



ANNE ARUNDEL COUNTY  
RETIREMENT AND PENSION SYSTEM

Board of Trustees  
Minutes of October 21, 2025,  
Virtual Meeting

**Members Present:** Christine Anderson, Anne Budowski, Karen Henry, Rhody Holthaus, Mary Lu Hughes, Alan Hyatt, Kevin Nethers, Billie Penley, Joseph Solari, M. Kathleen Sulick, Chris Trumbauer, and LeRoy Wilkison

**Members Absent:** Ronald Seldon

**Staff Present:** Lynn Daitch, Natalie Fretz, John Hammond, Kelly Lovett, Lisa Sinnett, Cheryl Wyngarden, and Beth Zimmerman

**Guests:** Rhett Humphreys, Rachelle Hochman, Robert Kaslow-Ramos, Katie Vaz, Karen Kasteel, Gar Chung, and Joe Ebisa

**Recorder:** Stacy Kish, Audio Associates

Ms. Anderson called the meeting of the Board of Trustees of the Anne Arundel County Retirement and Pension System (Board) to order at 12:00 p.m. The minutes of the September 16, 2025 meeting were approved unanimously.

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**Manager Interviews**

***Apollo Global Management***  
***Rachelle Hochman, Robert Kaslow-Ramos***

Ms. Hochman thanked the Board for the long-standing partnership. She introduced Mr. Kaslow-Ramos, who discussed the firm's strategy and shared updates for Apollo Global Management. Brian Chu was hired to oversee the portfolio operations group. Aaron Miller has moved into a senior VP role. In addition, the firm hired Kevin Pluff to co-lead the capital solutions group. He continued with the firm's approach using AI tools to improve efficiency and build deeper insights.

Mr. Kaslow-Ramos continued with fund performance. Fund IX (2018 vintage) has completed investment and is now focused on value creation and monetization. It has a maturity date of 2028. The fund has generated over \$4 billion since 2025, resulting in 0.7 times DPI. Four investments have exited (e.g., Lottomatica, Tenneco, Aspen, and Maftec), representing over \$4 billion in proceeds. Fund IX is fully deployed (\$25 billion) with ~\$16 billion in total proceeds.

Mr. Kaslow-Ramos expects 2026 to be significant for both value creation and monetization, with bulk of activity for monetization occurring between 2026 and 2028.

Fund VIII (2013 vintage) has been significantly realized with some continued value upside with a focus on monetizing the remaining positions. It is an \$18.4 billion fund that has already realized 1.4 times Gross DPI. The fund is marked at 13% gross and 9% net IRR. He noted a significant strategy change from Fund VIII to Fund IX—a change from oil and gas-related investments. The result of those investments for Fund VIII represented in 400–500 basis points ahead on returns. Year-to-date, the firm has exited Sun Country airlines, ADT, and Fresh Market. Fund VIII's remaining portfolio is attributed to public positions. The firm's focus is on value creation and monetizing value with a large part of activities to occur over next two years. No new investments are going into this fund.

### ***Clarion Partners***

***Katie Vaz, Karen Kasteel***

Ms. Kasteel gave an update on the firm. Clarion Partners hired Josh Pristaw, expanding its senior leadership team. She turned the meeting over to Ms. Vaz, who continued with an update on the Lions Properties Fund (LPF). The fund is concentrated in sectors with high conviction that are growing in the market over time. She noted that the fund has experienced five quarters of positive returns, suggesting it may be at the beginning of a new cycle for real estate. The fundamentals remain healthy in majority of sectors (e.g., drop off in new supply and construction starts). Clarion is set apart by the firm's platform—unique ownership structure, LPF is sizable piece of the firm, strong portfolio around high-conviction themes, and proactive management style. NOI growth is forecast at 5% for portfolio.

The LPF portfolio is diversified—industrial (37%), multifamily (27.6%), alternatives (e.g., alternative house, life sciences/healthcare) (18.4%), grocery lifestyle retail (5.7%), and office (10.1%). The company is focused on affordability markets (e.g., growth in population areas and job markets). The firm continues to be underweight in the Midwest, which has not traditionally been strong in innovative growth. It is also underweight in Washington DC.

The focus is on risk management by focusing on the balance sheet and leverage for the fund, which is currently under 27%. The portfolio remains in a good place.

Mr. Trumbauer asked if Clarion has looked at data centers.

Ms. Vaz noted the LPF focuses on core investments. The firm has studied data centers and has decided not to enter this space. The investments are large and the technology is at risk for obsolescence over time. She noted that LPF has a number of industrial sites that may lend themselves to data centers and this is an area where the firm can create value.

Mr. Trumbauer asked how Clarion reconciles the current economy and administration's macro-economic policy and the firm's general outlook that the US economy is stable.

Ms. Vaz stated that in terms of private real estate, one needs to look at growth. She noted Clarion believes we are in a slow growth period, which will support real estate fundamentals and the continued recovery of private real estate space.

Mr. Hyatt asked Ms. Vaz how Clarion views the industrial market.

Ms. Vaz stated that the industrial market is an area where Clarion has long-term conviction. The firm believes there may be short-term softness until demand rebounds, but ecommerce is expanding and will penetrate the retail market even further, which will drive a demand for warehouse space. Obsolescence in warehouse space stock drive the need for new modern facilities.

Mr. Hammond stated that two-thirds of New York holdings are in office. He asked if Clarion is concerned about the upcoming election and how that will affect New York holdings.

Ms. Vaz stated that there are no office holdings in New York City. The industrial assets are located in New Jersey. Exposure in New York include multi-family holdings in Hoboken and the Bronx and a small retail position.

Mr. Hammond asked about the redemption queue.

Ms. Vaz said the Clarion redemption queue currently sits at 2.5 billion. That is a combination of recissions from investors in the queue who removed themselves from the queue. The firm believes there is another group of investors in the queue that could rescind. There is a continuing dynamic of looking at the macro environment and looking at positive returns in this space to determine when to rescind that request. The firm expects to see more of those recissions and that will lead to an unwinding of the queue.

Mr. Hammond asked about the inter-state-wide redemption queue. Does that act as an overall depreciation of assets?

Ms. Vaz stated that the firm has found creative ways to make new acquisitions and anticipates new capital flow into this space. Clarion anticipates the queue will unwind quickly with weight of new capital.

***New England Pension Consultants***  
***Rhett Humphreys***

Before Mr. Humphrey's presentation, Mr. Trumbauer asked about Fund IX. The presentation noted the fund was fully deployed, but the last quarterly statement noted \$6.7 million of unfunded commitment. He noted that this is a large amount of money not called. He asked Mr. Humphreys to weigh in on this.

Mr. Humphreys spoke with NEPC director of private equity who suspects the firm is holding back some capacity for future add-ons.

Mr. Trumbauer asked if they could make a future call and the Board could deploy that.

Mr. Humphries said yes.

Mr. Hammond noted that the firm may be past the investment period so the only option is add-ons.

Mr. Humphreys noted this is a smaller call but there is double-digit IRR.

Mr. Humphreys continued with his report. Equities, which are being driven by emerging markets (27.5% year-to-date), are up. Debt allocation is also up, driven by emerging market debt (non-dollar and hard currency).

For the portfolio, private equity and Clarion have been held at zero so the numbers should improve. For the quarter, the portfolio is up 11.5% for total fund allocation index. Total equity composite is at 16.7% and international and emerging is at 28.6% and 22.7% respectively (year-to-date). Lazard is at 24.5% (year-to-date), slightly behind the market. Fixed income for core and non-core is at 6.3% and 8.2% (year-to-date). Pimco emerging market debt is at 13.8% (year-to-date).

The investment committee will present an updated report in few weeks. Mr. Humphreys anticipates the numbers will be better. He gave one update on Westwood, where a portfolio manager announced retirement and will not be replaced.

### **Administrative Report**

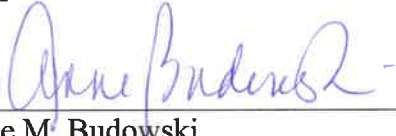
Finance did not present a report.

Ms. Lovett reported 19 retirements in October. The pension team is putting together retirement seminars for employees, which will be held in November.

Mr. Trumbauer noted the Board received approximately \$2 million in settlement funds from Wells Fargo and Royal Bank of Scotland following a law suit around residential mortgage-backed securities.

The meeting adjourned at 1:04 p.m. The next meeting will occur on November 18, 2025. It will be in person.

I hereby certify that, to the best of my knowledge, the foregoing minutes are accurate and complete.

  
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Anne M. Budowski  
Secretary to the Board

  
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Date