MINUTES
PUBLIC MEETING
February 12, 2026
10:00 a.m.
IGCS – Conference Rooms 1& 2, Wabash Hall

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), and Susan Sleeper (State Board of Finance Appointee). Staci Schneider, Britton Stucker, and Jessica Nejad (Comptroller of State); Mike Nader (Barnes & Thornburg, Counsel to the Committee and the Administrator); Michael Burkhart, John Archer, 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 November 13, 2025 meeting. **Mr. Frick moved to approve the minutes. Mr. Ranney seconded. The minutes were unanimously approved.**

IV. Third-Party Administrator Report

Mr. Archer, of Nationwide, reported that Nationwide met their 2025 participant, workshop and site visit goals. Nationwide conducted 1,304 site visits and 58 webinars. Nationwide remains focused on educational efforts. The 2025 goals include more individual meetings and connections to increase awareness and participation. Mr. Archer also notified the Committee that Kris Feldmeyer was hired as a Retirement Specialist and will represent the Northwest Indiana territory.

Mr. Burkhart, of Nationwide, noted that Hoosier START ended the fourth quarter with over $2.4 billion in total assets and 71,524 participants. New enrollments for the quarter were 3,368, an increase of 1,017 participants from the third quarter. Ms. Schneider stated that Nationwide has been focusing outreach efforts to local agencies, which could explain a portion of the new enrollments. Mr. Burkart discussed that the average asset classes utilized per participant are 1.71. This number continues to slightly decrease, indicating that participants are utilizing the default option (age-appropriate Target Date Fund). Mr. Burkhart highlighted the 9,021 Roth participants, an increase of 297 from the third quarter. Mr. Burkhart mentioned that 15 participants are utilizing the self-directed brokerage option. Lastly, Mr. Burkhart stated that the RMD withdrawal activity increased in the fourth quarter, primarily due to participants who have automatic distributions to meet their required distributions.

V. Investment Consultant's Report

Annual Market Review

Ms. Somers began by discussing the broad economy. Ms. Somers covered the various investment market themes that impacted 2025 and could impact 2026. Ms. Somers noted that inflation ended the year at 2.7%, still above the Federal Reserve's 2% target. The Federal Funds Rate ended the year at 3.5% - 3.75%. Unemployment ended the year at 4.4%. Ms. Somers also highlighted investment returns for 2025, along with performance over the last 5-, 10- and 15-year time periods.

Ms. Somers noted that Capital Cities continues, in general, to recommend diversification to weather periods of market volatility. The Plans offer participants an appropriate and diversified menu of investment options. In addition, Ms. Somers highlighted the 2026 Fiduciary Calendar for the Plans, along with Capital Cities' proposed projects for each quarter.

4Q25 Performance & Evaluation Report

Ms. Spudich, of Capital Cities, presented the Considerations/Observations page of the 4Q25 Performance and Evaluation Report. Ms. Spudich notified the Committee that Capital Cities conducted due diligence with Fidelity about launching a new collective investment trust (CIT) vehicle that would exclude China and Hong Kong from the Diversified International Fund's portfolio construction. No other changes are expected to the portfolio manager, philosophy/process or fee; however, terms will not be finalized until approval is received by Fidelity's Board. **Ms. Sleeper motioned to approve pursuing the ex-China, ex-Hong Kong mandate of the Fidelity Diversified International Fund. Mr. Frick seconded. The motion was unanimously approved, subject to review and approval of final terms.**

Ms. Spudich discussed the T. Rowe Price Blue Chip Growth Trust. The Fund's long-term performance (last five-year time period) now ranks favorably in the 42nd percentile of peers. As a result, the long-term performance stoplight was upgraded to green. Additionally, she highlighted that the Plans recently transitioned to the less expensive share class (T4) of the T. Rowe Price Blue Chip Growth Trust, providing five basis points (~$114,000) in annual savings.

Lastly, Ms. Spudich noted that Portfolio Manager Mark Kiesel announced his departure from PIMCO for personal reasons. Mr. Kiesel served as a Portfolio Manager on the PIMCO Total Return Fund. Mr. Kiesel was replaced by Mike Cudzil. The Strategy operates under a team approach and has seven portfolio managers, led by Portfolio Manager Mohit Mittal.

Ms. Spudich highlighted that total assets stood over $2.4 billion as of December 31, 2025, with 26% of the assets in the default option, the State Street Target Retirement Funds. The remaining 74% 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 1.6% (Retirement Fund) to 2.9% (2070 Fund) during the fourth quarter and from 11.6% (Retirement Fund) to 21.3% (2065 Fund) for the one-year time period.

Ms. Spudich provided a summary qualitative and quantitative review ("stoplight grid") of each of the investment options. All the options are in good to excellent standing.

Annual Fee Analysis

Ms. Spudich provided a presentation to assist the Committee in reviewing the Plans' investment management, recordkeeper, administrative and consultant fees. The Fee Analysis documented the close monitoring and benchmarking of the Plans' expenses. As part of the analysis, Ms. Spudich stated that the Plans' investment management fees are transparent and competitive. Revenue-sharing is currently rebated to the participants who generated it. Further evaluation was completed on the most suitable share class/vehicle for PIMCO Total Return and Fidelity Low-Priced Stock; however, it was determined that the current share classes are still appropriate.

Ms. Spudich also explained that the Plans' recordkeeper fee ($48 annually) is transparent to participants. Recordkeeper fees were last benchmarked during the Third-Party Administrator Request for Proposal process that occurred in 2021 and subsequent transition to Nationwide in 2022. This process ensured fees and services are competitive. Recordkeeper fees paid to Nationwide during the 2025 calendar year totaled $3,139,812. The total annual average fee per participant (investment management expense and recordkeeper fee) was approximately 38 basis points. In addition, Ms. Spudich noted that Nationwide received $2,830,493 in fees for calendar year 2025 for their Managed Account Services (ProAccount).

Ms. Spudich reviewed the Comptroller's Plan-related expenses, including personnel, legal, audit and investment consultant expenses. Ms. Spudich noted that expenses totaled $234,445 in 2025. Finally, Ms. Spudich discussed the investment consultant expense, which was benchmarked and negotiated as part of the 2020 Investment Consultant Request for Proposal process.

2025 Annual Report

Capital Cities prepared an Annual Report for the State Board of Finance. The Report provides comprehensive information regarding each investment option that is offered in the Plans. The Plans' fees are also detailed in the Annual Report. **Mr. Ranney moved to approve the Annual Report. Mr. Frick seconded. The Annual Report was unanimously approved.**

VI. Old Business

Comptroller Nieshalla discussed SB10, which seeks to increase the state match from $15 per pay period to $28 per pay period. The Bill passed through House Committee on February 11, 2026 and will allow certain eligible participants who waive participation in the Retirement Medical Benefits Account (RMBA/INPRS) to receive an enhanced contribution and increased match to the Hoosier START Plan.

VII. New Business

None.

VIII. Adjournment

With no further business before the Committee, the meeting was adjourned at 10:44 a.m. **Mr. Frick motioned for adjournment. Ms. Sleeper seconded the motion.** The next quarterly meeting is scheduled for Thursday, May 7th at 10:00 a.m.