 2022

RE: INTERCAP Staff Approved Loans Committed – Staff approved the following loans from April 1, 2022, to June 30, 2022.



| | |
|------------------------|---------------------------|
| Borrower: | Boulder Elementary School |
| Purpose: | Air handler unit |
| Staff Approval Date: | April 7, 2022 |
| Board Loan Amount: | \$ 300,000 |
| Other Funding Sources: | \$ 30,000 |
| Total Project Cost: | \$ 330,000 |
| Term: | 15 years |

| | |
|------------------------|---|
| Borrower: | Three Forks Elementary School |
| Purpose: | Construction and improvements educational space |
| Staff Approval Date: | May 5, 2022 |
| Board Loan Amount: | \$ 895,000 |
| Other Funding Sources: | \$ 9,105,000 |
| Total Project Cost: | \$10,000,000 |
| Term: | 7 years |

| | |
|------------------------|-------------------------------|
| Borrower: | Lewis and Clark County |
| Purpose: | Lincoln RID road improvements |
| Staff Approval Date: | May 17, 2022 |
| Board Loan Amount: | \$ 74,970 |
| Other Funding Sources: | \$ 135,000 |
| Total Project Cost: | \$ 209,970 |
| Term: | 7 years |

| | |
|------------------------|--------------------------------|
| Borrower: | Lewis and Clark County |
| Purpose: | Lambkins RID road improvements |
| Staff Approval Date: | May 17, 2022 |
| Board Loan Amount: | \$ 40,326 |
| Other Funding Sources: | \$ 21,087 |
| Total Project Cost: | \$ 61,413 |
| Term: | 7 years |

| | |
|------------------------|-------------------------------|
| Borrower: | Lewis and Clark County |
| Purpose: | Augusta RID road improvements |
| Staff Approval Date: | May 20, 2022 |
| Board Loan Amount: | \$ 28,081 |
| Other Funding Sources: | \$ 94,000 |
| Total Project Cost: | \$ 122,081 |
| Term: | 7 years |

| | |
|------------------------|--|
| Borrower: | Missoula Rural Fire District |
| Purpose: | Purchase type 1 and type 3 fire engine |
| Staff Approval Date: | May 20, 2022 |
| Board Loan Amount: | \$ 691,000 |
| Other Funding Sources: | \$ 225,000 |
| Total Project Cost: | \$ 916,000 |
| Term: | 10 years |

| | |
|------------------------|-------------------------|
| Borrower: | Winnett School District |
| Purpose: | Purchase vehicle |
| Staff Approval Date: | May 23, 2022 |
| Board Loan Amount: | \$ 45,000 |
| Other Funding Sources: | \$ 20,000 |
| Total Project Cost: | \$ 65,000 |
| Term: | 7 years |

| | |
|------------------------|-----------------------------|
| Borrower: | Malta School District |
| Purpose: | Bus/Transportation facility |
| Staff Approval Date: | June 15, 2022 |
| Board Loan Amount: | \$ 780,000 |
| Other Funding Sources: | \$ 0 |
| Total Project Cost: | \$ 780,000 |
| Term: | 15 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 3, 2022

RE: INTERCAP Loans – Annual Detail Report

Attached is the annual INTERCAP Loan Detail Report as of fiscal year end June 30, 2022 (FY22). 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 \$69,203,350 INTERCAP loans outstanding as of FY22 compared to \$72,066,150 in FY21, as follows:

| Borrower Type | FY22 | | FY21 | |
|----------------------------|---------------------|---------------------------------------|---------------------|---------------------------------------|
| | Number of Borrowers | % of Total INTERCAP Loans Outstanding | Number of Borrowers | % of Total INTERCAP Loans Outstanding |
| School District | 33 | 19.59% | 34 | 13.49% |
| City | 42 | 17.38% | 45 | 21.41% |
| County | 21 | 16.63% | 21 | 17.28% |
| State Agency | 4 | 15.44% | 4 | 15.09% |
| University | 1 | 13.01% | 1 | 13.74% |
| Fire District/Service Area | 26 | 12.56% | 28 | 12.00% |
| Other | 9 | 4.11% | 9 | 5.26% |
| Community College | 2 | 0.82% | 2 | 1.18% |
| Solid Waste District | 1 | 0.35% | 1 | 0.42% |
| Water/Sewer District | 4 | 0.11% | 5 | 0.13% |
| Total | 143 | 100.00% | 150 | 100.00% |

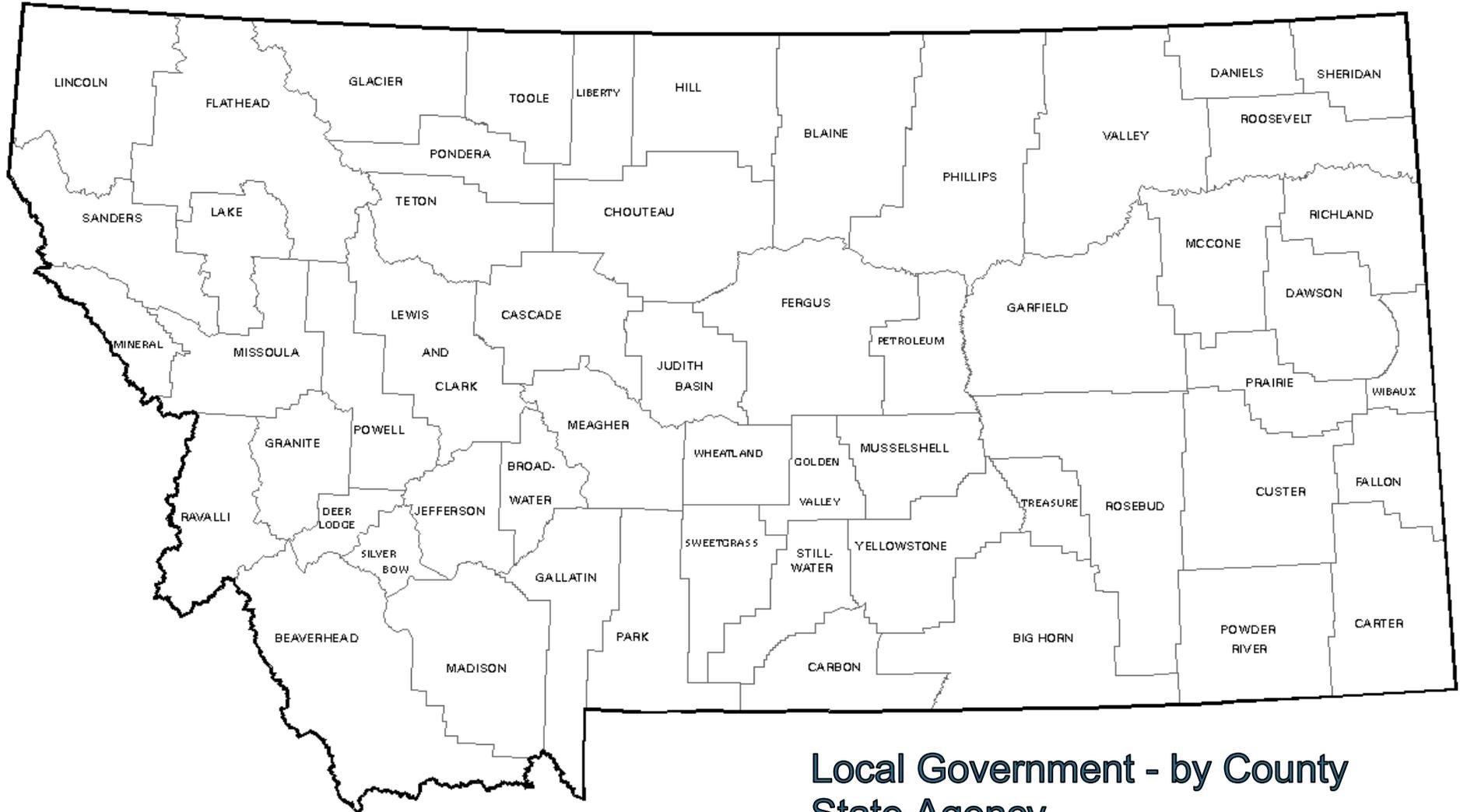
The entities with outstanding balances representing 5% or more of all INTERCAP loans outstanding in FY22 compared to FY21 are as follows:

| Borrower | FY22 | | FY21 | |
|--------------------------|-----------------------|---------------------------------------|-----------------------|---------------------------------------|
| | Principal Outstanding | % of Total INTERCAP Loans Outstanding | Principal Outstanding | % of Total INTERCAP Loans Outstanding |
| Montana State University | \$ 9,005,065 | 13.01% | \$ 9,899,428 | 13.74% |
| Transportation | \$ 5,414,929 | 7.82% | \$ 7,262,491 | 10.08% |

MONTANA

BOARD OF INVESTMENTS
INTERCAP

LOAN DETAIL REPORT – JUNE 30, 2022



Local Government - by County
State Agency
University

Local Government INTERCAP loans* - by County

As of June 30, 2022

*only loans that have remaining commitment and/or outstanding

| COUNTY | BORROWER | PROJECT | TERM | COMMIT DATE | COMMIT AMOUNT | FUND DATE | DRAWN | COMMIT REMAINING | Outstanding | MATURITY |
|-------------------------|----------------------------|---------------------------------------|------|-------------|------------------|-----------|------------------|------------------|------------------|----------|
| BEAVERHEAD | BEAVERHEAD COUNTY | Finance contract dispute settlement | 10 | 02/17/15 | 850,000 | 04/17/15 | 850,000 | - | 264,270 | 02/15/25 |
| BEAVERHEAD | BEAVERHEAD COUNTY HIGH SC | finance remaining construction and i | 5 | 07/01/19 | 550,000 | 06/05/20 | 550,000 | - | 392,145 | 08/15/25 |
| BEAVERHEAD | BEAVERHEAD COUNTY JACKSC | Grant writing expense | 6 | 06/28/17 | 6,000 | 08/18/17 | 6,000 | - | 1,584 | 08/15/23 |
| BEAVERHEAD | DILLON | Refinance 2009 GO bond for police | 13 | 05/24/16 | 1,319,526 | 07/15/16 | 1,319,526 | - | 514,586 | 06/15/29 |
| BEAVERHEAD Total | | | | | 2,725,526 | | 2,725,526 | - | 1,172,585 | |
| BIG HORN | BIG HORN COUNTY | new ambulance barn | 10 | 07/01/20 | 750,000 | | | 750,000 | - | |
| BIG HORN | HARDIN HIGH SCHOOL DISTRIC | repairing/upgrading Hardin Commur | 10 | 08/18/20 | 500,000 | 10/29/21 | 500,000 | - | 500,000 | 06/15/31 |
| BIG HORN | HARDIN ELEM SCHOOL DISTRIC | repairing/upgrading Hardin Commur | 10 | 08/18/20 | 1,000,000 | 10/29/21 | 1,000,000 | - | 1,000,000 | 06/15/31 |
| BIGHORN Total | | | | | 2,250,000 | | 1,500,000 | 750,000 | 1,500,000 | |
| BLAINE | HARLEM | Preliminary engineering report (PER | 3 | 06/20/19 | 125,000 | 09/06/19 | 79,795 | 45,205 | 79,795 | 08/15/22 |
| BLAINE Total | | | | | 125,000 | | 79,795 | 45,205 | 79,795 | |
| BROADWATER | BROADWATER COUNTY | canister site improvements/new solic | 10 | 03/11/20 | 86,816 | 08/28/20 | 49,700 | 37,116 | 42,967 | 08/15/30 |
| BROADWATER Total | | | | | 86,816 | | 49,700 | 37,116 | 42,967 | |
| CARBON | BRIDGER SCHOOL DISTRICT #2 | Energy retrofit/energy performance c | 15 | 12/30/13 | 116,960 | 01/24/14 | 116,960 | - | 48,644 | 02/15/29 |
| CARBON Total | | | | | 116,960 | | 116,960 | - | 48,644 | |
| CASCADE | BELT | Purchase home for Resident Sheriff | 10 | 01/15/21 | 160,000 | 02/26/21 | 160,000 | - | 145,606 | 02/15/31 |
| CASCADE | CASCADE COUNTY | RID Bob Marshall Place | 15 | 10/08/08 | 100,931 | 11/28/08 | 100,931 | - | 17,391 | 02/15/24 |
| CASCADE | CASCADE COUNTY | Repair and replace the copper roof e | 10 | 04/05/17 | 2,000,000 | 04/21/17 | 1,689,986 | - | 1,160,099 | 08/15/27 |
| CASCADE | CASCADE COUNTY | replace grandstand facility at county | 10 | 05/22/18 | 2,000,000 | 12/07/18 | 1,386,088 | - | 1,462,914 | 02/15/29 |
| CASCADE | GREAT FALLS | Stone Meadows Phase 2 street light | 15 | 04/30/15 | 58,000 | 07/31/15 | 58,000 | - | 25,697 | 08/15/30 |
| CASCADE | GREAT FALLS | Finance two new fire pumper | 10 | 11/06/15 | 796,859 | 12/11/15 | 796,859 | - | 296,461 | 02/15/26 |
| CASCADE | SUN PRAIRIE VILLAGE COUNTY | interim financing - wastewater syste | 2 | 02/11/20 | 1,335,000 | | | 1,335,000 | | |
| CASCADE | ULM FIRE SERVICE AREA | Construct fire station | 15 | 08/31/17 | 200,000 | 07/12/19 | 3,852 | - | 168,098 | 08/15/33 |
| CASCADE Total | | | | | 6,650,790 | | 4,195,716 | 1,335,000 | 3,276,265 | |
| CHOUTEAU | CHOUTEAU COUNTY | Rehabilitate County bridge. | 10 | 01/19/16 | 150,155 | 03/24/17 | 150,155 | - | 79,305 | 02/15/27 |
| CHOUTEAU | FORT BENTON | Utility Tractor & Sweeper | 5 | 12/13/21 | 24,000 | 05/20/22 | 24,000 | - | 24,000 | 08/15/27 |
| CHOUTEAU | FORT BENTON | Purchase Pumper Truck | 15 | 05/05/09 | 180,000 | 07/10/09 | 180,000 | - | 30,000 | 08/15/24 |
| CHOUTEAU | FORT BENTON | Finance asphalt grinder | 10 | 08/27/15 | 104,958 | 10/02/15 | 104,958 | - | 38,050 | 08/15/25 |
| CHOUTEAU | FORT BENTON SCHOOL DISTRIC | elementary school building's heating | 15 | 04/08/20 | 465,604 | 12/18/20 | 311,511 | - | 441,009 | 02/15/36 |
| CHOUTEAU | GERALDINE | Streets and sidewalk project | 10 | 11/14/12 | 30,000 | 01/04/13 | 30,000 | - | 3,122 | 02/15/23 |
| CHOUTEAU | MISSOURI RIVER MEDICAL CEN | Replace backup boiler | 7 | 03/03/17 | 81,727 | 04/07/17 | 40,864 | - | 25,207 | 02/15/24 |
| CHOUTEAU | MISSOURI RIVER MEDICAL CEN | Purchase a CT scanner | 7 | 10/24/16 | 330,000 | 11/23/16 | 82,500 | - | 97,906 | 02/15/24 |
| CHOTEAU Total | | | | | 1,366,444 | | 923,988 | - | 738,600 | |
| CUSTER | CUSTER COUNTY | finance purchase of motor grader | 7 | 11/15/18 | 200,000 | 02/08/19 | 200,000 | - | 112,587 | 08/15/25 |
| CUSTER | CUSTER COUNTY | Purchase Motor Grader | 7 | 01/19/21 | 200,000 | 04/23/21 | 200,000 | - | 186,478 | 08/15/28 |
| CUSTER | MILES CITY | Fire Truck | 7 | 12/01/21 | 321,000 | | | 321,000 | - | |
| CUSTER | MILES CITY | Finance flood risk feasibility study | 6 | 11/03/16 | 175,000 | 04/07/17 | 175,000 | - | 30,316 | 02/15/23 |
| CUSTER | MILES CITY | Street improvements within SID #21 | 15 | 08/03/15 | 59,703 | 10/02/15 | 59,703 | - | 35,123 | 08/15/30 |

Local Government INTERCAP loans* - by County

As of June 30, 2022

*only loans that have remaining commitment and/or outstanding

| COUNTY | BORROWER | PROJECT | TERM | COMMIT DATE | COMMIT AMOUNT | FUND DATE | DRAWN | COMMIT REMAINING | Outstanding | MATURITY |
|-------------------------|------------------------------|---|------|-------------|------------------|-----------|------------------|------------------|------------------|----------|
| CUSTER | MILES CITY | Police Building Remodel | 15 | 09/02/21 | 480,000 | 11/05/21 | 480,000 | - | 480,000 | 08/15/36 |
| CUSTER | MILES COMMUNITY COLLEGE | Construct new Agriculture Advancer | 15 | 08/18/16 | 480,000 | 10/11/16 | 164,000 | - | 322,303 | 08/15/31 |
| CUSTER Total | | | | | 1,915,703 | | 1,278,703 | 321,000 | 1,166,808 | |
| DANIELS | FLAXVILLE | replace water meters | 10 | 06/16/20 | 17,698 | 08/14/20 | 17,698 | - | 15,316 | 08/15/30 |
| DANIELS | FLAXVILLE | Repairs and improvements to water | 10 | 03/14/16 | 37,035 | 11/04/16 | 11,042 | - | 19,289 | 02/15/27 |
| DANIELS | SCOBEY SCHOOL DIST #1 | Finance an activity bus | 5 | 03/08/18 | 200,000 | 04/13/18 | 200,000 | - | 41,925 | 02/15/23 |
| DANIELS Total | | | | | 254,733 | | 228,740 | - | 76,531 | |
| DAWSON | RICHEY | Finance a sewer line project | 15 | 03/22/16 | 41,741 | 10/21/16 | 31,571 | - | 28,375 | 08/15/31 |
| DAWSON Total | | | | | 41,741 | | 31,571 | - | 28,375 | |
| DEER LODGE | ANACONDA-DEER LODGE COUN | Courthouse preservation | 15 | 09/23/00 | 800,000 | 07/15/11 | 800,000 | - | 263,333 | 08/15/26 |
| DEER LODGE | ANACONDA-DEER LODGE COUN | Rehabilitate historic street lights Dis | 15 | 04/28/14 | 999,129 | 09/26/14 | 419,664 | - | 505,399 | 08/15/29 |
| DEER LODGE | WEST VALLEY RURAL FIRE DIST | Finance a water tender | 7 | 10/27/16 | 109,789 | 06/23/17 | 109,789 | - | 18,886 | 08/15/24 |
| DEER LODGE | ANACONDA PUBLIC SCHOOLS | finance new computers and security | 5 | 07/22/19 | 126,633 | 08/30/19 | 126,633 | - | 65,741 | 06/15/24 |
| DEER LODGE Total | | | | | 2,035,552 | | 1,456,086 | - | 853,359 | |
| FALLON | BAKER | Finance street sweeper | 7 | 11/04/15 | 137,000 | 12/11/15 | 137,000 | - | 20,308 | 02/15/23 |
| FALLON | BAKER | purchase excavator | 5 | 05/19/20 | 66,335 | 06/19/20 | 66,335 | - | 47,190 | 08/15/25 |
| FALLON Total | | | | | 203,335 | | 203,335 | - | 67,498 | |
| FERGUS | FERGUS COUNTY ROY WATER | Preliminary engineering report (PER | 6 | 11/30/20 | 20,000 | 03/12/21 | 20,000 | - | 16,779 | 02/15/27 |
| FERGUS | LEWISTOWN | Purchase self-contained breathing a | 10 | 12/30/20 | 111,585 | 02/12/21 | 111,585 | - | 101,608 | 02/15/31 |
| FERGUS Total | | | | | 131,585 | | 131,585 | - | 118,388 | |
| FLATHEAD | BLANKENSHIP RURAL FIRE DIST | Fire Cistern | 15 | 10/21/14 | 38,976 | 11/21/14 | 38,976 | - | 21,511 | 02/15/30 |
| FLATHEAD | BLANKENSHIP RURAL FIRE DIST | Finance Type 5 wildfire engine | 10 | 03/06/18 | 45,000 | 10/26/18 | 45,000 | - | 32,203 | 08/15/28 |
| FLATHEAD | COLUMBIA FALLS | 2012 Custom Spartan Rosenbuer Pi | 10 | 08/09/12 | 115,365 | 08/31/12 | 115,365 | - | 6,047 | 08/15/22 |
| FLATHEAD | FLATHEAD VALLEY COMMUNITY | Nursing and Health Sciences Buildir | 10 | 02/26/13 | 2,400,000 | 04/12/13 | 2,400,000 | - | 246,862 | 02/15/23 |
| FLATHEAD | KALISPELL | Front End Loader | 5 | 10/04/21 | 250,000 | | | 250,000 | - | |
| FLATHEAD | KALISPELL | construction of impound/storage fac | 15 | 11/24/20 | 430,000 | | | 430,000 | - | |
| FLATHEAD | KALISPELL | Purchase mower and sprayer | 5 | 10/10/17 | 61,527 | 02/16/18 | 35,191 | - | 13,520 | 02/15/23 |
| FLATHEAD | KALISPELL | replace Woodland Park Playground | 5 | 11/01/18 | 97,772 | 08/23/19 | 97,772 | - | 50,862 | 08/15/24 |
| FLATHEAD | KALISPELL | purchase ambulance | 5 | 07/13/20 | 190,000 | 01/15/21 | 189,438 | 562 | 153,001 | 02/15/26 |
| FLATHEAD | KALISPELL | Purchase fire pumper | 10 | 10/10/17 | 467,684 | 03/16/18 | 259,831 | - | 301,004 | 02/15/28 |
| FLATHEAD | KALISPELL SCHOOL DISTRICT # | interior/exterior lighting energy consr | 15 | 03/01/19 | 229,618 | 02/14/20 | 229,618 | - | 205,207 | 02/15/35 |
| FLATHEAD | KALISPELL SCHOOL DISTRICT # | interior/exterior lighting energy consr | 15 | 03/01/19 | 526,382 | 02/14/20 | 526,382 | - | 470,422 | 02/15/35 |
| FLATHEAD | OLNEY-BISSELL SCHOOL DISTR | finance deferred maintenance projec | 10 | 06/03/19 | 120,543 | 08/02/19 | 40,287 | (0) | 59,116 | 08/15/29 |
| FLATHEAD | PLEASANT VALLEY SCHOOL DIS | purchase vehicle for student transpc | 5 | 01/23/19 | 12,503 | 03/22/19 | 12,503 | - | 5,209 | 02/15/24 |
| FLATHEAD | SOMERS RURAL FIRE DISTRICT | Reconfigure, expand, and repair fire | 15 | 08/15/17 | 300,000 | 09/22/17 | 78,136 | - | 223,566 | 08/15/32 |
| FLATHEAD | WAPITI ACRES COUNTY WATER | Construct 2nd well | 15 | 09/12/14 | 33,500 | 05/15/15 | 33,500 | - | 18,940 | 08/15/30 |
| FLATHEAD | WEST VALLEY FIRE DISTRICT, K | Rosenbauer fire apparatus | 10 | 05/07/15 | 253,554 | 05/22/15 | 253,554 | - | 92,369 | 08/15/25 |
| FLATHEAD | WEST VALLEY FIRE DISTRICT, K | Construct new fire hall | 15 | 08/05/09 | 650,000 | 10/16/09 | 341,730 | - | 130,421 | 08/15/24 |
| FLATHEAD | WHITEFISH | Finance new ambulance | 5 | 09/26/17 | 175,000 | 02/16/18 | 175,000 | - | 36,115 | 02/15/23 |
| FLATHEAD | WHITEFISH | 2014 Type I Fire Pumper | 10 | 02/13/14 | 485,112 | 06/20/14 | 202,453 | - | 124,458 | 08/15/24 |
| FLATHEAD Total | | | | | 6,882,536 | | 5,074,736 | 680,562 | 2,190,833 | |

Local Government INTERCAP loans* - by County

As of June 30, 2022

*only loans that have remaining commitment and/or outstanding

| COUNTY | BORROWER | PROJECT | TERM | COMMIT DATE | COMMIT AMOUNT | FUND DATE | DRAWN | COMMIT REMAINING | Outstanding | MATURITY |
|----------------------------|-----------------------------|--|------|-------------|-------------------|-----------|------------------|------------------|------------------|----------|
| GALLATIN | BIG SKY FIRE DISTRICT | Remodel two fire stations | 15 | 02/12/19 | 1,863,592 | 04/18/19 | 1,342,538 | - | 1,110,983 | 02/15/34 |
| GALLATIN | BIG SKY SCHOOL DISTRICT #72 | building on-campus teacher/staff ho | 5 | 06/19/19 | 518,127 | 08/09/19 | 27,720 | - | 321,410 | 08/15/24 |
| GALLATIN | BIG SKY SCHOOL DISTRICT #72 | Bus/Transportation facility | 15 | 11/30/21 | 2,000,000 | 03/04/22 | 1,882,540 | 117,460 | 1,882,540 | 02/15/37 |
| GALLATIN | BOZEMAN | Reconstruction of 8th Avenue | 10 | 04/11/12 | 1,203,279 | 07/20/12 | 92,918 | - | 66,161 | 08/15/22 |
| GALLATIN | BOZEMAN | Replacing/upgrading city street light | 15 | 11/21/14 | 199,231 | 09/11/15 | 47,406 | - | 123,945 | 08/15/30 |
| GALLATIN | BOZEMAN | Improvements to Story Mill and Bror | 10 | 04/16/18 | 314,559 | 05/24/19 | 314,559 | - | 245,526 | 08/15/29 |
| GALLATIN | BRIDGER CANYON RURAL FIRE | Constructing substation | 15 | 02/28/19 | 350,000 | 10/04/19 | 55,559 | - | 293,908 | 08/15/34 |
| GALLATIN | CLARKSTON FIRE SERVICE ARE | Brush fire apparatus | 7 | 10/06/20 | 80,200 | 12/04/20 | 80,200 | - | 69,578 | 02/15/28 |
| GALLATIN | FORT ELLIS FIRE SERVICE ARE | Construction of a new fire station | 15 | 06/01/21 | 3,000,000 | | | 3,000,000 | - | |
| GALLATIN | THREE FORKS | Rodeo arena bleacher upgrade | 10 | 07/07/20 | 310,000 | 08/07/20 | 310,000 | - | 268,215 | 08/15/30 |
| GALLATIN | THREE FORKS ELEMENTARY SC | Construction and improvements educ | 7 | 05/05/22 | 895,000 | 06/24/22 | 895,000 | - | 895,000 | 06/15/29 |
| GALLATIN | WEST YELLOWSTONE | Construct Town Hall | 13 | 11/13/12 | 1,480,866 | 12/21/12 | 1,480,866 | - | 466,976 | 12/15/25 |
| GALLATIN Total | | | | | 12,214,854 | | 6,529,305 | 3,117,460 | 5,744,243 | |
| GOLDEN VALLEY | GOLDEN VALLEY COUNTY | Finance ambulance | 7 | 06/09/15 | 44,000 | 07/17/15 | 44,000 | - | 3,273 | 08/15/22 |
| GOLDEN VALLEY Total | | | | | 44,000 | | 44,000 | - | 3,273 | |
| GRANITE | PHILIPSBURG | Wastewater system preliminary engi | 6 | 02/07/18 | 77,000 | 04/27/18 | 16,833 | - | 38,877 | 08/15/24 |
| GRANITE | PHILIPSBURG | Wastewater system improvements | 15 | 08/15/16 | 321,937 | 10/28/16 | 27,666 | - | 221,224 | 08/15/31 |
| GRANITE | GRANITE COUNTY | Consolidate vehicle/equipment loans | 5 | 01/11/22 | 998,134 | 03/18/22 | 998,134 | - | 998,134 | 02/15/27 |
| GRANITE | DRUMMOND PUBLIC SCHOOLS | Purchase Bus | 7 | 02/08/22 | 125,000 | 02/25/22 | 125,000 | - | 125,000 | 02/15/29 |
| GRANITE Total | | | | | 1,522,071 | | 1,167,633 | - | 1,383,235 | |
| HILL | HILL COUNTY | Purchase 5 new sheriff vehicles | 5 | 05/04/18 | 180,012 | 01/03/20 | 180,012 | - | 110,839 | 02/15/25 |
| HILL | UNIFIED DISPOSAL DISTRICT | Develop facility at new landfill | 15 | 10/26/10 | 900,000 | 12/10/10 | 400,000 | - | 244,679 | 02/15/26 |
| HILL Total | | | | | 1,080,012 | | 580,012 | - | 355,518 | |
| JEFFERSON | BOULDER | Reroof City Hall (\$8K) and purchase | 6 | 10/06/17 | 44,000 | 12/22/17 | 36,000 | - | 15,522 | 02/15/24 |
| JEFFERSON | BOULDER ELEMENTARY SCHO | Air handler unit | 15 | 04/07/22 | 300,000 | | | 300,000 | - | |
| JEFFERSON | BULL MOUNTAIN RURAL FIRE D | Finance water tender | 5 | 02/15/18 | 20,000 | 05/04/18 | 20,000 | - | 6,334 | 08/15/23 |
| JEFFERSON | BULL MOUNTAIN RURAL FIRE D | fire station improvements | 10 | 06/23/20 | 26,429 | 08/14/20 | 11,500 | - | 23,391 | 08/15/30 |
| JEFFERSON | BULL MOUNTAIN RURAL FIRE D | truck refi | 7 | 07/21/20 | 34,235 | 08/14/20 | 34,235 | - | 27,393 | 08/15/27 |
| JEFFERSON | CLANCY FIRE SERVICE AREA | Purchase self-contained breathing a | 10 | 07/22/20 | 113,284 | 08/28/20 | 113,284 | - | 50,307 | 08/15/30 |
| JEFFERSON | JEFFERSON CITY RURAL FIRE C | purchase new fire engine | 10 | 12/23/20 | 270,000 | 01/29/21 | 60,000 | - | 264,577 | 02/15/31 |
| JEFFERSON | JEFFERSON COUNTY | Moonlight Ridge RID #2511 road im | 15 | 09/04/09 | 241,096 | 12/24/09 | 241,096 | - | 36,261 | 02/15/25 |
| JEFFERSON | JEFFERSON COUNTY | Big Sky Acres RID road improvemer | 15 | 10/26/16 | 135,357 | 11/23/16 | 135,357 | - | 93,671 | 02/15/32 |
| JEFFERSON | JEFFERSON COUNTY | Improvements at the County Fairgro | 15 | 04/29/16 | 320,810 | 09/23/16 | 216,889 | - | 223,154 | 08/15/31 |
| JEFFERSON | JEFFERSON COUNTY | Construct Clerk & Recorder Annex | 15 | 04/30/15 | 808,475 | 06/19/15 | 82,852 | - | 489,000 | 08/15/30 |
| JEFFERSON | JEFFERSON COUNTY | construction of a new roll-off contain | 15 | 04/08/20 | 687,014 | 07/10/20 | 46,417 | - | 638,219 | 08/15/35 |
| JEFFERSON | MONTANA CITY RURAL FIRE DIS | Purchase property and construct sta | 15 | 11/05/13 | 825,000 | 04/24/15 | 196,500 | - | 513,196 | 08/15/30 |
| JEFFERSON | MONTANA CITY SCHOOL DISTR | Repair and replacement of its septic | 15 | 08/23/12 | 55,168 | 10/19/12 | 55,168 | - | 22,106 | 06/15/27 |
| JEFFERSON Total | | | | | 3,880,870 | | 1,249,299 | 300,000 | 2,403,132 | |
| JUDITH BASIN | HOBSON | Repairing municipal pool | 15 | 05/20/14 | 54,407 | 06/20/14 | 12,606 | - | 28,185 | 08/15/29 |
| JUDITH BASIN Total | | | | | 54,407 | | 12,606 | - | 28,185 | |

Local Government INTERCAP loans* - by County

As of June 30, 2022

*only loans that have remaining commitment and/or outstanding

| COUNTY | BORROWER | PROJECT | TERM | COMMIT DATE | COMMIT AMOUNT | FUND DATE | DRAWN | COMMIT REMAINING | Outstanding | MATURITY |
|------------------------------|------------------------------|---------------------------------------|------|-------------|------------------|-----------|------------------|------------------|------------------|----------|
| LAKE | MISSION MOUNTAIN COUNTRY | Install water meters/pits, replace ma | 15 | 09/12/12 | 95,000 | 11/09/12 | 84,500 | - | 39,948 | 02/15/28 |
| LAKE | POLSON | Purchase new police vehicle | 3 | 02/10/21 | 177,450 | 03/26/21 | 21,153 | - | 139,739 | 02/15/24 |
| LAKE | POLSON ELEMENTARY SCHOOL | Energy retrofit/energy performance c | 15 | 10/22/20 | 305,900 | 05/28/21 | 229,507 | - | 299,142 | 08/15/36 |
| LAKE | POLSON HIGH SCHOOL | Energy retrofit/energy performance c | 15 | 10/22/20 | 204,600 | 05/28/21 | 153,005 | - | 200,094 | 08/15/36 |
| LAKE | RONAN | purchase three new police vehicles | 6 | 11/01/18 | 115,000 | 03/22/19 | 115,000 | - | 54,490 | 08/15/24 |
| LAKE | RONAN | Front end loader attachments | 7 | 11/26/19 | 100,781 | 01/17/20 | 100,781 | - | 74,064 | 02/15/27 |
| LAKE | RONAN | Front end loader | 10 | 11/26/19 | 127,000 | 01/17/20 | 127,000 | - | 104,518 | 02/15/30 |
| LAKE | RONAN | Vac Combo Truck | 7 | 05/06/21 | 159,824 | 06/04/21 | 159,824 | - | 149,019 | 08/15/28 |
| LAKE | ST IGNATIUS SCHOOL DISTRICT | addressing various deferred mainter | 15 | 11/13/18 | 1,157,973 | 04/05/19 | 134,758 | - | 1,004,401 | 02/15/34 |
| LAKE Total | | | | | 2,443,528 | | 1,125,529 | - | 2,065,416 | |
| LEWIS AND CLARK | AUGUSTA ELEMENTARY SCHOC | Construct a bus barn | 15 | 08/03/17 | 34,035 | 03/09/18 | 13,122 | - | 26,452 | 02/15/33 |
| LEWIS AND CLARK | AUGUSTA HIGH SCHOOL DISTR | Construct bus barn | 15 | 08/04/17 | 135,000 | 10/20/17 | 61,040 | - | 103,838 | 02/15/33 |
| LEWIS AND CLARK | BAXENDALE FIRE DIST | contruction of fire station in Remini | 15 | 10/04/18 | 200,000 | 01/18/19 | 52,000 | - | 167,331 | 02/15/34 |
| LEWIS AND CLARK | HELENA | Upgrades to municipal golf course ir | 15 | 09/20/13 | 433,099 | 12/05/14 | 394,355 | - | 239,829 | 02/15/30 |
| LEWIS AND CLARK | HELENA | purchasing and installing parking me | 10 | 07/08/19 | 560,243 | 11/01/19 | 560,243 | - | 462,643 | 02/15/30 |
| LEWIS AND CLARK | HELENA | Purchase new fire truck | 10 | 04/05/21 | 810,000 | 06/18/21 | 810,000 | - | 770,514 | 08/15/31 |
| LEWIS AND CLARK | HELENA ELEMENTARY SCHOOL | Broadwater Elementary School roof | 6 | 03/06/18 | 757,799 | 01/25/19 | 757,799 | - | 315,883 | 02/15/24 |
| LEWIS AND CLARK | LEWIS & CLARK COUNTY | Countryside Road RID | 15 | 03/09/22 | 79,279 | | | 79,279 | - | |
| LEWIS AND CLARK | LEWIS & CLARK COUNTY | Camelot Rural Improvement District | 10 | 04/23/18 | 12,901 | 04/12/19 | 12,901 | - | 2,583 | 02/15/29 |
| LEWIS AND CLARK | LEWIS & CLARK COUNTY | Lake Home Condo RID road improv | 15 | 08/27/14 | 14,000 | 12/12/14 | 14,000 | - | 3,088 | 02/15/30 |
| LEWIS AND CLARK | LEWIS & CLARK COUNTY | Road improvements for Hillview RID | 10 | 07/28/15 | 76,125 | 02/17/17 | 76,125 | - | 18,086 | 02/15/27 |
| LEWIS AND CLARK | LEWIS & CLARK COUNTY | Lake Home Road RID | 10 | 10/22/20 | 22,244 | 04/15/22 | 22,244 | - | 22,244 | 02/15/32 |
| LEWIS AND CLARK | LEWIS & CLARK COUNTY | Big Sky Subdivision RID Road Imprc | 15 | 02/28/13 | 167,896 | 12/06/13 | 167,896 | - | 27,127 | 02/15/29 |
| LEWIS AND CLARK | LEWIS & CLARK COUNTY | Settler's Cove RID Road Improve | 15 | 01/29/14 | 105,507 | 12/12/14 | 105,507 | - | 32,738 | 02/15/30 |
| LEWIS AND CLARK | LEWIS & CLARK COUNTY | South Forestvale RID road improver | 10 | 09/02/18 | 133,642 | 01/15/21 | 133,642 | - | 83,820 | 02/15/31 |
| LEWIS AND CLARK | LEWIS & CLARK COUNTY | Construction of a Search & Rescue me | 8 | 03/17/14 | 730,000 | 05/01/15 | 730,000 | - | 142,502 | 08/15/23 |
| LEWIS AND CLARK | LEWIS & CLARK COUNTY | Improve heating, ventilation, air con | 10 | 04/09/18 | 750,000 | 06/12/20 | 750,000 | - | 648,781 | 08/15/30 |
| LEWIS AND CLARK | LEWIS & CLARK COUNTY | Wild Wind Road & Half Fast Drive R | 15 | 07/09/21 | 33,390 | | | 33,390 | - | |
| LEWIS AND CLARK | LEWIS & CLARK COUNTY | Lincoln RID road improvements | 7 | 05/17/22 | 74,970 | | | 74,970 | - | |
| LEWIS AND CLARK | LEWIS & CLARK COUNTY | Augusta RID road improvements | 7 | 05/20/22 | 28,081 | | | 28,081 | - | |
| LEWIS AND CLARK | LEWIS & CLARK COUNTY | Lambkins RID road improvements | 7 | 05/17/22 | 40,326 | | | 40,326 | - | |
| LEWIS AND CLARK | LEWIS & CLARK COUNTY | Law and Justice Center building cap | 10 | 03/11/21 | 650,000 | 06/18/21 | 308,543 | 341,457 | 293,502 | 08/15/31 |
| LEWIS AND CLARK | LEWIS & CLARK LIBRARY | Remodel Facility | 10 | 11/19/19 | 2,000,000 | 02/07/20 | 288,763 | - | 1,147,575 | 02/15/30 |
| LEWIS AND CLARK | WEST HELENA VALLEY FIRE DIS | Fire station addition | 15 | 04/16/21 | 500,000 | 02/04/22 | 200,000 | 300,000 | 200,000 | 02/15/37 |
| LEWIS AND CLARK Total | | | | | 8,348,536 | | 5,458,179 | 897,503 | 4,708,537 | |
| LINCOLN | FISHER RIVER VALLEY FIRE SEI | Purchase Fire Truck | 10 | 11/12/21 | 327,946 | 12/10/21 | 327,946 | - | 327,946 | |
| LINCOLN | MCCORMICK RURAL FIRE DISTF | Make improvements to fire station | 15 | 10/13/16 | 4,842 | 01/13/17 | 1,261 | - | 3,351 | 02/15/32 |
| LINCOLN Total | | | | | 332,788 | | 329,207 | - | 331,297 | |
| MADISON | MADISON COUNTY | Road repairs and maintenance | 7 | 10/13/20 | 1,500,000 | | | 1,500,000 | - | |
| MADISON | TWIN BRIDGES | Fire Truck | 7 | 03/28/22 | 33,757 | 05/27/22 | 33,757 | - | 33,757 | 08/15/29 |
| MADISON | TWIN BRIDGES | Construct town shop | 10 | 08/06/18 | 190,000 | 11/02/19 | 81,953 | - | 154,187 | 08/15/29 |
| MADISON Total | | | | | 1,723,757 | | 115,710 | 1,500,000 | 187,944 | |

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*only loans that have remaining commitment and/or outstanding

| COUNTY | BORROWER | PROJECT | TERM | COMMIT DATE | COMMIT AMOUNT | FUND DATE | DRAWN | COMMIT REMAINING | Outstanding | MATURITY |
|--------------------------|---------------------------------|--|------|-------------|------------------|-----------|------------------|------------------|------------------|----------|
| MCCONE | MCCONE COUNTY | Two road graders | 7 | 03/02/22 | 705,700 | | | 705,700 | - | |
| MCCONE | MCCONE COUNTY | Repair Public Library foundation | 10 | 12/10/14 | 69,050 | 01/16/15 | 69,050 | - | 21,381 | 02/15/25 |
| MCCONE | MCCONE COUNTY | Wheel Loader | 6 | 12/21/16 | 144,500 | 01/20/17 | 144,500 | - | 24,848 | 02/15/23 |
| MCCONE | MCCONE COUNTY | Sheriff vehicle and radio | 5 | 12/12/19 | 62,374 | 04/24/20 | 62,374 | - | 44,472 | 08/15/25 |
| MCCONE | MCCONE COUNTY | Purchase backhoe/loader with attach | 5 | 02/21/20 | 77,900 | 03/20/20 | 77,900 | - | 47,707 | 02/15/25 |
| MCCONE Total | | | | | 1,059,524 | | 353,824 | 705,700 | 138,408 | |
| MEAGHER | MEAGHER COUNTY | Construct Ambulance Building | 15 | 02/04/15 | 120,000 | 07/02/15 | 65,099 | - | 71,960 | 08/15/30 |
| MEAGHER Total | | | | | 120,000 | | 65,099 | - | 71,960 | |
| MINERAL | ST REGIS SCHOOL DISTRICT | Converting available space into a work | 15 | 01/15/16 | 120,000 | 10/28/16 | 120,000 | - | 77,892 | 02/15/32 |
| MINERAL | ST REGIS SCHOOL DISTRICT | Roofing Project | 15 | 08/08/18 | 225,000 | 10/12/18 | 95,922 | - | 183,812 | 06/15/33 |
| MINERAL Total | | | | | 345,000 | | 215,922 | - | 261,704 | |
| MISSOULA | BONNER ELEMENTARY SCHOOL | Addition to expand school cafeteria | 15 | 08/12/15 | 346,000 | 10/30/15 | 23,637 | - | 214,046 | 06/15/30 |
| MISSOULA | MISSOULA COUNTY | Wastewater system improvements | 15 | 10/27/16 | 10,705 | 11/17/17 | 10,705 | - | 7,857 | 02/15/33 |
| MISSOULA | MISSOULA COUNTY | Carlton Cemetery sprinkler system | 10 | 10/14/15 | 26,252 | 12/30/15 | 26,252 | - | 10,849 | 02/15/26 |
| MISSOULA | MISSOULA COUNTY | Williams Addtn RID -sewer system im | 15 | 11/04/09 | 73,000 | 05/07/10 | 73,000 | - | 17,110 | 08/15/25 |
| MISSOULA | MISSOULA COUNTY | Refinance the purchase of Historical | 10 | 04/27/09 | 432,500 | 05/15/09 | 432,500 | - | 82,038 | 08/15/24 |
| MISSOULA | MISSOULA COUNTY | Replace 911 equipment | 7 | 04/23/15 | 367,234 | 05/06/16 | 367,234 | - | 82,076 | 08/15/23 |
| MISSOULA | MISSOULA COUNTY | Construct Seeley-Swan Search & Resc | 15 | 11/10/14 | 200,000 | 06/05/15 | 44,935 | - | 120,631 | 08/15/30 |
| MISSOULA | MISSOULA COUNTY | Purchase radio tower and microwave | 15 | 04/24/18 | 425,158 | 06/15/18 | 425,158 | - | 343,040 | 08/15/33 |
| MISSOULA | MISSOULA COUNTY | County Fairgrounds improvements | 10 | 03/14/16 | 823,604 | 06/09/17 | 743,604 | - | 478,243 | 08/15/27 |
| MISSOULA | MISSOULA COUNTY HIGH SCHOOL | purchase vehicle for Seeley Swan H | 7 | 12/14/20 | 25,000 | 02/05/21 | 25,000 | - | 21,672 | 02/15/28 |
| MISSOULA | MISSOULA RURAL FIRE DISTRICT | purchase type-1 & type-3 fire engine | 10 | 05/20/22 | 691,000 | | | 691,000 | - | |
| MISSOULA | MISSOULA RURAL FIRE DISTRICT | finance two type-1 fire engines | 10 | 05/10/19 | 313,000 | 03/27/20 | 313,000 | - | 255,549 | 02/15/30 |
| MISSOULA | MISSOULA RURAL FIRE DISTRICT | purchase two type-1 fire engines | 10 | 04/13/20 | 350,000 | 11/20/20 | 350,000 | - | 318,780 | 02/15/36 |
| MISSOULA | SEELEY LAKE RURAL FIRE DISTRICT | Purchase land/building to house truck | 15 | 07/28/09 | 325,000 | 08/28/09 | 325,000 | - | 65,120 | 08/15/24 |
| MISSOULA | SEELEY-SWAN HOSPITAL DISTRICT | Expand existing Seeley-Swan Medic | 15 | 07/17/14 | 551,390 | 09/19/14 | 551,390 | - | 293,000 | 08/15/29 |
| MISSOULA Total | | | | | 4,959,844 | | 3,711,416 | 691,000 | 2,310,011 | |
| MUSSELSHELL | ROUNDUP | UV Disinfection-Sewer Lagoon | 10 | 04/27/12 | 239,924 | 07/20/12 | 43,469 | - | 89,216 | 08/15/27 |
| MUSSELSHELL Total | | | | | 239,924 | | 43,469 | - | 89,216 | |
| PARK | LIVINGSTON | Remodel police and dispatch center | 10 | 01/09/17 | 75,000 | 04/13/17 | 75,000 | - | 39,497 | 02/15/27 |
| PARK | LIVINGSTON | Street Repair Project | 10 | 03/05/12 | 400,000 | 01/25/13 | 400,000 | - | 41,951 | 02/15/23 |
| PARK | LIVINGSTON | purchase new street sweeper & repa | 5 | 11/21/18 | 239,269 | 01/11/19 | 219,269 | - | 100,348 | 02/15/24 |
| PARK | LIVINGSTON | Purchase loader and grader | 10 | 12/28/21 | 300,000 | 02/11/22 | 300,000 | - | 300,000 | 02/15/32 |
| PARK | PARK COUNTY | Remodel dispatch center, replace pc | 7 | 05/25/17 | 357,500 | 06/23/17 | 101,509 | - | 136,240 | 08/15/24 |
| PARK | PARK COUNTY | purchase a grader and completing p | 7 | 04/27/20 | 405,914 | 06/05/20 | 405,914 | - | 324,800 | 08/15/27 |
| PARK | PARK COUNTY | Construct search & rescue operator | 15 | 10/03/12 | 880,000 | 03/01/13 | 880,000 | - | 388,330 | 02/15/28 |
| PARK | PARK COUNTY | flood repairs/replace Convict Grade | 15 | 08/08/19 | 551,362 | 08/30/19 | 551,362 | - | 476,803 | 08/15/34 |
| PARK | PARK COUNTY RURAL FIRE DISTRICT | purchase used structure engine | 7 | 03/13/19 | 100,000 | 04/26/19 | 100,000 | - | 50,814 | 02/15/26 |
| PARK | PARK COUNTY RURAL FIRE DISTRICT | Purchase land adjacent to fire statio | 15 | 08/08/14 | 118,900 | 08/29/14 | 118,900 | - | 61,628 | 08/15/29 |
| PARK | PARK COUNTY RURAL FIRE DISTRICT | Fire station building improvements | 15 | 09/26/12 | 200,000 | 04/12/13 | 200,000 | - | 83,271 | 02/15/28 |
| PARK | SHIELDS VALLEY ELEMENTARY | Purchase school bus | 8 | 08/10/17 | 42,920 | 08/31/18 | 42,920 | - | 25,394 | 06/15/26 |
| PARK | SHIELDS VALLEY ELEMENTARY | Teacher Housing | 15 | 04/13/21 | 80,000 | 05/21/21 | 59,077 | 20,923 | 57,337 | 06/15/36 |

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| COUNTY | BORROWER | PROJECT | TERM | COMMIT DATE | COMMIT AMOUNT | FUND DATE | DRAWN | COMMIT REMAINING | Outstanding | MATURITY |
|------------------------|-----------------------------|---------------------------------------|------|-------------|------------------|-----------|------------------|------------------|------------------|----------|
| PARK | SHIELDS VALLEY HIGH SCHOOL | Purchase school bus | 8 | 08/10/17 | 64,380 | 08/31/18 | 64,380 | - | 38,092 | 06/15/26 |
| PARK | SHIELDS VALLEY HIGH SCHOOL | Teacher Housing | 15 | 04/13/21 | 120,000 | 05/21/21 | 88,615 | 31,385 | 86,006 | 06/15/36 |
| PARK Total | | | | | 3,935,245 | | 3,606,946 | 52,308 | 2,210,511 | |
| PETROLEUM | PETROLEUM COUNTY | Purchase two road graders | 7 | 03/17/17 | 120,000 | 04/28/17 | 120,000 | - | 45,281 | 08/15/24 |
| PETROLEUM | WINNETT SCHOOL DISTRICT #1 | Purchase vehicle | 7 | 05/23/22 | 45,000 | | | 45,000 | - | |
| PETROLEUM | WINNETT SCHOOL DISTRICT #1 | Purchase Bus | 7 | 12/28/21 | 57,087 | | | 57,087 | - | |
| PETROLEUM Total | | | | | 222,087 | | 120,000 | 102,087 | 45,281 | |
| PHILLIPS | MALTA | Finance additional 1.84 acre landfill | 15 | 04/11/17 | 346,796 | 07/21/17 | 2,860 | - | 246,668 | 08/15/32 |
| PHILLIPS | MALTA | PURCHASE A GARBAGE TRUCK | 7 | 09/05/18 | 221,081 | 02/21/20 | 221,081 | - | 162,871 | 02/15/27 |
| PHILLIPS | MALTA SCHOOL DISTRICT | Bus/Transportation facility | 15 | 06/15/22 | 780,000 | | | 780,000 | - | |
| PHILLIPS | SACO PUBLIC SCHOOLS | school building roof repair and maint | 15 | 04/17/20 | 248,723 | 09/18/20 | 248,723 | - | 227,235 | 08/15/35 |
| PHILLIPS Total | | | | | 1,596,600 | | 472,664 | 780,000 | 636,775 | |
| PONDERA | CONRAD | Construct Splash Park | 10 | 08/03/21 | 416,340 | | | 416,340 | - | |
| PONDERA | PONDERA COUNTY | Senior Center Remodel Project | 15 | 07/13/11 | 113,841 | 08/12/11 | 10,325 | - | 38,570 | 08/15/26 |
| PONDERA | PONDERA COUNTY | HVAC upgrades to courthouse and j | 15 | 01/09/17 | 359,000 | 04/13/17 | 16,372 | - | 261,346 | 02/15/32 |
| PONDERA | VALIER | Finance a motor grader | 7 | 12/01/16 | 40,000 | 04/13/17 | 40,000 | - | 11,971 | 02/15/24 |
| PONDERA Total | | | | | 929,181 | | 66,697 | 416,340 | 311,886 | |
| POWELL | DEER LODGE | Finance a fire truck | 10 | 05/09/16 | 420,000 | 07/08/16 | 420,000 | - | 196,324 | 08/15/26 |
| POWELL Total | | | | | 420,000 | | 420,000 | - | 196,324 | |
| PRAIRIE | PRAIRIE COUNTY HOSPITAL DIS | Replace hospital & clinic roof | 15 | 04/15/10 | 168,619 | 12/23/10 | 168,619 | - | 44,542 | 08/15/25 |
| PRAIRIE Total | | | | | 168,619 | | 168,619 | - | 44,542 | |
| RAVALLI | CORVALLIS RURAL FIRE DISTRI | Purchase ladder fire truck | 7 | 08/28/15 | 125,000 | 09/18/15 | 81,847 | - | 9,416 | 08/15/22 |
| RAVALLI | CORVALLIS RURAL FIRE DISTRI | Refinance two fire stations | 10 | 11/07/12 | 627,648 | 11/30/12 | 184,386 | - | 66,327 | 02/15/23 |
| RAVALLI | CORVALLIS SCHOOL DISTRICT | Property Purchase | 5 | 11/14/17 | 1,525,000 | 06/22/18 | 1,525,000 | - | 475,125 | 06/15/23 |
| RAVALLI | DARBY RURAL FIRE DISTRICT | Purchase a new fire engine | 10 | 12/13/12 | 88,481 | 01/11/13 | 88,481 | - | 4,748 | 02/15/23 |
| RAVALLI | FLORENCE RURAL FIRE DISTRI | Finance a type one fire vehicle | 10 | 10/14/16 | 305,764 | 02/10/17 | 103,748 | - | 171,504 | 02/15/27 |
| RAVALLI | HAMILTON | Refurbishing city-owned building for | 10 | 10/25/17 | 1,000,000 | 10/05/18 | 206,537 | - | 707,038 | 08/15/28 |
| RAVALLI | HAMILTON | Fire station | 10 | 04/20/22 | 3,200,000 | | | 3,200,000 | - | |
| RAVALLI | HAMILTON SCHOOL DISTRICT # | Remodel and Replace boiler at Daly | 15 | 06/06/13 | 350,000 | 10/25/13 | 290,014 | - | 163,162 | 06/15/28 |
| RAVALLI | HAMILTON SCHOOL DISTRICT # | finance portion of Daly Elementary r | 15 | 11/13/18 | 1,650,000 | 06/14/19 | 830,070 | - | 1,453,195 | 08/15/34 |
| RAVALLI | NORTH VALLEY PUBLIC LIBRAR | Refinance library building mortgage | 15 | 03/28/13 | 68,000 | 04/26/13 | 68,000 | - | 30,722 | 08/15/28 |
| RAVALLI | PINESDALE | Finance Type 6 Fire Truck | 10 | 01/02/18 | 49,000 | 02/02/18 | 49,000 | - | 30,798 | 02/15/28 |
| RAVALLI Total | | | | | 8,988,893 | | 3,427,082 | 3,200,000 | 3,112,036 | |
| RICHLAND | SIDNEY-RICHLAND REGIONAL A | airport improvements | 15 | 07/13/20 | 680,000 | 08/07/20 | 77,060 | - | 623,639 | 08/15/35 |
| RICHLAND Total | | | | | 680,000 | | 77,060 | - | 623,639 | |
| ROOSEVELT | BAINVILLE PUBLIC SCHOOL DIS | HVAC upgrades, improvements to c | 5 | 02/20/18 | 189,142 | 09/28/18 | 189,142 | - | 59,108 | 06/15/23 |
| ROOSEVELT | CULBERTSON | Street, Curb and Gutter Improvemer | 15 | 09/24/10 | 127,364 | 07/22/11 | 21,357 | - | 37,456 | 08/15/26 |

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| COUNTY | BORROWER | PROJECT | TERM | COMMIT DATE | COMMIT AMOUNT | FUND DATE | DRAWN | COMMIT REMAINING | Outstanding | MATURITY |
|-------------------------|---------------------------------|-------------------------------------|------|-------------|------------------|-----------|------------------|------------------|------------------|----------|
| ROOSEVELT | CULBERTSON ELEMENTARY SC | Boiler Replacement and Security Ca | 7 | 06/18/21 | 640,000 | 07/09/21 | 412,105 | 227,895 | 384,243 | 08/15/28 |
| ROOSEVELT | CULBERTSON ELEMENTARY SC | Finance classroom addition project | 15 | 07/29/16 | 1,600,000 | 08/19/16 | 503,868 | - | 1,086,808 | 06/15/31 |
| ROOSEVELT | FROID ELEMENTARY DISTRICT | Water Heaters purchase & install | 10 | 02/28/22 | 180,000 | | | 180,000 | - | |
| ROOSEVELT | FROID HIGH SCHOOL DISTRICT | Water Heaters purchase & install | 10 | 02/28/22 | 270,000 | | | 270,000 | - | |
| ROOSEVELT | WOLF POINT | Street Improvements | 15 | 06/29/16 | 1,300,000 | 11/04/16 | 554,396 | - | 885,348 | 08/15/31 |
| ROOSEVELT Total | | | | | 4,306,506 | | 1,680,868 | 677,895 | 2,452,963 | |
| ROSEBUD | FORSYTH | Refi/repair the municipal pool | 10 | 10/05/12 | 133,807 | 06/07/13 | 133,807 | - | 14,693 | 02/15/23 |
| ROSEBUD Total | | | | | 133,807 | | 133,807 | - | 14,693 | |
| SANDERS | HOT SPRINGS | Water System Improvements - revei | 15 | 11/14/13 | 110,497 | 11/20/15 | 11,646 | - | 69,039 | 02/15/31 |
| SANDERS | PLAINS SCHOOL DISTRICT #1 | Replace high school boiler | 5 | 05/10/18 | 200,000 | 07/06/18 | 200,000 | - | 63,335 | 06/15/23 |
| SANDERS | THOMPSON FALLS | purchase public works vehicle | 5 | 06/05/20 | 35,000 | 07/17/20 | 35,000 | - | 21,392 | 08/15/25 |
| SANDERS | THOMPSON FALLS | Purchase police vehicle | 5 | 01/15/21 | 49,650 | 11/19/21 | 49,650 | - | 44,863 | 02/15/27 |
| SANDERS Total | | | | | 395,147 | | 296,296 | - | 198,630 | |
| STILLWATER | COLUMBUS | Sewer main replacement | 15 | 02/25/22 | 50,000 | | | 50,000 | - | |
| STILLWATER | COLUMBUS | Ultraviolet system replacement | 15 | 02/25/22 | 450,000 | | | 450,000 | - | |
| STILLWATER | STILLWATER COUNTY | two used plow trucks | 7 | 08/26/19 | 107,000 | 10/04/19 | 107,000 | - | 71,110 | 08/15/26 |
| STILLWATER | PARK CITY RURAL FIRE DISTRICT | Finance replacement apparatus | 7 | 11/25/15 | 35,000 | 10/13/17 | 35,000 | - | 13,051 | 08/15/24 |
| STILLWATER | COLUMBUS RURAL FIRE DISTRICT | Fire Truck | 10 | 06/23/21 | 350,000 | 07/23/21 | 350,000 | - | 333,856 | 08/15/31 |
| STILLWATER | BEARTOOTH PARKS AND RECREATION | Repair pool and bath houses | 15 | 01/16/15 | 53,539 | 07/02/15 | 26,545 | - | 32,660 | 08/15/30 |
| STILLWATER | REED POINT ELEMENTARY SCHOOL | Refinance loan that purchased staff | 15 | 06/30/17 | 183,109 | 07/28/17 | 183,109 | - | 134,916 | 06/15/24 |
| STILLWATER Total | | | | | 1,228,648 | | 701,654 | 500,000 | 585,592 | |
| TETON | CHOTEAU | Asphalt grinder | 10 | 11/08/17 | 85,550 | 12/08/17 | 85,550 | - | 53,854 | 02/15/28 |
| TETON | GREENFIELDS IRRIGATION DISTRICT | Arnold Coulee Drop replace/hydro p | 15 | 11/30/21 | 2,626,126 | | | 2,626,126 | - | |
| TETON Total | | | | | 2,711,676 | | 85,550 | 2,626,126 | 53,854 | |
| TOOLE | KEVIN | Repair portion of water system | 15 | 09/06/13 | 35,828 | 10/18/13 | 19,803 | - | 16,356 | 08/15/28 |
| TOOLE | KEVIN | Purchase and upgrade existing builc | 10 | 11/16/15 | 39,944 | 12/18/15 | 39,944 | - | 16,488 | 02/15/26 |
| TOOLE | SUNBURST | Purchase Skid Steer | 5 | 01/29/19 | 40,000 | 03/08/19 | 40,000 | - | 16,720 | 02/15/24 |
| TOOLE | TOOLE COUNTY | Airport Taxiway and hangar | 10 | 12/26/12 | 145,394 | 01/18/13 | 145,394 | - | 15,210 | 02/15/23 |
| TOOLE | TRI-CITY INTERLOCAL EQUIPMENT | New combination sewer truck | 7 | 06/03/19 | 389,414 | 06/21/19 | 389,414 | - | 258,604 | 08/15/26 |
| TOOLE Total | | | | | 650,580 | | 634,555 | - | 323,378 | |
| TREASURE | HYSHAM | wastewater system improvements | 15 | 09/17/20 | 100,000 | | | 100,000 | - | |
| TREASURE | HYSHAM SCHOOL DISTRICT #1 | Upgrading HVAC, restroom/locker r | 10 | 04/16/21 | 540,050 | 08/06/21 | 390,500 | 149,550 | 379,319 | 08/15/31 |
| TREASURE Total | | | | | 640,050 | | 390,500 | 249,550 | 379,319 | |
| VALLEY | ST. MARIE RURAL FIRE DISTRICT | Fire Tanker Truck | 7 | 05/07/21 | 60,000 | 08/20/21 | 60,000 | - | 55,924 | 08/15/28 |
| VALLEY | VALLEY COUNTY | Landfill Scraper | 10 | 10/05/15 | 100,000 | 11/06/15 | 100,000 | - | 33,208 | 02/15/26 |
| VALLEY | VALLEY COUNTY | Build new fire hall | 10 | 05/07/15 | 100,000 | 07/24/15 | 45,810 | - | 36,430 | 08/15/25 |
| VALLEY Total | | | | | 260,000 | | 205,810 | - | 125,563 | |

Local Government INTERCAP loans* - by County

As of June 30, 2022

*only loans that have remaining commitment and/or outstanding

| COUNTY | BORROWER | PROJECT | TERM | COMMIT DATE | COMMIT AMOUNT | FUND DATE | DRAWN | COMMIT REMAINING | Outstanding | MATURITY |
|---|---------------------------|--------------------------------------|------|-------------|-------------------|-----------|-------------------|-------------------|-------------------|----------|
| YELLOWSTONE | BILLINGS | Expansion of police evidence buildin | 15 | 05/21/19 | 2,800,000 | 12/06/19 | 285,388 | - | 2,536,134 | 08/15/34 |
| YELLOWSTONE | BROADVIEW | Anticipation of RD funds (water) | 2 | 05/14/21 | 588,000 | | | 588,000 | - | |
| YELLOWSTONE | LAUREL | Fire Safety Equipment | 7 | 05/28/15 | 160,000 | 08/28/15 | 160,000 | - | 11,826 | 08/15/22 |
| YELLOWSTONE | LAUREL | Replace & repair sidewalks within SI | 15 | 05/27/15 | 169,000 | 11/20/15 | 169,000 | - | 99,029 | 08/15/30 |
| YELLOWSTONE | LAUREL | Garbage Truck | 7 | 05/13/21 | 300,000 | | | 300,000 | - | |
| YELLOWSTONE | LAUREL AIRPORT AUTHORITY | Build a cross wind runway | 15 | 05/11/17 | 373,198 | 09/08/17 | 10,326 | (0) | 289,002 | 08/15/32 |
| YELLOWSTONE | LOCKWOOD RURAL FIRE DISTR | Re-finance Bank Loan for Fire Static | 15 | 06/01/21 | 2,760,000 | 06/18/21 | 2,760,000 | - | 2,678,726 | 08/15/36 |
| YELLOWSTONE | LOCKWOOD RURAL FIRE DISTR | Land purchase for Fire Training Cen | 15 | 04/28/21 | 800,000 | 05/21/21 | 800,000 | - | 776,442 | 08/15/36 |
| YELLOWSTONE | YELLOWSTONE COUNTY | Construct pedestrian walkways in Lc | 10 | 06/25/15 | 285,965 | 11/13/15 | 100,795 | - | 103,924 | 02/15/26 |
| YELLOWSTONE | YELLOWSTONE COUNTY | construct pedestrian walkways in Lo | 10 | 10/19/18 | 350,000 | 11/09/18 | 150,000 | - | 263,196 | 02/15/29 |
| YELLOWSTONE Total | | | | | 8,586,164 | | 4,435,510 | 888,000 | 6,758,279 | |
| LOCAL GOVERNMENT TOTAL AS OF JUNE 30, 2022 | | | | | 99,009,040 | | 55,921,268 | 19,872,852 | 49,515,988 | |

State Agency INTERCAP loans*

As of June 30, 2022

*only loans that have remaining commitment and/or outstanding

| BORROWER | PROJECT | TERM | COMMIT DATE | COMMIT AMOUNT | FUND DATE | DRAWN | COMMIT REMAINING | Outstanding | MATURITY |
|---|---|------|-------------|-------------------|-----------|-------------------|------------------|-------------------|----------|
| CORRECTIONS | food factory expansion | 15 | 02/11/20 | 2,750,000 | 05/21/21 | 1,999,803 | 750,197 | 1,964,326 | 08/15/36 |
| CORRECTIONS | MCE Laundry upgrades | 7 | 05/25/22 | 1,300,000 | | | 1,300,000 | - | |
| CORRECTIONS Total | | | | 4,050,000 | | 1,999,803 | 2,050,197 | 1,964,326 | |
| DNRC | Anticip of issuing GO short term bond - DW | 2 | 08/10/21 | 3,900,000 | | 3,100,000 | 800,000 | 1,900,000 | 12/15/23 |
| DNRC | Anticip of issuing GO short term bond - WPC | 2 | 05/25/22 | 1,600,000 | | 50,000 | 1,550,000 | 50,000 | 06/10/24 |
| DNRC | Anticip of issuing GO short term bond - DW | 2 | 05/25/22 | 2,200,000 | | 50,000 | 2,150,000 | 50,000 | 06/10/24 |
| DNRC Total | | | | 7,700,000 | | 3,200,000 | 4,500,000 | 2,000,000 | |
| FISH, WILDLIFE, & | finance two replacement helicopters | 7 | 10/8/19 | 1,600,000 | 3/6/2020 | 870,000 | - | 1,303,042 | 2/15/27 |
| FISH, WILDLIFE & PARKS Total | | | | 1,600,000 | | 870,000 | - | 1,303,042 | |
| TRANSPORTATIO | State Motor Pool replacement vehicles | 7 | 11/15/16 | 2,632,249 | 3/10/2017 | 677,229 | - | 404,935 | 06/15/23 |
| TRANSPORTATIO | State Motor Pool vehicles | 7 | 05/06/19 | 1,000,000 | 6/14/2019 | 1,000,000 | - | 571,429 | 06/15/26 |
| TRANSPORTATIO | State Motor Pool vehicles | 7 | 11/19/19 | 3,080,000 | 6/12/2020 | 3,080,000 | - | 2,200,000 | 06/15/27 |
| TRANSPORTATIO | Purchase State Motor Pool vehicles | 7 | 02/23/21 | 2,611,660 | 6/11/2021 | 2,611,660 | - | 2,238,566 | 06/15/28 |
| TRANSPORTATION Total | | | | 9,323,909 | | 7,368,889 | - | 5,414,929 | |
| STATE AGENCY TOTAL AS OF JUNE 30, 2022 | | | | 22,673,909 | | 13,438,692 | 6,550,197 | 10,682,297 | |

University INTERCAP loans*

As of June 30, 2022

*only loans that have remaining commitment and/or outstanding

| COUNTY | BORROWER | PROJECT | TERM | COMMIT DATE | COMMIT AMOUNT | FUND DATE | DRAWN | COMMIT REMAINING | OUTSTANDING | MATURITY |
|---|--------------|------------------------------------|------|-------------|-------------------|-----------|-------------------|------------------|------------------|----------|
| YELLOWSTONE | MSU-BILLINGS | Bookstore Remodel | 10 | 10/31/11 | 513,046 | 06/22/12 | 513,046 | - | 28,097 | 08/15/22 |
| YELLOWSTONE | MSU-BILLINGS | Student Union/Rimrock Hall HVAC | 15 | 05/22/12 | 1,260,881 | 06/22/12 | 1,260,881 | - | 498,798 | 08/15/27 |
| YELLOWSTONE | MSU-BILLINGS | Repair/replace the roof on Petro t | 10 | 06/05/14 | 376,758 | 01/09/15 | 376,758 | - | 116,586 | 02/15/25 |
| YELLOWSTONE | MSU-BILLINGS | Repair/replace roof on the Studen | 10 | 05/04/15 | 835,488 | 06/19/15 | 835,488 | - | 310,669 | 08/15/25 |
| YELLOWSTONE | MSU-BILLINGS | replace two boilers | 15 | 04/08/20 | 750,000 | 06/18/21 | 554,634 | 195,366 | 554,427 | 08/15/36 |
| MSU-BILLINGS Total | | | | | 3,736,173 | | 3,540,807 | 195,366 | 1,508,577 | |
| GALLATIN | MSU-BOZEMAN | Bobcat Stadium End Zone Project | 15 | 01/12/11 | 4,000,000 | 04/29/11 | 4,000,000 | - | 1,322,345 | 08/15/26 |
| GALLATIN | MSU-BOZEMAN | Energy Retro - Multiple Buildings | 15 | 11/13/12 | 4,350,000 | 11/16/12 | 4,350,000 | - | 1,838,038 | 08/15/28 |
| GALLATIN | MSU-BOZEMAN | Renovate Strand Union Building t | 15 | 08/19/14 | 1,720,244 | 04/24/15 | 1,720,244 | - | 1,014,580 | 08/15/30 |
| GALLATIN | MSU-BOZEMAN | Repair Stadium Stairwells | 5 | 11/14/16 | 475,000 | 04/28/17 | 475,000 | - | 50,233 | 08/15/22 |
| GALLATIN | MSU-BOZEMAN | improvements at the Dobbie Lamf | 15 | 05/22/18 | 4,000,000 | 09/14/18 | 1,716,271 | (0) | 3,271,293 | 02/15/34 |
| MSU-BOZEMAN Total | | | | | 14,545,244 | | 12,261,515 | (0) | 7,496,489 | |
| UNIVERSITY TOTAL AS OF JUNE 30, 2022 | | | | | 18,281,417 | | 15,802,322 | 195,366 | 9,005,065 | |