

**STATE INVESTMENT BOARD  
INVESTMENT COMMITTEE MEETING  
MINUTES OF THE  
NOVEMBER 8, 2024, MEETING**

**MEMBERS PRESENT:** Thomas Beadle, State Treasurer, Chair  
Joseph Heringer, Trust Lands Commissioner, Vice Chair  
Scott Anderson, Chief Investment Officer  
Eric Chin, Deputy Chief Investment Officer  
Pete Jahner, External Representative  
Dr. Prodosh Simlai, External Representative

**STAFF PRESENT:** Derek Dukart, Senior Investment Analyst  
Jennifer Ferderer, Fiscal Investment Admin  
Chirag Gandhi, Portfolio Manager  
Rachel Kmetz, Fiscal and Investment Operations Manager  
Robbie Morey, Investment Accountant  
George Moss, Portfolio Manager  
Sarah Mudder, Communications and Outreach Director  
Janilyn Murtha, Executive Director  
Matt Posch, Portfolio Manager  
Emmalee Riegler, Procurement/Records Mgmt. Coordinator  
Ryan Skor, Chief Financial Officer/Chief Operating Officer  
Susan Walcker, Senior Financial Accountant  
Jason Yu, Risk Analyst  
Lance Zietlow, Portfolio Manager

**GUESTS:** Members of the public

**CALL TO ORDER**

Treasurer Beadle called the State Investment Board (SIB) Investment Committee (IC) meeting to order at 9:01 a.m. on Friday, November 8, 2024. The meeting was held virtually.

**The following members were present representing a quorum: Mr. Anderson, Treasurer Beadle, Mr. Chin, Commissioner Heringer, Mr. Jahner, and Dr. Simlai.**

**AGENDA**

The agenda was considered for the November 8, 2024, meeting.

**IT WAS MOVED BY COMMISSIONER HERINGER AND SECONDED BY MR. CHIN AND CARRIED BY A VOICE VOTE TO APPROVE THE AGENDA FOR THE NOVEMBER 8, 2024, MEETING AS DISTRIBUTED.**

**AYES: MR. ANDERSON, MR. CHIN, COMMISSIONER HERINGER, MR. JAHNER, DR. SIMLAI, AND TREASURER BEADLE**

**NAYS: NONE**

**MOTION CARRIED**

## **MINUTES**

The minutes were considered for the October 17, 2024, meeting.

**IT WAS MOVED BY DR. SIMLAI AND SECONDED BY MR. ANDERSON AND CARRIED BY A VOICE VOTE TO APPROVE THE MINUTES FOR THE OCTOBER 17, 2024, MEETING AS DISTRIBUTED.**

**AYES: MR. ANDERSON, MR. CHIN, COMMISSIONER HERINGER, MR. JAHNER, DR. SIMLAI, AND TREASURER BEADLE**

**NAYS: NONE**

**MOTION CARRIED**

## **STRATEGY REVIEW**

Mr. Anderson provided an overview of the Internal Investing Strategy, including the summary of initial opportunities, objectives and strategies, and core investment framework.

Mr. Moss presented information regarding integrated index fund management and an update on the Order and Execution Management System, noting we are on track to go live in 2025. Mr. Moss talked about trading agreements and platforms and Weaver's assistance in maintaining compliance. To wrap up, Mr. Moss reviewed with the committee the proposed overlay guidelines that they will see in an upcoming IC meeting.

Mr. Gandhi finished up the strategy review presentation by providing information on overlay cash with futures and rebalancing efforts with futures.

Committee discussion followed.

The Committee recessed at 10:21 a.m. and reconvened at 10:28 a.m.

## **MANAGER UPDATE**

Mr. Zietlow provided a private markets manager update. Carlyle Realty Partners, LP was onboarded with a \$100 million commitment (\$40 million Pension Pool, \$60 million Legacy Fund).

## **CONSULTANT UPDATES**

Mr. Anderson reviewed the requirement for a cost benefit analysis for measures affecting the Legacy Fund. The analysis must be prepared by an independent consultant. RVK is familiar with the Legacy Fund through their work on the asset allocation, making RVK uniquely qualified for this effort.

**IT WAS MOVED BY MR. JAHNER AND SECONDED BY MR. CHIN AND CARRIED BY A ROLL CALL VOTE APPROVE ONBOARDING RVK AS THE COST BENEFIT ANALYSIS CONSULTANT.**

**AYES: DR. SIMLAI, MR. CHIN, COMMISSIONER HERINGER, MR. JAHNER, MR. ANDERSON AND TREASURER BEADLE**

**NAYS: NONE**

**MOTION CARRIED**

Mr. Anderson provided commentary on the work quality of the performance consultant, noting the untimeliness of the performance data due to the transfer of data from the previous to the current consultant.

### **CONFIDENTIALITY REVIEW SAAG REQUEST**

Ms. Murtha discussed the need to have a proactive approval request for SAAG status for the potential need of an external legal firm to review confidential materials.

**IT WAS MOVED BY COMMISSIONER HERINGER AND SECONDED BY MR. ANDERSON AND CARRIED BY A ROLL CALL VOTE APPROVE THE EXPANDED SAAG REQUEST FOR INVESTMENT MANAGEMENT AGREEMENTS.**

**AYES: MR. JAHNER, MR. CHIN, MR. ANDERSON, DR. SIMLAI, COMMISSIONER HERINGER, AND TREASURER BEADLE  
NAYS: NONE  
MOTION CARRIED**

### **QUARTERLY REPORTS**

Mr. Anderson provided an update on the investment service contracts he has signed since policy inception through quarter 3 of 2024. The report included vendor names, execution dates, descriptions, and costs of the contracts signed. Committee discussion followed.

### **DISCUSSION**

The Committee discussed the passing of ND Measure 3, the Legacy Fund Transfers Amendment, highlighting the reduction of the liquidity risk of the Legacy Fund. Mr. Anderson noted the potential for an updated asset allocation.

The passing of Measure 3 reduces the amount of principle that can be spent per biennium by the Legislature. The original provision in the Constitution was that every biennium, with 2/3 vote of the Legislature, up to 15% of the principle on the Legacy Fund could be essentially called or spent by the Legislature. Now, with the passing of Measure 3, the amount was reduced to 5%.

### **ADJOURNMENT**

With no further business to come before the Investment Committee, Treasurer Beadle adjourned the meeting at 11:26 a.m.

Prepared by:

Jennifer Ferderer, Assistant to the Board