

NEBRASKA INVESTMENT COUNCIL
MINUTES OF THE MEETING OF
March 7, 2024
Draft dated 03/08/2024.

A regular meeting of the Nebraska Investment Council convened at 8:30 a.m. at the Cornhusker Marriott Hotel, in Lincoln, 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 March 1, 2024. Ms. Werner-Robertson chaired the meeting, Mr. Walkowiak prepared the minutes.

COUNCIL BOARD MEMBERS PRESENT:

Ms. Gail Werner-Robertson, Chair
Dr. Richard DeFusco
Mr. John Dinkel
Dr. Keith Olson
Mr. Tom Henning
Treasurer Tom Briese

COUNCIL BOARD MEMBERS ABSENT:

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
Mr. Drake Vorderstrasse, Nebraska Investment Council
Mr. Chris Heinrich, O'Neill Heinrich Damkroger Bergmeyer Schultz
Mr. Max Kotary, Aon
Mr. Chae Hong, Aon
Mr. Bruce Ingram, Aon
Mr. Neal Erickson, Legislative Retirement Committee

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.

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APPROVAL OF THE MINUTES OF THE FEBRUARY 8, MEETING: 8:37 a.m. Mr. Henning moved to approve the minutes of the February 8, 2024 meeting. Dr. DeFusco seconded the motion. Ms. Werner-Robertson called for a roll call vote.

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

The motion carried.

CHAIR'S COMMENT: 8:38 a.m. Ms. Werner-Robertson welcomed attendees. She commented on how grateful she is for all the hard work the SIO and staff have been doing and to keep working hard as to weather any storm from potentially tumultuous markets.

INVESTMENT POLICY STATEMENT: 8:40 a.m. to 8:42 a.m. Ms. JoLynn Winkler presented a proposed Investment Policy Statement (IPS) to the Council for the Nebraska Achieving a Better Life Experience (ABLE) program. Presentation materials were included in the meeting materials. Discussion followed the presentation.

Following the discussion, Mr. Dinkel moved to approve the Investment Policy Statement (IPS) for the Nebraska Achieving a Better Life Experience (ABLE) program. Mr. Henning seconded the motion. Ms. Werner-Robertson called for a roll call vote.

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

The motion carried.

REAL ESTATE PERFORMANCE AND PACING: 8:42 a.m. to 9:59 a.m. Mr. Chae Hong reviewed 3rd Quarter performance for the Real Estate Portfolio. He commented on current market conditions, asset allocation, performance, pacing, and fund monitoring. Presentation materials were included in the meeting materials. Discussion followed the presentation.

The Council Board took a break at 9:59 a.m. and reconvened at 10:17 a.m.

PRIVATE EQUITY PERFORMANCE AND PACING: 10:17 a.m. to 10:59 a.m. Mr. Bruce Ingram reviewed 3rd Quarter performance for the Private Equity Portfolio. He commented on current market conditions, asset allocation, performance, pacing, and fund monitoring. Presentation materials were included in the meeting materials. Discussion followed the presentation.

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MCCARTHY CAPITAL VIII: 10:59 a.m. to 11:14 a.m. Mr. Ingram and Mr. Jurich presented the McCarthy Capital Fund VIII, L.P. to the Council. The presentation included McCarthy's people, process, terms, and performance. Presentation materials were included in the meeting materials. Discussion followed the presentation.

Following the discussion, Mr. Henning moved that the Nebraska Investment Council (the Council) make a \$56 million commitment to McCarthy Capital Fund VIII, L.P. (Fund VIII) which is to be allocated to the following plans: \$50 million to the Defined Benefit and Cash Balance Benefit Plans and \$6 million to the Omaha School Employees' Retirement System. 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
 Dr. DeFusco
 Mr. Dinkel

The motion carried.

CONSTITUTION CAPITAL PARTNERS' IRONSIDES VII 11:14 a.m. to 11:45 a.m. Mr. Ingram and Mr. Jurich presented the Constitution Capital Partners' Ironsides Partnership VII to the Council. The presentation included their people, process, terms, and performance. Presentation materials were included in the meeting materials. Discussion followed the presentation.

Following the discussion, Dr. DeFusco moved that the Nebraska Investment Council General Endowment Funds make a \$20 million commitment and the Health Care Fund make a \$12 million commitment to Constitution Capital Partners' Ironsides Partnership VII. This \$32 million total commitment is subject to completion of a legal review and satisfactory agreement of terms; provided, however, that the SIO shall have the authority and discretion to reduce the Council's commitment to an amount that is 10% or less of the aggregate commitments to the fund. Mr. Henning seconded the motion. Ms. Werner-Robertson called for a roll call vote.

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

The motion carried.

The Council Board took a break at 11:45 a.m. and reconvened at 12:30 p.m.

INVESTMENT PERFORMANCE REPORT: 12:30 p.m. to 1:12 p.m. Mr. Kotary reviewed 4th Quarter 2023 performance commenting on current market conditions, asset allocation, performance, and fund monitoring. Total assets under management were \$40.8 billion. The 4th Quarter 2023 performance report and 3rd Quarter 2023 Alternatives summary were included in the meeting materials. Discussion followed the presentation.

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SIO's COMMENTS: 1:12 p.m. to 1:32 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: 1:32 p.m. Thursday, June 13, 2024, 8:30 a.m. La Vista Conference Center, La Vista, NE

PUBLIC COMMENT ON THE AGENDA: 12:23 p.m. Ms. Werner-Robertson asked if there were any public comments on the agenda. There were no comments on the agenda.

At 1:32 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: Ms. Werner-Robertson
 Dr. DeFusco
 Mr. Dinkel
 Dr. Olson
 Mr. Henning

The motion carried.

Draft date March 8, 2024



Justin Walkowiak