

**MINUTES
BOARD OF TRUSTEES OF THE
INDIANA PUBLIC EMPLOYEES' RETIREMENT FUND**

**Meeting held at:
One North Capitol
3rd Floor Conference Room
Indianapolis, Indiana 46204**

June 24, 2011

REGULAR SESSION

Board Members Present

Ken Cochran, Chairman
Greg Hahn, Vice Chairman
Chris Ruhl
Bret Swanson

Others Present

Tim Berry, Indiana State Auditor
Jodi Golden, Office of the Indiana State Treasurer
Michael Pinkham, Fort Wayne Fire Department
John Meier, Strategic Investment Solutions (SIS)

Staff Present

Steve Russo, Executive Director
Erin Hankins, Executive Assistant
Kelly Doria, Investments Counsel
Jaclyn Brinks, Staff Attorney
Teresa Snedigar, Director of Internal Audit
Julia Pogue, Chief Financial Officer
David Cooper, Chief Investment Officer
Bob Clone, Investments – Director of Private Equity
Scott Davis, Investments – Director of Public Equity
Katie Stanutz, Investments – Senior Investment Analyst – Private Equity

Meeting called to order at 11:42 a.m. by Chairman Cochran.

I. Approval of Minutes from April 29, 2011 Board of Trustees Meeting

MOTION duly made and carried to approve the minutes from the April 29, 2011 Board meeting.

*Proposed by: Chris Ruhl
Seconded by: Greg Hahn
Votes: 4 in favor, 0 opposed, 0 abstentions*

II. New Business

Strategic Plan Adoption

Staff recommended the adoption of the Fiscal Year 2012 – Fiscal Year 2014 INPRS Strategic Plan as presented in the joint Board meeting. The Board requested and received additional information regarding making changes to the Strategic Plan.

MOTION duly made and carried to approve the Fiscal Year 2012 – Fiscal Year 2014 INPRS Strategic Plan.

*Proposed by: Greg Hahn
Seconded by: Bret Swanson
Votes: 4 in favor, 0 opposed, 0 abstention*

FY 2012 Budget Adoption

Julia Pogue presented the FY 2012 Budget. Staff recommended Board approval of a \$34.9 million Administrative Expense Budget, \$12.3 million Project Expense Budget, \$166.6 million Investment Expense Budget, and \$14.5 million Capital Expense Budget for Fiscal Year 2012 with a recommendation for future board approval of a \$1.1 million Administrative Expense Budget and \$0.2 million Investment Expense Budget. The Board expressed desire to approve the staff recommendation including the recommended future approval for a total INPRS budget of \$215.1 million Expense Budget and \$14.5 million Capital Budget.

MOTION duly made and carried to approve a total budget of \$215.1 million Expense Budget and \$14.5 million Capital Expense Budget for Fiscal Year 2012.

*Proposed by: Bret Swanson
Seconded by: Greg Hahn
Votes: 4 in favor, 0 opposed, 0 abstention*

Compensation Committee Establishment

Steve Russo presented Board Resolution No. 2011-06-01 to adopt the Compensation Committee Charter as discussed in the joint Board meeting.

MOTION duly made and carried to approve Board Resolution No. 2011-06-01.

*Proposed by: Bret Swanson
Seconded by: Greg Hahn
Votes: 4 in favor, 0 opposed, 0 abstention*

Chairman Cochran executed a Designation of Compensation Committee Membership naming Chairman Cochran, Greg Hahn, and Chris Ruhl as members.

New Units and Enlargements

Julia Pogue presented a summary of new units and enlargements. Staff recommended Board approval of the following contribution rates for new units:

- Carmel/Clay Department of Parks and Recreation: 7.50%
- City of Carmel: 8.00%
- DeKalb County Airport Authority: 7.00%
- Hammond Urban Academy: 6.25%
- Harrison County Lifelong Learning: 6.50%
- Loogootee Public Library: 7.75%
- Town of St. Paul: 8.25%
- Wabash County Solid Waste Management District: 6.50%
- Allen Co. Regional Water and Sewer: 6.50%

Staff also recommended Board approval of the following contribution rates for enlargements:

- St. Joseph County-Solid Waste Management District: 5.75%
- Manchester Community Schools: 8.00%
- City of Whiting: 8.25%
- Crown Point Community School Corporation: 8.75%
- Town of Zionsville: 8.50%
- Fairfield Community Schools: 9.25%
- Shawswick Township-Lawrence County: 8.25%
- Town of Carbon: 2.00%
- Town of Chrisney: 8.75%

The Board requested and received additional information regarding the cause of Crown Point Community School Corporation's enlargement and the relationship between new units and enlargements and recent legislation allowing PERF to group employer contribution rates.

MOTION duly made and carried to approve the staff-recommended contribution rates for new units and enlargements.

*Proposed by: Bret Swanson
Seconded by: Chris Ruhl
Votes: 4 in favor, 0 opposed, 0 abstention*

Employer Contribution Rate Update

Steve Russo discussed employer rate establishment and summarized an impact analysis of a transition to a multi-employer cost-sharing plan. The Board requested and received additional information regarding the rationale for transitioning to a multi-employer cost-sharing plan, the impact upon municipalities, and a timetable for additional study.

III. Adjournment

MOTION duly made and carried to adjourn the June 24, 2011 Board meeting at 12:06 p.m.

<i>Proposed by:</i>	<i>Greg Hahn</i>
<i>Seconded by:</i>	<i>Bret Swanson</i>
<i>Votes:</i>	<i>4 in favor, 0 opposed, 0 abstentions</i>