NDPERS INVESTMENT SUBCOMMITTEE
MINUTES
Tuesday, May 26, 2026
8:30 a.m.

Members Present:	Chairperson Adam Miller Gerald Buck Tyler Erickson Rep. Greg Stemen Jeffry Volk
Staff Present:	Marcy Aldinger MaryJo Anderson Rebecca Fricke Derrick Hohbein Katheryne Korom Lindsay Schaf Kirsten Tuntland
Others Present:	Scott Anderson – RIO Jodi Smith – RIO Craig Chaikin – Callan Jack Beisel – Callan Michael Joecken – Callan Dave Ramirez – Empower Astrid Rau – SEI Mark Morgan – SEI Jonathan Waite – SEI

<u>Minutes</u>

Chairperson Adam Miller called the meeting to order at 8:30 a.m. A quorum was present.

Agenda was approved by voice vote.

I. Minutes – Tuesday, February 24, 2026

Minutes were approved by voice vote.

II. Conflict of Interest Disclosure Consideration

None reported.

III. Defined Benefit Plans Performance Q1 2026 Update – RIO

Mr. Scott Anderson gave an investment update on the NDPERS Defined Benefit plans as of February 2026. NDPERS performance, asset allocation, market summary, and performance benchmark indices were reviewed. Assets under management as of February 28, 2026, were $5,372,477,219. The fiscal-year-to-date total NDPERS net fund return of 10.7%, less the policy benchmark return of 10.2%, resulted in a total relative return of 0.5% as of February 2026. The one-year total NDPERS fund return of 16.8%, less the policy benchmark return of 15.6%, resulted in a total relative return of 1.2% as of February 2026. NDPERS 10-year average fund return as of February 2026 was 9.5% compared to the policy benchmark return of 9.0%, which resulted in a total relative return of 0.5%. Discussion took place.

IV. Investment Education – RIO

Ms. Jodi Smith provided an overview of the recent governance overhaul completed by the State Investment Board (SIB) and the corresponding modernization of the Board education program. Ms. Smith extended an invitation for the NDPERS Investment Subcommittee member, including Ms. Rebecca Fricke and Mr. Derrick Hohbein, to participate in a new education platform.

Representative Greg Stemen made a motion for members of the NDPERS Investment Subcommittee, including Ms. Rebecca Fricke and Mr. Derrick Hohbein, to receive access to the Board education content provided by RIO. The motion was seconded by Mr. Gerald Buck.

Ayes: Chairperson Adam Miller, Mr. Buck, Mr. Erickson, Rep. Stemen, Mr. Volk
Nays: None
Absent: None

Motion passed.

V. Market Update & Performance – Callan

Mr. Craig Chaikin presented a market update for 1Q2026. There have not been any significant changes to the Active Manager Monitoring Summary. The 457 Plan Asset Allocation & Distribution report, the 401(a) Plan Asset Allocation & Distribution report, the Plan Performance Monitoring report, and the Plan Investment Fees report were reviewed. Mr. Chaikin announced that he would be stepping back from his position for a time period and Mr. Michael Joecken will be taking his place. Discussion took place.

VI. Plan Review – Empower

Mr. Dave Ramirez with Empower presented the 1Q2026 plan review. The NDPERS 457(b) Companion plan has 10,989 participants and assets of $262,907,246.The NDPERS 401(a) Defined Contribution plan has 4,420 members and assets of $44,478,105. Overall, there are 15,409 plan participants with total assets of $307,385,351. Approximately 49% of Companion plan participants and 21% of Defined Contribution participants have registered their online account. Participant education and engagement were reviewed. The 1Q2026 Customer Care Center Participant Satisfaction score was 4.03 out of 5. Mr. Ramirez reviewed the results of the performance guarantees as outlined in the 1Q2026 Service Level Agreement Report. Discussion took place.

VII. Job Service & RHIC Allocation – SEI

Mr. Mark Morgan provided an overview of SEI and gave an update for both the RHIC and Job Service plan. The RHIC valuation as of 4/30/2026 was $228,704,269 with a one-year return of 21.26%. The Job Service valuation as of 4/30/2026 was $84,421,982 with a one-year return of 7.43%. Both plans are outpacing benchmarks.

Mr. Jon Waite reviewed the asset-liability analysis for the RHIC and Job Service funds. The net hurdle rate for the RHIC plan is 3.2%. The AAL/AVA deficit/ratio is $78.4M/71.3% as of 7/1/25. The Job Service portfolio has been derisked and has a hurdle rate of 1.1%. The AAL/MVA surplus/ratio for the fund is $15.0 M/122.7% as of 7/1/25. SEI does not recommend any changes to the current portfolio.

VIII. Investment Consultant Services Request for Proposal – Derrick

Mr. Derrick Hohbein presented a draft of the Investment Consultant Services Request for Proposal (RFP). Discussion took place.

Mr. Tyler Erickson moved to recommend approval of the Investment Services Request for Proposal to the full Board. The motion was seconded by Mr. Gerald Buck.

Ayes: Chairperson Adam Miller, Mr. Buck, Mr. Erickson, Rep. Stemen, Mr. Volk
Nays: None
Absent: None

Motion passed.

IX. Other Business

The next regular meeting will be on Tuesday, August 25, 2026.

The subcommittee adjourned at 10:14 a.m.