

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

**Meeting held via Virtual Webcast  
[Pursuant to Executive Order 20-09 and extensions]**

**December 11, 2020**

**Board Members Present**

Vivienne Ross

Brian Abbott

Connie Plankenhorn

Tera Klutz

Kelly Mitchell

David Frick

Justin McAdam

Michael Pinkham

**Guest Presenters**

Jeff MacLean, Verus

Mark Brubaker, Verus

Tiffany Spudich, Capital Cities

Bill Sarb, RSM US LLP

Joseph Evans, RSM US LLP

**Staff Presenters**

Steve Russo, Executive Director

Scott Davis, Chief Investment Officer

Brett Stoughton, Investment Analyst

Donna Grotz, Chief Finance and

Administration Officer

**Meeting called to order at 9:01 a.m. by Vice Chairman Abbott.**

**I. Executive Session**

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

As posted, the Board discussed personnel matters as authorized pursuant to IC 5-14-1.5-6.1(b)(2)(C).

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)(C) was discussed.

**Public meeting called to order at 10:01 a.m. by Vice Chairman Abbott.**

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

**II. Approval of Minutes from October 30, 2020, Board of Trustees Meeting**

**MOTION** duly made and carried to approve the Board of Trustees Meeting minutes from the October 30, 2020, Board meeting.

*Proposed by: Mike Pinkham*  
*Seconded by: Justin McAdam*  
*Votes: 7 in favor, 0 opposed, 0 abstentions (David Frick was absent)*

**III. Unfinished Business**

There was no unfinished business discussed by the Board.

**IV. Required Business**

**A. Election of Board Officers**

Under Indiana Code 5-10.5-3-7, the Board shall elect a Chair and Vice Chair from its members to serve as officers. Officers shall serve for one year or until the officer's successor is elected and qualified. Vice Chairman Abbott opened the floor for nominations.

**MOTION** duly made and carried to elect Bret Swanson as Chair of the INPRS Board of Trustees.

*Proposed by: Michael Pinkham*  
*Seconded by: Kelly Mitchell*  
*Votes: 7 in favor, 0 opposed, 0 abstentions (David Frick was absent)*

**MOTION** duly made and carried to elect Brian Abbott as Vice Chair of the INPRS Board of Trustees.

*Proposed by: Michael Pinkham*  
*Seconded by: Kelly Mitchell*  
*Votes: 7 in favor, 0 opposed, 0 abstentions (David Frick was absent)*

**B. Annual Independent External Audit Review**

Bill Sarb and Joseph Evans of RSM US LLP presented the audit results for fiscal year 2020. The responsibility of external auditors and overall results were discussed. Changes in INPRS in 2020 and Investments audit results were reviewed. Mr. Sarb also provided an Information Systems review. The auditors determined that INPRS met all appropriate standards. There were no material weaknesses. INPRS received an unmodified opinion.

### C. Annual Defined Contribution (DC) Funds Review

Tiffany Spudich presented the annual Defined Contribution Funds overview as of October 31, 2020. Ms. Spudich talked about the annual timeline for fiduciary oversight, the DC Plan overview, and investment structure framework. Ms. Spudich also provided an overview of each investment fund, including performance and manager due diligence, assessing performance, and investment management fees.

Brett Stoughton discussed the INPRS' DC imperatives, DC trends, INPRS DC history, a review of the INPRS DC lineup, and the future research priorities with a project timeline.

## V. New Business

### A. Financial Update

Donna Grotz presented the INPRS financial update to the Board. Ms. Grotz gave an overview of the fiscal year to date October 2020 financial results. Ms. Grotz talked about contributions received, net change in investments, expenses, and the fiduciary net position as of October 2020. Ms. Grotz also provided an update on the conversion from checks to stored value cards.

### B. Investments Update

Scott Davis presented the INPRS investments update to the Board. Mr. Davis provided INPRS's investments highlights and reviewed the INPRS investments portfolio as of October 31, 2020. Mr. Davis also talked about asset allocation, defined benefit performance, and defined contribution funds' performance.

### C. Executive Director Report

Steve Russo presented the Executive Director's report. Mr. Russo provided an overview of the Indiana Transparency Portal. Mr. Russo summarized the Balance Scorecard (BSC) and discussed escalated BSC measures.

## VI. Proposed 2021 Board Meeting Schedule

A copy of the proposed 2021 Board Meeting schedule was included in materials provided electronically to Board members.

**MOTION** duly made and carried to accept the 2021 Board Meeting schedule.

*Proposed by: Justin McAdam*  
*Seconded by: Connie Plankenhorn*  
*Votes: 8 in favor, 0 opposed, 0 abstentions*

**VII. Preliminary Agenda for February 21, 2020 Board Meeting**

A copy of the preliminary agenda for the February 21, 2020, meeting was included in materials provided electronically to Board members.

**VIII. Board Education**

**Asset-Liability Study & Introduction to Leverage**

Jeff MacLean discussed INPRS's Asset-Liability Study and Board responsibilities and timeline. Mr. MacLean also gave a brief summary about the different types of leverage. Mark Bubaker talked in more detail about leverage, sources of leverage, explicit leverage at the portfolio level, implementation considerations, and leverage governance.

**IX. Other business as requested by the Board**

There was no other business as requested by the Board discussed.

**X. Adjournment**

**MOTION** duly made and carried to adjourn the December 11, 2020 Board meeting at 11:59 a.m.

*Proposed by: Kelly Mitchell*  
*Seconded by: Tera Klutz*  
*Votes: 8 in favor, 0 opposed, 0 abstentions*