

# MINUTES

## SOUTH DAKOTA INVESTMENT COUNCIL

Teleconference  
October 15, 2020

### 1) Roll Call

The meeting was called to order at 9 a.m. on October 15, 2020 by Chair Jeff Nelson. Council members in attendance were Travis Almond, Paul Bisson, Ryan Brunner, Josh Haeder, Mary Howard, Loren Koepsell, Greg Kulesa, and Jeff Nelson.

Others attending all or part of the meeting included Investment Council Staff members Matt Clark, Brett Fligge, Tammy Otten, Sherry Nelson, Jeff Hallem, Darci Haug, Jan Zeeck, Taylor Gubbrud, Payton Larsen, Laurie Riss and Christa Sites; legal counsel Aaron Schiebe; Adam Rees from Fundmap; and Justin Slaughter from Non-Profit News.

#### AGENDA ITEMS:

- 1) Roll Call
- 2) Minutes (August 27, 2020)
- 3) Public Comment
- 4) Investment Update – FY 2021
- 5) CD Program 2020/2021
- 6) 529 Higher Education Savings Program
- 7) Equity Research Review
- 8) Succession Planning
- 9) Investment Officer Performance Evaluation
- 10) New/Old Business
- 11) Future Meeting Dates
- 12) Adjournment

(Note: For sake of continuity, the following minutes are not necessarily in chronological order. Documents referenced are on file in the Investment Council office, and public access is subject to the provisions of SDCL 1-27.)

### 2) Minutes

JOSH HAEDER MOVED, SECONDED BY PAUL BISSON, TO APPROVE THE MINUTES OF THE AUGUST 27, 2020 INVESTMENT COUNCIL MEETING. MOTION PASSED UNANIMOUSLY ON A ROLL CALL VOTE.

### 3) Public Comment

There were no public comments.

### 4) Investment Update – FY 2021

Tammy Otten reviewed the fiscal year-to-date fund performance and estimated value for the South Dakota Retirement System.

### 5) CD Program 2020/2021

Sherry Nelson reviewed her memo summarizing the results of the 2020/2021 CD Program, including the CD rate calculation details and total program size. The summary also included a listing of the participating South Dakota financial institutions along with the amounts offered and accepted for each. Historical statistics of the CD program were also provided.

6) 529 Higher Education Savings Program

Sherry Nelson reviewed the fund changes that Allianz Global Investors Distributors is proposing for the CollegeAccess 529 Plan. Matt Clark stated he has reviewed proposed changes, and he believes them to be reasonable and recommends Council approval.

MARY HOWARD MOVED, SECONDED BY TRAVIS ALMOND, TO APPROVE THE FUND CHANGES TO THE COLLEGEACCESS 529 PLAN PROPOSED BY ALLIANZ GLOBAL INVESTORS AND PRESENTED TO THE INVESTMENT COUNCIL ON THIS DAY AND TO AUTHORIZE THE STATE INVESTMENT OFFICER TO EXECUTE THE NECESSARY DOCUMENTS AND TAKE ANY OTHER ACTIONS DEEMED NECESSARY TO CARRY OUT THE CHANGES AS PRESENTED. MOTION PASSED UNANIMOUSLY ON A ROLL CALL VOTE.

Sherry Nelson updated the Council on the continuing due diligence work done by SDIC staff regarding Virtus who will be taking over parts of Allianz's retail business, including the SDIC 529 program. It is anticipated that Virtus will make a presentation to the Council at an upcoming Council meeting.

7) Equity Research Review

Several SDIC equity team members joined the Council to present an equity research update.

LOREN KOEPEL MOVED, SECONDED BY PAUL BISSON, TO GO INTO EXECUTIVE SESSION PER SDCL 1-25-10 FOR THE PURPOSE OF RECEIVING AND DISCUSSING CONFIDENTIAL INFORMATION EXEMPT FROM PUBLIC DISCLOSURE AND PER SDCL 1-25-2(1) TO DISCUSS ITEMS RELATING TO PERSONNEL. MOTION PASSED UNANIMOUSLY ON A ROLL CALL VOTE.

The Council went into executive session at 9:45 a.m. Remaining to participate in or facilitate the presentation and discussion included staff members Matt Clark, Brett Fligge, Jan Zeeck, Darci Haug, Payton Larsen, Taylor Gubbrud, Jeff Hallem, Christa Sites and Laurie Riss and legal counsel Aaron Scheibe.

8) Succession Planning

Executive session continued to discuss items relating to personnel. SDIC staff remaining to participate in or facilitate the discussion included Matt Clark, Brett Fligge, Jeff Hallem, Laurie Riss and Christa Sites.

9) Investment Officer Performance Evaluation

Executive session continued to discuss items relating to personnel.

Open session reconvened at 12:10 p.m.

10) New/Old Business Agenda Items

Jeff Nelson noted that Auditor General Russ Olson will be on the agenda for the next Council meeting.

11) Future Meeting Dates

The next Council meeting will be held by teleconference on November 19, 2020.

12) Adjournment

Chair Nelson declared the meeting adjourned at 12:15 p.m.