



**Minutes
Investment Advisory Council Meeting
December 17, 2025**

The Investment Advisory Council (IAC) met at 1:00 p.m. on Wednesday, December 17, 2025, in Room 117 of the Retirement Systems Building, 60 Empire Drive, St. Paul, MN 55103.

MEMBERS PRESENT: Doug Anderson, Jennifer Hassemer (for Erin Campbell), Peggy Ingison, Amy Jensen, Gary Martin, Tim Maurer, Dan McConnell, Ify Onyiah, Nancy Orr, Sunil Swami, and Shawn Wischmeier.

MEMBERS ABSENT: Denise Anderson, Erin Leonard, Dennis Santos, and Jen Wilson.

SBI STAFF: Jill Schurtz, Andy Christensen, Erol Sonderegger, Andrew Krech, Cassie Boll, Jonathan Stacy, Jeff Weber, and Emily Pechacek.

OTHER ATTENDEES: Katie Comstock, Aon Investments; Allan Emkin, and Steve Voss, Meketa Investment Group; Sean Crawford, Albourne Partners; Jake Smith, Governor's Office; Dana Mitchell, Attorney General's Office; Ramona Advani, State Auditor's Office; and Justin Erickson, Secretary of State's Office.

Call to Order

Gary Martin, Chair of the Investment Advisory Council, called the meeting to order.

Approval of IAC Minutes

The minutes of the October 20, 2025, meeting were approved.

Performance Summary

Executive Director and Chief Investment Officer Jill Schurtz referred members to the Quarterly Performance Summary in Tab A of the meeting materials and outlined the following items from the report, as of September 30, 2025:

AUM: The SBI was responsible for \$157.6 billion in assets, of which the Combined Funds represented \$105.5 billion.

Performance: The Combined Funds returned 4.9% for the quarter and 10.9% for the 12-month period ending September 30, 2025. The Combined Funds exceeded its long-term objectives by outperforming its Composite Index for the ten-year period and providing a real rate of return above inflation over a 20-year period.

Asset Allocation and TUCS Ranking: The Combined Funds asset mix was in-line with asset allocation targets. Comparing the Combined Funds' investment returns against other public pension plans with over \$20 billion in assets within the Trust Universe Comparison Service (TUCS), the Combined Funds ranked in the 17th percentile for the quarter and the 29th percentile for the year.

Executive Director's Administrative Report

Ms. Schurtz referred members to Tab B of the meeting materials for the Executive Director's Administrative Report, which included the proposed 2026 meeting schedule, a budget update, and the status of Russia, Belarus, and Iran restrictions.

Organizational Updates

Ms. Schurtz referred members to Deputy Executive Director Andy Christensen to give a brief update on staff hirings. Mr. Christensen indicated that SBI plans to add a junior analyst to the private markets team, a junior analyst to the active equity team, one or more senior level professionals to the financial services team, and a senior level professional to the investment and performance analytics team. Mr. Christensen noted that a former summer intern will also be joining the SBI as a junior analyst.

Asset Allocation Study

Ms. Schurtz referred members to Tab C of the meeting materials for the Asset Allocation Study Report. Ms. Schurtz introduced Deputy Chief Investment Officer Erol Sonderegger, who gave an update on the asset allocation implementation working group that is led by Co-Director of Private Markets, Cassie Boll and Vice President and Director of Active Equities, Emily Pechacek.

Private Markets Investment Program Report

Ms. Schurtz referred members to Tab D of the meeting materials for the Private Markets Investment Program Report. Ms. Schurtz introduced Ms. Boll and Co-Director of Private Markets Jon Stacy to present a review of SBI's private markets pacing model. Ms. Boll introduced Sean Crawford, Partner and Senior Portfolio Analyst at Albourne Partners, who provided analytical support for the pacing model update. Ms. Schurtz introduced Deputy Director and Head of Active Strategies, Andrew Krech, to present SBI's approach to manager fee negotiations. Mr. Krech introduced Ms. Pechacek and Vice President of Private Markets, Jeff Weber, who discussed their approaches to fee negotiations for public and private markets' manager mandates. Mr. Crawford contributed to the fee discussion by providing an overview of+ Albourne's private markets fee evaluation process.

Informational Reports Included in the Quarterly Meeting Materials

Public Markets Investment Program Report

Other Retirement Funds, Savings Plans, and Non-Retirement Investment Program Report

Summary of Private Markets Commitments and Cash Flows Report

Aon Market Environmental Report

Meketa Capital Markets Outlook & Risk Metrics Report

SBI Comprehensive Performance Report

Adjournment of Meeting

The motion to adjourn the meeting was approved. The meeting adjourned at 2:30 p.m.

Respectfully submitted,

A handwritten signature in black ink, consisting of a large, stylized loop followed by a horizontal line extending to the right.

Jill E. Schurtz
Executive Director and
Chief Investment Officer