MINUTES
PUBLIC MEETING
November 13, 2025
10:00 a.m.
IGCS – Conference Room A

I. Call to Order/Roll Call

State Comptroller Elise Nieshalla called the meeting to order at 10:00 a.m. Committee members present were Mike Frick (Appointee, Treasurer of State), Chad Ranney (State Budget Director), Hope Tribble (State Board of Finance Appointee), and Susan Sleeper (State Board of Finance Appointee). Staci Schneider, Britton Stucker, Emily Boesen and Jessica Nejad (Comptroller of State); Mike Nader (Barnes & Thornburg, Counsel to the Committee and the Administrator); Michael Burkhart, John Archer, Mark Monahan, Kimberley Rumple, Kayleigh Moreau, Tammie Tucker and Sarah Carlo (Nationwide, Third-Party Administrator to the Plans); and Tiffany Spudich and Susan Somers (Capital Cities, L.L.C., Investment Consultant to the Committee) were also present.

II. Live-Streaming Disclaimer

The meeting was live-streamed. Ms. Somers, of Capital Cities, provided the disclaimer.

III. Approval of the Previous Minutes

State Comptroller Elise Nieshalla asked for a motion to approve the minutes from the August 14, 2025 meeting. **Mr. Frick moved to approve the minutes. Ms. Sleeper seconded. The minutes were unanimously approved.**

IV. SECURE 2.0/Roth & Special Catch Up

Mr. Nader, of Barnes & Thornburg, discussed the Roth catch-up provision within SECURE 2.0 that will effective starting in 2026 If a participant makes more than $145,000 in FICA wages and desires to make an age-based catch-up contribution, the catch-up must be made on an after-tax basis (Roth). Some municipalities and agencies do not offer a Roth option. The Comptroller's Office, along with Barnes & Thornburg and Nationwide, are developing policies and procedures for those employers. Mr. Nader will prepare a letter to those employers without Roth to explain the rule and the option to add Roth in 2026. A second letter was prepared for those employers offering Roth to explain the rule and responsibility of each employer to comply with the same. A key responsibility will be for each employer to identify high earners, limit age-based catch-up contributions to Roth, and communicate the information to Nationwide.

V. Third-Party Administrator Report

Ms. Rumple, of Nationwide, introduced Kayleigh Moreau, Senior Retirement Specialist. Ms. Moreau will service Marion and Shelby counties. Ms. Rumple also notified the Committee of an open Retirement Specialist position in the Northwest Indiana territory.

Mr. Burkhart noted that Hoosier START ended the third quarter with nearly $2.4 billion in total assets. There are 70,875 participants, with an average participant balance of $33,576 (an increase of ~37% since the Nationwide transition). Mr. Burkart highlighted the 8,724 Roth participants, an increase from ~5,900 since the transition to Nationwide in 2022. Mr. Burkhart discussed that 41% of participants have beneficiaries on file. If participants do not have a beneficiary on file, they will soon be prompted to add one when they log into their account. Mr. Burkhart also noted that 18% of participants have utilized the enhanced My Income & Retirement Planner.

Mr. Monahan, of Nationwide, discussed Nationwide's ProAccount managed advice service, with Wilshire serving as the independent financial expert. Mr. Monahan reviewed the services participants receive, the initial risk tolerance questionnaire and data points, and the ProAccount glide paths. Mr. Monahan stated that 52% of participants completed steps within My Income & Retirement Planner, which resulted in more customized portfolios. Mr. Monahan reviewed the available glide paths and discussed that while the moderate glide path is the default, the managed advice service can be personalized to individual participants using additional data points, which could lead to an aggressive or conservative glide path recommendation. Lastly, Mr. Monahan reviewed the average participant returns for each type of investment option (Nationwide ProAccount, Help Me Do It/Target Date Funds, and Do It Myself/Stand-alone Investment Options).

VI. Investment Consultant's Report

<u>3Q25 Performance & Evaluation Report</u>

Ms. Spudich, of Capital Cities, presented the Considerations/Observations page of the 3Q25 Performance and Evaluation Report. She noted the Plan recently met the minimum for a less expensive share class (T4) of the T. Rowe Price Blue Chip Growth Trust. The current T2 share class is 45 bps, while T4 is 40 bps, providing ~$114,000 in annual savings. The Committee approved the share class exchange during the August meeting, and the transition will occur on or around November 14, 2025.

Ms. Spudich discussed the Investment Structure Review presented to the Committee during the August meeting. The Committee elected during the August meeting to conduct searches for International Equity Index (ex-China) and Core Bond Index Funds to expand the investment menu offerings. The searches have been put on hold to allow more International Equity Index ex-China and ex-Hong Kong products to emerge.

Ms. Somers presented the third quarter market review. Ms. Somers observed that all equity styles had positive returns. The S&P 500 was up 8.1%. Small Cap Value was the best performing style of the quarter, up almost 13%, while Large Cap Value and Mid Cap Core were the weakest equity styles at just over 5%. International Developed and Emerging Markets were both positive, at 4.8% and 10.6% respectively. Sector returns over the last quarter were led by Information Technology at 13.2% and Communication Services at 12%. Equity returns were also strong across the board for the one-year period. Fixed Income returns were positive for the third quarter for most styles except Non-Dollar. The Bloomberg Aggregate had a positive return of 2% for the quarter and nearly 3% for the year. EM Debt was up 4.8% and was the best performing style. Over the one-year period, fixed income returns were positive.

Ms. Spudich highlighted that total assets stood at $2.4 billion as of September 30, 2025, with 25% of the assets in the default option, the State Street Target Retirement Funds. The remaining 75% of assets were in the individual options that allow participants to build their own diversified portfolios. Ms. Spudich also noted the performance of the State Street Target Retirement Funds ranged from 3.6% (Retirement) to 7.2% (2070 Fund) during the third quarter.

Ms. Spudich provided a summary qualitative and quantitative review ("stoplight grid") of each of the investment options. Most of the options are in good to excellent standing. Capital Cities continues to monitor T. Rowe Price Blue Chip Growth for long-term performance.

VII. Old Business

None.

VIII. New Business

Comptroller Nieshalla noted that Hoosier START received a 2025 NAGDCA Leadership Award in Holistic Financial Wellness for the second year in a row with the Leader Campaign: "Empowering State Leaders for Enhanced Employee Retirement." This campaign provided leaders in state agencies with details of the Plan to disseminate to employees, providing education to drive engagement within the Plan. The campaign also won the Members Choice designation. Comptroller Nieshalla acknowledged the work done by the Comptroller's Office and the Nationwide team in winning the award.

Comptroller Nieshalla announced Emily Boesen accepted a position with the Department of Child Services. Ms. Boesen was recognized for her service and leadership within the Comptroller's Office.

IX. Adjournment

With no further business before the Committee, the meeting was adjourned at 10:59 a.m. **Ms. Tribble motioned for adjournment. Mr. Ranney seconded the motion.** The next quarterly meeting is scheduled for Thursday, February 12th at 10:00 a.m.