

NEBRASKA INVESTMENT COUNCIL
MINUTES OF THE MEETING OF
August 28, 2025

A regular meeting of the Nebraska Investment Council convened at 8:31 a.m. at the La Vista Conference Center in La Vista, NE.

The Council Board members were notified of this meeting at the September 11, 2024, Council meeting. Public notice was posted on the Investment Council website on December 13, 2024. The meeting agenda and other materials were posted on the Investment Council website on August 21, 2025. Ms. Werner-Robertson chaired the meeting. Mr. Liu prepared the minutes.

COUNCIL BOARD MEMBERS PRESENT:

Ms. Gail Werner-Robertson, Chair
Dr. Richard DeFusco
Mr. Brian Christensen
Dr. Keith Olson
Mr. Tom Henning
Mr. Tom Brieze, Treasurer

COUNCIL BOARD MEMBERS ABSENT:

None.

OTHERS IN ATTENDANCE:

Ms. Ellen Hung, State Investment Officer
Ms. JoLynn Winkler, Nebraska Investment Council
Mr. Jeremiah Garber, Nebraska Investment Council
Mr. Joe Spitznagel, Nebraska Investment Council
Mr. Chris Sanders, Nebraska Investment Council
Mr. Arthur Liu, Nebraska Investment Council
Mr. Anthony Jakimowicz, Nebraska Investment Council
Ms. Aathi Rasiah, Nebraska Investment Council
Ms. Maryam Sultani, Nebraska Investment Council
Mr. Chris Heinrich, Baylor Evnen Wolfe & Tannehill, LLP
Mr. Max Kotary, Aon
Mr. Mike Comstock, Aon
Mr. John Sullivan, Jr., Aon
Mr. Mike Krems, Aksia
Mr. Jeremy Zirin, Aksia
Mr. Joseph Gonzalez, Glass, Lewis & Co
Mr. Trevor Fitzgerald, Nebraska Retirement Systems Committee
Mr. Mike Foley, Nebraska Auditor of Public Accounts

ADVISE THE PUBLIC THAT THE OPEN MEETINGS LAWS APPLY: 8:31 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.

APPROVAL OF THE MINUTES OF THE JUNE 11, 2025 MEETING: 8:31 a.m. Ms. Hung presented the minutes of the June 11, 2025 meeting. Mr. Henning moved to approve the minutes of the June 11, 2025 meeting. Dr. DeFusco seconded the motion. Ms. Werner-Robertson called for a roll call vote.

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

The motion carried.

CLOSED SESSION: COUNCIL BOARD SELF-EVALUATION: 8:33 a.m. to 8:59 a.m. Dr. DeFusco moved to enter into closed session pursuant to Neb. Rev. Stat. §84-1410. The subject matter of the closed session is to evaluate the Council Board and its members, and the board's relationship with the Council staff. The reason for the closed session is to prevent needless injury to the reputation of the Council staff and board members who are the subject of the Board's evaluation and discussion. Mr. Christensen seconded the motion. Ms. Werner-Robertson called for a roll call vote.

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

The motion carried.

MOTION TO RETURN TO OPEN SESSION: 9:00 a.m. Dr. DeFusco moved to return to open session. Mr. Christensen seconded the motion. Ms. Werner-Robertson called for a roll call vote.

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

The motion carried.

ASSET-LIABILITY STUDY: 9:01 a.m. to 10:44 a.m. Mr. Sullivan and Mr. Kotary presented the results of the 2025 Asset-Liability Study for six plans: Defined Benefit (School, State Patrol, Judges and OSERS) and Cash Balance (State and County). Mr. Sullivan reviewed the purpose and scope of the study, discussed forecasted contributions and distributions and their impacts on assets and liabilities, and presented several long-term strategic asset allocation options for the Board's consideration. Mr. Kotary outlined proposed revisions to the asset class rebalancing ranges. Discussion followed the presentation. Presentation materials were included in the meeting materials.

Following the discussion, Dr. DeFusco made the following motion:

I move to change the asset allocation as follows:

1. 70% Return-Seeking as presented on page 102 and as listed below for the NPERS (School, Judges, State Cash Balance and County Cash Balance)
2. 80% Return-Seeking as presented on page 102 and as listed below for the NPERS (State Patrol)
3. 80% Return-Seeking as presented on page 102 and as listed below for OSERS
4. Change the acceptable ranges for asset classes as presented on page 103 and as listed below

Asset Class	80% Return Seeking		70% Return Seeking	
	Target	Acceptable Ranges	Target	Acceptable Ranges
US Equity	24.0%	21.0%-27.0%	20.5%	17.5%-23.5%
Global Equity	22.0%	19.0%-25.0%	18.5%	15.5%-21.5%
Non-US Equity	11.5%	8.5%-14.5%	10.0%	7.0%-13.0%
Total Public Equity	57.5%	54.5%-60.5%	49.0%	46.0%-52.0%
Private Equity	5.0%		5.0%	
Real Estate	5.5%		5.5%	
Infrastructure	2.0%		2.0%	
Total Real Assets	7.5%		7.5%	
Return Seeking Fixed Income	10.0%	7.0%-13.0%	8.5%	5.5%-11.5%
Core Bonds	20.0%	17.0%-23.0%	30.0%	27.0%-33.0%
Total Fixed Income	30.0%	27.0%-33.0%	38.5%	35.5%-41.5%
Total	100.0%		100.0%	

5. Change the rebalancing guidelines as presented on page 103 and as follows: Delete the existing language in the investment policy statements - "The allowable range for individual managers is $\pm 3\%$ of the target allocation established by the Council."
6. The SIO has discretion to implement the new allocation in a cost-efficient and effective way.

I further direct the State Investment Officer (SIO) to make changes to the respective investment policy statements as approved.

Mr. Henning seconded the motion. Ms. Werner-Robertson called for a roll call vote.

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

The motion carried.

The Council took a break at 10:44 a.m. and reconvened at 11:01 a.m.

2025 CAPITAL MARKET ASSUMPTIONS: 11:01 a.m. to 11:20 a.m. Mr. Kotary provided an overview of the 2025 Capital Market Assumptions, explaining the purpose and intended application in the investment

process. Discussion followed the presentation. Presentation materials were included in the meeting materials.

INVESTMENT PERFORMANCE REPORT: 11:20 a.m. to 11:32 a.m. Mr. Comstock reviewed the 2nd Quarter 2025 performance report, commenting on market conditions and overall fund performance. Discussion followed the presentation. The 2nd quarter 2025 performance reports and 4th quarter 2024 alternative performance report were included in the meeting materials.

The Council took a break at 11:32 a.m. and reconvened at 11:43 a.m.

PRIVATE MARKETS PERFORMANCE REPORT: 11:33 a.m. to 12:33 p.m. Mr. Krems and Mr. Zirin presented the 1st Quarter 2025 Private Markets Performance Report. Mr. Krems provided an overview of the current state of the private equity asset class and reviewed the Council's private equity portfolio and its historical performance. Mr. Zirin delivered a corresponding presentation on real assets. Discussion followed the presentations. The 1st quarter 2025 private markets performance report (private equity and real assets) were included in the meeting materials.

PRIVATE MARKETS PACING PLAN AND IPS UPDATE: 12:33 p.m. to 1:19 p.m. Mr. Krems and Mr. Zirin presented the Private Markets Pacing Plan, which suggested commitment levels for private equity and real assets across various plans. Mr. Krems and Mr. Zirin also proposed changes to the Investment Policy Statements (IPS) for the Defined Benefit, Cash Balance Benefit, Health Care Endowment, and General Endowment plans. Discussion followed the presentation. Presentation materials were included in the meeting materials.

Following the discussion, Dr. DeFusco made the following motion:

I move to change the sub-sector and style allocation ranges for private equity and real assets as presented on pages 9 and 20 respectively and as listed below.

Private Equity – Defined Benefit, Cash Balance and Endowment Plans

- *Change Special Situations range to 5 – 25%*

Private Equity – Endowment Plans

- *Replace “The endowments’ private equity investments will be executed through fund of funds, which by their nature will provide diversification.” with “The plan will be appropriately diversified by investment type, manager, and vintage year. No requirement to invest through fund-of-funds.”*

Real Assets – Defined Benefit and Cash Balance Plans (as a percentage of all Real Assets)

- *Change real estate ranges to Core: 25%-30%, Non-core: 35%-45%, Other: 0%-5%*
- *Change property type to Office, Industrial, Multifamily, and Other: 0-30% (each), Retail and hospitality: 0-15% (each)*

Real Assets – Endowment Plans (as a percentage of all Real Assets)

- *Change real estate ranges to Core: 30%-50%, Non-core: 50%-70%, Other: 5%-10%*

- *Change property type to Office, Industrial, Multifamily, and Other: 0-40% (each), Retail and hospitality: 0-20% (each)*

I further direct the State Investment Officer to make changes to the respective investment policy statements as approved.

Mr. Henning seconded the motion. Ms. Werner-Robertson called for a roll call vote.

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

The motion carried.

The Council took a break at 1:20 p.m. and reconvened at 1:29 p.m.

GLASS LEWIS PROXY VOTING REVIEW: 1:29 p.m. to 1:52 p.m. Mr. Gonzalez presented the voting results from the 2025 proxy voting season. Proxies were voted in accordance with the Council's approved proxy voting guidelines. Following the presentation, Mr. Gonzalez fielded questions from the Council. Presentation materials were included in the meeting materials.

REVIEW OF PROXY VOTING GUIDELINES: 1:52 p.m. to 2:07 p.m. Mr. Sanders and Mr. Jakimowicz presented a review of the Council's proxy voting guidelines. Following the presentation, Ms. Werner-Robertson underscored the importance of proxy voting guidelines. Presentation materials were included in the meeting materials.

OPERATING INVESTMENT POOL REVIEW: 2:08 p.m. to 2:25 p.m. Mr. Jakimowicz presented a review of the Time Deposit Open Account (TDOA) program, and Mr. Spitznagel presented a review of the Operating Investment Pool (OIP). Following the presentation, Mr. Jakimowicz and Mr. Spitznagel fielded questions from the Council. Presentation materials were included in the meeting materials.

BLACKROCK FEE REDUCTION: 2:26 p.m. to 2:28 p.m. Ms. Winkler presented the BlackRock Fee Reduction memo which highlighted fee reductions for various plans. Following the presentation, Ms. Winkler fielded questions from the Council. The staff memo was included in the meeting materials.

AUDIT COMMITTEE REPORT: 2:28 p.m. to 2:32 p.m. Dr. DeFusco presented the Audit Committee quarterly report, joined by Ms. Rasiah. The Audit Committee memo was included in the meeting materials.

GENERAL ENDOWMENTS IPS UPDATE: 2:32 p.m. to 2:33 p.m. Ms. Hung presented an updated General Endowments investment policy statement, that adds the Capitol Preservation, Restoration, and Enhancement Endowment Fund. The proposed IPS was included in the meeting materials.

Upon the recommendation of the State Investment Officer, Mr. Henning moved to direct the SIO to update the General Endowments IPS as presented. Dr. DeFusco seconded the motion. Ms. Werner-Robertson called for a roll call vote.

VOTING AYE: Dr. Olson

Mr. Christensen
Mr. Henning
Ms. Werner-Robertson
Dr. DeFusco

The motion carried.

SIO's COMMENTS: 2:34 p.m. to 2:39 p.m. Ms. Hung discussed the changes in actuarial factors for the Cash Balance plan and presented the Budget Status report, 1Q25 and 2Q25 Securities Lending report, Status of Approved Motions document, and confirmed the 2026 board meeting dates with the Council. Presentation materials were included in the meeting materials.

PUBLIC COMMENT ON THE AGENDA: 2:39 p.m. Ms. Werner-Robertson asked if there were any public comments on the agenda. There were no comments on the agenda.

NEXT MEETING: 2:40 p.m. Thursday, October 16, 2025, 8:30 a.m. at Tiburon Golf Club in Omaha, NE.

At 2:41 p.m., Mr. Henning moved to adjourn the meeting. Mr. Christensen seconded the motion. Ms. Werner-Robertson called for a roll call vote.

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

The motion carried.