

NEBRASKA INVESTMENT COUNCIL  
MINUTES OF THE MEETING OF  
June 13, 2024  
Draft dated 06/14/2024.

A regular meeting of the Nebraska Investment Council convened at 8:30 a.m. at the La Vista Conference Center in La Vista, Nebraska.

The Council Board members were notified of this meeting at the September 7, 2023, Council meeting. Public notice was posted on the Investment Council website on December 26, 2023. The meeting agenda and other materials were posted on the Investment Council website on June 7, 2024. Ms. Werner-Robertson chaired the meeting, Mr. Walkowiak prepared the minutes.

**COUNCIL BOARD MEMBERS PRESENT:**

Ms. Gail Werner-Robertson, Chair  
Mr. John Dinkel  
Dr. Keith Olson  
Mr. Tom Henning  
Deputy Treasurer Jason Walters

**COUNCIL BOARD MEMBERS ABSENT:**

Dr. Richard DeFusco  
Mr. John Murante, Director – NPERS  
Mr. Shane Rhian, Administrator - OSERS

**OTHERS IN ATTENDANCE:**

Ms. Ellen Hung, State Investment Officer  
Mr. Justin Walkowiak, Council Secretary  
Ms. JoLynn Winkler, Nebraska Investment Council  
Mr. Joe Jurich, Nebraska Investment Council  
Mr. Chris Sanders, Nebraska Investment Council  
Mr. Joe Spitznagel, Nebraska Investment Council  
Mr. Jeremiah Garber, Nebraska Investment Council  
Ms. Aathi Rasiah, Nebraska Investment Council  
Mr. Chris Heinrich, O'Neill Heinrich Damkroger Bergmeyer Schultz  
Mr. Max Kotary, Aon  
Mr. Chae Hong, Aon  
Mr. Mark Schoenfeld, Carlyle Realty Partners  
Mr. Gairy Hall, Carlyle Realty Partners  
Mr. Al Rabil, Kayne Anderson  
Mr. Steve Smith, Kayne Anderson

**ADVISE THE PUBLIC THAT THE OPEN MEETINGS LAWS APPLY: 8:30 a.m.** Ms. Werner-Robertson advised that the Nebraska Open Meetings Act applies and stated that a copy of the Open Meetings Act is located at the entrance with a public copy of the meeting materials.

NEBRASKA INVESTMENT COUNCIL  
MINUTES OF THE MEETING OF  
June 13, 2024  
Draft dated 06/14/2024.

**APPROVAL OF THE MINUTES OF THE MARCH 7, MEETING: 8:31 a.m.** Mr. Henning moved to approve the minutes of the March 7, 2024 meeting. Mr. Dinkel seconded the motion. Ms. Werner-Robertson called for a roll call vote.

VOTING AYE: Mr. Dinkel  
Dr. Olson  
Mr. Henning  
Ms. Werner-Robertson

The motion carried.

**CLOSED SESSION: SIO PERFORMANCE 8:32 a.m. to 9:30 a.m.** Mr. Henning moved to enter closed session per Neb. Rev. Stat. §84-1410. The subject matter of the closed session is to evaluate the job performance of the State Investment Officer. The reason for the closed session is to prevent needless injury to the reputation of the SIO. Dr. Olson seconded the motion. Ms. Werner-Robertson called for a roll call vote.

VOTING AYE: Dr. Olson  
Mr. Henning  
Ms. Werner-Robertson  
Mr. Dinkel

The motion carried.

**MOTION TO RETURN TO OPEN SESSION: 9:30 a.m.** Mr. Dinkel moved to return to open session. Mr. Henning seconded the motion. Ms. Werner-Robertson called for a roll call vote.

VOTING AYE: Mr. Henning  
Ms. Werner-Robertson  
Mr. Dinkel  
Dr. Olson

The motion carried.

**ACTION FROM CLOSED SESSION: 9:32 a.m.** Mr. Henning moved given the excellent performance of the State Investment Officer to date, the enormous financial responsibility of the SIO position, the initial salary of the SIO and the current marketplace, I move to increase the annual salary of the SIO by \$50,000 effective July 1, 2024. Dr. Olson seconded the motion. Ms. Werner-Robertson called for a roll call vote.

VOTING AYE: Ms. Werner-Robertson  
Mr. Dinkel  
Dr. Olson  
Mr. Henning

The motion carried.

The Council Board took a break at 9:32 a.m. and reconvened at 9:37 a.m.

NEBRASKA INVESTMENT COUNCIL  
MINUTES OF THE MEETING OF  
June 13, 2024  
Draft dated 06/14/2024.

**CARLYLE REALTY PARTNERS: 9:38 a.m. to 10:10 a.m.** Mr. Hong and Ms. Winkler discussed Carlyle Realty Partners and their people, process, and performance. Presentation materials were included in the meeting materials. Discussion followed the presentation.

Following the discussion Mr. Henning recommended that the Council makes a \$30.5 million commitment to Carlyle Realty Partners (Fund X) which is to be allocated to the following plans: \$25 million to the Defined Benefit and Cash Balance Benefit Plans, \$2.5 million to the Omaha School Employees' Retirement System, \$2.0 million to the General Endowments, and \$1.0 million to the Health Care Endowment. Approval is subject to completion of a legal review and satisfactory agreement of terms. Dr. Olson seconded the motion. Ms. Werner-Robertson called for a roll call vote.

VOTING AYE: Mr. Dinkel  
Dr. Olson  
Mr. Henning  
Ms. Werner-Robertson

The motion carried.

**KAYNE ANDERSON REAL ESTATE PARTNERS: 10:12 a.m. to 10:47 a.m.** Mr. Hong and Ms. Winkler discussed Kayne Anderson Real Estate Partners and their people, process, and performance. Presentation materials were included in the meeting materials. Discussion followed the presentation.

Following the discussion Mr. Henning recommended that the Council makes a \$30.5 million commitment to Kayne Anderson Real Estate Partners (Fund VII) which is to be allocated to the following plans: \$25 million to the Defined Benefit and Cash Balance Benefit Plans, \$2.5 million to the Omaha School Employees' Retirement System, \$2.0 million to the General Endowments, and \$1.0 million to the Health Care Endowment. Approval is subject to completion of a legal review and satisfactory agreement of terms. Mr. Dinkel seconded the motion. Ms. Werner-Robertson called for a roll call vote.

VOTING AYE: Dr. Olson  
Mr. Henning  
Ms. Werner-Robertson  
Mr. Dinkel

The motion carried.

The Council Board took a break at 10:48 a.m. and reconvened at 11:01 a.m.

NEBRASKA INVESTMENT COUNCIL  
MINUTES OF THE MEETING OF  
June 13, 2024  
Draft dated 06/14/2024.

**UBS TRUMBULL REDEMPTION: 11:02 a.m. to 11:06 a.m.** Ms. Ellen Hung recommended adjustments to the Council's UBS Trumbull Redemption. Presentation materials were included in the meeting materials. Discussion followed the presentation.

Following the discussion, Mr. Henning moved that upon the recommendation of the State Investment Officer, the Council delegates to staff to modify quarterly the amount in the UBS Trumbull Property Fund redemption queue for Defined Benefit Plans, Cash Balance Benefit Plans, Endowment Plans and Omaha School Employees Retirement System. The amount should be based on a conservative estimate of what UBS may have available for redemption. The goal of full redemption remains in place. Dr. Olson seconded the motion. Ms. Werner-Robertson called for a roll call vote.

VOTING AYE: Mr. Henning  
Ms. Werner-Robertson  
Mr. Dinkel  
Dr. Olson

The motion carried.

**CLOSED SESSION FOR DISCUSSION OF RIVERSIDE ACQUISITION OF TOWNSEND: 11:07 a.m. to 11:40 a.m.** Mr. Dinkel moved to go into closed session. The subject of the closed session is a legal agreement with a vendor. The purpose of the closed session is to (i) receive confidential advice from legal counsel, (ii) discuss confidential negotiating strategies, including potential terms, conditions and negotiating positions, and (iii) avoid needless injury to the reputation of individuals and foster open and uninhibited discussion about the existing and prospective vendors and the persons related thereto. Dr. Olson seconded the motion. Ms. Werner-Robertson called for a roll call vote.

VOTING AYE: Ms. Werner-Robertson  
Mr. Dinkel  
Dr. Olson  
Mr. Henning

The motion carried.

**MOTION TO RETURN TO OPEN SESSION: 11:41 a.m.** Dr. Olson moved to return to open session. Mr. Dinkel seconded the motion. Ms. Werner-Robertson called for a roll call vote.

VOTING AYE: Mr. Dinkel  
Dr. Olson  
Mr. Henning  
Ms. Werner-Robertson

The motion carried.

NEBRASKA INVESTMENT COUNCIL  
MINUTES OF THE MEETING OF  
June 13, 2024  
Draft dated 06/14/2024.

**CONSULTING SERVICES RFP: 11:42 a.m.** Mr. Henning moved to establish an ad hoc committee (the “Committee”) for the purpose of assisting the Council with the search for consulting services. The mandate of the Committee shall be to develop a short list of firms and provide a recommendation to the Council for its consideration. The Committee shall not hold hearings, make policy, or take formal action on behalf of or otherwise bind the Council. The Committee shall be dissolved without further action of the Council when the Committee's mandate is finished. Dr. Olson seconded the motion. Ms. Werner-Robertson called for a roll call vote.

VOTING AYE: Dr. Olson  
Mr. Henning  
Ms. Werner-Robertson  
Mr. Dinkel

The motion carried.

The Council Board took a break at 11:42 a.m. and reconvened at 12:14 p.m.

**BLOOMWELL 529 PLAN INVESTMENT OPTIONS: 12:15 a.m. to 12:20 a.m.** Ms. Winkler presented the Vanguard Short-Term Inflation Protected Securities Index Fund Institutional Shares for the Bloomwell 529 Plan investment options to the Council. Presentation materials were included in the meeting materials. Discussion followed the presentation.

Following the discussion, Mr. Henning moved upon the recommendation of the State Investment Officer, the Nebraska Investment Council (Council) approves using the Vanguard Short-Term Inflation Protected Securities Index Fund Institutional Shares instead of the Vanguard Short-Term Inflation Protected Securities ETF in the Core Age-Based, Socially Aware Age-Based, and Static investment options in the Bloomwell 529 Education Savings Plan that was approved in December 2023. Dr. Olson seconded the motion. Ms. Werner-Robertson called for a roll call vote.

VOTING AYE: Mr. Henning  
Ms. Werner-Robertson  
Mr. Dinkel  
Dr. Olson

The motion carried.

**OIP INVESTMENT GUIDELINE CHANGE 12:20 p.m. to 12:24 p.m.** Mr. Garber and Mr. Spitznagel presented the proposed OIP investment guideline changes to the Council. Presentation materials were included in the meeting materials. Discussion followed the presentation.

Following the discussion, Mr. Henning moved to approve the proposed Investment Policy Statement for the Operating Investment Pool. Mr. Dinkel seconded the motion. Ms. Werner-Robertson called for a roll call vote.

VOTING AYE: Ms. Werner-Robertson  
Mr. Dinkel  
Dr. Olson  
Mr. Henning

The motion carried.

NEBRASKA INVESTMENT COUNCIL  
MINUTES OF THE MEETING OF  
June 13, 2024  
Draft dated 06/14/2024.

**HEALTH CARE INVESTMENT GUIDELINE CHANGE 12:24 p.m. to 12:33 p.m.** Mr. Spitznagel presented the proposed Health Care investment guideline changes to the Council. Presentation materials were included in the meeting materials. Discussion followed the presentation.

Following the discussion, Mr. Henning moved to approve the proposed Investment Policy Statement for the Health Care Endowment Fund. Dr. Olson seconded the motion. Ms. Werner-Robertson called for a roll call vote.

VOTING AYE: Mr. Dinkel  
Dr. Olson  
Mr. Henning  
Ms. Werner-Robertson

The motion carried.

**INVESTMENT PERFORMANCE REPORT: 12:34 p.m. to 1:02 p.m.** Mr. Kotary reviewed 1<sup>st</sup> Quarter 2024 performance commenting on current market conditions, asset allocation, performance, and fund monitoring. Total assets under management were \$42 billion. The 1<sup>st</sup> Quarter 2024 performance report and 4<sup>th</sup> Quarter 2023 Alternatives summary were included in the meeting materials. Discussion followed the presentation.

**SIO's COMMENTS: 1:02 p.m. to 1:14 p.m.** Ms. Ellen Hung presented the administrative report. In the report she updated the Council on the current Legislative session, the custodial bank transition to Northern Trust, securities lending, Internal Auditor position, status of recent motions, and the Budget. Discussion followed the Presentation.

**NEXT MEETINGS: 1:14 p.m.** Thursday, July 11, 2024, 8:30 a.m. Tiburon Golf Club and Banquet Facility, Omaha, NE

**PUBLIC COMMENT ON THE AGENDA: 1:14 p.m.** Ms. Werner-Robertson asked if there were any public comments on the agenda. There were no comments on the agenda.

At 1:15 p.m. Mr. Dinkel moved to adjourn the meeting. Dr. Olson seconded the motion. Ms. Werner-Robertson called for a roll call vote.

VOTING AYE: Dr. Olson  
Mr. Henning  
Ms. Werner-Robertson  
Mr. Dinkel

The motion carried.

Draft date June 14, 2024

Justin Walkowiak