

PRT Board Meeting

Date: December 3, 2025

Time: 2:00 PM AST

Location: Marichal Hernández LLC's Offices

MEETING MINUTES

I. ATTENDANCE

PRT Board Members	PRESENT/ABSENT/EXCUSED
Jason Fichtner, PhD – Chair	Present
Michael Finke, PhD	Present
Hon. Joshua Gotbaum, JD, MPP	Excused
Desiree Mieses, CIMA, MBA – Secretary	Present
Gabriel Olivera, JD, LLM	Present
Pension Reserve Trust Management	
María del Carmen López, CTP – Executive Director	Present
Julian Bayne, Esq. – Chief Financial Officer	Present
Camille Somoza, Esq. – In-house Counsel	Present
Advisors & Others	
Rhett Humphreys (NEPC)	Present

II. QUORUM

The meeting started at 2:00 PM AST. A quorum was established with four Trustees present.

III. DISCUSSION

The Trustees discussed the quarterly report for the first quarter of fiscal year 2026, which will be presented tomorrow to the Pension Benefits Council and to the Act 106 Board. The Trustees approved the report attached hereto as **Exhibit A**.

IV. ADJOURNMENT

The meeting adjourned at 4:25 PM AST.

V. MINUTES SIGNATURE

Minutes were reviewed and approved by the Trustees.

5

Desiree Mieses, CIMA, MBA

Secretary of the Board

Date: 12/18/2025



PENSION
RESERVE TRUST

FIDEICOMISO DE RESERVA DE PENSIONES

Working to Preserve Pension Benefits

Report of the Pension Reserve Trust for September 30, 2025

December 4, 2025

Agenda

- **Since Our Last Meeting**
- **Investment Performance**
- **Operations & Expenses**
- **Next Steps**

Appendices

- A. Investment Detail
- B. Budget & Expense Detail
- C. FOMB FY25 Annual Report

Since our Last Meeting

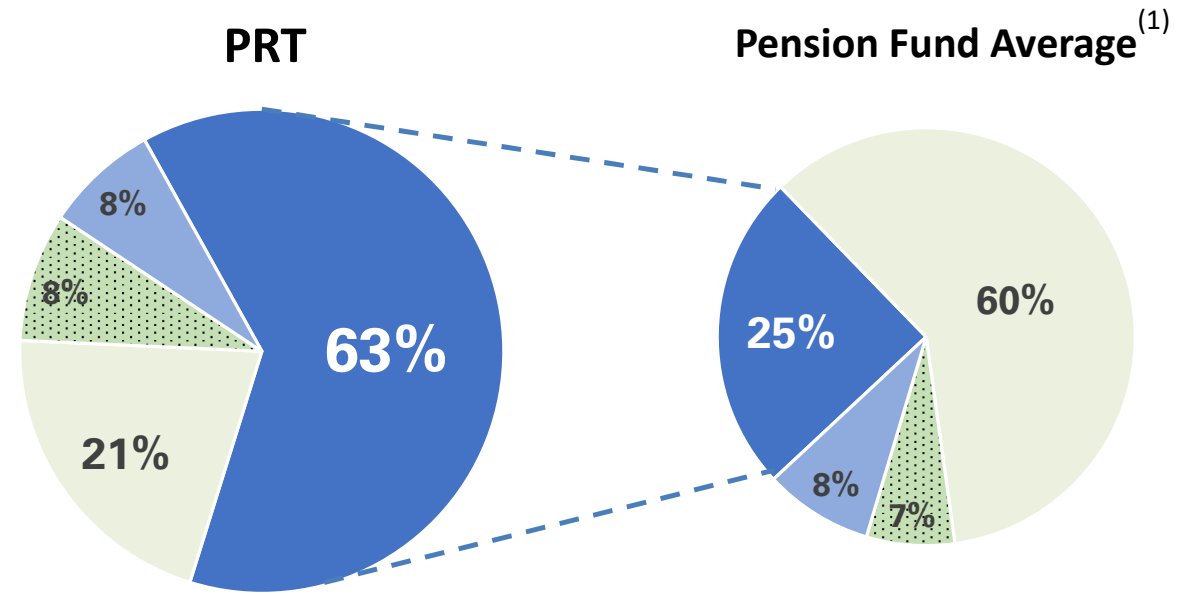
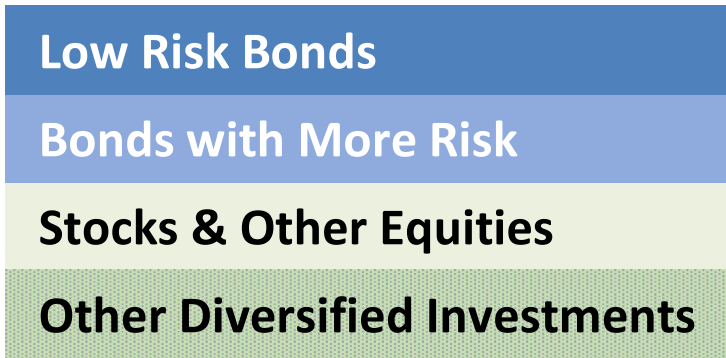
- Completed the [FY25 audit](#).
- Began the FY25 compliance audit.
- Began Asset & Withdrawal Management study (“AWM Study”).

Investment Performance

We continue to:

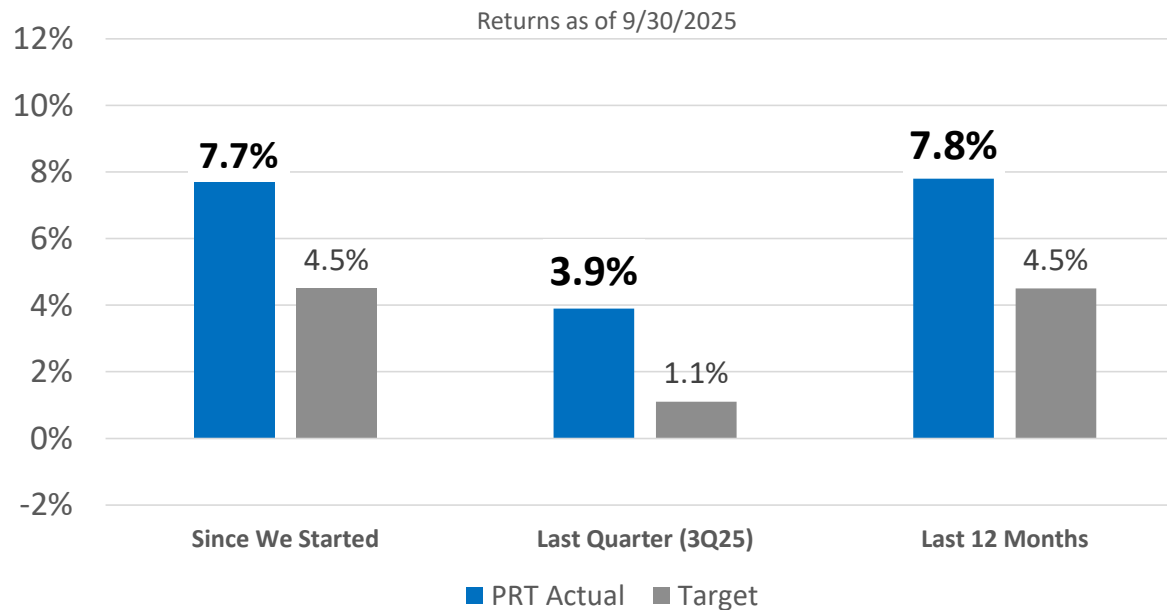
- **Invest conservatively.**
- **Diversify investments.**
- **Keep investment expenses low.**
- **Rely appropriately on professional investment advice.**
- **Aim for getting the necessary returns despite month to month & year to year fluctuations.**

PRT remains more conservatively invested than pension funds.

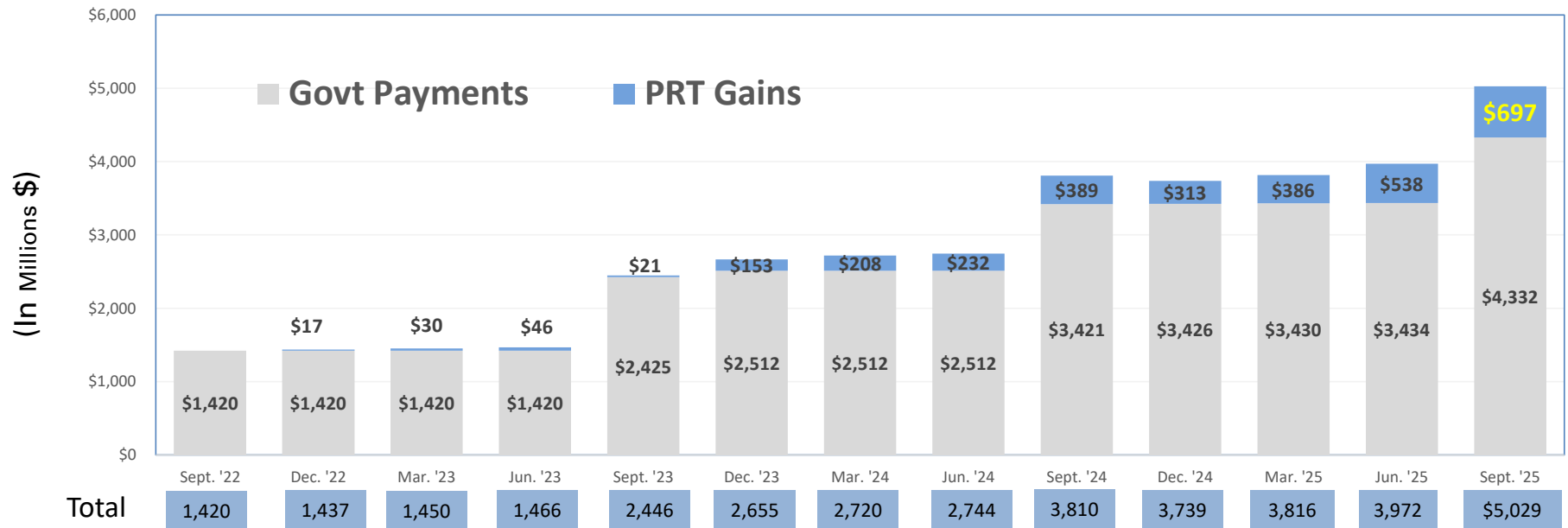


(1) InvestMetrics Public DB Universe as of September 30, 2025; 2024 NCPERS Public Fund Annual Survey

***Despite continued global uncertainty,
PRT returned 7.8% in the last 12 months, 7.7% since we started***



PRT total investment returns nearly \$700 million



Gains include income, realized and unrealized gains*

Operations & Budget

FY 2026 – 1st Quarter Budget v. Actual Results	Annual Budget	YTD Expenses ⁽¹⁾	% of Budget spent YTD
Administrative and Operating Expenses⁽²⁾	1,850,000	338,069	18%
Investment Related & Non-Ordinary Expenses⁽³⁾	7,500,000	1,388,364	19%
Total Expenses⁽¹⁾	9,350,000	1,726,433	18%

For more detailed information regarding these expenses, please refer to the Appendix C.

(1) Unaudited.

(2) Subject to budget cap in accordance with Section 7.3 of the Guidelines.

(3) Reflect ongoing implementation of the Investment Policy

As of September 30, 2025 ⁽¹⁾

PRT's expense ratio remains low

AUM v. Actual Expenses	YTD Expenses ⁽¹⁾	As % of AUM
Assets under Management ("AUM")		\$5,029,370,619
Administrative & Operating Expenses	\$ 338,069	0.03%
Investment & Non-ordinary Expenses	<u>1,388,364</u>	<u>0.11%</u>
Ongoing Expenses	\$1,726,433	0.14%⁽²⁾

(1) Unaudited.

(2) NCPERS Annual Pension Survey 2025 **average** is 0.73%

As of September 30, 2025 ⁽¹⁾

A

Investments & Operations

- Complete the Asset & Withdrawal Management Study.
- Review Investment Policy based on AWM & determine future allocations.

B

Governance & Accountability

- Complete the FY25 Annual Compliance Audit.
- Begin the FY25 Annual Report.

For further information contact:

María del Carmen López
Executive Director
(787) 474-9744
Maria.Lopez@PRTPR.org

Appendix A

Investment Detail

Pension Reserve Trust

September 30, 2025

COMPOSITE PERFORMANCE DETAIL

	Allocation			Performance (%)					
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	YTD (%)	1 Yr (%)	2 Yrs (%)	Inception (%)	Inception Date
Total Composite	5,029,370,619	100.0	100.0	3.9	10.0	7.8	11.2	7.7	Oct-22
<i>Policy Index</i>				3.9	10.2	7.9	11.4	7.5	
<i>4.5% Target</i>				1.1	3.1	4.5	4.5	4.5	
Public Equity	1,053,390,636	20.9	25.0	7.5	17.1	16.1	22.7	17.0	Aug-23
<i>MSCI AC World IMI Index (Net)</i>				7.7	18.3	16.8	23.7	17.7	
High Quality Fixed Income	2,174,482,343	43.2	55.0	2.0	6.4	3.1	7.0	5.3	Aug-23
<i>Blmbg. U.S. Aggregate Index</i>				2.0	6.1	2.9	7.1	5.0	
Return Seeking Fixed Income	384,608,090	7.6	10.0	2.4	6.9	5.5	9.9	8.0	Aug-23
<i>Credit Custom BM</i>				2.4	6.4	5.4	9.4	7.9	
Diversification	430,779,361	8.6	10.0	6.5	15.6	13.2	18.4	13.7	Aug-23
<i>Diversification Custom BM</i>				6.5	16.6	13.1	18.0	13.4	
Cash	986,110,189	19.6	0.0	1.0	3.1	4.4	4.9	4.9	Oct-22
<i>90 Day U.S. Treasury Bill</i>				1.1	3.2	4.4	4.9	4.8	

Period ending September 30, 2025 (net of fees)

Pension Reserve Trust

September 30, 2025

TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)					
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	YTD (%)	1 Yr (%)	2 Yrs (%)	Inception (%)	Inception Date
Total Composite	5,029,370,619	100.0	100.0	3.9	10.0	7.8	11.2	7.7	Oct-22
<i>Policy Index</i>				3.9	10.2	7.9	11.4	7.5	
4.5% Target				1.1	3.4	4.5	4.5	4.5	
Public Equity	1,053,390,636	20.9	25.0	7.5	17.1	16.1	22.7	17.0	Aug-23
Vanguard S&P 500 ETF	501,294,268	10.0		8.1	14.7	17.5	26.6	20.6	Aug-23
<i>S&P 500 Index</i>				8.1	14.8	17.6	26.6	20.7	
Vanguard Value ETF	109,544,599	2.2		6.0	12.0	9.2	19.0	14.4	Aug-23
<i>CRSP U.S. Large Cap Value Index</i>				6.0	12.0	9.2	19.0	14.4	
Vanguard Extended Market ETF	75,669,083	1.5		8.9	11.2	16.4	22.4	15.5	Aug-23
<i>S&P Completion Index</i>				8.9	11.2	16.4	22.2	15.3	
Vanguard FTSE Developed Markets ETF	164,822,363	3.3		5.6	27.5	17.2	20.8	14.8	Aug-23
<i>FTSE Developed All Cap ex-US Index (Net)</i>				5.9	26.9	16.8	20.4	14.6	
State Street Hedged Intl Dev Eq Idx K	96,315,049	1.9		6.0	15.7	15.4	18.0	15.2	Aug-23
<i>MSCI EAFE Index (Hedged) (Net)</i>				6.1	15.4	15.5	18.2	15.3	
Vanguard FTSE Emerging Markets ETF	105,745,273	2.1		10.1	24.1	17.0	21.2	14.8	Aug-23
<i>FTSE EM All Cap China A Inclusion Net Tax (US RIC)</i>				10.1	22.5	14.7	20.8	15.2	
Public Debt	2,559,090,433	50.9	65.0	2.1	6.5	3.5	7.4	5.7	Aug-23
High Quality Fixed Income	2,174,482,343	43.2	55.0	2.0	6.4	3.1	7.0	5.3	Aug-23
Treasuries	898,266,095	17.9		1.9	6.0	1.2	5.6	3.7	Aug-23
Vanguard Short-Term Treasury ETF	72,192,354	1.4		1.1	3.9	3.9	5.3	5.0	Aug-23
<i>Blmbg. U.S. Treasury: 1-3 Year</i>				1.1	4.0	3.9	5.3	5.1	
Vanguard Long-Term Treasury ETF	391,432,257	7.8		2.5	5.8	-3.5	5.5	0.1	Aug-23
<i>Blmbg. U.S. Treasury: Long</i>				2.5	5.6	-3.5	5.6	0.2	
Vanguard Intermediate-Term Trs	310,884,685	6.2		1.3	6.2	3.2	6.3	4.9	Aug-23
<i>Bloomberg U.S. Treasury 3-10 Year Index</i>				1.4	6.3	3.2	6.3	4.9	
Schwab US TIPS ETF	123,756,799	2.5		2.1	6.8	3.8	6.7	4.9	Aug-23
<i>Blmbg. U.S. TIPS</i>				2.1	6.9	3.8	6.8	4.9	

Source: NEPC
FYTD = Fiscal Year

Period ending September 30, 2025 (net of fees) (Cont.)

Pension Reserve Trust

September 30, 2025

TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)					
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	YTD (%)	1 Yr (%)	2 Yrs (%)	Inception (%)	Inception Date
Corporate Bonds	1,276,216,248	25.4		2.1	6.6	4.9	8.4	6.9	Aug-23
Vanguard Short-Term Corporate Bond ETF	375,247,131	7.5		1.7	5.5	5.0	7.4	6.5	Aug-23
<i>Bloomberg US Corporate 1-5 Years</i>				1.6	5.5	5.1	7.4	6.6	
Vanguard Inter-Term Corp Bd ETF	372,042,670	7.4		2.7	8.1	5.2	10.0	7.5	Aug-23
<i>Blmbg. U.S. Credit Corp 5-10 Year Index</i>				2.6	8.1	5.2	10.0	7.6	
IR&M Intermediate Credit Fund	528,926,447	10.5		2.0	6.4			6.4	Jan-25
<i>Blmbg. U.S. Intermediate Credit</i>				2.0	6.5			6.5	
Return Seeking Fixed Income	384,608,090	7.6	10.0	2.4	6.9	5.5	9.9	8.0	Aug-23
Vanguard Total Corporate Bond ETF	192,464,050	3.8		2.6	6.9	3.6	8.8	6.3	Aug-23
<i>Bloomberg US Corporate</i>				2.6	6.9	3.6	8.8	6.4	
iShares Broad USD High Yield Corp Bd ETF	96,842,343	1.9		2.4	7.5	7.4	11.7	10.1	Aug-23
<i>ICE BofA US High Yield Master II Constrained</i>				2.4	7.1	7.2	11.4	10.0	
iShares 0-5 Year High Yield Corp Bd ETF	95,301,698	1.9		2.1	6.5	7.0	10.1	9.0	Aug-23
<i>ICE BofA 0-5 Year U.S. High Yield Constrained</i>				2.2	6.3	7.1	10.3	9.5	
Diversification	430,779,361	8.6	10.0	6.5	15.6	13.2	18.4	13.7	Aug-23
Public Real Assets	215,669,161	4.3		7.5	20.6	15.1	18.5	13.6	Aug-23
<i>Diversification Real Assets Custom BM</i>				7.6	19.4	14.4	18.4	13.5	
SPDR S&P Global Natural Resources ETF	43,275,997	0.9		9.2	20.7	7.0	7.1	4.5	Aug-23
<i>S&P Global Natural Resources Sector Index (Net)</i>				9.4	20.8	6.4	6.7	4.3	
iShares Global Infrastructure ETF	40,704,636	0.8		3.2	18.9	16.0	23.0	15.6	Aug-23
<i>S&P Global Infrastructure (Net)</i>				3.5	18.9	15.8	22.5	15.3	
iShares Global REIT ETF	41,993,265	0.8		4.4	8.9	-0.5	13.6	7.3	Aug-23
<i>FTSE EPRA/NAREIT Global REITs Index</i>				4.4	9.3	-0.5	13.9	7.7	
SPDR Gold MiniShares	47,006,429	0.9		16.7	47.0	46.6	44.4	36.5	Aug-23
<i>Bloomberg Gold Subindex Total Return</i>				16.4	44.8	44.1	42.9	34.9	
Aberdeen Bloomberg All Commodity Strategy K-1 Free ETF	42,688,834	0.8		3.7	9.1	8.9	4.7	3.5	Aug-23
<i>Bloomberg Commodity Index Total Return</i>				3.6	9.4	8.9	4.8	3.8	

Source: NEPC
FYTD = Fiscal Year

Pension Reserve Trust

September 30, 2025

TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)					
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	YTD (%)	1 Yr (%)	2 Yrs (%)	Inception (%)	Inception Date
Multi-Asset	215,110,200	4.3		5.5	10.8	11.3	18.2	13.8	Aug-23
SSGA Moderate Strategic Balanced Strategy	215,110,200	4.3		5.5				12.9	Apr-25
60% MSCI ACWI (Net) / 40% Bloomberg Aggregate				5.4				13.1	
Cash	986,110,189	19.6	0.0	1.0	3.1	4.4	4.9	4.9	Oct-22
90 Day U.S. Treasury Bill				1.1	3.2	4.4	4.9	4.8	
Northern Trust Money Market Treasury NTPXX	986,110,189	19.6		1.0	3.1	4.4	5.2	5.5	May-23

Appendix B

Budget & Expense Detail

Administrative and Operating Expenses	Annual Budget	YTD Expenses ⁽¹⁾	% of Budget
Management & Staff	757,000	167,663	22%
Trustees	423,000	105,273	25%
Legal Counsel	85,000	869	1%
Accounting and Audit	255,000	34,000	13%
Other Professionals	95,000	4,197	4%
Ordinary Business (General)	110,000	24,454	22%
Travel and other reimbursable expenses	90,000	1,613	2%
Emergency and Contingency Reserve	35,000	-	0%
Total Administrative and Operating Expenses⁽¹⁾	1,850,000	338,069	18%

As of September 30, 2025 ⁽¹⁾

⁽¹⁾ Unaudited.

Non-Ordinary Expenses & Investment Related	Annual Budget	YTD Expenses ⁽¹⁾	% of Budget
Management & Staff	298,000	66,129	22%
Custodian	250,000	46,307	19%
Insurance Policies (D&O, Cyber, etc.)	175,000	28,290	16%
Legal, Regulatory & Compliance	500,000	18,628	4%
Other	32,000	72	0%
Equipment, Software and Licenses	100,000	9,257	9%
Asset Withdrawal Management (AWM) study	145,000	28,000	19%
Investment consultant annual fee	1,700,000	372,368	22%
Investment management fees	4,300,000	819,313	19%
Total Non-Ordinary and Investment Related Expenses⁽¹⁾	7,500,000	1,388,364	19%

As of September 30, 2025 ⁽¹⁾

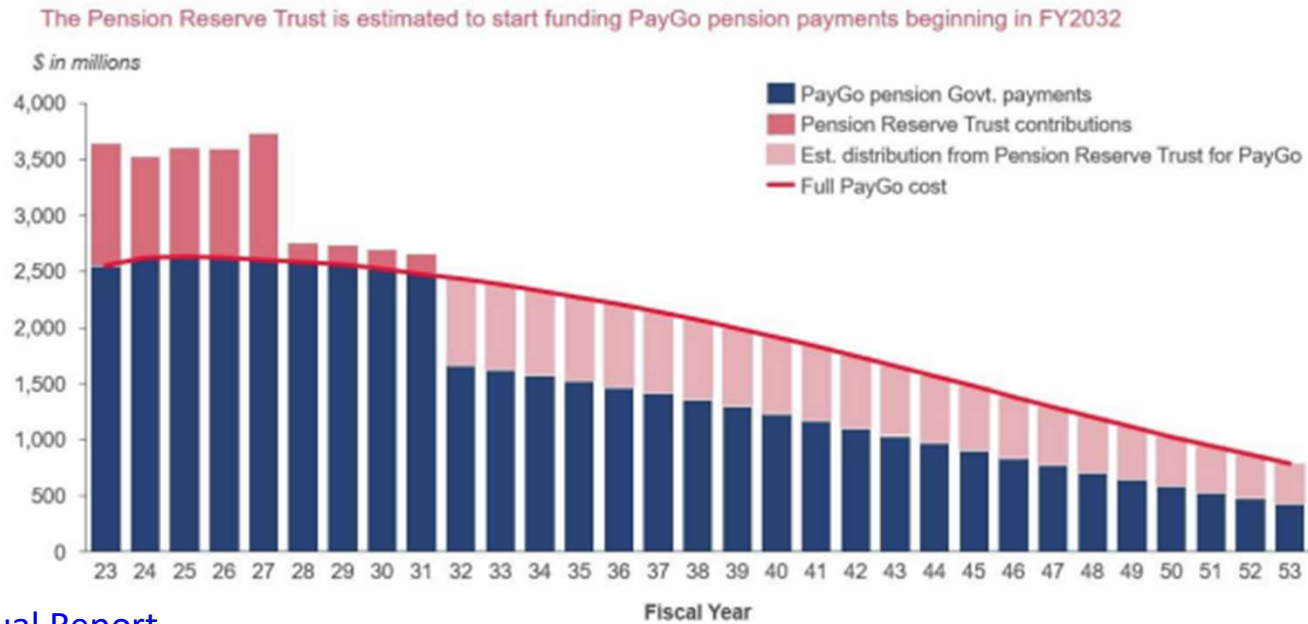
⁽¹⁾ Unaudited.



Appendix C
FOMB FY25
Annual Report

FOMB FY25 Annual Report potential contributions/withdrawals to/from the PRT will be considered in AWM Study. The FOMB report abides by the [Consolidated Appropriations Act from 2023](#), Title V.

Figure 7: PayGo Pension Payments and Pension Reserve Trust Funding



***This is not a PRB analysis.**

Source: [FOMB FY25 Annual Report](#)

Important Notices & Disclaimers

- ▶ *This presentation is being provided for the information and use of the Act 106 Board and the Pension Benefits Council. It is **not investment advice or legal advice.***
- ▶ *The objective of the Pension Reserve Trust is, if possible, to provide funds to the Government adequate to meet pension obligations by prudently investing its funds over the next several decades. The investment decisions of the Trust are made with that objective while minimizing unnecessary risks. However, **all investments carry some level of risk. Their performance in the future can and will differ from their past performance and the Trust's asset values will fluctuate from quarter to quarter and year to year.** Diversification and other asset allocation techniques do not ensure profit or protect against losses.*
- ▶ *The PRT and Board make investment decisions to implement the particular requirements of the Plan of Adjustment, the Deed of Trust, and the Guidelines. **This presentation and the Trust's investment decisions should not be relied on in any way by any other party for any other purpose, particularly (but not only) decisions about investment of pension funds and of individual retirement plans.** Every person should make their own analysis based on their own goals with independent financial professionals before making any investment.*
- ▶ *The views presented here represent the good faith views of the Pension Reserve Trust as of the publication date and are subject to change at any time. The presentation does not contain all the analysis and data examined by the Board in coming to its views.*
- ▶ *Some of the information presented here has been obtained from external sources including the FOMB, the Commonwealth Government, consultants, vendors, etc.. While the Board has exercised reasonable professional care in preparing this content, we cannot guarantee the accuracy of all source information. Any financial information is unaudited.*

Signature: 

Email: desiree.mieses@prtpr.org

Title: Secretary

Company: PRT

PRT Board Meeting Minutes- 12.3.25

Final Audit Report

2025-12-18

Created:	2025-12-18
By:	Camille Somoza (camille.somoza@prtpr.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAiQEUK-70uvJGBXVCdJgBJA3vfw5sEOP0

"PRT Board Meeting Minutes- 12.3.25" History

-  Document created by Camille Somoza (camille.somoza@prtpr.org)
2025-12-18 - 8:44:32 PM GMT
-  Document emailed to desiree.mieses@prtpr.org for signature
2025-12-18 - 8:46:22 PM GMT
-  Email viewed by desiree.mieses@prtpr.org
2025-12-18 - 9:48:21 PM GMT
-  Signer desiree.mieses@prtpr.org entered name at signing as Desiree Mieses
2025-12-18 - 9:49:05 PM GMT
-  Document e-signed by Desiree Mieses (desiree.mieses@prtpr.org)
Signature Date: 2025-12-18 - 9:49:07 PM GMT - Time Source: server
-  Agreement completed.
2025-12-18 - 9:49:07 PM GMT