

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

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

September 2, 2016

Board Members Present

Michael Pinkham
Ken Cochran
Erin Sheridan
Brian Abbott

Bret Swanson
Jillean Battle

Guest Presenters

Jeff MacLean, Verus

Staff Presenters

Steve Russo, Executive Director
Scott Davis, Chief Investment Officer

Donna Brown, Chief Financial Officer
Steven Barley, Chief Operations Officer

Meeting called to order at 10:04 a.m. by Chairman Cochran.

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

I. Approval of Minutes from June 24, 2016, Board of Trustees Meeting

MOTION duly made and carried to approve the Board of Trustees Meeting minutes from the June 24, 2016, Board meeting.

*Proposed by: Brian Abbott
Seconded by: Bret Swanson
Votes: 6 in favor, 0 opposed, 0 abstentions*

II. Required Business

The Board did not have any required business.

III. New Business

A. Monthly Benefit Debit Cards

Donna Brown discussed House Enrolled Act 1109 allowing the INPRS Board to determine the method of payment for retirees. She discussed the current and future state of monthly pension benefits. Ms. Brown also talked about Debit Cards versus checks.

MOTION duly made and carried to approve staff recommendation to offer debit cards as a payment method for monthly pension benefits in addition to direct deposit.

Proposed by: Bret Swanson
Seconded by: Brian Abbott
Votes: 6 in favor, 0 opposed, 0 abstentions

B. FY16 – A look back

Steve Russo presented the 2016 fiscal year in review. Mr. Russo discussed FY16 year end performance and year over FY15 trend. He also reviewed the FY16 strategic plan accomplishments.

C. Operations Update

Steve Barley presented an overview of the Operations department. Mr. Barley summarized the department's performance, the amount of retirements received by fund, and retirement satisfaction. Mr. Barley gave an overview on the Call Center, which included call center volume, service level, complaints summary, and call center satisfaction.

D. Investments Update

Scott Davis presented the INPRS investment update to the Board. He started with a review of team imperatives, provided highlights of INPRS' investments, and reviewed the INPRS investment portfolio. Mr. Davis talked about INPRS' fiscal year 2016 in review, asset allocation as of July 31st, defined benefit performance, and ASA funds' performance. Mr. Davis also discussed the current managers on the watch list.

E. Financial Update

Donna Brown presented the INPRS financial update to the Board. Ms. Brown began with a summary of the financial highlights as of end of June 2016. Ms. Brown reviewed the June financials, then talked about past due employer contributions. Ms. Brown discussed fiscal year 2016 actual and forecast change

in net position and expenses compared to budget. Ms. Brown also talked about fiscal year 2017 actual and forecast change in net position and expenses compared to budget.

F. Executive Director Report

Steve Russo presented the Executive Director's report. Mr. Russo summarized the meeting with the Pension Management Oversight Committee and the Balance Scorecard. Mr. Russo also talked about the PERF/TRF ASA guaranteed fund to stable value fund transition. Mr. Russo discussed the Governor's plan for Hoosier innovation and Entrepreneurship.

IV. Preliminary Agenda for October 28, 2016 Board Meeting

A copy of the preliminary agenda for the October 28, 2016, meeting was included in materials provided electronically to Board members. The Board agreed to change the date of the next meeting to November 4, 2016.

V. Executive Session

A brief Executive Session was held at pursuant to 5-14-1.5-6.1(b)(2)(B), IC 5-14-1.5-6.1(b)(2)(C) and IC 5-14-1.5-6.1(b)(9).

As posted, the Board discussed personnel matters as authorized pursuant to IC 5-14-1.5-6.1(b)(9).

As required by IC 5-14-1.5-6.1(d), the Board hereby certifies that only subject matter related to IC 5-14-1.5-6.1(b)(2)(B), IC 5-14-1.5-6.1(b)(9) and IC 5-14-1.5-6.1(b)(2)(C) was discussed.

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 September 2, 2016, Board meeting at 11:52 p.m.

Proposed by: Bret Swanson
Seconded by: Brian Abbott
Votes: 6 in favor, 0 opposed, 0 abstentions