

**NEBRASKA INVESTMENT COUNCIL  
MINUTES OF THE MEETING OF  
July 11, 2019**

An Education Retreat of the Nebraska Investment Council convened at 8:35 a.m. at the Quarry Oaks Golf Club, Ashland NE.

The Council members were notified of this meeting at the September 20, 2018, Council meeting. Public notice was posted on the Nebraska Public Meeting Calendar on June 24, 2019, and published in the Lincoln Journal Star on June 30, 2019. Ms. Werner-Robertson chaired the meeting and Ms. Hatfield recorded the minutes.

**MEMBERS PRESENT:**

Ms. Gail Werner-Robertson  
Mr. John Dinkel  
Mr. John Conley  
Mr. Keith Olson  
Mr. Tyson Larson, Deputy State Treasurer (appearing on behalf of Treasurer Murante) (arrived at 9:41 am)  
Mr. Randy Gerke  
Ms. Cecelia M. Carter

**MEMBERS ABSENT:**

Dr. Richard DeFusco

**NONMEMBERS IN ATTENDANCE:**

Mr. Michael Walden-Newman, State Investment Officer  
Ms. Jennifer Hatfield, Council Secretary  
Ms. Kathy Dawes, Nebraska Investment Council  
Mr. Joe Jurich, Nebraska Investment Council  
Ms. JoLynn Winkler, Nebraska Investment Council  
Mr. Joe Spitznagel, Nebraska Investment Council  
Mr. Jeremiah Garber, Nebraska Investment Council  
Mr. Chris Sanders, Nebraska Investment Council  
Ms. Joyce Schlautman, Nebraska Investment Council  
Mr. Max Kotary, Aon  
Mr. Bruce Ingram, Aon  
Mr. Mike Comstock, Aon  
Mr. Chae Hong, Aon  
Ms. Laura Flaum, Aon  
Mr. John Sullivan, Aon  
Senator Robert Clements, Nebraska Legislature  
Senator Myron Dorn, Nebraska Legislature  
Senator Mark Kolterman, Nebraska Legislature  
Senator John Stinner, Nebraska Legislature  
Ms. Cheryl Wolff, Governor's Policy Research  
Ms. Kathy Tenopir, Legislative Fiscal Office  
Ms. Kate Allen, Retirement Systems Committee  
Mr. Orron Hill, Nebraska Retirement Systems  
Mr. Gerry Oligmueller, AS State Budget Administrator  
Mr. Neil Sullivan, AS State Budget Office  
Ms. Kelli Ackerman, Public Employees Retirement Board  
Ms. Janis Elliott, Public Employees Retirement Board  
Mr. Allen Simpson, Public Employees Retirement Board  
Mr. Jason Hayes, Nebraska State Education Association  
Mr. Don Erikson, Omaha School Employees Retirement System  
Mr. John Robinson III, Kiewit

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**ADVISE THE PUBLIC THAT THE OPEN MEETINGS LAWS APPLY: 8:35 a.m. to 8:36 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 on the side table.

**WELCOME, INTRODUCTIONS, AND OPENING REMARKS: 8:36 a.m. to 8:40 a.m.** Ms. Werner-Robertson welcomed everyone to the meeting and thanked Senators, support staff, budget and government staff and everyone who had a part in preparing for the meeting. Ms. Werner-Robertson discussed the current market conditions.

**INFRASTRUCTURE INVESTING OPPORTUNITIES TODAY: 8:40 a.m. to 9:41 a.m.** Mr. Walden-Newman provided background information and introduced from Macuarie Infrastructure and Real Assets (MIRA), Mr. Michael Glascott, Managing Director, Investor Solutions Group, Mr. Cody Steele, Senior Vice President, Environmental Services and Transportation, Ms. Polina Dzyuba, Associate, Investor Solutions Group. Their presentation which was included in the meeting materials presented an overview of global platform, diversification, and asset class.

Mr. Larson arrived at 9:41 a.m.

**MODERNIZING DC PLANS INVESTMENT LINE-UP: 9:41 a.m. to 10:25 a.m.** Ms. Winkler reviewed LB32 which was approved this past legislative session to provide for updates to the investment line-up for the Defined Contribution, Deferred Compensation and DROP Plans. Ms. Winkler discussed the proposed changes to the current options. Ms. Flaum and Mr. Comstock further discussed the proposed streamlined investment structure and additional target date funds. All materials were included in the meeting materials.

The Council took a break and reconvened at 10:47 a.m.

**PENSION PORTFOLIO ALLOCATION AND CASH FLOWS: 10:47 a.m. to 11:35 a.m.** Mr. Kotary and Mr. Sullivan's presentation which was included in the meeting materials gave an overview of liquidity and net outflow analysis of the Nebraska Public Employees Retirement Systems (NPERS) and the Omaha School Employee's Retirement System (OSERS). The analysis provided background data, contribution policy, asset allocation, and worse case scenarios.

At 11:35 a.m. the Council took a break and reconvened at 12:33 p.m.

**OPERATING INVESTMENT POOL REVIEW: 12:33 p.m. to 1:34 p.m.** Mr. Spitznagel reviewed the new system which uses Bloomberg PORT for the Operating Investment Pool and the Health Care Endowment Fund that was approved at the Council meeting December 13, 2018. Mr. Garber discussed proposed changes to the Administrative Rule governing the Time Deposit Open Account Program (TDOA). A copy of the presentation was included in the meeting materials.

**PUBLIC COMMENT ON THE RETREAT AGENDA: 1:34 p.m. to 1:35 p.m.** Ms. Werner-Robertson asked if there was any public comment on the agenda. There was no public comment on the agenda.

**COUNCIL GOVERNANCE REVIEW:** At 1:35 p.m. Ms. Werner-Robertson moved that the Council enter into closed session for the following:

The subject matter as follows:

1. The performance evaluation of the Nebraska Investment Council.

The reason for the closed session as follows:

- A. To protect the reputation of the members of the Nebraska Investment Council and its staff.

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Ms. Carter seconded the motion. Ms. Werner-Robertson called for a roll call.

VOTING AYE: Mr. Dinkel  
Mr. Conley  
Mr. Olson  
Ms. Werner-Robertson

ABSENT NOT VOTING: Dr. DeFusco

The motion carried.

Ms. Werner-Robertson requested that only the voting and non-voting members of the Council and Mr. Walden-Newman be present and all others in attendance were excused.

At 2:08 p.m. Mr. Olson moved that the Council return to open session. Mr. Conley seconded the motion. Ms. Werner-Robertson called for a roll call vote.

VOTING AYE: Mr. Conley  
Mr. Olson  
Ms. Werner-Robertson  
Mr. Dinkel

ABSENT NOT VOTING: Dr. DeFusco

The motion carried.

At 2:09 p.m. Ms. Carter moved to adjourn the meeting. Mr. Dinkel seconded the motion. Ms. Werner-Robertson called for a roll call vote.

VOTING AYE: Mr. Olson  
Ms. Werner-Robertson  
Mr. Dinkel  
Mr. Conley

ABSENT NOT VOTING: Dr. DeFusco

The motion carried.

  
Jennifer Hatfield, Secretary