



**MINUTES  
PUBLIC MEETING**

**August 14, 2025**

**10:00 a.m.**

**IGCS – Conference Room 17 – Harrison 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 Chad Ranney (State Budget Director), Hope Tribble (State Board of Finance Appointee), and Susan Sleeper (State Board of Finance Appointee). Britton Stucker and Emily Boesen (Comptroller of State); Mike Nader (Barnes & Thornburg, Counsel to the Committee and the Administrator) via video conference; Michael Burkhart, Kimberley Rumble, 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 May 15, 2025 meeting. **Mr. Ranney moved to approve the minutes. Ms. Tribble 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. Final regulations have not been issued. If a participant makes more than \$145,000 in FICA wages and desires to make a 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, are developing policies and procedures for those employers. However, they are waiting to see if the IRS provides additional guidance or delays the effective date of this provision. Mr. Nader will make a final recommendation at the November Committee meeting.

**V. Third-Party Administrator Report**

Mr. Burkhart, of Nationwide, 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. Mr. Burkhart and Comptroller Nieshalla acknowledged the work done by the Comptroller's office and the Nationwide team in winning the award.

Ms. Rumble, of Nationwide, reported significantly increased participation in educational webinars, with 2,500 participants joining webinars since March 26, 2025. Ms. Rumble also noted two pending adoptions with 226 participants. Mr. Burkhart introduced Tammie Tucker as Nationwide's new marketing representative assigned to Hoosier START.

Mr. Burkhart noted that the Hoosier START Plan ended the second quarter up \$160 million, with total assets at nearly \$2.3 billion. There are 70,738 participants, an increase of 499 participants over the quarter. The average participant balance is \$32,102. There were 2,404 new enrollments over the quarter. Mr. Burkhart noted he was pleased with the increase in Roth participation, as educational offerings help participants understand the benefits. There are now 8,610 Roth participants. 14 participants are now in the self-directed brokerage account option. Mr. Burkhart also highlighted that nearly half of new contributions are going into the target date funds. The target date funds represent nearly a quarter of Plan assets, which are the default option.

Nationwide is working to educate participants on the benefit of keeping funds in the Hoosier START Plan. Total assets distributed through rollovers and transfers decreased over the quarter. There were almost double the number of unforeseeable emergencies in the second quarter (at 519) than in the first quarter. Mr. Burkhart said this number has increased over time since the introduction of self-certification, which was implemented in August 2023. The Committee discussed the self-certification process and will continue to monitor the distributions.

Mr. Burkhart noted 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 for the first time. 41% of participants have created an account online. Participant accounts are safer from a cybersecurity perspective once online credentials have been established. Mr. Burkhart also noted that 20% of participants use the My Income & Retirement Planner.

## **VI. Investment Consultant's Report**

### **2Q25 Performance & Evaluation Report**

Ms. Somers, of Capital Cities, presented the Considerations/Observations pages of the 2Q25 Performance and Evaluation Report. Ms. Somers noted the fiduciary project for this quarter was an investment structure review and a review of trends in the defined contribution industry. She also notified the Committee that 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. **Ms. Sleeper moved to approve conducting a share class exchange, moving from the T2 to T4 share class of T. Rowe Price Blue Chip Growth Trust. Mr. Ranney seconded. The share class exchange was unanimously approved.**

Ms. Somers indicated that Capital Cities has been closely monitoring Fidelity Diversified International's short-term performance (last three-year period). The Fund's short-term performance improved relative to the benchmark and is now ranking in the top quartile of peers. Accordingly, Capital Cities upgraded the fund's short-term performance spotlight to green.

Ms. Somers presented the second quarter market review. Ms. Somers observed that while the markets did see volatility in the second quarter, all equity styles had positive returns. The S&P 500 was up 10.9%. Large Cap Growth was the best performing style of the quarter, up almost 18%, while Large Cap Value was the weakest equity style at just under 4%. International Developed and International Emerging were up by almost 12% each, as dollar-weakening supported non-U.S. returns. Returns were also strong across the board for the one-year time period. Sector returns over the last quarter were led by Information Technology

at 23.7% and Communication Services at almost 19%. Fixed Income returns were positive for the quarter for most styles except Municipals. The Bloomberg Aggregate had a positive return of 1.2% for the quarter and 6% for the year. Non-dollar was up 7.4%. Over the one-year period, returns have been positive. The State Street Target Retirement Funds, which are the default option for the Plan, had returns ranging from 4.1% to 10.3% for the quarter and from 9.7% to 15.4% for the one-year period.

### **Investment Structure Review Presentation**

Ms. Spudich, of Capital Cities, reviewed the Plan's investment menu, which provides a comprehensive line-up of investment options. The Plan had \$2.3 billion in assets as of June 30, 2025. The State Street Target Retirement Funds represented 25% of assets, while Core & Specialty Options represented 75%, and Self-Directed Brokerage Accounts accounted for 0.2%. Nationwide's ProAccount (Managed Account Services) represented \$707 million, or 31%, of the Plan's total assets.

Ms. Spudich highlighted that there are different types of investment options. The Plan offers both active options that seek to outperform an index and passive options that replicate a benchmark and are generally less expensive.

Ms. Spudich reviewed the State Street Target Retirement Funds, which offer passively managed broad market exposure across all major asset classes. These options are low cost, and performance closely mimics benchmarks. Recent changes include: the "Retirement Income" Fund was renamed the "Retirement" Fund, the 2020 Fund merged with the Retirement Fund, the 2070 Fund was launched, and the Bowyer Research Proxy Voting Policy was implemented for Hoosier START.

Reviewing the Core and Specialty Options, Ms. Spudich noted that there is a growing trend to offer an active and passive solution in all major asset classes to serve both those who want broad market exposure and those who want active management. Looking at the options currently offered, there are two areas that are missing a passive option: Fixed Income and International Equity. Ms. Spudich noted that the Committee could consider expanding the passive investment options by conducting public searches for International Equity (Ex-China) and Core Bond Index Funds. **Mr. Ranney motioned to conduct a search for International Equity (ex-China) and Core Bond Index Funds. Ms. Tribble seconded the motion. The recommendation was unanimously approved.**

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.

As of June 30<sup>th</sup>, 14 participants were utilizing the self-directed brokerage option with ~\$3.6 million in assets. The self-directed brokerage is designed for participants who are investment-savvy or who are working with an outside investment professional.

Lastly, Ms. Spudich discussed defined contribution plan trends. She noted that Hoosier START is favorably positioned relative to peers.

## **VII. Old Business**

Comptroller Nieshalla welcomed Ms. Tribble and Ms. Sleeper to the Committee and asked them to introduce themselves. Ms. Tribble is the Director of Fiscal Policy for the Indiana Senate Democrats. Ms. Sleeper is the DeKalb County Auditor. Comptroller Nieshalla expressed appreciation for the perspective and experience that Ms. Tribble and Ms. Sleeper bring to the Committee.

## **VIII. New Business**

None.

## **IX. Adjournment**

With no further business before the Committee, the meeting was adjourned at 10:59 a.m. **Mr. Ranney motioned for adjournment. Ms. Sleeper seconded the motion.** The next quarterly meeting is scheduled for Thursday, November 13<sup>th</sup> at 10:00 a.m.