

**MINUTES  
BOARD OF TRUSTEES OF THE  
INDIANA PUBLIC RETIREMENT SYSTEM**

**Meeting held at:  
One N. Capitol  
1<sup>st</sup> Floor Conference Room  
Indianapolis, Indiana 46204**

**March 3, 2017**

**Board Members Present**

Michael Pinkham  
Bret Swanson  
Tera Klutz  
Brian Abbott

Kelly Mitchell  
Deanna Oware

**Guest Presenters**

Jeff MacLean, Verus  
Tiffany Spudich, Capital Cities

**Staff Presenters**

Steve Russo, Executive Director  
Scott Davis, Chief Investment Officer  
Jeff Hutson, Chief Communications  
Officer

Steven Barley, Chief Operations Officer  
Donna Grotz, Chief Finance &  
Administration Officer

**Meeting called to order at 10:02 a.m. by Vice Chairman Swanson.**

In accordance with normal practice, Board members were provided electronically written materials in advance of the meeting.

**I. Approval of Minutes from December 16, 2016, Board of Trustees Meeting**

**MOTION** duly made and carried to approve the Board of Trustees Meeting minutes from the December 16, 2016, Board meeting.

*Proposed by: Mike Pinkham  
Seconded by: Brian Abbott  
Votes: 6 in favor, 0 opposed, 0 abstentions*

## II. Required Business

The Board did not have any required business.

## III. Unfinished Business

### A. ASA\DC Administrative Fees

Steve Russo talked about the Defined Contribution Retirement Plans Member Fee Policy. Mr. Russo summarized the discussion from the December 16, 2016, meeting. Mr. Russo gave additional history and background information.

**MOTION** duly made and carried to adopt the DC Retirement Plans Member Fee Policy to be effective upon the transition of recordkeeping services to VOYA and the outsourcing of ASA annuities to MetLife.

*Proposed by: Brian Abbott*  
*Seconded by: Deanna Oware*  
*Votes: 6 in favor, 0 opposed, 0 abstentions*

### B. ASA Funds Review

Scott Davis and Tiffany Spudich presented an Annuity Savings Account (ASA) plan overview. Related to the ASA, Ms. Spudich discussed three options for the Money Market Fund. Ms. Spudich also provided an overview of the Stable Value Fund.

**MOTION** duly made and carried to adopt the option which adds the Money Market Fund to the TRF investment menu as this option allows all participants a diversified menu of stand-alone investment options within the capital preservation space.

*Proposed by: Kelly Mitchell*  
*Seconded by: Mike Pinkham*  
*Votes: 6 in favor, 0 opposed, 0 abstentions*

## IV. New Business

### A. FY17 Actuarial Assumptions & Methods

Steve Russo discussed why an actuarial valuation is needed, summarized actuarial valuation assumptions and methods and typical review timetables. Mr. Russo also reviewed key assumptions. Mr. Russo recommended no changes to the actuarial assumptions for the June 30, 2017 actuarial valuations. The Board of Trustees will be asked to vote on this at the next board meeting.

## B. Voice of the Customer Research Update

Jeff Hutson presented a research update on customer satisfaction and perceptions. Mr. Hutson discussed the process, how research was collected, overall satisfaction, and what was learned.

## C. Operations Update

Steve Barley summarized the department's performance and the amount of retirements received by fund. Mr. Barley discussed overall satisfaction by member, counseling, workshops, recent retirees, and the secure website. Mr. Barley gave an overview on the Call Center, which included call center volume, service level, complaints summary, and call center satisfaction. Mr. Barley also provided the Center of Excellence Project summary.

## D. Financial Update

Donna Grotz presented the INPRS financial update to the Board. Ms. Grotz began with a summary of the financial highlights as of end of January 2017. Ms. Grotz reviewed the January net position, then talked about past due employer contributions. Ms. Grotz discussed fiscal year 2017 actual and forecast change in net position, and actual and forecasted expenses compared to budget.

## E. Investments Update

Scott Davis presented the INPRS investment update to the Board. He started with a review of the Investments' organization chart and process. Mr. Davis and Jeff MacLean discussed the Tentative Active vs. Passive Study timeline. Mr. Davis also talked about team imperatives, provided highlights of INPRS' investments, and reviewed the INPRS investment portfolio. Mr. Davis spoke about INPRS' asset allocation as of January 31<sup>st</sup>, defined benefit performance, and ASA funds' performance. Mr. Davis also reviewed the current managers on the watch list.

## F. Executive Director Report

Steve Russo presented the Executive Director's report. Mr. Russo discussed the PERF and TRF ASA Guaranteed Fund to Stable Value Fund transition. Mr. Russo provided an update on the 2017 Legislative Session. Mr. Russo also summarized the Balance Scorecard.

**V. Preliminary Agenda for March 3, 2017 Board Meeting**

A copy of the preliminary agenda for the May 5, 2017, meeting was included in materials provided electronically to Board members.

**VI. Other Business as requested by the Board**

No other business was requested by the Board.

**VII. Adjournment**

**MOTION** duly made and carried to adjourn the March 3, 2017, Board meeting at 12:40 p.m.

*Proposed by: Brian Abbott*  
*Seconded by: Kelly Mitchell*  
*Votes: 6 in favor, 0 opposed, 0 abstentions*