

NEBRASKA INVESTMENT COUNCIL
MINUTES OF THE MEETING OF
July 11, 2024

A regular meeting of the Nebraska Investment Council convened at 8:30 a.m. at the Tiburon Golf Club and Banquet Facility in Omaha, 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 5, 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
Deputy Treasurer Jason Walters
Mr. John Murante, Director – NPERS

COUNCIL BOARD MEMBERS ABSENT:

Treasurer Tom Briese
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. 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, Baylor Evnen Wolfe & Tannehill, LLP
Mr. Max Kotary, Aon
Mr. Bruce Ingram, Aon
Mr. Mohit Mittal, PIMCO
Mr. Jason Mandinach, PIMCO
Mr. Jason Thomas, Carlyle
Mr. Steve Voorhis, Dodge & Cox
Mr. Torsten Slok, Apollo
Senator Robert Clements, Appropriations Committee, Retirement Committee
Senator Myron Dorn, Appropriations Committee
Senator Mike Jacobson, Banking, Commerce and Insurance Committee
Ms. Kelli Ackerman, NPERS
Ms. Janis Elliott, NPERS
Mr. Gerald Clausen, NPERS
Mr. Neal Erickson, Legislative Fiscal Office
Mr. Tag Herbek, NPERS

ADVISE THE PUBLIC THAT THE OPEN MEETINGS LAWS APPLY: 8:33 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 JUNE 13, MEETING: 8:33 a.m. Mr. Dinkel moved to approve the minutes of the June 13, 2024 meeting. 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 abstained from voting
The motion carried.

CLOSED SESSION: INVESTMENT CONSULTANT, LEGAL COUNSEL EVALUATION & Internal Personnel Matters 8:35 a.m. to 10:01 a.m. Dr. DeFusco moved to enter closed session per Neb. Rev. Stat. §84-1410. The subject matters of the closed session are the evaluation of the investment consultant, evaluation of legal counsel, and internal personnel matters. The reason for the closed session is to prevent the needless injury to the reputation of the Council Board, investment consultant, legal counsel, and Council Staff. 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
Dr. DeFusco

The motion carried.

MOTION TO RETURN TO OPEN SESSION: 10:01 a.m. Dr. DeFusco moved to return to open session. Dr. Olson 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.

The Council Board took a break at 10:01 a.m. and reconvened at 10:13 a.m.

FIXED INCOME ACROSS PUBLIC AND PRIVATE MARKETS: 10:15 a.m. to 11:30 a.m. Mr. Mittal and Mr. Mandinach presented on fixed income across public and private markets to the Council. During their presentation they also discussed private credit with the Council. Presentation materials were included in the meeting materials. Discussion followed the presentation.

PRIVATE MARKETS: 11:30 a.m. to 12:34 p.m. Mr. Thomas gave an outlook on private markets to the Council. He discussed both historical spending, and trends, impact of higher rates, and banks' role in credit intermediation. Presentation materials were included in the meeting materials. Discussion followed the presentation.

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The Council Board took a break at 12:35 p.m. and reconvened at 1:08 p.m.

EQUITY MARKETS: 1:08 p.m. to 1:49 p.m. Mr. Voorhis presented an outlook on equity markets to the Council. He discussed global market returns, inflation, recession concerns, as well as U.S. equity performance and pacing. Presentation materials were included in the meeting materials. Discussion followed the presentation.

STATE OF THE ECONOMY: 1:49 p.m. to 2:50 p.m. Mr. Slok discussed the state of the economy with the Council, including an outlook across public and private markets. Presentation materials were included in the meeting materials. Discussion followed the presentation.

The Council Board took a break at 2:50 p.m. and reconvened at 3:01 p.m.

PORTFOLIO LEVERAGE: 3:02 p.m. to 3:22 p.m. Mr. Kotary discussed portfolio leverage with the Council. Presentation materials were included in the meeting materials. Discussion followed the presentation.

CURRENCY HEDGING 3:22 p.m. to 3:33 p.m. Mr. Kotary discussed currency hedging with the Council. Presentation materials were included in the meeting materials. Discussion followed the presentation.

SIO's COMMENTS: 3:34 p.m. Ms. Hung updated the Council on the custodial bank transition to Northern Trust and status of recent motions. Discussion followed the Presentation.

NEXT MEETINGS: 3:35 p.m. Wednesday, September 11, 2024, 8:30 a.m. La Vista Conference Center, La Vista, NE

PUBLIC COMMENT ON THE AGENDA: 3:35 p.m. Ms. Werner-Robertson asked if there were any public comments on the agenda. There were no comments on the agenda.

At 3:35 p.m. Dr. DeFusco moved to adjourn the meeting. 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.

Minutes prepared by: Justin Walkowiak