

INPRS Board of Trustees Meeting Summary
December 11, 2015

Following is a brief summary of the most recent INPRS Board meeting. It was held on December 11, 2015. This information covers key actions taken. It is *not* the official minutes of the meeting.

1. Election of Board Officers

- The Board voted for Ken Cochran as Chair of the Board and Bret Swanson as Vice Chair.

2. Annual Independent External Audit Review

- RSM US made a presentation on the Fiscal Year 2015 Audit Results.
- INPRS received an unmodified opinion, dated December 4, 2015.
- RSM reported “Audit was performed timely, strong communication on both sides proved to be key.”

3. Annual ASA Funds Review

- Capital Cities made a presentation on the Annuity Savings Account (ASA) Plan.
- The presentation included a plan overview, as well as assessments of the investment menu, investment performance, and of the ASA Plan’s fees.
- Capital Cities also provided education on the Stable Value Fund.

4. Investments update

- **Return on Investments:**
 - INPRS’ cumulative return since reaching the target asset allocation on June 30, 2012, is 18.3%. This is below the target return of 23.0%.
 - Bouncing back from the July through September selloff, the October 2015 performance of 2.15% was the second highest since INPRS reached target allocation in 2012.
 - Most asset classes have had negative returns fiscal year to date.
 - The International Equity Fund for the Annuity Savings Account outperformed its respective benchmark over one, three, and five years.
 - All Target Date Funds for the Annuity Savings Account have outperformed their respective benchmarks over one, three, and five years.
- **Investments/Terminations:**
 - There were two new investments to private equity.

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- **Watch List:**
 - There are eight managers currently on the “Watch List”: Artisan Mid-Cap Value, Blackrock, Core Commodities Founders I, Disciplined Growth, Jackson Square, Leading Edge, PIMCO, and TimesSquare.
 - Two managers were added to the “Watch List”: Core Commodities Founders I and Disciplined Growth.

5. Executive Director’s Report

- Mr. Russo provided an update on the Recordkeeper RFP. He announced INPRS will be entering into contract negotiations with Voya Financial to become INPRS’ new recordkeeper.
- Mr. Russo also said Staff recommends commencing contract negotiations with MetLife, with an understanding that a contract would not be executed until if/when the INPRS Board authorizes the engagement of a third party for ASA annuities.

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