

**NORTH DAKOTA STATE INVESTMENT BOARD  
EXECUTIVE REVIEW COMMITTEE  
MINUTES OF APRIL 13, 2020**

**BOARD MEMBERS PRESENT:** Yvonne Smith, Chair  
Adam Miller, PERS  
Mel Olson, TFFR Board

**STAFF PRESENT:** Connie Flanagan, Chief Financial Officer  
Bonnie Heit, Suprv of Admin Services  
David Hunter, Executive Director/CIO  
Sara Sauter, Suprv of Internal Audit

**CALL TO ORDER:**

Ms. Smith called the State Investment Board (SIB) Executive Review Committee (ERC) (virtual) meeting to order at 8:30 a.m. on Monday, April 13, 2020, at the Retirement and Investment Office (RIO), 3442 East Century Avenue, Bismarck, ND.

The ERC considered the agenda,

**IT WAS MOVED BY MR. OLSON AND SECONDED BY MR. MILLER AND CARRIED BY A VOICE VOTE TO ACCEPT THE APRIL 13, 2020, AGENDA AS PRESENTED.**

**AYES: MR. MILLER, MR. OLSON, MS. SMITH**

**NAYS: NONE**

**MOTION CARRIED**

**MINUTES:**

The March 16, 2020, minutes were considered,

**IT WAS MOVED BY MR. MILLER AND SECONDED BY MR. OLSON TO ACCEPT THE MARCH 16, 2020, MINUTES AS DISTRIBUTED.**

**AYES: MS. SMITH, MR. OLSON, MR. MILLER**

**NAYS: NONE**

**MOTION CARRIED**

**ENDS/EXECUTIVE LIMITATIONS SURVEY:**

The ERC discussed the results of the Ends and Executive Limitations survey. The overall average rating was 2.46 (on a 3.0 scale where 3 Exceeds Expectations, 2 Meets Expectations, and 1 Does Not Meet Expectations) which continues to improve each year. Overall, the ERC was very pleased with the results and thanked Mr. Hunter.

**IT WAS MOVED BY MR. OLSON AND SECONDED BY MR. MILLER AND CARRIED BY A VOICE VOTE TO APPROVE THE SIB'S ENDS AND COMPLIANCE WITH EXECUTIVE LIMITATIONS SURVEY FOR CALENDAR YEAR 2019.**

**AYES: MR. OLSON, MR. MILLER, MS. SMITH**

**NAYS: NONE**

**MOTION CARRIED**

ED/CIO SELF EVALUATION:

Mr. Hunter stated everyone at RIO does a wonderful job and he is very happy to serve.

IT WAS MOVED BY MR. OLSON AND SECONDED BY MR. MILLER AND CARRIED BY A VOICE VOTE TO ACCEPT THE ED/CIO SELF EVALUATION FOR 2019.

AYES: MR. MILLER, MR. OLSON, AND MS. SMITH  
 NAYS: NONE  
 MOTION CARRIED

ED/CIO EFFECTIVENESS SURVEY:

The ERC was pleased with the results. Overall, the survey results were positive and indicate RIO employees are confident and supportive of Mr. Hunter.

IT WAS MOVED BY MR. MILLER AND SECONDED BY MR. OLSON AND CARRIED BY A VOICE VOTE TO APPROVE THE ED/CIO EFFECTIVENESS SURVEY.

AYES: MS. SMITH, MR. OLSON, AND MR. MILLER  
 NAYS: NONE  
 MOTION CARRIED

COMPENSATION SURVEYS/COMPARISON:

Ms. Flanagan reviewed the status of the current estimate of budget availability within RIO's salary line to assist the ERC in determining the appropriate compensation increase for the ED/CIO. RIO has been focusing on options to increase staff's compensation outside of the general legislative increase that will be effective July 1, 2020. All current permanent (non-probationary) staff will receive some level of salary increase effective April 1, 2020. The increases will range from 3% to 8% with the average being approximately 6%. After incorporating the salary increases, a balance of approximately \$30,000 would be available. The ERC received the 2019 CBIZ Public Pension Compensation Survey results and the 2019 McLagan U.S. Public Funds Compensation Survey.

After discussion,

IT WAS MOVED BY MR. OLSON AND SECONDED BY MR. MILLER AND CARRIED BY A ROLL CALL VOTE TO RECOMMEND A BASE COMPENSATION INCREASE OF 8 PERCENT EFFECTIVE APRIL 1, 2020, AND A 2.5 PERCENT INCREASE EFFECTIVE JULY 1, 2020, WHICH WOULD INCREASE THE BASE TO \$25,021.31 PER MONTH.

AYES: MR. OLSON, MR. MILLER, MS. SMITH  
 NAYS: NONE  
 MOTION CARRIED

EXECUTIVE SESSION:

The ERC elected to decline moving into Executive Session pursuant to N.D.C.C. §44-04-19.1 to review and discuss confidential information.

FEEDBACK ASSESSMENT TOOL:

The ERC discussed the assessment tool for the Ends and Executive Limitations survey. The ERC concurred that it was not necessary to send the assessment out this year as they felt the survey was sufficient and provided the feedback necessary to evaluate the ED/CIO on an annual basis.

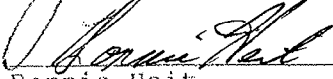
ED/CIO PERFORMANCE EVALUATION (2020):

Ms. Smith will draft a performance evaluation for calendar year 2019 based on the various surveys reviewed by the ERC and will send it out to the ERC for their input. The ERC will meet again, only if necessary, prior to the SIB's April 24, 2020, meeting. The performance evaluation and compensation recommendation will be presented to the SIB at their April 24, 2020, meeting.

ADJOURNMENT:

With no further business to come before the ERC, Ms. Smith adjourned the meeting at 9:30 a.m.

  
\_\_\_\_\_  
Ms. Smith, Chair

  
\_\_\_\_\_  
Bonnie Heit  
Recorder