

**NEBRASKA INVESTMENT COUNCIL
MINUTES OF THE MEETING OF
October 10, 2014**

A special meeting of the Nebraska Investment Council convened at 10:30 a.m. at the Embassy Suites Hotel in LaVista, NE.

Public notice was posted on the Nebraska Public Meeting Calendar on September 26, 2014, and published in the Lincoln Journal Star on October 2, 2014. Ms. Werner-Robertson chaired the meeting and Ms. Dawes recorded the minutes.

MEMBERS PRESENT:

Ms. Gail Werner-Robertson, Chairwoman
Dr. Richard DeFusco
Mr. John Maginn
Mr. John Dinkel
Mr. John Conley
Treasurer Don Stenberg
Ms. Phyllis Chambers

NONMEMBERS IN ATTENDANCE:

Ms. Kathy Dawes, Council Secretary
Mr. Christopher Heinrich, Harding & Shultz
Mr. Joseph P. Jurich, Nebraska Investment Council
Ms. JoLynn Winkler, Nebraska Investment Council
Mr. Gary Hudepohl, Hudepohl & Associates

ADVISE THE PUBLIC THAT THE OPEN MEETINGS LAWS APPLY: 10:31 a.m. to 10:32 a.m. Ms. Werner-Robertson stated that a copy of the Open Meetings Act is located on the side table.

COUNCIL MEMBER BUSINESS: 10:32 a.m. to 10:34 a.m. Ms. Werner-Robertson welcomed everyone to the meeting. Ms. Werner-Robertson stated that the purpose of today's meeting is to interview the finalists for the State Investment Officer (SIO) position. Ms. Werner-Robertson expressed her gratitude to the SIO Search Committee for their diligent behind the scenes work done in bringing an excellent pool of SIO candidates to the Council for consideration.

STATE INVESTMENT OFFICER CANDIDATES: 10:34 a.m. to 12:40 p.m. Dr. DeFusco introduced Mr. Gary Hudepohl with Hudepohl & Associates, the executive search firm hired by the Council to conduct the SIO search. Hudepohl & Associates specializes in investment management and public pension fund personnel searches. Mr. Hudepohl would be introducing the five finalists to the Council. Dr. DeFusco reviewed the process that will be used for today's interviews. Dr. DeFusco indicated that each candidate would be asked questions in the following five areas: (1) overview of relevant work experience and qualifications; (2) investment experience; (3) investment philosophy; (4) leadership and management; and (5) external relationships. Ms. Werner-Robertson would then open the interviews to questions from all of the Council members.

Mr. Hudepohl stated that the SIO Search Committee did a great job and that it was a pleasure working with them. Mr. Hudepohl reviewed the search process used by Hudepohl & Associates which included the following: (1) development of the position profile; (2) advertising; (3) number of contacts made; (4) number of applications received; (5) number of interviews conducted; and (6) number of recommended finalists. The following candidates were then interviewed by the Council: Mr. Brad Tillberg, Oklahoma City, OK and Mr. Ted Hall, Columbus, OH.

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

STATE INVESTMENT OFFICER CANDIDATES (continued): 1:20 p.m. to 3:55 p.m.

The following candidates were then interviewed by the Council: Mr. Michael Walden-Newman, Cheyenne, WY; Mr. Jim Powell, Omaha, NE; and Mr. Todd Thorsen, Minneapolis, MN.

The Council took a break and reconvened at 4:05 p.m.

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CLOSED SESSION TO DISCUSS PERSONNEL MATTERS-SIO DELIBERATIONS: 4:05 p.m. to 4:42 p.m. Mr. Dinkel moved to enter closed session. The subject matters of the closed session are:

- (i) deliberations of the candidates for State Investment Officer,
- (ii) negotiation authority and strategy relating to the employment of the SIO, and
- (iii) the receipt of legal advice from the attorney for the Council.

The reasons for the closed session are:

- (a) to prevent the needless injury to the reputation of the candidates,
- (b) to protect the public interest by keeping the Council's negotiating terms and strategies confidential, and
- (c) to maintain the confidentiality of the legal advice provided by the Council's attorney.

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

VOTING AYE: Dr. DeFusco
 Mr. Maginn
 Mr. Dinkel
 Mr. Conley
 Ms. Werner-Robertson

The motion carried.

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

At 4:42 p.m. Mr. Dinkel 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. Maginn
 Mr. Dinkel
 Mr. Conley
 Ms. Werner-Robertson
 Dr. DeFusco

The motion carried.

FOLLOW-UP DISCUSSION OF STATE INVESTMENT OFFICER CANDIDATES INTERVIEWS/ AUTHORIZATION TO NEGOTIATE SIO EMPLOYMENT AGREEMENT: 4:42 p.m. to 4:44 p.m. Mr. Dinkel moved to appoint Gail Werner-Robertson to negotiate mutually acceptable employment terms and conditions with a State Investment Officer candidate as directed by the Council. Gail Werner-Robertson shall conduct negotiations in accordance with the terms and conditions prescribed by the Council and subject to satisfactory background checks and reference interviews. If Gail Werner-Robertson is unable to negotiate an acceptable employment arrangement with a SIO candidate as prescribed by the Council, the authority granted herein shall terminate until the Council delegates further authority.

If the Council reaches an agreement with a SIO candidate, such employment shall be subject to and conditioned upon the approval of the Governor and a majority of the Legislature, as required by law.

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

VOTING AYE: Mr. Dinkel
 Mr. Conley
 Ms. Werner-Robertson
 Dr. DeFusco
 Mr. Maginn

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The motion carried.

PUBLIC COMMENT ON THE AGENDA: 4:44 p.m. to 4:45 p.m. Ms. Werner-Robertson asked if there was any public comment on the agenda. There was no public comment on the agenda.

At 4:45 p.m. Mr. Conley moved to adjourn the meeting. Mr. Maginn seconded the motion. Ms. Werner-Robertson called for a roll call vote.

VOTING AYE:	Mr. Conley
	Ms. Werner-Robertson
	Dr. DeFusco
	Mr. Maginn
	Mr. Dinkel

The motion carried.


Kathy Dawes, Secretary