FINANCIAL SECTION

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AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT AUDITOR'S REPORT

TO: THE HONORABLE ERIC J. HOLCOMB, THE MEMBERS OF THE GENERAL ASSEMBLY, AND THE CITIZENS OF THE STATE OF INDIANA

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Indiana (State), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the State's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Indiana Economic Development Corporation, Indiana Finance Authority, State Lottery Commission, Indiana Bond Bank, Indiana Housing and Community Development Authority, Indiana Board for Depositories, Indiana Secondary Market for Educational Loans Inc., Indiana Stadium and Convention Building Authority, White River State Park Development Commission, Ports of Indiana, Indiana State Fair Commission, Indiana Comprehensive Health Insurance Association, Indiana Political Subdivision Risk Management Commission, Indiana State Museum and Historic Sites Corporation, and Indiana Motorsports Commission, which represent 33.5 percent, 3.2 percent, and 23.6 percent of the assets, net position, and revenues, respectively, of the aggregate discretely presented component units. We also did not audit the Indiana Public Retirement System, Investment Trust Fund, and State Police Pension Fund which represent 86.5 percent, 87.1 percent, and 40.0 percent, respectively, of the assets, net position, and revenues and additions of the aggregate remaining fund information. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for those discretely presented component units and fiduciary activities, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the following were audited in accordance with auditing standards generally accepted in the United States of America, but were not audited in accordance with *Government Auditing Standards*: Ports of Indiana, Indiana State Fair Commission, and Indiana Political Subdivision Risk Management Commission, reported as discretely presented component units, and the State Police Pension Fund and Indiana Public Retirement System, reported within the aggregate remaining fund information.

INDEPENDENT AUDITOR'S REPORT
(Continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the State's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedules of Employer Contributions for Employee Retirement Systems and Plans and Other Postemployment Benefits, Schedules of Changes in the Net Pension Liability and Related Ratios for Employee Retirement Systems and Plans, Schedules of the State's Proportionate Share of the Net Pension Liability for Employee Retirement Systems and Plans, Schedules of Changes in the Net OPEB Liability and Related Ratios for Other Postemployment Benefits, Schedule of Changes in the Total OPEB Liability and Related Ratios for Other Postemployment Benefits, Schedule of Investment Returns for Other Postemployment Benefits, Budgetary Information, Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual Major Funds (Budgetary Basis), Budget/GAAP Reconciliation – Major Funds, and the Infrastructure – Modified Reporting for Condition Rating of the State's Highways and Bridges and Comparison of Needed-to-Actual Maintenance/Preservation, as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State's basic financial statements. The accompanying combining and individual statements for the Non-Major Governmental and Proprietary Funds, Internal Service Funds, Fiduciary Funds, Non-Major Discretely Presented Component Units, Budget/GAAP Reconciliation Non-Major Special Revenue Funds, and the Introductory and Statistical Sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual statements for the Non-Major Governmental and Proprietary Funds, Internal Service Funds, Fiduciary Funds, Non-Major Discretely Presented Component Units, and the Budget/GAAP Reconciliation Non-Major Special Revenue Funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, the procedures performed as described above, and the reports of the other auditors, the combining and individual statements for the Non-Major Governmental and Proprietary Funds, Internal Service Funds, Fiduciary Funds, and Non-Major Discretely Presented Component Units, and the Budget/GAAP Reconciliation Non-Major Special Revenue Funds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 6, 2021, on our consideration of the State's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State's internal control over financial reporting and compliance.

Paul D. Joyce

Paul D. Joyce, CPA
State Examiner

January 6, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

STATE OF INDIANA
Management's Discussion and Analysis
June 30, 2020

The following discussion and analysis of the State of Indiana's financial performance provides an overview of the state's financial activities for the fiscal year (FY) ended June 30, 2020. Please read it in conjunction with the transmittal letter at the front of this report and the state's financial statements, which follow this section. Because of prior period adjustments and reclassifications as described in Note IV(G) of the Notes to the Financial Statements, FY 2019 numbers have been restated.

Financial Highlights

- For FY 2020, on a government-wide basis, the assets and deferred outflows of the State of Indiana exceeded its liabilities and deferred inflows by $16.5 billion. This compares with $15.6 billion for FY 2019, as restated.
- At the end of the current FY, unassigned fund balance for the General Fund was $2.1 billion, or 15.1% of the total General Fund expenditures.
- On a government-wide basis for the primary government, the state incurred expenses net of program revenue of $17.6 billion, which are offset by general revenues totaling $18.5 billion, giving an increase in net position of $0.9 billion.
- General revenue for the primary government decreased by $37.4 million, or 0.2%, from FY 2019. Income tax filing and due date shifts were made from FY 2020 into FY 2021 to align with federal income tax date shifts. In spite of slowing economic activity from the national public health emergency, sales tax revenue increased year over year by 2.9%.
- Combined budget balances for FY 2020 were $1.4 billion. Those balances consisted of $541.8 million in the General Fund, $347.7 million in the Tuition Reserve Fund, and $529.4 million in the Rainy Day Fund (which has grown from a $0 balance at the end of FY 2010).
- Due in large part to maintaining a healthy reserve balance, Indiana was in a position to weather a $1.4 billion revenue shortfall in the final months of FY 2020.
- Indiana is one of thirteen states that has the highest credit rating assigned by all three independent credit rating agencies: Fitch, Moody's, and Standard & Poor's Ratings Service (S&P). From the July 2020 report, S&P cited four areas in issuing the AAA credit rating: modest economic growth across all sectors, maintenance of strong budgetary reserves, active budget management, and low overall debt levels. Fitch's April 2020 rating report issued AAA due to "the state's low long-term liability burden and exceptionally strong operating profile, including prudent budgetary budget management during the long economic expansion that further strengthened the state's robust financial resilience as it enters the current coronavirus-driven downturn."
- Indiana continues to position itself as one of the lowest debt-level states in the country. Net tax supported debt (NTSD) represents just $251 per capita, the 6th lowest in the country (Moody's Debt Median Report, 5/12/2020).
- In 2020, Indiana received several accolades for its business environment. This includes favorable rankings of 5th in the nation in Chief Executive Magazine's annual "Best States for Business" survey (June 2020), 3rd overall in Site Selection Magazine's list of Top 10 Competitive States (May 2020), and 6th in Business Facilities ranking of Best Business Climate (July 2020).

Key Economic Indicators

	Dec. 31, 2019	Dec. 31, 2018	% Change
Total Labor Force	3,359,406	3,375,397	-0.5%
Total Employed Labor Force	3,259,595	3,258,269	0.0%
Total Goods and Service Employment	3,184,300	3,187,600	-0.1%
Service-Providing Employment	2,491,200	2,494,200	-0.1%
Goods-Producing Employment	693,100	693,400	0.0%
Unemployment Rate	3.0%	3.4%	-11.8%
Median Household Income	57,603	55,746	3.3%

Sources: Indiana Department of Workforce Development, Bureau of Labor Statistics, and U.S. Census Bureau.

Salaries and benefits for state employees represent approximately 6.4% of governmental fund expenditures. The following table shows a ten year history of the count of full time state employees.

Full Time State Employees Paid Through The Auditor of State's Office

Year	Governor's Authority	Judiciary	Other Elected Officials	On Disability Leave - In Pay Status	On Disability Leave - Not in Pay Status	Total
2020	29,607	950	1,147	395	181	32,280
2019	28,868	922	1,124	363	193	31,470
2018	28,634	908	1,095	370	220	31,227
2017	28,286	894	1,062	425	221	30,888
2016	28,315	886	1,107	419	250	30,977
2015	28,157	865	1,083	455	289	30,849
2014	28,279	845	1,065	471	312	30,972
2013	28,398	831	1,049	511	345	31,134
2012	28,485	835	1,049	545	349	31,263
2011	28,472	830	1,067	610	351	31,330

For more information on personnel paid through the Auditor of State, please read the Statistical Section

Overview of the Financial Statements

This Financial Section consists of four parts: management's discussion and analysis (this part), the basic financial statements, required supplementary information, and other supplementary information. The basic financial statements include two kinds of statements that present different views of the state. The first two statements are government-wide financial statements that provide both long-term and short-term information about the state's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the state government, reporting the state's operations in more detail than the government-wide statements.

- The governmental fund statements tell how general government services such as public safety, education, and welfare were financed in the short term as well as what remains for future spending.
- Proprietary fund statements offer short and long-term financial information about the activities the government operates like businesses, such as the Unemployment Compensation Fund.
- Fiduciary fund statements provide information about the financial relationships in which the state acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong, such as the retirement plan for the state's employees.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* and *other supplementary information* that further explain and support the information in the financial statements.

Government-wide Financial Statements

The government-wide financial statements report information about the state as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all the government's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the state's net position and how they have changed. Net position, which equals the state's assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, is one way to measure the state's financial health, or position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the State of Indiana is improving or deteriorating. To assess the overall health of the state, additional non-financial factors should be considered, such as changes in the state's tax base, the condition of the state's roads and the state's student population. The government-wide financial statements of the state are divided into three categories:

- **Governmental activities**. Most of the state's basic services are included here, such as the state's roads and bridges, and health and environmental programs. State sales and income taxes and federal grants finance most of these activities.
- **Business-type activities**. The state provides goods and services through these activities that are financed or recovered primarily through fees and user charges. The Unemployment Compensation Fund, the Inns and Concessions Fund, and the Indiana Residual Malpractice Insurance Authority are included here.
- **Discretely Presented Component Units**. These are legally separate discretely presented entities for which the state is financially accountable. These include, among others, the Indiana Finance Authority, the State Lottery Commission of Indiana, the Indiana Bond Bank, the Indiana Housing and Community Development Authority, and colleges and universities that receive state funding.

Fund Financial Statements

The fund financial statements provide more detailed information about the state's most significant funds, not the state as a whole. Funds are accounting devices that the state uses to keep track of specific sources of funding and spending for particular purposes. The State of Indiana uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The state has three kinds of funds: governmental funds, proprietary funds, and fiduciary funds.

1. **Governmental funds**. Most of the state's basic services are included in governmental funds, which focus on (1) cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the state's programs.

   *Relationship and Reconciliation***.** Because the information provided in the governmental funds statements does not encompass the additional long-term focus of the government-wide statements, reconciliation pages are provided. On the page following each governmental fund's financial statement, these reconciliations explain the differences between the government-wide and the fund financial statement. Government-wide statements use full accrual accounting. Revenues are recognized when they are earned and expenses are recognized as soon as the liability is incurred, regardless of the timing of related cash inflows and outflows. Governmental fund financial statements use the modified accrual basis of accounting. Revenues are recognized when earned so long as they are collectible within the current period or soon enough afterwards to pay liabilities of the current period. Specific accrued liabilities are recognized as expenditures when payment is due because that is when they are normally liquidated with expendable available financial resources.

   Non-current assets such as infrastructure, land, and property, plant and equipment appear on the government-wide statements but not on the governmental fund statements where they are expensed as acquired rather than capitalized. Non-current liabilities such as capital lease payables and net pension liabilities also appear on the government-wide statements but not on the fund statements. Internal service funds are included as part of the governmental activities in the government-wide statements but not the governmental fund financial statements because they provide services to the governmental funds.

2. **Proprietary funds**. Services for which the state charges customers a fee are generally reported in proprietary funds. These funds use the economic resources measurement focus and the accrual basis of accounting. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information. In fact, the state's enterprise funds (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information such as cash flows. The state uses internal service funds (the other type of proprietary fund) to report activities that provide supplies and services for the state's other programs and activities. An example would be the State Employee Health Insurance Fund.

3. **Fiduciary funds**. The state is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. The state is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Fiduciary funds use the economic resources measurement focus and the accrual basis of accounting. All of the state's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. These

activities are excluded from the state's government-wide financial statements, because the state cannot use these assets to finance its operations.

Financial Analysis of the State as a Whole

Net Position

The following is condensed from the Statement of Net Position:

State of Indiana
Condensed Schedule of Net Position
(in millions of dollars)

	Primary Government					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Current and other assets	$ 16,921.2	$ 13,250.8	$ 676.8	$ 1,104.3	$ 17,598.0	$ 14,355.1
Capital assets	17,666.4	17,305.0	0.4	0.4	17,666.8	17,305.4
Total assets	34,587.6	30,555.8	677.2	1,104.7	35,264.8	31,660.5
Deferred outflows of resources	1,477.9	1,459.7	-	-	1,477.9	1,459.7
Total deferred outflows of resources	1,477.9	1,459.7	-	-	1,477.9	1,459.7
Current liabilities	6,542.9	3,689.7	167.2	64.8	6,710.0	3,754.5
Long-term liabilities	13,042.3	13,490.8	23.8	24.2	13,066.2	13,515.0
Total liabilities	19,585.2	17,180.5	191.0	89.0	19,776.2	17,269.5
Deferred inflows of resources	422.3	226.0	-	-	422.3	226.0
Total deferred inflows of resources	422.3	226.0	-	-	422.3	226.0
Net position:						
Net investment in capital assets	16,834.1	16,400.0	0.4	0.4	16,834.5	16,400.4
Restricted	1,105.5	1,102.6	426.9	962.5	1,532.4	2,065.1
Unrestricted	(1,881.6)	(2,893.6)	58.9	52.8	(1,822.7)	(2,840.8)
Total net position	$ 16,058.0	$ 14,609.0	$ 486.2	$ 1,015.7	$ 16,544.2	$ 15,624.7

At the end of the current FY, net position for the primary government increased by $.9 billion.

Current and other assets increased by $3.2 billion due primarily to unspent federal grant revenues received through the Federal COVID-19 Fund, which resulted in more cash, cash equivalents, and investments. In addition investments increased $300 million as a result of investment purchases with a trade date of June 30 and a settlement date of July 1.

Capital assets increased by $361.4 million. The principal reason for the increase in capital assets were increases in land, infrastructure, and construction in progress at the Indiana Department of Transportation primarily due to the continuation of the Next Level Agenda initiative, which focuses to maintain and build the state's infrastructure. Another contributor to the increase in capital assets was from new software in development for the Family and Social Services Administration's (FSSA) Indiana Eligibility Determination and Services System (IEDSS), an internal system to determine eligibility for benefits including healthcare, and at the Indiana Department of Revenue (IDOR) for Project NextDOR, a modernization of the current tax system.

Total liabilities increased $2.5 billion primarily due to the increases in unearned revenue to offset unspent revenues received through the Federal COVID-19 Fund. Liabilities also increased as a result of the aforementioned investment purchases on June 30 and the obligation to settle the purchase on July 1.

Deferred inflows of resources increased $196.3 million due to deferrals related to pensions and OPEB from recognition of investment experiences gains in pensions and changes in actuarial assumptions and other inputs of the state's OPEB plans.

Changes in Net Position

The following is condensed from the Statement of Activities:

State of Indiana
Condensed Schedule of Change in Net Position
(in millions of dollars)

	Primary Government					
	Governmental Activities Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues:						
Charges for services	$ 3,317.3	$ 3,450.6	$ 468.4	$ 484.5	$ 3,785.7	$ 3,935.1
Operating grants and contributions	16,002.4	13,264.2	3,007.5	-	19,009.9	13,264.2
Capital grants and contributions	1,249.9	1,132.6	-	-	1,249.9	1,132.6
General revenues:						
Income taxes	6,788.5	6,864.3	-	-	6,788.5	6,864.3
Sales taxes	8,320.7	8,085.7	-	-	8,320.7	8,085.7
Other	3,355.8	3,557.7	26.1	20.7	3,381.9	3,578.4
Total revenues	39,034.6	36,355.1	3,502.0	505.2	42,536.6	36,860.3
Program Expense						
General government	1,671.8	1,574.7	-	-	1,671.8	1,574.7
Public safety	1,800.8	1,510.1	-	-	1,800.8	1,510.1
Health	463.0	402.1	-	-	463.0	402.1
Welfare	18,360.5	16,157.9	-	-	18,360.5	16,157.9
Conservation, culture and development	542.7	557.0	-	-	542.7	557.0
Education	11,537.9	10,558.7	-	-	11,537.9	10,558.7
Transportation	3,167.0	2,711.5	-	-	3,167.0	2,711.5
Interest expense	42.3	45.5	-	-	42.3	45.5
Unemployment compensation fund	-	-	4,007.6	243.5	4,007.6	243.5
Other	-	-	23.5	24.2	23.5	24.2
Total expenses	37,586.0	33,517.5	4,031.1	267.7	41,617.1	33,785.2
Excess (deficiency) before transfers	1,448.6	2,837.6	(529.1)	237.5	919.5	3,075.1
Transfers	0.4	2.0	(0.4)	(2.0)	-	-
Change in net position	1,449.0	2,839.6	(529.5)	235.5	919.5	3,075.1
Beginning net position, as restated	14,609.0	11,769.4	1,015.7	780.2	15,624.7	12,549.6
Ending net position	$16,058.0	$14,609.0	$ 486.2	$1,015.7	$16,544.2	$15,624.7

Governmental Activities

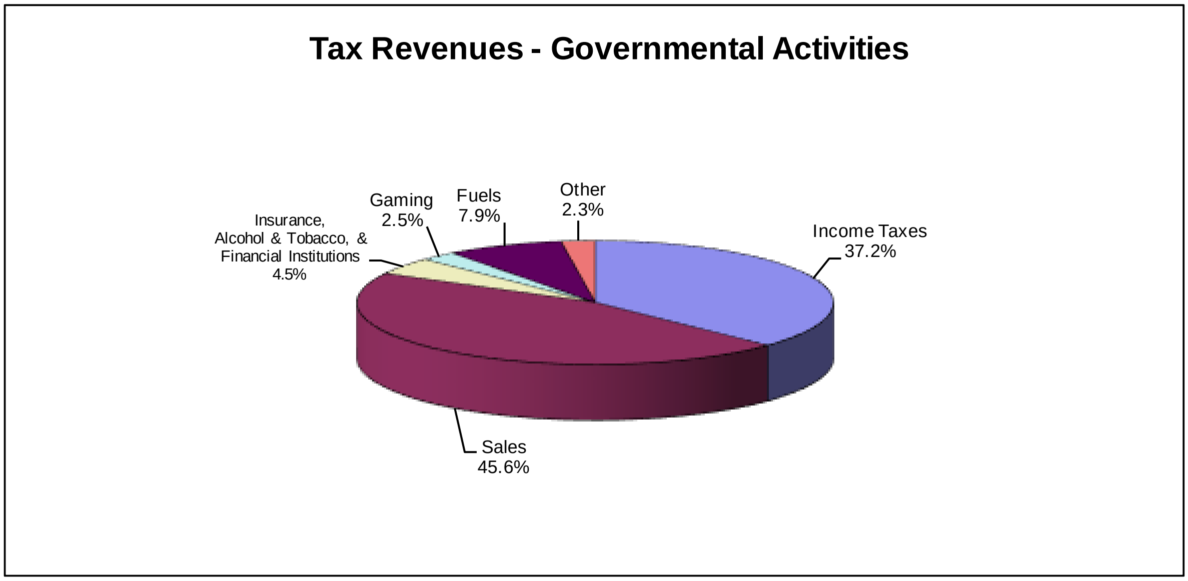
Program expenses exceeded program revenues by $17.0 billion. General revenues and transfers were $18.5 billion. The increase in net position was $1.4 billion, which is 3.7% of total revenues and 3.9% of total expenses.

Excess (deficiency) before transfers decreased $1.4 billion from FY 2019 to FY2020.

Increased revenues were driven mainly by increased operating grants and contributions and sales tax revenue. Operating grants and contributions increased $1.5 billion from increases in federal funding related to the Medicaid program. Coronavirus relief legislation prevented recipients from being disenrolled from the Medicaid program, causing increased expenditures and a corresponding increase in federal revenues. Sales tax revenue increased $235.0 million. Pre-COVID the economy was doing well, and post-COVID certain sectors of the economy saw increased sales as a result of the pandemic.

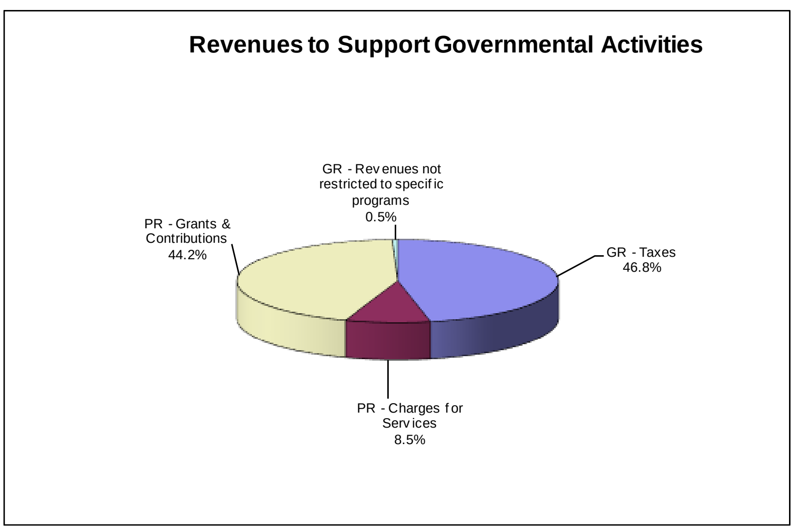
Expenses increased $4.1 billion or 12.1%. Welfare expenses increased $2.2 billion primarily due to increased spending of welfare programs. Education expenses increased $979.2 million primarily due to an increase in pension expense for the Teachers Retirement Fund. Transportation expenses increased $455.5 million from the continuation of the state's Next Level infrastructure improvement initiative. Public safety expenses increased $290.7 million essentially from increases in OPEB and pension expenses of the State Police plans.

Tax revenues for governmental activities were broken down as follows:



Tax revenues of $18.3 billion represent 46.8% of total revenues for governmental activities. This compares to $18.3 billion or 50.3% of total revenues in FY 2019. Program revenues accounted for $20.6 billion or 52.7% of total revenues. In FY 2019, program revenues accounted for $17.8 billion or 49.1% of total revenues. General revenues other than tax revenues were $213.7 million or 0.5% of total revenues. Of this, $172.4 million were investment earnings. This compares to 2019, when general revenues other than taxes were $232.6 million or 0.6% of total revenues and $190 million was investment earnings. Investment earnings decreased $17.6 million from FY 2019 to FY 2020 or 9.3% due to lower interest rates.

Total revenues for governmental activities were broken down as follows:



PR = program revenues
GR = general revenues

Total revenues were 103.9% of expenses which was a decrease from 108.5% in FY 2019. Total revenues increased 7.4% from $36.4 billion in FY 2019 to $39.0 billion in FY 2020. Expenses increased 12.1% from $33.6 billion in FY 2019 to $37.6 billion in FY 2020.

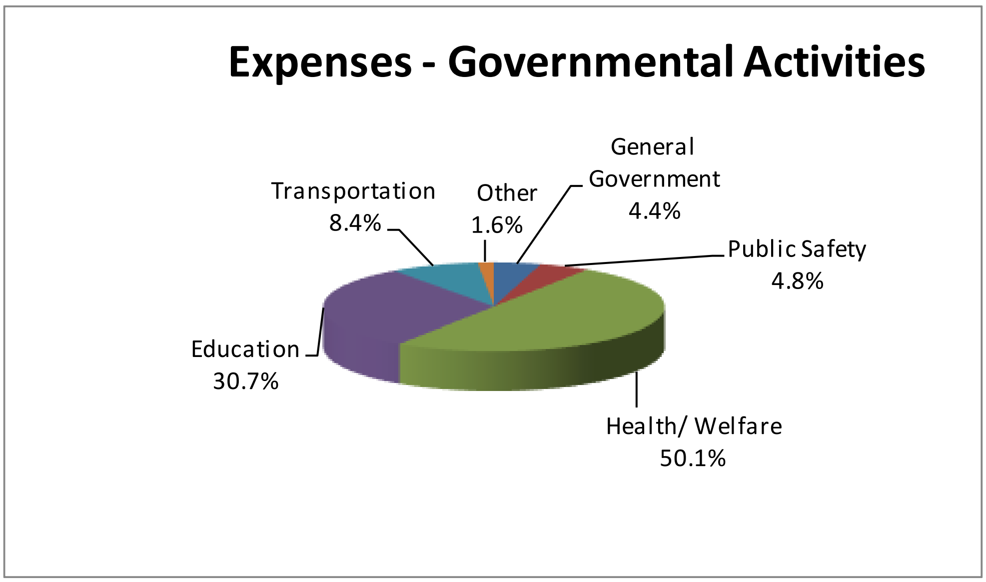
The largest portion of the state's expenses is for welfare, which is $18.4 billion, or 48.8% of total expenses. This compares with $16.2 billion, or 48.2% of total expenses in FY 2019. The change in welfare expenses was an increase of $2.2 billion or 13.6%. $3.8 billion of welfare expenses in FY 2020 were funded from general revenues.

Some of the major expenses were Medicaid Assistance, $14.2 billion, the U.S. Department of Health and Human Services Fund, $1.5 billion, and the federal food stamp program in the U.S. Department of Agriculture Fund, $1.1 billion.

Education comprises 30.7%, or $11.5 billion of the state's expenses. In FY 2019, education accounted for 31.5%, or $10.6 billion, of expenses. The change in education expenses was an increase of $979.2 million, or 9.3%. Some of the major expenses were tuition support of $7.3 billion, General Fund appropriations for state colleges and universities, $1.7 billion, Teachers' Retirement Pension, $941.1 million, federal grant programs from the U.S. Department of Education Fund, $647.9 million, U.S. Department of Agriculture Fund, $326.8 million, and the Federal COVID-19 Fund, $111.9 million.

Transportation spending accounted for $3.2 billion, or 8.4% of expenses. Transportation comprised $2.7 billion or 8.1% of expenses in FY 2019. Transportation includes expenses related to the maintenance and construction of state infrastructure.

Total expenses for governmental activities were broken down as follows:



Business-type Activities

Business-type activities represent 8.2% of the Primary Government's revenues and 9.7% of the expenses. The Unemployment Compensation Fund accounts for 94.9% of business-type activities' operating revenues and 99.6% of operating expenses. The change in net position for business-type activities was a decrease of $529.5 million.

The Unemployment Compensation Fund collects employer taxes and the federal share of unemployment compensation. Benefits are paid to eligible individuals and the fund covers general and administrative expenses. Expenses in the fund exceeded revenues earned by $535.6 million. This compares to FY 2019 when this fund's revenues exceeded expenses by $230.1 million. Employer contributions into the fund decreased by $13.2 million, from $457.7 million in FY 2019 to $444.5 million in FY 2020. The decrease in net position of $535.6 million is due to an increase in claims for benefits against the fund because of the COVID-19 pandemic. Federal subsidies of $3.0 billion helped to offset the increase in unemployment benefits paid.

The following schedule shows the net expense (revenue) attributable to each function of government. Each function of Indiana government is either self-supporting (a negative number) or requires additional general revenues to cover expenses (a positive number).

Net Cost of Primary Government
(in millions of dollars)

	June 30, 2020	June 30, 2019	% Change
Governmental Activities:			
General government	$ 389.6	$ 793.9	-50.9%
Public safety	1,063.0	743.2	43.0%
Health	(296.2)	(217.6)	36.1%
Welfare	3,816.1	3,718.6	2.6%
Conservation, culture, and development	154.3	165.0	-6.5%
Education	10,448.6	9,476.8	10.3%
Transportation	1,398.5	944.6	48.1%
Interest expense	42.3	45.5	-7.0%
Business-type Activities:			
Unemployment Compensation Fund	555.6	(214.2)	-359.4%
Malpractice Insurance Authority	0.4	0.4	0.0%
Inns and Concessions	(0.7)	(2.9)	-75.9%
Total	**$ 17,571.5**	**$ 15,453.3**	**13.7%**

Financial Analysis of the State's Funds

The following is an analysis of the state's major governmental funds. The transfers in and transfers out for these funds are explained in much greater detail in note IV(B) in the Notes to the Financial Statements.

General Fund

The General Fund is maintained to account for resources obtained and used for those services traditionally provided by state government which are not required to be accounted for in another fund. The fund balance of the General Fund at June 30, 2020 was $4.6 billion, of which 59.1% is comprised of assets. This compares to a fund balance at June 30, 2019 of $4.3 billion, which was 63.3% of assets. This indicates that the state's financial position in the General Fund increased from the prior year. The fund balance of $4.6 billion is composed of restrictions of $543.3 million, commitments of $34.3 million, and assignments of $1.8 billion, leaving an unassigned balance of $2.1 billion. The restricted amount consists of the Rainy Day Fund, which is accounted for in the General Fund. For more information on the components of fund balance, see the chart in the Notes to the Financial Statements III(B).

The General Fund's revenues increased 0.7%, or $106.7 million, from FY 2019, because of an increase in total sales tax revenue of $229.7 million. This was partially offset by a decrease in income tax revenue.

General Fund expenditures remained steady, decreasing only $19.5 million, or 0.1% from FY 2019.

General Fund transfers in decreased $264.6 million or 17.2% from FY 2019. Transfers out were $3.1 billion in FY 2020 as compared to $3.2 billion in FY 2019. More detail on these transfers can be found in the Notes to the Financial Statements IV(B).

Overall, the net position of the General Fund increased $289.2 million.

Public Welfare-Medicaid Assistance Fund

Medicaid is an insurance program for low-income individuals. It is jointly funded by the Federal government and the state.

The fund received $10.6 billion in federal revenue as compared to $9.1 billion in FY 2019. State funding comes through transfers from the General Fund. Transfers in were $2.9 billion in FY 2020 as compared to $2.8 billion in FY 2019. Transfers out were $447.2 million compared with $452.0 million in FY 2019. The fund distributed $14.2 billion in Medicaid Assistance during the year, which is an increase of $1.6 billion over FY 2019. The change in fund balance decreased $282.3 million from FY 2019 to FY 2020.

U.S. Department of Health and Human Services Fund

The U.S. Department of Health and Human Services Fund is a fund to account for federal grants that are used to carry out health and human services programs.

The fund received $1.5 billion in federal grant revenues and expended $1.8 billion. The US DHHS Fund received transfers in of $302.4 million mostly from the General Fund for various health and human services programs. The change in fund balance from FY 2019 to FY 2020 was an increase of $8.1 million.

Federal COVID-19 Fund

The Federal COVID-19 Fund provides federal grant dollars to cover costs that are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019. The fund includes the CARES Act, the Coronavirus Relief Fund, and additional funds provided for existing grant programs.

The fund received earned federal grant revenues of $639.2 million and unearned revenue of $1.9 billion. The fund expended $616.9 million for pandemic related expenditures. This is a new fund for fiscal year 2020.

General Fund Budgetary Highlights

At 2020 fiscal year-end, Indiana closed the books with $1,418.9 million in reserves. This is down from the previous year balance of $2,270.1 million. General Fund forecasted revenues for Fiscal Year 2020 totaled $15,374.5 million which is $1,416.3 million (8.4%) below estimates from December 2019. As anticipated, the Fiscal Year 2020 revenue report shows the initial economic impact of the COVID-19 public health emergency and the impact from deferring the income tax filing and payment due date from April 15, 2020 to July 15, 2020. An estimated $900 million of income tax payments and $50 million in individual income tax attributable to federal stimulus and unemployment benefits due in the last quarter of Fiscal Year 2020 were deferred to Fiscal Year 2021. After a balance transfer of $577.6 million from the Medicaid Contingency and Reserve Account to the General Fund, the combined balances remaining each account were $541.8 million in the General Fund, $347.7 million in the Tuition Reserve Account, and $529.4 million in the Rainy Day Fund.

Capital Asset and Debt Administration

Capital Assets

Capital assets were $17.7 billion, which was 50.1% of total assets for the primary government. Related debt was $.9 billion. Net investment in capital assets for the primary government was $16.8 billion. Related debt was 4.7% of capital assets. Total capital assets increased $361.4 million or 2.1% and is mostly attributable to increases in the Indiana Department of Transportation's land, infrastructure, and construction in progress. The net increase in capital assets is primarily comprised of increases for infrastructure of $56.4 million, $267.0 million in construction in progress, and $84.4 million in land. INDOT's $262.4 million increase is comprised of increases in land, $78.0 million, and infrastructure consisting of interstate roads, non-interstate roads, and bridges, $56.4 million, and CIP consisting of right of way and work in progress, $128.0 million. More detailed information about the state's capital assets is presented in Note IV(D) to the Financial Statements.

The following table shows the percentage change from FY 2019 to FY 2020.

State of Indiana
Capital Assets
(in millions of dollars)

	Governmental Activities		Business-type Activities		Total Primary Government		Total % Change
	2020	2019	2020	2019	2020	2019	
Land	$ 2,528.2	$ 2,443.7	$ -	$ -	$ 2,528.2	$ 2,443.7	3.5%
Infrastructure	12,869.0	12,812.6	-	-	12,869.0	12,812.6	0.4%
Construction in progress	1,129.8	862.8	-	-	1,129.8	862.8	30.9%
Property, plant and equipment	3,108.2	3,046.3	1.1	1.0	3,109.3	3,047.3	2.0%
Computer software	319.4	296.3	-	-	319.4	296.3	7.8%
Less accumulated depreciation	(2,288.1)	(2,156.7)	(0.7)	(0.6)	(2,288.8)	(2,157.3)	6.1%
Total	**$17,666.5**	**$17,305.0**	**$0.4**	**$0.4**	**$17,666.9**	**$17,305.4**	**2.1%**

Long-term Obligations

Major long-term obligations items are included in the following table. These items comprised 100% of total long-term liabilities and 66.1% of total liabilities.

The following table shows the percentage change from FY 2019 to FY 2020.

State of Indiana
Long-term Liabilities
(in millions of dollars)

	Governmental Activities		Business-type Activities		Total Primary Government		Total % Change
	2020	2019	2020	2019	2020	2019	
Accrued liability for compensated absences	$ 193.4	$ 177.8	$ 0.8	$ 0.8	$ 194.2	$ 178.6	8.7%
Capital lease payable	832.3	904.8	-	-	832.3	904.8	-8.0%
Claims payable	-	-	23.1	23.4	23.1	23.4	-1.3%
Net pension liability	11,792.9	12,037.0	-	-	11,792.9	12,037.0	-2.0%
Other postemployment benefits	190.2	335.8	-	-	190.2	335.8	-43.4%
Pollution remediation	33.6	35.4	-	-	33.6	35.4	-5.1%
Total	**$ 13,042.4**	**$ 13,490.8**	**$ 23.9**	**$ 24.2**	**$ 13,066.3**	**$ 13,515.0**	**-3.3%**

Total long-term liabilities decreased by 3.3% or $448.7 million. The largest decreases were for the net pension liability of $244.1 million and for other postemployment benefits of $145.6 million. Long-term liabilities related to capital leases also decreased by $72.5 million. These decreases were offset by an increase to accrued liability for compensated absences of $15.6 million.

The continued funding of the net liability for the Teachers Pre-96 Fund was the major contributing factor for the decrease to the net pension liability.

The decrease for other postemployment benefits was mainly due from actuarial valuation changes in actuarial assumptions for the state's OPEB plans.

The Indiana Finance Authority did not issue any new highway revenue bonds, therefore capital lease payables decreased.

Claims payable for business activities decreased by $0.3 million. This was the amount of decrease in claims payable for the Indiana Residual Malpractice Insurance Authority.

More detailed information about the state's long term obligations is presented in Note IV(F) to the Financial Statements.

Infrastructure

As required by GASB Statement No. 34, the state has capitalized its infrastructure. This amounts to $12.8 billion in roads and bridges using the modified approach, $2.0 billion in right of way classified as land, and $34.5 million in property (septic, sewer, and water systems; and streets/sidewalks/curbs) and dams being depreciated. In order to utilize the modified approach, the state is required to:

Maintain an asset management system that includes an up-to-date inventory of eligible infrastructure assets.

Perform condition assessments of eligible assets and summarize the results using a measurement scale.
Estimate each year the annual amount to maintain and preserve the assets at the condition level established and disclosed by the state.

Document that the assets are being preserved approximately at or above the established condition level.

Under the modified approach, the state expenses certain maintenance and preservation costs and does not report depreciation expense. Assets accounted for under the modified approach include approximately 11,158 centerline road miles of pavement along 241 routes and approximately 5,810 bridges that the state is responsible to maintain.

The state has consistently maintained the assessed conditions of roads over the past three years. It is the state's policy to maintain a network average International Roughness Index based on the right wheel path (IRI RWP) of no more than 101 for Interstate Roads, NHS Non-Interstate and Non-NHS Roads (a good rating is in the range of 80–114). The most recent condition assessment, completed for FY 2020, indicated that the average IRI RWP for roads was in an acceptable range.

The state has maintained the assessed conditions of bridges at levels which are above the established benchmarks. It is the state's policy to maintain Interstate bridges at an average sufficiency rating of 87%, NHS Non-Interstate bridges at an average sufficiency rating of 85%, and Non-NHS bridges at an average sufficiency rating of 83% (a good rating is 80% - 90%). The most recent condition assessment, completed in FY 2020, indicated that the average sufficiency rating for bridges exceeded the minimum acceptable standard.

Total actual maintenance and preservation costs for interstate roads was higher than planned during fiscal 2020 for interstate roads. Various factors contributing to this included letting additional projects, scope changes and competitive biddings.

The total actual maintenance and preservation costs for all other road classifications were lower than planned during FY 2020. Various factors contributed to these costs being less than planned including bids that came in under the original estimates, work volumes, lower fuel costs, and redefining the repairs needed and the methods used. The average IRI RWP for Interstate roads was in the excellent condition rating range and the two other road categories, NHS roads - Non-Interstate and Non-NHS roads, were in the good condition rating range. The state's standard of having less than 12.5% of all roads rated in poor condition was met.

Total actual maintenance and preservation costs were less than planned for Interstate and National Highway System bridges. This was due to multiple factors including bids that came in under benchmark estimates, change of scope, and reprioritization to meet the agencies goals. Bridge sufficiency ratings were within the state's policy for the maintenance of bridges in all road classes.

Economic Factors

With the latest data as of December 2019, Indiana's Gross Domestic Product (GDP) was $379.7 billion. Indiana's economy ranked the 19th largest in the U.S. in terms of the value of goods and services. Indiana's largest contributor to real GDP has been and continues to be the manufacturing sector, which accounted for nearly 27%. The second largest contributor of Indiana's real GDP was trade, transportation, and utilities, which accounted for 16.5%.

As of December 2019, the manufacturing sector accounted for nearly 17% of the non-farm jobs in Indiana. Per capita personal income was $48,657, and the State's unemployment rate was 3.2% at the end of calendar year 2019.

On March 6, 2020, the Indiana State Department of Health confirmed the first case of COVID-19 in Indiana. As COVID-19 spread in the United States and in Indiana, the Governor issued various steps and issued various Executive Orders, including a stay-at-home order. The duration of the adverse economic impact from the public health emergency is difficult to predict and will present a challenge for the State to fund essential services at the levels adopted in the current 2020/2021 budget. Future spending levels will be influenced by the actual revenues collected from these future and uncertain economic conditions, the prioritization of spending decisions, and the flexibility afforded with any federal assistance. General liquidity is not a concern at this time, as the entire cash investment balance of the State was just over $10.8 billion as of June 30, 2020. This balance includes reserve accounts and a deposit of $2.4 billion from the US Treasury for CARES Act Coronavirus Relief Fund.

Contacting the Auditor of State

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the state's finances and to demonstrate the state's accountability for the money it receives. If you have questions about this report or need additional financial information, contact CAFR@auditor.in.gov or 317-232-3300.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE

FINANCIAL STATEMENTS

State of Indiana
Statement of Net Position
June 30, 2020
(amounts expressed in thousands)

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Cash, cash equivalents and investments - unrestricted	$ 9,232,943	$ 87,408	**$ 9,320,351**	$ 6,015,036
Cash, cash equivalents and investments - restricted	755,682	428,326	**1,184,008**	10,446,030
Securities lending collateral	2,150,363	-	**2,150,363**	50,203
Receivables (net)	4,370,838	160,321	**4,531,159**	2,560,904
Due from primary government	-	-	**-**	15,000
Due from component unit	23,450	-	**23,450**	-
Inventory	3,920	625	**4,545**	4,386
Prepaid expenses	75,825	92	**75,917**	15,079
Loans	307,023	-	**307,023**	3,373,805
Investment in direct financing lease	-	-	**-**	1,889,273
OPEB assets	-	-	**-**	163,603
Other assets	1,003	31	**1,034**	177,486
Capital assets:				
Capital assets not being depreciated/amortized	16,492,482	-	**16,492,482**	2,803,882
Capital assets being depreciated/amortized	3,462,029	1,052	**3,463,081**	16,047,935
less accumulated depreciation/amortization	(2,288,066)	(670)	**(2,288,736)**	(7,565,037)
Total capital assets, net of depreciation/amortization	17,666,445	382	**17,666,827**	11,286,780
Total assets	**34,587,492**	**677,185**	**35,264,677**	**35,997,585**
DEFERRED OUTFLOWS OF RESOURCES				
Accumulated decrease in fair value of hedging derivatives	-	-	**-**	149,831
Debt refunding loss	-	-	**-**	63,599
Related to pensions	1,421,386	-	**1,421,386**	46,060
Swap termination	-	-	**-**	55,301
Related to OPEB	56,521	-	**56,521**	115,893
Asset retirement obligations	-	-	**-**	2,434
Total deferred outflows of resources	**1,477,907**	**-**	**1,477,907**	**433,118**
LIABILITIES				
Accounts payable	2,158,987	162,328	**2,321,315**	648,168
Interest payable	-	-	**-**	114,160
Tax refunds payable	128,841	-	**128,841**	-
Payables to other governments	174,197	-	**174,197**	-
Due to component unit	15,000	-	**15,000**	-
Due to primary government	-	-	**-**	23,450
Unearned revenue	1,914,447	4,576	**1,919,023**	678,306
Advances from federal government	-	-	**-**	47,700
Securities lending collateral	2,150,363	-	**2,150,363**	50,203
Derivative instrument liability	-	-	**-**	150,418
Other liabilities	1,010	237	**1,247**	232,999
Long-term liabilities:				
Due within 1 year	143,403	1,561	**144,964**	1,285,931
Due in more than 1 year	12,898,943	22,282	**12,921,225**	11,886,287
Total liabilities	**19,585,191**	**190,984**	**19,776,175**	**15,117,622**
DEFERRED INFLOWS OF RESOURCES				
Advanced payment for service concession agreement	-	-	**-**	3,997,944
Service concession arrangement receipts	-	-	**-**	269,301
Related to pensions	253,255	-	**253,255**	50,757
Related to OPEB	168,511	-	**168,511**	98,552
Related to irrevocable split interest agreements	497	-	**497**	27,932
Total deferred inflows of resources	**422,263**	**-**	**422,263**	**4,444,486**
NET POSITION				
Net investment in capital assets	16,834,097	382	**16,834,479**	6,765,300
Restricted - nonexpendable:				
Grants/constitutional restrictions	150	-	**150**	3,068
Permanent funds	502,835	-	**502,835**	61,707
Instruction and research	-	-	**-**	1,161,076
Student aid	-	-	**-**	1,247,352
Other purposes	73,060	-	**73,060**	540,286
Restricted - expendable:				
Grants/constitutional restrictions	529,425	-	**529,425**	2,205,966
Future debt service	-	-	**-**	303,342
Instruction and research	-	-	**-**	707,758
Student aid	-	-	**-**	755,652
Endowments	-	-	**-**	515,316
Capital projects	-	-	**-**	1,229,366
Unemployment compensation	-	426,859	**426,859**	-
Other purposes	-	-	**-**	557,855
Unrestricted	(1,881,622)	58,960	**(1,822,662)**	814,551
Total net position	**$ 16,057,945**	**$ 486,201**	**$ 16,544,146**	**$ 16,868,595**

The notes to the financial statements are an integral part of this statement.

State of Indiana
Statement of Activities
For the Year Ended June 30, 2020
(amounts expressed in thousands)

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
					Primary Government			
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**	**Component Units**
Primary government:								
Governmental activities:								
General government	$ 1,671,754	$ 649,685	$ 630,719	$ 1,704	$ (389,646)	$ -	**$ (389,646)**	$ -
Public safety	1,800,776	552,378	185,323	39	(1,063,036)	-	**(1,063,036)**	-
Health	462,991	401,478	357,736	-	296,223	-	**296,223**	-
Welfare	18,360,540	1,036,656	13,507,755	-	(3,816,129)	-	**(3,816,129)**	-
Conservation, culture and development	542,698	192,724	195,656	-	(154,318)	-	**(154,318)**	-
Education	11,537,873	2,381	1,086,845	-	(10,448,647)	-	**(10,448,647)**	-
Transportation	3,167,005	481,996	38,321	1,248,156	(1,398,532)	-	**(1,398,532)**	-
Interest expense	42,254	-	-	-	(42,254)	-	**(42,254)**	-
Total governmental activities	37,585,891	3,317,298	16,002,355	1,249,899	(17,016,339)	-	**(17,016,339)**	-
Business-type activities								
Unemployment Compensation Fund	4,007,586	444,506	3,007,518	-	-	(555,562)	**(555,562)**	-
Malpractice Insurance Authority	1,031	638	-	-	-	(393)	**(393)**	-
Inns and Concessions	22,488	23,219	-	-	-	731	**731**	-
Total business-type activities	4,031,105	468,363	3,007,518	-	-	(555,224)	**(555,224)**	-
Total primary government	$ 41,616,996	$ 3,785,661	$ 19,009,873	$ 1,249,899	(17,016,339)	(555,224)	**(17,571,563)**	-
Component units:								
Governmental	154,645	-	86,282	-	-	-	**-**	(68,363)
Proprietary	2,490,685	1,828,856	424,388	93,154	-	-	**-**	(144,287)
Colleges and universities	7,956,666	3,726,528	2,175,268	246,973	-	-	**-**	(1,807,897)
Total component units	$ 10,601,996	$ 5,555,384	$ 2,685,938	$ 340,127	-	-	**-**	(2,020,547)
		General Revenues:						
		Income tax			6,788,472	-	**6,788,472**	-
		Sales tax			8,320,682	-	**8,320,682**	-
		Fuels tax			1,449,902	-	**1,449,902**	-
		Gaming tax			449,713	-	**449,713**	1,228
		Alcohol & Tobacco tax			426,476	-	**426,476**	-
		Insurance tax			248,414	-	**248,414**	-
		Financial Institutions tax			149,061	-	**149,061**	-
		Other tax			418,492	-	**418,492**	-
		Total taxes			18,251,212	-	**18,251,212**	1,228
		Revenue not restricted to specific programs:						
		Investment earnings			172,445	25,883	**198,328**	323,967
		Payments from State of Indiana			-	-	**-**	1,789,288
		Other			41,272	228	**41,500**	423,771
		Special item:						
		Transfers within primary government			394	(394)	**-**	-
		Total general revenues and transfers			18,465,323	25,717	**18,491,040**	2,538,254
		Changes in net position			1,448,984	(529,507)	**919,477**	517,707
		Net position - beginning, as restated			14,608,961	1,015,708	**15,624,669**	16,350,888
		Net position - ending			**$ 16,057,945**	**$ 486,201**	**$ 16,544,146**	**$ 16,868,595**

The notes to the financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

State of Indiana
Balance Sheet
Governmental Funds
June 30, 2020
(amounts expressed in thousands)

	General Fund	Public Welfare-Medicaid Assistance Fund	US Department of Health and Human Services	Federal COVID-19	Non-Major Governmental Funds	Total
ASSETS						
Cash, cash equivalents and investments-unrestricted	$ 1,933,840	$ -	$ -	$ 2,155,989	$ 4,907,920	**$ 8,997,749**
Cash, cash equivalents and investments-restricted	529,419	-	-	-	226,263	**755,682**
Securities lending collateral	2,150,363	-	-	-	-	**2,150,363**
Receivables:				-		
Taxes (net of allowance for uncollectible	2,474,427	-	-	-	198,793	**2,673,220**
Accounts	12,958	184,749	578	-	116,213	**314,498**
Grants	71	597,398	192,714	22,309	198,550	**1,011,042**
Interest	2,523	-	-	1	1,183	**3,707**
Interfund loans	486,334	-	-	-	12,073	**498,407**
Due from other funds	187,285	-	-	-	10,584	**197,869**
Due from component unit	-	-	-	-	23,450	**23,450**
Prepaid expenditures	73,015	-	-	-	45	**73,060**
Loans	-	-	-	-	307,022	**307,022**
Other	924	-	-	-	79	**1,003**
Total assets	7,851,159	782,147	193,292	2,178,299	6,002,175	**17,007,072**
Total assets and deferred outflow of resources	**$ 7,851,159**	**$ 782,147**	**$ 193,292**	**$ 2,178,299**	**$ 6,002,175**	**$ 17,007,072**
LIABILITIES						
Accounts payable	$ 489,909	$ 486,255	$ 87,640	$ 20,053	$ 570,493	**$ 1,654,350**
Salaries and benefits payable	60,462	-	10,248	-	31,586	**102,296**
Interfund loans	-	27,723	445,210	-	25,474	**498,407**
Interfund services used	6,180	6	1,810	16	2,880	**10,892**
Intergovernmental payable	36,978	-	-	23,652	113,567	**174,197**
Due to other funds	-	-	-	197,869	-	**197,869**
Tax refunds payable	122,542	-	-	-	6,299	**128,841**
Unearned revenue	-	-	-	1,914,399	-	**1,914,399**
Accrued liability for compensated absences-current	3,441	-	612	-	1,780	**5,833**
Other payables	924	-	-	-	354	**1,278**
Securities lending collateral	2,150,363	-	-	-	-	**2,150,363**
Total liabilities	2,870,799	513,984	545,520	2,155,989	752,433	**6,838,725**
DEFERRED INFLOW OF RESOURCES						
Unavailable revenue	341,756	-	56,538	-	84,803	**483,097**
Total deferred inflow of resources	341,756	-	56,538	-	84,803	**483,097**
FUND BALANCE						
Nonspendable	73,015	-	-	-	502,880	**575,895**
Restricted	543,348	-	-	-	3,514	**546,862**
Committed	34,256	-	-	-	968,947	**1,003,203**
Assigned	1,845,538	268,163	-	22,310	3,743,263	**5,879,274**
Unassigned	2,142,447	-	(408,766)	-	(53,665)	**1,680,016**
Total fund balance	4,638,604	268,163	(408,766)	22,310	5,164,939	**9,685,250**
Total liabilities, deferred inflow of resources, and fund balance	**$ 7,851,159**	**$ 782,147**	**$ 193,292**	**$ 2,178,299**	**$ 6,002,175**	**$ 17,007,072**

The notes to the financial statements are an integral part of this statement.

State of Indiana
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2020
(amounts expressed in thousands)

Total fund balances-governmental funds		**$**	**9,685,250**
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:			
Land	$ 2,528,150		
Infrastructure assets	12,869,025		
Construction in progress	1,129,707		
Property, plant, and equipment	2,976,209		
Computer software	319,354		
Accumulated depreciation	(2,209,069)		
Total capital assets, net of depreciation			17,613,376
Some of the state's receivables will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.			
Taxes receivable	360,356		
Accounts receivable	451,325		
Total receivables			811,681
Some liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as expenditures in the funds.			
Accounts payable	(300,430)		
Litigation liabilities	(46,847)		
Pollution remediation	(19,597)		
Total liabilities			(366,874)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.			248,611
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:			
Accrued liability for compensated absences	(180,939)		
Other postemployment benefits and related deferrals	(302,101)		
Loan from the Indiana Board for Depositories	(15,000)		
Capital lease payable	(832,348)		
Net pension liability and related deferrals	(10,603,711)		
Total long-term liabilities			(11,934,099)
Net position of governmental activities		**$**	**16,057,945**

The notes to the financial statements are an integral part of this statement.

State of Indiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

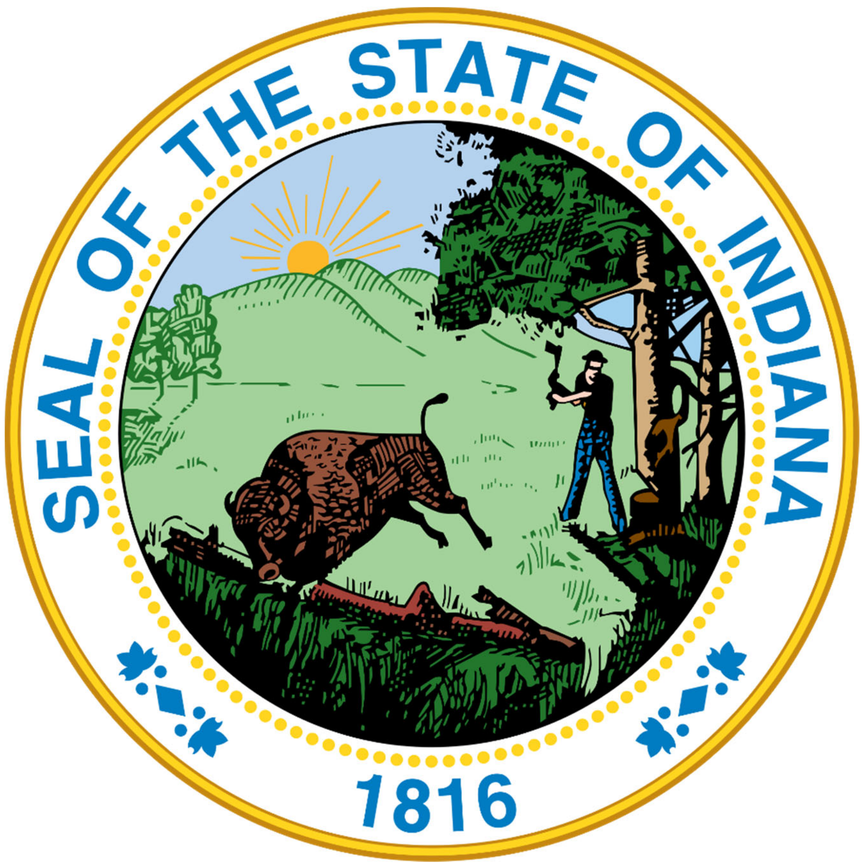
	General Fund	Public Welfare-Medicaid Assistance Fund	US Department of Health and Human Services Fund	Federal COVID-19	Non-Major Governmental Funds	Total
Revenues:						
Taxes:						
Income	$ 6,686,004	$ -	$ -	$ -	$ -	**$ 6,686,004**
Sales	8,239,440	-	-	-	73,876	**8,313,316**
Fuels	1,699	-	-	-	1,447,661	**1,449,360**
Gaming	41,386	-	-	-	408,326	**449,712**
Alcohol and tobacco	256,887	-	-	-	168,447	**425,334**
Insurance	243,330	-	-	-	5,084	**248,414**
Financial Institutions	-	-	-	-	142,687	**142,687**
Other	401,111	-	-	-	16,896	**418,007**
Total taxes	15,869,857	-	-	-	2,262,977	**18,132,834**
Current service charges	320,494	911,445	252	-	2,089,627	**3,321,818**
Investment income	172,443	-	-	3	58,672	**231,118**
Sales/rents	379	-	-	-	17,635	**18,014**
Grants	2,330	10,630,756	1,494,708	639,175	3,938,107	**16,705,076**
Other	40,893	-	62	-	103,211	**144,166**
Total revenues	16,406,396	11,542,201	1,495,022	639,178	8,470,229	**38,553,026**
Expenditures:						
Current:						
General government	1,006,412	-	29,282	265,716	371,170	**1,672,580**
Public safety	1,054,644	-	7,329	193,924	551,318	**1,807,215**
Health	21,351	-	163,271	32,477	230,089	**447,188**
Welfare	1,210,520	14,243,062	1,548,321	6,146	1,359,298	**18,367,347**
Conservation, culture and development	121,215	-	6,264	6,688	417,187	**551,354**
Education	10,598,534	-	9,809	111,917	992,481	**11,712,741**
Transportation	231,565	-	-	-	3,257,453	**3,489,018**
Debt service:						
Capital lease principal	3,669	-	27	-	65,920	**69,616**
Capital lease interest	351	-	-	-	41,870	**42,221**
Capital outlay	-	-	-	-	22,872	**22,872**
Total expenditures	14,248,261	14,243,062	1,764,303	616,868	7,309,658	**38,182,152**
Excess (deficiency) of revenues over (under) expenditures	2,158,135	(2,700,861)	(269,281)	22,310	1,160,571	**370,874**
Other financing sources (uses):						
Transfers in	1,272,873	2,865,764	302,391	-	2,387,366	**6,828,394**
Transfers (out)	(3,141,946)	(447,200)	(25,044)	-	(3,209,796)	**(6,823,986)**
Issuance of capital lease	161	-	-	-	-	**161**
Total other financing sources (uses)	(1,868,912)	2,418,564	277,347	-	(822,430)	**4,569**
Net change in fund balances	289,223	(282,297)	8,066	22,310	338,141	**375,443**
Fund Balance July 1, as restated	4,349,381	550,460	(416,832)	-	4,826,798	**9,309,807**
Fund Balance June 30	**$ 4,638,604**	**$ 268,163**	**$ (408,766)**	**$ 22,310**	**$ 5,164,939**	**$ 9,685,250**

The notes to the financial statements are an integral part of this statement.

State of Indiana
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2020
(amounts expressed in thousands)

Net change in fund balances-total governmental funds	**$**	**375,443**
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report net capital outlays for infrastructure as expenditures. However in the statement of activities these outlays are capitalized and under the modified approach not depreciated. This is the amount of the net capital outlays for infrastructure under the modified approach in the current period.		262,386
Governmental funds report net capital outlays as expenditures. However in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which net capital outlays ($305,275) exceeds depreciation ($133,267) in the current period.		172,008
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Tax revenue		118,468
Non-tax revenue		231,745
Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the funds.		
Operating expenses		41,292
The change in net pension liability does not provide or require the use of current financial resources:		
Increase in net pension liabilities		165,067
The change in other postemployment benefits do not provide or require the use of current financial resources.		47,209
Internal service funds are used by management to charge the costs of certain activities, such as insurance, data processing, telecommunications, fleet management, and printing, to individual funds. The net revenue (expense) of internal service funds is reported with governmental activities.		35,366
Change in net position of governmental activities.	**$**	**1,448,984**

The notes to the financial statements are an integral part of this statement.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State of Indiana
Statement of Fund Net Position
Proprietary Funds
June 30, 2020
(amounts expressed in thousands)

	Unemployment Compensation Fund	Non-Major Enterprise Funds	Total	Internal Service Funds
Assets				
Current assets:				
Cash, cash equivalents and investments - unrestricted	$ -	$ 87,408	**$ 87,408**	$ 234,910
Cash, cash equivalents and investments - restricted	428,326	-	**428,326**	-
Receivables:				
Accounts	35,149	233	**35,382**	26,078
Interest	3,631	248	**3,879**	-
Interfund services provided	-	-	**-**	10,892
Inventory	-	625	**625**	3,920
Prepaid expenses	-	92	**92**	2,765
Other assets	-	31	**31**	-
Total current assets	467,106	88,637	**555,743**	278,565
Noncurrent assets:				
Accounts receivable	121,060	-	**121,060**	-
Capital assets:				
Capital assets not being depreciated/amortized	-	-	**-**	113
Capital assets being depreciated/amortized	-	1,052	**1,052**	131,952
less accumulated depreciation/amortization	-	(670)	**(670)**	(78,996)
Total capital assets, net of depreciation/amortizat	-	382	**382**	53,069
Total noncurrent assets	121,060	382	**121,442**	53,069
Total assets	**588,166**	**89,019**	**677,185**	**331,634**
Deferred Outflows of Resources				
Related to pensions	-	-	**-**	4,876
Related to OPEB	-	-	**-**	364
Total deferred outflows of resources	**-**	**-**	**-**	**5,240**
Liabilities				
Current liabilities:				
Accounts payable	161,307	532	**161,839**	52,463
Claims payable	-	1,301	**1,301**	-
Salaries and benefits payable	-	489	**489**	2,813
Accrued liability for compensated absences	-	260	**260**	2,499
Unearned revenue	-	4,576	**4,576**	48
Other liabilities	-	237	**237**	5
Total current liabilities	161,307	7,395	**168,702**	57,828
Noncurrent liabilities:				
Accrued liability for compensated absences	-	504	**504**	4,112
Claims payable	-	21,778	**21,778**	-
Net pension liability	-	-	**-**	22,343
Net OPEB Liability	-	-	**-**	292
Total noncurrent liabilites	-	22,282	**22,282**	26,747
Total liabilities	**161,307**	**29,677**	**190,984**	**84,575**
Deferred Inflows of Resources				
Related to pensions	-	-	**-**	3,567
Related to OPEB	-	-	**-**	121
Total deferred inflows of resources	**-**	**-**	**-**	**3,688**
Net position				
Net investment in capital assets	-	382	**382**	53,069
Restricted-expendable:				
Unemployment compensation	426,859	-	**426,859**	-
Unrestricted (deficit)	-	58,960	**58,960**	195,542
Total net position	**$ 426,859**	**$ 59,342**	**$ 486,201**	**$ 248,611**

The notes to the financial statements are an integral part of this statement.

State of Indiana
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2020
(amounts expressed in thousands)

	Unemployment Compensation Fund	Non-Major Enterprise Funds	Total	Internal Service Funds
Operating revenues:				
Sales/rents/premiums	$ -	$ 23,857	**$ 23,857**	$ 621,562
Employer contributions	444,506	-	**444,506**	-
Charges for services	-	-	**-**	11,545
Other	-	228	**228**	2,487
Total operating revenues	444,506	24,085	**468,591**	635,594
Cost of sales	-	5,416	**5,416**	22,186
Gross margin	444,506	18,669	**463,175**	613,408
Operating expenses:				
General and administrative expense	17,007	17,525	**34,532**	178,112
Claims expense	-	463	**463**	-
Health / disability benefit payments	-	-	**-**	381,662
Unemployment compensation benefits	3,990,579	-	**3,990,579**	-
Depreciation and amortization	-	83	**83**	25,380
Other	-	32	**32**	-
Total operating expenses	4,007,586	18,103	**4,025,689**	585,154
Operating income (loss)	(3,563,080)	566	**(3,562,514)**	28,254
Nonoperating revenues (expenses):				
Interest and other investment income	19,945	5,938	**25,883**	2
Gain (Loss) on disposition of assets	-	-	**-**	799
Federal financial assistance	3,007,518	-	**3,007,518**	-
Contributions to other postemployment benefits	-	-	**-**	(10,890)
Total nonoperating revenues (expenses)	3,027,463	5,938	**3,033,401**	(10,089)
Income before contributions and transfers	(535,617)	6,504	**(529,113)**	18,165
Capital contributions	-	-	**-**	21,215
Transfers in	-	-	**-**	324
Transfers (out)	-	(394)	**(394)**	(4,338)
Change in net position	(535,617)	6,110	**(529,507)**	35,366
Net position, July 1, as restated	962,476	53,232	**1,015,708**	213,245
Net position, June 30	**$ 426,859**	**$ 59,342**	**$ 486,201**	**$ 248,611**

The notes to the financial statements are an integral part of this statement.

State of Indiana
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2020

(amounts expressed in thousands)

	Unemployment Compensation Fund	Non-Major Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities:				
Cash received from customers	$ 452,203	$ 24,208	**$ 476,411**	$ 507,553
Cash received from interfund services provided	-	-	**-**	120,979
Cash paid for general and administrative	(17,007)	(17,627)	**(34,634)**	(177,538)
Cash paid for salary/health/disability benefit payments	(3,888,102)	-	**(3,888,102)**	(384,999)
Cash paid to suppliers	-	(5,321)	**(5,321)**	(20,464)
Cash paid for claims expense	-	(762)	**(762)**	-
Other operating income	-	-	**-**	2,487
Net cash provided (used) by operating activities	(3,452,906)	498	**(3,452,408)**	48,018
Cash flows from noncapital financing activities:				
Transfers in	-	-	**-**	324
Transfers out	-	(394)	**(394)**	(4,338)
Federal financial assistance	3,007,518	-	**3,007,518**	-
Contributions to other postemployment benefits	-	-	**-**	(10,889)
Net cash provided (used) by noncapital financing activities	3,007,518	(394)	**3,007,124**	(14,903)
Cash flows from capital and related financing activities:				
Acquisition/construction of capital assets	-	(59)	**(59)**	(22,099)
Proceeds from sale of assets	-	-	**-**	882
Capital contributions	-	-	**-**	21,215
Net cash provided (used) by capital and related financing activities	-	(59)	**(59)**	(2)
Cash flows from investing activities:				
Proceeds from sales of investments	-	4,501	**4,501**	-
Purchase of investments	-	(4,106)	**(4,106)**	-
Interest income (expense) on investments	20,886	1,177	**22,063**	2
Net cash provided (used) by investing activities	20,886	1,572	**22,458**	2
Net increase (decrease) in cash and cash equivalents	(424,502)	1,617	**(422,885)**	33,115
Cash and cash equivalents, July 1	852,828	15,268	**868,096**	201,795
Cash and cash equivalents, June 30	**$ 428,326**	**$ 16,885**	**$ 445,211**	**$ 234,910**
Reconciliation of cash , cash equivalents and investments:				
Cash and cash equivalents unrestricted at end of year	$ -	$ 16,885	**$ 16,885**	$ 234,910
Cash and cash equivalents restricted at end of year	428,326	-	**428,326**	-
Investments unrestricted	-	70,523	**70,523**	-
Cash, cash equivalents and investments per balance sheet	**$ 428,326**	**$ 87,408**	**$ 515,734**	**$ 234,910**

State of Indiana
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2020

(amounts expressed in thousands)

	Unemployment Compensation Fund	Non-Major Enterprise Funds	Total	Internal Service Funds
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	$ (3,563,080)	$ 566	**$ (3,562,514)**	$ 28,254
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization expense	-	83	**83**	25,380
(Increase) decrease in receivables	7,698	231	**7,929**	(3,518)
(Increase) decrease in interfund services provided	-	-	**-**	(883)
(Increase) decrease in inventory	-	95	**95**	226
(Increase) decrease in prepaid expenses	-	(31)	**(31)**	1,235
(Increase) decrease in deferred outflows	-	-	**-**	(204)
Increase (decrease) in claims payable	-	(299)	**(299)**	-
Increase (decrease) in accounts payable	102,476	13	**102,489**	(4,576)
Increase (decrease) in unearned revenue	-	(113)	**(113)**	(175)
Increase (decrease) in salaries payable	-	(23)	**(23)**	684
Increase (decrease) in compensated absences	-	(15)	**(15)**	821
Increase (decrease) in net pension liabilities	-	-	**-**	623
Increase (decrease) in net OPEB liabilties	-	-	**-**	241
Increase (decrease) in deferred inflows	-	-	**-**	(92)
Increase (decrease) in other payables	-	(9)	**(9)**	2
Net cash provided (used) by operating activities	**$ (3,452,906)**	**$ 498**	**$ (3,452,408)**	**$ 48,018**

The notes to the financial statements are an integral part of this statement.

State of Indiana
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2020
(amounts expressed in thousands)

	Pension and Other Employee Benefit Trust Funds	Private-Purpose Trust Funds	Investment Trust Fund	Agency Funds
Assets				
Cash, cash equivalents and non-pension investments	$ 45,983	$ 44,390	$ 1,498,464	$ 886,375
Securities lending collateral	158,656	-	-	-
Receivables:				
Taxes	-	-	-	9,676
Contributions	92,659	-	-	-
Interest	87,530	17	161	-
Member loans	65	-	-	-
Accounts	-	5,683	-	97
From investment sales	8,049,182	-	-	-
Total receivables	8,229,436	5,700	161	9,773
Pension and other employee benefit investments at fair value:				
Short term investments	1,521,727	-	-	-
Equity Securities	9,894,500	-	-	-
Debt Securities	14,177,315	-	-	-
Mutual Funds and Collective Trust Funds	111,618	-	-	-
Other	13,243,498	-	-	-
Total investments at fair value	38,948,658	-	-	-
Other assets	229	-	-	-
Property, plant and equipment net of accumulated depreciation	4,615	-	-	-
Total assets	**47,387,577**	**50,090**	**1,498,625**	**$ 896,148**
Liabilities				
Accounts/escrows payable	10,347	54	121	896,148
Salaries and benefits payable	-	131	-	-
Benefits payable	114,079	-	-	-
Investment purchases payable	9,120,818	-	-	-
Securities purchased payable	387,498	-	-	-
Securities lending collateral	158,656	-	-	-
Other	1,529	-	59	-
Total liabilities	**9,792,927**	**185**	**180**	**$ 896,148**
Net Position				
Restricted for:				
Employees' pension benefits	36,897,065	-	-	
OPEB benefits	681,880	-	-	
Future death benefits	15,705	-	-	
Trust beneficiaries	-	49,905	-	
Investment pool participants	-	-	1,498,445	
Total net position	**$ 37,594,650**	**$ 49,905**	**$ 1,498,445**	

The notes to the financial statements are an integral part of this statement.

State of Indiana
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Pension and Other Employee Benefit Trust Funds	Private-Purpose Trust Funds	Investment Trust Fund
Additions:			
Member contributions	$ 379,413	$ 305	$ 2,131,283
Employer contributions	1,079,090	-	-
Contributions from the State of Indiana	1,172,724	-	-
Net investment income (loss)	1,242,198	71	18,639
Less investment expense	(225,995)	-	-
Current service charges	-	9,647	-
Federal reimbursements	633	-	-
Donations/escheats	-	118,079	-
Transfers from other retirement funds	435,947	-	-
Reinvestment of distributions	-	-	17,624
Other	646	-	-
Total additions	4,084,656	128,102	2,167,546
Deductions:			
Pension and disability benefits	2,532,799	-	-
Retiree health benefits	25,848	-	-
Retiree health forfeitures	18,969	-	-
Death benefits	1,919	-	-
Payments to participants/beneficiaries	-	126,181	16,772
Refunds of contributions and interest	423,906	-	1,821,983
Administrative	44,048	-	1,180
Pension relief distributions	209,167	-	-
Transfers to other retirement funds	435,947	-	-
Other	891	-	229
Total deductions	3,693,494	126,181	1,840,164
Net increase (decrease) in net position	391,162	1,921	327,382
Net position restricted, July 1, as restated	37,203,488	47,984	1,171,063
Net position restricted, June 30	**$ 37,594,650**	**$ 49,905**	**$ 1,498,445**

The notes to the financial statements are an integral part of this statement.

State of Indiana
Combining Statement of Net Position
Discretely Presented Component Units
June 30, 2020
(amounts expressed in thousands)

	Governmental	Proprietary	Colleges and Universities	Total
Assets				
Current assets:				
Cash, cash equivalents and investments - unrestricted	$ 11,097	$ 576,123	$ 1,198,799	**$ 1,786,019**
Cash, cash equivalents and investments - restricted	292,734	1,075,508	1,005,572	**2,373,814**
Securities lending collateral	-	-	50,203	**50,203**
Receivables (net)	1,593	808,911	587,422	**1,397,926**
Due from primary government	-	5,000	-	**5,000**
Inventory	-	238	4,148	**4,386**
Prepaid expenses	-	5,620	9,459	**15,079**
Loans	-	259,640	-	**259,640**
Investment in direct financing lease	-	82,025	254	**82,279**
Other assets	-	732	155,868	**156,600**
Total current assets	305,424	2,813,797	3,011,725	**6,130,946**
Noncurrent assets:				
Cash, cash equivalents and investments - unrestricted	-	370,459	3,858,558	**4,229,017**
Cash, cash equivalents and investments - restricted	-	695,155	7,377,061	**8,072,216**
Receivables (net)	-	523,981	638,997	**1,162,978**
Due from primary government	-	10,000	-	**10,000**
Loans	86,862	3,027,303	-	**3,114,165**
Investment in direct financing lease	-	1,802,536	4,458	**1,806,994**
OPEB assets	-	97,685	65,918	**163,603**
Other assets	-	10,041	10,845	**20,886**
Capital assets:				
Capital assets not being depreciated/amortized	-	1,696,904	1,106,978	**2,803,882**
Capital assets being depreciated/amortized	507	1,129,657	14,917,771	**16,047,935**
less accumulated depreciation/amortization	(290)	(516,965)	(7,047,782)	**(7,565,037)**
Total capital assets, net of depreciation/amortization	217	2,309,596	8,976,967	**11,286,780**
Total noncurrent assets	87,079	8,846,756	20,932,804	**29,866,639**
Total assets	**392,503**	**11,660,553**	**23,944,529**	**35,997,585**
Deferred Outflows of Resources				
Accumulated decrease in fair value of hedging derivatives	-	148,756	1,075	**149,831**
Debt refunding loss	-	31,157	32,442	**63,599**
Related to pensions	916	3,111	42,033	**46,060**
Swap termination	-	55,301	-	**55,301**
Related to OPEB	-	-	115,893	**115,893**
Asset retirement obligations	-	-	2,434	**2,434**
Total deferred outflows of resources	**916**	**238,325**	**193,877**	**433,118**
Liabilities				
Current liabilities:				
Accounts payable	42,310	41,044	564,814	**648,168**
Interest payable	-	76,410	37,750	**114,160**
Due to primary government	-	23,450	-	**23,450**
Unearned revenue	128,824	164,327	327,340	**620,491**
Advances from federal government	-	590	-	**590**
Securities lending collateral	-	-	50,203	**50,203**
Accrued liability for compensated absences	587	231	90,029	**90,847**
Other liabilities	-	37,960	29,319	**67,279**
Current portion of long-term liabilities	-	762,081	433,590	**1,195,671**
Total current liabilities	171,721	1,106,093	1,533,045	**2,810,859**

State of Indiana
Combining Statement of Net Position
Discretely Presented Component Units
June 30, 2020
(amounts expressed in thousands)

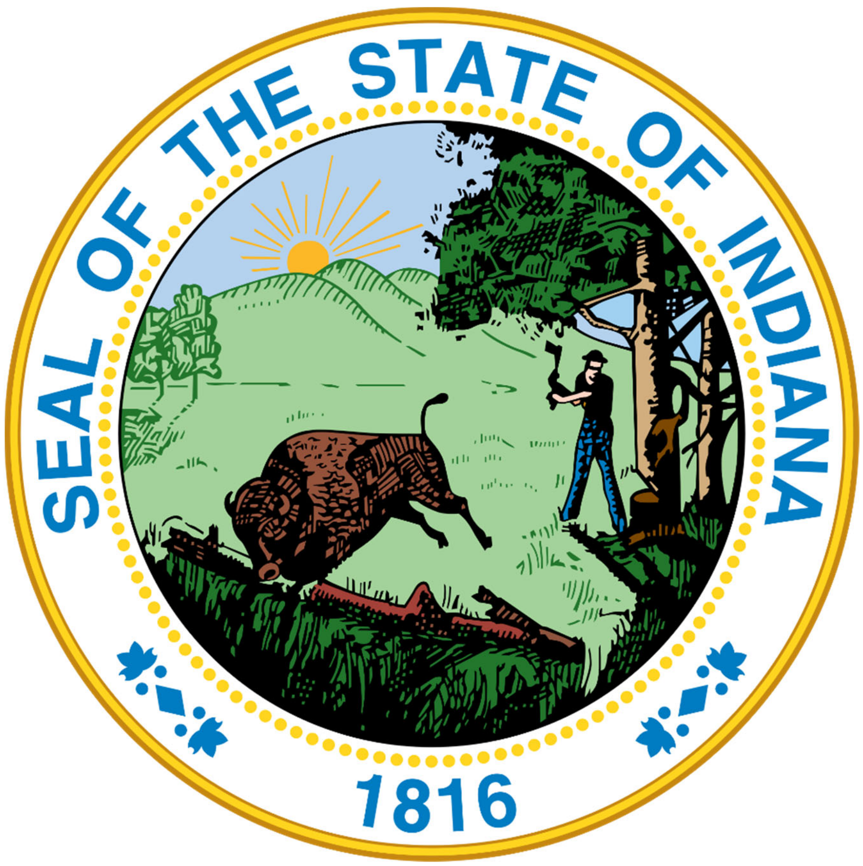
	Governmental	Proprietary	Colleges and Universities	Total
Noncurrent liabilities:				
Accrued liability for compensated absences	-	102	111,985	**112,087**
Accrued prize liabilities	-	77,651	-	**77,651**
Net pension and OPEB liabilities	3,923	16,009	503,373	**523,305**
Unearned revenue	-	9,827	47,988	**57,815**
Funds held in trust for others	-	-	2,016,979	**2,016,979**
Advances from federal government	-	31,750	15,360	**47,110**
Revenue bonds/notes payable	-	5,878,166	3,278,099	**9,156,265**
Derivative instrument liability	-	148,756	1,075	**149,831**
Other noncurrent liabilities	-	44,555	121,165	**165,720**
Total noncurrent liabilities	3,923	6,206,816	6,096,024	**12,306,763**
Total liabilities	**175,644**	**7,312,909**	**7,629,069**	**15,117,622**
Deferred Inflows of Resources				
Advanced payment for service concession agreement	-	3,996,351	1,593	**3,997,944**
Service concession arrangement receipts	-	269,301	-	**269,301**
Related to pensions	640	2,762	47,355	**50,757**
Related to OPEB	-	-	98,552	**98,552**
Related to irrevocable split interest agreements	-	214	27,718	**27,932**
Total deferred inflows of resources	**640**	**4,268,628**	**175,218**	**4,444,486**
Net Position				
Net investment in capital assets	218	1,062,481	5,702,601	**6,765,300**
Restricted - nonexpendable:				
Grants/constitutional restrictions	-	-	3,068	**3,068**
Permanent funds	-	782	60,925	**61,707**
Instruction and research	-	-	1,161,076	**1,161,076**
Student aid	-	-	1,247,352	**1,247,352**
Other purposes	-	-	540,286	**540,286**
Restricted - expendable:				
Grants/constitutional restrictions	210,570	1,959,527	35,869	**2,205,966**
Future debt service	-	281,833	21,509	**303,342**
Instruction and research	-	-	707,758	**707,758**
Student aid	-	1	755,651	**755,652**
Endowments	-	1,136	514,180	**515,316**
Capital projects	-	39,186	1,190,180	**1,229,366**
Other purposes	-	-	557,855	**557,855**
Unrestricted	6,347	(3,027,605)	3,835,809	**814,551**
	-			
Total net position	**$ 217,135**	**$ 317,341**	**$ 16,334,119**	**$ 16,868,595**

The notes to the financial statements are an integral part of this statement.

State of Indiana
Combining Statement of Activities
Discretely Presented Component Units
For the Fiscal Year Ended June 30, 2020
(amounts expressed in thousands)

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental	Proprietary	Colleges and Universities	Net (Expense) Revenue
Governmental	$ 154,645	$ -	$ 86,282	$ -	$ (68,363)	$ -	$ -	**$ (68,363)**
Proprietary	2,490,685	1,828,856	424,388	93,154	-	(144,287)	-	**(144,287)**
Colleges and universities	7,956,666	3,726,528	2,175,268	246,973	-	-	(1,807,897)	**(1,807,897)**
Total component units	$ 10,601,996	$ 5,555,384	$ 2,685,938	$ 340,127	(68,363)	(144,287)	(1,807,897)	**(2,020,547)**
General Revenues:								
Gaming tax					1,228	-	-	**1,228**
Total taxes					1,228	-	-	**1,228**
Revenue not restricted to specific programs:								
Investment earnings					399	65,520	258,048	**323,967**
Payments from State of Indiana					95,567	26,484	1,667,237	**1,789,288**
Other					-	1,335	422,436	**423,771**
Total general revenues					97,194	93,339	2,347,721	**2,538,254**
Change in net position					28,831	(50,948)	539,824	**517,707**
Net position - beginning, as restated					188,304	368,289	15,794,295	**16,350,888**
Net position - ending					**$ 217,135**	**$ 317,341**	**$ 16,334,119**	**$ 16,868,595**

The notes to the financial statements are an integral part of this statement.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State of Indiana
Combining Statement of Net Position
Discretely Presented Component Units - Proprietary Funds
June 30, 2020
(amounts expressed in thousands)

	Indiana Finance Authority	State Lottery Commission	Non-Major	IFA & ISCBA/IMC Elimination	Total Component Units
Assets					
Current assets:					
Cash, cash equivalents and investments - unrestricted	$ 73,045	$ 41,816	$ 461,262	$ -	**$ 576,123**
Cash, cash equivalents and investments - restricted	819,706	-	255,802	-	**1,075,508**
Receivables (net)	367,789	132,809	325,243	(16,930)	**808,911**
Due from primary government	-	-	5,000	-	**5,000**
Inventory	-	-	238	-	**238**
Prepaid expenses	3,101	1,557	962	-	**5,620**
Loans	249,885	-	21,610	(11,855)	**259,640**
Investment in direct financing lease	70,170	-	15,555	(3,700)	**82,025**
Other assets	-	-	732	-	**732**
Total current assets	1,583,696	176,182	1,086,404	(32,485)	**2,813,797**
Noncurrent assets:					
Cash, cash equivalents and investments - unrestricted	-	95,633	274,826	-	**370,459**
Cash, cash equivalents and investments - restricted	65,805	9,452	619,898	-	**695,155**
Receivables (net)	-	-	523,981	-	**523,981**
Due from primary government	-	-	10,000	-	**10,000**
Loans	3,790,023	-	182,433	(945,153)	**3,027,303**
Investment in direct financing lease	882,534	-	994,822	(74,820)	**1,802,536**
Net pension and OPEB assets	97,685	-	-	-	**97,685**
Other assets	-	9,827	214	-	**10,041**
Capital assets:					
Capital assets not being depreciated/amortized	1,558,557	-	138,347	-	**1,696,904**
Capital assets being depreciated/amortized	744,717	2,607	382,333	-	**1,129,657**
less accumulated depreciation/amortization	(296,614)	(2,387)	(217,964)	-	**(516,965)**
Total capital assets, net of depreciation/amortization	2,006,660	220	302,716	-	**2,309,596**
Total noncurrent assets	6,842,707	115,132	2,908,890	(1,019,973)	**8,846,756**
Total assets	**8,426,403**	**291,314**	**3,995,294**	**(1,052,458)**	**11,660,553**
Deferred Outflows of Resources					
Accumulated decrease in fair value of hedging derivatives	144,364	-	148,756	(144,364)	**148,756**
Debt refunding loss	22,746	-	9,126	(715)	**31,157**
Related to pensions	386	415	2,310	-	**3,111**
Swap termination	55,301	-	55,301	(55,301)	**55,301**
Total deferred outflows of resources	**222,797**	**415**	**215,493**	**(200,380)**	**238,325**
Liabilities					
Current liabilities:					
Accounts payable	9,102	9,373	22,569	-	**41,044**
Interest payable	61,620	-	31,720	(16,930)	**76,410**
Due to primary government	-	23,450	-	-	**23,450**
Unearned revenue	126,617	2,175	35,535	-	**164,327**
Advances from federal government	-	-	590	-	**590**
Accrued liability for compensated absences	-	-	231	-	**231**
Other liabilities	378	922	36,660	-	**37,960**
Current portion of long-term liabilities	277,044	142,834	357,758	(15,555)	**762,081**
Total current liabilities	474,761	178,754	485,063	(32,485)	**1,106,093**

State of Indiana
Combining Statement of Net Position
Discretely Presented Component Units - Proprietary Funds
June 30, 2020
(amounts expressed in thousands)

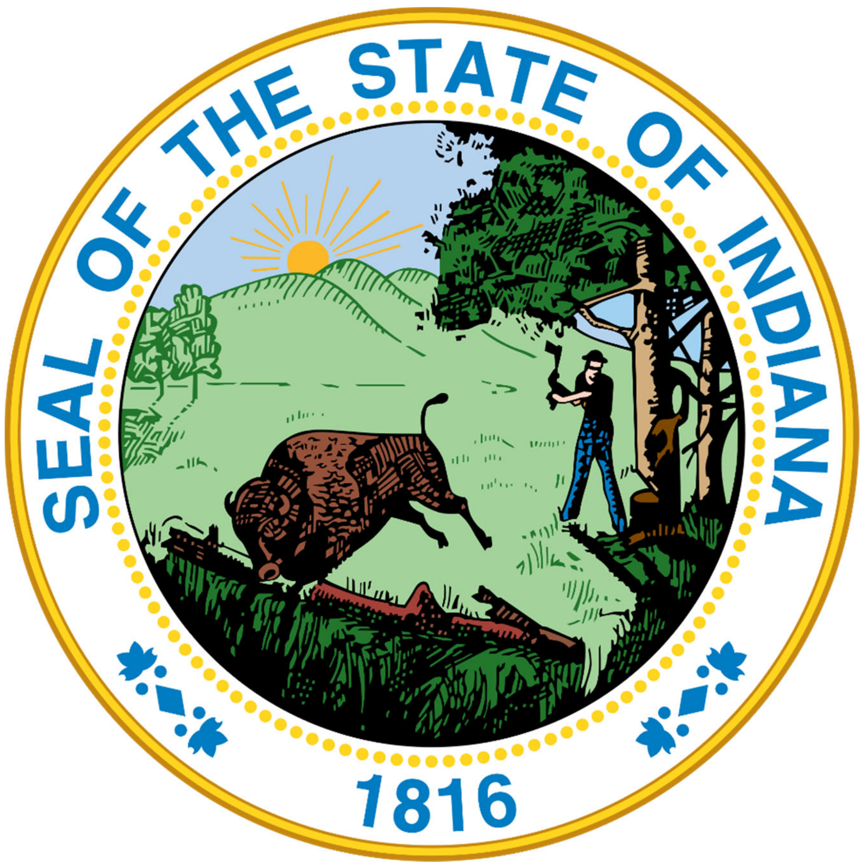
	Indiana Finance Authority	State Lottery Commission	Non-Major	IFA & ISCBA/IMC Elimination	Total Component Units
Noncurrent liabilities:					
Accrued liability for compensated absences	-	-	102	-	**102**
Accrued prize liabilities	-	77,651	-	-	**77,651**
Net pension and OPEB liabilities	1,618	2,112	12,279	-	**16,009**
Unearned revenue	-	9,827	-	-	**9,827**
Advances from federal government	71	-	31,679	-	**31,750**
Revenue bonds/notes payable	4,769,588	-	2,184,567	(1,075,989)	**5,878,166**
Derivative instrument liability	144,364	-	148,756	(144,364)	**148,756**
Other noncurrent liabilities	-	-	44,555	-	**44,555**
Total noncurrent liabilities	4,915,641	89,590	2,421,938	(1,220,353)	**6,206,816**
Total liabilities	**5,390,402**	**268,344**	**2,907,001**	**(1,252,838)**	**7,312,909**
Deferred Inflows of Resources					
Advanced payment for service concession agreement	3,985,373	-	10,978	-	**3,996,351**
Service concession arrangement receipts	269,301	-	-	-	**269,301**
Related to pensions	259	343	2,160	-	**2,762**
Related to irrevocable split interest agreements	-	-	214	-	**214**
Total deferred inflows of resources	**4,254,933**	**343**	**13,352**	**-**	**4,268,628**
NET POSITION					
Net investment in capital assets	811,557	220	250,704	-	**1,062,481**
Restricted - nonexpendable:					
Permanent funds	-	-	782	-	**782**
Restricted - expendable:					
Grants/constitutional restrictions	1,829,636	-	129,891	-	**1,959,527**
Future debt service	179,509	-	102,324	-	**281,833**
Student aid	-	-	1	-	**1**
Endowments	-	-	1,136	-	**1,136**
Capital projects	-	-	39,186	-	**39,186**
Unrestricted	(3,816,837)	22,822	766,410	-	**(3,027,605)**
Total net position	**$ (996,135)**	**$ 23,042**	**$ 1,290,434**	**$ -**	**$ 317,341**

The notes to the financial statements are an integral part of this statement.

State of Indiana
Combining Statement of Activities
Discretely Presented Component Units - Proprietary Funds
For the Fiscal Year Ended June 30, 2020
(amounts expressed in thousands)

		Program Revenues			Net (Expense) Revenue and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Indiana Finance Authority	State Lottery Commission	Non-Major	IFA & ISCBA Interfund Eliminations	Net (Expense) Revenue
Indiana Finance Authority (IFA)	$ 587,789	$ 375,592	$ -	$ 84,277	$ (127,920)	$ -	$ -	$ -	$ (127,920)
State Lottery Commission	1,385,926	1,384,068	-	-	-	(1,858)	-	-	(1,858)
Non-Major Proprietary	572,411	120,476	428,549	8,877	-	-	(14,509)	-	(14,509)
IFA & ISCBA/IMC Interfund Eliminations	(55,441)	(51,280)	(4,161)	-	-	-	-	-	-
Total component units	$ 2,490,685	$ 1,828,856	$ 424,388	$ 93,154	(127,920)	(1,858)	(14,509)	-	(144,287)
General revenues:									
Investment earnings					15,939	9,397	40,184	-	65,520
Payments from State of Indiana					-	-	26,484	-	26,484
Other					-	1,218	117	-	1,335
Total general revenues					15,939	10,615	66,785	-	93,339
Change in net position					(111,981)	8,757	52,276	-	(50,948)
Net position - beginning, as restated					(884,154)	14,285	1,238,158	-	368,289
Net position - ending					**$ (996,135)**	**$ 23,042**	**$ 1,290,434**	**$ -**	**$ 317,341**

The notes to the financial statements are an integral part of this statement.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State of Indiana
Combining Statement of Net Position
Discretely Presented Component Units - Colleges and Universities
June 30, 2020
(amounts expressed in thousands)

	Indiana University	Purdue University	Non-Major Colleges and Universities	Totals
Assets				
Current assets:				
Cash, cash equivalents and investments - unrestricted	$ 73,021	$ 511,014	$ 614,764	**$ 1,198,799**
Cash, cash equivalents and investments - restricted	563,457	317,189	124,926	**1,005,572**
Securities lending collateral	50,203	-	-	**50,203**
Receivables (net)	266,409	194,213	126,800	**587,422**
Inventory	-	-	4,148	**4,148**
Prepaid expenses	-	2	9,457	**9,459**
Investment in direct financing lease	-	-	254	**254**
Other assets	54,066	37,790	64,012	**155,868**
Total current assets	1,007,156	1,060,208	944,361	**3,011,725**
Noncurrent assets:				
Cash, cash equivalents and investments - unrestricted	1,624,739	1,412,051	821,768	**3,858,558**
Cash, cash equivalents and investments - restricted	2,435,868	4,320,779	620,414	**7,377,061**
Receivables (net)	312,147	300,754	26,096	**638,997**
Investment in direct financing lease	-	-	4,458	**4,458**
OPEB assets	-	-	65,918	**65,918**
Other assets	-	2	10,843	**10,845**
Capital assets:				
Capital assets not being depreciated/amortized	517,991	253,435	335,552	**1,106,978**
Capital assets being depreciated/amortized	5,790,460	5,180,502	3,946,809	**14,917,771**
less accumulated depreciation/amortization	(2,718,454)	(2,653,471)	(1,675,857)	**(7,047,782)**
Total capital assets, net of depreciation/amortization	3,589,997	2,780,466	2,606,504	**8,976,967**
Total noncurrent assets	7,962,751	8,814,052	4,156,001	**20,932,804**
Total assets	**8,969,907**	**9,874,260**	**5,100,362**	**23,944,529**
Deferred Outflows of Resources				
Accumulated decrease in fair value of hedging derivatives	-	-	1,075	**1,075**
Debt refunding loss	11,553	20,456	433	**32,442**
Related to pensions	12,650	11,045	18,338	**42,033**
Related to OPEB	56,022	2,897	56,974	**115,893**
Related to asset retirement obligations	-	2,434	-	**2,434**
Total deferred outflows of resources	**80,225**	**36,832**	**76,820**	**193,877**
Liabilities				
Current liabilities:				
Accounts payable	234,190	200,534	130,090	**564,814**
Interest payable	6,928	18,462	12,360	**37,750**
Unearned revenue	120,765	170,217	36,358	**327,340**
Securities lending collateral	50,203	-	-	**50,203**
Accrued liability for compensated absences	42,605	29,067	18,357	**90,029**
Other liabilities	-	1,451	27,868	**29,319**
Current portion of long-term liabilities	127,648	169,572	136,370	**433,590**
Total current liabilities	582,339	589,303	361,403	**1,533,045**
Noncurrent liabilities:				
Accrued liability for compensated absences	48,382	45,580	18,023	**111,985**
Net pension and OPEB liabilities	266,817	89,136	147,420	**503,373**
Unearned revenue	27,696	20,292	-	**47,988**
Funds held in trust for others	90,627	1,861,810	64,542	**2,016,979**
Advances from federal government	-	8,518	6,842	**15,360**
Revenue bonds/notes payable	1,146,013	1,089,067	1,043,019	**3,278,099**
Derivative instrument liability	-	-	1,075	**1,075**
Other noncurrent liabilities	64,641	34,399	22,125	**121,165**
Total noncurrent liabilities	1,644,176	3,148,802	1,303,046	**6,096,024**
Total liabilities	**2,226,515**	**3,738,105**	**1,664,449**	**7,629,069**

State of Indiana
Combining Statement of Net Position
Discretely Presented Component Units - Colleges and Universities
June 30, 2020
(amounts expressed in thousands)

	Indiana University	Purdue University	Non-Major Colleges and Universities	Totals
Deferred Inflows of Resources				
Advanced payment for service concession agreement	-	-	1,593	**1,593**
Related to pensions	12,316	10,616	24,423	**47,355**
Related to OPEB	32,159	8,205	58,188	**98,552**
Related to Irrevocable Split-Interest Agreements	-	27,718	-	**27,718**
Total deferred inflows of resources	**44,475**	**46,539**	**84,204**	**175,218**
Net Position				
Net investment in capital assets	2,487,799	1,710,945	1,503,857	**5,702,601**
Restricted - nonexpendable:				
Grants/constitutional restrictions	-	-	3,068	**3,068**
Permanent funds	60,925	-	-	**60,925**
Instruction and research	641,204	497,619	22,253	**1,161,076**
Student aid	613,312	450,003	184,037	**1,247,352**
Other purposes	359,242	44,285	136,759	**540,286**
Restricted - expendable:				
Grants/constitutional restrictions	-	-	35,869	**35,869**
Future debt service	17,174	-	4,335	**21,509**
Instruction and research	344,235	332,035	31,488	**707,758**
Student aid	192,856	451,488	111,307	**755,651**
Endowments	-	464,020	50,160	**514,180**
Capital projects	392,013	181,916	616,251	**1,190,180**
Other purposes	452,870	81,392	23,593	**557,855**
Unrestricted	1,217,512	1,912,745	705,552	**3,835,809**
Total net position	**$ 6,779,142**	**$ 6,126,448**	**$ 3,428,529**	**$ 16,334,119**

The notes to the financial statements are an integral part of this statement.

State of Indiana
Combining Statement of Activities
Discretely Presented Component Units - Colleges and Universities
For the Year Ended June 30, 2020
(amounts expressed in thousands)

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Indiana University	Purdue University	Non-Major Colleges and Universities	Net (Expense) Revenue
Indiana University	$ 3,592,718	$ 1,591,535	$ 937,877	$ 174,635	$ (888,671)	$ -	$ -	**$ (888,671)**
Purdue University	2,710,819	1,561,677	765,621	41,146	-	(342,375)	-	**(342,375)**
Non-Major Colleges and Universities	1,653,129	573,316	471,770	31,192	-	-	(576,851)	**(576,851)**
Total component units	$ 7,956,666	$ 3,726,528	$ 2,175,268	$ 246,973	(888,671)	(342,375)	(576,851)	**(1,807,897)**
General revenues:								
Investment earnings					102,199	76,321	79,528	**258,048**
Payments from State of Indiana					589,746	401,886	675,605	**1,667,237**
Other					374,450	1,886	46,100	**422,436**
Total general revenues					1,066,395	480,093	801,233	**2,347,721**
Change in net position					177,724	137,718	224,382	**539,824**
Net position - beginning					6,601,418	5,988,730	3,204,147	**15,794,295**
Net position - ending					**$ 6,779,142**	**$ 6,126,448**	**$ 3,428,529**	**$ 16,334,119**

The notes to the financial statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

STATE OF INDIANA

Notes to the Financial Statements
June 30, 2020

STATE OF INDIANA
Notes to the Financial Statements
June 30, 2020
(schedule amounts are expressed in thousands)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

As required by generally accepted accounting principles, these financial statements present the government (State of Indiana) and its component units. Blended component units, although legally separate entities, are in substance part of the government's operations; data from these units are combined with data of the primary government. Discretely presented component units are reported in one column in the government-wide financial statements. This column contains the governmental fund types, proprietary fund types, and colleges and universities. This is to emphasize that, as well as being legally separate from the government; they also provide services to and benefit local governments and/or the citizens of the State of Indiana. Of the component units, the Indiana Housing and Community Development Authority, Ports of Indiana, Indiana State Fair Commission, Indiana Comprehensive Health Insurance Association, and the Indiana Political Subdivision Risk Management Commission have a December 31, 2019, fiscal year-end.

Blended Component Units

The following component units are reported under the blended method as the primary government appoints a voting majority of the board and is able to impose its will. These units, although legally separate from the State, are reported as part of the State because they provide services entirely or almost entirely to the State.

The Bureau of Motor Vehicle Commission (BMVC) was established per Indiana Code 9-14-9 to develop and update Bureau of Motor Vehicles (BMV) policy, establish standards for the operation and maintenance of license branches, and submit budget proposals for the BMVC, BMV, and license branches. The BMVC has significant interrelated operations with the BMV and license branches. The BMV is responsible for the accurate and timely distribution of the fees and taxes (excise and wheel) collected at the license branches for driver licenses, auto and watercraft registrations, and license plates.

The BMVC consists of four individuals appointed by the governor and the chairperson who is the commissioner of the BMV. No more than three of the members may be of the same political party. The BMVC is reported as a non-major governmental fund

The Indiana Homeland Security Foundation was established per Indiana Code 10-15-2-1 to assist the Indiana Department of Homeland Security (IDHS) in developing projects that benefit public safety in local communities. The foundation administers the Indiana Homeland Security fund which funds these IDHS projects. The foundation has significant interrelated operations with the IDHS. Foundation funds are aligned with the Indiana Strategy for Homeland Security of the IDHS. The Indiana Homeland Security Foundation is reported as a non-major governmental fund.

The Indiana Natural Resources Foundation was established per Indiana Code 14-12-1 to promote, support, assist, sustain and encourage charitable, educational and scientific programs, projects and policies of the Indiana Department of Natural Resources. The Indiana Natural Resources Foundation is reported as a non-major governmental fund.

The Healthy Hoosiers Foundation was established per Indiana Code 16-19-3-30 to support the purposes and programs of the Indiana State Department of Health, which may include programs intended to reduce infant mortality, increase childhood immunizations, reduce obesity, and reduce smoking rates. The Healthy Hoosiers Foundation is reported as a non-major governmental fund.

The Indiana War Memorials Foundation was established per Indiana Code 10-18-1 for the benefit of, to perform the functions of, and to carry out the purposes of the Indiana War Memorials Commission. The Foundation provides cultural and recreational services. The Indiana War Memorials Foundation is reported as a non-major governmental fund.

The Indiana State Library Foundation was established per Indiana Code 4-23-7.1-42 to support the programs of the State Library and libraries in the state. The Indiana State Library Foundation is reported as a non-major governmental fund.

Discretely Presented Component Units

The following are discretely presented component units of the State of Indiana. The component units that are included in the State's reporting entity because the primary government appoints a voting majority of their governing bodies and is able to impose its will on each organization are: Indiana Economic Development Corporation, Indiana Finance Authority, State Lottery Commission of Indiana, Indiana Stadium Convention and Building Authority, Indiana Bond Bank, Indiana Housing and Community Development Authority, Indiana Secondary Market for Education Loans, Inc., White River State Park Development Commission, Ports of Indiana, Indiana Comprehensive Health Insurance Association, Indiana Political Subdivision Risk Management Commission, Indiana State Museum and Historic Sites Corporation, Indiana Motorsports Commission, and each of the seven colleges and universities. The following component units are included in the State's reporting entity because the primary government appoints a voting majority of their governing bodies and is financially accountable for each organization: Indiana Board for Depositories, Indiana State Fair Commission, and the Indiana Public Retirement System.

The Indiana Economic Development Corporation (IEDC) was created per Indiana Code 5-28-3 to improve the quality of life for the citizens of Indiana by encouraging the diversification of Indiana's economy and the orderly economic development and growth of Indiana, the creation of new jobs, the retention of existing jobs, the growth and modernization of existing industry, and the promotion of Indiana. The IEDC leads the state of Indiana's economic development efforts, helping businesses launch, grow, and locate in the state. The IEDC manages many initiatives, including performance-based tax credits, workforce training grants, innovation and entrepreneurship resources, public infrastructure assistance, and talent attraction and retention efforts. The IEDC Board of Directors is composed of 12 members, consisting of the Governor and 11 individuals appointed by the Governor. At least five members of the board must belong to the same political party as the Governor, and at least three members must belong to another major political party, but none may be members of the general assembly. The IEDC is reported as a non-major discretely presented governmental component unit. The separately issued audited financial statements may be obtained by writing the Indiana Economic Development Corporation, One North Capital Avenue, Suite 700, Indianapolis, IN 46204.

The Indiana Finance Authority (IFA) was created per Indiana Code 5-1.2-3-1 as a body both corporate and politic, and though separate from the State of Indiana (State); the exercise by the IFA of its powers constitutes an essential governmental function. Indiana's constitution restricts State incurrence of debt. As a result, the General Assembly created the IFA and authorized it to issue revenue bonds and other obligations to finance projects for lease to the State.

The IFA finances and refinances state hospitals, state office buildings, state garages, correctional facilities, recreational facilities, highways, bridges, airport facilities, and other related facilities for the benefit of the State. The IFA also provides low interest loans to Indiana communities for environmental improvements. It also promotes business and employment opportunities by issuing tax-exempt financing for industrial development projects, rural development projects, childcare financing, and educational facility projects.

The IFA's revenue bonds and notes are special and limited obligations of the IFA, payable from lease rental revenue, bond or note proceeds and investment income. The IFA's revenue bonds are not general obligations of the IFA nor are they State debt within the meaning of any constitutional provision or limitation. The IFA cannot compel the General Assembly to make appropriations to pay lease rentals. The authority is composed of five members, consisting of the budget director or their designee, who serves as chairman, the Treasurer of State or their designee, and three members appointed by the governor of which no more than two may be from the same political party. The Authority is reported as a major discretely presented proprietary component unit. IFA's separately issued audited financial statements may be obtained by writing the Indiana Finance Authority, One North Capital Avenue, Suite 900, Indianapolis, IN 46204.

The State Lottery Commission of Indiana, created per Indiana Code 4-30-3, is composed of five members appointed by the Governor. Net proceeds from the Lottery are distributed to the State to be used to supplement teachers' retirement, local police and firefighters' pensions, and the Build Indiana Fund. A portion of the Build Indiana Fund is then used to supplement the Motor Vehicle Excise Tax Replacement Fund. The Commission is reported as a major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the State Lottery Commission of Indiana, 1302 North Meridian Street, Indianapolis, IN 46202.

The Indiana Stadium and Convention Building Authority was established per Indiana Code 5-1-17, as an entity of the State to finance, design, construct, and own the new Indiana Stadium in Indianapolis and the expansion of the adjacent Indiana Convention Center. The Building Authority is governed by a seven member board, comprised of four appointments by the Governor, two appointments by the Mayor of the City of Indianapolis and one appointment by the Governor following nomination from one of the counties surrounding Marion County. The Authority is reported as a non-major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Indiana Stadium and Convention Building Authority, One North Capital Avenue, Suite 900, Indianapolis, IN 46204.

The Indiana Bond Bank, created per Indiana Code 5-1.5-2, is controlled by a board composed of the Treasurer of State, Director of Public Finance and five appointees of the Governor. The Bond Bank issues debt obligations and invests the proceeds in various projects of State and local governments. The Bond Bank is reported as a non-major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Indiana Bond Bank, 10 West Market Street, Suite 2410, Indianapolis, IN 46204.

The Indiana Housing and Community Development Authority was created per Indiana Code 5-20-1-3 for the purpose of financing residential housing for persons and families of low and moderate incomes. The Authority's board consists of the Public Finance Director of the Indiana Finance Authority, the Lieutenant Governor, the State Treasurer and four persons appointed by the Governor. The Lieutenant Governor chairs the board. The Authority is reported as a non-major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Indiana Housing and Community Development Authority, 30 South Meridian Street, Suite 1000, Indianapolis, IN 46204.

The Indiana Board for Depositories was established per Indiana Code 5-13-12 to ensure the safekeeping and prompt payment of all public funds deposited in Indiana banks. The Board, consisting of the Governor, Treasurer of State, Auditor of State, Chairman of the Commission for Financial Institutions, State Examiner of the State Board of Accounts and four members appointed by the Governor, provides insurance on public funds in excess of the Federal Deposit Insurance Corporation limit. The Board is reported as a non-major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Indiana Board for Depositories, One North Capitol Avenue, Suite 900, Indianapolis, IN 46204 or at https://www.in.gov/tos/deposit/.

The Indiana Secondary Market for Education Loans, Inc. (ISM), d/b/a INvestEd, was created per Indiana Code 21-16-5 to purchase education loans in the secondary market, lend money for the origination of education loans, and originate loans to consolidate education debt. The Governor appointed the original Board of Directors. ISM provides in its articles of incorporation that changes in the composition of its directors or in its bylaws are subject to the approval of the Governor. ISM is reported as a non-major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Indiana Secondary Market for Education Loans, Inc., d/b/a INvestEd, 11595 North Meridian Street, Suite 200, Carmel, IN 46032.

The White River State Park Development Commission created per Indiana Code 14-13-1-5 has the responsibility to design and implement a plan for the establishment and development of park, exposition, educational, athletic, and recreational projects to be located within one mile from the banks of the Indiana White River in a consolidated first-class city and county, and is authorized to acquire additional land and property. The Commission has 10 voting members which consist of the director or their designee, the executive of the city of Indianapolis or their designee, the president of Indiana University or their designee, and seven members appointed by the governor. The Commission is reported as a non-major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Indiana White River State Park Development Commission, 801 West Washington Street, Indianapolis, IN 46204.

The Ports of Indiana is a body both corporate and politic created per Indiana Code 8-10-1-3 to construct, maintain, and operate public ports with terminal facilities and traffic exchange points for all forms of transportation on Lake Michigan and the Ohio and Wabash Rivers. The Ports of Indiana Commission consists of seven members appointed by the governor. The Commission is reported as a non-major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Ports of Indiana, 150 West Market Street, Suite 100, Indianapolis, IN 46204.

The State Fair Commission was established per Indiana Code 15-13-2 as the trustee for and on behalf of the people of the State of Indiana to administer the State Fairgrounds as trust property of the State of Indiana. The Commission is responsible for holding the annual Indiana State Fair in August, as well as providing accessible, cost-effective, secure, and modern facilities for the variety of events held at the Fairgrounds and other properties it owns. The Commission consists of eight members; five of which are appointed by the governor, and three are ex officio members. The Commission is reported as a non-major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Indiana State Fair Commission, 1202 East 38th Street, Indianapolis, IN 46205.

The Indiana Comprehensive Health Insurance Association was created per Indiana Code 27-8-10-2.1 to assure that health insurance is made available throughout the year to each eligible Indiana resident applying to the Association for coverage. The board of directors of the Association consists of nine members whose principal residence is in Indiana. Four members are appointed by the insurance commissioner from the members of the Association, one of which must be a representative of a health maintenance organization. Two members are appointed by the commissioner and shall be consumers representing policyholders. Other members are the state budget director or designee and the commissioner of the department of insurance or designee. One member appointed by the commissioner must be a representative of health care providers. The Association is reported as a non-major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Indiana Comprehensive Health Insurance Association, 9465 Counselors Row, Suite 200, Indianapolis, IN 46240.

The Indiana Political Subdivision Risk Management Commission was created per Indiana Code 27-1-29 to administer the Political Subdivision Risk Management Fund (Basic fund) and the Political Subdivision Catastrophic Liability Fund (Catastrophic fund). These funds aid political subdivisions in protecting themselves against liabilities. The Commission consists of eleven members appointed by the governor. The Commission is reported as a non-major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Indiana Political Subdivision Risk Management Commission, c/o Indiana Department of Insurance, 311 West Washington Street, Suite 300, Indianapolis, IN 46204.

The Indiana State Museum and Historic Sites Corporation was created per Indiana Code 4-37 and is responsible for operating and administering the Indiana State Museum and eleven Historic Sites across the State. The eleven Historic Sites include Angel Mounds, Corydon Capitol, Culbertson Mansion, J.F.D. Lanier Mansion, Levi Coffin, Limberlost, New Harmony, T.C. Steele, Gene Stratton-Porter, Vincennes, and the Whitewater Canal. The Corporation is governed by a thirty member board of trustees of which twenty-five are voting members and five are non-voting members. Of the twenty-five voting members, thirteen persons are appointed by the governor and twelve are appointed by the board. The five non-voting members include the chief executive officer, the governor or governor's designee, one member of the House of Representatives, one member of the Senate, and the director of the Department of Natural Resources or the director's designee. The Corporation is reported as a non-major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Indiana State Museum and Historic Sites Corporation, 650 West Washington Street, Indianapolis, IN 46204.

The Indiana Motorsports Commission was established per Indiana Code 5-1-17.5-15 as a separate body corporate and politic, as an instrumentality of the state, to finance and lease real and personal property improvements for the benefit of an owner of a qualified motorsports facility within a motorsports investment district. The commission is governed by a board of directors composed of five directors of which one is the budget director, or the budget director's designee, and four directors appointed by the governor. The commission is reported as a non-major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Indiana Motorsports Commission, One North Capital Avenue, Suite 900, Indianapolis, IN 46204.

Each of the seven colleges and universities included in this report was established by individual legislation to provide higher education opportunities to the citizens of Indiana. The authority to administer the operations of each institution is granted to a separate board of trustees for each of the seven institutions. The number and makeup of the board of trustees of each college and university is prescribed by legislation specific for that institution. Four universities have nine member boards; two have ten member boards; and Ivy Tech Community College has a fourteen-member board of trustees. Appointments to the boards of trustees are made by the Governor and by election of the alumni of the respective universities. Indiana University and Purdue University are reported as a major discretely presented component unit. The separately issued audited financial statements for the colleges and universities may be obtained by writing to: Indiana University, Poplars Room 500, 400 E. 7th St., Bloomington, IN 47405-3001; Purdue University, Kurz Purdue Technology Center, 1281 Win Hentschel Blvd., Ste. 1100, West Lafayette, IN 47906-4182; Ball State University, Administration Bldg., 301, 2000 West University Avenue, Muncie, IN 47306; Indiana State University, Office of the Controller, 200 N. 7th Street, Terre Haute, IN 47809; Ivy Tech Community College, Attn: Chief Accounting Operations Officer, 50 West Fall Creek Parkway, North Drive, Indianapolis, IN 46208-5752; University of Southern Indiana, 8600 University Boulevard, Evansville, IN 47712; and Vincennes University, 1002 North 1st Street, Vincennes, IN 47591.

Fiduciary in Nature Component Unit

The Indiana Public Retirement System (INPRS) was established per Indiana Code 5-10.5-2-1 as an independent body corporate and politic. INPRS is not a department or agency for the State, but is an independent instrumentality exercising essential government functions. The INPRS board is composed of nine trustees appointed by the Governor which includes the director of the budget agency or the director's designee as an ex officio voting member of the board. The board of trustees administers the following plans: Public Employees' Retirement Fund, Teachers' Retirement Fund, Judges' Retirement System, State Excise Police, Gaming Agent, Gaming Control Officer and Conservation Enforcement Officers' Retirement Plan, the 1977 Police Officers' and Firefighters' Pension and Disability Fund, the Legislators' Retirement System Defined Benefit Plan, the Legislators' Retirement System Defined Contribution Plan, the Prosecuting Attorneys' Retirement Fund, the Retirement Medical Benefits Account Defined Contribution plan, the Pension Relief Fund, and one death benefit fund. For more information on the plans see Note V(E) Employee Retirement Systems and Plans. All of these funds have been aggregated for presentation from INPRS' financial statements. INPRS is included as a component unit because the primary government appoints a voting majority of its governing body and has financial accountability. The Indiana Public Retirement System was determined to be significant for note disclosure purposes involving the fiduciary in nature component units. The separately issued audited financial statements may be obtained by writing the Indiana Public Retirement System, One North Capitol Avenue, Suite 001, Indianapolis, IN 46204.

Related Organizations

The primary government appoints a voting majority of the board of the Indiana Education Savings Authority (IESA) created per Indiana Code 21-9. The IESA serves as the governing board of Indiana's tax-advantaged CollegeChoice 529 Savings Plans which are CollegeChoice Direct, CollegeChoice Advisor, and CollegeChoice CD. The primary government's accountability for IESA does not extend beyond making the appointments to the board. The primary government is not able to impose its will on IESA nor is it financially accountable for IESA. The State had no related party transactions with IESA during fiscal year 2020.

The primary government appoints a voting majority of the board of the Achieving a Better Life Experience (ABLE) Authority created per Indiana Code 12-11-14-09. The authority serves as the governing board of Indiana's tax-advantaged ABLE Savings Plan, INvestABLE Indiana. The primary government's accountability for ABLE does not extend beyond making the appointments to the board. The primary government is not able to impose its will on ABLE nor is it financially accountable for ABLE. ABLE expended $364.3 thousand of state appropriations for operating expenses during fiscal year 2020.

The primary government's officials are also responsible for appointing the members of the boards of other organizations, but the primary government's accountability for these organizations does not extend beyond making the appointment.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements consist of a statement of net position and a statement of activities. These statements report information about the overall government. They exclude information about fiduciary activities, including component units, which are fiduciary in nature, such as the public employee retirement systems. They distinguish between the primary government and its discretely presented component units as disclosed in Note I.A. They also distinguish between governmental activities and business-type activities of the State. Governmental activities rely on taxes and intergovernmental revenues for their support. Business-type activities, on the other hand, rely on fees and charges for services provided for their support.

The statement of activities matches the State's direct functional expense with the functional program revenue to identify the relative financial burden of each of the State's functions. This format identifies the extent to which each function of the government draws from the general revenues of the government or is self-financing through fees and intergovernmental aid. Certain indirect costs are included in the program expense reported for individual functions of government. Program revenues derive directly from the program itself or from parties outside the State's taxpayers, as a whole. They reduce the net cost of the function to be financed from the general revenues. Program revenues include charges for services, program-specific operating grants and contributions, and program-specific capital grants and contributions. Revenues that do not meet the criteria of program revenues are general revenues. These include all taxes; even those levied for a specific purpose and are reported by type of tax. Investment income is considered general revenue in the general fund.

Separate financial statements are presented for the State's governmental, proprietary and fiduciary funds. Governmental fund financial statements are the balance sheet and the statement of revenues, expenditures, and changes in fund balances. Major governmental funds are presented in separate columns and non-major funds are aggregated in a separate column. Proprietary and fiduciary funds are reported using the statement of net position and the statement of changes in net position. In addition proprietary funds include a statement of cash flows.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Measurement Focus and Basis of Accounting

The government-wide statements and the proprietary and fiduciary fund statements use the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities, and deferrals resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Government-mandated nonexchange revenues and voluntary nonexchange revenues, including federal government mandates on the State, certain grants and entitlements, and most donations, are recognized in the period when all applicable eligibility requirements have been met.

Governmental funds are used to account for the government's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For the State of Indiana, "available" means collectible within one month of the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences and related liabilities, and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Individual and corporate income tax, sales tax, cigarette tax, alcoholic beverage tax, motor fuel tax, fines, and penalties are accrued using one month's revenues.

Gaming taxes are accrued based on the gaming day. Vehicle licenses are received daily via electronic funds transfer with a one to three working day delay, so revenues for the first several working days in July are reviewed for materiality and accrued accordingly.

Financial Statement Presentation

A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

Governmental funds are used to account for the government's general government activities. Governmental funds include the general fund, special revenue funds, capital projects funds, debt service funds and permanent funds.

The *General Fund* is the State's primary operating fund. It is maintained to account for resources obtained and used for those services traditionally provided by State government, which are not required to be accounted for in another fund. The General Fund is a major fund.

The *special revenue* funds account for specific revenue sources that are legally restricted or committed to expenditure for specific purposes except for major capital projects.

The following special revenue funds are presented as major.

- The *Public Welfare-Medicaid Assistance Fund* receives federal grants and State appropriations which are used to administer the Medicaid program. Federal grant revenues, hospital assessment fees, quality assessment fees, Intermediate Care Facility for Individuals with Disabilities fees, and other resources disclosed under interfund transfers in Note IV (B) are reported in this fund.

- The *U.S. Department of Health and Human Services Fund* receives federal grants that are used to carry out health and human services programs. Federal grant revenues, vital record fees, child support annual fees, and other resources disclosed under interfund transfers in Note IV(B) are reported in this fund.

- The *Federal COVID-19 Fund* provides federal grant dollars to cover costs that are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019. The fund includes the CARES Act, the Coronavirus Relief Fund, and additional funds provided for existing grant programs.

The *capital projects funds* account for financial resources that are restricted, committed, or assigned to expenditures for the acquisition of capital assets or construction of major capital projects not being financed by proprietary or fiduciary funds. There are no major capital project funds.

The *permanent funds* are used to account for resources that are legally restricted to the extent that only earnings and not principal may be used for the benefit of the government or its citizens. There are no major permanent funds.

Proprietary funds focus on the determination of operating income, changes in net position, financial position and cash flows. Operating revenues and expenses are the revenues and expenses that pertain to the fund's principal operations. Nonoperating revenues and expenses are those revenues and expenses resulting from secondary or auxiliary activities of the fund. Nonoperating items include investment revenue and expense. Proprietary funds include both enterprise funds and internal service funds.

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where it has been decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

The State reports the following major enterprise fund:

- The *Unemployment Compensation Fund* collects employer taxes and the federal share of unemployment compensation. Benefits are paid to eligible individuals.

Internal service funds account for operations that provide goods and services to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis. The goods and services provided include fleet management, information technology and communication, aviation, printing, products of correctional industries, self-insurance, and centralized accounting. Major fund reporting requirements do not apply to internal service funds. Combined totals for all internal service funds are reported as a separate column on the face of the proprietary fund financial statements.

Fiduciary funds account for assets held by or on behalf of the government in a trustee capacity or as an agent on behalf of others. They cannot be used to support the State's own programs. Fiduciary funds include pension (and other employee benefit) trust funds, private-purpose trust funds, investment trust funds, and agency funds.

Pension (and other employee benefit) trust funds are used to report resources held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution pension plans, and other postemployment benefit plans. Pension and other employee benefits trust funds include the Indiana Public Retirement System, State Police Pension Fund, State Employee Retiree Health Benefit Trust Fund – DB, and the State Employee Retiree Health Benefit Trust Fund – DC.

Private-purpose trust funds are used to account for trust arrangements in which both the principal and interest may be spent for the benefit of individuals, private organizations or other governments. Private Purpose funds include the Abandoned Property Fund and the Private Purpose Trust Fund.

Investment trust funds are used to report the external portion of investment pools operated by a sponsoring government. The Treasurer of State, local units of government, and quasi-governmental units in Indiana have the opportunity to invest in a common pool of investments that preserves the principal of the public's funds, remains highly-liquid, and maximizes the return on the investment of public funds. The State's investment trust fund is TrustINdiana operated by the state treasurer. The amounts reported represent the external portion of the pool.

Agency funds are custodial in nature and do not present results of operations or have a measurement focus. These funds are used to account for assets that the government holds for others in an agency capacity. Agency Funds include Employee Payroll Withholding and Benefits, Local Distributions, Child Support and Department of Insurance.

D. Eliminating Internal Activity

Interfund activity including those from cash overdrafts in funds, interfund services provided or used, interfund loans and prepaid expenditures of internal service funds are eliminated as internal balances in the government-wide statement of net position. This is to minimize the "grossing-up" effect on assets and liabilities within the governmental and business-type activities columns of the primary government. As a result, interfund loans and interfund services provided and/or used reported in the governmental funds balance sheet has been eliminated in the government-wide statement of net position.

Eliminations were made in the statement of activities to remove the "doubling-up" effect of internal service fund activity. The effect of similar internal events that are, in effect, allocations of overhead expenses from one function to another or within the same function have also been eliminated, so that the allocated expenses are reported only by the function to which they were allocated. The effect of interfund services provided and used between functions has not been eliminated in the statement of activities since to do so would misstate both the expenses of the purchasing function and the program revenues of the selling function.

E. Assets, Liabilities and Equity

1. Deposits, Investments and Securities Lending

For purposes of reporting cash flows, cash and cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and near their maturity (generally three months or less from the date of acquisition).

Cash balances of most State funds are commingled in general checking accounts and several special purpose banking accounts. The available cash balance not necessary beyond immediate need is pooled and invested. Interest earned from investments purchased with pooled cash is deposited in the general fund, except as otherwise provided by statute.

Investments and secured lending transactions are stated at fair value. Money market investments and participating interest-earning investment contracts that mature within one year of purchase are reported at cost, which approximates fair value. Fair value is determined by quoted market prices which approximates fair value. Investments that do not have an established market are reported at estimated fair value.

Indiana Code 5-13-9 and 5-13-10.5 authorizes the Treasurer to invest in deposit accounts issued or offered by a designated depository; securities backed by the full faith and credit of the United States Treasury; securities issued by any U.S. government agency; AAA money market mutual funds with a portfolio limited to direct obligations of the U.S., obligations of any federal agency, and/or repurchase agreements fully collateralized with U.S. government obligations or U.S. agency obligations; highest rated commercial paper, highest rated supranational issues, and repurchase agreements that are fully collateralized, as determined by the current market value computed on the day the agreement is effective, by interest-bearing obligations that are issued, fully insured or guaranteed by the United States or any U.S. government agency.

The Treasurer of State is authorized by statute to accept as collateral safekeeping receipts for securities from: (1) a duly designated depository or (2) a financial institution located either in or out of Indiana, having physical custody of securities, with a combined capital and surplus of at least $10 million, according to the last statement of condition filed by the financial institution with its governmental supervisory body. The Treasurer may not deposit aggregate funds in deposit accounts in any one designated depository in an amount aggregating at any one time more than 50% of the combined capital, surplus and undivided profits of that depository as determined by the last published statement.

The Indiana Public Retirement System (INPRS) Board of Trustees administers sixteen pension trust funds including eight Defined Benefit retirement plans and five Defined Contribution retirement plans, two other employment benefit funds, and one custodial fund. Indiana law requires the Board to establish investment guidelines and limits on all types of investments and take other actions necessary to fulfill its duty as fiduciary for all assets under its control. The INPRS Board of Trustees is required to diversify investments in accordance with the prudent investor standards. At June 30, 2020, cash and investments of the funds were held by banks or trust companies under custodial agreements with INPRS. The INPRS Board of Trustees contracts with investment counsel, trust companies or banks to assist INPRS in its investment program. The Investment Policy Statement adopted by the INPRS Board of Trustees and the asset allocation approved by the Board of Trustees contains target allocations and allowable ranges that are expected to meet target rates of return over a long period of time while minimizing risk. The investments of INPRS are subject to the provisions of IC 5-10.3-5-3(a) and IC 5-10.4-3-10(a). See Note IV(A)(3) for more information.

Investments which are authorized for the State Police Retirement fund include: U.S. Treasury and Agency obligations, State and municipal obligations, domestic corporate bonds/notes, common stock and equity securities, foreign stocks and bonds, mortgage pool investments, and repurchase agreements. The investments of the State Police Retirement fund are subject to the provisions of IC 10-12-2-2. See Note IV(A)(2) for more information.

2. Receivables and Payables

In the government-wide and proprietary fund financial statements, revenues are recognized on the flow of economic resources measurement focus. Material receivables are recognized as follows. Uncollected taxes due in the following periods are subject to accrual:

- Individual income tax – Individual withholding tax is due from employers by the 20th day after the end of the month collected. Estimated payments are due from individuals by the 15th of the month immediately following each quarter or the calendar year.

- Corporate income tax - Due quarterly on the 20th day of April, June, September, and December with the last payment due on April 15th for a calendar year taxpayer.

- Sales tax – Due by the 20th day after the end of the month collected.

- Fuel tax – Gasoline tax is due the 20th day after the end of the month collected. Special fuel tax, depending on the status of the taxpayer, is due by the 15th day after the end of the month collected or the 15th day after the end of the quarter collected. Motor carrier surtax is due at the end of the month following the end of the quarter.

- Financial institutions tax – same laws as corporate income taxes (see above) for making payments.

- Alcohol and tobacco taxes – Cigarette distributors must purchase tax stamps within 6 days after they accept delivery of the cigarettes. Cigarette tax is due within 30 days of the issuance of the tax stamp. Alcoholic beverage tax is due by the 20th day after the end of the month collected.

In the governmental fund financial statements, revenue is recognized on the flow of current financial resources. Material receivables are subject to accrual for receipts collected in the month of July. The State of Indiana does not collect property tax, which is collected by local units of government.

Unavailable revenue is the liability for the full accrual income taxes receivable net of the allowance for doubtful accounts and the portion of federal grants receivable not available in the current reporting period and is reported under deferred inflows of resources.

3. *Interfund Transactions and Balances*

The State has the following types of interfund transactions in the governmental fund and proprietary financial statements:

- Interfund services provided and used (reciprocal interfund activity) – Charges for goods or services rendered by one fund to another are treated as revenues of the recipient fund and expenditures/expenses of the disbursing fund.

- Interfund Transfers (non-reciprocal interfund activity) – Legally authorized transfers whereby the two parties do not receive equivalent cash, goods or services are reported as transfers.

The types of assets and liabilities resulting from these transactions are:

- Interfund loans – These are balances arising from the short-term and long-term portion of interfund transactions.

- Interfund services provided/used – These are balances arising in connection with reciprocal interfund activity or reimbursements. Balances relating to discretely presented component units are presented as ‘Due from/to component units’.

- Interfund services provided and interfund loans are eliminated in the government-wide statements because they are provided by one governmental activity on behalf of another or by one business-type activity on behalf of another.

4. *Inventories and Prepaid Items*

Inventories for the Inns & Concessions, Institutional Industries and Administrative Services Revolving funds are valued at cost. The costs of governmental fund-type inventories are recorded as expenditures when purchased. The first in/first out (FIFO) method is used for valuation of inventories.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The consumption rather than the purchases method is used for prepaids as expenditures or expenses are recorded for the cost of prepaid items when consumed rather than when purchased.

5. *Restricted Net Position*

Certain net positions are classified as restricted net position because their use is completely restricted by bond indentures, contracts, grantors, contributors, laws or regulations of other governments, or through constitutional provisions or enabling legislation. Net position restricted by enabling legislation for governmental activities totals $1.1 billion, of which $0.5 billion is permanent funds principal, $0.5 billion is for the Economic Stabilization Fund as discussed in Note V (D), and $0.1 billion is prepaid expenses.

6. *Capital Assets*

Capital outlays are reported as expenditures in the governmental funds and as assets in the government-wide statements to the extent the State’s $20,000 capitalization threshold for external financial reporting is met.

The Indiana Department of Transportation (INDOT) uses the modified approach for reporting its infrastructure. The Department of Natural Resources (DNR) uses the depreciation approach for reporting its infrastructure.

Under the modified approach, the State has determined that the condition level for INDOT infrastructure assets to be maintained is:

- a network average International Roughness Index based on the right wheel path (IRI RWP) of no more than 101 and no more than 12.5% of all pavements in the unacceptable range for Interstates, National Highway System (NHS) Non-Interstate roads, and Non-NHS roads,

- an average sufficiency rating of 87% for interstate bridges,

- an average sufficiency rating of 85% for NHS Non-Interstate bridges, and

- an average sufficiency rating of 83% for Non-NHS bridges.

The Bridge Division, Program Engineering, and Road Inventory Division of INDOT are responsible for determining the appropriate condition level of the infrastructure assets.

No amounts are capitalized in connection with improvements that lengthen the lives of such assets, unless the improvements also increase their service potential.

INDOT projects are capitalized based on capitalization and preservation percentages assigned to three hundred eighty-six (386) work types. For example, the cost for constructing a new bridge would likely be 100% capitalized; whereas, the cost for adding travel lanes to a road would likely be assigned a work type code resulting in capitalization at 50% and preservation at 50%.

The State maintains an inventory of these infrastructure assets and performs periodic condition assessments to establish that the predetermined condition level is being maintained. Road pavement condition assessments are performed annually on all INDOT state routes, including interstates. Condition assessments of all bridges are determined on a bi-annual basis. Sufficiency ratings of all bridges are determined on an annual basis by the Federal Highway Administration based on annual submittal of bridge condition data.

The State makes annual estimates of the amounts that must be expended to preserve and maintain these infrastructure assets at the predetermined condition levels.

Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their acquisition value at the date of donation.
Capital assets are depreciated in the proprietary and similar trust funds using the straight-line method on both the fund basis and the government-wide basis. Both the government-wide statements and proprietary and similar trust funds use the following estimated useful lives:

Assets	Months
Buildings and other structures including improvements to buildings and other structures	240-480
Computer software	36
Infrastructure (not using modified approach)	240-720
Furniture, machinery and equipment	12-168
Motor pool vehicles	96-168

The State of Indiana maintains several collections of works of art, historical treasures, and similar assets that are not capitalized. While the collections are maintained by different agencies, each collection is:

- Held for public exhibition, education, or research in furtherance of public service, rather than financial gain.
- Protected, kept unencumbered, cared for, and preserved.
- Subject to an organizational policy that either prohibits sale or requires the proceeds from sales of collection items to be used to acquire other items for collections.

The State's major collections are:

- The Commission on Public Records, State Archives Collection consists of historical and legal documents that are generated on: paper or paper substitutes; photographic or chemically based media; magnetic or machine readable media; or any other materials, regardless of form or characteristics.

- The State Library has two collections, the Manuscript Collection and the Indiana History Collection. These collections include historical documents and works of art, most of it of Indiana origin.

Other collections include the Historical Bureau's Indiana Governors' Portrait Collection, the Department of Administration's Statehouse Collection, and the Indiana Arts Commission's Collection. These collections consist primarily of art objects.

7. *Compensated Absences*

Full-time employees of the State of Indiana are permitted to accumulate earned but unused vacation and sick pay benefits. Vacation leave accumulates at the rate of one day per month and sick leave at the rate of one day every two months plus an extra day every four months. Bonus vacation days are awarded upon completion of five, ten and twenty years of employment.

Personal leave days are earned at the rate of one day every four months; any personal leave accumulated in excess of three days automatically becomes part of the sick leave balance. Upon separation of service, in good standing, employees will be paid for a maximum of thirty (30) unused vacation leave days. In addition, qualifying retiring employees are paid an additional payment up to a maximum of $5,000, which is made up of unused vacation leave over 30 days, unused personal leave, and unused sick leave.

The legislative and judicial branches may elect to participate in a leave conversion program which allows their employees to convert a portion of accrued but unused vacation and sick leave into the deferred compensation plan. An employee must have at least 300 hours of vacation or sick leave accrued in order to participate in this plan. There is a sliding scale which determines how many hours are converted from those hours the employee has accrued. The hours converted are deposited into the deferred compensation program's 401(a) plan at 60% of the employee's hourly rate. The legislative branch participated in this program in FY 2020 for their employees and the legislative branch has elected to participate in this program for FY 2021 for their employees.

Matured vacation and personal leave and salary-related payments that are expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts not expected to be liquidated with expendable available financial resources are reported as long term liabilities in the government-wide, proprietary, and fiduciary fund financial statements.

8. Long-Term Obligations

Long-term debt and other obligations are reported in the government-wide statements and the proprietary funds statements as liabilities in the applicable governmental activities, business-type activities, or proprietary fund.

9. Fund Balance

In the fund financial statements, fund balances are categorized as nonspendable, restricted, committed, assigned, or unassigned. A brief description of each category is as follows:

Nonspendable – represents amounts that are either not in spendable form, such as prepaid expenditures, and activity that is legally or contractually required to be maintained intact, such as a principal balance in a permanent fund.

Restricted – represents amounts restricted to specific purposes because of constraints placed on their use that are either externally imposed such as by grantors or imposed by law through constitutional provisions or enabling legislation.

Committed – represents amounts that can only be used for a specific purpose pursuant to constraints imposed by the government's highest level of decision making authority. The State of Indiana's highest level of decision making authority is the General Assembly. The formal action necessary would be the enactment of a State law that specifically establishes, modifies, or rescinds a fund balance commitment.

Assigned – represents amounts that are constrained by the government's intent to be used for specific purposes as expressed by the governing body itself or the official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. The State Budget Agency has the authority per the biennial budget bill to make assignments of fund balances for specific purposes except for those restricted by law. The State Board of Finance comprised of the Governor, Auditor of State and Treasurer of State is empowered to make assignments of funds except for trust funds per I.C. 4-9.1-1-7.

Unassigned – represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. Only the general fund may report a positive unassigned fund balance; whereas, other governmental funds may need to report a negative unassigned fund balance if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

Funds on the State's accounting system are assigned one of the five fund balance classifications. If a fund has resources that are both restricted and unrestricted, then expenditures are applied first to restricted fund balance and then unrestricted amounts. A fund's unrestricted fund balance would have committed amounts reduced first, assigned amounts second, and unassigned amounts third when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

F. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The allowance for doubtful accounts for taxes receivable, the estimate of claims payable for the Medicaid fund, the estimate of additions for the Local Distributions fund, and the estimated useful lives of capital assets are among the most sensitive accounting estimates affecting the financial statements.

The additions for the Local Distributions fund, an agency fund, are estimated using the most recent actual known local option income tax collections which are for the calendar year two years prior to the current fiscal year. Adjustments to the estimate are made for units of local government that have changed their local income tax rates during the following two calendar years, for actual collections during the six months prior to the end of the current fiscal year, and for interest earned. The economy, any rate changes that are made in the current calendar year after preparation of the financial statements, and any unknown errors can impact the estimation process and cause actual results to differ.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

As described in Note I, Summary of Significant Accounting Policies, differences exist between the government-wide and the governmental fund financial statements. These differences are summarized in the reconciliations that follow the governmental fund financial statements.

A. Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

In the government-wide financial statements, capital assets are considered economic resources and are capitalized at cost or estimated historical cost at time of acquisition. Where applicable these costs are offset by accumulated depreciation or amortization.

The government-wide statements use the flow of economic resources and accrue receivables that are not available soon enough in the subsequent period to pay for the current period's expenditures. Also under the flow of economic resources, expenses reported in the statement of activities do not require the use of current financial resources. Both these receivables and payables are accrued in the government-wide statements, but not in the fund financial statements.

Internal service funds are used by management to charge the costs of certain activities to individual funds. In the government-wide financial statements, the assets and liabilities of internal service funds are included in governmental activities in the statement of net position. In the proprietary fund financial statements, internal service fund balances are segregated and reported as their own fund type.

B. Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

In the government-wide financial statements, the cost for capital outlays, except for governmental infrastructure, is allocated over the assets' useful lives and is reported as depreciation or amortization expense.

The government-wide statements use the flow of economic resources and therefore do not report revenues and expenses dependent on the availability of financial resources, as is reported in the fund financial statements. Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund financial statements. Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the fund financial statements. Net pension liabilities and other postemployment benefits do not require the use of current financial resources and are not reported as expenditures in the fund financial statements.

Internal service funds are used by management to charge the costs of certain activities to individual funds. In the government-wide financial statements, the expenses of internal service funds are included in governmental activities in the statement of activities. In the proprietary fund financial statements, internal service fund balances are segregated and reported as their own fund type.

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Deficit Fund Equity

At June 30, 2020, various funds had a deficit fund balance caused by overdrafts from pooled cash and investments and the posting of accruals to the balance sheet. Temporary cash overdrafts are reported as interfund loans from the general fund.

Fund	Overdraft from pooled cash	Accrual deficits
Governmental Funds		
US Department of Health & Human Services	$ (445,210)	$ 36,444
US Department of Labor	(13,401)	6,815
US Department of Education	-	(47,079)

Fund Balance

The State of Indiana reports its fund balances for governmental funds as nonspendable, restricted, committed, assigned, and unassigned. The detail of the fund balance classifications at June 30, 2020 is as follows:

	General Fund	Public Welfare - Medicaid Assistance Fund	US Department of Health and Human Services	Federal COVID-19	Non-Major Funds
Fund Balances:					
Nonspendable:					
Permanent fund principal	-	-	-	-	502,835
Prepaid expense	73,015	-	-	-	45
Restricted:					
Administration	543,348	-	-	-	-
Natural Resources	-	-	-	-	150
Other Purposes	-	-	-	-	3,364
Committed:					
Administration	-	-	-	-	2,634
Public Health	-	-	-	-	232,567
Economic Development	920	-	-	-	8,678
Environmental	-	-	-	-	269
Natural Resources	-	-	-	-	15,350
Higher Education	-	-	-	-	29
Secondary Education	-	-	-	-	591,692
Roads & Bridges	33,336	-	-	-	100,026
Other Purposes	-	-	-	-	17,702
Assigned:					
Administration	95,778	-	-	-	208,541
Corrections	209,834	-	-	-	27,175
Police & Protection	29,194	-	-	-	455,551
Mental Health	100,884	-	-	-	21,963
Public Health	6,926	268,163	-	22,310	337,199
Child Services	241,412	-	-	-	86,752
Disability & Aging	48,303	-	-	-	16,228
Economic Development	2,418	-	-	-	38,167
Environmental	23,163	-	-	-	113,896
Natural Resources	1,029	-	-	-	208,304
Higher Education	65,291	-	-	-	15,582
Secondary Education	409,743	-	-	-	72,422
Roads & Bridges	124,190	-	-	-	1,921,014
Capital Outlay	236,923	-	-	-	110,850
Other Purposes	250,450	-	-	-	109,619
Unassigned:	2,142,447	-	(408,766)	-	(53,665)
Total	**$ 4,638,604**	**$ 268,163**	**$ (408,766)**	**$ 22,310**	**$ 5,164,939**

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits, Investments and Securities Lending

1. Primary Government – Other than Major Moves Construction Fund and Next Level Indiana Trust Fund, Investment Trust Funds, and Pension and Other Employee Benefit Trust Funds.

Investment Policy

Indiana Code, Title 5, Article13, Chapters 9, 10, and 10.5, establishes the investment powers and guidelines regarding the State of Indiana investments. However, the Major Moves Construction Fund and the Next Level Indiana Trust Fund have separate investment authority as established under Indiana Code 8-14-14 and Indiana Code 8-14-15, respectively. The Treasurer of State shall invest these funds in the same manner as the public employees' retirement fund under Indiana Code 5-10.3-5 with the exception that monies may not be invested in equity securities. For more information, please see the PERF policy in note IV (A) 3. There are no formal deposit investment policies for the investment of these funds other than compliance to State statute. State statute does not establish any parameters or guidelines related to the concentration of investment risk, investment credit risk, nor interest rate risk.

Indiana Code 5-13-9 and Indiana Code 5-13-10.5 authorizes the Treasurer to invest in deposit accounts issued or offered by a designated depository; municipal securities issued by an Indiana local governmental entity if the issuer has not defaulted on any obligation within the twenty years preceding the date of the purchase; AAA rated money market mutual funds with a portfolio made up of direct obligations of the United States, obligations issued by any federal agency, instrumentality, or federal government sponsored enterprise or repurchase agreements fully collateralized by the same obligations allowed to be owned within the money market mutual fund; commercial paper rated in the highest rating category by one nationally recognized rating service with a stated final maturity of 270 days; securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States; obligations issued by United States agencies and instrumentalities, or federal government sponsored enterprises; supranational issuers having the highest investment credit rating by at least two nationally recognized credit rating agencies; repurchase agreements that are fully collateralized, as determined by the current market value computed on the day the agreement is effective, by interest bearing obligations that are issued, fully insured or guaranteed by the United States or any U.S. government agency; and the State's local government investment pool.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statute does not establish any parameters or guidelines related to interest rate risk.

The following is a summary of the Interest Rate Risk Disclosure as of June 30, 2020:

Investment Type	Fair Value Totals	Investment Maturities (in Years) Less than 1	1 - 5	6 - 10
U.S. Treasuries*	$ 4,006,569	$ 3,457,266	$ 549,303	$ -
U.S. Agencies	1,106,628	498,571	608,057	-
Supranationals	748,060	729,905	18,155	-
Municipal Bonds	136,006	124,162	11,699	145
Local Govt Investment Pool	373,000	373,000	-	-
Non-U.S. Fixed Income	70,000	30,000	40,000	-
Certificate of Deposits	299,507	299,507	-	-
Money Market Mutual Funds	1,028,000	1,028,000	-	-
Total	**$ 7,767,770**	**$ 6,540,411**	**$ 1,227,214**	**$ 145**

** Treasuries include $299,931 of investments with a trade-date of 6/30/20 but a settlement of 7/1/2020.*

Custodial Credit Risk

Deposits – The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party.

At June 30, 2020, the balance of the State of Indiana's deposits was covered in full by federal depository insurance or by the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

Investment Custodial Credit Risk – The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if the securities are uninsured and unregistered and are either held by the counterparty's trust department or agent, but not in the name of the State of Indiana. The Treasurer of State is authorized by statute (IC 5-13-10.5-5) to accept safekeeping receipts or other reporting for securities from: (1) a duly designated depository as prescribed in this article; or (2) a financial institution located either in or out of Indiana having physical custody of securities with a combined capital and surplus of at least ten million dollars ($10,000,000) according to the last statement of condition filed by the financial institution with its governmental supervisory body. None of the State's investments are exposed to custodial credit risk because they are held in the name of the State of Indiana. Additionally, the Treasurer of State requires all custodians to indemnify the State against all out-of-pocket expenses or losses incurred as a result of (i) the custodian's operational failure, (ii) custodians failure to carry out the credit analysis, (iii) custodian's failure to maintain proper collateral for each loan, or (iv) failure of an approved counterparty to comply with its obligations under the applicable securities lending agreement.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Indiana Code 5-13-9, IC 5-13-10, and IC 5-13-10.5 authorizes the State Treasurer to invest or reinvest in securities fully guaranteed and issued by (1) the United States Treasury, (2) a federal agency, (3) a federal instrumentality, or (4) a federal government sponsored enterprise, as well as, other securities that are AAA rated or insured through the Public Deposit Insurance Fund or the FDIC. The allowable investments are noted above under the Investment Policy Statement section in more detail. The State Treasurer recognizes credit (quality) risk as a market and strategic risk factor in all investments.

The following table provides information on the credit quality ratings for investments in debt securities as well as investments in external investment pools, and money market funds, as of June 30, 2020. Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality. The table reflects the greatest risk rating (the credit rating reflecting the greatest degree of risk) as set by three nationally recognized rating organizations (S&P, Moody, and Fitch) for each type of investment, not exempt from disclosure:

Investment Type	Greatest Risk Rating	Fair Value
U.S. Agencies	AAA	$ 105,634
	AA	1,000,994
Supranationals	AAA	748,060
Certificate of Deposits	NR	299,507
Municipal Bonds	NR	136,006
Non-US Fixed Income Bonds	A	70,000
Local Govt Investment Pool	NR	373,000
Money Market Mutual Funds	AAA	1,028,000
Total		**$ 3,761,201**

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Indiana Code 5-13-10-3 states that the State Treasurer may not deposit aggregate funds in deposit accounts in any one designated depository in an amount aggregating at any one time more than fifty percent (50%) of the combined capital, surplus, and undivided profits of that depository as determined by its last published statement of condition filed with the State Board for Depositories.

At June 30, 2020, investments in any one issuer, not exempt from disclosure, that represent 5% or more of the total investments (in thousands) were:

FHLB 5.42% $531,903

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. As of June 30, 2020, there were no deposits or investments denominated in foreign currencies, thus there was no foreign currency risk.

Securities Lending

The Treasurer of State is authorized by Indiana Code 5-13-10.5-13 to lend securities, to broker-dealers and other entities (borrowers), for collateral with a simultaneous agreement to return the collateral for the same securities in the future. Securities may be lent under this section only if the agreement under which the securities are lent is collateralized by: (1) cash; or (2) non-cash collateral; in excess of the total market value of the loaned securities.

The State's custodial banks manage the securities lending programs and receive cash or securities as collateral. The types of securities lent during the year may include U.S. Treasury and agency obligations, corporate bonds/notes, and foreign bonds. Collateral securities and cash are initially pledged at 102% of the market value of the securities lent. Cash received as collateral is reported as an asset and a liability on the balance sheet. Securities received as non-cash collateral are not reported on the balance sheet, because the State does not have the ability to pledge or sell them without a borrower default. Generally, there are no restrictions on the amount of assets that can be lent at one time, except for the Public Employees' Retirement Fund and the State Teachers' Retirement Fund (discretely presented component units), which allow no more than 40% to be lent at one time.

Cash collateral received is invested by the custodian banks. Cash collateral is generally invested in securities of a longer term with the mismatch of maturities generally 0-35 days. The weighted average maturity gap at June 30, 2020, was 5.97 days.

At year end, the State had no credit risk exposure to any borrowers because the amount the State owes the borrowers exceeds the amounts the borrowers owe the State. The contracts with the State's custodian requires them to indemnify the funds if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay the funds for income distributions by the securities' issuers while the securities are on loan.

As of June 30, 2020, the fair values of the underlying securities on loan were:

Security Type	Fair Value
U.S. Governments	$2,133,083
U.S. Agencies	3,527
Total	**$2,136,610**

The fair values of the collateral received for each investment type were:

Security Type	Fair Value
U.S. Governments	$2,167,896
U.S. Agencies	3,616
Total	**$2,171,512**

The percentage of collateral received for underlying securities on loan was 101.6%.

The fair values of the cash and non-cash collateral received were:

Collateral Type	Fair Value
Non-cash collateral	$ 21,149
Cash collateral (liability to borrowers)	2,150,363
Total	**$2,171,512**

Events of the market crisis of late 2008 negatively impacted the value of the State's securities lending cash collateral reinvestment pool. Since that time, the State, with the agreement of its' custodial bank, has been injecting capital into the pool using securities lending revenues to restore the value of the cash collateral reinvestment pool. As of June 30, 2020, the fair value of the cash collateral reinvestment pool was 98.40% of the fair value of the cash collateral received from the borrowers.

Fair Value of reinvested cash collateral by type:

Collateral Type	Fair Value
Commercial paper	$ 484,884
Certificates of deposit	268,998
Repurchase agreements	13,058
Asset backed securities	239,273
Floating rate notes	924,059
MMMF's	185,042
Receivable	542
Total	**$2,115,856**

The quality rating of the reinvested cash collateral investments as described by Standard and Poor's at June 30, 2020, is as follows:

S&P Rating	Fair Value of Cash Collateral	% of Portfolio
AAA	$ 235,592	11.1
AA	262,177	12.4
A	1,336,489	63.2
CC	3,681	0.2
NR	277,917	13.1
Total	**$ 2,115,856**	**100.0**

Fair Value Measurement – Primary Government

The Primary Government categorizes investments measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy prioritizes valuation inputs used to measure the fair value of the asset or liability into three broad categories. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Levels 1, 2, and 3 (lowest priority level) of the fair value hierarchy are defined as follows:

Level 1 Inputs using unadjusted quoted prices in active markets or exchanges for identical assets or liabilities.

Level 2 Significant other observable inputs, which may include, quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in non-active markets; and inputs other than quoted prices that are observable for the assets or liabilities, either directly or indirectly.

Level 3 Valuations for which one or more significant inputs are unobservable and may include situations where there is minimal, if any, market activity for the asset or liability.

US Treasury securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. The U.S. Agencies' securities, Supranationals' securities, and municipal bonds classified in Level 2 of the fair value hierarchy are valued using other observable inputs other than quoted prices in an active market. The certificate of deposits are valued at cost-based measures and are classified as Level 2. The Non-US Government Bonds and municipal bonds classified in Level 3 have no observable inputs and there is no market activity regarding those investments, so they have been valued using cost-based measures. The local government investment pool is valued using the fair value valuation methodology and is marked to market daily using the most recent market bid price as obtained from one or more market makers and is thus classified in Level 2 of the fair value hierarchy. The money market mutual funds are valued at the daily closing price as reported by the funds and are deemed to be actively traded and are classified in Level 1 of the fair value hierarchy.

The following table summarizes the valuation of the investments by the fair value hierarchy levels as of June 30, 2020:

		Fair Value Measurements Using		
Investment Type	**June 30, 2020**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
U.S. Treasuries	$ 4,006,569	$ 4,006,569	$ -	$ -
U.S. Agencies	1,106,628	-	1,106,628	-
Supranationals	748,060	-	748,060	-
Municipal Bonds	136,006	-	-	136,006
Non-US Govt Bonds	70,000	-	-	70,000
Corporate Asset Backed	-	-	-	-
Local Govt Investment Pool	373,000	-	373,000	-
Certificate of Deposits	299,507	-	299,507	-
Money Market Mutual Funds	1,028,000	1,028,000	-	-
Total Fixed Income Securities	**$ 7,767,770**	**$ 5,034,569**	**$ 2,527,195**	**$ 206,006**

** Treasuries include $299,931 of investments with a trade-date of 6/30/20 but a settlement of 7/1/2020.*

Major Moves Construction Fund/Next Level Indiana Trust Fund

Investment Policy

Indiana Code, Title 5, Article13, Chapters 9, 10, and 10.5, establishes the investment powers and guidelines regarding the State of Indiana investments. However, the Major Moves Construction Fund and the Next Level Indiana Trust Fund have separate investment authority as established under Indiana Code 8-14-14 and Indiana Code 8-14-15.1, respectively. The Treasurer of State shall invest the funds in the Major Moves Construction Fund in the same manner as the public employees' retirement fund under Indiana Code 5-10.3-5, except the funds may not be invested in equity securities. The Next Level Indiana Trust Fund allows for investment of not more than 50% of the money in the trust, $250.0 million, to be invested in investments that: (a) maximize risk appropriate returns, which may include the purchase of equity or debt securities; and (b) make significant investments in Indiana funds and companies. At least 50% of the money in the trust, $250.0 million or greater, may be invested by the Treasurer of State in the same manner as the public employees' retirement fund, excluding investment in equity securities. An Investment Policy Statement for the Major Moves Construction Fund for the investment of this fund has been adopted by the Treasurer of State. An Investment Policy Statement for the Next Level Indiana Trust Fund for the investment of these funds has been adopted by the Next Level Indiana Trust Fund Investment Board. The Investment Policy Statements are written in conformity with the applicable investment statutes and in accordance with prudent investor standards. There is no formal deposit policy other than compliance to State Statute. State statute does not establish any parameters or guidelines related to the concentration of investment risk, investment credit risk, nor interest rate risk. The Investment Policy Statements establish asset allocations and investment structures for both funds. These asset allocations and investment structures were established with consideration given to each Fund's objectives, time horizons, risk tolerances, performance expectations, and liquidity requirements.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investments. The fund's policy for controlling its exposure to interest rate fluctuations should be viewed with the appropriate perspective. The MMCF manager's long-term strategy was employed to achieve the fund's objectives, but there was consideration given to the short-term liquidity needs to meet disbursements required by the fund. The asset allocation and investment manager structure was designed to tolerate some interim fluctuations in market value while maintaining a long-term return objective of 5.25%.

The following table provides the interest rate risk disclosure for the Major Moves/Next Level Indiana Trust Fund as of June 30, 2020:

		Investment Maturities (in Years)			
Investment Type	**Fair Value**	**Less than 1**	**1 - 5**	**6- 10**	**More than 10**
U.S Treasuries	$ 555,718	$ 421,666	$ 121,880	$ 5,789	$ 6,383
U.S. Agencies	26,863	26,863	-	-	-
Government Asset and Mortgage Backed	77,278	38,922	3,749	6,340	28,267
Collateralized Mortgage Obligations					
Government CMOs	13,969	5,266	1,777	1,787	5,139
Corp CMOs	8,463	5,808	-	-	2,655
Corporate Bonds	297,357	109,332	141,028	30,005	16,992
Corporate Asset Backed	56,982	13,785	34,623	1,523	7,051
Private Placements	130,690	32,709	58,014	20,786	19,181
Municipal Bonds	16,630	3,921	10,360	2,121	228
TrustINdiana	2,800	2,800	-	-	-
Non US Government/Corp Bonds	38,092	1,748	12,279	10,355	13,710
Supernationals	91,480	89,958	1,522	-	-
Mutual Funds	110,694	110,694	-	-	-
Total	**$ 1,427,016**	**$ 863,472**	**$ 385,232**	**$ 78,706**	**$ 99,606**

Custodial Credit Risk

Deposits – The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party.

At June 30, 2020, the balance of the State of Indiana's deposits was covered in full by federal depository insurance or by the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

Investment Custodial Credit Risk – The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if the securities are uninsured and unregistered and are either held by the counterparty's trust department or agent, but not in the name of the State of Indiana. None of the State's investments are exposed to custodial credit risk because they are held in the name of the State of Indiana. Additionally, the Treasurer of State requires all custodians to indemnify the State against all out-of-pocket expenses or losses incurred as a result of (i) the custodian's operational failure, (ii) custodians failure to carry out the credit analysis, (iii) custodian's failure to maintain proper collateral for each loan, or (iv) failure of an approved counterparty to comply with its obligations under the applicable securities lending agreement.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality.

All investment managers must adhere to the following guideline related to the specific limitation on holdings:

The purchase of securities in the maximum amount invested in any single issuer of a non-agency mortgage-backed, asset-backed, or corporate security shall be limited to an initial cost of 2.5% of the market value of an Investment Manager's portfolio. This limit shall not apply to U.S. Government securities, or mortgage-back securities that are issued by an agency of the U.S. Government. Through capital appreciation, no such holding should exceed 3.5% of the market value of the total holdings of such Investment Manager's portfolio.

The following table provides information on the credit quality ratings for investments in debt securities, short-term money market funds, bond mutual funds and bond commingled funds, municipal securities, asset-backed, and mortgage-backed securities as of June 30, 2020. The table below reflects the "greatest risk" rating (the credit rating reflecting the greatest degree of risk) as set by three nationally recognized rating organizations (S&P, Moody, and Fitch) for each type of investment, not exempt from disclosure, in the Major Moves/Next Level Indiana Trust Fund.

	Greatest Risk	
Investment Type	**Ratings**	**Fair Value**
U.S. Agencies	AA	$ 26,863
Government Asset And Mortgage Backed	AAA	3,009
	AA	35,529
	NR	38,740
Collateralized Mortgage Obligations		
Government CMO's	AAA	1,265
	AA	11,781
	A	167
	BB	503
	BBB	253
Corporate CMO's	AA	180
	A	112
	BBB	787
	BB	180
	B	480
	CCC&Below	5,423
	NR	1,301
Non US Govt/Corp Bonds	AA	2,598
	A	1,980
	BBB	13,088
	BB	5,105
	B	7,694
	CCC&Below	2,040
	NR	5,587
Corporate Bonds	AAA	143
	AA	12,276
	A	106,890
	BBB	141,203
	BB	24,906
	B	9,955
	CCC&Below	1,223
	NR	760
Corporate Asset and Mortgage Backed	AAA	31,889
	AA	5,940
	A	3,073
	BBB	2,010
	BB	1,346
	B	2,183
	CCC&Below	10,527
	NR	14
Private Placements	AAA	28,683
	AA	12,662
	A	15,592
	BBB	30,165
	BB	11,204
	B	16,470
	CCC&Below	10,675
	NR	5,240
TrustINdiana	NR	2,800
Municipal Bonds	AA	10,888
	A	4,303
	BBB	1,381
	CCC&Below	55
	NR	3
Supernationals	AAA	91,480
Money Market Mutual Funds	NR	110,694
Total		**$ 871,298**

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer representing 5% or more of the total investments. The only exemptions from disclosures are US Government Debt, US Government Guaranteed Investments, Mutual Funds, or External Investment Pools. For Intermediate and Core Fixed Income Managers, securities in any one issuer should be limited to not more than 5% of the investment manager's portion of the Fund portfolio measured at market value. For Core Plus Fixed Income Managers, the exposure of each manager's portfolio should be limited to not more than 10% of the manager's portion of the Fund portfolio measured at market value.

As of June 30, 2020, there were no investments in any one issuer that represent 5% or more of the total investments.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The Major Moves/Next Level Trust Fund's foreign currency exposure is focused primarily in fixed income securities. The exposure to foreign currency fluctuation is as follows:

Currency	Fair Value	% of Total Fair Value
Argentina Peso	$ 999	0.07%
Australian Dollar	202	0.01%
Brazil Real	1,772	0.12%
Canadian Dollar	3,281	0.23%
Chinese R Yuan HK	(420)	-0.03%
Chinese Yuan Renminbi	419	0.03%
Colombian Peso	858	0.06%
Czech Koruna	430	0.03%
Dominican Republic Peso	441	0.03%
Egyptian Pound	171	0.01%
Euro Currency	(2,454)	-0.17%
Indian Rupee	328	0.02%
Indonesian Rupiah	2,662	0.19%
Japanese Yen	22	0.00%
Malaysian Ringgit	825	0.06%
Mexican Peso	5,638	0.39%
Peruvian Sol	2,052	0.14%
Polish Zloty	1,524	0.11%
Pound Sterling	1,545	0.11%
Russian Ruble	4,498	0.31%
Singapore Dollar	2	0.00%
South African Rand	1,441	0.10%
Ukraine Hryvana	940	0.07%
Uruguayan Peso	268	0.02%
Subtotal	27,444	1.92%
U.S. Dollar	1,405,557	98.08%
Total Fair Value	**$1,433,001**	**100.00%**

Securities Lending

The Treasurer of State is authorized by Indiana Code 5-13-10.5-13 to lend securities. Securities may be lent only if the agreement under which the securities are lent is collateralized by (1) cash or (2) interest bearing obligations that are issued by, fully insured by, or guaranteed by the United States, an agency of the United States, a federal instrumentality, or a federal government sponsored enterprise, in excess of the total market value of the loaned securities.

At year end, there were no securities on loan and therefore, no credit risk exposure.

Fair Value Measurement

The Major Moves Construction Fund and Next Level Indiana Trust Fund categorizes investments measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy prioritizes valuation inputs used to measure the fair value of the asset or liability into three broad categories. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Levels 1, 2, and 3 (lowest priority level) of the fair value hierarchy are defined as follows:

Level 1 Inputs using unadjusted quoted prices in active markets or exchanges for identical assets or liabilities.

Level 2 Significant other observable inputs, which may include, quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in non-active markets; and inputs other than quoted prices that are observable for the assets or liabilities, either directly or indirectly.

Level 3 Valuations for which one or more significant inputs are unobservable and may include situations where there is minimal, if any, market activity for the asset or liability.

US Treasury securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. The U.S. agencies' securities, supranationals' securities, and municipal bonds, corporate bonds, and other debt securities classified in Level 2 of the fair value hierarchy are valued using other observable inputs other than quoted prices in an active market. The local government investment pool is valued using the fair value valuation methodology and is marked to market daily using the most recent market bid price as obtained from one or more market makers and is thus classified in Level 2 of the fair value hierarchy. Those money market mutual funds that are valued at the daily closing price as reported by the funds and are deemed to be actively traded and are classified in Level 1 of the fair value hierarchy. The international commingled mutual fund was not priced in an active market and had no observable inputs thus was classified in Level 3.

The following table summarizes the valuation of the investments by the fair value hierarchy levels as of June 30, 2020:

		Fair Value Measurements Using		
Investment Type	**June 30, 2020**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
U.S. Treasuries	$ 555,718	$ 555,718	$ -	$ -
U.S. Agencies	26,863	-	26,863	-
Govt Asset and Mortgage Backed	77,278	-	77,278	-
Supranationals	91,480	-	91,480	-
Collateralized Mortgage Obligations				
Govt CMO's	13,969	-	13,969	-
Corporate CMO's	8,463	-	8,463	-
Corporate Bonds	297,356	-	295,973	1,383
Corporate Asset Backed	56,982	-	56,982	-
Private Placements	130,690	-	130,690	-
Local Government Investment Pool	2,800	-	2,800	-
Non US Govt/Corp Bonds	38,092	-	38,092	-
Municipal Bonds	16,630	-	16,630	-
Mutual/Commingled Funds	110,695	17,807	(1,097)	93,985
Total Fixed Income Securities	**$ 1,427,016**	**$ 573,525**	**$ 758,123**	**$ 95,368**

TrustINdiana, Local Government Investment Pool (Investment Trust Funds)

Investment Policy

Indiana Code 5-13-9-11, established the local government investment pool within the office and custody of the Treasurer of State. The Treasurer of State shall invest the funds in the same manner, in the same type of instruments, and subject to the same limitations provided for the deposit and investment of state funds by the Treasurer of State under Indiana Code 5-13-10.5. State statute does not establish any parameters or guidelines related to the concentration of investment risk, investment credit risk, nor interest rate risk. However, pursuant to IC 5-13-9-11(g)(7), no less than fifty percent of funds available for investment shall be deposited in banks qualified to hold deposits of participating local government entities. Investment criteria have been established to create the principles and procedures by which the funds shall be invested and to comply with state statute relating to the investment and deposit of public funds.

Valuation of Investments

Securities, other than repurchase agreements, are valued at the most recent market bid price as obtained from one or more market makers for such securities. Repurchase agreements are recorded at cost, which approximates fair value. The underlying investments of the Pool are marked-to-market on a daily basis.

Security transactions are recorded on a settlement-date basis. Realized gains and losses on sales of investments are calculated on an identified cost basis. Interest income, including any amortization of premium or accretion of discount, is recorded on the accrual basis.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The following is a summary of the Interest Rate Risk Disclosure as of June 30, 2020:

		Investment Maturities (in Years)
Investment Type	**Fair Value**	**Less than 1**
Fixed Income Securities		
U.S Treasuries	$ 19,824	$ 19,824
Commercial Paper	365,530	365,530
Certificates of Deposit	16,750	16,750
Money Market Mutual Funds	276,726	276,726
Total	**$ 678,830**	**$ 678,830**

Custodial Credit Risk

Deposits – The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party.

At June 30, 2020, the balance of all bank deposits were covered in full by federal depository insurance or by the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

Investment Custodial Credit Risk – The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if the securities are uninsured and unregistered and are either held by the counterparty's trust department or agent, but not in the name of the State of Indiana. None of the State's investments are exposed to custodial credit risk because they are held in the name of the State of Indiana. Additionally, the Treasurer of State requires all custodians to indemnify the State against all out-of-pocket expenses or losses incurred as a result of (i) the custodian's operational failure, (ii) custodians failure to carry out the credit analysis, (iii) custodian's failure to maintain proper collateral for each loan, or (iv) failure of an approved counterparty to comply with its obligations under the applicable securities lending agreement.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. TrustINdiana limits its investments in any one issuer to the highest rating category issued by one nationally recognized statistical rating organization.

The following table provides information on the credit quality ratings for investments in TrustINdiana as of June 30, 2020. Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality. The table reflects the greatest risk rating (the credit rating reflecting the greatest degree of risk) as set by three nationally recognized rating organizations for each type of investment, not exempt from disclosure, in TrustINdiana.

	Greatest Risk	
Investment Type	**Ratings**	**Fair Value**
Certificates of Deposits	NR	$ 16,750
Commercial Paper	A1	$ 317,981
	A3	$ 19,820
	NR	$ 27,730
Money Market Mutual Funds	AAA	276,726
Total		**$ 659,007**

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer representing 5% or more of the total investments. As noted above, TrustINdiana is required to be comprised of no less than 50% of deposits in banks from an approved list maintained by the State of Indiana. In addition, TrustINdiana limits its investments in any one issuer of commercial paper to a maximum of 5% of assets per commercial paper issuer and 10% of assets per ultimate commercial paper issuer. The only exemptions from disclosures are US Government Debt, US Government Guaranteed Investments, Mutual Funds, or External Investment Pools.

At June 30, 2020, there were no investments in any one issuer, not exempt from disclosure that represents 5% or more of the total investments.

Securities Lending

The Treasurer of State is authorized by Indiana Code 5-13-10.5-13 to lend securities. Securities may be lent under an agreement which requires the loaned securities to be collateralized in the form of (1) cash or (2) interest bearing obligations that are issued by, fully insured by, or guaranteed by the United States, an agency of the United States, a federal instrumentality, or a federal government sponsored enterprise, in an amount at least equal to 102% of the current market value of the loaned securities. The net income earned through securities lending is recorded as additional income to the Pool. As of June 30, 2020, there were no securities on loan and therefore, no credit risk exposure.

Fair Value Measurement

TrustINdiana categorizes investments measured at fair value within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair Value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. The hierarchy prioritizes valuation inputs used to measure the fair value of the asset or liability into three broad categories. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Levels 1, 2, and 3 (lowest priority level) of the fair value hierarchy are defined as follows:

Level 1 Inputs using unadjusted quoted prices in active markets or exchanges for identical assets or liabilities.

Level 2 Significant other observable inputs, which may include, quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in non-active markets; and inputs other than quoted prices that are observable for the assets or liabilities, either directly or indirectly.

Level 3 Valuations for which one or more significant inputs are unobservable and may include situations where there is minimal, if any, market activity for the asset or liability.

The bank deposits are valued on the rates directly negotiated with each financial institution and are quoted in an active market, thus classified as Level 1. The commercial paper classified in Level 2 of the fair value hierarchy are valued using other observable inputs other than quoted prices in an active market.

The following table summarizes the valuation of the TrustINdiana's investments by the fair value hierarchy levels as of June 30, 2020:

		Fair Value Measurements Using	
Investment Type	**June 30, 2020**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**
Fixed Income Securities			
U.S Treasuries	$ 19,824	$ 19,824	$ -
Commercial Paper	365,530	-	365,530
Certificates of Deposit	16,750	-	16,750
Money Market Mutual Funds	276,726	276,726	-
Total	**$ 678,830**	**$ 296,550**	**$ 382,280**

2. *Pension and Other Employee Benefit Trust Funds – Primary Government*

State Police Pension Fund

Investment Policy

The Indiana State Police Pension Trust was established in 1937 to provide pension, death, survivor, and other benefits to present and former employees of the department and their beneficiaries who meet the statutory requirement for such benefits.

Indiana Code 10-1-2-2(c), established the prudent investor standard as the primary statutory provision governing the investment of the Trust's assets. IC 10-1-2-2 (c) reads as follows:

The trust fund may not be commingled with any other funds and shall be invested only in accordance with Indiana laws for the investment of trust funds, together with such other investments as are specifically designated in the pension trust. Subject to the terms of the pension trust, the Trustee, with the approval of the Department and the Pension Advisory Board, may establish investment guidelines and limits on all types of investments (including, but not limited to, stocks and bonds) and take other action necessary to fulfill its duty as a fiduciary for the trust fund. However, the Trustee shall invest the trust fund assets with the same care, skill, prudence, and diligence, that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims. The Trustee shall also diversify such investments in accordance with prudent investment standards.

There is no formal deposit policy other than compliance to State statute. The following was the SPPT's adopted asset allocation policy as of June 30, 2020:

Asset Class	**Target Allocation (%)**
Broad domestic equity	31.0
Hedge funds	25.0
Core U.S. fixed	22.0
Global ex U.S. equity	11.0
Core real estate	5.0
Short duration fixed income	4.0
Cash and equivalents	2.0
Total	**100.0**

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality.

The following table provides information on the credit quality ratings for investments in debt securities, short term money market funds, bond mutual/commingled funds, municipal securities, asset-backed, and mortgage backed securities for the State Police Pension Trust. The table reflects the "greatest risk" rating (the credit rating reflecting the greatest degree of risk) as set by three nationally recognized rating organizations (S&P, Moody, and Fitch) for each investment type, not exempt from disclosure, in State Police Pension Trust.

Investment Type	Greatest Risk Ratings	Fair Value
U.S. government mortgage backed	AA	$ 562
Collateralized mortgage obligations	NR	223
Corporate bonds	AAA	214
	AA	1,255
	A	1,194
	BBB	7,434
	BB	1,520
	B	753
Private placements	AA	88
	A	260
Municipal bonds	AAA	562
	AA	1,850
	A	601
	BBB	506
Mutual/commingled funds	NR	118,877
Total		**$ 135,899**

Custodial Credit Risk

Deposits – The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party.

At June 30, 2020, the balance of the State Police Pension Trust deposits was covered in full by federal depository insurance or by the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

Investment Custodial Credit Risk – The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if the securities are uninsured and unregistered and are either held by the counterparty's trust department or agent, but not in the name of the customer. None of the Indiana State Police Pension Trust's investments are exposed to custodial credit risk because they are held in the name of the Indiana State Police Pension Trust. Additionally, the Treasurer of State requires all custodians to indemnify the State against all out-of-pocket expenses or losses incurred as a result of (i) the custodian's operational failure, (ii) custodians failure to carry out the credit analysis, (iii) custodian's failure to maintain proper collateral for each loan, or (iv) failure of an approved counterparty to comply with its obligations under the applicable securities lending agreement.

Method Used to Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Fair value for the majority of fixed income securities is determined by using quoted market prices by independent pricing services. Investments that do not have an established market are reported at estimated fair value, these include commingled funds, private equity funds and hedge funds. The alternative investments are valued using current estimates of fair value obtained from the general partner or investment manager. Holdings are generally valued by a general partner or investment manager on a quarterly basis. Valuation assumptions are based upon the nature of the investment and the underlying business. Additionally, valuation techniques will vary by investment type and involve a certain degree of judgement.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Indiana State Police Trust has thirty different investments managers. Each investment manager is retained by the Trust to implement a specific investment style and strategy and shall adhere to the specific limitations on holdings outlined in each investment manager's securities guidelines. The securities guidelines for each investment manager is negotiated and agreed upon in writing on a case-by-case basis and referenced in Appendix D of the Investment Policy Statement.

At June 30, 2020, there were no investments in any one issuer that represents 5% or more of the total investments.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investments. The Fund's policy for controlling its exposure to interest rate fluctuations should be viewed with the appropriate perspective. A long-term strategy was employed to achieve the Fund's objectives, but there was consideration given to the short-term liquidity needs to meet disbursements required by the Fund. The asset allocation and investment manager structure was designed to tolerate some interim fluctuations in market value while maintaining a long-term return objective to exceed the actuarial assumed interest rate of 6.75%.

The following table provides the interest rate risk disclosure for the Indiana State Police Pension Fund:

		Investment Maturities (in Years)			
Investment Type	**Fair Value**	**Less than 1**	**1 - 5**	**6- 10**	**More than 10**
U.S. treasuries	$ 4,257	$ 658	$ 2,596	$ 1,003	$ -
U.S. government mortgage backed	562	-	141	72	349
Collateralized mortgage obligations	223	-	-	223	-
Corporate bonds	12,370	906	5,603	5,861	-
Municipal bonds	3,520	379	1,332	1,809	-
Private placements	347	-	260	87	-
Commingled fixed income funds	118,877	118,877	-	-	-
Total	**$ 140,156**	**$ 120,820**	**$ 9,932**	**$ 9,055**	**$ 349**

Rate of Return

For the year ended June 30, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.45%. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amount actually invested.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The State Police Pension Trust's foreign currency exposure is focused primarily in international and global equity holdings. The exposure to foreign currency fluctuation is as follows:

Currency	Fair Value	% of Total Fair Value
Australian Dollar	$ 1,227	0.25%
Danish Krone	2,135	0.43%
Euro Currency	4,273	0.86%
Hong Kong Dollar	2,662	0.54%
Japanese Yen	3,463	0.70%
New Zealand Dollar	306	0.06%
Pound Sterling	1,796	0.36%
Swedish Krona	2,214	0.45%
Swiss Franc	1,683	0.34%
Total Foreign Currency	19,759	3.97%
United States Dollar	477,360	96.03%
Total Fair Value:	**$ 497,119**	**100.00%**

Securities Lending

The Treasurer of State is authorized by Indiana Code 5-13-10.5-13 to lend securities. Securities may be lent only if the agreement under which the securities are lent is collateralized by (1) cash or (2) non-cash collateral if the State is indemnified by the custodian holding the non-cash collateral, in excess of the total market value of the loaned securities. The market value of the required collateral must be in an amount at least equal to 102% of the current market value of the loaned securities.

As of June 30, 2020, the State Police Pension Trust did not have any securities on loan and therefore, no credit risk exposure.

Fair Value Measurement

The Trust categorizes investments measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy prioritizes valuation inputs used to measure the fair value of the asset or liability into three broad categories. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Levels 1, 2 and 3 (lowest priority level) of the fair value hierarchy are defined as follows:

Level 1 Inputs using unadjusted quoted prices in active markets or exchanges for identical assets or liabilities.

Level 2 Significant other observable inputs, which may include, quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in non-active markets; and inputs other than quoted prices that are observable for the assets or liabilities, either directly or indirectly.

Level 3 Valuations for which one or more significant inputs are unobservable and may include situations where there is minimal, if any, market activity for the asset or liability.

If the fair value is measured using inputs from different levels in the fair value hierarchy, the measurement should be categorized based on the lowest priority level input that is significant to the valuation. The Trust's assessment of significance of a particular input to the fair value measurement in its entirety required judgment, and considers factors specific to the investment. Investments measured at fair value using net asset value per share (or equivalent) as a practical expedient to fair value are not classified in the fair value hierarchy; however, separate disclosures for these investments are required.

Fixed income and equity investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for identical investments, to the extent these securities are traded.

Fixed income investments classified in Level 2 of the fair value hierarchy are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors. Valuation estimates from service providers' internal models use observable inputs such as interest rates, yield curves, credit/risk spreads and default rates. Matrix pricing techniques value securities based on their relationship to benchmark quoted prices.

Fixed income investments classified in Level 3 include valuations using significant unobservable inputs, valuations using proprietary information, inputs that cannot be corroborated by observable market data and securities valued with last trade date due to limited trading volume.

The following table summarizes the valuation of the investments in the Trust by the fair value hierarchy levels as of June 30, 2020:

		Fair Value Measurements Using	
Investment Type	**June 30, 2020**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**
Fixed Income Investments			
U.S. Treasuries	$ 4,257	$ 4,257	$ -
U.S. Government Mortgage Backed	562	-	562
Collateralized Mortgage Obligations	223	-	223
Corporate Bonds	12,370	-	12,370
Private Placements	347	-	347
Municipal Bonds	3,520	-	3,520
Total Fixed Income Securities	**21,279**	**4,257**	**17,022**
Equity Investments			
Domestic Equity	57,840	57,840	-
International Equity	19,756	19,756	-
Mutual Funds	131,478	131,478	-
Totat Equity Funds	**209,074**	**209,074**	**-**
Total Investments by Fair Value	**230,353**	**$ 213,331**	**$ 17,022**
Investment measured at the Net Asset Value (NAV)			
Commingled Fixed Income Funds	118,877		
Multi-Strategy Hedge Funds	47,873		
Private Equity	63,744		
Total Investments measured at NAV	**230,494**		
Total Investments measured by Fair Value	**$ 460,847**		

The valuation methods for investments measured at the NAV per share (or its equivalent) are described below:

	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Commingled Fixed Income Funds	$ 118,877	$ -	Daily	1 day
Private Equity	63,744	9,965	N/A	N/A
Multi-strategy Hedge Funds	47,873	2,298	Semi-Annually	95 days
Total investments measured at the NAV	**$ 230,494**	**$ 12,263**		

Commingled Fixed Income – There are 3 fixed income funds considered to be commingled in nature. Each are valued at the net asset value of the units held at the end of the period based upon fair value of the underlying securities.

Private Equity - Consisting of 12 private equity funds, this strategy invests across a range of strategies, geographies, and industries. These underlying portfolio company investments cannot be redeemed with the funds, but rather the funds will make distributions of capital to the Trust as the funds sell the underlying portfolio company investments.

Multi-Strategy Hedge Funds – Consisting of 12 hedge funds that are comprised of investments across hedge fund strategies. Four broad categories are, equity hedge, event driven, macro, and relative value. “Multi” references the multiple underlying sub-strategies within each category.

State Employee Retiree Health Benefit Trust Fund-DB

Investment Policy

The State Retiree Health Benefit Trust Fund – DB fund is comprised of the State Police Retiree Health Benefit Trust Fund (ISPP), the State Personnel Plan Trust Fund (SPP), and the Conservation and Excise Police Trust Fund (CEPP).

The ISPP consists of sections 401(h) and 115 established pursuant to the Internal Revenue Service that are separate accounts established within the State Police Pension Fund for the purpose of paying benefits for sickness, accident, hospitalization, and medical expenses. The assets in this account may be commingled for investment purposes only with the other accounts of the Indiana State Police Pension Fund. The investment authority for these funds, is established under Indiana Code IC 5-10-8-6(d)(2).and 10-12-2-2(c). There is no formal deposit policy other than compliance to State statute. In compliance to State statute, the asset allocation is 100% in fixed income investments.

IC 10-12-2-2(c) reads as follows:

The trust fund shall be invested only in accordance with Indiana laws for the investment of trust funds, together with such other investments as are specifically designated in the pension trust. Subject to the terms of the pension trust, the Trustee, with the approval of the Department and the Pension Advisory Board, may establish investment guidelines and limits on all types of investments (including, but not limited to, stocks and bonds) and take other action necessary to fulfill its duty as a fiduciary for the trust fund. However, the Trustee shall invest the trust fund assets with the same care, skill, prudence, and diligence, that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims. The Trustee shall also diversify such investments in accordance with prudent investment standards.

IC 5-10-8-6(d)(2) reads as follows:

The treasurer of state shall invest the money in these trust funds not currently needed to meet the obligations of the trust fund in the same manner as other public money may be invested.

Indiana Code, Title 5, Article 13, Chapters 9, 10, 10.5, establishes the investment powers and guidelines regarding the State of Indiana investments.

The SPP and CEPP were established pursuant to HEA 1123 of the 2012 Indiana General Assembly. The State Personnel Department administers the SPP. The CEPP is administered by the Indiana Alcohol and Tobacco Commission and the Indiana Department of Natural Resources. These trust funds were created to provide for the prefunding of annual required contributions and for covering the OPEB liability of covered individuals. The investment authority for the CEPP is established under IC 5-10-8-6(d)(2). The investment authority for the SPP is established under IC 5-10-8-7(i)(2). Both of these codes sites state: The Treasurer of State shall invest monies in these trust funds not currently needed to meet the obligations of the trust funds in the same manner as other public money may be invested. Indiana Code, Title 5, Article13, Chapters 9, 10, and 10.5, establishes the investment powers and guidelines regarding the State of Indiana investments. There are no formal deposit and investment policies for the investment of these funds other than compliance to State statute. In compliance to State statute, the asset allocation is 100% in fixed income investments. State statute does not establish any parameters or guidelines related to the concentration of investment risk, investment credit risk, nor interest rate risk.

Effective July 1, 2017, the statutory investment authority changed for all of the State Retiree Health Benefit Trust Fund – DB funds. The new investment authority, under IC 5-10-8-6(d)(2), for the ISPP and the CEPP, and the new investment authority, under IC 5-10-8-7(i)(2), for the SPP, both state, notwithstanding IC 5-13, the treasurer of state shall invest the money in these trust funds in the same manner as money may be invested by the public employees' retirement fund under IC 5-10-35-5. However, the trustee may not invest the money in the trust in equity securities. Another change to the investment authority, effective July 1, 2019, will allow for the purchase of equities. The trustee shall also comply with the prudent investor rule set forth in IC 30-4-3.5.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality.

The following table provides information on the credit quality ratings for investments, not exempt from disclosure, in the State Retiree Health Benefit Trust Fund - DB:

Investment Type	Greatest Risk Ratings	Fair Value
U.S. Agencies	AA+	$ 15,012
Total		**$ 15,012**

Custodial Credit Risk

Deposits – The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party.

At June 30, 2020, the balance of any bank deposits was covered in full by federal depository insurance or by the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

Investment Custodial Credit Risk – The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if the securities are uninsured and unregistered and are either held by the counterparty's trust department or agent, but not in the name of the State of Indiana. None of the State's investments are exposed to custodial credit risk because they are held in the name of the State of Indiana. Additionally, the Treasurer of State requires all custodians to indemnify the State against all out-of-pocket expenses or losses incurred as a result of (i) the custodian's operational failure, (ii) custodians failure to carry out the credit analysis, (iii) custodian's failure to maintain proper collateral for each loan, or (iv) failure of an approved counterparty to comply with its obligations under the applicable securities lending agreement.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer representing 5% or more of the total investments. The only exemptions from disclosures are US Government Debt, US Government Guaranteed Investments, Mutual Funds, or External Investment Pools.

Investments in any one issuer, not exempt from disclosure, that represent 5% or more of the total investments (in thousands) were:

FNMA 6.44% $15,012

Rate of Return - For the year ended June 30, 2020, the annual money-weighted rate of return on investments, net of investment expense, for the three OPEB plans administered through trusts was:

SPP	ISPP	CEPP
1.7%	1.4%	1.3%

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. There was no foreign currency risk.

Securities Lending

The Treasurer of State is authorized by Indiana Code 5-13-10.5-13 to lend securities. Securities may be lent only if the agreement under which the securities are lent is collateralized by (1) cash or (2) non-cash collateral if the State is indemnified by the custodian holding the non-cash collateral, in excess of the total market value of the loaned securities..

At year end, there were no securities on loan and therefore, no credit risk exposure.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment

The following is a summary of the Interest Rate Risk Disclosure as of June 30, 2020:

		Investment Maturities (in Years)	
Investment Type	**Fair Value**	**Less than 1**	**1 - 5**
U.S. Treasuries	$ 212,855	$ 212,855	$ -
U.S. Agencies	15,012	-	15,012
Total Fixed Income Securitie:	**$ 227,867**	**$ 212,855**	**$15,012**

Fair Value Measurement

The State Retiree Health Benefit Trust – DB funds categorizes investments measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy prioritizes valuation inputs used to measure the fair value of the asset or liability into three broad categories. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Levels 1, 2, and 3 (lowest priority level) of the fair value hierarchy are defined as follows:

Level 1 Inputs using unadjusted quoted prices in active markets or exchanges for identical assets or liabilities.

Level 2 Significant other observable inputs, which may include, quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in non-active markets; and inputs other than quoted prices that are observable for the assets or liabilities, either directly or indirectly.

Level 3 Valuations for which one or more significant inputs are unobservable and may include situations where there is minimal, if any, market activity for the asset or liability.

US Treasury securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. The debt securities classified in Level 2 of the fair value hierarchy are valued using other observable inputs other than quoted prices in an active market.

The following table summarizes the valuation of the investments by the fair value hierarchy levels as of June 30, 2020:

		Fair Value Measurements Using	
Investment Type	**June 30, 2020**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**
U.S. Treasuries	$ 212,855	$ 212,855	$ -
U.S. Agencies	15,012	-	15,012
Total Fixed Income Securities	**$ 227,867**	**$ 212,855**	**$ 15,012**

3. Pension Trust Funds – Fiduciary in Nature Component Unit

Indiana Public Retirement System

Investment Guidelines and Limitations

Oversight of INPRS assets is the fiduciary responsibility of the INPRS Board. As stated in IC 5-10.3-5-3 (a) and IC 5-10.4-3-10 (a) "The Board shall invest its assets with the care, skill, prudence, and diligence that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims." Accordingly, the INPRS Board must sufficiently diversity the portfolio to minimize the risk of large losses unless, under the circumstances, it is clearly prudent not to do so. Primary risk measures are volatility in the plan's assets, funded status, and the contribution rates.

Indiana law permits the INPRS Board to establish investment guidelines and limits on all types of investments and take other actions necessary to fulfill its duty as a fiduciary for all assets under its control. On June 30, 2020, cash and investments were held by banks or trust companies under custodial agreements with INPRS. The Investment Policy Statement, adopted by the Board, includes target asset allocations and allowable ranges that are expected to meet rates of return over a period while minimizing risk.

The following global asset classes, target allocations, and target ranges were approved by the INPRS Board on October 23, 2015 for defined benefit funds, based on a formal asset-liability study and shall remain in place until revised by the INPRS Board. An asset-liability study is conducted every five years.

Global Asset Classes	Target Allocation - %	Target Range - %
Public Equity	22	19.5-24.5
Private Markets	14	10-18
Fixed Income - Ex Inflation - Linked	20	17-23
Fixed Income - Inflation - Linked	7	4-10
Commodities	8	6-10
Real Estate	7	3.5-10.5
Absolute Return	10	6-14
Risk Parity	12	7-17

The defined contribution plans are structured to provide members with a choice of diverse investment options that offer a range of risk and return characteristics appropriate for members. Members can self-direct their investment options or leave their contributions invested in the default target date retirement fund. The offered investment options undergo periodic reviews by the INPRS Board.

The State Death Benefit Fund and Retirement Medical Benefits Account Plan are 100 percent invested in intermediate fixed income investments in a commingled fund. The Local Public Safety Pension Relief Fund is invested 100 percent in high-quality, short-term money market instruments.

Rate of Return

The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts invested. For the year ended June 30, 2020, the annual money-weighted rate of return on defined benefit pension trust fund investments, net of pension plan investment expenses is as follows:

Defined Benefit Pension Trust Funds	Annual Money Weighted Rate of Return
Public Employees' Retirement Fund - DB	2.58%
Teachers' Retirement Fund Pre-1996 - DB	2.76%
Teachers' Retirement Fund 1996 - DB	2.58%
1977 Police Officers' and Firefighters' Pension and Disability Fund	2.57%
Judges' Retirement System	2.57%
State Excise Police, Gaming Agen, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan	2.57%
Prosecuting Attorneys' Retirement Fund	2.60%
Legislators' Defined Benefit Plan	2.64%

Custodial Credit Risk for Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, INPRS's deposits may not be returned. Deposits are exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are uncollateralized or collateralized with securities held by the pledging financial institution. At June 30, 2020, $460 million of cash deposits were uninsured and uncollateralized and therefore exposed to credit risk. The following table shows cash deposits and short-term investments as of June 30, 2020

Cash Deposits	Total
Demand Deposit Account – Bank Balances (Insured by FDIC up to $250 thousand per financial institution)	$ 4,067
Held with Custodian Bank (Uncollateralized)	456,152
Short-term Investment Funds held at Bank (Collateralized)	862,407
Total	**$ 1,322,626**

Custodial Credit Risk for Investments

Custodial credit risk for investments is a risk if the securities are uninsured, are not registered in the name of INPRS, and are held by either the counterparty or the counterparty's trust department or agent, but not in the name of INPRS. INPRS's custody agreement with the custodian requires the custodian to segregate the securities on the custodian's books and records from the custodian's property. In addition, investment managers are not allowed, under any circumstances, to take possession, custody, title, or ownership of any managed assets.

Method Used to Value Investments

Public Equity investments are comprised of domestic and international stocks as well as commingled equity instruments. Equity securities traded on a national or international exchange are valued at the official closing price or last reported sales price of the instrument. International equities are then adjusted to reflect the exchange rate as of June 30, 2020 of the underlying currency. Commingled equities are not traded on a national security exchange and are valued at the net asset value of the units held at June 30, 2020 based on the fair value of the underlying securities.

Private Market investments are valued using current estimates of fair value obtained from the general partner or investment manager. Holdings are generally valued by a general partner or investment manager on a quarterly or semi-annual basis. Investments in private markets are generally considered illiquid long-term investments. Due to the inherent uncertainty that exists in the valuation of alternative investments, the realized value upon sale of an asset may differ significantly from the fair value.

Fixed income securities are comprised of U.S. government, U.S. government-sponsored agencies, publicly traded debt and commingled investment debt instruments. Securities traded on a national and international exchanges are valued based on published market prices and quotations.

Securities that are not traded on a national security exchange are valued using a matrix pricing approach. Commingled securities are valued at the net asset value of the units held as of June 30, 2020 based on the fair value of the securities.

Commodities including derivative instruments are reported at fair value and involve, to varying degrees, elements of market risk to the extent of future market movements in excess of amounts recognized in the financial statements. Derivative instruments are considered investments and not hedges for accounting purposes. The fair value of all derivative financial instruments is reported in the Statement of Fiduciary Net Position. The change in the fair value is recorded in the Statement of Changes in Fiduciary Net Position as Net Investment Income/(Loss). Gains and losses arising from this activity are recognized in the Statement of Changes in Fiduciary Net Position as incurred.

Real Estate, Absolute Return, and Risk Parity investments are valued by the manager or independent appraiser based on reported net asset values, cash flow analysis, purchases and sales of similar investments, new financings, economic conditions, other practices used with the industry, or other information provided by the underlying investment advisors. Due to the inherent uncertainty in privately held securities, the fair value may differ from the values that would have been used if a ready market for such securities existed, and the differences can be material.

INPRS relies on third party resources to verify the methodology and calculation used for investment valuation and performance metric reported by the custodian.

Interest Rate Risk

Interest rate risk is the risk changes in interest rates adversely affect the fair value of the investments. Duration is a measure of interest rate risk. The longer a fixed-income investment is to maturity, the more susceptible the value of the fixed-income investment is to market interest rate changes. The Investment Policy Statement recognizes interest rate risk as a market risk factor. While INPRS does not have a formal stated policy regarding interest rate risk, it is monitored regularly at the Plan level, and within the fixed income asset classes, as part of achieving the long-term actuarial rate of return.

As of June 30, 2020 the duration of the fixed income portfolio is as follows. The $2.03 billion, for which no duration was available, is primarily made up of cash and commingled debt funds:

Debt Security Type	Fair Vale	% of All Debt Securities	Portfolio Weighted Average Effective Duration (Years)
Short Term Investments			
Short Term Investments	$ 862,407	6.9	0.08
U.S. Treasury Obligations	196,088	1.6	0.19
Total Short-Term Investments	1,058,495	8.5	
Fixed Income Investments			
U.S. Governments	4,487,842	36.1	15.54
U.S. Agencies	402,207	3.2	4.47
Non-U.S. Government	3,020,863	24.3	9.08
Corporate Bonds	1,250,410	10.1	8.41
Asset-Backed Securities	161,905	1.3	4.33
Duration Not Available	2,034,050	16.4	N/A
Total Fixed Income Investments	11,357,277	91.5	
Total Debt Securities	**$ 12,415,772**	**100.0**	

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. In accordance with the Investment Policy Statement, when building the most diversified investment portfolio, emphasis is laid on risk allocation, not capital allocation. As a result, INPRS regularly monitors success in achieving the targeted risk diversification that is inherent in the approved asset allocation.

Credit ratings, obtained from several industry rating services for Fixed Income Securities and Short-Term Investments are shown in the table below. The most conservative rating of Standard and Poor's, Moody's, and Fitch are utilized in the schedule below.

Short-Term Investments excludes cash with custodian of approximately $456 million. Unrated investments primarily consist of money market sweep vehicles, private placement, term loans and asset-backed securities, commercial mortgages, CMO/REMIC's, and commingled debt funds.

Credit Rating	Short-Term Investments	Fixed Income Securities	Total	Percentage of All Debt Securities
AAA	$ -	$ 588,719	$ 588,719	4.7
U.S. Government Guaranteed	-	4,901,909	4,901,909	39.5
AA	196,088	1,179,706	1,375,794	11.1
A	-	720,454	720,454	5.8
BBB	-	1,026,003	1,026,003	8.3
BB	-	309,861	309,861	2.5
B	-	242,144	242,144	2.0
Below B	-	246,391	246,391	2.0
Unrated	862,407	2,142,090	3,004,497	24.2
Total	**$ 1,058,495**	**$ 11,357,277**	**$ 12,415,772**	**100.0**

Concentration of credit risk is the risk of loss which may arise in the event of default by a single issuer. The INPRS Investment Policy Statement recognizes issuer risk as a strategic risk factor that is monitored on an absolute and relative basis. At June 30, 2020, single issuer exposure in the portfolio did not exceed

5 percent of the Fiduciary Net Position.

INPRS Investment Policy Statement places concentration limits on assets placed with an investment manager.

No investment manager will manage more than 10 percent of the INPRS assets in actively managed portfolios at the time of funding. Through capital appreciation and additional purchases, no investment manager will be allowed to manage more than 15 percent of the system's assets in actively managed portfolios without Board approval.

No investment manager will manage more than 15 percent of the INPRS assets in passively managed portfolios at the time of funding. Through capital appreciation and additional purchases, no investment manager will be allowed to manage more than 20 percent of the system's assets in passively managed portfolios without Board approval

No investment manager will manage more than 25 percent of the INPRS assets in a combination of actively and passively managed portfolios.

Foreign Currency Risk

Foreign currency risk is the risk changes in exchange rates will adversely affect the fair value of an investment. INPRS has defined a foreign exchange risk management policy to effectively manage the Fund's performance volatility associated with foreign currency risk.

INPRS exposure to foreign currency risk at June 30, 2020, is as follows:

	Investment Held in Foreign Currency					
Currency	**Short Term**	**Fixed Income**	**Equity**	**Other Investments**	**Total**	**% of Total [1]**
Argentina Peso	$ 2,307	$ 381	$ -	$ -	$ 2,688	- %
Australian Dollar	805	83,495	92,902	(81,899)	95,303	0.3
Brazilian Real	(201)	15,775	55,911	18,501	89,986	0.3
Canadian Dollar	(3,837)	135,426	95,662	(129,772)	97,479	0.3
Chilean Peso	1	1,918	66	6,331	8,316	-
Chinese R Yuan HK	-	-	-	14,770	14,770	-
China Yuan Renminbi	84	374	62,302	(12)	62,748	0.2
Colombian Peso	531	22,333	-	(3,760)	19,104	0.1
Czech Koruna	416	11,710	108	9,019	21,253	0.1
Danish Krone	1,657	14,187	46,073	(14,574)	47,343	0.1
Dominican Rep Peso	-	3,698	-	-	3,698	-
Euro Currency Unit	12,003	1,249,433	607,145	(1,215,932)	652,649	1.8
Hong Kong Dollar	366	-	212,878	699	213,943	0.6
Hungarian Forint	(26)	10,592	206	3,006	13,778	-
Indian Rupee	39	34	59,727	(4,655)	55,145	0.2
Indonesian Rupiah	393	40,451	2,404	(1,679)	41,569	0.1
Israeli Shekel	1,236	6,197	2,429	(9,948)	(86)	-
Japanese Yen	11,927	434,473	471,276	(435,793)	481,883	1.3
Malaysian Ringgit	1,158	20,481	2,441	(7,559)	16,521	-
Mexican Peso	(564)	63,672	12,049	(19,428)	55,729	0.2
New Taiwan Dollar	163	-	75,760	(5,989)	69,934	0.2
New Zealand Dollar	102	4,958	1,995	(5,511)	1,544	-
Norwegian Krone	939	3,264	3,634	1,241	9,078	-
Peruvian Sol	259	28,600	-	(11,978)	16,881	0.1
Philipines Peso	-	377	305	-	682	-
Polish Zloty	1,022	32,332	3,229	301	36,884	0.1
Pound Sterling	4,057	522,584	231,706	(527,148)	231,199	0.6
Qatari Riyal	-	-	1,427	-	1,427	-
Romania Leu	-	2,080	-	6,710	8,790	-
Russian Ruble (New)	53	36,047	-	5,335	41,435	0.1
Singapore Dollar	657	6,965	12,043	(8,148)	11,517	-
South African Rand	(40)	43,223	39,428	(10,092)	72,519	0.2
South Korean Won	1,296	-	117,696	1,173	120,165	0.3
Swedish Krona	1,260	68,406	51,537	(68,369)	52,834	0.1
Swiss Franc	4,534	-	189,589	212	194,335	0.5
Thailand Baht	44	20,006	7,479	5,556	33,085	0.1
Turkish Lira	109	8,089	8,673	(4,103)	12,768	-
UAE Dirham	-	-	877	-	877	-
Uruguayan Peso	-	619	-	-	619	-
Total	**$ 42,750**	**$ 2,892,180**	**$ 2,468,957**	**$ (2,493,495)**	**$ 2,910,392**	**7.9 %**

(1) Total of foreign currency risk, as a percentage of all pooled investments.

Securities Lending

The INPRS Board has authorized the custodian to enter into a securities lending program agreement under which securities held by the custodian on behalf of INPRS may be loaned. The purpose of such a program is to provide additional revenue. The policy requires that securities are loaned in exchange for cash or securities collateral equal to approximately 102 percent of the market value of domestic securities on loan and 105 percent of the market value of international securities on loan, with a simultaneous agreement to return the collateral for the same securities in the future. In no event shall the acceptable collateral be less than the total market value of loaned securities. Securities shall not be loaned in excess of 40% of the market value. The custodian and/or securities lending sub-agent is required to provide agreed upon indemnification to INPRS from and against any losses, damages, costs, and expenses which arise from a borrower defaulting on a loan or filing for bankruptcy. In addition, a maximum of 25% of the cash collateral may be invested with a single counterparty and all collateral investments have a maturity of the next business day.

At June 30, 2020, INPRS had no security lending credit risk exposure as the collateral pledged of $473 million exceeded the fair value of securities on loan, as shown below. All reinvested cash collateral investments consist of repurchase agreements which are not rated by any of the rating agencies.

Security Type	Fair Value of Securities on Loan
U.S. Governments	$ 127,245
Corporate Bonds	19,926
International Bonds	11,303
Domestic Equities	221,440
International Equities	77,175
Total	**$ 457,089**

Repurchase Agreements

A repurchase agreement is an agreement in which cash is transferred to a broker-dealer or financial institution in return for transfer of security to the custodian and promise to repay cash plus interest. An obligation under a reverse repurchase agreement is the same as a repurchase agreement but from the perspective of the buyer rather than the seller. Obligations under reverse repurchase agreements are liabilities whereby security collateral is held at the broker dealer or financial institution's custodian.

INPRS's Investment Policy Statement allows prudent use of securities lending, repurchase, and reverse repurchase agreements. Repurchase agreements that may create explicit leverage in the portfolio are prohibited; however, repurchase transactions (including tri-party repurchase transactions) collateralized with U.S. government securities are permitted. Repurchase transactions are required to be collateralized at 102 percent at time of purchase and market to market on each business day.

Investments under Repurchase Agreements (exclusive of Securities Lending) at June 30, 2020, are as follows. At June 30, 2020, INPRS had no reverse repurchase agreement credit risk exposure since the cash collateral value posted was less than the fair value of the liability held.

Repurchase Agreements by Collateral Type	Cash Collateral Received	Fair Value
U.S. Treasury	$ 7,080	$ 7,080

Obligations Under Reverse Repurchase Agreements by Collateral Type	Cash Collateral Posted	Fair Value
U.S. Treasury	$ 387,498	$ 381,665

Fair Value Measurement

INPRS investments are measured at fair value with the fair value hierarchy established by GASB Statement No. 72. The categorization of the investments within the hierarchy is based upon the valuation transparency of the instrument and should not be perceived as the risk of the particular investment. The three-tier hierarchy is summarized as follows:

Level 1 – Unadjusted quoted prices for identical instruments in active markets.

Level 2 – Quoted prices in active markets; quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations in which all significant inputs are observable.

Level 3 – Valuations reflect practices where significant inputs are unobservable.

U.S. Treasury Obligations generally include investments in money market securities that are reported at either fair value or at cost plus accrued interest, which approximates market or fair value.

Equity, U.S. corporate obligations, U.S. government and derivative securities classified in Level 1 are valued using prices quoted in active markets for those securities.

Debt and derivative securities classified in Level 2 are valued using either a bid evaluation or a matrix based pricing technique. Bid evaluations are typically based on market quotations, yields, maturities, call features, and ratings. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Index linked debt securities are valued by multiplying the external market price by the applicable day's index ratio. Level 2 debt securities have non-proprietary information that is readily available to market participants, from multiple independent sources, which are known to be actively involved in the market. Equity and equity derivatives classified in Level 2 are securities whose values are derived daily from associated traded securities.

Investments classified as Level 3 are valued using best available sources such as property appraisals, discounted cash flow models, and public market comparisons of similar assets where applicable. The values are supplied by advisors or general partners who hold those or similar assets in investment vehicles they oversee. These pricing sources may or may not be indicative of realizable exit values attainable for the assets.

Investments that are measured at fair value using the Net Asset Value (NAV) are not classified in the fair value hierarchy. The NAV for these investments is provided by the investee and may be sold at an amount different than NAV. To manage risk relating to Absolute Return investments, assets are placed in limited liability vehicles to protect INPRS from losing more than its invested capital.

At June 30, 2020, the fair value of investments categorized by Level 1, 2 and 3 is as follows:

		Fair Value Measurements Using		
Investment Type (1)	**June 30, 2020**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Investments Measured at Amortized Cost				
Short Term Investments (2)	$ 806,876			
Cash at Brokers	456,152			
Repurchase Agreements	7,080			
Securities Lending Collateral	158,656			
Pooled Short Term Investments (2)	2,452,016			
Total Investments Measured at Amortized Cost	**3,880,780**			
Investments by Fair Value Level				
Pooled Short Term Investments (2)				
BNY - Mellon Cash Reserves	20,255	$ -	$ 20,255	$ -
U.S. Treasury Obligations	196,088	196,088	-	-
Total Pooled Short Term Investments	216,343	196,088	20,255	-
Fixed Income Investments				
U.S. Governments	4,481,443	4,481,160	283	-
Non-U.S. Governments	3,439,282	664	3,426,947	11,671
U.S. Agencies	398,559	-	398,559	-
Corporate Bonds	1,051,686	6,682	809,607	235,397
Asset-Backed Securities	224,668	-	224,668	-
Total Fixed Income Investments	9,595,638	4,488,506	4,860,064	247,068
Equity Investments				
Domestic Equities	4,624,660	4,619,692	4,968	-
International Equities	3,139,479	3,138,329	1,150	-
Total Equity Investments	7,764,139	7,758,021	6,118	-
Total Investments by Fair Value Level	**17,576,120**	**$ 12,442,615**	**$ 4,886,437**	**$ 247,068**
Investments Measured at the Net Asset Value (NAV)				
Commingled Short Term Funds	35,276			
Commingled Fixed Income Funds	1,761,639			
Commingled Equity Funds	1,921,287			
Private Markets	4,045,075			
Absolute Return	3,260,111			
Real Estate	1,808,708			
Risk Parity	4,115,539			
Total Investments Measured at the Net Asset Value (NAV)	**16,947,635**			
Investment Derivatives				
Total Futures	45,139	$ 45,139	$ -	$ -
Total Options	(177)	-	(177)	-
Total Swaps	(30,897)	-	(30,897)	-
Total Investment Derivatives	**14,065**	**$ 45,139**	**$ (31,074)**	**$ -**
Total Investments (less Securities Lending Collateral)	**$ 38,418,600**			

(1) The amounts disclosed above will differ from the Asset Allocation Summary. The investment type combines assets according to the security type assigned to each investment by the Custodian. The Asset Allocation Summary groups assets according to the investment objective of each investment manager.
(2) Short Term Investments include highly liquid assets, both pooled and non-pooled that are an integral part of the pension investments.

The valuation method for investments measured at the net asset value (NAV) per share or equivalent, at June 30, 2020, is presented as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Commingled Short Term Funds (1)	$ 35,276	$ -	Daily	1 day
Commingled Fixed Income Funds (1)	1,761,639	-	Daily	1 day
Commingled Equity Funds (1)	1,921,287	-	Daily	1 day
Private Markets (2)	4,045,075	3,365,752	Not Eligible	N/A
Real Estate Funds (3)	1,808,708	866,021	Quarterly	30-90 days
Absolute Return (4)	3,260,111	-	Monthly, Quarterly, Semi-Annually	30-120 days
Risk Parity (5)	4,115,539	-	Daily, Weekly, Monthly	3-5 days
Total	**$ 16,947,635**	**$ 4,231,773**		

*(1) Commingled Short Term, Fixed Income and Equity Fund*s - There are three short term funds, fifteen fixed income funds and three equity funds, which are considered to be commingled in nature. These investments are valued at the net asset value of the units held at June 30, 2020, based upon fair value of the underlying securities.

(2) *Private Markets -* There are 277 funds that invest across a range of strategies, geographies, and industries within private equity and private credit. The underlying portfolio investments cannot be redeemed with each fund, but rather the fund will make distributions of capital as the fund liquidates the underlying portfolio investments over the typical 10 year term in the case of private equity, and the typical 7 year term in the case of private credit.

(3) *Real Estate Funds* - There are 42 funds invested primarily in U.S. commercial real estate, of which 36 funds are classified as illiquid, or approximately 57 percent of the value of the real estate fund investments. These funds have underlying portfolio investments that cannot be redeemed with the funds, but rather these funds will make distributions of capital as the funds liquidate their underlying portfolio investments over the average 10 year life of the funds. There are six real estate funds that have been classified as liquid due to the open-end structure of the fund. Open-end funds generally offer periodic distributions of net cash flow, which can be reinvested, as well as quarterly redemption windows.

(4) *Absolute Return* - The portfolio consists of 34 fund holdings that cover a broad spectrum of investment strategies and investment horizons which result in distinct fund redemption terms to prevent asset-liability mismatches. These funds attempt to generate returns in excess of the plan's target actuarial rate of return over a full market cycle with minimal beta to the plan's primary long-only market exposures (equities, credit, rates, and commodities). Fund redemption periods range from weeks (alternative beta) to years (drawdown vehicles), but as a whole, on a weighted-average basis, the portfolio maintains a liquidity profile of less than one year. The valuation process for the funds are comparable to private markets, with quarterly valuations.

(5) *Risk Parity* **-** This portfolio, which consists of three funds is constructed to accrue various asset class risk premiums, including equity, without long-term reliance on any single asset class. The structure of these investments provides a reasonable level of liquidity and investments may be redeemed in accordance to the terms set forth by each investment management agreement. Investments are considered to be liquid, market-priced instruments, and 100 percent of the NAV is independently calculated by the fund administrators. Fair values are reported as NAV per share.

It is probable that illiquid investments will be sold at an amount different from the NAV of the ownership interest in partners' capital. Therefore, the fair values of the investments in this type have been estimated using recent observable transaction information for similar investments and non-binding bids received from potential buyers of the investments (one quarter in arrears plus current quarter cash flows).

Derivative Financial Instruments - Activity

A derivative is a contract between two or more parties whose value is based on an agreed-upon underlying financial asset (similar to a security) or set of assets (similar to an index). Common underlying instruments include bonds, commodities, currencies, interest rates, market indexes, and stocks. The following derivative instruments are included in Investments:

Futures

A futures contract is an agreement between two parties to buy and sell a financial instrument at a set price on a future date.

Options

Options are agreements that give the owner of the option the right, but not obligation, to buy (in the case of a call) or to sell (in the case of a put) a specific amount of an asset for a specific price on or before a specified expiration date.

Swaps

Swaps are derivative instruments in which one party exchanges a stream of fixed cash flows for floating cash flows. A notional amount of principal is required to compute the actual cash amounts and is determined at the inception of the contract.

Currency Exchange Forwards

A currency exchange forward contract is a commitment to purchase or sell a foreign currency at a future date at a negotiated forward rate. A contract is classified as a forward contract when the settlement date is more than two days after the trade date.

The following table summarizes INPRS' derivative instruments outstanding as of June 30, 2020:

Investment Derivatives	**Change in Fair Value**	**Fair Value**	**Notional**
Futures			
Index Futures - Long	$ 355	$ 355	$ 26,664
Index Futures - Short	(1)	(1)	(2,085)
Commodity Futures - Long	41,094	41,094	2,158,061
Fixed Income Futures - Long	4,083	4,083	548,661
Fixed Income Futures - Short	(392)	(392)	(293,847)
Total Futures	45,139	45,139	2,437,454
Options			
Currency Spot Options Bought	(222)	8	23,749
Interest Rate Options Bought	(33)	36	1,150
Interest Rate Options Written	44	(24)	3,270
Credit Default Index Swaptions Written	(36)	(197)	99,200
Total Options	(247)	(177)	127,369
Swaps			
Interest Rate Swaps - Pay Fixed Receive Variable	(32,067)	(33,725)	302,831
Interest Rate Swaps - Pay Variable Receive Fixed	3,051	3,260	193,595
Inflation Swaps - Pay Fixed Receive Variable	353	326	4,600
Zero Coupon Swaps - Pay Fixed Receive Variable	(1,578)	(2,795)	91,034
Zero Coupon Swaps - Pay Variable Receive Fixed	997	1,001	43,688
Credit Default Swaps Single Name - Buy Protection	(360)	(262)	20,420
Credit Default Swaps Single Name - Sell Protection	(218)	(453)	67,462
Credit Default Swaps Index - Buy Protection	(222)	117	61,991
Credit Default Swaps Index - Sell Protection	2,002	1,634	246,809
Total Swaps	(28,042)	(30,897)	1,032,430
Total Derivatives	**$ 16,850**	**$ 14,065**	**$ 3,597,253**

The table below summarizes the swap maturity profile of derivative instruments as of June 30, 2020.

	Swap Maturity Profile at June 30, 2020					
Swap Type	**< 1 yr**	**1 - 5 yrs**	**5 -1 0 yrs**	**10 - 20 yrs**	**20 + yrs**	**Total**
Interest Rate Swaps - Pay Fixed Receive Variable	$ -	$ (3,457)	$ (9,337)	$ (301)	$ (20,630)	$ (33,725)
Interest Rate Swaps - Pay Variable Receive Fixed	-	1,501	1,693	66	-	3,260
Inflation Swaps - Pay Fixed Receive Variable	-	-	-	326	-	326
Zero Coupon Swaps - Pay Fixed Receive Variable	-	(992)	(1,757)	(46)	-	(2,795)
Zero Coupon Swaps - Pay Variable Receive Fixed	-	1,001	-	-	-	1,001
Credit Default Swaps Single Name - Buy Protection	-	(262)	-	-	-	(262)
Credit Default Swaps Single Name - Sell Protection	34	(487)	-	-	-	(453)
Credit Default Swaps Index - Buy Protection	-	117	-	-	-	117
Credit Default Swaps Index - Sell Protection	-	2,449	(833)	-	18	1,634
Total Swap Fair Value	**$ 34**	**$ (130)**	**$ (10,234)**	**$ 45**	**$ (20,612)**	**$ (30,897)**

Derivative Financial Instruments – Risk Management

INPRS's Investment Policy Statement allows derivatives transactions by investment managers who possess recognized expertise in derivative overlay strategies to offset, or hedge, unintended market exposures in underlying funds that remain in a lock-up period. Direct purchases of physical commodities is prohibited; however, swaps and instruments that constitute a security or authorized derivatives are permitted.

INPRS effectively manages credit risk relating to derivative instruments by following these guidelines: 1) To avoid counterparty risk, derivative transactions are executed through the use of listed options and futures traded on registered exchanges, whenever possible. Non-exchange traded options, forwards, or swaps are executed only if the counterparty is rated "A" or better by at least one of the Nationally Recognized Statistical Rating Organizations ("NSRSOs"), 2) Exchange-traded commodity futures, options, and other instruments are traded on any exchange regulated by the Commodities Futures Trading Commission ("CFTC") of the United States and/or the Financial Services Authority ("FSA") of the United Kingdom. 3) For non-exchange traded derivatives, counterparty creditworthiness is at a minimum of "A3" as defined by Moody's Investor Service, "A-" by Standard & Poor's, and/or "A-" by Fitch. Unrated counterparties are not selected unless such counterparty is a wholly-owned affiliate of a parent organization that guarantees payment and meets the above counterparty creditworthiness standards. 4) Derivative instruments are standardized and exchange-traded (e.g., futures) and/or privately-negotiated and over-the counter (e.g., swap agreements). Underlying risk exposures may be to cash commodities and/or commodity derivatives. Risk exposures for exchange-traded instruments shall lie with exchange clearinghouses and with approved counterparties for non-exchange traded transactions. 5) The market value of commodities collateral is maintained at 100 percent or greater of the net option-adjusted notional value of any commodities overlay exposure at the consummation of any new commodities overlay position. If the collateral market value falls below the net option-adjusted value of the overlay, the investment manager(s) adjust their portfolio at the earliest feasible opportunity to bring the collateral value up to the notional value of the overlay.

Derivative Financial Instruments – Counterparty Credit Risk

Counterparty credit risk exists on all open over-the-counter positions. INPRS investment managers seek to control this risk through counterparty credit evaluations and approvals, counterparty credit limits, posting collateral exposure, and monitoring procedures, in addition to adherence to the standard International Swaps and Derivatives Association and Credit Support Annex agreements. As of June 30, 2020, the aggregate fair value of investment derivatives in an asset position subject to counterparty credit risk was approximately $15.3 million, of which $15 million was uncollateralized.

The table below summarizes the counterparty positions as of June 30, 2020:

		Fair Value			Collateral	
Swaps Counterparty	S&P Rating	Receivable/ Unrealized Gain	Payable/ (Unrealized Loss)	Fair Value	Posted	Received
Bank of America	A-	$ 24	$ (2)	$ 104	$ -	$ (150)
Banque Nationale De Paris	A+	4	-	-	370	(1,410)
Barclays	BBB	68	-	45	230	(250)
Chicago Mercantile Exchange	AA-	6,537	(29,399)	(25,276)	-	-
Citigroup, Inc.	BBB+	90	(12)	18	740	-
Deutsche Bank	BBB+	143	(283)	(69)	60	-
Goldman Sachs	BBB+	178	(174)	(163)	346	(2,930)
HSBC Securities Inc	A-	18	(18)	(18)	1,460	(2,400)
Intercontinental Exchange, Inc.	A	4,693	(2,974)	(165)	551	-
JPMorgan Chase Bank	A-	3	(78)	(50)	790	(1,647)
London Clearing House	A	3,569	(10,106)	(6,914)	-	-
Morgan Stanley	BBB+	21	(345)	1,591	-	(2,800)
Total		**$ 15,348**	**$ (43,391)**	**$ (30,897)**	**$ 4,547**	**$ (11,587)**

Derivative Financial Instruments – Foreign Currency Risk

Foreign currency forward contracts and futures contracts are exposed to foreign currency risk. At June 30, 2020, INPRS's investments included a foreign currency contract receivable balance of $7.2 billion and an offsetting foreign currency contract payable of $7.2 billion. The net gain recognized for the year ended June 30, 2020, due to foreign currency transactions was $18.4 million.

Derivative Financial Instruments – Synthetic Guaranteed Investment Contracts (GICs)

The Defined Contribution Stable Value Fund consists of fully benefit-responsive synthetic guaranteed investment contracts (GICs). The Stable Value Fund is an investment option that seeks to provide safety of principal and a stable credited rate of interest, while generating competitive returns over time compared to other comparable investments. As of June 30, 2020, the Stable Value Fund portfolio of well diversified high-quality investment grade fixed income securities had a fair value of $2.2 billion, which was $246 million less than the fair value protected by the wrap contract.

Derivative Financial Instruments – Interest Risk

IINPRS has exposure to interest rate risk due to investments in interest rate swaps, inflation swaps, and forward mortgage-backed securities (TBAs).

Derivative instruments as of June 30, 2020, subject to interest rate risk are:

Reference Currency	Pays	Receives	Fair Value	Notional
Interest Rate Swap - Pay Fixed Receive Variable:				
U.S. Dollar	0.40% to 2.75%	3M USD LIBOR	$ (33,102)	$ 256,600
Euro Currency Unit	-0.25% to 0.75%	6M EURIBOR REUTERS	(666)	24,664
Japanese Yen	0.30%	6M JPY LIBOR BBA	(204)	10,845
Mexican Peso	7.35%	28D MXN TIIE BANXICO	577	4,458
Pound Sterling	0.75% to 2.00%	6M FBP LIBOR BBA	(116)	3,830
Czech Koruna	2.01%	6M CZK PRIOBOR PRBO	(214)	2,433
Thailand Baht	1.25%	6M THB THBFIX REUTERS	-	1
Total			**$ (33,725)**	**$ 302,831**
Interest Rate Swap - Pay Variable Receive Fixed:				
Chinese Yuan Renminbi	7D CHINA FIXING REPO RATES	2.50%	$ 333	$ 42,216
Malaysian Ringgit	3M MYR-KLIBOR-BNM	2.25%	115	34,861
Indian Rupee	INR FBIL MIBOR OIS COM	3.75%	33	29,233
Mexican Peso	28D MXN TIIE BANXICO	4.50% to 5.70%	298	24,342
Chilean Peso	CLP CLICP BLOOMBERG	1.60% to 2.40%	331	18,268
Canadian Dollar	CAD-BA-CDOR 3M	1.22% to 1.50%	466	16,079
U.S. Dollar	3M USD LIBOR BBA	1.66% to 2.70%	1,155	11,000
Brazil Real	1D BRL CDI	4.81% to 6.66%	422	10,701
Japanese Yen	6M JPY LIBOR BBA	-0.09% to -0.02%	(36)	5,237
Isreali Shekel	3M ILS TELBOR REFERENCE BANKS	1.41%	143	1,658
Total			**$ 3,260**	**$ 193,595**

B. Interfund Transaction

Interfund Loans

As explained in Note III(A), temporary cash overdrafts in various funds are reported as interfund loans from the General Fund. As of June 30, 2020, the following funds had temporary cash overdrafts covered by loans from the General Fund: U.S. Department of Health and Human Services Fund, $445.2 million, Medicaid Assistance Fund, $27.7 million, and U.S. Department of Labor, $13.4 million. There is also reported an $8.0 million loan from the Motor Vehicle Highway Fund to the State Highway Fund, which is not expected to be repaid within the next fiscal year. Also, reported is an interfund loan of $4.1 million to the Fish and Wildlife Fund from the Fund 6000 Programs Fund for $3.1 million and from the Deer Research and Management Fund for $1.0 million for game and deer licenses.

The following is a summary of the Interfund Loans as of June 30, 2020:

	Loans To Governmental Funds	Loans From Governmental Funds
Governmental Funds		
General Fund	$ 486,334	$ -
Public Welfare - Medicaid Assist		27,723
US Department of Health and Human Services		445,210
Nonmajor Governmental Funds	12,073	25,474
Total	**$ 498,407**	**$ 498,407**

Interfund Services Provided/Used

Interfund Services Provided of $10.9 million represents amounts owed by various governmental funds to the Institutional Industries Fund and the Administrative Services Revolving Funds, both internal service funds, for goods and services rendered.

The following is a schedule of Interfund Services Provided/Used as of June 30, 2020:

Interfund Services Provided/Used

	Interfund Services Provided To Governmental Funds	Interfund Services Used By Governmental Funds
Governmental Funds		
General Fund	$ -	$ 6,180
Public Welfare - Medicaid Assistance	-	6
U.S. Department of Health & Human Services	-	1,810
Federal COVID-19		16
Nonmajor Governmental Funds	-	2,880
Total Governmental Funds	-	10,892
Proprietary Funds		
Internal Service Funds	10,892	-
Total Proprietary Funds	10,892	-
Total	**$ 10,892**	**$ 10,892**

Due From/Due To Component Units

The $15.0 million represents funds the General Fund borrowed in June 2004, interest free, from the Indiana Board for Depositories, a discretely presented component unit. Per Public Law 93-2013, Section 4, repayments to the Indiana Board for Depositories are to be made in annual increments of

$5.0 million each July beginning July 2013. The interfund balance of $23.4 million represents the accrued distribution amount from the State Lottery Commission to the Lottery Surplus Fund.

The following is the schedule of Due From/Due To component units, as of June 30, 2020:

	Due From Primary Government	Due To Component Units	Due From Component Units	Due To Primary Government
Governmental Funds				
General Fund	$ -	$ 15,000	$ -	$ -
Nonmajor Governmental Funds	-	-	23,450	-
Total Governmental Funds	-	15,000	23,450	-
Component Units				
Board for Depositories	15,000	-	-	-
State Lottery Commission	-	-	-	23,450
Total Component Units	15,000	-	-	23,450
Total	**$ 15,000**	**$ 15,000**	**$ 23,450**	**$ 23,450**

Due From/Due To Other Funds

Various governmental funds were owed funds from the Federal COVID19 fund for public safety and health payroll expenditures that were incurred before June 30, 2020 and were allowable expenditures of the COVID 19 fund.

The following is the schedule of Due From/Due To other funds, as of June 30, 2020.

	Due From Other Funds	Due To Other Funds
General Fund	$ 187,285	$ -
Federal COVID-19 Fund		197,869
Nonmajor Governmental Funds	10,584	-
Total	$ 197,869	$ 197,869

Interfund Transfers

Major Governmental Funds

Transfers constitute the movement of money from the fund that receives the resources to the fund that utilizes them. These numerous transfers generally result from legislation passed by the Indiana General Assembly that directs how the transfers are made. In the case of the General Fund, many appropriations are made in the General Fund and then transferred during the year to the funds where these appropriations are used. Also in the case of the General Fund, various taxes and other revenues are collected in other funds and transferred to the General Fund. Following are the principal purposes of the State's interfund transfers:

General Fund – $374.8 million was transferred in from the Medicaid Assistance Fund of which $172.4 million was the return of unused State match appropriations for Medicaid from prior fiscal years, and $202.4 million was hospital assessment fees. The hospital assessment fees can only be used for the State's share of Medicaid services under Title XIX of the federal Social Security Act. $292.1 million was transferred in from the State Gaming Fund which was wagering taxes from riverboats and slot machines at horse tracks. $236.4 was transferred in from the Lottery Surplus fund as part of the excise tax cut replacement distribution. $120.1 million was received from the Fund 6000 Programs Fund of which $65.5 million was distribution of financial institutions tax per IC 6-5.5; $28 million was transferred in for Indiana Veterans' Home administration from the Comfort-Welfare Fund's and IVH Medicaid Reimbursement Fund's receipts of resident fees and Medicaid reimbursements; $19.2 million was transferred in from permit fees collected from business that sell alcoholic beverages per IC 7.1-4-9-4; The remaining $7.4 million were transferred in from various other programs. $95 million was transferred in from the Welfare-Work Incentive Fund to support state matching of federal medical assistance funds. $23 million was transferred in from the DCS Local Office Administration fund to support eligibility enforcement programs. $18.4 million was transferred in from the Mental Institutions fund to be support the state's mental health institutions. $15 million was transferred in from the U.S. Department of Health and Human Services Fund in support of child welfare services training and state grants, case management services, special needs adoption, Social Security Title IV-D services to needy families with children, adoption services, and other family and children services.

The following were transfers out from the General Fund: The Public Welfare Medicaid Assistance Fund received $2.4 billion in transfers for Medicaid current obligations and for Medicaid administration to enable the Office of Medicaid Policy and Planning to carry out all services under IC 12-8-6. These services include, but may not be limited to the provision of care and treatment for individuals with mental illness, developmental disability, long term care needs, and family and child service needs. $280 million was transferred to the U.S. Department of Health and Human Services Fund in support of: $107.3 million for Department of Child Services programs including child welfare services training and state grants, case management services, special needs adoption, Social Security Title IV-D services to needy families with children, adoption services, family and children services, and Healthy Families Indiana; $151.9 million for local offices, state administration, information systems, temporary assistance for needy families program, child care services, Pre-K education, assisting developmentally disabled clients, child psychiatric services, and mental health and aging services. $95 million was transferred to the Welfare-Work Incentive fund to support the state share of FSSA administration of the Medicaid program. $86 million was transferred to the U.S. Department of Agriculture Fund as the State's match of which $78.9 million was for the FSSA Division of Family Resources' local offices, state administration, information systems, TANF, Electronic Benefits Transfer administration, and IMPACT, $5 million was for the National School Lunch program administered by the Indiana Department of Education's Division of School and Community Nutrition Programs, $2.0 million was for the meat and poultry inspection program and the public health data communication infrastructure system of the Board of Animal Health, $0.1 million was for DNR capital projects. $31.4 million was transferred to the Department of Education fund for the state match of education programs across various state agencies.

Medicaid Assistance Fund – The Medicaid Assistance Fund received a transfer of $2.5 billion from the General Fund to support the state Medicaid program administered through the Office of Medicaid Policy and Planning. $336.1 million was transferred in from the Healthy Indiana Plan trust fund to support the Healthy Indiana Plan (or HIP 2.0). $17.1 million was transferred in from the Medicaid Indigent Care Trust Fund which is part of the U.S. Department of Health and Human Services Fund, for reimbursement of hospital care for the indigent supplement payments made from the Medicaid Assistance Fund.

Transfers out included $439 million to the General Fund of which $188.5 million was the return of unused State match appropriations for Medicaid from prior fiscal years, $202.4 million was hospital assessment fees, and $47.7 million was quality assessment fees. The hospital assessment fees and quality assessment fees can only be used for the State's share of Medicaid services under Title XIX of the federal Social Security Act. $0.3 million was transferred to the General Fund for Medicaid's share of state fiscal year 2019 indirect costs in accordance with FSSA's approved public assistance cost allocation plan.

U.S. Department of Health and Human Services Fund – $272.7 million was transferred to the U.S. Department of Health and Human Services Fund from the General Fund in support of: $107.99 million for Department of Child Services programs including child welfare services training and state grants, case management services, special needs adoption, Social Security Title IV-D services to needy families with children, adoption services, family and children services, and Healthy Families Indiana; $39.9 million for the Family and Social Services' Division of Family Resources for local offices, state administration, information systems, and the temporary assistance for needy families program; $118.9 million for the FSSA Early Child Learning division for child care services and the Pre-K education pilot program, State Medicaid program; FSSA Central Office, Mental Health and Addiction, Disability and Rehabilitative Services, and Aging divisions for assisting developmentally disabled clients, child psychiatric services, and mental health and aging services $6 million was transferred in for county prosecutors' and local judges' salaries and for Department of Health and Attorney General's Office Medicaid related services.

The U.S. Department of Health and Human Services Fund transferred $17.1 million to the Medicaid Assistance Fund to reimburse indigent supplement payments for hospital care. $7.8 million was transferred to the General Fund to support the state match, indirect costs, and other costs of federal programs.

Proprietary Funds

Non-Major Enterprise Funds

The Inns and Concessions Fund – This fund had transfers out of $.4 million, representing cash contributions to the Department of Natural Resources (DNR) which are to be used for repayments of bonds made by the Indiana Finance Authority.

Internal Service Funds

$.5 million was transferred out of the Administrative Services Revolving Fund, Information Technology Services, to the General Fund for the transition of the Department of Workforce Development's Indiana Network of Knowledge (INK) to the Management and Performance Hub, and another $.4 was transferred out for IOT to purchase upgrades to the Professional Licensing Agency's enterprise licensing system. $3.5 million in excess net income was transferred out of the Institutional Industries fund into the General Fund per statute.

A summary of interfund transfers for the year ended June 30, 2020 is as follows:

	Transfers in	Transfers out	Net transfers
Governmental Funds			
General Fund	$ 1,272,873	$ (3,141,946)	**$ (1,869,073)**
Public Welfare-Medicaid Assistance Fund	2,865,764	(447,200)	**2,418,564**
US Department of Health and Human Services Fund	302,391	(25,044)	**277,347**
Nonmajor Governmental Funds	2,387,366	(3,209,796)	**(822,430)**
Proprietary Funds			
Nonmajor Enterprise Funds	-	(394)	**(394)**
Internal Service Funds	324	(4,338)	**(4,014)**
Total	**$ 6,828,718**	**$ (6,828,718)**	**$ -**

C. Receivables

Primary Government – Governmental Activities

Taxes Receivable/Tax Refunds Payable as of June 30, 2020, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities			
	General Fund	Special Revenue Funds	Capital Projects Funds	Total Primary Government
Income taxes	$ 2,602,254	$ -	-	**$ 2,602,254**
Sales taxes	890,707	6,299	-	**897,005**
Fuel taxes	112	124,333	-	**124,445**
Gaming taxes	1,056	15,578	-	**16,634**
Alcohol and tobacco taxes	43,306	24,179	2,181	**69,666**
Insurance	95	-	-	**95**
Financial institutions taxes	-	50,240	-	**50,240**
Other taxes	14,846	1,190	-	**16,036**
Total taxes receivable	3,552,376	221,819	2,181	**3,776,376**
Less allowance for uncollectible accounts	(1,077,949)	(25,207)	-	**(1,103,156)**
Net taxes receivable	**$ 2,474,427**	**$ 196,612**	**$ 2,181**	**$ 2,673,220**
Tax refunds payable	**$ 122,542**	**$ 6,299**	**$ -**	**$ 128,841**

Primary Government – Business-Type Activities

The accounts receivable amount reported on the financial statements of the Unemployment Compensation fund is comprised of funds due from Indiana employers (employer receivables) and from overpayments made to Unemployment Insurance recipients (claimant receivables). Accounts receivable as of June 30, 2020 is as follows:

	Business - Type Activities
	Unemployment Compensation
Employer	$ 40,083
Claimant	116,126
Total receivable	**$ 156,209**

A major portion of the accounts receivable, $26.9 million of employer receivables and $94.2 million of claimant receivables for a total of $121.1 million, will not be collected within one year.

D. Capital Assets

Capital asset activity for the year ended June 30, 2020, was as follows:

Primary Government – Governmental Activities

	Balance, July 1, As restated	Increases	Decreases	Balance, June 30
Governmental Activities:				
Capital assets, not being depreciated/amortized:				
Land	$ 2,443,719	$ 87,025	$ (2,594)	$ 2,528,150
Infrastructure	12,778,147	57,067	(701)	12,834,513
Construction in progress	862,848	451,841	(184,870)	1,129,819
Total capital assets, not being depreciated/amortized	16,084,714	595,933	(188,165)	16,492,482
Capital assets, being depreciated/amortized:				
Buildings and improvements	2,397,445	15,611	(5,816)	2,407,240
Furniture, machinery, and equipment	648,802	74,789	(22,668)	700,923
Computer software	296,312	27,651	(4,609)	319,354
Infrastructure	34,485	27	-	34,512
Total capital assets, being depreciated/amortized	3,377,044	118,078	(33,093)	3,462,029
Less accumulated depreciation/amortization for:				
Buildings and improvements	(1,469,632)	(50,825)	1,368	(1,519,089)
Furniture, machinery, and equipment	(434,271)	(61,719)	21,562	(474,428)
Computer software	(224,333)	(45,616)	4,363	(265,586)
Infrastructure	(28,474)	(489)	-	(28,963)
Total accumulated depreciation/amortization	(2,156,710)	(158,649)	27,293	(2,288,066)
Total capital assets being depreciated/amortized, net	1,220,334	(40,571)	(5,800)	1,173,963
Governmental activities capital assets, net	**$ 17,305,048**	**$ 555,362**	**$ (193,965)**	**$ 17,666,445**

Primary Government – Business-Type Activities

	Balance July 1, restated	Increases	Decreases	Balance, June 30
Business-Type Activities:				
Capital assets, being depreciated:				
Buildings and improvements	507	59	-	566
Furniture, machinery, and equipment	486	-	-	486
Total capital assets, being depreciated	993	59	-	1,052
Less accumulated depreciation for:				
Buildings and improvements	(258)	(38)	-	(296)
Furniture, machinery, and equipment	(330)	(44)	-	(374)
Total accumulated depreciation	(588)	(82)	-	(670)
Total capital assets being depreciated, net	405	(23)	-	382
Business-type activities capital assets, net	**$ 405**	**$ (23)**	**$ -**	**$ 382**

Depreciation/amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:		
General government	$	23,671
Public safety		38,152
Health		2,515
Welfare		43,880
Conservation, culture and development		12,775
Education		4,315
Transportation		33,339
Total depreciation/amortization expense - governmental activities	**$**	**158,647**
Business-type activities:		
Inns and Concessions	$	83
Total depreciation expense - business-type activities	**$**	**83**

E. Leases

The future minimum lease obligations, the net present value of these minimum lease payments as of June 30, 2020 and the assets acquired through capital leases are as follows:

Future minimum lease payments

		Capital Leases Governmental Activities		
Year ending June 30,	**Operating Leases**	**Principal**	**Interest**	**Future Minimum Lease Payments**
2021	$ 29,312	$ 66,092	$ 38,803	$ 104,895
2022	25,577	70,239	35,413	105,652
2023	22,979	72,967	31,782	104,749
2024	21,213	76,636	28,057	104,693
2025	17,077	78,214	24,189	102,403
2026-2030	31,077	357,919	65,538	423,457
2031-2035	-	56,267	15,289	71,556
2036-2040	-	26,474	2,002	28,476
Total minimum lease payments (excluding executory costs)	147,235	804,808	241,073	1,045,881
Less:				
Remaining premium(discount)	-	27,539	-	27,539
Total minimum lease payments	**$ 147,235**	**$ 832,347**	**$ 241,073**	**$ 1,073,420**

Assets acquired through capital lease

Building	$ 5,364
Machinery and equipment	24,070
Infrastructure	813,769
less accumulated depreciation	(11,796)
	$ 831,407

Operating Leases

The State leases building and office facilities and other equipment under operating leases. Total payments for such leases with aggregate payments of $20,000 or more were $31 million for the year ended June 30, 2020. A table of future minimum lease payments (excluding executory costs) is presented above.

Capital Leases Liabilities

The State has entered into various lease agreements with aggregate payments of $20,000 or more to finance the acquisition of buildings, land and equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date in the government-wide statements.

F. Long-Term Obligations

Changes in long-term obligations for the primary government for the year ended June 30, 2020 were as follows:

Changes in Long-Term Obligations	Balance, July 1, as Restated	Increases	Decreases	Balance, June 30	Amounts Due Within One Year	Amounts Due Thereafter
Governmental activities:						
Compensated absences	$ 177,850	$ 49,281	$ (33,746)	$ 193,385	$ 73,968	$ 119,417
Net pension liability	12,037,000	1,243,335	(1,487,459)	11,792,876	-	11,792,876
Other postemployment benefits	335,757	56,435	(202,033)	190,159	-	190,159
Pollution remediation	35,351	897	(2,669)	33,579	3,343	30,236
Capital leases	904,809	161	(72,623)	832,347	66,092	766,255
	$ 13,490,767	**$ 1,350,109**	**$ (1,798,530)**	**$ 13,042,346**	**$ 143,403**	**$ 12,898,943**
Business-type activities:						
Compensated absences	$ 779	$ 203	$ (218)	$ 764	$ 260	$ 504
Claims liability	23,378	463	(762)	23,079	1,301	21,778
	$ 24,157	**$ 666**	**$ (980)**	**$ 23,843**	**$ 1,561**	**$ 22,282**

Long term obligations of governmental activities include capital lease obligations of governmental funds as presented in Note IV(E), net pension liabilities as presented in Note V(E) (employee retirement systems and plan), other postemployment benefits, pollution remediation, intergovernmental payables, and compensated absence obligations. The General Fund typically has been used to liquidate any other long-term liabilities.

Long-term obligations of the business-type activities consist of claims liability of the Indiana Residual Malpractice Insurance Authority and compensated absences of the Inns and Concessions Fund.

G. Prior Period Adjustments and Reclassification

For the fiscal year ended June 30, 2020, certain changes have been made to the financial statements to more appropriately reflect financial activity of the State of Indiana. These prior period adjustments and restatements are reflected in the beginning net position in the government-wide statement of activities.

In the fund financial statements for the General Fund and the government-wide statements, there was an increase in fund balance of $37.7 million due to the reclassification of certain private purpose trust funds.

In the fund statements for the Special Revenue funds, and the government-wide statements, net position increased by $23.4 million due to an overstatement of intergovernmental payables in the prior year.

In the fund statements for the Special Revenue funds, and the government-wide statements, net position increased by $3.5 million due to the incorrect reporting of a loan and a cash bond deposit and an error related to the reporting of the Healthy Hoosier Foundation in the prior year.

For the government-wide statements, there is an increase of $12.2 million in net position for capital assets. This was the result of not capitalizing capital assets by June 30, 2019 that were acquired prior to this date and for corrections to acquisition cost by state agencies. Net position decreased $22.2 million for software projects and $8.5 million for public works projects that were incorrectly recorded to construction in progress in the prior year. In addition, the government-wide statements had an increase in net position of $65.0 million resulting from costs incurred prior to June 30, 2019 not being capitalized for INDOT infrastructure assets.

For the discrete proprietary component units, net position decreased by $4.5 million due to an error correction made by Muncie Schools, a component unit of Ball State University and $35.2 million relating to errors in loans reported by the Indiana Housing and Community Development Authority in the prior year.

For the fiduciary funds, net position increased $75.9 million due to the omission of a receivable in the state's OPEB DC plan and decreased $37.7 million due to the reclassification of certain private purpose trust funds.

The following schedule reconciles June 30, 2019 net position as previously reported, to beginning net position, as restated:

	Governmental Activities	Fiduciary Funds	Discretely Presented Component Units (Non Fiduciary)
June 30, 2019, fund balance/retained earnings/net position as reported	$ 14,497,467	$ 38,384,453	$ 16,390,863
Correction of errors	73,790	75,786	(39,975)
Reclassifications of funds	37,704	(37,704)	-
Balance July 1, 2019 as restated	**$ 14,608,961**	**$ 38,422,535**	**$ 16,350,888**

V. OTHER INFORMATION

A. Risk Management

The State of Indiana is exposed to various risks of loss. This includes damage to property owned by the agencies, personal injury or property damage liabilities incurred by a State officer, agent or employee, errors, omissions and theft by employees, certain employee health benefits, employee death benefits, and unemployment and worker's compensation costs for State employees.

The State records an expenditure for any loss as the liability is incurred or replacement items are purchased. The State purchases commercial insurance coverage for certain DNR Inns properties. The State also purchases immaterial amounts of commercial insurance related to errors, omissions, and theft by employees. Settlements related to commercial insurance have not exceeded coverage in the past three fiscal years.

The State does have risk financing activity for the State employees' disability, certain State employees' health benefits, Conservation and Excise Officers' health benefits, and certain health, disability and death benefits for State Police officers. These are reported in four individual Internal Service Funds.

The State employees' disability program is financed partially by State employees through payroll withholdings and by the funds from which employees are paid. The employees' health benefits, the Conservation and Excise health benefits, and the State Police traditional health plan are funded by the employees who have selected certain health care benefit packages and the funds from which those employees are paid. (An insurance carrier does provide claims administration services for the health insurance programs.)

Located below is the table of claim liabilities. The liabilities are not maintained in the accounting records of the State. The claim liabilities for the health insurance programs and the State Disability fund were estimated based on the historical experience rate of claims paid that were for service dates incurred during a prior fiscal year. The unrestricted net position in these funds is reserved for future catastrophic losses.

	State Police Health Insurance Fund	State Employee Disability Fund	State Employees' Health Insurance Fund	Conservation and Excise Officers Health Insurance Fund	Total
2020					
Unpaid Claims, July 1	$ 3,634	$ 4,018	$ 44,051	$ 829	**$ 52,532**
Incurred Claims and Changes in Estimate	25,137	15,690	337,711	3,125	**381,663**
Claims Paid	(24,837)	(15,514)	(341,435)	(3,214)	**(385,000)**
Unpaid Claims, June 30	**$ 3,934**	**$ 4,194**	**$ 40,327**	**$ 740**	**$ 49,195**
2019					
Unpaid Claims, July 1	$ 3,520	$ 3,183	$ 34,975	$ 840	**$ 42,518**
Incurred Claims and Changes in Estimate	31,234	16,382	341,394	6,089	**395,099**
Claims Paid	(31,120)	(15,547)	(332,318)	(6,100)	**(385,085)**
Unpaid Claims, June 30	**$ 3,634**	**$ 4,018**	**$ 44,051**	**$ 829**	**$ 52,532**

B. Contingencies and Commitments

Litigation

The State does not establish reserves for judgments or other legal or equitable claims against the State. Judgments and other such claims must be paid from the State's unappropriated balances and reserves, if any.

With respect to tort claims only, the State's liability is limited to: (A) $300,000 for a cause of action that accrues before January 2006; (B) $500,000 for a cause of action that accrues between 2006 and 2008; or (C) $700,000 for a cause of action that accrues on or after January 2008, for injury to or death of one person in any one occurrence and $5 million for injury to or death of all persons in that occurrence.

The Indiana Attorney General's office estimates a total payment for liabilities and litigation expenses of $10.0 million to be made from the Tort Claim Fund during the next fiscal year. During the fiscal year ending June 30, 2020, the State paid $6.7 million for settlements, judgments, claims and litigation expenses from the Tort Claim Fund.

The following is a summary of certain significant litigation and claims currently pending against the State involving amounts exceeding $5 million individually or in the aggregate. This summary is not exhaustive, either as to the description of the specific litigation or claims described, or as to all of the litigation or claims currently pending or threatened against the State.

The Indiana Attorney General's office is currently handling the following cases that could result in significant liabilities to the State:

In 2014, Plaintiff, a man convicted of murder twice, overturned twice on appeal, and then found not guilty, sued government actors including city police officers, State Police troopers, prosecutors, and Floyd County alleging various civil rights violations and state law tort claims. Plaintiff demanded $30.0 million from the defendants. Defendant Floyd County settled with the plaintiff for $450,000 in August 2016. State Defendants' Motions for Summary judgment were filed on May 23, 2017. The State's position is that the claims against the prosecutors are absolutely barred by prosecutorial immunity and the claims against the Indiana State Police defendants fail based on defendants' qualified immunity and the existence of probable cause that plaintiff committed the underlying crimes. On January 29, 2018, the Court granted the State Defendants' Motions for Summary Judgment, entered judgment in favor of the State Defendants and against Plaintiff, and dismissed the case with prejudice. On February 2, 2018, State Defendants filed a Bill of Costs to recoup their costs in the amount of $9,077.70. The Plaintiff filed a Notice of Appeal on February 26, 2018. On March 1, 2018, the Court issued an Order staying a ruling on the Bill of Costs pending appeal. Plaintiff-Appellant filed his Appellant Brief on June 7, 2018. State Defendants-Appellees Brief was filed September 13, 2018; Appellant filed a Reply Brief. Oral argument was held at the U.S. Court of Appeals for the Seventh Circuit on October 30, 2018. On September 10, 2019, the Seventh Circuit remanded two of the Plaintiffs claims concerning 4th Amendment and Brady issues to the District Court. Any petition for rehearing en banc was due by October 8, 2019. No petition for rehearing was filed. Order reopening the case was issued on October 18, 2019. The parties filed their position statements on November 6, 2019. On December 6, 2019, the State Defendants filed a proposed revised case management plan. The parties attended a status conference on December 10, 2019. One of the defendants in this case has since passed away, causing a motion to substitute the estate for the defendant to be filed on January 29, 2020. Mediation was held on April 21, 2020 and was unsuccessful. The motion to substitute the estate for the defendant was granted on June 10, 2020, after a full briefing by the parties. The attorney for the estate has since resigned. A status conference was set for August 4, 2020, and no attorney for the estate appeared. A final pre-trial conference is set for July 7, 2021, and trial is set to commence August 9, 2021.

In 2017, Plaintiff filed a complaint against the Indiana Department of Environmental Management, the Indiana State Department of Health, and the State of Indiana. There are over 100 individual plaintiffs alleging negligence and negligent and intentional infliction of emotional distress against the State Defendants and the City of East Chicago, the East Chicago Housing Authority, and the East Chicago Department of Public and Environmental Health, seeking damages for alleged physical and emotional harms caused by their alleged exposure to lead, arsenic, and other contamination while residents at the West Calumet Housing Complex and/or while students at Carrie Gosch Elementary School in East Chicago, Indiana since the late 1990's. On February 12, 2018, outside counsel entered an appearance on behalf of the State Defendants along with a motion to extend time to respond. On March 5, 2018, an answer on behalf of the State Defendants was filed along with a motion to dismiss the Indiana State Department of Health. This motion was later found to be moot. Outside counsel filed a motion staying discovery pending the outcome of a motion for judgment on the pleadings. That motion was granted. The Motion for Judgment on the Pleadings was filed July 9, 2018. Plaintiff filed a response to the Motion for Judgment on the Pleadings on August 18, 2018. A Reply in Support of the Motion for Judgment was filed and a hearing held. The Motion for Judgment on the Pleadings was denied November 9, 2018. The Order denying the Motion to Dismiss required additional discovery. Initial discovery deadlines were set. The State's Motion to Certify for Interlocutory Appeal was filed on December 10, 2018. Notice of Appeal was filed April 25, 2019. The parties completed briefing of the matter on appeal. On June 10, 2020, the Indiana Court of Appeals upheld the Trial Court's denial of the Defendants'

Motion for Judgment on the Pleadings and remanded the matter for continued proceedings. Parties are conferring about discovery.

In 2019, an interstate trucking association and several trucking companies filed a class action lawsuit against the Governor, the Indiana Finance Authority, the INDOT Commissioner, and the Indiana Toll Road operator. The plaintiffs challenge the toll increase for heavy vehicles on the toll road that took effect in October 2018. The plaintiffs seek to invalidate the toll increase, refunds of the tolls paid with interest, and attorneys' fees. The defendants filed a joint motion to dismiss, which the district court judge referred for recommendation to the magistrate judge. The magistrate judge recommended on August 13, 2019, that the case be dismissed with prejudice. The magistrate judge granted the motion to stay the case pending final determination of the motion to dismiss. The plaintiffs filed an objection to the recommendation and after briefing the objection, the district court judge adopted the magistrate judge's recommendation. The case was accordingly dismissed with prejudice. On March 18, 2020, the plaintiffs filed their notice of appeal. The parties have briefed the appeal and argued in the Seventh Circuit on October 26, 2020.

In 2019, Plaintiffs filed a complaint individually, and on behalf of their two minor children, alleging that three employees of the Indiana Department of Child Services violated their constitutional rights when they removed their minor children from their home in 2017 without a court order. The removals were spurred when a foster child placed with the Plaintiffs was taken to the hospital for medical care. Defendants filed a partial motion to dismiss on October 10, 2019. The motion is fully briefed and under advisement. Discovery has been ongoing. Parties filed dispositive motions on October 15, 2020. Briefing is complete. The court denied Defendants' partial motion for summary judgment as moot. Defendants answered on December 4, 2020. A status conference is scheduled for January 26, 2021. A jury trial is set for May 17, 2021.

On December 16, 2019, the Plaintiff's estate filed a complaint alleging constitutional violations stemming from the wrongful death of the decedent on December 28, 2018. The complaint names the Indiana State Police and individual members, Montgomery County Sheriff's department and individual members, and the City of Crawfordsville and individual members. The complaint stems from a traffic stop where the Indiana State Police responded to a disabled vehicle on state highway 231 in Montgomery County, Indiana. During the stop the decedent was shot by an Indiana State Trooper who observed the decedent reaching for his open-carry firearm. The decedent was then transported to the hospital where he died from his injuries. Discovery and depositions in the case have been ongoing and Plaintiff's estate filed their second amended complaint on September 23, 2020, to add additional Indiana State Police defendants. The trial is currently set for October of 2021, with no specific date indicated by the court.

Other Litigation

The State on behalf of the following state agencies is currently involved in the following cases that could result in significant liability to the State:

<u>Indiana Bureau of Motor Vehicles (BMV)</u>

In June 2017, plaintiffs and the State of Indiana entered into a settlement agreement for the March and October 2013 class action lawsuits brought against the Bureau of Motor Vehicles (BMV), which alleged amounts were charged to persons for drivers' licenses that were not authorized by law and overcharges. The court approved this settlement agreement in August 2017. The settlement agreement was amended in August 2018 to place remaining customer claims under the March 2013 case on customer BMV accounts to be claimed as credits. Credits not claimed by August 2021 will be transferred to the Attorney General's Unclaimed Property Fund. $2.5 million was payable to claimants under the March 2013 case as of June 30, 2020.

Under the October 2013 lawsuit, $7.4 million was payable to claimants as of June 30, 2020 related to summer of 2016 claims and another $1.9 million was estimated to be payable for additional claims from 2002 through 2006 and other associated time periods. Any summer of 2016 related claims that were not paid by June 30, 2019 were transferred to the Attorney General's Unclaimed Property Fund in July 2019. BMV was obligated under the settlement agreement to continue paying claims for the 2002 through 2006 period through September 30, 2019. From July 1 through September 30, 2019, an additional $28,149 was paid out for the 2002 through 2006 period. No additional claims will be paid out or transferred for the 2002 through 2006 period. $9.9 million has been accrued as an expense and payable in the government-wide financial statements for remaining refunds to be paid

Other Loss Contingencies

The U.S. Office of Inspector General (USOIG) has issued multiple audit reports on Indiana's Medicaid Assistance Program. The State has worked with the Centers for Medicare and Medicaid Services (CMS) to resolve the findings. As of June 30, 2020, there were $37.1 million in findings which the Family and Social Services Administration (FSSA) believes to be probable for having to be repaid and therefore, has been accrued as an expense and payable in the government-wide financial statements. An additional $710 thousand is reasonably possible to need to be repaid. FSSA management is continuing to work with CMS on a settlement of these findings.

Construction Commitments

As of June 30, 2020, the Indiana Department of Transportation had outstanding construction commitments totaling $1.6 billion for road and bridge projects. It is anticipated that these projects will be financed with approximately 31% traditional state funds, 6% toll road lease amendment proceeds funds, 4% local funds, 58% traditional federal funds, and 1% 2020 construction funds.

The Indiana Department of Administration, Public Works Division, had remaining construction commitments totaling $72.8 million for building and improvement projects of the State’s agencies as of June 30, 2020. These projects are to be funded through State appropriations, the State Highway Department Fund, capital projects funds, and federal funds.

The State had $424.4 million in total commitments for software in development as of June 30, 2020. These commitments are to be funded through the General Fund, federal funds, and state dedicated funds.

Encumbrances

Significant encumbrances by major funds and non-major funds in the aggregate as of June 30, 2020 were as follows:

Governmental Funds	Encumbrances
General Fund	$ 918,602
Public Welfare - Medicaid Assistance	11,827
US Department of Health & Human Services	803,604
Federal COVID-19	76,890
Non-Major Governmental Funds	3,195,677
Total	**$ 5,006,600**

C. Other Revenue

Other revenue represents revenue received which cannot accurately be included with any of the other revenue sources. In most cases, the amount of “other revenue" received by a fund is insignificant in comparison with total revenues received.

D. Economic Stabilization Fund

Indiana Code (IC) 4-10-18 establishes the Counter-Cyclical Revenue and Economic Stabilization Fund ("Rainy Day Fund") within the state’s General Fund to assist in stabilizing revenue during periods of economic recession. The fund receives funding through calculated transfers as prescribed by Indiana Code.

The State Budget Director is required to annually calculate State of Indiana Adjusted Personal Income (API) and its growth rate over the previous year. API growth rates exceeding 2% trigger an appropriation from the General Fund into the Rainy Day Fund. API growth rates less than 2% trigger an appropriation from the Rainy Day Fund to the General Fund. Additionally, any balance in the Rainy Day Fund at the end of the fiscal year exceeding 7% of total General Fund revenues for the same period is transferred from the Rainy Day Fund to the General Fund.

In fiscal year 2020, the API growth rate did not trigger a transfer into or out of the Rainy Day Fund. Also, the Rainy Day Fund did not exceed 7% of total General Fund revenues for fiscal year 2020.

Loans can be made from the Rainy Day Fund to local units of government for specific purposes. The Rainy Day Fund cash and investment balance at the end of fiscal year 2020 was $529.4 million. There were no outstanding loans as of fiscal year end.

E. Employee Retirement Systems and Plans

The State of Indiana sponsors ten public employee retirement systems (PERS) that are included in the State's financial statements. They are reported and administered as described in Note I (A).

<u>Summary of Significant Accounting Policies (Pensions)</u>

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to or deductions from fiduciary net position have been determined on the same basis as they are reported for all of the plans by their respective trustees. The Indiana Public Retirement System is the trustee for all of the plans except for the State Police Retirement Fund and the State Police Supplemental Trust Fund which is administered by the Treasurer of the State of Indiana as Trustee under a Pension Trust Agreement with the Indiana Department of State Police. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The State sponsors the following defined benefit single-employer plans:

State Police Retirement Fund (Presented as a pension trust fund)

Plan description. The State Police Retirement Fund (SPRF) is a defined benefit, single-employer PERS, and is administered by the Treasurer of the State of Indiana as Trustee under a Pension Trust Agreement with the Indiana Department of State Police. Indiana Code 10-12-2-2 grants authority to the Department to establish and operate an actuarially sound pension plan governed by a pension trust. It also authorizes the Department to make annual contributions as necessary to prevent any deterioration in the actuarial status of the trust. The State Police Retirement Fund issues a publicly available financial report that can be obtained by writing the State Police Retirement Fund, c/o Treasurer of State, 200 W. Washington Street, Room 242 State House, Indianapolis, IN 46204.

The SPRF includes the Pre-1987 Benefit System and the 1987 Benefit System. The term “Pre-1987 Benefit System” shall refer to the plan and the benefits provided to employee beneficiaries who are first employed as employees by the Department before July 1, 1987, and who did not elect to be covered by the 1987 Benefit System in accordance with the provisions of Section 31 of the Trust Agreement. Any benefits provided to former employees who qualified for such benefits under the terms of the Trust Agreement as in effect prior to July 1, 1987, shall also be deemed part of the Pre-1987 Benefit System. The term “1987 Benefit System” shall refer to the plan and the benefits provided to employee beneficiaries who are first employed as employees by the Department on or after July 1, 1987, and to those employee beneficiaries who were first employed before July 1, 1987, provided they elected to be covered by the 1987 Benefit System in accordance with the provisions of Section 31 of the Trust Agreement.

Retirement benefits provided.

Pre-1987 Plan The Pre-1987 Plan provides that the basic monthly pension amount may not exceed by more than $20 an amount equal to one-half of the member’s average monthly wages (not including overtime) received during the highest paid consecutive 12 months prior to retirement. However, this amount may not exceed the monthly salary of a sixth-year trooper.

In addition to the basic retirement benefit described above, a plan member with over 20 years of service will receive the following incremental increases:

2% of the basic amount for each of the next 2 years over 20 years;
3% of the basic amount for each of the next 2 years over 22 years;
4% of the basic amount for each of the next 2 years over 24 years;
5% of the basic amount for each of the next 2 years over 26 years;
6% of the basic amount for each of the next 2 years over 28 years;
7% of the basic amount for each of the next 2 years over 30 years;
8% of the basic amount for each of the next 2 years over 32 years.

However, the total of these additional amounts may not exceed 70% of the basic pension amount, according to IC 10-12-3-7 (c).

1987 Plan The 1987 Plan provides that the basic monthly pension amount may not exceed one-half of the member’s average monthly salary received during the member’s highest-paid three years before retirement. Members retiring from July 1, 1987, through June 30, 1988, may not receive a basic monthly benefit greater than 50% of the maximum salary of a first sergeant. Members retiring from July 1, 1988, through June 30, 1989, may not receive a basic monthly benefit greater than 50% of the maximum salary of a captain.

In addition to the basic retirement benefit described above, a Plan member with over 25 years of service will receive the following incremental increases:

5% of basic amount for each of the next 3 years over 25 years;
6% of basic amount for each of the next 2 years over 28 years;
7% of basic amount for each of the next 2 years over 30 years;
8% of basic amount for each of the next 2 years over 32 years.

However, the total of these additional amounts may not exceed 70% of the basic pension amount, according to IC 10-12-4-7(e).

Disability and survivor benefits provided. The regular disability benefit for a disabled member may not exceed the maximum basic pension amount. If the member’s disability was incurred in the line of duty, the member is entitled to an additional $40 per month for each dependent parent and dependent child under age 18.

If a member is permanently and totally disabled by a catastrophic personal injury that: (1) is sustained in the line of duty after January 1, 2001; and (2) permanently prevents the member from performing any gainful work; the member is entitled to a disability benefit equal to the member’s salary at the commencement of the disability in lieu of the regular disability benefit. The member is also entitled to increases in the disability benefit equal to the salary increases that the member would have received had the member remained in active service.

A member who meets the conditions listed in IC 5-10-13 has a presumption that a total or partial disability or death resulting from a health condition caused by AIDS, anthrax, hepatitis, HIV, meningococcal meningitis, smallpox, or tuberculosis is a disability or death incurred in the line of duty. In addition, a member who meets the conditions listed in IC 5-10-15 has a presumption that a total or partial disability resulting from an exposure-related cancer, or heart or lung disease is a disability incurred in the line of duty. These presumptions may be rebutted by competent evidence. A meeting or hearing held to rebut a presumption may be held as an executive session under IC 5-14-1.5-6.1(b) (1). A presumption affects only the determination as to whether a disability or death was incurred in the line of duty and does not change the requirements for determining eligibility for disability benefits.

A member's survivor is entitled to a supplemental death benefit of not more than $14,500 for employee beneficiaries who die before July 1, 2013. For employee beneficiaries who die after June 30, 2013, the amount of supplemental death benefits may not exceed $20,000. The maximum monthly pension payable to surviving spouses or a dependent mother and father of a member killed in the line of duty may not exceed the current basic monthly pension amount paid to retirees or, upon a retiree's death, one-half of the deceased officer's monthly benefit.

A dependent child entitled to survivor benefits may receive a maximum of 30% of the basic monthly pension currently being paid to retirees. Total benefits paid to all of a member's surviving dependent children may not exceed the basic monthly pension currently being paid to retirees.

Employees covered by benefit terms. As of June 30, 2020, the following employees were covered by the benefit terms of the SPRF:

	Pre-1987 Plan	1987 Plan
Inactive employees or beneficiaries currently receiving benefits	750	823
Inactive employees entitled to but not yet receiving benefits	3	174
Active employees	14	1,205
Total	**767**	**2,202**

Contributions. Members of the Pre-1987 Plan contribute 5% of the member's wages (not including overtime and limited to sixth-year trooper pay). Members of the 1987 Plan contribute 6% of the member's wages (not including overtime). A member who receives a disability pension does not make contributions to the member's fund.

Periodic employer contributions to the pension plan are determined on an actuarial basis using the entry age normal cost actuarial method. Normal cost is funded on a current basis. Under the terms of the Trust Agreement, in the event the Department fails to make the minimum contributions for five successive years, the Trust shall terminate and the fund shall be liquidated. The unfunded actuarial accrued liability is being funded over a thirty-year closed period which commenced July 1, 2010. Periodic contributions for both normal cost and the amortization of the unfunded actuarial accrued liability are based on the level dollar of payroll method. The funding policy for normal cost and unfunded actuarial accrued liability should provide sufficient resources to pay employee pension benefits on a timely basis. For the year ended June 30, 2020, the State's contribution rate was 26.0 percent of covered payroll.

Deferred Retirement Option Program The Deferred Retirement Option (DROP) for the State Police Retirement Fund was established in 2001 pursuant to the Pension Trust Agreement and is governed by the Department of the State Police and the Treasurer of the State of Indiana (Trustee). Members of the Pre-1987 and 1987 plans that are eligible to retire may elect to accumulate a DROP benefit while continuing to work. At the time of their election, the member executes an irrevocable election to retire on a DROP retirement date and remain in active service, but the member does not contribute to the fund during the DROP period. For the Pre-87 Plan, when an employee has completed 20 years of service or more, he/she may irrevocably elect to enter the DROP for a period ending the earlier of (1) 60 consecutive months, (2) completion of 34 years of service, or (3) attainment of age 65. An employee on disability cannot enter the DROP. From the date the employee enters the DROP, he/she will not be credited with any additional years of service. The employees DROP accrual will be equal to the basic monthly retirement benefit. At the end of the DROP period, the employee must separate from employment and retire. Upon separation, the employee will receive their accumulated DROP benefit in the form of a lump sum payment, a rollover to another retirement program, or a combination of both. For the 1987 Plan, all DROP requirements are the same as the Pre-87 plan, except that the employee must have completed 25 years of service or more. The DROP and future retirement monthly benefit is calculated as of the member's DROP entry date. At the time retirement, the member must choose among the available options for distribution of the accumulated benefit under the DROP. As of June 30, 2020, the amount held by the plan pursuant to the DROP is $1.2 million.

Net Pension Liability

The SPRF's net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The components of the net pension liability of the SPRF at June 30, 2019 were as follows:

Total pension liability	$ 686,224
Plan fiduciary net position	(491,293)
SPRF's net pension liability	**$ 194,931**
Plan fiduciary net position as a percentage of the total pension liability	71.6%

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Pre-1987 Plan	1987 Plan
Interest rate/investment return	6.75%	6.75%
Interest on member balances	3.00%	3.00%
Future salary increases, which includes inflation and cost of living increases	3.50%	9% age 26 & younger; reduced 0.5% through age 35; 4% age 36 and older

Mortality rates for healthy members were based on the RP-2014 Total Dataset Mortality Tables adjusted from 2006 using MP-2018 Mortality Improvement Scale. Mortality rates for disabled members were based on the RP-2014 Mortality tables for disabled members adjusted from 2006 using MP-2018 Mortality Improvement Scale.

The most recent comprehensive experience study was completed in February 2011 and was based on member experience between June 30, 2005 and June 30, 2010. The demographic assumptions were updated as needed for the June 30, 2019 actuarial valuation.

The SPRF is a pre-funded plan and utilizes a long-term expected rate of return on pension plan investments of 6.75 percent, which was determined using a building-block method in which best estimates of expected future rates of return (expected returns, net of pension plan investment expense) were developed for each major asset class. These estimated returns were combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. Development of the long-term investment return is shown below:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Broad domestic equity	29.0	7.2
Global ex U.S. equity	13.0	7.3
Short duration fixed income	4.0	3.4
Domestic fixed income	17.0	3.7
High yield fixed income	5.0	5.4
Hedge funds - alternatives	25.0	5.5
Real Estate	5.0	6.3
Cash and equivalents	2.0	2.5
Total	**100.0**	

Discount rate. The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that State contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to determine the total pension liability.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/18	$ 670,358	$ 476,089	$ 194,269
Changes for the year:			
Service cost	19,824	-	19,824
Interest	45,018	-	45,018
Differences between expected and actual experience	(9,072)	-	(9,072)
Changes of assumptions or other inputs	(1,513)	-	(1,513)
Contributions - employer	-	29,901	(29,901)
Contributions - employee	-	5,289	(5,289)
Net investment income	-	18,794	(18,794)
Benefit payments, including refunds of employee contributions	(38,391)	(38,391)	-
Administrative expense	-	(389)	389
Net changes	15,866	15,204	662
Balances at 6/30/19	**$ 686,224**	**$ 491,293**	**$ 194,931**

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the SPRF, calculated using the discount rate of 6.75%, as well as what the SPRF's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Rate (6.75%)	1% Increase (7.75%)
Net pension liability	281,596	194,931	122,662

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone financial report of the State Police Retirement

Fund. This report may be obtained by writing the State Police Retirement Fund, c/o Treasurer of State, 200 W. Washington Street, Room 242 State House, Indianapolis, IN 46204.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the State recognized pension expense of $51.1 million for the SPRF. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 21,178	$ 11,571
Changes of assumptions or other inputs	6,857	4,248
Net difference between projected and actual earnings on pension plan investments	17,831	-
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	34,095	-
Total	$ 79,961	$ 15,819

Deferred outflows of resources in the amount of $34.1 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2021	16,510
2022	6,185
2023	7,563
2024	1,071
2025	(1,282)

State Police Supplemental Trust Fund (Presented as a pension trust fund)

Plan description. The State Police Supplemental Trust (SPST) is a defined benefit, single-employer pension plan and is administered by the Treasurer of the State of Indiana as Trustee under a Pension Trust Agreement with the Indiana Department of State Police. Indiana Code 10-12-2-4 and 10-12-2-5 grant authority to the Department of the State Police to establish and operate a fund for death and disability benefits. The SPST is funded using annual appropriations on a pay-as-you-go basis. There are no assets accumulated in a trust for these benefits. The amount paid for pensions as the benefits came due during fiscal year 2020 was $4.0 million.

The SPST includes the Pre-1987 Benefit System and the 1987 Benefit System. The term “Pre-1987 Benefit System” shall refer to the plan and benefits provided employee beneficiaries who are first employed as employees by the Department before July 1, 1987, and who did not elect to be covered by the 1987 Benefit System in accordance with provision of Section 31 of the State Police Retirement Fund (SPRF). Any benefits provided to former employees who qualified for such benefits under the terms of the Trust Agreement as in effect prior to July 1, 1987, shall also be deemed part of the Pre-1987 Benefit System. The term “1987 Benefit System” shall refer to the plan and the benefits provided to employee beneficiaries who are first employed as employees by the Department on or after July 1, 1987 and to those employee beneficiaries who were first employed before July 1, 1987, provided they elect to be covered by the 1987 Benefit System in accordance with the provision of Section 31 of the SPRF Trust Agreement.

In relation to the SPRF, the membership of the SPST is generally made up of active members and disabled members of the SPRF with the following exceptions:

- The SPST does not include active SPRF members who elected a DROP
- The SPST does not include inactive SPRF members who are currently receiving SPRF retirement benefits.

Retirement benefits provided.

Line of Duty Death Benefits. For the Pre-1987 plan, the benefit value is 50 percent of current salary (but in no event greater than the sixth-year trooper rate), plus $20. Benefits are assumed to increase with the sixth-year trooper rate. Dependent children are paid 30 percent of the beneficiary’s benefit until they reach age 18 or 23 if enrolled in school full time. For the 1987 plan, the benefit value is 50 percent of the average of the highest 36 consecutive months of salary. Dependent children are paid 30 percent of the beneficiary’s benefit until they reach age 18 or 23 if enrolled in school full time.

Line of Duty Disability Benefits. For the Pre-1987 Plan, the benefit value is 50 percent of current salary (but in no event greater than the sixth-year trooper pay), plus $20. Benefits are assumed to increase with the sixth-year trooper rate and are payable until the participant has earned 34 years of service. The plan also pays medical expenses. Benefits are increased by $40 for each dependent child under 18. For the 1987 Plan, the benefit value is 50 percent of the average of the highest 36 consecutive months of salary. Benefits are assumed to increase with assumed salary increases and are payable for a minimum of two years and until the participant has earned 25 years of service. The plan also pays medical expenses. Benefits are increased by $40 for each dependent child under 18.

Non-Line of Duty Disability Benefits. For the Pre-1987 Plan, the benefit value is 50 percent of current salary (but in no event greater than the sixth-year trooper pay), plus $20. Benefits are assumed to increase with the sixth-year trooper rate and are payable until the participant has earned 34 years of service, but not for a period longer than the accrued service at date of disability. For the 1987 Plan, the benefit value is 50 percent of the average of the highest 36 consecutive months of salary. Benefits are assumed to increase with assumed salary increases and are payable for a minimum of two years and until the participant has earned 25 years of service.

Catastrophic Injury Disability Benefits. For the Pre-1987 Plan, the benefit value is 100 percent of current salary. Benefits are assumed to increase with salary increases and are payable until the participant has earned 34 years of service. The plan also pays medical expenses. Benefits are increased by $40 for each dependent child until they reach the age of 18 or 23 if enrolled in school full time. For the 1987 Plan, the benefit value is 100 percent of current salary. Benefits are assumed to increase with salary increases and are payable until the participant has earned 25 years of service. The Plan also pays medical expenses. Benefits are increased by $40 for each dependent child until they reach the age of 18 or 23 if enrolled in school full time.

Employees covered by benefit terms. As of June 30, 2020, the following employees were covered by the benefit terms of the SPST:

	Pre-1987 Plan	1987 Plan
Inactive employees or beneficiaries currently receiving benefits	13	41
Active employees	13	1,185
Total	**26**	**1,226**

Total Pension Liability

The SPST Plan's total pension liability was measured as of June 30, 2019.

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Pre-1987 Plan	1987 Plan
Interest rate/investment return	2.79%	2.79%
Future salary increases, which includes inflation and cost of living increases	3.50%	9% age 26 & younger; reduced 0.5% through age 35; 4% age 36 and older
Inflation	2.25%	2.25%

Mortality rates were based on the RP-2014 Total Dataset Mortality Tables adjusted from 2006 using MP-2018 Mortality Improvement Scale. Mortality rates for disabled members were based on the RP-2014 Mortality tables for disabled members adjusted from 2006 using MP-2018 Mortality Improvement Scale.

The most recent comprehensive experience study was completed in 2011 and was based on member experience between June 30, 2005 and June 30, 2010. The demographic assumptions were updated as needed for the June 30, 2019 actuarial valuation.

Discount rate. Total pension liability was calculated using the discount rate of 2.79 percent. This rate was chosen in accordance with GASB #73, which requires that the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The 2.79% is the June 30, 2019 value of the S&P Municipal Bond 20 Year High Grade Rate Index.

Changes in the Total Pension Liability

	Increase (Decrease) Total Pension Liability (a)
Balances at 6/30/18	$ 16,573
Changes for the year:	
Service cost	4,485
Interest	628
Assumption changes	297
Differences between expected and actual experience	(1,753)
Benefit payments, including refunds of employee contributions	(3,983)
Net changes	(326)
Balances at 6/30/19	**$ 16,247**

Sensitivity of the total pension liability to changes in the discount rate. The following presents the total pension liability of the SPST, calculated using the discount rate of 2.79%, as well as what the SPST's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.79%) or 1-percentage-point higher (3.79%) than the current rate:

	1% Decrease (1.79%)	Current Rate (2.79%)	1% Increase (3.79%)
Total pension liability	17,796	16,247	14,999

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the State recognized pension expense of $5.2 million for the SPST. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 2,693
Changes of assumptions or other inputs	3,004	535
Total	**$ 3,004**	**$ 3,228**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2021	44
2022	44
2023	44
2024	44
2025	44
Thereafter	(444)

<u>State Excise Police, Gaming Agent, Gaming Control Officer and Conservation Enforcement Officers' Retirement Plan (Presented as part of INPRS – a fiduciary in nature component unit)</u>

Plan description. The State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan (EG&C Plan) is a single-employer (the State of Indiana) defined benefit plan established to provide retirement, disability, and survivor benefits to certain employees of the (1) Indiana Department of Natural Resources, (2) Indiana Alcohol and Tobacco Commission and (3) any Indiana State excise police officer, Indiana State conservation enforcement officer, gaming agent or any gaming control officer who is engaged exclusively in the performance of law enforcement duties. The EG&C Plan was established in 1972 and is governed by the INPRS Board of Trustees in accordance with IC 5-10-5.5.

Retirement benefits provided. Generally, participants are eligible for full retirement benefits 1) at age 65 if members were employed by age 50 with 15 years of creditable services. Retirement is mandatory. 2) at age 65 if employed after age 50 with 10 years of services. Mandatory retirement occurs on the first day of the month after age 65 or 15 years of creditable service 3) at age 55 if age and creditable service total at least 85 or 4) at age 50 with 25 years of service. Participants are eligible for early retirement benefit at age 45 and 15 years of creditable service but benefit is reduced by .25 percent for each month less than age 60. The annual benefit is equal to 25 percent times the average annual salary. The average annual salary equals the average annual salary of the five highest years in the 10 years immediately preceding an officer's retirement dates. Percentage is increased by 1.66 percent for each completed year of creditable service after 10 years. Total percentage may not exceed 75 percent. Postretirement benefit increases are granted on an ad hoc basis pursuant to IC 5-10.2-12-4 and administered by the INPRS board. For the year ended June 30, 2020, postretirement benefits of $96 thousand were issued to members as a 13th check.

Disability and survivor benefits provided. If a participant becomes disabled in the line of duty, the benefit is the member's salary times the degree of impairment without a reduction for early commencement. If not in the line of duty, the member's salary used to calculate the benefit is reduced 50 percent. A minimum benefit may apply.

Eligible survivors of an active member who dies in the line of duty receives 100 percent of the member's benefit. Survivors of active member who die not in the line of duty or inactive members with more than 15 years of service who dies receive 50 percent of the member's benefit. The minimum benefit is calculated as if the member had at least 25 years of service and age 50. For inactive members with less than 15 years of creditable service, the benefit consists of contributions plus interest. While receiving a benefit, a spouse or parent (for their lifetime), or dependents(s) (until age 18) receives 50 percent of the member's benefit. If the spouse is more than five years younger than the member, the benefit is actuarially adjusted.

Deferred Retirement Option Plan. In accordance with IC 5-10-5.5-22, members eligible to retire with an unreduced benefit may elect to earn a DROP benefit while continuing to work. Members execute an irrevocable election to retire on a DROP retirement date and remain in active service while contributing to the fund until that date. The DROP retirement date must be not less than 12 months and not more than 36 months after their DROP entry date, and cannot be after the member reaches mandatory retirement age. The DROP and future retirement monthly benefit are calculated as of the members' DROP entry date. At retirement, members must choose among the available options for distribution of the accumulated benefit under the DROP. As of June 30, 2020, the amount held by the fund under the DROP is $0.6 million.

Employees covered by benefit terms. As of June 30, 2020, the EG&C plan membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	248
Inactive vested members entitled to but not yet receiving benefits	4
Inactive non-vested members entitled to a distribution of contributions	133
Active members: vested and non-vested	420
Total	**805**

Based on census data as of June 30, 2019 used for the June 30, 2020 actuarial valuation.

Contributions. Contributions are determined by the INPRS Board based on an actuarial valuation. Employers contribute 20.75 percent, with 0.73 percent from July 2019 to December 2019 and 0.61 percent from January 2020 to June 2020 funding a supplemental reserve account for postretirement benefits administered by the INPRS Board. Members are required to contribute 4 percent of annual salary. Employers may pay all or part of the member contribution for the member.

Financial report. INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Net Pension Liability

The EG&C Plan's net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.75%
Interest on member balances	3.50%
Future salary increases	2.50%
Inflation	2.25%
Cost of living increases	2019-2021 - 13th check, Beginning Jan. 1, 2022 - 0.40% Beginning Jan. 1, 2034 - 0.50% Beginning Jan. 1, 2039 - 0.60%

Mortality rates for healthy members were based on the RP-2014 (with MP-2014 improvement removed) Blue Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report. Mortality rates for disabled members were based on the RP-2014 (with MP-2014 improvement removed) Disability mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report.

The most recent comprehensive experience study was completed in April 2015 and was based on member experience between June 30, 2010 and June 30, 2014. The demographic assumptions were updated as needed for the June 30, 2019 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return. This range ultimately supports the long-term expected rate of return assumption of 6.75% selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs, but may change with a fundamental shift in the underlying market factors or significant asset allocation change. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	22.0	4.9
Private equity	14.0	7.0
Fixed income - ex inflation - linked	20.0	2.5
Fixed income - inflation - linked	7.0	1.3
Commodities	8.0	2.0
Real estate	7.0	6.7
Absolute return	10.0	2.9
Risk parity	12.0	5.3
Total	**100.0**	

Discount rate. Total pension liability was calculated using the discount rate of 6.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and where applicable from the members, would at the minimum be made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (6.75 percent). Based on these assumptions, the EG&C defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/18	$ 140,056	$ 131,491	$ 8,565
Changes for the year:			
Service cost	3,551	-	3,551
Interest	9,448	-	9,448
Differences between expected and actual experience	6,427	-	6,427
Contributions - employer	-	6,982	(6,982)
Contributions - employee	-	1,368	(1,368)
Net investment income	-	9,711	(9,711)
Benefit payments, including refunds of employee contributions	(7,325)	(7,325)	-
Administrative expense	-	(112)	112
Other changes	50	-	50
Net changes	12,151	10,624	1,527
Balances at 6/30/19	**$ 152,207**	**$ 142,115**	**$ 10,092**

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the EG&C Plan, calculated using the discount rate of 6.75%, as well as what the EG&C Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Rate (6.75%)	1% Increase (7.75%)
Net pension liability	30,404	10,092	(6,623)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone financial report of the Indiana Public Retirement System. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the State recognized pension expense of $4.5 million for the EG&C Plan. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to pensions for the EG&C Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 5,771	$ 522
Changes of assumptions or other inputs	709	6,664
Net difference between projected and actual earnings on pension plan investments	-	1,810
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	6,742	-
Total	**$ 13,222**	**$ 8,996**

Deferred outflows of resources in the amount of $7.0 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2021	(9)
2022	(1,331)
2023	(1,519)
2024	(525)
2025	868
Thereafter	-

Prosecuting Attorneys' Retirement Fund (Presented as part of INPRS – a fiduciary in nature component unit)

Plan description. The Prosecuting Attorneys' Retirement Fund (PARF) is a single-employer (the State of Indiana) defined benefit plan established to provide retirement, disability, and survivor benefits to prosecuting attorneys. Members serve as a: (1) prosecuting attorney or a chief deputy prosecuting attorney; or (2) deputy prosecuting attorney, (3) executive director, or (4) assistant executive director of the Indiana Prosecuting Attorneys Council. Administration of the fund is generally in accordance with IC 33-39-7 and other Indiana pension law. PARF members are also members of the PERF Hybrid Plan. According to statute, benefits payable from PARF are reduced by any benefits payable from the PERF DB fund.

Retirement benefits provided. A participant is entitled to a full retirement benefit if the participant is: (1) age 65 with at least 8 years of creditable service; or (2) age 55 if age and creditable service total at least 85. A participant is eligible for early retirement benefits at age 62 and 8 years of creditable service with a reduction in the full benefit by 0.25 percent for each month less than age 65. Annual benefit equals highest 12 consecutive months of salary (state-paid portion only) before separation from services times percentage for years of service. 24 percent at eight years of service; increased by three percent per year for years nine through 11; 50 percent at year 12; increased by one percent per year for years 13 through 22 with a maximum of 60 percent, and reduced for any PERF DB benefit. There is no postretirement benefit adjustment provided under this plan.

Disability and survivor benefits provided. A member with 22+ years of creditable service receives full benefit. Less than 22 years of creditable service receives the full benefit reduced by one percent for each year under 22. Benefit to be no lower than 50 percent.

While in active service, a spouse or dependent children receives the greater of $12,000 annually or 50 percent of benefit for the later of age 62 or the age the day before death. If death occurs while the participant is receiving a benefit, a spouse (for their lifetime), or dependent children (until age 18 unless disabled) receives the greater of $12,000 annually or 50 percent of the member's benefit.

Employees covered by benefit terms. As of June 30, 2020, the PARF membership consisted of:

Inactive employees or beneficiaries currently receiving benefits	169
Inactive employees entitled to but not yet receiving benefits	101
Inactive employees entitled to refunds of contributions	142
Active employees	205
Total	**617**

Based on census data as of June 30, 2019 used for the June 30, 2020 actuarial valuation.

Contributions. Employer contributions are determined by the INPRS Board based on an actuarial valuation and appropriations are received from the state's general fund. For fiscal year 2020, the appropriation from the state's General Fund totaled $4.2 million and the Actuarially Determined Contribution (ADC) was $4.6 million.

Members are required to contribute six percent of the state-paid portion of salary for a maximum period of 22 years of creatable service. In addition, members are required to contribute three percent as participants of the PERF DC plan. Employers may pay all or part of the member contributions for the member.

Financial report. INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Net Pension Liability

The PARF's net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.75%
Future salary increases	4.00%
Inflation	2.25%
Cost of living increases	N/A

Mortality rates for healthy members were based on the RP-2014 (with MP-2014 improvement removed) White Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report. Mortality rates for disabled members were based on the RP-2014 (with MP-2014 improvement removed) Disability mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report.

The most recent comprehensive experience study was completed in April 2015 and was based on member experience between June 30, 2010 and June 30, 2014. The demographic assumptions were updated as needed for the June 30, 2019 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return. This range ultimately supports the long-term expected rate of return assumption of 6.75% selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs, but may change with a fundamental shift in the underlying market factors or significant asset allocation change. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	22.0	4.9
Private equity	14.0	7.0
Fixed income - ex inflation - linked	20.0	2.5
Fixed income - inflation - linked	7.0	1.3
Commodities	8.0	2.0
Real estate	7.0	6.7
Absolute return	10.0	2.9
Risk parity	12.0	5.3
Total	**100.0**	

Discount rate. Total pension liability was calculated using the discount rate of 6.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and where applicable from the members, would at the minimum be made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State of

Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (6.75 percent). Based on these assumptions, the PARF defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/18	$ 103,284	$ 61,019	$ 42,265
Changes for the year:			
Service cost	2,031	-	2,031
Interest	6,959	-	6,959
Differences between expected and actual experience	2,240	-	2,240
Contributions - employer	-	3,216	(3,216)
Contributions - employee	-	1,307	(1,307)
Net investment income	-	4,489	(4,489)
Benefit payments, including refunds of employee contributions	(4,433)	(4,433)	-
Administrative expense	-	(75)	75
Net changes	6,797	4,504	2,293
Balances at 6/30/19	**$ 110,081**	**$ 65,523**	**$ 44,558**

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the PARF, calculated using the discount rate of 6.75%, as well as what the PARF's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Rate (6.75%)	1% Increase (7.75%)
Net pension liability	58,441	44,558	33,112

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone financial report of the Indiana Public Retirement System. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the State recognized pension expense of $6.8 million for the PARF. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to pensions for the PARF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,107	$ -
Net difference between projected and actual earnings on pension plan investments	-	832
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	4,232	-
Total	$ 5,339	$ 832

Deferred outflows of resources in the amount of $4.2 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2021	1,209
2022	(495)
2023	(366)
2024	(73)

Legislators' Retirement System – Legislators' Defined Benefit Plan (Presented as part of INPRS – a fiduciary in nature component unit)

Plan description. The Legislators' Retirement System is governed by the INPRS Board of Trustees. The Legislators' Defined Benefit Plan (LE DB) is a single-employer (the State of Indiana) defined benefit plan, providing retirement, disability, and survivor benefits to members of the General Assembly who were serving on April 30, 1989, and filed an election under IC 2-3.5-3-1(b). The fund is closed to new entrants. Administration of the fund is generally in accordance with IC 2-3.5 and other Indiana pension law.

Retirement benefits provided. A participant is entitled to an unreduced monthly retirement benefit (1) at age 65 with at least 10 years of creditable service; (2) at age 60 with at least 15 years of creditable service, or (3) at age 55 if age and creditable service total at least 85. A participant is entitled to early retirement at age 55 and 10 years of creditable service (reduce full benefit by 0.1 percent per month between ages 60 and 65, and by 5/12 percent per month between ages 55 and 60). Early retirement benefits are applicable when the member is no longer serving in the General Assembly and is not receiving, nor entitled to receive, compensation from the state for work in any capacity

The annual retirement benefit equals the lesser of: $40 multiplied by 12 months multiplied by years of service before November 8, 1989, or the highest consecutive three-year average annual salary.

Postretirement adjustments are granted by the Indiana General Assembly on an ad hoc basis pursuant ti IC 5-10.2-12-4 and administered by the Board. No postretirement adjustment occurred in the year ended June 30, 2020.

Disability and survivor benefits provided. Any active member that qualifies for social security disability with at least five years of creditable service may receive an unreduced benefit for the duration of their disability. If death occurs while in active service, a spouse or dependent children receives 50 percent of the benefit for the later of age 55 or age the day before the member's death. If death occurs while receiving a benefit, a spouse (for their lifetime), or dependents (until age 18 unless disabled) receives 50 percent of the member's benefit.

Employees covered by benefit terms. As of June 30, 2020, the LEDB Plan membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	79
Inactive vested members entitled to but not yet receiving benefits	6
Active members: vested and non-vested	7
Total	**92**

Based on census data as of June 30, 2019 used for the June 30, 2020 actuarial valuation.

Contributions. Employer contributions are actuarially determined and derive from the state's General Fund, a portion of which will be allocated to fund a supplemental reserve account for postretirement benefits administered by the Board. For the year ended June 30, 2020, the State of Indiana appropriated $0.2 million for employer contributions. The Actuarially Determined Contribution (ADC) for LEDB was $0.2 million.

Financial report. INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Net Pension Liability

The LEDB Plan's net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.75%
Future salary increases	2.25%
Inflation	2.25%
Cost of living increases	No COLA through FY2022
	Beginning Jan. 1, 2022 - 0.40%
	Beginning Jan. 1, 2034 - 0.50%
	Beginning Jan. 1, 2039 - 0.60%

Mortality rates for healthy members were based on the RP-2014 (with MP-2014 improvement removed) White Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report. Mortality rates for disabled members were based on the RP-2014 (with MP-2014 improvement removed) Disability mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report.

The most recent comprehensive experience study was completed in 2015 and was based on member experience between June 30, 2010 and June 30, 2014. The demographic assumptions were updated as needed for the June 30, 2019 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return. This range ultimately supports the long-term expected rate of return assumption of 6.75% selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs, but may change with a fundamental shift in the underlying market factors or significant asset allocation change. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	**Target Allocation (%)**	**Long-Term Expected Real Rate of Return (%)**
Public equity	22.0	4.9
Private equity	14.0	7.0
Fixed income - ex inflation - linked	20.0	2.5
Fixed income - inflation - linked	7.0	1.3
Commodities	8.0	2.0
Real estate	7.0	6.7
Absolute return	10.0	2.9
Risk parity	12.0	5.3
Total	**100.0**	

Discount rate. Total pension liability was calculated using the discount rate of 6.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and where applicable from the members, would at the minimum be made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (6.75 percent). Based on these assumptions, the LEDB defined benefit pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members, Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/18	$ 3,484	$ 2,942	$ 542
Changes for the year:			
Service cost	-	-	-
Interest	224	-	224
Differences between expected and actual experience	10	-	10
Contributions - employer	-	269	(269)
Net investment income	-	209	(209)
Benefit payments, including refunds of employee contributions	(356)	(356)	-
Administrative expense	-	(38)	38
Net changes	(122)	84	(206)
Balances at 6/30/19	**$ 3,362**	**$ 3,026**	**$ 336**

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the LEDB Plan, calculated using the discount rate of 6.75%, as well as what the LEDB Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Rate (6.75%)	1% Increase (7.75%)
Net pension liability	559	336	138

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone financial report of the Indiana Public Retirement System. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the LEDB Plan recognized pension income of $139.7 thousand. At June 30, 2020, the LEDB Plan reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ -	$ 34
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	208	-
Total	**$ 208**	**$ 34**

Deferred outflows of resources in the amount of $208 thousand related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2021	12
2022	(24)
2023	(18)
2024	(4)

Judges' Retirement System (Presented as part of INPRS – a fiduciary in nature component unit)

Plan description. The Judges' Retirement System (JRS) is a single-employer (State of Indiana) defined benefit plan providing retirement, disability, and survivor benefits to members. Membership consists of individuals who served, are serving, or shall serve as a regular judge, magistrate, or justice of the (1) Supreme Court of the state of Indiana, (2) Court of Appeals, (3) Indiana Tax Court, (4) Circuit Court of a Judicial Circuit, or (5) county courts including: Superior, Criminal, Probate, Juvenile, Municipal, and County. Administration of the fund is generally in accordance with IC 33-38 and other Indiana pension law. JRS is governed through the INPRS Board of Trustees

Retirement benefits provided. A member is entitled to a full benefit 1) at age 65 with at least eight years of creditable service, or 2) at age 55 if age and creditable service total at least 85. A member is entitled to an early retirement benefit at age 62 and at least eight years of creditable service but the full benefit is reduced by 0.1 percent for each month less than age 65.

The annual retirement benefit equals individual salary, or salary of office at retirement multiplied by percentage for years of service: 24 percent at eight years of service; increased by three percent per year for years nine through 11; 50 percent at year 12; increased by one percent per year for years 13 through 22 with a maximum of 60 percent.

Postretirement benefit increases for members (not survivors or disabled members) are equal to the change in the salary of the office at retirement. For the year ended June 30, 2020, a postretirement benefit adjustment of 2.7 percent occurred and was administered by the INPRS Board.

Disability and survivor benefits provided. A qualified member with 22+ years of creditable services receivables an unreduced disability benefit. Members with less than 22 years of creditable service receive the full benefit reduced by one percent for each year under 22 years of creditable service with the benefit to be no lower than 50 percent. If death occurs while in active service with 8+ years of service, or while receiving a benefit, a spouse or dependent children (for their lifetime) receive the greater of $12,000 annually or 50 percent of benefit entitled at the date of death.

Employees covered by benefit terms. As of June 30, 2020, the Judges' Retirement System membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	396
Inactive vested members entitled to but not yet receiving benefits	24
Inactive non-vested members entitled to a distribution of contributions	33
Active members: vested and non-vested	458
Total	**911**

Based on census data as of June 30, 2019 used for the June 30, 2020 actuarial valuation.

Contributions. Employer contributions are determined by the INPRS Board based on an actuarial valuation and are received from the state general fund and certain court and docket fees. For the year ended June 30, 2020, the State of Indiana paid $18.2 million in employer contributions, with appropriations of $11.0 million and $7.2 million in docket and court fees. The Actuarially Determined Contribution (ADC) was $19.4 million.

Members are required to contribute six percent of the member's salary for a maximum period of 22 years of creditable service. Employers may pay all or part of the member contribution for the member.

Financial report. INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Net Pension Liability

The JRS' net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.75%
Interest on member balances	3.50%
Future salary increases	2.50%
Inflation	2.25%
Cost of living increases	2.50%

Mortality rates for healthy members were based on the RP-2014 (with MP-2014 improvement removed) White Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report. Mortality rates for disabled members were based on the RP-2014 (with MP-2014 improvement removed) Disability mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report.

The most recent comprehensive experience study was completed in April 2015 and was based on member experience between June 30, 2010 and June 30, 2014. The demographic assumptions were updated as needed for the June 30, 2019 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return. This range ultimately supports the long-term expected rate of return assumption of 6.75% selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs, but may change with a fundamental shift in the underlying market factors or significant asset allocation change. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	22.0	4.9
Private equity	14.0	7.0
Fixed income - ex inflation - linked	20.0	2.5
Fixed income - inflation - linked	7.0	1.3
Commodities	8.0	2.0
Real estate	7.0	6.7
Absolute return	10.0	2.9
Risk parity	12.0	5.3
Total	**100.0**	

Discount rate. Total pension liability was calculated using the discount rate of 6.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and where applicable from the members, would at the minimum be made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (6.75 percent). Based on these assumptions, the JRS defined benefit pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/18	$ 547,694	$ 513,952	$ 33,742
Changes for the year:			
Service cost	18,230	-	18,230
Interest	37,346	-	37,346
Differences between expected and actual experience	8,527	-	8,527
Contributions - employer	-	16,031	(16,031)
Contributions - employee	-	3,476	(3,476)
Net investment income	-	37,371	(37,371)
Benefit payments, including refunds of employee contributions	(25,391)	(25,391)	-
Administrative expense	-	(108)	108
Other changes	93	-	93
Net changes	38,805	31,379	7,426
Balances at 6/30/19	**$ 586,499**	**$ 545,331**	**$ 41,168**

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the JRS, calculated using the discount rate of 6.75%, as well as what the JRS' net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Rate (6.75%)	1% Increase (7.75%)
Net pension liability	108,093	41,168	(15,088)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the JRS recognized pension expense of $26.6 million. At June 30, 2020, the JRS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 5,989	$ 1,705
Changes of assumptions or other inputs	-	173
Net difference between projected and actual earnings on pension plan investments	-	6,973
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	18,166	-
Total	$ 24,155	$ 8,851

Deferred outflows of resources in the amount of $18.2 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2021	1,735
2022	(1,916)
2023	(2,105)
2024	(576)

The State sponsors the following cost-sharing multiple-employer plans:

<u>Public Employees' Defined Benefit Account (Presented as part of INPRS – a fiduciary in nature component unit)</u>

Plan description. PERF DB is a cost-sharing, multiple-employer defined benefit fund providing retirement, disability, and survivor benefits to full-time employees of the State of Indiana not covered by another plan and those political subdivisions (counties, cities, townships, and other governmental units) that elect to participate in the retirement fund. Administration of the fund is generally in accordance with IC 5-10.2, IC 5-10.3, and 35 IAC 1.2.and other Indiana pension law. PERF DB is a component of the Public Employees Hybrid plan (PERF Hybrid).

PERF Hybrid consists of two components: PERF DB, the monthly employer-funded defined benefit component, along with the Public Employees Hybrid Members Defined Contribution Account (PERF DC), a member-funded account. First time new employees hired by the State or a participating political subdivision who offers a choice have a one-time election to join either the PERF Hybrid plan or PERF My Choice: Retirement Savings Plan for Public Employees (PERF MC DC). A new hire that is an existing member of PERF Hybrid and was not given the option for the PERF MC DC plan is given the option to elect PERF MC DC or remain in PERF Hybrid.

Members who have at least one year of service in both PERF DB and the Teachers Retirement Fund (TRF Pre-’96 DB or TRF ’96 DB) have the option of choosing from which of these funds they would like to retire.

Retirement benefits provided. A member is entitled to a full retirement benefit 1) at age 65 with at least 10 years of creditable service (eight years for certain elected officials), 2) at age 60 with at least 15 years of creditable service, 3) at age 55 if age and creditable service total at least 85, 4) at age 55 with 20 years of creditable service and active as an elected official in the PERF-covered position, or 5) at age 70 with 20 years of creditable service and still active in the PERF-covered position. A member is entitled to an early retirement benefit at age 50 and a minimum of 15 years of creditable service. The benefit is reduced to 44 percent of full benefit at age 50, increasing five percent per year up to 89 percent at age 59.

The lifetime annual benefit equals years of creditable service multiplied by the average highest five-year annual salary multiplied by 1.1 percent (minimum of $180 per month). Average annual compensation is outlined in IC 5-10.2-4-3 and includes compensation of not more than $2,000 received from the employer in severance.

Postretirement benefit increases are granted on an ad hoc basis pursuant to IC 5-10.2-12-4 and administered by the INPRS Board. For the year ended June 30, 2020, postretirement benefits of $30.6 million were issued to members as a 13th check.

Disability and survivor benefits provided. An active member qualifying for Social Security disability with five years of creditable service may receive an unreduced retirement benefit for the duration of their disability (minimum of $180 per month). If a member dies after June 30, 2018, a spouse or dependent beneficiary of a member with a minimum of 10 years of creditable service receives a benefit as if the member retired the later of age 50 or the age the day before the member’s death. If a member dies while receiving a benefit, a beneficiary receives the benefit associated with the member’s selected form of payment: Five Year Certain & Life, Joint with 100 percent Survivor Benefits, Joint with Two-Thirds Survivor Benefits, or Joint with One-Half Survivor Benefits.

Employees covered by benefit terms. As of June 30, 2020, there were 1,213 participating political subdivisions in addition to the State. As of June 30, 2020, PERF membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	92,436
Inactive vested members entitled to but not yet receiving benefits	33,575
Active members: vested and non-vested	125,780
Total	**251,791**

Based on census data as of June 30, 2019 used for the June 30, 2020 actuarial valuation.

Contributions. Contributions are determined by the Board based on an actuarial valuation. Employers contribute 11.2 percent of covered payroll, with 0.43 percent from July 2019 to December 2019 and 0.44 percent from January 2020 to June 2020 funding a supplemental reserve account for postretirement benefits. Contributions from employers with PERF MC DC plan members, who either currently offer or have offered PERF Hybrid, fund PERF DB's unfunded liability at 8.0 percent of covered payroll for the State and 7.3 percent for political subdivisions. No member contributions are required.

Financial report. INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.75%
Future salary increases	2.50% - 4.25%
Inflation	2.25%
Cost of living increases	2019-2021 - 13th check,
	Beginning Jan. 1, 2022 - 0.40%
	Beginning Jan. 1, 2034 - 0.50%
	Beginning Jan. 1, 2039 - 0.60%

Mortality rates for healthy members were based on the RP-2014 (with MP-2014 improvement removed) Total Data Set Mortality Table, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report. Mortality rates for disabled members were based on the RP-2014 (with MP-2014 improvement removed) Disability Mortality Table, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report.

The most recent comprehensive experience study was completed in April 2015 and was based on member experience between June 30, 2010 and June 30, 2014. The demographic assumptions were updated as needed for the June 30, 2019 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return. This range ultimately supports the long-term expected rate of return assumption of 6.75% selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs, but may change with a fundamental shift in the underlying market factors or significant asset allocation change. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	22.0	4.9
Private equity	14.0	7.0
Fixed income - ex inflation - linked	20.0	2.5
Fixed income - inflation - linked	7.0	1.3
Commodities	8.0	2.0
Real estate	7.0	6.7
Absolute return	10.0	2.9
Risk parity	12.0	5.3
Total	**100.0**	

Discount rate. Total pension liability was calculated using the discount rate of 6.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and where applicable from the members, would at the minimum be made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (6.75 percent). Based on these assumptions, the PERF defined benefit pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members, Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

Sensitivity of the State's proportionate share of the net pension liability to changes in the discount rate. The following presents the State's proportionate share of the net pension liability calculated using the discount rate of 6.75%, as well as what the State's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Rate (6.75%)	1% Increase (7.75%)
State's proportionate share of the net pension liability	1,374,779	856,020	423,335

Pension plan fiduciary net position. Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone financial report of the Indiana Public Retirement System. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the State reported a liability of $856.0 million for its proportionate share of the net pension liability. The PERF net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The State's proportion of the net pension liability was based on a projection of the State's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the State's proportion was 25.90 percent, which was a increase of 0.32 percentage points from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the State recognized pension expense of $146.1 million. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 22,667	$ -
Changes of assumptions or other inputs	191	93,056
Net difference between projected and actual earnings on pension plan investments	-	40,462
Changes in the employer proportion and differences between the employer's contributions and the employer's proportionate share of contributions	12,943	3,122
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	151,017	-
Total	**$ 186,818**	**$ 136,640**

Deferred outflows of resources in the amount of $151.0 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2021	(29,232)
2022	(58,764)
2023	(9,701)
2024	(3,142)

Teachers' 1996 Defined Benefit Account (Presented as part of INPRS – a fiduciary in nature component unit)

Plan description. TRF '96 DB is a cost-sharing, multiple-employer defined benefit fund providing retirement, disability, and survivor benefits. Membership in TRF '96 DB is required for all legally qualified and regularly employed licensed teachers who serve in the public schools of Indiana, teachers employed by the State at state institutions, and certain INPRS employees. Faculty members and professional employees at Ball State University and Vincennes University have the option of selecting membership in the Fund or an alternate university plan not administered by INPRS. Membership in TRF '96 DB is optional for teachers employed by charter schools, employees and officials of the Indiana State Board of Education who were Indiana licensed teachers before their employment with the Board, and teachers employed by special management teams as defined under IC 20-31. Administration of the fund is generally in accordance with IC 5-10.2, IC 5-10.4, and 35 IAC 14, and other Indiana pension law. TRF '96 DB is a component of the Teachers' Hybrid Plan. The Teachers Hybrid Plan consists of two components: TRF '96 DB: the monthly employer-funded defined benefit component, along with TRF DC, a member-funded account.

Retirement benefits provided. A member is entitled to a full retirement benefit 1) at age 65 with at least 10 years of creditable service, 2) at age 60 with at least 15 years of creditable service, 3) at age 55 if age and creditable service total at least 85, 4) at age 55 with 20 years of creditable service and active as an elected official in the TRF-covered position, or 5) at age 70 with 20 years of creditable service and still active in the TRF-covered position. A member is entitled to an early retirement benefit at age 50 and minimum of 15 years of creditable service. The benefit is 44 percent of full benefit at age 50, increasing five percent per year up to 89 percent at age 59.

The lifetime annual benefit equals the years of creditable service multiplied by the average highest five-year annual salary multiplied by 1.1 percent (minimum of $185 per month). Average annual compensation is outlined in IC 5-10.2-4-3 and includes compensation of not more than $2,000 received from the employer in severance.

Postretirement benefit increases are granted on an ad hoc basis pursuant to IC 5-10.2-12-4 and administered by the INPRS Board. For the year ended June 30, 2020, postretirement benefits of $2.6 million were issued to members as a 13th check.

Disability and survivor benefits provided. An active member qualifying for Social Security disability with five years of creditable service may receive an unreduced retirement benefit for the duration of their disability (minimum of $185 per month). Under certain conditions, active TRF members may qualify for a classroom disability benefit of at least $125 per month. If a member dies after June 30, 2018, a spouse or dependent beneficiary of a member with a minimum of 10 years of creditable service receives a benefit as if the member retired the later of age 50 or the age the day before the member's death. If a member dies while receiving a benefit, a beneficiary receives the benefit associated with the member's selected form of payment: Five Year Certain & Life, Joint with 100% Survivor Benefits, Joint with Two-Thirds Survivor Benefits, or Joint with One-Half Survivor Benefits.

Employees covered by benefit terms. As of June 30, 2020, the number of participating employers was 375 in addition to the State. As of June 30, 2020, TRF 1996 Account membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	7,596
Inactive vested members entitled to but not yet receiving benefits	6,609
Active members: vested and non-vested	58,450
Total	**72,655**

Based on census data as of June 30, 2019 used for the June 30, 2020 actuarial valuation.

Contributions. Contributions are determined by the INPRS Board based on an actuarial valuation. Employers contribute 5.5 percent of covered payroll, with 0.14 percent funding a supplemental reserve account for future postretirement benefit increases. No member contributions are required.

Financial report. INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.75%
Future salary increases	2.5% - 12.5%
Inflation	2.25%
Cost of living increases	2019-2021 - 13th check, Beginning Jan. 1, 2022 - 0.40% Beginning Jan. 1, 2034 - 0.50% Beginning Jan. 1, 2039 - 0.60%

Mortality rates for healthy members were based on the RP-2014 (with MP-2014 improvement removed) White Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report. Mortality rates for disabled members were based on the RP-2014 (with MP-2014 improvement removed) Disability mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report.

The most recent comprehensive experience study was completed in April 2015 and was based on member experience between June 30, 2011 and June 30, 2014. The demographic assumptions were updated as needed for the June 30, 2019 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return. This range ultimately supports the long-term expected rate of return assumption of 6.75% selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs, but may change with a fundamental shift in the underlying market factors or significant asset allocation change. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	22.0	4.9
Private equity	14.0	7.0
Fixed income - ex inflation - linked	20.0	2.5
Fixed income - inflation - linked	7.0	1.3
Commodities	8.0	2.0
Real estate	7.0	6.7
Absolute return	10.0	2.9
Risk parity	12.0	5.3
Total	**100.0**	

Discount rate. Total pension liability was calculated using the discount rate of 6.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and where applicable from the members, would at the minimum be made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (6.75 percent). Based on these assumptions, the TRF '96 defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

Sensitivity of the State's proportionate share of the net pension liability to changes in the discount rate. The following presents the State's proportionate share of the net pension liability calculated using the discount rate of 6.75%, as well as what the State's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Rate (6.75%)	1% Increase (7.75%)
State's proportionate share of the net pension liability	3,028	(495)	(3,348)

Pension plan fiduciary net position. Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone financial report of the Indiana Public Retirement System. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Pension Liabilties, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2019, the State reported an asset of $495 thousand for its proportionate share of the net pension liability. The TRF 1996 Account net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The State's proportion of the net pension liability was based on a projection of the State's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the State's proportion was 0.34 percent, which was a decrease of 0.01 percentage points from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the State recognized pension expense of $14.3 million. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 200	$ 562
Changes of assumptions or other inputs	584	1,124
Net difference between projected and actual earnings on pension plan investments	-	271
Changes in the employer proportion and differences between the employer's contributions and the employer's proportionate share of contributions	136,071	285
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	605	-
Total	**$ 137,460**	**$ 2,242**

Deferred outflows of resources in the amount of $605.0 thousand related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2021	13,399
2022	13,243
2023	13,281
2024	13,367
2025	13,390
Thereafter	67,933

The State is a non-employer contributing entity in a special funding situation for the following pension plan:

State Teachers' Retirement Fund Pre-1996 Account (Presented as part of INPRS – a fiduciary in nature component unit)

Plan description. The Indiana State Teachers' Retirement Fund Pre-1996 Account (TRF Pre-1996) is a pay-as-you-go cost-sharing, multiple-employer defined benefit plan providing retirement, disability, and survivor benefits for teachers, administrators, and certain INPRS personnel hired before July 1, 1996. Membership in TRF Pre-'96 DB is closed to new entrants. Administration of the fund is generally in accordance with IC 5-10.2, IC 5-10.4, 35 IAC 14, and other Indiana pension law. TRF Pre-'96 DB is a component of the Teachers' Hybrid Plan. The Teachers' Hybrid Plan consists of two components: TRF Pre-'96 DB: the monthly employer-funded defined benefit component, along with TRF DC, a member-funded account.

Retirement benefits provided. A member is entitled to a full retirement benefit 1) at age 65 with at least 10 years of creditable service, 2) at age 60 with at least 15 years of creditable service, 3) at age 55 if age and creditable service total at least 85, 4) at age 55 with 20 years of creditable service and active as an elected official in the TRF-covered position, or 5) at age 70 with 20 years of creditable service and still active in the TRF-covered position. A member is entitled to an early retirement benefit at age 50 and minimum of 15 years of creditable service. The benefit is 44 percent of full benefit at age 50, increasing five percent per year up to 89 percent at age 59.

The lifetime annual benefit equals the years of creditable service multiplied by the average highest five-year annual salary multiplied by 1.1 percent (minimum of $185 per month). The average annual compensation is outlined in IC 5-10.2-4-3 and includes compensation of not more than $2,000 received from the employer in severance.

Postretirement benefit increases are granted on an ad hoc basis pursuant to IC 5-10.2-12-4 and administered by the INPRS Board. For the year ended June 30, 2020, postretirement benefits of $21.8 million were issued to members as a 13th check.

Disability and survivor benefits provided. An active member qualifying for Social Security disability with five years of creditable service may receive an unreduced retirement benefit for the duration of their disability (minimum of $185 per month). Under certain conditions, active TRF members may qualify for a classroom disability benefit of at least $125 per month. If death occurs while in active service, a spouse or dependent beneficiary of a member with a minimum of 15 years of creditable service receives a benefit as if the member retired the later of age 50 or the age the day before the member's death. If death occurs while receiving a benefit, a spouse or dependent receives the benefit associated with the member's selected form of payment: Five Year Certain & Life, Joint with 100% Survivor Benefits, Joint with Two-Thirds Survivor Benefits, or Joint with One-Half Survivor Benefits.

Employees covered by benefit terms. As of June 30, 2020, the number of participating employers was 335 in addition to the State. The State of Indiana makes contributions as the sole nonemployer contributing entity. As of June 30, 2020, TRF Pre-1996 Account membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	53,415
Inactive vested members entitled to but not yet receiving benefits	2,272
Active members: vested and non-vested	9,338
Total	**65,025**

Based on census data as of June 30, 2019 used for the June 30, 2020 actuarial valuation.

Contributions. According to statute, the TRF Pre-'96 DB fund is funded primarily by appropriations from the state general fund and lottery proceeds. The Actuarially Determined Contribution (ADC) for TRF Pre-'96 DB was $973.5 million. This includes a base appropriation of $919.0 million, a special appropriation of $22.1 million for 13th checks, $30.0 million of lottery proceeds to fund the supplemental reserve account for postretirement benefits, and $2.4 million of employer contributions from grant monies. No member contributions are required.

Financial report. INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the State reported a liability of $10,630.0 million for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The State's proportion of the net pension liability was based on a projection of the State's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the State's proportion was 100.00 percent, which was the same as its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the State recognized pension expense of $780.9 million. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	-	76,613
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	971,219	-
Total	$ 971,219	$ 76,613

$971.2 million reported as deferred outflows of resources resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2021	(835)
2022	(41,258)
2023	(29,328)
2024	(5,192)

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.75%
Future salary increases	2.5% - 12.5%
Inflation	2.25%
Cost of living increases	2019-2021 - 13th check, Beginning Jan. 1, 2022 - 0.40% Beginning Jan. 1, 2034 - 0.50% Beginning Jan. 1, 2039 - 0.60%

Mortality rates for healthy members were based on the RP-2014 (with MP-2014 improvement removed) White Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report. Mortality rates for disabled members were based on the RP-2014 (with MP-2014 improvement removed) Disability mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report.

The most recent comprehensive experience study was completed in April 2015 and was based on member experience between June 30, 2011 and June 30, 2014. The demographic assumptions were updated as needed for the June 30, 2019 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return. This range ultimately supports the long-term expected rate of return assumption of 6.75% selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs, but may change with a fundamental shift in the underlying market factors or significant asset allocation change. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	22.0	4.9
Private equity	14.0	7.0
Fixed income - ex inflation - linked	20.0	2.5
Fixed income - inflation - linked	7.0	1.3
Commodities	8.0	2.0
Real estate	7.0	6.7
Absolute return	10.0	2.9
Risk parity	12.0	5.3
Total	**100.0**	

Discount rate. Total pension liability was calculated using the discount rate of 6.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and where applicable from the members, would at the minimum be made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (6.75 percent). Based on these assumptions, the TRF Pre-‘96 defined benefit pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members, Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

Sensitivity of the State’s proportionate share of the net pension liability to changes in the discount rate. The following presents the State’s proportionate share of the net pension liability calculated using the discount rate of 6.75%, as well as what the State’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Rate (6.75%)	1% Increase (7.75%)
State's proportionate share of the net pension liability	11,949,033	10,630,019	9,494,757

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in the separately issued stand-alone financial report of the Indiana Public Retirement System. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Pension Amounts Summary – Defined Benefit Plans

A summary of the pension amounts disclosed in the notes for the defined benefit plans is provided in the following table.

Plan	Total Pension Liability	Fiduciary Net Position	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
SPRF	$ 686,224	$ 491,293	$ 194,931	$ 79,961	$ 15,819	$ 51,074
SPST	16,247	-	16,247	3,004	3,228	5,157
EG&C	152,207	142,115	10,092	13,222	8,996	4,546
PARF	110,081	65,523	44,558	5,339	832	6,797
LE DB	3,362	3,026	336	208	34	140
JRS	586,499	545,331	41,168	24,155	8,851	26,569
PERF	4,293,241	3,437,221	856,020	186,818	136,640	146,118
TRF 1996	20,590	21,085	(495)	137,460	2,242	14,259
TRF Pre-1996	14,389,164	3,759,145	10,630,019	971,219	76,613	780,897
Total	**$20,257,615**	**$ 8,464,739**	**$11,792,876**	**$1,421,386**	**$ 253,255**	**$1,035,557**

The State contributes to the following defined contribution plans:

My Choice (PERF MC DC) – State Employees' Defined Contribution Plan (Presented as part of INPRS – a fiduciary in nature component unit)

PERF MC DC is a multiple employer defined contribution fund providing retirement benefits to full-time employees of the State of Indiana not covered by another plan and those political subdivisions (counties, cities, townships, and other governmental units) that elected to participate in the retirement fund. PERF MC DC is the primary defined contribution benefit plan for members making this election. Administration of the account is generally in accordance with other Indiana pension law.

First time new employees hired by the State of Indiana or a political subdivision who offer a choice have a one-time election to join either PERF Hybrid or PERF My Choice. A state hire that is an existing member of PERF Hybrid plan and was not given the option for PERF My Choice is given the option to elect PERF My Choice or remain in PERF Hybrid.

The PERF MC DC plan may be funded with an employer variable rate contribution. The variable rate contribution is three percent for state employees and up to 3.9 percent for political subdivision members. Political subdivisions may match 50 percent of a member's voluntary contributions.

Member contributions under the PERF MC DC are set by statute and the INPRS Board at three percent of covered payroll. The employer may choose to make these contributions on behalf of the member. Under certain limitations, voluntary member contributions up to 10 percent can be made solely by the member.

The state contributed 3.0% to My Choice members' accounts during the fiscal year ended June 30, 2020. My Choice members totaled 6,237 as of June 30, 2020.

Members are entitled to the total of vested contributions plus earnings 30 days after separation from employment (retirement, termination, disability, or death). The amount may be paid in a lump sum, partial lump sum, direct rollover to another eligible retirement plan, or a monthly annuity (in accordance with INPRS requirements). PERF MC DC members are 100 percent vested in their member contributions. PERF MC DC members vest in employer contributions in increments of 20 percent for each full year of service until 100 percent is reached at 5 years.

Upon providing proof of the member's qualification for social security disability benefits, the member is entitled to the sum total of vested contributions plus earnings. The amount may be paid in a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity (in accordance with INPRS requirements).

The survivor benefit is that the beneficiary is entitled to the sum total of vested contributions plus earnings. The amount may be paid in a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity (in accordance with INPRS requirements).

<u>Legislators' Retirement System – Legislators' Defined Contribution Plan (Presented as part of INPRS – a fiduciary in nature component unit)</u>

The Legislators' Defined Contribution plan is a single-employer (State of Indiana) defined contribution fund that provides retirement benefits to members of the General Assembly. Administration of the fund is generally in accordance with IC 2-3.5 and other Indiana pension law. Effective January 1, 2019, members of the fund can no longer invest in the Consolidated Defined Benefit Assets.

Members are entitled to the total of vested contributions plus earnings. The amount may be paid in a lump sum, partial lump sum, direct rollover to another eligible retirement plan, monthly annuity, or installment options (in accordance with INPRS requirements).

If a participant dies their beneficiary is entitled to the total of contributions plus earnings. The amount can be paid in a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity (in accordance with INPRS requirements.

Contributions are determined by the INPRS Board and confirmed by the State Budget Agency. The employer contribution rate is 14.2 percent of covered payroll. This rate may not exceed the sum contribution rates for State of Indiana employer and member PERF Hybrid plans. The member contribution is five percent of member's salary. The employer may choose to make contributions on behalf of the member.

F. Other Postemployment Benefits

Defined Benefit Plans

Plan Descriptions. The State of Indiana sponsors and contributes to four single-employer defined benefit healthcare plans: State Personnel Plan (SPP); Legislature Plan (LP); Indiana State Police Plan (ISPP); and the Conservation and Excise Police Plan (CEPP). The SPP and LP are administered by the State Personnel Department. The Indiana State Police administer the ISPP. The CEPP is administered by the Indiana State Excise Police and Indiana Conservation Officers Health Insurance Committee. The SPP, ISPP, and CEPP are administered through trusts that meet the criteria in GASB 74. The LP is not administered through a trust that meets the requirements of GASB 74 and is not accumulating assets.

Benefits Provided. All four plans provide medical plan health care benefits to eligible State employee retirees and beneficiaries. The medical benefits provided to retirees are the same benefit options afforded active employees. Benefit provisions for each plan are established and may be amended by Indiana Code 5-10-8 *et seq*. Separate financial reports are not issued for these plans.

Employees covered by benefit terms. As of June 30, 2019, and June 30, 2020, membership in the plans consisted of:

	SPP	ISPP	CEPP	LP
Inactive employees or beneficiaries currently receiving benefit payments	552	1,076	198	34
Active employees	25,659	1,688	244	113
Total	**26,211**	**2,764**	**442**	**147**

Based on census data as of June 30, 2018 used for the June 30, 2019 actuarial valuation.

Contributions. Actuarially determined contributions (ADC) are determined for these plans by the actuary. The state determines the contributions to make for these plans after considering its other needs and the OPEB participants' needs.

For the SPP, the state contributes at least the ADC annually.

The ISPP has established a 401(h) and section 115 trust for the purpose of funding retiree OPEB. Contributions to the 401(h) and section 115 trust are made from the following sources: 1) Medicare Part D retiree drug subsidy reimbursement; 2) excess long-term disability fund; 3) retiree premiums 4) state contributions for ISP active employees in accordance with the OPEB DC plan (501 plan); and 5) discretionary contributions from the ISP healthcare fund up to $1 million. Additionally, active ISP employees contribute $20 per paycheck towards the 401(h) trust account. This ISP funding policy is expected to continue for the foreseeable future.

The annual cost of the CEPP is financed on a pay-as-you-go basis from state subsidies, active/retiree contributions, and a discretionary contribution from the CEPP reserve fund.

Retiree participants pay the full premium rate as determined by the administrators of these plans.

Financial Statements: As separately issued financial statements are not available for the State Employee Retiree Health Benefit Trust Fund-DB, summarized financial statements are as follows:

State of Indiana
Combining Statement of Fiduciary Net Position
Pension and Other Employee Benefit Trust Funds
June 30, 2020

	SPP	ISPP	CEPP	Total
Assets				
Cash, cash equivalents and non-pension investments	$ 209	$ 4,685	$ 378	**$ 5,272**
Receivables:				
Contributions	656			**656**
Interest	113	15	3	**131**
Total receivables	769	15	3	**787**
Pension and other employee benefit investments at fair value:				
Debt Securities	46,493	154,477	26,896	**227,866**
Total investments at fair value	46,493	154,477	26,896	**227,866**
Total assets	**47,471**	**159,177**	**27,277**	**233,925**
Liabilities:				
Benefits payable	334	520	105	**959**
Total liabilities	**334**	**520**	**105**	**959**
Net Position				
Restricted for:				
OPEB benefits	47,137	158,657	27,172	**232,966**
Total net position	**$ 47,137**	**$ 158,657**	**$ 27,172**	**$ 232,966**

State of Indiana
Combining Statement of Changes in Fiduciary Net Position
Pension and Other Employee Benefit Trust Funds
For the Year Ended June 30, 2020

	SPP	ISPP	CEPP	Total
Additions:				
Employer contributions	$ 5,030	$ 20,819	$ 4,167	**$ 30,016**
Net investment income (loss)	789	2,122	347	**3,258**
Federal reimbursements	-	633	-	**633**
Other	-	275	-	**275**
Total additions	5,819	23,849	4,514	**34,182**
Deductions:				
Retiree health benefits	4,752	2,802	988	**8,542**
Administrative	133	359	77	**569**
Total deductions	4,885	3,161	1,065	**9,111**
Net increase (decrease) in net position	934	20,688	3,449	**25,071**
Net position restricted for pension and other employee benefits, July 1, as restated:				
OPEB benefits	46,203	137,969	23,723	**207,895**
Net position restricted for pension and other employee benefits, June 30, as restated	**$ 47,137**	**$ 158,657**	**$ 27,172**	**$ 232,966**

Net OPEB Liability

The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The components of the net OPEB liability of the three plans administered through trusts at June 30, 2019 were as follows:

	SPP	ISPP	CEPP
Total OPEB liability	$57,424	$198,445	$76,899
Plan fiduciary net position	46,203	137,969	23,723
Net OPEB liability	$11,221	$ 60,476	$53,176
Plan fiduciary net position as a percentage of the total OPEB liability	80.5%	69.5%	30.8%

The components of the net OPEB liability for the three OPEB plans administered through trusts at June 30, 2020 was:

	SPP	ISPP	CEPP
Total OPEB liability	$52,311	$177,448	$49,275
Plan fiduciary net position	47,137	158,657	27,172
Net OPEB liability	$ 5,174	$ 18,791	$22,103
Plan fiduciary net position as a percentage of the total OPEB liability	90.1%	89.4%	55.1%

Actuarial assumptions. The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Description	SPP	ISPP	CEPP	LP
Inflation	2.25%	2.25%	2.25%	2.25%
Salary increases	2.25% for general wage inflation plus merit and productivity increases as follows: Ages 20 and 30, 2.0%; age 40, 1.5%, and age 50, 1.0%	2.25% for general wage inflation plus 0.25% for merit and productivity increases	2.25% for general wage inflation plus 0.25% for merit and productivity increases	2.25% for general wage inflation plus merit and productivity increases as follows: Ages 20 and 30, 2.0%; age 40, 1.5%, and age 50, 1.0%
Investment rate of return	3.26%	6.20%	3.36%	3.51%
Healthcare cost trend rates	8.0% decreasing 0.5% per year to an ultimate rate of 4.5%	8.0% decreasing 0.5% per year to an ultimate rate of 4.5%	8.0% decreasing 0.5% per year to an ultimate rate of 4.5%	8.0% decreasing 0.5% per year to an ultimate rate of 4.5%

For SPP and LP, mortality rates were based on the SS-2012 Employee and Annuitant Mortality Table fully generational using SSA scale. For ISPP and CEPP, mortality rates were based on the SS-2012 Total Dataset Mortality Table with blue collar adjustment fully generational using SSA scale.

For SPP and CEPP, the most recent comprehensive experience study was based on member experience between June 30, 2010 and June 30, 2014. For ISPP, the most recent comprehensive experience study was based on member experience between July 1, 2005 through June 20, 2010. For LP, the most recent comprehensive experience study was based on professional judgement and limited experience through 2008.

Discount Rate.

For SPP for the June 30, 2019 valuation, the long-term expected rate of return on OPEB plan investment is 3.25%. This was determined using a building block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are then combined to produce the long-term expected rate of return by weighting them based on the target asset allocation percentage and adding in expected inflation (2.25%). The best estimates of arithmetic real rates of return for each major asset class included in the SPP OPEB Plan's target asset allocation as of June 30, 2019 are summarized in the following table:

State Personnel Plan

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
U.S. Bond	100.0	1.0

The discount rate used to measure the total OPEB liability for SPP was 3.26 percent as of June 30, 2019 and applied to all periods of projected benefit payments to determine the total OPEB liability. The change in the discount rate from the 2018 to the 2019 actuarial valuations was .61%, lowering the rate to 3.26%. The projection of cash flows used to determine the discount rate assumed that the State's contributions to this plan will be made at a rate equal to the actuarially determined rate. The discount rate of 3.25% was used in calculating the actuarially determined contribution for this plan.

For ISPP for the June 30, 2019 valuation, the long-term expected rate of return on OPEB plan investments is 6.20%. The expected future real rates of return are shown below. Inflation is expected to be 2.25% the best estimate of arithmetic real rates of return for each major asset class included in the ISPP OPEB Plan's target asset allocation as of June 20, 2019 are summarized in the following table.

State Police Plan		
Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Broad US Equity	29.0	6.9
Global ex-US Equity	13.0	7.1
Domestic Fixed	17.0	2.6
High Yield	5.0	3.0
Short Duration	4.0	4.8
Cash Equivalents	2.0	5.1
Hedge Funds	25.0	5.8
Real Estate	5.0	2.3
Total	**100.0**	

The discount rate used to measure the total OPEB liability for ISPP was 6.20 percent as of June 30, 2019 and applied to all periods of projected benefit payments to determine the total OPEB liability. The change in the discount rate from the 2018 to the 2019 actuarial valuations was 2.33%, raising the rate to 6.20%. The projection of cash flows used to determine the discount rate assumed that the State will continue to make contributions equal to the benefit payments each year plus additional prefunding contributions of $17.5 million per year (based on actual pre-funding contributions over the past four years) until the trust is sufficient to pay all future benefits. The discount rate of 6.20% was used in calculating the actuarially determined contribution for this plan.

For CEPP for the June 30, 2019 valuation, the long-term expected rate of return on OPEB plan investment is 3.25%. This was determined using a building block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are then combined to produce the long-term expected rate of return by weighting them based on the target asset allocation percentage and adding in expected inflation (2.25%). The best estimates of arithmetic real rates of return for each major asset class included in the CEPP OPEB Plan's target asset allocation as of June 30, 2019 are summarized in the following table:

Conservation & Excise Officers Plan		
Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
U.S. Bond	100.0	1.0

The discount rate used to measure the total OPEB liability for CEPP was 3.36 percent as of June 30, 2019 and applied to all periods of projected benefit payments to determine the total OPEB liability. The change in the discount rate from the 2018 to the 2019 actuarial valuations was 0.51%, lowering the rate to 3.36%. The projection of cash flows used to determine the discount rate assumed that the State will continue to make contributions equal to the benefit payments each year plus additional pre-funding contributions of $2.8 million per year (based on actual pre-funding contributions over the past four years). The discount rate of 3.25 was used in calculating the actuarially determined contribution for this plan.

For LP for the June 20, 2019 valuation, the discount rate used to measure the total OPEB liability was 3.51% and applied to all periods of projected benefit payments to determine the total OPEB liability. The change in the discount rate from the 2018 to the 2019 actuarial valuations was 0.36%, lowering the rate to 3.51%.

Actuarial assumptions. The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Description	SPP	ISPP	CEPP	LP
Inflation	2.25%	2.25%	2.25%	2.25%
Salary increases	2.75% for general wage inflation plus merit and productivity increases based on the assumptions approved from the INPRS 2020 Experience Study.	Pre-1987 Plan, 3.5%. 1987 Plan as follows: Age 26, 9.0%; age 31, 6.5%, and age 36+, 4.0%	2.75% for general wage inflation plus merit and productivity increases based on the assumptions approved from the INPRS 2020 Experience Study.	2.25% for general wage inflation plus 0.50% for merit and productivity increases
Investment rate of return	3.23%	6.20%	6.20%	2.66%
Healthcare cost trend rates	7.5% decreasing 0.5% per year to an ultimate rate of 4.5%	7.5% decreasing 0.5% per year to an ultimate rate of 4.5%	7.5% decreasing 0.5% per year to an ultimate rate of 4.5%	7.5% decreasing 0.5% per year to an ultimate rate of 4.5%

For SPP and LP, mortality rates were based on the following: For Healthy Judges/PARF employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2019 with a 1 year setback for males and a 1 year setback for females. For all other healthy employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2019 with a 3 year set forward for males and a 1 year set forward for females. For disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2019 with a 140% load. For surviving spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2019 with no set forward for males and a 2 year set forward for females. For ISPP and CEPP, mortality rates were based on the following: For Healthy employees and retirees: SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2019 with a 3 year set forward for males no set forward for females. For disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2019. For surviving spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2019 with no set forward for males and a 2 year set forward for females.

For SPP and CEPP, the most recent comprehensive experience study was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. For ISPP, the most recent comprehensive experience study was completed in July 2020 and was based on member experience between June 30, 2011 through June 30, 2019. For LP, the most recent comprehensive experience study was based on professional judgement and limited experience through 2008.

Discount Rate.

For SPP for the June 30, 2020 valuation, the long-term expected rate of return on OPEB plan investment is 3.25%. This was determined using a building block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are then combined to produce the long-term expected rate of return by weighting them based on the target asset allocation percentage and adding in expected inflation (2.25%). The best estimates of arithmetic real rates of return for each major asset class included in the SPP OPEB Plan's target asset allocation as of June 30, 2020 are summarized in the following table:

State Personnel Plan		
Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
U.S. Bond	100.0	1.0

The discount rate used to measure the total OPEB liability for SPP was 3.23 percent as of June 30, 2020 and applied to all periods of projected benefit payments to determine the total OPEB liability. The change in the discount rate from the 2019 to the 2020 actuarial valuations was .03%, lowering the rate to 3.23%. The projection of cash flows used to determine the discount rate assumed that the State's contributions to this plan will be made at a rate equal to the actuarially determined rate. The discount rate of 3.25% was used in calculating the actuarially determined contribution for this plan

For ISPP for the June 30, 2020 valuation, the long-term expected rate of return on OPEB plan investments is 6.20%. The expected future real rates of return are shown below. Inflation is expected to be 2.25% the best estimate of arithmetic real rates of return for each major asset class included in the ISPP OPEB Plan's target asset allocation as of June 20, 2020 are summarized in the following table.

State Police Plan Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Broad US Equity	29.0	6.9
Global ex-US Equity	13.0	7.1
Domestic Fixed	17.0	3.0
High Yield	5.0	4.8
Short Duration	4.0	2.6
Cash Equivalents	2.0	2.3
Hedge Funds	25.0	5.1
Real Estate	5.0	5.8
Total	**100.0**	

The discount rate used to measure the total OPEB liability for SPP was 6.20 percent as of June 30, 2020 and applied to all periods of projected benefit payments to determine the total OPEB liability. There was no change in the discount rate from the 2019 to the 2020 actuarial valuations. The projection of cash flows used to determine the discount rate assumed that the State will continue to make contributions equal to the benefit payments each year plus additional prefunding contributions of $17.5 million per year (based on actual pre-funding contributions over the past four years) until the trust is sufficient to pay all future benefits. The discount rate of 6.20 was used in calculating the actuarially determined contribution for this plan.

For CEPP for the June 30, 2020 valuation, the long-term expected rate of return on OPEB plan investment is 6.20% which is based on the asset allocation being similar to the investment of the ISP OPEB Trust. Inflation is expected to be 2.25%. The best estimates of arithmetic real rates of return for each major asset class included in the CEPP OPEB Plan's target asset allocation as of June 30, 2020 are summarized in the following table:

Conservation & Excise Officers Plan Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Broad US Equity	29.0	6.9
Global ex-US Equity	13.0	7.1
Domestic Fixed	17.0	3.0
High Yield	5.0	4.8
Short Duration	4.0	2.6
Cash Equivalents	2.0	2.3
Hedge Funds	25.0	5.1
Real Estate	5.0	5.8
Total	**100.0**	

The discount rate used to measure the total OPEB liability for CEPP was 6.20 percent as of June 30, 2020 and applied to all periods of projected benefit payments to determine the total OPEB liability. The change in the discount rate from the 2019 to the 2020 actuarial valuations was 2.84%, raising the rate to 6.20%. The projection of cash flows used to determine the discount rate assumed that the State will continue to make contributions equal to the benefit payments each year plus additional pre-funding contributions of $2.9 million per year (based on actual pre-funding contributions over the past four years). The discount rate of 6.20% was used in calculating the actuarially determined contribution for this plan.

For LP for the June 20, 2020 valuation, the discount rate used to measure the total OPEB liability was 2.66% and applied to all periods of projected benefit payments to determine the total OPEB liability. The change in the discount rate from the 2019 to the 2020 actuarial valuations was 0.85%, lowering the rate to 2.66%.

Changes in the Net/Total OPEB Liability

State Personnel Plan	Increase (Decrease) Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 6/30/18	$ 47,525	$ 45,489	$ 2,036
Changes for the year:			
Service cost	1,934	-	1,934
Interest	1,851	-	1,851
Differences between expected and actual experience	6,587	-	6,587
Changes of assumptions or other inputs	2,803	-	2,803
Contributions - employer	-	3,337	(3,337)
Net investment income	-	1,007	(1,007)
Benefit payments, including refunds of employee contributions	(3,276)	(3,276)	-
Administrative expense	-	(354)	354
Net changes	9,899	714	9,185
Balances at 6/30/19	**$ 57,424**	**$ 46,203**	**$ 11,221**

Indiana State Police	Increase (Decrease) Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 6/30/18	$ 324,517	$ 117,363	$ 207,154
Changes for the year:			
Service cost	8,530	-	8,530
Interest	12,778	-	12,778
Changes in benefit terms	3,254	-	3,254
Differences between expected and actual experience	(78,675)	-	(78,675)
Changes of assumptions or other inputs	(66,154)	-	(66,154)
Contributions - employer	-	23,937	(23,937)
Contributions - employee	-	857	(857)
Net investment income	-	2,109	(2,109)
Benefit payments, including refunds of employee contributions	(5,805)	(5,805)	-
Administrative expense	-	(492)	492
Net changes	(126,072)	20,606	(146,678)
Balances at 6/30/19	**$ 198,445**	**$ 137,969**	**$ 60,476**

Conservation & Excise Police Plan	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 6/30/18	$ 60,903	$ 20,236	$ 40,667
Changes for the year:			
Service cost	1,840	-	1,840
Interest	2,410	-	2,410
Changes in benefit terms	2,113	-	2,113
Differences between expected and actual experience	4,353	-	4,353
Changes of assumptions or other inputs	6,223	-	6,223
Contributions - employer	-	4,021	(4,021)
Net investment income	-	493	(493)
Benefit payments, including refunds of employee contributions	(943)	(943)	-
Administrative expense	-	(84)	84
Net changes	15,996	3,487	12,509
Balances at 6/30/19	**$ 76,899**	**$ 23,723**	**$ 53,176**

Legislature Plan	Increase (Decrease)
	Total OPEB Liability (a)
Balances at 6/30/18	$ 9,995
Changes for the year:	
Service cost	114
Interest	381
Changes in benefit terms	(1,063)
Differences between expected and actual experience	(1,137)
Changes of assumptions or other inputs	335
Benefit payments, including refunds of employee contributions	(535)
Net changes	(1,905)
Balances at 6/30/19	**$ 8,090**

Changes since last year's valuation, which was for the fiscal year ending June 30, 2018 are as follows:

For ISP: Effective July 1, 2019, the life insurance benefit for retirees was modified such that all retirees (regardless of date of retirement) will receive a $20,000 benefit. This change led to a slight increase in liabilities. For CEPP: Effective on January 1, 2020, all post-65 Medicare eligible retirees will be removed from the CEP's traditional health plan. They will be covered under a self-insured Medicare Advantage Plan through Anthem and a Medicare Part D plan. Since the premiums charged to retirees are lower than the full cost of coverage, there is still a GASB liability for this benefit. This change led to an increase in liabilities. For SPP: The termination assumption for those earning less than $20,000 per year was updated to follow the follow the PERF termination rates as of June 30, 2018 for this group. This change led to a slight decrease in liabilities. For LP: Effective on January 1, 2019, all ISP post-65 Medicare eligible retirees were removed from the ISP's traditional health plan. They will be covered under a Medicare Advantage Plan through Anthem and a Medicare Part D plan with premiums paid fully by the retiree. These members will also be given a flat HRA contribution of $74.92 per eligible person for life while participating in the Medicare Advantage plan. This will continue to be available to surviving spouses of deceased retirees. This change is now being reflected for Legislature actives and retirees covered under the ISP's plan. This led to a significant decrease in liabilities.

For all plans as applicable, dental and vision trend rates have been reset to a flat 3.00%. This change caused a slight increase in all entities total OPEB liability.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate. The following presents the net OPEB liability for the three OPEB plans administered through trusts calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

June 30, 2019 valuation:

State Personnel Plan	Net OPEB Liability	
1% Decrease (2.26%)	Current Rate (3.26%)	1% Increase (4.26%)
16,137	11,221	6,746

State Police Plan	Net OPEB Liability	
1% Decrease (5.20%)	Current Rate (6.20%)	1% Increase (7.20%)
85,664	60,476	39,138

Conservation & Excise Officers Plan	Net OPEB Liability	
1% Decrease (2.36%)	Current Rate (3.36%)	1% Increase (4.36%)
67,927	53,176	41,641

June 30, 2020 valuation:

State Personnel Plan	Net OPEB Liability	
1% Decrease (2.23%)	Current Rate (3.23%)	1% Increase (4.23%)
9,584	5,174	1,128

State Police Plan	Net OPEB Liability	
1% Decrease (5.20%)	Current Rate (6.20%)	1% Increase (7.2%)
38,456	18,791	1,819

Conservation & Excise Officers Plan	Net OPEB Liability	
1% Decrease (5.20%)	Current Rate (6.20%)	1% Increase (7.20%)
29,255	22,103	16,261

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability for the LP OPEB plan that is not administered through a trust calculated using a discount rate that is 1 percentage point lower (2.51%) or 1 percentage point higher (4.51%) than the current discount rate:

Legislature Plan		
	Total OPEB Liability	
1% Decrease (2.51%)	Current Rate (3.51%)	1% Increase (4.51%)
9,162	8,090	7,219

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the net OPEB liability for the three OPEB plans administered through trusts calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

June 30, 2019 valuation:

	Net OPEB Liability		
	1% Decrease (7.0% decreasing to 3.5%)	Current Rate (8.0% decreasing to 4.5%)	1% Increase (9.0% decreasing to 5.5%)
SPP	5,606	11,221	17,832
ISP	37,992	60,476	87,375
CEPP	40,366	53,176	70,114

June 30, 2020 valuation:

	Net OPEB Liability		
	1% Decrease (6.5% decreasing to 3.5%)	Current Rate (7.5% decreasing to 4.5%)	1% Increase (8.5% decreasing to 5.5%)
SPP	(625)	5,174	12,107
ISP	(1,029)	18,791	42,369
CEPP	15,228	22,103	30,772

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability for the LP OPEB plan that is not administered through a trust calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

Legislature Plan		
	Total OPEB Liability	
1% Decrease (7.0% decreasing to 3.5%)	Current Rate (8.0% decreasing to 4.5%)	1% Increase (9.0% decreasing to 5.5%)
7,246	8,090	9,106

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OEPB

State Personnel Plan - For the year ended June 20, 2020 the State recognized OPEB expense of $3.4 million. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 5,646	$ 3,809
Changes of assumptions or other inputs	2,402	831
Net difference between projected and actual earnings on OPEB plan investments	922	-
Employer's contributions to the OPEB plan subsequent to the measurement date of the net OPEB liability	5,031	-
Total	**$ 14,001**	**$ 4,640**

Deferred outflows of resources in the amount of $5.0 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2021	690
2022	690
2023	690
2024	507
2025	413
Thereafter	1,341

Indiana State Police Plan - For the year ended June 20, 2020 the State recognized OPEB income of $6.8 million. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 82,609
Changes of assumptions or other inputs	-	76,665
Net difference between projected and actual earnings on OPEB plan investments	2,827	-
Employer's contributions to the OPEB plan subsequent to the measurement date of the net OPEB liability	20,820	-
Total	**$ 23,647**	**$ 159,274**

Deferred outflows of resources in the amount of $21.7 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2021	(26,908)
2022	(26,908)
2023	(26,908)
2024	(27,316)
2025	(27,717)
Thereafter	(20,690)

Conservation & Excise Police Plan - For the year ended June 20, 2020 the State recognized OPEB expense of $7.5 million. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 8,114	$ -
Changes of assumptions or other inputs	5,445	2,540
Net difference between projected and actual earnings on OPEB plan investments	385	-
Employer's contributions to the OPEB plan subsequent to the measurement date of the net OPEB liability	4,167	-
Total	**$ 18,111**	**$ 2,540**

Deferred outflows of resources in the amount of $4.2 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2021	1,730
2022	1,730
2023	1,730
2024	1,659
2025	1,616
Thereafter	2,939

Legislature Plan - For the year ended June 20, 2020 the State recognized OPEB income of $1.1 million. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 1,826
Changes of assumptions or other inputs	268	231
Employer's contributions to the OPEB plan subsequent to the measurement date of the total OPEB liability	494	-
Total	**$ 762**	**$ 2,057**

Deferred outflows of resources in the amount of $0.5 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2021	(543)
2022	(543)
2023	(543)
2024	(160)

A summary of the OPEB amounts disclosed in the notes for the defined benefit plans is provided in the following table.

Plan	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
SPP	$ 57,424	$ 46,203	$ 11,221	$ 14,001	$ 4,640	$ 3,354
ISP	198,445	137,969	60,476	23,647	159,274	(6,823)
CEPP	76,899	23,723	53,176	18,111	2,540	7,471
LP	8,090	-	8,090	762	2,057	(1,111)
Total	**$ 340,858**	**$ 207,895**	**$ 132,963**	**$ 56,521**	**$ 168,511**	**$ 2,891**

Defined Contribution Plan

Plan Description. The State of Indiana sponsors one single employer defined contribution OPEB plan, the Retirement Medical Benefits Account Plan (RMBA). The plan is generally administered in accordance with IC 5-10-8.5. RMBA allows for certain medical care expense premiums to be reimbursed from individual accounts established for retired participants under IC 5-10-8.5-9. RMBA became effective for participants who retired on or after July 1, 2007. The plan was administered by the State of Indiana until June 30, 2019. Effective July 1, 2019, the administration of the plan was transferred to INPRS. The state reported an other deduction of $435.9 million for this transfer and INPRS reported an other addition for the same amount.

Retired participants include: (a) participants who have applied to receive a normal, unreduced or disability retirement benefit. (b) participants who have completed at least ten years of service as an elected or appointed officer on their last day of service.

Individual account balances are comprised of annual contributions and earnings on investments after deduction of costs to manage the plan. Annual contributions range between $500 and $1,400, based on the participant's age while in service. IC 5-10-8.5-16 provides a one-time credit for an additional contribution to a participant's account, if, by June 30, 2017, the participant was eligible for an unreduced pension benefit and had completed at least 15 years of service or had completed 10 years of service as an elected or appointed officer. The one-time additional contribution is credited to a participant's account no later than 60 days after the participant's last day of service. Participants lose their right to one-time additional contributions if there is a break in service after July 1, 2007 and before June 30, 2017 for more than 30 days.

Contributions for self-funded agencies and employees not funded by the state budget is recovered by an annual charge per employee determined each year. The annual charge for FY 2020 was $1,076, which was due by June 30. The remaining funding is through appropriation of cigarette taxes (IC 6-7-1-28.1(7)) received throughout the year.

Upon application, the Plan administrator reimburses premiums for medical, dental, vision and long-term care for retired participants and their spouses and dependents. The reimbursements are deducted from the participant's individual account balance. When the participant's individual account balance is exhausted, any deductions from the participant's individual account end. If a retired participant dies without a surviving spouse or dependents, unused amounts credited to the retired participant's account is forfeited. Any forfeiture amount is used to reduce the contributions required from the employer.

The amount of reimbursed retiree medical expenses during the fiscal year ending June 30, 2020 was $17.3 million. As of June 30, 2020, the state owes contributions of $57.2 million to the plan to fulfill its obligation towards additional contributions per IC 5-10-8.5-16. Forfeitures of retiree medical benefits for the fiscal year ending June 30, 2020 totaled $19.0 million.

As of June 30, 2020 participation in the plan was as follows:

Inactive employees or beneficiaries currently receiving benefit payments	7,473
Active employees	29,086
Total	**36,559**

Financial report. INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

G. Pollution Remediation Obligations

Nature and source of pollution remediation obligations:

Five state agencies have identified themselves as responsible or potentially responsible parties to remediate fifty-two pollution sites. Obligating events for the cleanup of these sites include being compelled to take action because the pollution creates an imminent danger to public health or welfare or the environment, being named by a regulator to remediate hazardous wastes and contamination, and voluntarily assuming responsibility because of imminent threats to human health and the environment.

Amount of the estimated liability, methods and assumptions used for the estimate, and the potential for changes:

The State's total estimated liability is $33.6 million of which $3.4 million is estimated to be payable within one year and $30.2 million estimated to be payable in more than one year. State agencies calculated their estimated liabilities using various approaches including existing agreements, contractor bids/surveys, records of decisions from regulators, matching requirements under the Superfund law, previous actual costs to cleanup similar sites, investigation activities, well known and recognized estimation methods, and through the sampling and knowing the size and volume of existing contamination at a site. Superfund site estimated liabilities also applied a rolling thirty year liability as this was the number of years determined to be reasonably estimable. The estimated liabilities of state agencies are subject to annual review and adjustment for changes in agreements, laws, regulations, court decisions, price increases or decreases for goods and services used in cleanup, and other relevant changes that come to light.

Estimated recoveries reducing the liability:

The estimated recoveries total $13.9 million. Of this total, $0.2 million is unrealizable or has not yet been realized and has been applied to reduce the State's total estimated liability. Estimated recoveries include the proceeds from the sale of stock, bankruptcy court settlements, coverage of allowable costs by the State's Excess Liability Trust Fund (ELTF), credits received for work performed on Superfund sites, and federal funds. The ELTF state law states that if insufficient funds exist to pay claims neither the State nor the Fund are liable for unpaid claims. The State recognized $3.5 million of program revenue for two sites whose realized recoveries exceeded the pollution remediation liability.

H. Tax Abatements

The State provides tax abatements through eight programs which are the (1) Coal Gasification Technology Investment Credit, (2) Economic Development for a Growing Economy (EDGE) Credit, (3) Hoosier Business Investment Credit, (4) Industrial Recovery Credit, (5) Research Expense Credit, (6) Venture Capital Investment Credit, and (7) Neighborhood Assistance Program Credit. The Indiana Economic Development Corporation (IEDC) approves the tax credits for programs (1) through (6). The Indiana Housing and Community Development Authority (IHCDA) approves the tax credits for the Neighborhood Assistance Program Credit. The following is a summary of these programs where the taxes abated exceeded $1 million individually or in the aggregate.

Coal Gasification Technology Investment Credit

The Coal Gasification Technology Investment Credit is created by IC 6-3.1-29. This program was created to foster job creation and higher wages, reduce air pollution as a result of the generation of electricity through fossil fuels, and promote investment in integrated coal gasification power plants and fluidized bed combustion technology. This program provides a credit against a taxpayer's adjusted gross income tax, financial institutions tax, insurance premiums tax liability, or utility receipts tax. The credit must be claimed on the taxpayer's annual state income tax return or returns filed with the Indiana Department of Revenue. The credit is administered by the Indiana Economic Development Corporation (IEDC) and is for a qualified investment in an integrated coal gasification power plant equal to the sum of 10% of the taxpayer's qualified investment for the first $500,000,000 invested; 5% of the taxpayer's qualified investment that exceeds $500,000,000, only if the facility is dedicated primarily to serving Indiana retail electric or gas utility consumers. For qualified investment in fluidized bed combustion technology, the credit is equal to the sum of 7% of the taxpayer's qualified investment for the first $500,000,000 invested; 3% of the taxpayer's qualified investment that exceeds $500,000,000. Qualified investment is defined as a taxpayer's expenditures for all real and tangible personal property incorporated in and used as part of an integrated coal gasification power plant or a fluidized bed combustion technology and transmission equipment and other real and personal property located at the site of an integrated coal gasification power plant or a fluidized bed combustion technology that is employed specifically to serve the integrated coal gasification power plant or fluidized bed combustion technology. In order to award a tax credit under this program, the IEDC must determine the taxpayer's proposed investment satisfies the requirements of IC 6-3.1-29. The tax credit will be recaptured if the IEDC determines the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-29. The State has made no other commitments other than to reduce the applicable taxes as part of this program.

Economic Development for a Growing Economy (EDGE) Credit

The Economic Development for a Growing Economy Credit is created by IC 6-3.1-13. This program was created to foster job creation in Indiana, job retention in Indiana, and to foster employment in Indiana of students who participate in a course of study that includes a cooperative arrangement between an educational institution and an employer for the training of students in high wage, high demand jobs that require an industry certification. This program provides a credit against a taxpayer's adjusted gross income tax, financial institutions tax, or insurance premiums tax liability. The credit must be claimed on the taxpayer's annual state income tax return filed with the Indiana Department of Revenue. The credit is administered by the Indiana Economic Development Corporation (IEDC). The amount and duration of this tax credit shall be determined by the IEDC. The credit may be stated as a percentage of the incremental income tax withholdings attributable to the applicant's project and may include a fixed dollar limitation. In the case of a credit awarded for a project to create new jobs in Indiana, the credit amount may not exceed the incremental income tax withholdings. However, the credit amount claimed for a taxable year may exceed the taxpayer's state tax liability for the taxable year, in which the excess may, at the discretion of the IEDC, be refunded to the taxpayer. The tax credit will be recaptured if the IEDC determines the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-13. The State has made no other commitments other than to reduce the applicable taxes as part of this program. In order to receive a tax credit, the taxpayer must commit to the creation or retention of full-time, permanent jobs for Indiana residents at the project location and new capital investment in Indiana.

Hoosier Business Investment Credit

The Hoosier Business Investment Credit is created by IC 6-3.1-26. This program was created to foster job creation and create higher wages in Indiana. This program provides a credit against a taxpayer's adjusted gross income tax, financial institutions tax, or insurance premiums tax liability. The credit must be claimed on the taxpayer's annual state income tax return filed with the Indiana Department of Revenue. The credit is administered by the Indiana Economic Development Corporation (IEDC) and may not exceed 10% of the taxpayer's qualified investment in a taxable year for qualified investment that is not a logistics investment and 25% of the qualified investment made in a taxable year if the qualified investment is a logistics investment. Qualified investment is defined as the amount of the taxpayer's expenditures in Indiana for the purchase of new telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, finishing, distribution, transportation, or logistical distribution equipment; the purchase of new computers and related equipment; costs associated with the modernization of existing telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, finishing, distribution, transportation, or logistical distribution facilities; onsite infrastructure improvements; the construction of new telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, finishing, distribution, transportation, or logistical distribution facilities; costs associated with retooling existing machinery and equipment; costs associated with the construction of special purpose building and foundations for use in the computer, software, biological sciences, or telecommunications industry; costs associated with the purchase of machinery, equipment or special purpose buildings used to make motion pictures or audio productions; and a logistics investment as further described in IC 6-3.1-26-8.5 that are certified by the IEDC under this chapter as being eligible for the credit. The term does not include property that can be readily moved outside Indiana. In order to award a tax credit under this program, the IEDC must determine the following conditions exist, the applicant's project will raise the total earnings of employees of the applicant in Indiana or substantially enhance the logistics industry by creating new jobs, preserving existing jobs that otherwise would be lost, increasing wages in Indiana, or improving the overall Indiana economy, in the case of a logistics investment being claimed by the applicant; the applicant's project is economically sound and will benefit the people of Indiana by increasing opportunities for employment and strengthening the economy of Indiana; receiving the tax credit is a major factor in the applicant's decision to go forward with the project and not receiving the tax credit will result in the applicant not raising the total earnings of the applicant's employees in Indiana, or other employees in Indiana in the case of a logistics investment being claimed by the applicant; awarding the tax credit will result in an overall positive fiscal impact to the state, as certified by the budget agency using the best available data; the credit is not prohibited by the relocation of jobs from one location in Indiana to another location in Indiana; in the case of a qualified investment that is not being claimed as a logistics investment by the applicant, the average wage that will be paid by the taxpayer to its employees (excluding highly compensated employees) at the location after the credit is given will be at least equal to one hundred fifty percent (150%) of the hourly minimum wage under IC 22-2-2-4 or its equivalent. The tax credit will be recaptured if the IEDC determines the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-26. The State has made no other commitments other than to reduce the applicable taxes as part of this program. In order to receive a tax credit, the taxpayer must commit to the creation or retention of full-time, permanent jobs for Indiana residents at the project location and new capital investment in Indiana.

Industrial Recovery Credit

The Industrial Recovery Credit is created by IC 6-3.1-11. This program was created to foster the rehabilitation of property located within an industrial recovery site. This program provides a credit against a taxpayer's adjusted gross income tax, financial institutions tax, or insurance premiums tax liability. The credit must be claimed on the taxpayer's annual state income tax return filed with the Indiana Department of Revenue. The credit is administered by the Indiana Economic Development Corporation (IEDC) and may not exceed 15% for a plant that was in service at least fifteen years ago but less than thirty years ago, 20% for a plant that was placed in service at least thirty years ago but less than forty years ago, and 25% if a plant was placed in service at least forty years ago. Qualified investment is defined as the amount of the taxpayer's expenditures for rehabilitation of property located within an industrial recovery site. Rehabilitation is defined as the remodeling repair, or betterment of real property in any manner or enlargement or extension of real property. Plant is defined as a building or complex of buildings used, or designed and constructed for use, in production, manufacturing, fabrication, assembly, processing, refining, finishing, or warehousing of tangible personal property, whether the tangible personal property is or was for sale to third parties or for use by the owner in the owner's business. In order to award a tax credit under this program, the IEDC must consider the following factors; the level of distress in the surrounding community caused by the loss of jobs at the vacant industrial facility; evidence of support for the designation by residents, businesses, and private organizations in the surrounding community; evidence of a commitment by private or governmental entities to assist in the financing of improvements or redevelopment activities benefiting the vacant industrial facility; whether the industrial recovery site is within an economic revitalization area designated under IC 6-1.1-12.1. The tax credit will be recaptured if the IEDC determines the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-11. The State has made no other commitments other than to reduce the applicable taxes as part of this program. In order to receive a tax credit, the taxpayer must commit to new capital investment in Indiana within the statutory parameters.

Research Expense Credit

The Research Expense Credit is created by IC 6-3.1-4. The program was created to incentivize research investment in Indiana. This program provides a credit against a taxpayer's adjusted gross income tax liability. The credit must be claimed on the taxpayer's annual state income tax return filed with the Indiana Department of Revenue. The program is administered by the Indiana Economic Development Corporation (IEDC), and the credit may be calculated one of two ways, listed below, as elected by the taxpayer. For Indiana qualified research expense incurred after December 31, 2007, the credit is equal to 15% of the Indiana qualified research expense less the taxpayer's base amount of Indiana qualified research expense, up to $1,000,000. For qualified research expense in excess of $1,000,000, the credit amount is equal to 10%. For Indiana qualified research expense incurred after December 31, 2009, the taxpayer's research expense tax credit is equal to 10% of the part of the taxpayer's Indiana qualified research expense for the taxable year that exceeds 50% of the taxpayer's average Indiana qualified research expense for the 3 taxable years preceding the taxable year for which the credit is being determined. If the taxpayer did not have Indiana qualified research expense in any 1 of the 3 taxable years preceding the taxable year for which the credit is being determined, the amount of the research expense tax credit is equal to 5% of the taxpayer's Indiana qualified research expense for the taxable year. Indiana qualified research expense is defined as qualified research expense that is incurred for research conducted in Indiana. Qualified research expense means qualified research expense as defined in Section 41(b) of the Internal Revenue Code. The tax credit will be recaptured if the IEDC determines the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-4. The State has made no other commitments other than to reduce the applicable taxes as part of this program.

Venture Capital Investment Credit

The Venture Capital Investment Credit is created by IC 6-3.1-24. This credit was created to improve access to capital for fast growing Indiana companies by providing individual and corporate investors an incentive to invest in early-stage firms. This program provides a credit against a taxpayer's adjusted gross income tax, financial institutions tax, insurance premiums tax, or state gross retail and use tax liability. The credit must be claimed on the taxpayer's state income tax return or returns filed with the Indiana Department of Revenue. The credit is administered by the Indiana Economic Development Corporation (IEDC) and is equal to 20% of the taxpayer's qualified investment capital provided to the qualified Indiana business or $1,000,000, whichever is less. Qualified Indiana business is defined as an independently owned and operated business that is certified as a qualified Indiana business by the IEDC. Qualified investment capital is defined as debt or equity capital that is provided to a qualified Indiana business. However, the term does not include debt that is provided by a financial institution (as defined in IC 5-13-4-10) after May 15, 2005 and is secured by a valid mortgage, security agreement, or other agreement or document that establishes a collateral or security position for the financial institution that is senior to all collateral or security interests of other taxpayers that provide debt or equity capital to the qualified Indiana business. In order to award a tax credit under this program, the IEDC must certify the taxpayer's proposed investment plan. The proposed investment plan must include the name and address of the taxpayer, the name and address of each proposed recipient of the taxpayer's proposed investment; the amount of the proposed investment; a copy of the certification issued by the IEDC stating the business being invested in is a qualified Indiana business, and any other information required by the IEDC. The IEDC must determine that the proposed investment would qualify for the taxpayer credit under this program, and the amount of proposed investment would not result in the total amount of tax credits certified for the calendar year exceeding $12,500,000. The total amount of credits that may be approved by the IEDC for a calendar year may not exceed $12,500,000. The tax credit will be recaptured if the IEDC determines the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-24. The State has made no other commitments other than to reduce the applicable taxes as part of this program.

Neighborhood Assistance Program Credit

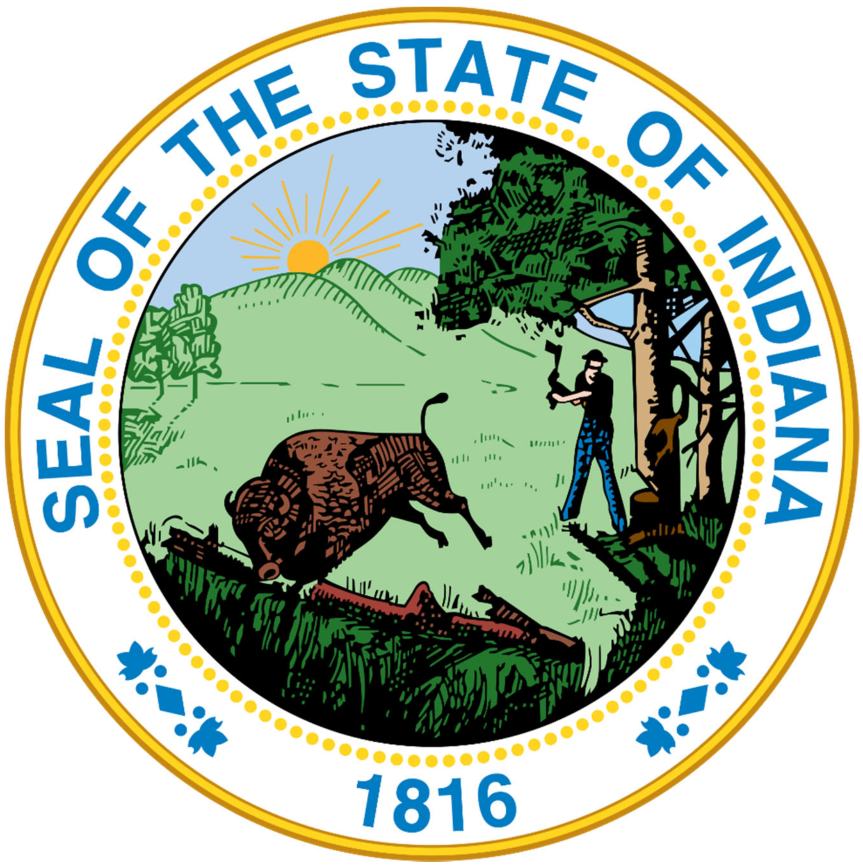
The Neighborhood Assistance Program (NAP) Credit is created by IC 6-3.1-9. The IHCDA distributes state tax credits to eligible non-profit organizations through an application approval process that they use to raise funds for their activities of community services, crime prevention, education, job training, and neighborhood assistance in economically disadvantaged areas or households. Each fiscal year, NAP State tax credits are capped at $2.5 million and the maximum credit per donor is $25,000. NAP tax credits are distributed to donors at 50% of the contribution amount and are subtracted from a donor's adjusted gross income or financial institutions tax liability on their annual state income tax returns. Unused portions of the credit may not be carried forward or carried back and the credit is nonrefundable. The State has made no other commitments other than to reduce the applicable taxes as part of this program.

The state tax abatements for the fiscal year ended June 30, 2020 are:

Tax Abatement Program	Amount of Taxes Abated
Coal Gasification Technology Investment Credit	
Corporate Income Tax	15,000
Economic Development for a Growing Economy (EDGE) Credit	
Individual Income Tax	8,034
Corporate Income Tax	49,167
Hoosier Business Investment Credit	
Individual Income Tax	1,253
Corporate Income Tax	(D)
Industrial Recovery Credit	
Individual Income Tax	2,977,475
Corporate Income Tax	5,797,023
Neighborhood Assistance Credit	
Individual Income Tax	1,619
Corporate Income Tax	(D)
Research Expense Credit	
Individual Income Tax	22,379
Corporate Income Tax	71,698
Venture Capital Investment Credit	
Individual Income Tax	4,492
Corporate Income Tax	2,359

(D) - *Non-disclosable per Indiana Code 6-8.1-7-2.*

REQUIRED SUPPLEMENTARY INFORMATION



Schedule of Contributions
Employee Retirement Systems and Plans
State Police Retirement Fund
(amounts expressed in thousands)

	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011
Actuarially determined contribution	$ 30,947	$ 30,860	$ 25,857	$ 20,556	$ 19,455	$ 17,119	$ 17,271	$ 18,058	$ 18,210	$ 16,046
Contributions in relation to the actuarially determined contribution	34,095	29,901	25,002	20,556	18,073	13,451	14,005	47,588	16,059	13,240
Contribution deficiency (excess)	(3,148)	959	855	-	1,382	3,668	3,266	(29,530)	2,151	2,806
Covered payroll	88,652	88,103	87,972	75,731	68,786	68,219	68,490	63,347	66,083	64,948
Contributions as a percentage of covered payroll	38.5%	33.9%	28.4%	27.1%	26.3%	19.7%	20.4%	75.1%	24.3%	20.4%

Notes to Schedule:
Valuation date
June 30, 2020
Actuarial cost method
Entry age normal cost
Amortization method
Level percentage of payroll, closed
Remaining amortization period
21 years when the Actuarially Determined Contribution for plan year ending June 30,
Asset valuation method
4 year smoothed value
Inflation
2.25%
Salary increases
3.5% for the pre-1987 plan; For the 1987 plan, 9% at ages 26 and younger, annual increase reduced 0.5% per year reaching 4% at age 36, annual increases of 4% at ages 36 and older. New salary matrix effective July 1, 2018 is reflected.
Investment rate of return
6.75% net of pension plan investment expense, including inflation.
Retirement age
Pre-1987 Plan - Retirement rates are based on age with 10% assumed to retire at ages 42-45, 7.5% at ages 46-54, 10% at 55, 12.5% at 56, 15% at 57, 20% at 58, 40% at ages 59 and older, except 100% at 65 (with at least 20 years of service). Based on experience study through June 30, 2019.

1987 Plan - Retirement rates are based on years of service with 15% assumed to retire at 25 years of service, 12.5% at 26 years, 10% at 27 years, 7.5% at years 28 and 29, 10% at 30 years, 12.5% at 31 years, 15% at 32 years, 40% at 33 years, and 27.5% at 34 or more years, except 100% at age 65 (with at least 25 years of service). Based on experience study through June 30, 2019.

Mortality
Employees - SOA Pub-2010 Safety Employees with mortality improvement scale MP-2019 (with annual updates)
Retirees - SOA Pub-2010 Safety Retirees with mortality improvement scale MP-2019 (with annual updates)
Beneficiaries - SOA Pub-2010 Safety Contingent Survivors with mortality improvement scale MP-2019 (with annual updates)
Disabled - SOA Pub-2010 General Disabled Retirees with mortality improvement scale MP-2019 (with annual updates)
Other information
Actuarially determined contribution rates are calculated as of July 1, one year prior to the end of the fiscal year in which contributions are reported.

Schedule of Contributions
Employee Retirement Systems and Plans
State Police Supplemental Trust
(amounts expressed in thousands)

	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011
Actuarially determined contribution	$ 5,085	$ 5,383	$ 5,049	$ 5,308	$ 4,904	$ 5,195	$ 4,029	$ 4,525	$ 4,167	$ 4,343
Contributions in relation to the actuarially determined contribution	3,997	3,983	4,343	4,259	4,677	4,342	4,545	3,746	4,199	3,573
Contribution deficiency (excess)	1,088	1,400	706	1,049	227	853	(516)	779	(32)	770
Covered payroll	88,652	88,103	87,972	75,731	68,786	68,219	68,490	63,347	66,083	64,948
Contributions as a percentage of covered payroll	4.5%	4.5%	4.9%	5.6%	6.8%	6.4%	6.6%	5.9%	6.4%	5.5%

Notes to Schedule:

Valuation date

June 30, 2020

Actuarial cost method

Entry age normal cost

Amortization method

Over the average remaining service of all plan participants

Remaining amortization period

As of June 30, 2019 the amortization period is 11.626 years

Asset valuation method

Not applicable

Inflation

2.25%

Salary increases

3.5% for the pre-1987 plan; For the 1987 plan, 9% at ages 26 and younger, annual increase reduced 0.5% per year reaching 4% at age 36, annual increases of 4% at ages 36 and older. New salary matrix effective July 1, 2018 is reflected.

Investment rate of return

2.66% net of pension plan investment expense, including inflation. 2.79% as of June 30, 2019. Rate is S&P Municipal Bond 20 year high grade rate index.

Retirement age

Pre-1987 Plan - Retirement rates are based on age with 10% assumed to retire at ages 42-45, 7.5% at ages 46-54, 10% at 55, 12.5% at 56, 15% at 57, 20% at 58, 40% at ages 59 and older, except 100% at 65 (with at least 20 years of service). Based on experience study through June 30, 2019.

1987 Plan - Retirement rates are based on years of service with 15% assumed to retire at 25 years of service, 12.5% at 26 years, 10% at 27 years, 7.5% at years 28 and 29, 10% at 30 years, 12.5% at 31 years, 15% at 32 years, 40% at 33 years, and 27.5% at 34 or more years, except 100% at age 65 (with at least 25 years of service). Based on experience study through June 30, 2019.

Mortality

Employees - SOA Pub-2010 Safety Employees with mortality improvement scale MP-2019 (with annual updates)
Retirees - SOA Pub-2010 Safety Retirees with mortality improvement scale MP-2019 (with annual updates)
Beneficiaries - SOA Pub-2010 Safety Contingent Survivors with mortality improvement scale MP-2019 (with annual updates)
Disabled - SOA Pub-2010 General Disabled Retirees with mortality improvement scale MP-2019 (with annual updates)

Other information

Actuarially determined contribution rates are calculated as of July 1, one year prior to the end of the fiscal year in which contributions are reported.

Schedule of Contributions
Employee Retirement Systems and Plans
State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan (EG&C
(amounts expressed in thousands)

	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarially determined contribution	$ 3,647	$ 4,874	$ 4,393	$ 4,033	$ 4,078	$ 4,820	$ 5,341	$ 4,794
Contributions in relation to the actuarially determined contribution	6,742	6,982	6,175	5,691	5,297	5,215	5,359	19,740
Contribution deficiency (excess)	(3,095)	(2,108)	(1,782)	(1,658)	(1,219)	(395)	(18)	(14,946)
Covered payroll	32,491	33,272	29,387	27,428	25,526	25,133	25,825	24,675
Contributions as a percentage of covered payroll	20.8%	21.0%	21.0%	20.7%	20.8%	20.7%	20.8%	80.0%

Notes to Schedule:
Valuation date
Actuarially determined contribution rates are calculated as of June 30, with an effective date of January 1.
Actuarial cost method
Entry age normal (Level Percent of Payroll)
Amortization method
Level dollar
Remaining amortization period
20 years, closed
Asset valuation method
5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.
Inflation
2.25%
Salary increases
2.75% to 5.00%, based on service
Investment rate of return
6.75%
Mortality
Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019.
Other information
The actuarially determined contribution amounts are based on the average of the actuarially determined contribution rates developed in the actuarial valuations completed one year and two years prior to the beginning of the fiscal year, multiplied by actual payroll during the fiscal year. Member census data as of the prior year end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project the liabilities computed as of prior year end to the current year measurement date.

The effort and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Contributions
Employee Retirement Systems and Plans
Prosecuting Attorneys' Retirement Fund
(amounts expressed in thousands)

	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarially determined contribution	$ 4,608	$ 3,543	$ 2,533	$ 2,148	$ 1,381	$ 1,419	$ 2,345	$ 2,542
Contributions in relation to the actuarially determined contribution	4,232	3,216	3,014	1,486	1,440	1,063	1,174	19,443
Contribution deficiency (excess)	376	327	(481)	662	(59)	356	1,171	(16,901)
Covered payroll	23,989	21,791	21,578	22,635	21,372	21,145	20,608	18,805
Contributions as a percentage of covered payroll	17.6%	14.8%	14.0%	6.6%	6.7%	5.0%	5.7%	103.4%

Notes to Schedule:

Valuation date

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Remaining amortization period

20 years, closed

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.25%

Salary increases

2.75%

Investment rate of return

6.75%

Mortality

Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019.

Other information

The actuarially determined contribution amounts are developed in the actuarial valuations completed one year prior to the beginning of the fiscal year. Member census data as of the prior year end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project the liabilities computed as of prior year end to the current year measurement date.

The effort and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Contributions
Employee Retirement Systems and Plans
Legislators' Defined Benefit Plan
(amounts expressed in thousands)

	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarially determined contribution	$ 216	$ 240	$ 237	$ 170	$ 138	$ 119	$ 138	$ 140
Contributions in relation to the actuarially determined contribution	208	269	237	135	138	131	138	150
Contribution deficiency (excess)	8	(29)	-	35	-	(12)	-	(10)
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:
Valuation date
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.
Actuarial cost method
Entry age normal (Level Percent of Payroll) for accounting and Traditional Unit Credit for funding
Amortization method
Level dollar
Remaining amortization period
5 years, closed
Asset valuation method
5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.
Inflation
2.25%
Salary increases
2.75%
Investment rate of return
6.75%
Retirement age
Mortality
Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019.
Other information
Based on the actuarial assumptions and methods, an actuarially determined contribution amount is computed. The INPRS Board of Trustees considers this information when requesting appropriations from the State. Member census data as of the prior end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project liabilities computed as of prior year end to the current year measurement date.
N/A is not applicable as this is a closed plan with no payroll.

The effort and cots to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Contributions
Employee Retirement Systems and Plans
Judges' Retirement System
(amounts expressed in thousands)

	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarially determined contribution	$ 19,406	$ 14,862	$ 14,853	$ 14,335	$ 17,485	$ 18,865	$ 27,648	$ 25,458
Contributions in relation to the actuarially determined contribution	18,166	16,031	15,117	16,824	16,946	21,020	20,895	111,419
Contribution deficiency (excess)	1,240	(1,169)	(264)	(2,489)	539	(2,155)	6,753	(85,961)
Covered payroll	58,189	56,380	53,350	54,755	51,382	48,582	46,041	47,595
Contributions as a percentage of covered payroll	31.2%	28.4%	28.3%	30.7%	33.0%	43.3%	45.4%	234.1%

Notes to Schedule:

Valuation date

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Remaining amortization period

20 years, closed

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.25%

Salary increases

2.75%

Investment rate of return

6.75%

Mortality

Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019.

Other information

The actuarially determined contribution amounts are developed in the actuarial valuations completed one year prior to the beginning of the fiscal year. Member census data as of the prior year end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project the liabilities computed as of prior year end to the current year measurement date.

The effort and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Contributions
Employee Retirement Systems and Plans
Public Employees' Retirement Fund
(amounts expressed in thousands)

	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarially determined contribution	$ 158,862	$ 152,307	$ 148,871	$ 140,631	$ 143,499	$ 133,755	$ 134,976	$ 114,353
Contributions in relation to the actuarially determined contribution	158,862	152,307	148,871	140,631	143,499	133,755	134,976	114,353
Contribution deficiency (excess)	-	-	-	-	-	-	-	-
State's covered payroll	1,406,618	1,349,423	1,305,016	1,276,857	1,199,921	1,162,622	1,213,031	1,173,716
Contributions as a percentage of covered payroll	11.3%	11.3%	11.4%	11.0%	12.0%	11.5%	11.1%	9.7%

Notes to Schedule:

Valuation date

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Remaining amortization period

20 years, closed

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.25%

Salary increases

2.75% - 8.75% based on service

Investment rate of return

6.75%

Mortality

Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019.

Other information

The INPRS Board sets, at its discretion, the State’s employer contribution rate upon considering the results of the actuarial valuation and other analysis as appropriate. The actuarially determined contribution rate for the State for the fiscal year ended 6/30/14 was 11.17%; however, the INPRS Board approved a State employer contribution rate of 11.20%. The actuarially determined contribution rate for the State for the fiscal year ended 6/30/15 was 10.55%; however, the INPRS Board approved a State employer contribution rate of 11.20%. The actuarially determined contribution rate for the State for the fiscal year ended 6/30/16 was 9.80%; however, the INPRS Board approved a State employer contribution rate of 11.20%. The actuarially determined contribution rate for the State for the fiscal year ended 6/30/17 was 10.11%; however, the INPRS Board approved a State employer contribution rate of 11.20%. The actuarially determined contribution rate for the State for the fiscal year ended 6/30/18 was 9.89%; however, the INPRS Board approved a State employer contribution rate of 11.20%. The actuarially determined contribution rate for the State for the fiscal year ended 6/30/19 was 10.03%; however, the INPRS Board approved a State employer contribution rate of 11.20%. The actuarially determined contribution rate for the State for the fiscal year ended 6/30/20 was 7.83%. In addition, SEA 373-2018 mandated that the cost of any expected post retirement benefit increases after 6/30/2018 be broken out into separate surcharges. The surcharges used in the fiscal year ended 6/30/2020 are 0.43% for 7/1/2019 - 12/31/2019 and 0.44% for 1/1/2020 - 6/30/2020. However, the INPRS Board approved a State employer contribution rate of 11.20%, which includes both the base benefit and surcharge rates. The actual dollar amount of the State’s contributions depends on the actual payroll for the fiscal year.

Member census data as of the prior year end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project the liabilities computed as of prior year end to the current year measurement date.

The effort and cost to re-create financial statement information for 10 years was not practical.

Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Contributions
Employee Retirement Systems and Plans
Teachers' Retirement Fund Pre-1996 Account
(amounts expressed in thousands)

	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Statutorily determined contribution	$ 971,219	$ 944,027	$ 918,021	$ 871,141	$ 887,643	$ 845,774	$ 825,617	$ 1,003,847
Contributions in relation to the statutorily required contribution	971,219	944,027	918,021	871,141	887,643	845,774	825,617	1,003,847
Contribution deficiency (excess)	-	-	-	-	-	-	-	-

Notes to Schedule:

Valuation date

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Remaining amortization period

5 years, closed

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.25%

Salary increases

2.75% - 12.00% based on service

Investment rate of return

6.75%

Mortality

Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019.

Other information

Member census data as of the prior year end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project the liabilities computed as of prior year end to the current year measurement date.

The effort and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Contributions
Employee Retirement Systems and Plans
Teachers' Retirement Fund 1996 Account
(amounts expressed in thousands)

	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarially determined contribution	$ 605	$ 833	$ 814	$ 879	$ 758	$ 772	$ 735	$ 761
Contributions in relation to the actuarially determined contribution	605	150,833	814	879	758	772	735	761
Contribution deficiency (excess)	-	(150,000)	-	-	-	-	-	-
State's covered payroll	11,150	11,224	11,016	11,722	10,108	10,288	10,380	10,150
Contributions as a percentage of covered payroll	5.4%	1343.8%	7.4%	7.5%	7.5%	7.5%	7.1%	7.5%

Notes to Schedule:

Valuation date

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Remaining amortization period

20 years, closed

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.25%

Salary increases

2.75% - 12.00% based on years of service

Investment rate of return

6.75%

Mortality

Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019.

Other information

Member census data as of the prior year end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project the liabilities computed as of prior year end to the current year measurement date.

The effort and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Contributions
Other Postemployment Benefit Plans
State Personnel Healthcare Plan
(amounts expressed in thousands)

	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011
Actuarially determined contribution	$ 4,752	$ 3,276	$ 3,042	$ 3,060	$ 1,538	$ 1,839	$ 1,010	$ 941	$ 2,964	$ 4,664
Contributions in relation to the actuarially determined contribution	5,031	3,337	3,384	4,802	2,977	3,567	3,200	4,203	33,850	16,922
Contribution deficiency (excess)	(279)	(61)	(342)	(1,742)	(1,439)	(1,728)	(2,190)	(3,262)	(30,886)	(12,258)
Covered-employee payroll	1,397,835	1,346,186	1,296,877	1,245,383	1,148,771	1,180,296	1,219,424	1,178,197	1,170,773	1,184,288
Contributions as a percentage of covered-employee payroll	0.4%	0.2%	0.3%	0.4%	0.3%	0.3%	0.3%	0.4%	2.9%	1.4%

Notes to Schedule:

Valuation date

July 1, 2019 with results actuarially projected on a "no gain/no loss" basis to get to the June 30, 2020 measurement date.
Liabilities as of July 1, 2019 are based on an actuarial valuation date of July 1, 2019.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Amortization period

27 years

Inflation

2.25%

Healthcare cost trend rates

7.5% initial, decreasing 0.5% per year to an ultimate rate of 4.5%

Salary increases

2.75% for general wage inflation (includes 2.25% inflation and 0.50% real wage growth) plus the following merit and productivity increases which are based on the assumptions approved from the Indiana Public Retirement System (INPRS) 2020 Experience Study.

Investment rate of return

3.26% as of July 1, 2019 and 3.23% as of June 30, 2020

Retirement age

Annual retirement rates are based on the INPRS 2020 experience study.

Mortality

SOA Pub-2010 General Headcount Weighted Mortality Tably fully generational using Scale MP-2019.

Other information

Census data as of June 30, 2020 was used in the valuation.

Schedule of Contributions
Other Postemployment Benefit Plans
Indiana State Police Healthcare Plan
(amounts expressed in thousands)

	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011
Actuarially determined contribution	$ 9,116	$ 18,356	$ 35,042	$ 34,980	$ 30,630	$ 29,604	$ 26,030	$ 27,419	$ 27,794	$ 30,155
Contributions in relation to the actuarially determined contribution	21,727	23,937	25,814	26,871	34,862	25,320	24,835	11,684	18,627	13,787
Contribution deficiency (excess)	(12,611)	(5,581)	9,228	8,109	(4,232)	4,284	1,195	15,735	9,167	16,368
Covered-employee payroll	120,255	120,447	107,914	98,693	91,753	92,130	93,630	93,680	92,494	92,845
Contributions as a percentage of covered-employee payroll	18.1%	19.9%	23.9%	27.2%	38.0%	27.5%	26.5%	12.5%	20.1%	14.8%

Notes to Schedule:

Valuation date

July 1, 2019 with results actuarially projected on a "no gain/no loss" basis to get to the June 30, 2020 measurement date.
Liabilities as of July 1, 2019 are based on an actuarial valuation date of July 1, 2019.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Amortization period

27 years

Inflation

2.25%

Healthcare cost trend rates

7.5% initial, decreasing 0.5% per year to an ultimate rate of 4.5%

Salary increases

2.50% for general wage inflation (includes 2.25% inflation and 0.25% real wage growth) plus the following merit and productivity increases which are based on the assumptions approved from the Indiana Public Retirement System (INPRS) 2020 Experience Study.

Investment rate of return

6.20% as of July 1, 2019 and 6.20% as of June 30, 2020

Retirement age

Annual retirement rates are based on the INPRS 2020 experience study.

Mortality

Healthy employees and retirees: SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2019
Disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2019
Surviving Spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2019

Other information

Census data as of June 30, 2020 was used in the valuation.

Schedule of Contributions
Other Postemployment Benefit Plans
Conservation and Excise Police Healthcare Plan
(amounts expressed in thousands)

	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011
Actuarially determined contribution	$ 5,600	$ 3,774	$ 3,831	$ 3,349	$ 3,313	$ 3,124	$ 2,822	$ 3,053	$ 3,675	$ 4,423
Contributions in relation to the actuarially determined contribution	4,167	4,021	6,241	3,718	3,575	2,437	2,482	2,893	6,889	1,336
Contribution deficiency (excess)	1,433	(247)	(2,410)	(369)	(262)	687	340	160	(3,214)	3,087
Covered-employee payroll	18,453	18,883	16,981	15,602	14,497	15,106	15,969	16,038	15,541	16,283
Contributions as a percentage of covered-employee payroll	22.6%	21.3%	36.8%	23.8%	24.7%	16.1%	15.5%	18.0%	44.3%	8.2%

Notes to Schedule:

Valuation date

July 1, 2019 with results actuarially projected on a "no gain/no loss" basis to get to the June 30, 2020 measurement date.
Liabilities as of July 1, 2019 are based on an actuarial valuation date of July 1, 2019.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Amortization period

27 years

Inflation

2.25%

Healthcare cost trend rates

7.5% initial, decreasing 0.5% per year to an ultimate rate of 4.5%

Salary increases

2.75% for general wage inflation (includes 2.25% inflation and 0.50% real wage growth) plus the following merit and productivity increases which are based on the assumptions approved from the Indiana Public Retirement System (INPRS) 2020 Experience Study.

Investment rate of return

3.36% as of July 1, 2019 and 6.20% as of June 30, 2020

Retirement age

Annual retirement rates are based on the INPRS 2020 experience study.

Mortality

Healthy employees and retirees: SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2019
Disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2019
Surviving Spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2019

Other information

Census data as of June 30, 2020 was used in the valuation.

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
State Police Retirement Fund
(amounts expressed in thousands)

	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Total pension liability							
Service cost	$ 19,824	$ 15,926	$ 14,409	$ 14,537	$ 14,356	$ 13,747	$ 13,576
Interest	45,018	43,156	39,358	37,930	35,912	34,935	33,758
Changes of benefit terms	-	-	-	-	275	269	147
Differences between expected and actual experience	(9,072)	(5,963)	42,319	(562)	4,765	778	1,112
Changes of assumptions	(1,513)	8,070	(6,232)	(5)	9,230	775	533
Benefit payments, including refunds of employee contributions	(38,391)	(35,060)	(34,228)	(33,677)	(34,955)	(32,923)	(30,724)
Net change in total pension liability	15,866	26,129	55,626	18,223	29,583	17,581	18,402
Total pension liability, beginning	670,358	644,229	588,603	570,380	540,797	523,216	504,814
Total pension liability, ending	$ 686,224	$ 670,358	$ 644,229	$ 588,603	$ 570,380	$ 540,797	$ 523,216
Plan fiduciary net position							
Contributions, employer	$ 29,901	$ 25,002	$ 20,556	$ 18,073	$ 13,451	$ 14,005	$ 47,588
Contributions, employee	5,289	4,683	3,997	4,043	3,967	3,763	3,786
Net investment income	18,794	23,078	41,977	(10,454)	(990)	44,883	29,787
Benefit payments, including refunds of employee contributions	(38,391)	(35,060)	(34,228)	(33,677)	(34,955)	(32,923)	(30,724)
Administrative expense	(389)	(381)	(388)	(306)	(300)	(307)	(261)
Other	-	1	1	1	-	(11)	2
Net change in plan fiduciary net position	15,204	17,323	31,915	(22,320)	(18,827)	29,410	50,178
Plan fiduciary net position, beginning	476,089	458,766	426,851	449,171	467,998	438,588	388,410
Plan fiduciary net position, ending	$ 491,293	$ 476,089	$ 458,766	$ 426,851	$ 449,171	$ 467,998	$ 438,588
Net pension liability	$ 194,931	$ 194,269	$ 185,463	$ 161,752	$ 121,209	$ 72,799	$ 84,628
Plan fiduciary net position as a percentage of the total pension liability	71.6%	71.0%	71.2%	72.5%	78.7%	86.5%	83.8%
Covered payroll	88,103	87,972	75,035	68,139	67,628	68,490	63,347
Net pension liability as a percentage of covered payroll	221.3%	220.8%	247.2%	237.4%	179.2%	106.3%	133.6%

Notes to Schedule:

Measurement date: Actuarial valuation reports from the prior fiscal year.

Benefit changes. There were no changes in benefit terms during the fiscal year.

Changes of assumptions. 6/30/2018 Mortality Assumption: Mortality rates for healthy members were based on the RP-2014 Total Dataset Mortality Tables adjusted to 2006 with MP-2017 Mortality Improvement Scale. Mortality rates for disabled members were based on the RP-2014 Mortality tables for disabled members adjusted to 2006 with MP-2017 Mortality Improvement Scale. The mortality improvement scale was changed to the MP-2017 Scale. 6/30/2017 Mortality Assumption: The mortality improvement scale was changed to the MP-2016 Scale. 6/30/2016 Mortality Assumption: Mortality rates for healthy members were based on the RP-2014 Blue Collar Mortality Tables adjusted to 2006 with MP-2015 Mortality Improvement Scale. Mortality rates for disabled members were based on the RP-2014 Mortality tables for disabled members adjusted to 2006 with MP-2015 Mortality Improvement Scale. 6/30/2015 Mortality Assumption: Mortality rates for healthy members were based on the RP-2014 Blue Collar Mortality Tables adjusted to 2006 with MP-2015 Mortality Improvement Scale. Mortality rates for disabled members were based on the RP-2014 Mortality tables for disabled members adjusted to 2006 with MP-2015 Mortality Improvement Scale. 6/30/2014 Mortality Assumption: Mortality rates for healthy members were based on the 2014 separate non-annuitant and annuitant mortality tables (separate male and female tables) as published by the IRS. Mortality rates for disabled members were based on the same tables increased by 115% for disabled retirements and disabled terminations with deferred benefits. 6/30/2013 Mortality Assumption: Mortality rates for healthy members were based on the 2013 separate non-annuitant and annuitant mortality tables (separate male and female tables) as published by the IRS. Mortality rates for disabled members were based on the same tables increased by 115% for disabled retirements and disabled terminations with deferred benefits.

The effort and cost to recreate financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
State Police Supplemental Trust
(amounts expressed in thousands)

	6/30/2019	6/30/2018	6/30/2017	6/30/2016
Total pension liability				
Service cost	$ 4,485	$ 4,112	$ 4,422	$ 3,776
Interest	628	663	582	1,143
Differences between expected and actual experience	(1,753)	(880)	(59)	(476)
Changes of assumptions	297	(63)	(645)	4,125
Benefit payments, including refunds of employee contributions, and administrative and other expenses	(3,983)	(4,343)	(4,259)	(4,677)
Net change in total pension liability	(326)	(511)	41	3,891
Total pension liability, beginning	16,573	17,084	17,043	13,152
Total pension liability, ending	$ 16,247	$ 16,573	$ 17,084	$ 17,043
Plan fiduciary net position as a percentage of the total pension liability	0.0%	0.0%	0.0%	0.0%
Covered payroll	88,103	87,972	75,731	68,786
Net pension liability as a percentage of covered payroll	18.4%	18.8%	22.6%	24.8%

Notes to Schedule:

Benefit changes. There were no changes in benefit terms during the fiscal year.

Measurement date: Actuarial valuation report from the prior fiscal year.

Changes of assumptions. Mortality rates for healthy members were based on the RP-2014 Total Dataset Mortality Tables adjusted from 2006 using MP-2018 Mortality Improvement Scale. Mortality rates for disabled members were based on the RP-2014 Mortality tables for disabled members adjusted from 2006 using MP-2018 Mortality Improvement Scale.

2.79% discount rate as of June 30, 2019. 2.98% discount rate, net of pension plan investment expense, including inflation at June 30, 2018. Discount rate of 3.13% as of June 30, 2017. Rate is S&P Municipal Bond 20 year high grade rate index.

Actuarially determined contribution rates are calculated as of July 1, one year prior to the end of the fiscal year in which contributions are reported. For the July 1, 2016 actuarial valuation, the inflation assumption was reduced from 3.50% to 2.25%.

The effort and cost to recreate financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2016 for GASB-S73 purposes.

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan
(amounts expressed in thousands)

	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Total pension liability							
Service cost	$ 3,552	$ 3,369	$ 3,550	$ 3,011	$ 3,905	$ 3,841	$ 3,811
Interest	9,448	9,619	9,389	8,955	8,384	8,031	7,740
Differences between expected and actual experience	6,427	(587)	120	470	845	(430)	(1,845)
Changes of assumptions	-	(8,015)	(2,578)	-	2,669	-	(40)
Benefit payments, including refunds of employee contributions	(7,325)	(6,935)	(6,826)	(6,245)	(6,608)	(5,938)	(4,836)
Member reassignments	-	-	(26)	(21)	-	-	(15)
Other	50	1	9	(1)	-	-	-
Net change in total pension liability	12,152	(2,548)	3,638	6,169	9,195	5,504	4,815
Total pension liability, beginning	140,055	142,603	138,965	132,796	123,601	118,097	113,282
Total pension liability, ending	$ 152,207	$ 140,055	$ 142,603	$ 138,965	$ 132,796	$ 123,601	$ 118,097
Plan fiduciary net position							
Contributions, employer	$ 6,982	$ 6,175	$ 5,691	$ 5,367	$ 5,215	$ 5,359	$ 19,740
Contributions, employee	1,368	1,172	1,102	1,016	1,004	1,019	1,006
Net investment income	9,711	11,189	8,869	1,313	(71)	13,339	4,702
Benefit payments, including refunds of employee contributions	(7,325)	(6,935)	(6,825)	(6,245)	(6,609)	(5,938)	(4,836)
Administrative expense	(112)	(136)	(124)	(139)	(158)	(141)	(121)
Member reassignments	-	-	(26)	(21)	-	-	(15)
Other	-	10	-	-	-	-	-
Net change in plan fiduciary net position	10,624	11,475	8,687	1,291	(619)	13,638	20,476
Plan fiduciary net position, beginning	131,491	120,016	111,329	110,038	110,657	97,019	76,543
Plan fiduciary net position, ending	$ 142,115	$ 131,491	$ 120,016	$ 111,329	$ 110,038	$ 110,657	$ 97,019
Net pension liability	$ 10,092	$ 8,564	$ 22,587	$ 27,636	$ 22,758	$ 12,944	$ 21,078
Plan fiduciary net position as a percentage of the total pension liability	93.4%	93.9%	84.2%	80.1%	82.9%	89.5%	82.2%
Covered payroll	33,272	29,387	27,428	25,526	25,133	25,825	24,675
Net pension liability as a percentage of covered payroll	30.3%	29.1%	82.4%	108.3%	90.6%	50.1%	85.4%

Notes to Schedule:

Measurement date: Actuarial valuation reports from the prior fiscal year.
Benefit changes. There were no changes to the plan that impacted the pension benefits during the fiscal year.
Changes of assumptions. An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) The inflation assumption changed from 3.0% per year to 2.25% per year; 2) the future salary increases assumption changed from 3.25% to 2.5% per year; 3) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 (with MP-2014 improvement removed) Blue Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report; 4) the retirement assumption changed to reflect higher likelihood of retirement at certain ages; 5) the termination assumption changed from an age-based table to a service-based table; and 6) the dependent assumption was adjusted to reflect recent experience.
For disabled members, in 2017 the RP-2014 (with MP-2014 improvement removed) Disability Mortality Table was assumed instead of the RP-2014 (with MP-2014 improvement removed) Healthy Annuitant Mortality Tables with collar adjustments.
As of June 30, 2019, in lieu of a COLA on January 1, 2020 and January 1,2010, members in pay were provided a 13th check on October 1, 2019. Thereafter, the following COLAs, compounded annually, were assumed:
0.4% beginning on January 1, 2022
0.5% beginning on January 1, 2034
0.6% beginning on January 1, 2039

The effort and cost to recreate financial statement information for 10 years was not practical.
Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
Prosecuting Attorneys' Retirement Fund
(amounts expressed in thousands)

	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Total pension liability							
Service cost	$ 2,031	$ 1,947	$ 1,650	$ 1,626	$ 1,603	$ 1,587	$ 1,568
Interest	6,959	6,521	5,714	5,239	4,409	4,207	3,816
Changes of benefit terms	-	-	6,547	-	-	-	1,346
Differences between expected and actual experience	2,240	2,156	1,996	4,058	4,551	-	1,474
Changes of assumptions	-	-	(216)	-	5,216	-	(109)
Benefit payments, including refunds of employee contributions	(4,433)	(3,995)	(4,069)	(3,747)	(3,254)	(2,398)	(2,235)
Other	-	-	-	(2)			
Net change in total pension liability	6,797	6,629	11,622	7,174	12,525	3,396	5,860
Total pension liability, beginning	103,284	96,655	85,033	77,861	65,336	61,940	56,080
Total pension liability, ending	$ 110,081	$ 103,284	$ 96,655	$ 85,035	$ 77,861	$ 65,336	$ 61,940
Plan fiduciary net position							
Contributions, employer	$ 3,216	$ 3,014	$ 1,486	$ 1,440	$ 1,063	$ 1,174	$ 19,443
Contributions, employee	1,307	1,295	1,357	1,279	1,269	1,334	1,271
Net investment income	4,489	5,218	4,167	589	(34)	6,581	1,897
Benefit payments, including refunds of employee contributions	(4,433)	(3,995)	(4,069)	(3,747)	(3,254)	(2,398)	(2,235)
Administrative expense	(75)	(88)	(158)	(193)	(127)	(108)	(145)
Other	-	-	-	-	-	4	-
Net change in plan fiduciary net position	4,504	5,444	2,783	(632)	(1,083)	6,587	20,231
Plan fiduciary net position, beginning	61,019	55,575	52,792	53,424	54,507	47,920	27,689
Plan fiduciary net position, ending	$ 65,523	$ 61,019	$ 55,575	$ 52,792	$ 53,424	$ 54,507	$ 47,920
Net pension liability	$ 44,558	$ 42,265	$ 41,080	$ 32,243	$ 24,437	$ 10,829	$ 14,020
Plan fiduciary net position as a percentage of the total pension liability	59.5%	59.1%	57.5%	62.1%	68.6%	83.4%	77.4%
Covered payroll	21,791	21,578	22,635	21,372	21,145	20,608	18,805
Net pension liability as a percentage of covered payroll	204.5%	195.9%	181.5%	150.9%	115.6%	52.5%	74.6%

Notes to Schedule:

Measurement date: Actuarial valuation reports from the prior fiscal year.
Benefit changes. Per 2016 Senate Enrolled Act No. 265, the PERF offset reflected in the PARF benefit formula was changed to be the actual PERF benefit amount the member is receiving for memebers who commence their PERF benefit before their PARF benefit. As a result of this change, for current active and inactive vested members, the PERF benefit commencement timing assumption was updated to 75% assumed to commence their PERF benefit at the earliest PERF eligibility and 25% assumed to commence their PERF benefit at PARF commencement. In 2013, HB 1057 changed the benefits in the Prosecuting Attorneys' Retirement Fund to be comparable to the Judges' Retirement Fund.
Changes of assumptions. In 2013, the interest crediting rate on member contributions was changed to 3.5% from 5.5%. An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) The inflation assumption changed from 3.0% per year to 2.25% per year 2) The mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 (with MP-2014 improvement removed) White Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report; and 3) the retirement assumption changed from an age and points-based table to an age and service-based table, reflecting higher rates of retirement after 22 years of service. In 2017, for disabled members, the mortality assumption was updated from the RP-2014 (with MP-2014 improvement removed) White collar Mortality tables to the RP-2014 (with MP-2014 improvement removed) Disability Mortality tables.

The effort and cost to recreate financial statement information for 10 years was not practical.
Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
Legislators' Defined Benefit Plan
(amounts expressed in thousands)

	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Total pension liability							
Service cost	$ -	$ -	$ 1	$ 2	$ 3	$ 3	$ 2
Interest	224	245	259	280	269	277	291
Differences between expected and actual experience	10	(85)	(113)	(233)	(68)	(36)	(140)
Changes of assumptions	-	(121)	-	-	325	-	-
Benefit payments, including refunds of employee contributions	(356)	(359)	(358)	(359)	(370)	(363)	(365)
Net change in total pension liability	(122)	(320)	(211)	(310)	159	(119)	(212)
Total pension liability, beginning	3,484	3,804	4,015	4,325	4,166	4,285	4,497
Total pension liability, ending	$ 3,362	$ 3,484	$ 3,804	$ 4,015	$ 4,325	$ 4,166	$ 4,285
Plan fiduciary net position							
Contributions, employer	$ 269	$ 237	$ 135	$ 138	$ 131	$ 138	$ 150
Net investment income	209	263	221	27	(5)	439	201
Benefit payments, including refunds of employee contributions	(356)	(359)	(356)	(359)	(370)	(363)	(365)
Administrative expense	(38)	(64)	(53)	(61)	(71)	(62)	(34)
Net change in plan fiduciary net position	84	77	(53)	(255)	(315)	152	(48)
Plan fiduciary net position, beginning	2,942	2,865	2,918	3,174	3,489	3,337	3,385
Plan fiduciary net position, ending	$ 3,026	$ 2,942	$ 2,865	$ 2,919	$ 3,174	$ 3,489	$ 3,337
Net pension liability	$ 336	$ 542	$ 939	$ 1,096	$ 1,151	$ 677	$ 948
Plan fiduciary net position as a percentage of the total pension liability	90.0%	84.4%	75.3%	72.7%	73.4%	83.7%	77.9%
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:

Measurement date: Actuarial valuation reports from the prior fiscal year.

Benefit changes. There were no changes to the plan that impacted the pension benefits during the fiscal year.

Changes of assumptions. An assumption study was performed in April of 2015 resulting in an update to the following 'assumptions: 1) The inflation assumption changed from 3.0% per year to 2.25% per year; and 2) The mortality 'assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 (with MP-2014 improvement removed) White Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report. For disabled members, in 2017, the RP-2014 (with MP-2014 improvement removed) Disability Mortality Table was assumed instead of the RP-2014 (with MP-2014 improvement removed) Healthy Annuitant Mortality Tables with collar adjustments.

As of June 30, 2019, in lieu of a COLA on January 1, 2020 and January 1,2010, members in pay were provided a 13th check on October 1, 2019. Thereafter, the following COLAs, compounded annually, were assumed:

0.4% beginning on January 1, 2022
0.5% beginning on January 1, 2034
0.6% beginning on January 1, 2039

N/A is not applicable as this is a closed plan with no payroll.

The effort and cost to recreate financial statement information for 10 years was not practical.
Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
Judges' Retirement System
(amounts expressed in thousands)

	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Total pension liability							
Service cost	$ 18,230	$ 14,886	$ 14,762	$ 13,870	$ 15,283	$ 15,302	$ 16,084
Interest	37,346	35,565	34,083	31,889	31,753	30,992	30,047
Differences between expected and actual experience	8,527	(3,090)	(3,107)	7,182	8,411	(16,026)	(13,603)
Changes of assumptions	-	-	(1,213)	-	(31,926)	-	186
Benefit payments, including refunds of employee contributions	(25,391)	(23,621)	(22,099)	(20,922)	(19,432)	(18,527)	(17,579)
Member reassignments	-	-	-	-	-	4	121
Other	93	219	183	162	-	-	-
Net change in total pension liability	38,805	23,959	22,609	32,181	4,089	11,745	15,256
Total pension liability, beginning	547,694	523,735	501,126	468,945	464,855	453,110	437,854
Total pension liability, ending	$ 586,499	$ 547,694	$ 523,735	$ 501,126	$ 468,944	$ 464,855	$ 453,110
Plan fiduciary net position							
Contributions, employer	$ 16,031	$ 15,117	$ 16,824	$ 16,946	$ 21,020	$ 20,895	$ 111,419
Contributions, employee	3,476	3,418	3,468	3,239	3,292	2,856	2,631
Net investment income	37,371	44,104	35,196	5,323	(102)	51,890	16,955
Benefit payments, including refunds of employee contributions	(25,391)	(23,623)	(22,101)	(20,922)	(19,432)	(18,527)	(17,579)
Administrative expense	(108)	(119)	(124)	(148)	(165)	(146)	(126)
Member reassignments	-	-	-	-	-	4	121
Other	-	-	-	-	9	6	5
Net change in plan fiduciary net position	31,379	38,897	33,263	4,438	4,622	56,978	113,426
Plan fiduciary net position, beginning	513,952	475,055	441,790	437,352	432,730	375,752	262,326
Plan fiduciary net position, ending	$ 545,331	$ 513,952	$ 475,053	$ 441,790	$ 437,352	$ 432,730	$ 375,752
Net pension liability	$ 41,168	$ 33,742	$ 48,682	$ 59,336	$ 31,592	$ 32,125	$ 77,358
Plan fiduciary net position as a percentage of the total pension liability	93.0%	93.8%	90.7%	88.2%	93.3%	93.1%	82.9%
Covered payroll	56,380	53,350	54,755	51,382	48,582	46,041	47,595
Net pension liability as a percentage of covered payroll	73.0%	63.2%	88.9%	115.5%	65.0%	69.8%	162.5%

Notes to Schedule:

Measurement date: Actuarial valuation reports from the prior fiscal year.
Benefit changes. There were no changes to the plan that impacted the pension benefits during the fiscal year.
Changes of assumptions. An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) The inflation assumption changed from 3.0% per year to 2.25% per year; 2) the future salary increases assumption changed from 4.0% to 2.5% per year; 3) the cost-of-living assumption decreased from 4.0% to 2.5% per year; 4) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 (with MP-2014 improvement removed) White Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report; 5) the retirement assumption changed from an age-based table to an age and service based table, reflecting higher rates of retirement after 22 years of service; 6) the termination assumption changed from an age-based table to 3% for all members; and 7) the dependent assumption was adjusted to reflect recent experience. For disabled members, in 2017 the RP-2014 (with MP-2014 improvement removed) Disability Mortality Table was assumed instead of the RP-2014 (with MP-2014 improvement removed) Healthy Annuitant Mortality Tables with collar adjustments.

The effort and cost to recreate financial statement information for 10 years was not practical.
Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of the State's Proportionate Share of the Net Pension Liability
Employee Retirement Systems and Plans
Public Employees' Retirement Fund
(amounts expressed in thousands)

	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
State's proportion of the net pension liability (asset)	25.90%	25.58%	25.74%	25.04%	24.27%	24.85%	24.45%
State's proportionate share of the net pension liability (asset)	$ 856,020	$ 868,814	$ 1,148,261	$ 1,136,293	$ 988,605	$ 652,920	$ 837,311
State's covered payroll	1,349,423	1,305,016	1,276,857	1,199,921	1,162,622	1,213,031	1,173,716
State's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	63.4%	66.6%	89.9%	94.7%	85.0%	53.8%	71.3%
Plan fiduciary net position as a percentage of the total pension liability	80.1%	78.9%	76.6%	75.3%	77.3%	84.3%	78.8%

Notes to Schedule:

Measurement date: Actuarial valuation reports from the prior fiscal year.
Benefit changes. In 2019, HB 1059 expanded the current pre-retirement death benefit eligibility to memebers with at least 10 years of service.
Plan amendments. In 2014, HB 1075 impacted the PERF by reducing the Annuity Savings Account (ASA) interest crediting rate on annuities from 7.5% to 5.75% effective October 1, 2014. Effective October 1, 2015 the rate becomes the greater of 4.5% or market rate. On January 1, 2017, the ASA annuities are allowed to be outsourced to a third party provider. Beginning January 1, 2018 ASA annuitizations were accommodated through a third party provider.
During FYE 2018, the Annuity Savings Accounts were completely separated from the defined benefit plan, and so are no longer relevant to the valuation process.
Changes of assumptions. An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) the inflation assumption changed from 3.00% to 2.25% per year; 2) the future salary increase assumption changed from an age-based table ranging from 3.25% to 4.5% to an age-based table ranging from 2.50% to 4.25%; 3) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 (with MP-2014 improvement removed) Total Data Set Mortality Table projected on a fully generationally basis using the future mortality improvement scale inherent in the mortality projection included in the Social Security Administration's 2014 Trustee report; 4) the retirement assumption was updated based on recent experience. Additionally, for actives who are eligible for early retirement (reduced benefit), 33% are assumed to commence benefits immediate and 67% are assumed to commence benefits at unreduced retirement eligibility. If eligible for an unreduced retirement benefit upon termination from employment, 100% commence immediately; 5) the termination assumption was updated based on recent experience. For members earning less than $20,000, the tables were updated from a select and ultimate table to just an ultimate table as there is little correlation with service. For members earning more than $20,000, the table were updated from using a 5-year select period to a 10-year select period to correspond with the vesting schedule; 6) the disability assumption was updated based on recent experience; and 7) the ASA annuitization assumptions was updated from 50% of members assumed to annuitize their ASA balance to 60% of members assumed to annuitize their ASA balance prior to January 1, 2018. For disabled members, in 2017, the RP-2014 (with MP-2014 improvement removed) Disability Mortality Table was assumed instead of the RP-2014 (with MP-2014 improvement removed) Healthy Annuitant Mortality Tables with collar adjustments.
As of June 30, 2018, in lieu of a COLA on January 1, 2019, members in pay were provided a 13th check on October 1, 2018. It is assumed a 13th check would continue for the 2020 and 2021 fiscal years. Thereafter, the following COLAs, compounded annually, were assumed:
0.4% beginning on January 1, 2022
0.5% beginning on January 1, 2034
0.6% beginning on January 1, 2039

The effort and cost to recreate financial statement information for 10 years was not practical.
Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of the State's Proportionate Share of the Net Pension Liability
Employee Retirement Systems and Plans
Teachers' Retirement Fund Pre-1996 Account
(amounts expressed in thousands)

	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
State's proportion of the net pension liability (asset)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
State's proportionate share of the net pension liability (asset)	$ 10,630,019	$ 10,871,842	$ 11,919,139	$ 12,052,671	$ 11,917,837	$ 10,853,349	$ 11,248,396
Plan fiduciary net position as a percentage of the total pension liability	26.2%	25.5%	28.8%	28.4%	30.0%	33.6%	31.7%

Notes to Schedule:

Measurement date: Actuarial valuation reports from the prior fiscal year.

Benefit changes. Beginning July 1, 2017, the minimum pension benefit paid to a regularly retired member receiving an unreduced pension benefit is $185 per month. In 2019, HB 1059 expanded the current pre-retirement death benefit eligibility to members with at least 10 years of service.

Plan amendments. In 2014, HB 1075 impacted the TRF Pre-1996 Account by reducing the Annuity Savings Account (ASA) interest crediting rate on annuities from 7.5% to 5.75% effective October 1, 2014. Effective October 1, 2015 the rate becomes the greater of 4.5% or market rate.
Beginning January 1, 2018 ASA annuitizations were accommodated through a third party provider.

Changes of assumptions. An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) the inflation assumption changed from 3.00% to 2.25% per year; 2) the future salary increase assumption changed from a table ranging from 3.00% to 12.50% to a table ranging from 2.50% to 12.50%; 3) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 White Collar Mortality Table with Social Security Administration generational projection scale from 2006; 4) the retirement assumption was updated based on recent experience; and 5) the termination assumption was updated based on recent experience. For disabled members, in 2017 the mortality assumption was changed to the RP-2014 Disabled Mortality Table with generational improvements from 2006 based on the 2014 Social Security Administration Trustee's Report.

As of June 30, 2018, in lieu of a COLA on January 1, 2019, members in pay were provided a 13th check on October 1, 2018. It is assumed a 13th check would continue for the 2020 and 2021 fiscal years.
Thereafter, the following COLAs, compounded annually, were assumed:
0.4% beginning on January 1, 2022
0.5% beginning on January 1, 2034
0.6% beginning on January 1, 2039

The effort and cost to recreate financial statement information for 10 years was not practical.
Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of the State's Proportionate Share of the Net Pension Liability
Employee Retirement Systems and Plans
Teachers' Retirement Fund 1996 Account
(amounts expressed in thousands)

	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
State's proportion of the net pension liability (asset)	0.34%	0.35%	0.39%	0.35%	0.38%	0.40%	0.42%
State's proportionate share of the net pension liability (asset)	$ (494)	$ 389	$ 2,571	$ 2,739	$ 1,977	$ 191	$ 1,310
State's covered payroll	11,224	11,016	11,722	10,108	10,288	10,380	10,150
State's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-4.4%	3.5%	21.9%	27.1%	19.2%	1.8%	12.9%
Plan fiduciary net position as a percentage of the total pension liability	102.4%	98.0%	90.4%	87.8%	91.1%	99.1%	93.4%

Notes to Schedule:

Measurement date: Actuarial valuation reports from the prior fiscal year.
Benefit changes. Beginning July 1, 2017, the minimum pension benefit paid to a regularly retired member receiving an unreducted pension benefit is $185/month. In 2019, HB 1059 expanded the current pre-retirement death benefit eligibility to members with at least 10 years of service.
Plan amendments: In 2014, HB 1075 impacted the PERF by reducing the Annuity Savings Account (ASA) interest crediting rate on annuities from 7.5% to 5.75% effective October 1, 2014. Effective October 1, 2015 the rate becomes the greater of 4.5% or market rate.
Beginning January 1, 2018 ASA annuitizations were accommodated through a third party provider.
Changes of assumptions. An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) The inflation assumption changed from 3.00% to 2.25% per year; 2) the future salary increases assumption changed from a table ranging from 3.00% to 12.50% to a table ranging from 2.50% to 12.50%; 3) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to 'the RP-2014 White Collar Mortality Table with Social Security Administration generational projection scale from 2006; 4) the retirement assumption was updated based on recent experience; and 5) the termination assumption was updated based on recent experience. For disabled members, in 2017 the mortality assumption was changed to the RP-2014 Disabled Mortality Table with generational improvements from 2006 based on the 2014 Social Security Administration Trustee's Report.
As of June 30, 2018, in lieu of a COLA on January 1, 2019, members in pay were provided a 13th check on October 1, 2018. It is assumed a 13th check would continue for the 2020 and 2021 fiscal years. Thereafter, the following COLAs, compounded annually, were assumed:
0.4% beginning on January 1, 2022
0.5% beginning on January 1, 2034
0.6% beginning on January 1, 2039

The effort and cost to recreate financial statement information for 10 years was not practical.
Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Changes in the Net OPEB Liability and Related Ratios
Other Postemployment Benefit Plans
State Personnel Healthcare Plan
(amounts expressed in thousands)

	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Total OPEB liability				
Service cost	$ 2,961	$ 1,934	$ 2,113	$ 2,334
Interest	1,892	1,851	1,910	1,536
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	1,622	6,587	(5,332)	(121)
Changes of assumptions	(6,835)	2,803	(1,164)	(1,081)
Benefit payments	(4,752)	(3,276)	(3,042)	(4,404)
Other	-	-	-	-
Net change in total OPEB liability	(5,112)	9,899	(5,515)	(1,736)
Total OPEB liability, beginning	57,424	47,525	53,040	54,776
Total OPEB liability, ending	$ 52,312	$ 57,424	$ 47,525	$ 53,040
Plan fiduciary net position				
Contributions, employer	$ 5,031	$ 3,337	$ 3,384	$ 4,802
Contributions, employee	-	-	-	-
Net investment income	789	1,007	547	292
Benefit payments	(4,752)	(3,276)	(3,042)	(4,404)
Administrative expense	(133)	(354)	(398)	(418)
Net change in plan fiduciary net position	935	714	491	272
Plan fiduciary net position, beginning	46,203	45,489	44,998	44,726
Plan fiduciary net position, ending	$ 47,138	$ 46,203	$ 45,489	$ 44,998
Net OPEB liability	$ 5,174	$ 11,221	$ 2,036	$ 8,042
Plan fiduciary net position as a percentage of the total OPEB liability	90.1%	80.5%	95.7%	84.8%
Covered-employee payroll	1,397,835	1,346,186	1,296,877	1,245,383
Net OPEB liability as a percentage of covered-employee payroll	0.4%	0.8%	0.2%	0.6%

Notes to Schedule:

Changes of assumptions:

1. For 2020, the mortality, termination, retirement rate, and payroll growth assumptions were updated based on the revised tables presented in the INPRS 2020 Experience Study. The mortality, retirement rate, and payroll growth updates led to slight decreases in liabilities, while the termination update led to an increase in liabilities. The health care coverage electrion rate was updated from 40% to 35% for employees that are eligible for a normal, unreduced or disability pension under PERF and from 15% to 10% for employees with health coverage that are not eligible for a normal, unreduced or disability pension under PERF. The change led to a reduction in liabilities. The spousal coverage election rate was updated from 70% for male employees and 55% for female employess to 20% for male employees and 15% for female employees. This change led to a slight decrease in liabilities.
2. Trend rates for medical and prescription drug benefits have an initial rate of 7.5% decreasing by 0.50% annually to an ultimate rate of 4.5%.
3. Discount rate was updated to 3.23% as of June 30, 2020 for accounting disclosure purposes. The rate was 3.26% as of July 1, 2019, 3.87% as of July 1, 2018, and 3.56% as of July 1, 2017.
4. The termination assumption for those earning less than $20,000 per year was updated to follow the PERF termination rates as of June 30, 2020 for this group.

The effort and cost to recreate financial statement information for 10 years was not practical.
Information was prepared prospectively from June 30, 2017 for GASB-S74 purposes.

Schedule of Changes in the Net OPEB Liability and Related Ratios
Other Postemployment Benefit Plans
Indiana State Police Healthcare Plan
(amounts expressed in thousands)

	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Total OPEB liability				
Service cost	$ 5,032	$ 8,531	$ 17,811	$ 24,701
Interest	12,530	12,778	19,726	16,987
Changes of benefit terms	-	3,254	(196,574)	(34,808)
Differences between expected and actual experience	(20,071)	(78,676)	(21,242)	3,921
Changes of assumptions	(15,687)	(66,154)	(27,946)	(48,451)
Benefit payments	(2,802)	(5,805)	(6,994)	(8,656)
Other	-	-	-	-
Net change in total OPEB liability	(20,998)	(126,072)	(215,219)	(46,306)
Total OPEB liability, beginning	198,445	324,517	539,736	586,042
Total OPEB liability, ending	$ 177,447	$ 198,445	$ 324,517	$ 539,736
Plan fiduciary net position				
Contributions, employer	$ 21,727	$ 23,937	$ 25,814	$ 26,871
Contributions, employee	846	857	404	473
Net investment income	1,276	2,109	1,422	508
Benefit payments	(2,802)	(5,805)	(6,994)	(8,656)
Administrative expense	(360)	(492)	(606)	(589)
Net change in plan fiduciary net position	20,687	20,606	20,040	18,607
Plan fiduciary net position, beginning	137,969	117,363	97,323	78,716
Plan fiduciary net position, ending	$ 158,656	$ 137,969	$ 117,363	$ 97,323
Net OPEB liability	$ 18,791	$ 60,476	$ 207,154	$ 442,413
Plan fiduciary net position as a percentage of the total OPEB liability	89.4%	69.5%	36.2%	18.0%
Covered-employee payroll	120,255	120,447	107,914	98,693
Net OPEB liability as a percentage of covered-employee payroll	15.6%	50.2%	192.0%	448.3%

Notes to Schedule:

Changes of assumptions:

1. For 2020, the disability assumption was updated to follow the table presented for the Conservation and Excise Police in the INPRS 2020 Experience Study. This change led to a slight decrease in liabilities. The mortality assumption was updated to follow the table presented for the '77 Fund in the INPRS 2020 Experience Study. This change led to a decrease in liabilities. The payroll growth assumption was updated to follow the table used in the July 1, 2020 pension valuation for the Indiana State Police. This change led to a decrease in liabilities.
2. Trend rates for medical and prescription drug benefits have an initial rate of 7.5% decreasing by 0.50% annually to an ultimate rate of 4.5%.
3. Discount rate was updated to 6.20% as of June 30, 2019 for accounting disclosure purposes. The rate was 6.20% as of July 1, 2019, 3.87% as of July 1, 2018, and 3.56 as of July 1, 2017.

Changes in benefit terms:

1. Effective on January 1, 2019, all post-65 Medicare eligible retirees were removed from the ISP's traditional health plan. They will be covered under a Medicare Advantage Plan through Anthem and a Medicare Part D plan with premiums paid fully by the retiree.
2. Effective July 1, 2019, the life insurance benefit for retirees was modified such that all retirees (regardless of date of retirement) will receive a $20,000 benefit.

The effort and cost to recreate financial statement information for 10 years was not practical.
Information was prepared prospectively from June 30, 2017 for GASB-S74 purposes.

Schedule of Changes in the Net OPEB Liability and Related Ratios
Other Postemployment Benefit Plans
Conservation and Excise Police Healthcare Plan
(amounts expressed in thousands)

	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Total OPEB liability				
Service cost	$ 2,367	$ 1,840	$ 1,795	$ 2,327
Interest	2,647	2,410	2,035	1,956
Changes of benefit terms	-	2,113	-	(7,023)
Differences between expected and actual experience	(7,900)	4,353	5,739	(1,654)
Changes of assumptions	(23,751)	6,223	(3,387)	(5,925)
Benefit payments	(988)	(943)	(1,303)	(1,305)
Other	-	-	-	-
Net change in total OPEB liability	(27,625)	15,996	4,879	(11,624)
Total OPEB liability, beginning	76,899	60,903	56,024	67,648
Total OPEB liability, ending	$ 49,274	$ 76,899	$ 60,903	$ 56,024
Plan fiduciary net position				
Contributions, employer	$ 4,167	$ 4,021	$ 6,241	$ 3,718
Net investment income	347	493	213	79
Benefit payments	(988)	(943)	(1,303)	(1,305)
Administrative expense	(77)	(84)	(91)	(82)
Net change in plan fiduciary net position	3,449	3,487	5,060	2,410
Plan fiduciary net position, beginning	23,723	20,236	15,176	12,766
Plan fiduciary net position, ending	$ 27,172	$ 23,723	$ 20,236	$ 15,176
Net OPEB liability	$ 22,102	$ 53,176	$ 40,667	$ 40,848
Plan fiduciary net position as a percentage of the total OPEB liability	55.1%	30.8%	33.2%	27.1%
Covered-employee payroll	18,453	18,883	16,981	15,602
Net OPEB liability as a percentage of covered-employee payroll	119.8%	281.6%	239.5%	261.8%

Notes to Schedule:

Changes of assumptions:

1. For 2020, the mortality, retirement rate, disability, and payroll growth assumptions was updated based on the revised tables presented in the INPRS 2020 Experience Study. The retirement and disability updates led to an increase in liabilities, while the mortality and payroll growth updates led to a decrease in liabilities. The spousal coverage election rate was updated from 85% for males employees and 25% for female employees to 85% for male employees and 15% for female employees. This change led to a slight decrease in liabilities.

2. Trend rates for medical and prescription drug benefits have an initial rate of 7.5% decreasing by 0.50% annually to an ultimate rate of 4.5%.

3. Discount rate was updated to 6.20% as of June 30, 2020 for accounting disclosure purposes. The rate was 3.36% as of June 30, 2019, 3.87% as of July 1, 2018, and 3.56% as of July 1, 2017.

Change in benefit terms:

1. Effective on January 1, 2020, all post-65 Medicare eligible retirees will be removed from the CEP’s traditional health plan. They will be covered under a Medicare Advantage Plan through Anthem and a Medicare Part D plan with premiums assumed to be paid fully by the retiree. Since the premiums charged to retirees are lower than the full cost of coverage, there is still a GASB liability for this benefit.

The effort and cost to recreate financial statement information for 10 years was not practical.
Information was prepared prospectively from June 30, 2017 for GASB-S74 purposes.

Schedule of Changes in the Total OPEB Liability and Related Ratios
Other Postemployment Benefit Plans
Legislators Retiree Healthcare Plan
(amounts expressed in thousands)

	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Total OPEB liability				
Service cost	$ 43	$ 114	$ 120	$ 165
Interest	277	381	420	338
Changes of benefit terms	-	(1,063)	-	-
Differences between expected and actual experience	(270)	(1,137)	(1,527)	864
Changes of assumptions	464	335	(385)	(681)
Benefit payments	(494)	(535)	(620)	(555)
Other	-	-	-	-
Net change in total OPEB liability	20	(1,905)	(1,992)	131
Total OPEB liability, beginning	8,090	9,995	11,987	11,856
Total OPEB liability, ending	$ 8,110	$ 8,090	$ 9,995	$ 11,987
Covered-employee payroll	6,241	6,184	5,443	5,540
Total OPEB liability as a percentage of covered-employee payroll	129.9%	130.8%	183.6%	216.4%

Notes to Schedule:

Changes of assumptions:

1. For 2020, the mortality and payroll growth assumptions have been updated based on the revised tables presented in the INPRS 2020 Experience Study. The mortality update led to a decrease in liabilities, while the payroll growth update led to a slight increase. The health care coverage election was updated from 40% to 35% for employees that are eligible for a normal, unreduced or disability pension under PERF and from 15% to 10% for employees with health coverage that are not eligible for a normal, unreduced or disability pension under PERF. The change led to a slight reduction in liabilities. The spousal coverage election rate was updated from 100% for all employees to 95% for male employees and 50% for female employees. This change led to a slight decrease in liabilities.

2. Trend rates for medical and prescription drug benefits have an initial rate of 7.5% decreasing by 0.50% annually to an ultimate rate of 4.5%.

3. Discount rate was updated to 2.66% as of June 30, 2020 for acounting disclosure purposes. The rate was 3.51% as of July 1, 2019, 3.87% as of July 1, 2018, and 3.56% as of July 1, 2017.

Changes in benefit terms:

1. Effective on January 1, 2019, all post-65 Medicare eligible retirees were removed from the ISP’s traditional health plan. They will be covered under a Medicare Advantage Plan through Anthem and a Medicare Part D plan with premiums paid fully by the retiree. This change is reflected for Legislature actives and retirees covered under the ISP's plan.

The effort and cost to recreate financial statement information for 10 years was not practical.

Schedule of Investment Returns
Annual Money-Weighted Rate of Return, Net of Investment Expense
Other Postemployment Benefit Plans

	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Single-employer defined benefit other postemployment benefit plan:				
State Personnel Healthcare Plan (SPP)	1.7%	2.2%	1.2%	0.7%
Indiana State Police Healthcare Plan (ISPP)	1.4%	2.4%	1.3%	0.6%
Conservation and Excise Police Healthcare Plan (CEPP)	1.3%	2.3%	1.2%	0.6%

Note:
The effort and cost to recreate financial statement information for 10 years was not practical.
Information was prepared prospectively from June 30, 2017 for GASB-S74 purposes.

Budgetary Information

The Governor submits a budget biennially to be adopted by the General Assembly for the ensuing two-year period. The budget covers the general fund and most special revenue funds. The General Assembly enacts the budget through passage of specific appropriations.

The budget bill is enacted as the Appropriations Act that the Governor may veto, subject to legislative override. Except as specifically provided by statute, appropriations or any part thereof remaining unexpended and unencumbered at the close of any fiscal year will lapse and be returned to the fund from which it was appropriated.

The final budget is composed of budgeted amounts as adopted and as amended by supplemental appropriations or appropriation transfers that were necessary during the current year. The State Board of Finance, which consists of the Governor, Auditor of State and Treasurer of State, is empowered to transfer appropriations from one appropriation, fund, or agency of the State to another, with the exception of trust funds. The State Budget Agency may transfer, assign, and reassign almost any appropriation, except those restricted by law, but only when: (1) the uses and purposes to which the funds are transferred are uses and purposes which the agency is permitted or required to perform; and (2) and the transfers are within the same agency of the state to which the appropriation was originally made. Capital appropriations are initially posted to general government. As projects are approved by the State Budget Committee the appropriations are transferred to the function of government from which they are disbursed. In addition, expenditures under many federal grants are required to be spent before they are reimbursed by the federal government. These actions are considered supplemental appropriations; therefore, expenditures do not exceed appropriations for individual funds.

The legal level of budgetary control (the level on which expenditures may not legally exceed appropriations) is maintained at the fund level by the State Budget Agency. When budgets are submitted for each fund, certain recurring expenditures are not budgeted (such as tort claims) according to instructions from the State Budget Agency to the various agencies. The Budget Agency monitors all funds regularly in addition to monitoring excess general fund revenue that will be available at the end of the fiscal year to cover the non-budgeted, recurring expenditures.

State of Indiana
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	General Fund			
	Budget		Actual	Variance to Final Budget
	Original	Final		
Revenues:				
Taxes:				
Income	$ 7,024,986	$7,024,986	$5,891,252	$ (1,133,734)
Sales	8,075,767	8,075,767	8,157,459	81,692
Fuels	-	-	1,740	1,740
Gaming	427,148	427,148	41,349	(385,799)
Alcohol and tobacco	248,400	248,400	254,723	6,323
Insurance	242,797	242,797	243,407	610
Other	323,534	323,534	393,997	70,463
Total taxes	16,342,632	16,342,632	14,983,927	(1,358,705)
Current service charges	451,176	451,176	315,912	(135,264)
Investment income	103,000	103,000	132,011	29,011
Sales/rents	423	423	379	(44)
Grants	-	-	2,330	2,330
Other	20,324	20,324	40,893	20,569
Total revenues	16,917,555	16,917,555	15,475,452	(1,442,103)
Expenditures:				
Current:				
General government	1,428,291	1,716,996	1,089,267	627,729
Public safety	1,466,515	1,190,409	1,021,783	168,626
Health	36,506	29,536	21,998	7,538
Welfare	4,486,600	1,715,946	1,197,641	518,305
Conservation, culture and development	172,832	154,855	121,459	33,396
Education	10,660,463	10,702,829	10,599,653	103,176
Transportation	64,571	361,331	232,243	129,088
Debt service:				
Capital lease principal	-	-	3,669	(3,669)
Capital lease interest	-	-	351	(351)
Total expenditures	18,315,778	15,871,902	14,288,064	1,583,838
Excess of revenues over (under) expenditures	(1,398,223)	1,045,653	1,187,388	(141,735)
Other financing sources (uses):				
Total other financing sources (uses)	(1,869,073)	(1,869,073)	(1,869,073)	-
Net change in fund balances	$(3,267,296)	$ (823,420)	(681,685)	$ 141,735
Fund balances July 1, as restated			3,288,881	
Fund balances June 30			**$2,607,196**	

Public Welfare-Medicaid Assistance				Department of Health and Human Services			
Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
Original	Final			Original	Final		
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,029,599	1,029,599	932,496	(97,103)	1,330	1,330	252	(1,078)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
9,056,681	9,056,681	10,543,567	1,486,886	1,473,625	1,473,625	1,533,347	59,722
-	-	-	-	68	68	62	(6)
10,086,280	10,086,280	11,476,063	1,389,783	1,475,023	1,475,023	1,533,661	58,638
2,529	-	-	-	3,627	54,672	29,336	25,336
-	-	-	-	3,299	25,642	7,773	17,869
-	-	-	-	127,999	230,001	162,825	67,176
11,827	21,314,860	14,116,787	7,198,073	665,422	3,064,539	1,557,349	1,507,190
-	-	-	-	2,639	5,798	6,365	(567)
-	-	-	-	617	11,409	9,884	1,525
-	-	-	-	-	6	-	6
-	-	-	-	-	-	27	(27)
-	-	-	-	-	-	-	-
14,356	21,314,860	14,116,787	7,198,073	803,603	3,392,067	1,773,559	1,618,508
10,071,924	(11,228,580)	(2,640,724)	(8,587,856)	671,420	(1,917,044)	(239,898)	(1,677,146)
2,418,564	2,418,564	2,418,564	-	277,347	277,347	277,347	-
$12,490,488	$(8,810,016)	(222,160)	$ 8,587,856	$ 948,767	$(1,639,697)	37,449	$ 1,677,146
		529,485				(300,893)	
		$ 307,325				**$(263,444)**	

continued on next page

State of Indiana
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	FEDERAL COVID-19			
	Budget		Actual	Variance to Final Budget
	Original	Final		
Revenues:				
Taxes:				
Income	$ -	$ -	$ -	$ -
Sales	-	-	-	-
Fuels	-	-	-	-
Gaming	-	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Other	-	-	-	-
Total taxes	-	-	-	-
Current service charges	-	-	-	-
Investment income	-	-	2	2
Sales/rents	-	-	-	-
Grants	-	-	2,553,574	2,553,574
Other	-	-	-	-
Total revenues	-	-	2,553,576	2,553,576
Expenditures:				
Current:				
General government	6,245	2,114,200	264,116	1,850,084
Public safety	80	18,858	193,924	(175,066)
Health	44,468	274,389	19,574	254,815
Welfare	19,752	118,111	19	118,092
Conservation, culture and development	6,326	21,642	6,382	15,260
Education	17	378,608	89,156	289,452
Transportation	-	55,504	-	55,504
Debt service:				
Capital lease principal	-	-	-	-
Capital lease interest	-	-	-	-
Total expenditures	76,888	2,981,312	573,171	2,408,141
Excess of revenues over (under) expenditures	(76,888)	(2,981,312)	1,980,405	(4,961,717)
Other financing sources (uses):				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	$ (76,888)	$ (2,981,312)	1,980,405	$ 4,961,717
Fund balances July 1, as restated			-	
Fund balances June 30			**$1,980,405**	

Budget/GAAP Reconciliation
Major Funds

The cash basis of accounting (budgetary basis) is applied to each budget. The budgetary basis differs from GAAP. The major differences between budgetary (non-GAAP) basis and GAAP basis are:

(amounts expressed in thousands)	**GENERAL FUND**	**PUBLIC WELFARE-MEDICAID ASSISTANCE**	**US DEPARTMENT OF HEALTH & HUMAN SERVICES**	**FEDERAL COVID-19**	**Total**
Net change in fund balances (budgetary basis)	$ (681,685)	$ (222,160)	$ 37,449	$ 1,980,405	**$ 1,114,008**
Adjustments necessary to convert the results of operations on a budgetary basis to a GAAP basis are:					
Revenues are recorded when earned (GAAP) as opposed to when cash is received (budgetary)	930,945	66,138	(38,640)	(1,914,398)	**(955,953)**
Expenditures are recorded when the liability is incurred (GAAP) as opposed to when payment is made (budgetary)	39,963	(126,275)	9,256	(43,697)	**(120,753)**
Net change in fund balances (GAAP basis)	**$ 289,223**	**$ (282,297)**	**$ 8,066**	**$ 22,310**	**$ 37,302**

Infrastructure - Modified Reporting
Condition Rating of the State's Highways and Bridges

Roads	Average International Roughness Index (IRI), Right Wheel Path (RWP)		
	2020	2019	2018
Interstate Roads (excluding Rest Areas and Weigh Stations)	82	87	75
NHS Roads - Non-Interstate (excluding Rest Areas and Weigh Stations)	90	96	96
Non-NHS Roads	110	115	105

The condition of road pavement is based on the International Roughness Index (IRI), which is a measure of the roughness of the pavement in terms of inches per mile, and applies both to Portland cement concrete (PCC) and hot mix asphalt (HMA) pavements. IRI's range from zero for a pavement that is perfectly smooth to ratings above 170 for a pavement that warrants replacement. The condition index is used to classify roads in excellent condition (0-79), good condition (80-114), satisfactory condition (115-149), fair condition (150-169), and poor condition (170 and above). It is the State's policy to maintain a network average of no more than 101 IRI (RWP). Condition assessments are determined on an annual basis for all roads maintained by INDOT. The ratings provided are based on data gathered during the summer (May to October) for each fiscal year. The data is evaluated and compared to standard criteria by the end of the fiscal year.

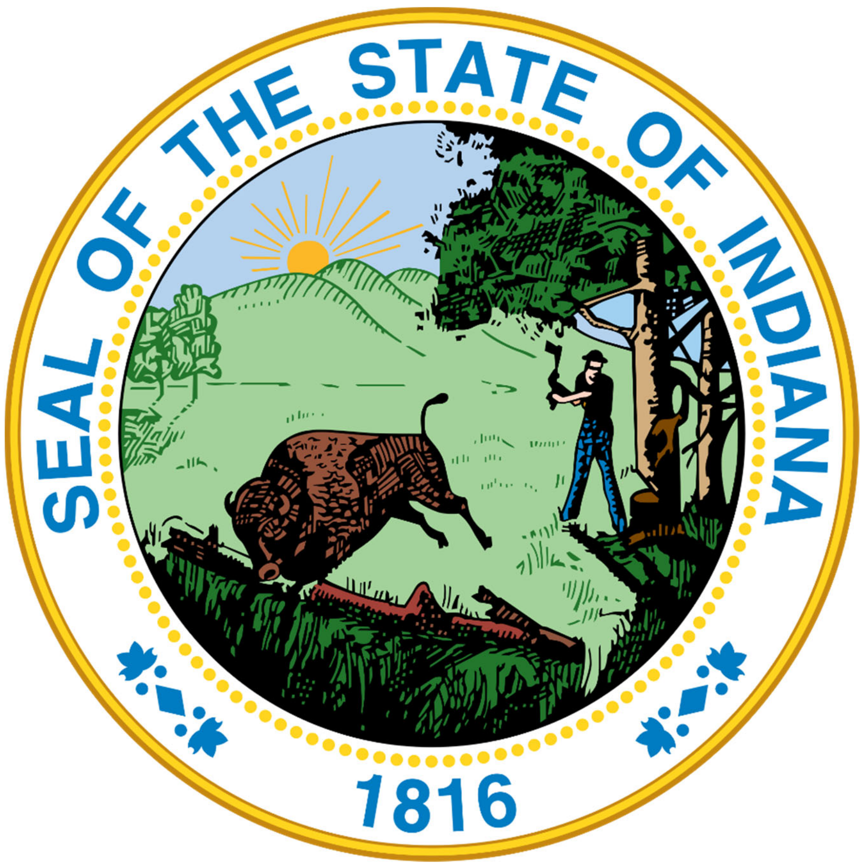
Bridges	Average Sufficiency Rating		
	2020	2019	2018
Interstate Bridges	91.2%	91.4%	91.5%
NHS Bridges - Non-Interstate	93.0%	92.8%	91.6%
Non-NHS Bridges	90.6%	90.5%	90.4%

The condition of the State's bridges is measured based on a sufficiency rating, which is based on a weighted average of four factors indicative of a bridge's sufficiency to remain in service. The sufficiency rating uses a measurement scale that ranges from zero for an entirely insufficient or deficient bridge to 100 for an entirely sufficient bridge. The sufficiency rating is used to classify bridges in excellent condition (90-100), good condition (80-89), fair condition (70-79), marginal condition (60-69), and poor condition (below 60). It is the State's policy to maintain Interstate bridges at a minimum sufficiency rating of 87%, NHS Non-Interstate bridges at 85%, and Non-NHS bridges at 83%. Sufficiency ratings are determined at least on a biennial basis for all bridges. Sufficiency ratings are determined more frequently for certain bridges depending on their design.

Infrastructure - Modified Reporting
Comparison of Planned-to-Actual Maintenance/Preservation
(amounts expressed in thousands)

	2020	2019	2018	2017	2016
Roads					
Interstate Roads (including Rest Areas and Weigh Stations):					
Planned	$ 186,413	$ 252,209	$ 72,028	$ 246,165	$ 126,191
Actual	272,602	219,806	20,210	171,413	125,283
NHS and Non-NHS Roads - Non-Interstate (including Rest Areas and Weigh Stations)					
Planned	499,422	418,752	408,266	393,319	277,605
Actual	446,217	391,955	338,622	344,826	220,215
Roads at State Institutions and Properties					
Planned	-	-	3,934	-	260
Actual	-	-	-	453	241
Total					
Planned	685,835	670,961	484,228	639,484	404,056
Actual	718,819	611,761	358,832	516,692	345,739
Bridges					
Interstate Bridges					
Planned	$119,927	$135,011	$132,093	$106,125	$ 57,794
Actual	83,250	99,363	104,728	141,487	82,044
NHS Bridges - Non-Interstate					
Planned	88,658	47,383	74,995	46,003	31,892
Actual	64,541	43,850	46,264	42,633	33,116
Non-NHS Bridges					
Planned	87,446	73,802	193,724	93,649	82,601
Actual	92,653	64,696	186,513	102,920	77,573
Total					
Planned	296,031	256,196	400,812	245,777	172,287
Actual	240,444	207,909	337,505	287,040	192,733

Source: Indiana Department of Transportation


SEAL OF THE STATE OF INDIANA
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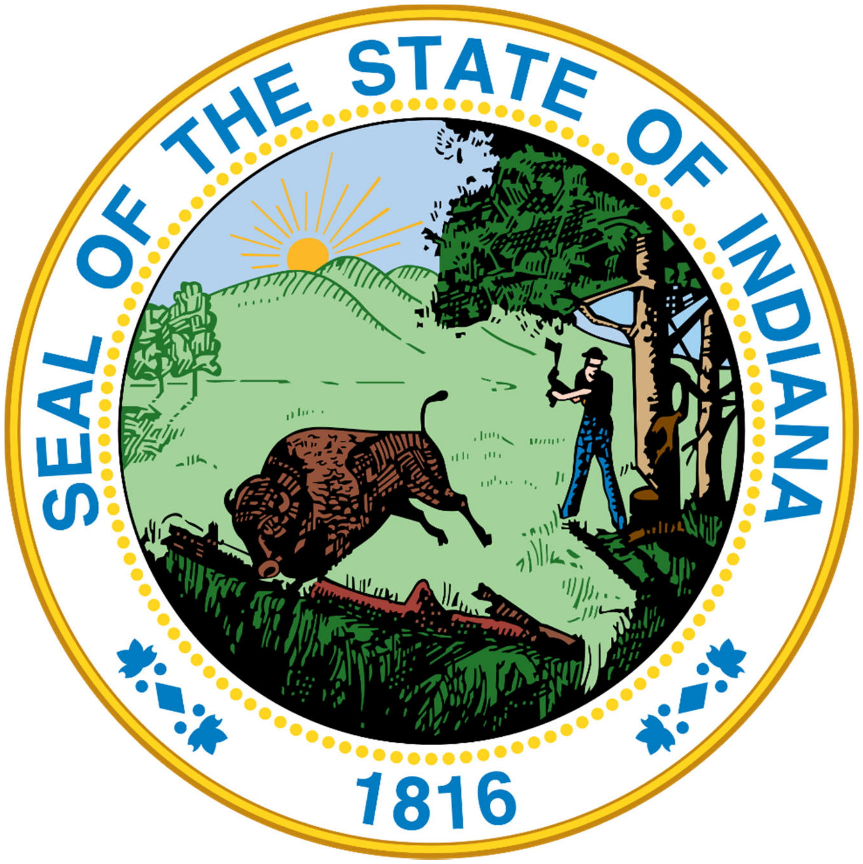
OTHER SUPPLEMENTARY INFORMATION



NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. Funds of material significance are presented separately in these combining statements. All other funds are included under the description "Other Non-Major Special Revenue Funds."

The following funds are used to account for transportation and motor vehicle related programs:

Major Moves Construction Fund
Motor Vehicle Highway
Motor Vehicle Commission
Road & Street, Primary Highway
State Highway Fund

The following funds are used to account for health and environmental programs:

Indiana Check-Up Plan
Patients Compensation Fund
Tobacco Settlement Fund

The following funds are used to receive and distribute certain revenues to the proper sources:

State Gaming Fund
Build Indiana Fund

The following fund is used to account for federal and non-federal programs:

Fund 6000 Programs

The following fund is used to provide low interest construction and technology loans for qualifying schools:

Common School Fund

The following funds are used to account for federal grant programs:

U.S. Department of Agriculture
U.S. Department of Labor
U.S. Department of Transportation
U.S. Department of Education

NON-MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS

Capital project funds account for financial resources to be used by the State for the acquisition or construction of major capital facilities (other than those financed by proprietary and trust funds). Funds of material significance are presented separately in these combining statements. All other funds are included under the description “Other Non-Major Capital Projects Funds.”

State Construction Fund – This fund accounts for excise taxes deposited to the fund to be used for the construction, rehabilitation, repair, purchase, rental, and sale of state properties and institutions (excluding state educational institutions).

PERMANENT FUNDS

Permanent Funds account for resources of the State that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support State programs. Funds of material significance are presented separately in these combining statements. All other funds are included under the description “Other Non-Major Permanent Funds.”

Next Level Indiana Trust Fund – This fund is created per IC 8-14-15.1-5 and holds title to proceeds transferred to the trust under IC 8-15.5-11, including those held in the Next Generation Trust Fund under IC 8-14-15-5 as previously in effect before July 1, 2017, to be used exclusively for the provision of highways, roads, and bridges for the benefit of the people of Indiana and the users of those facilities.

State of Indiana
Balance Sheet
Non-Major Governmental Funds
June 30, 2020
(amounts expressed in thousands)

	Non-Major Special Revenue Funds	Non-Major Capital Projects Funds	Non-Major Permanent Funds	Total
ASSETS				
Cash, cash equivalents and investments-unrestricted	$ 4,220,693	$ 83,959	$ 603,268	**$ 4,907,920**
Cash, cash equivalents and investments-restricted	226,263	-	-	**226,263**
Receivables:				
Taxes (net of allowance for uncollectible accounts)	196,612	2,181	-	**198,793**
Accounts	116,213	-	-	**116,213**
Grants	198,550	-	-	**198,550**
Interest	1,178	-	5	**1,183**
Interfund loans	12,073	-	-	**12,073**
Due from other funds	10,584	-	-	**10,584**
Due from component unit	23,450	-	-	**23,450**
Prepaid expenditures	45	-	-	**45**
Loans	307,022	-	-	**307,022**
Other	65	-	14	**79**
Total assets	5,312,748	86,140	603,287	**6,002,175**
Total assets and deferred outflow of resources	**$ 5,312,748**	**$ 86,140**	**$ 603,287**	**$ 6,002,175**
LIABILITIES				
Accounts payable	$ 569,289	$ 1,204	$ -	**$ 570,493**
Salaries and benefits payable	31,453	133	-	**31,586**
Interfund loans	25,474	-	-	**25,474**
Interfunds services used	2,870	10	-	**2,880**
Intergovernmental payable	113,567	-	-	**113,567**
Tax refunds payable	6,299	-	-	**6,299**
Accrued liability for compensated absences-current	1,774	6	-	**1,780**
Other payables	340	-	14	**354**
Total liabilities	751,066	1,353	14	**752,433**
DEFERRED INFLOW OF RESOURCES				
Unavailable revenue	84,803	-	-	**84,803**
Total deferred inflow of resources	84,803	-	-	**84,803**
FUND BALANCE				
Nonspendable	45	-	502,835	**502,880**
Restricted	3,514	-	-	**3,514**
Committed	868,509	-	100,438	**968,947**
Assigned	3,658,476	84,787	-	**3,743,263**
Unassigned	(53,665)	-	-	**(53,665)**
Total fund balance	4,476,879	84,787	603,273	**5,164,939**
Total liabilities, deferred inflow of resources, and fund balance	**$ 5,312,748**	**$ 86,140**	**$ 603,287**	**$ 6,002,175**

State of Indiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Non-Major Special Revenue Funds	Non-Major Capital Projects Funds	Non-Major Permanent Funds	Total
Revenues:				
Taxes:				
Sales	$ 73,876	$ -	$ -	**$ 73,876**
Fuels	1,447,661	-	-	**1,447,661**
Gaming	408,326	-	-	**408,326**
Alcohol and tobacco	145,134	23,313	-	**168,447**
Insurance	5,084	-	-	**5,084**
Financial Institutions	142,687	-	-	**142,687**
Other	16,896	-	-	**16,896**
Total taxes	2,239,664	23,313	-	**2,262,977**
Current service charges	2,085,101	4,526	-	**2,089,627**
Investment income	33,325	-	25,347	**58,672**
Sales/rents	17,613	22	-	**17,635**
Grants	3,936,550	1,557	-	**3,938,107**
Other	103,194	17	-	**103,211**
Total revenues	8,415,447	29,435	25,347	**8,470,229**
Expenditures:				
Current:				
General government	371,145	-	25	**371,170**
Public safety	551,318	-	-	**551,318**
Health	230,089	-	-	**230,089**
Welfare	1,359,298	-	-	**1,359,298**
Conservation, culture and development	417,105	-	82	**417,187**
Education	992,481	-	-	**992,481**
Transportation	3,256,319	-	1,134	**3,257,453**
Debt service:				
Capital lease principal	65,920	-	-	**65,920**
Capital lease interest	41,870	-	-	**41,870**
Capital outlay	-	22,872	-	**22,872**
Total expenditures	7,285,545	22,872	1,241	**7,309,658**
Excess (deficiency) of revenues over (under) expenditures	1,129,902	6,563	24,106	**1,160,571**
Other financing sources (uses):				
Transfers in	2,360,694	26,672	-	**2,387,366**
Transfers (out)	(3,186,468)	(23,328)	-	**(3,209,796)**
Total other financing sources (uses)	(825,774)	3,344	-	**(822,430)**
Net change in fund balances	304,128	9,907	24,106	**338,141**
Fund Balance July 1, as restated	4,172,751	74,880	579,167	**4,826,798**
Fund Balance June 30	**$ 4,476,879**	**$ 84,787**	**$ 603,273**	**$ 5,164,939**

State of Indiana
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2020
(amounts expressed in thousands)

	STATE GAMING FUND	MOTOR VEHICLE HIGHWAY	MOTOR VEHICLE COMMISSION	BUILD INDIANA FUND
ASSETS				
Cash, cash equivalents and investments-unrestricted	$ 1,199	$ 96,332	$ 51,192	$ 6,525
Cash, cash equivalents and investments-restricted	-	-	-	-
Receivables:				
Taxes (net of allowance for uncollectible accounts)	20,903	41,518	-	-
Accounts	2	13,907	4,409	-
Grants	-	-	-	-
Interest	-	4	-	-
Interfund loans	-	8,000	-	-
Due from other funds	-	-	-	-
Due from component unit	-	-	-	-
Prepaid expenditures	-	-	-	-
Loans	-	-	-	-
Other	-	-	-	-
Total assets	22,104	159,761	55,601	6,525
Total assets and deferred outflow of resources	**$ 22,104**	**$ 159,761**	**$ 55,601**	**$ 6,525**
LIABILITIES				
Accounts payable	$ 39	$ 13	$ 2,357	$ 114
Salaries and benefits payable	132	-	2,727	-
Interfund loans	-	-	-	-
Interfunds services used	33	6	280	-
Intergovernmental payable	2,892	34,829	-	-
Tax refunds payable	-	2,873	-	-
Accrued liability for compensated absences-current	6	-	137	-
Other payables	-	-	-	-
Total liabilities	3,102	37,721	5,501	114
DEFERRED INFLOW OF RESOURCES				
Unavailable revenue	-	753	-	-
Total deferred inflow of resources	-	753	-	-
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	8,678	-	-	-
Assigned	10,324	121,287	50,100	6,411
Unassigned	-	-	-	-
Total fund balance	19,002	121,287	50,100	6,411
Total liabilities, deferred inflow of resources, and fund balance	**$ 22,104**	**$ 159,761**	**$ 55,601**	**$ 6,525**

STATE HIGHWAY FUND	MAJOR MOVES CONSTRUCTION FUND	INDIANA CHECK-UP PLAN	FUND 6000 PROGRAMS	PATIENTS COMPENSATION FUND
$ 586,079	$ 761,625	$ 223,113	$ 360,915	$ 284,419
-	-	-	-	-
3,031	-	18,147	28,522	-
23,688	-	-	11,481	3,301
-	-	-	-	-
-	13	-	139	871
-	-	-	3,145	-
-	-	33	1,627	-
-	-	-	-	-
-	-	-	-	-
6,077	-	-	49	-
-	26	-	3	17
618,875	761,664	241,293	405,881	288,608
$ 618,875	**$ 761,664**	**$ 241,293**	**$ 405,881**	**$ 288,608**
$ 17,758	$ 13,656	$ 1,029	$ 87,911	$ 6,123
11,170	-	-	1,560	26
8,000	-	-	-	-
712	-	-	82	5
-	-	-	282	-
9	-	-	403	-
675	-	-	81	1
-	26	-	3	17
38,324	13,682	1,029	90,322	6,172
177	-	7,697	8,001	-
177	-	7,697	8,001	-
-	-	-	-	-
-	-	-	-	-
-	-	232,567	6,137	-
580,374	747,982	-	301,421	282,436
-	-	-	-	-
580,374	747,982	232,567	307,558	282,436
$ 618,875	**$ 761,664**	**$ 241,293**	**$ 405,881**	**$ 288,608**

continued on next page

State of Indiana
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2020
(amounts expressed in thousands)

	ROAD & STREET, PRIMARY HIGHWAY	TOBACCO SETTLEMENT FUND	COMMON SCHOOL FUND	US DEPARTMENT OF AGRICULTURE
ASSETS				
Cash, cash equivalents and investments-unrestricted	$ 22,369	$ 137,471	$ 292,228	$ 26,885
Cash, cash equivalents and investments-restricted	-	-	-	-
Receivables:				
Taxes (net of allowance for uncollectible accounts)	12,862	-	-	-
Accounts	1,263	-	-	-
Grants	-	-	-	26,265
Interest	-	-	-	-
Interfund loans	-	-	-	-
Due from other funds	-	554	-	-
Due from component unit	-	-	-	-
Prepaid expenditures	-	-	-	-
Loans	-	-	297,761	-
Other	-	-	13	-
Total assets	36,494	138,025	590,002	53,150
Total assets and deferred outflow of resources	**$ 36,494**	**$ 138,025**	**$ 590,002**	**$ 53,150**
LIABILITIES				
Accounts payable	$ -	$ 6,943	$ -	$ 3,325
Salaries and benefits payable	-	49	-	350
Interfund loans	-	-	-	-
Interfunds services used	-	18	-	27
Intergovernmental payable	10,194	-	-	53
Tax refunds payable	-	-	-	-
Accrued liability for compensated absences-current	-	2	-	16
Other payables	-	-	13	-
Total liabilities	10,194	7,012	13	3,771
DEFERRED INFLOW OF RESOURCES				
Unavailable revenue	87	-	-	669
Total deferred inflow of resources	87	-	-	669
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	589,989	-
Assigned	26,213	131,013	-	48,710
Unassigned	-	-	-	-
Total fund balance	26,213	131,013	589,989	48,710
Total liabilities, deferred inflow of resources, and fund balance	**$ 36,494**	**$ 138,025**	**$ 590,002**	**$ 53,150**

US DEPARTMENT OF LABOR	US DEPARTMENT OF TRANSPORTATION	US DEPARTMENT OF EDUCATION	OTHER NON-MAJOR SPECIAL REVENUE FUNDS	TOTAL
$ -	$ 684,131	$ 19,326	$ 666,884	**$ 4,220,693**
-	-	-	226,263	**226,263**
-	-	-	71,629	**196,612**
256	256	-	57,650	**116,213**
12,758	72,227	6,506	80,794	**198,550**
-	-	-	151	**1,178**
-	-	-	928	**12,073**
-	-	-	8,370	**10,584**
-	-	-	23,450	**23,450**
-	45	-	-	**45**
-	-	-	3,135	**307,022**
-	-	-	6	**65**
13,014	756,659	25,832	1,139,260	**5,312,748**
$ 13,014	**$ 756,659**	**$ 25,832**	**$ 1,139,260**	**$ 5,312,748**
$ 2,451	$ 132,256	$ 7,819	$ 287,495	**$ 569,289**
3,072	91	1,479	10,797	**31,453**
13,401	-	-	4,073	**25,474**
391	39	73	1,204	**2,870**
-	-	63,458	1,859	**113,567**
-	-	-	3,014	**6,299**
144	4	82	626	**1,774**
-	-	-	281	**340**
19,459	132,390	72,911	309,349	**751,066**
141	-	-	67,278	**84,803**
141	-	-	67,278	**84,803**
-	45	-	-	**45**
-	-	-	3,514	**3,514**
-	-	-	31,138	**868,509**
-	624,224	-	727,981	**3,658,476**
(6,586)	-	(47,079)	-	**(53,665)**
(6,586)	624,269	(47,079)	762,633	**4,476,879**
$ 13,014	**$ 756,659**	**$ 25,832**	**$ 1,139,260**	**$ 5,312,748**

State of Indiana
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	STATE GAMING FUND	MOTOR VEHICLE HIGHWAY	MOTOR VEHICLE COMMISSION	BUILD INDIANA FUND
Revenues:				
Taxes:				
Sales	$ -	$ 51,854	$ -	$ -
Fuels	-	978,504	-	-
Gaming	384,424	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Financial Institutions	-	-	-	-
Other	-	-	-	-
Total taxes	384,424	1,030,358	-	-
Current service charges	1,864	284,397	96,526	-
Investment income	-	62	-	-
Sales/rents	-	-	-	-
Grants	-	-	-	-
Other	-	-	-	-
Total revenues	386,288	1,314,817	96,526	-
Expenditures:				
Current:				
General government	97,818	-	-	-
Public safety	-	3	109,052	-
Health	-	-	-	-
Welfare	-	-	-	-
Conservation, culture and development	-	-	-	244
Education	-	-	-	2,224
Transportation	-	493,766	-	1,630
Debt service:				
Capital lease principal	-	-	9	-
Capital lease interest	-	-	-	-
Total expenditures	97,818	493,769	109,061	4,098
Excess (deficiency) of revenues over (under) expenditures	288,470	821,048	(12,535)	(4,098)
Other financing sources (uses):				
Transfers in	1,271	-	-	3,086
Transfers (out)	(290,812)	(822,507)	(7,059)	(19)
Total other financing sources (uses)	(289,541)	(822,507)	(7,059)	3,067
Net change in fund balances	(1,071)	(1,459)	(19,594)	(1,031)
Fund Balance July 1, as restated	20,073	122,746	69,694	7,442
Fund Balance June 30	**$ 19,002**	**$ 121,287**	**$ 50,100**	**$ 6,411**

STATE HIGHWAY FUND	MAJOR MOVES CONSTRUCTION FUND	INDIANA CHECK-UP PLAN	FUND 6000 PROGRAMS	PATIENTS COMPENSATION FUND
$ 9,144	$ -	$ -	$ 2,464	$ -
265,698	-	-	-	-
-	-	-	211	-
-	-	108,847	-	-
-	-	-	-	-
-	-	-	142,687	-
-	-	-	1,367	-
274,842	-	108,847	146,729	-
41,038	300,000	261,691	158,627	133,202
92	19,047	-	1,147	7,553
2,848	-	-	5,582	-
130	-	-	19,424	-
87,552	-	-	12,254	-
406,502	319,047	370,538	343,763	140,755
-	-	-	142,437	-
-	-	-	36,621	112,697
-	-	3,081	1,829	-
-	-	-	9,219	-
-	3,282	-	6,621	-
-	-	-	5,908	-
402,126	260,661	-	2,198	-
65,152	-	-	632	-
41,763	-	-	103	-
509,041	263,943	3,081	205,568	112,697
(102,539)	55,104	367,457	138,195	28,058
861,757	48,255	8,214	50,192	-
(1,026,115)	(54,202)	(336,562)	(127,976)	-
(164,358)	(5,947)	(328,348)	(77,784)	-
(266,897)	49,157	39,109	60,411	28,058
847,271	698,825	193,458	247,147	254,378
$ 580,374	**$ 747,982**	**$ 232,567**	**$ 307,558**	**$ 282,436**

continued on next page

State of Indiana
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	ROAD & STREET, PRIMARY HIGHWAY	TOBACCO SETTLEMENT FUND	COMMON SCHOOL FUND	US DEPARTMENT OF AGRICULTURE
Revenues:				
Taxes:				
Sales	$ -	$ -	$ -	$ -
Fuels	123,121	-	-	-
Gaming	-	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Financial Institutions	-	-	-	-
Other	-	-	-	-
Total taxes	123,121	-	-	-
Current service charges	7,413	130,484	2,180	-
Investment income	-	309	987	-
Sales/rents	-	-	-	-
Grants	-	13	-	1,630,219
Other	-	-	59	-
Total revenues	130,534	130,806	3,226	1,630,219
Expenditures:				
Current:				
General government	-	-	754	633
Public safety	-	-	-	4,414
Health	-	72,996	-	145,455
Welfare	-	12,487	-	1,190,387
Conservation, culture and development	-	-	-	2,827
Education	-	4,883	-	326,844
Transportation	133,873	-	-	-
Debt service:				
Capital lease principal	-	-	-	-
Capital lease interest	-	-	-	-
Total expenditures	133,873	90,366	754	1,670,560
Excess (deficiency) of revenues over expenditures	(3,339)	40,440	2,472	(40,341)
Other financing sources (uses):				
Transfers in	-	5,176	-	86,994
Transfers (out)	-	(39,296)	-	(695)
Total other financing sources (uses)	-	(34,120)	-	86,299
Net change in fund balances	(3,339)	6,320	2,472	45,958
Fund Balance July 1, as restated	29,552	124,693	587,517	2,752
Fund Balance June 30	**$ 26,213**	**$ 131,013**	**$ 589,989**	**$ 48,710**

US DEPARTMENT OF LABOR	US DEPARTMENT OF TRANSPORTATIO N	US DEPARTMENT OF EDUCATION	OTHER NON-MAJOR SPECIAL REVENUE FUNDS	Total
$ -	$ -	$ -	$ 10,414	**$ 73,876**
-	-	-	80,338	**1,447,661**
-	-	-	23,691	**408,326**
-	-	-	36,287	**145,134**
-	-	-	5,084	**5,084**
-	-	-	-	**142,687**
-	-	-	15,529	**16,896**
-	-	-	171,343	**2,239,664**
82	-	-	667,597	**2,085,101**
-	-	-	4,128	**33,325**
-	-	-	9,183	**17,613**
115,396	1,174,299	717,112	279,957	**3,936,550**
-	1,867	-	1,462	**103,194**
115,478	1,176,166	717,112	1,133,670	**8,415,447**
-	2,827	518	126,158	**371,145**
6,127	22,879	1,454	258,071	**551,318**
-	22	-	6,706	**230,089**
1	-	79,862	67,342	**1,359,298**
112,394	903	26,119	264,715	**417,105**
-	-	647,854	4,768	**992,481**
-	1,832,629	-	129,436	**3,256,319**
127	-	-	-	**65,920**
4	-	-	-	**41,870**
118,653	1,859,260	755,807	857,196	**7,285,545**
(3,175)	(683,094)	(38,695)	276,474	**1,129,902**
4,323	970,348	43,297	277,781	**2,360,694**
(556)	(251)	(12,678)	(467,740)	**(3,186,468)**
3,767	970,097	30,619	(189,959)	**(825,774)**
592	287,003	(8,076)	86,515	**304,128**
(7,178)	337,266	(39,003)	676,118	**4,172,751**
$ (6,586)	**$ 624,269**	**$ (47,079)**	**$ 762,633**	**$ 4,476,879**

State of Indiana
Combining Balance Sheet
Non-Major Capital Project Funds
June 30, 2020
(amounts expressed in thousands)

	Post War Construction	State Construction	Other Non-Major Capital Projects Funds	Total
ASSETS				
Cash, cash equivalents and investments-unrestricted	$ 25,399	$ 44,672	$ 13,888	**$ 83,959**
Receivables:				
Taxes (net of allowance for uncollectible accounts)	-	2,181	-	**2,181**
Total assets	25,399	46,853	13,888	**86,140**
Total assets and deferred outflow of resources	**$ 25,399**	**$ 46,853**	**$ 13,888**	**$ 86,140**
LIABILITIES				
Accounts payable	$ 519	$ 660	$ 25	**$ 1,204**
Salaries and benefits payable	-	-	133	**133**
Interfunds services used	-	-	10	**10**
Accrued liability for compensated absences-current	-	-	6	**6**
Total liabilities	519	660	174	**1,353**
FUND BALANCE				
Assigned	24,880	46,193	13,714	**84,787**
Total fund balance	24,880	46,193	13,714	**84,787**
Total liabilities, deferred inflow of resources, and fund balance	**$ 25,399**	**$ 46,853**	**$ 13,888**	**$ 86,140**

State of Indiana
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Capital Projects Funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Post War Construction	State Construction	Other Non-Major Capital Projects Funds	Total
Revenues:				
Taxes:				
Alcohol and tobacco	$ -	$ 23,313	$ -	**$ 23,313**
Total taxes	-	23,313	-	**23,313**
Current service charges	-	1,825	2,701	**4,526**
Sales/rents	-	-	22	**22**
Grants	-	-	1,557	**1,557**
Other	-	-	17	**17**
Total revenues	-	25,138	4,297	**29,435**
Expenditures:				
Capital outlay	13,221	3,613	6,038	**22,872**
Total expenditures	13,221	3,613	6,038	**22,872**
Excess (deficiency) of revenues over (under) expenditures	(13,221)	21,525	(1,741)	**6,563**
Other financing sources (uses):				
Transfers in	-	24,668	2,004	**26,672**
Transfers (out)	(23,328)	-	-	**(23,328)**
Total other financing sources (uses)	(23,328)	24,668	2,004	**3,344**
Net change in fund balances	(36,549)	46,193	263	**9,907**
Fund Balance July 1, as restated	61,429	-	13,451	**74,880**
Fund Balance June 30	**$ 24,880**	**$ 46,193**	**$ 13,714**	**$ 84,787**

State of Indiana
Combining Balance Sheet
Non-Major Permanent Funds
June 30, 2020
(amounts expressed in thousands)

	Next Level/Generation Trust Fund	Other Non-Major Permanent Funds	Total
ASSETS			
Cash, cash equivalents and investments-unrestricted	$ 600,024	$ 3,244	**$ 603,268**
Interest	2	3	**5**
Other	14	-	**14**
Total assets	600,040	3,247	**603,287**
Total assets and deferred outflow of resources	**$ 600,040**	**$ 3,247**	**$ 603,287**
LIABILITIES			
Other payables	$ 14	$ -	**$ 14**
Total liabilities	14	-	**14**
FUND BALANCE			
Nonspendable	500,000	2,835	**502,835**
Committed	100,026	412	**100,438**
Total fund balance	600,026	3,247	**603,273**
Total liabilities, deferred inflow of resources, and fund balance	**$ 600,040**	**$ 3,247**	**$ 603,287**

State of Indiana
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Permanent Funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Next Level/Generation Trust Fund	Other Non-Major Permanent Funds	Total
Revenues:			
Investment income	$ 25,250	$ 97	**$ 25,347**
Total revenues	25,250	97	**25,347**
Expenditures:			
Current:			
General government	-	25	**25**
Conservation, culture and development	-	82	**82**
Transportation	1,134	-	**1,134**
Total expenditures	1,134	107	**1,241**
Excess (deficiency) of revenues over (under) expenditures	24,116	(10)	**24,106**
Net change in fund balances	24,116	(10)	**24,106**
Fund Balance July 1, as restated	575,910	3,257	**579,167**
Fund Balance June 30	**$ 600,026**	**$ 3,247**	**$ 603,273**

State of Indiana
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	State Gaming Fund			
	Budget		Actual	Variance to Final Budget
	Original	Final		
Revenues:				
Taxes:				
Sales	$ -	$ -	$ -	$ -
Fuels	-	-	-	-
Gaming	546,045	546,045	385,437	(160,608)
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Financial institutions	-	-	-	-
Other	-	-	-	-
Total taxes	546,045	546,045	385,437	(160,608)
Current service charges	3,390	3,390	1,904	(1,486)
Investment income	-	-	-	-
Sales/rents	-	-	-	-
Grants	-	-	-	-
Other	-	-	-	-
Total revenues	549,435	549,435	387,341	(162,094)
Expenditures:				
Current:				
General government	611	423,390	97,857	325,533
Public safety	-	-	-	-
Health	-	-	-	-
Welfare	-	-	-	-
Conservation, culture and development	-	-	-	-
Education	-	-	-	-
Transportation	-	-	-	-
Debt service:				
Capital lease principal	-	-	-	-
Capital lease interest	-	-	-	-
Total expenditures	611	423,390	97,857	325,533
Excess of revenues over (under) expenditures	548,824	126,045	289,484	(163,439)
Other financing sources (uses):				
Total other financing sources (uses)	(289,541)	(289,541)	(289,541)	-
Net change in fund balances	$ 259,283	$ (163,496)	(57)	$ 163,439
Fund balances July 1, as restated			1,255	
Fund balances June 30			**$ 1,198**	

Motor Vehicle Highway Fund				Motor Vehicle Commission			
Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
Original	Final			Original	Final		
$ 64,196	$ 64,196	$ 54,983	$ (9,213)	$ -	$ -	$ -	$ -
992,613	992,613	976,392	(16,221)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,056,809	1,056,809	1,031,375	(25,434)	-	-	-	-
288,714	288,714	276,205	(12,509)	115,165	115,165	99,535	(15,630)
63	63	61	(2)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,345,586	1,345,586	1,307,641	(37,945)	115,165	115,165	99,535	(15,630)
-	3,575	-	3,575	-	-	-	-
-	-	-	-	93,312	93,312	109,225	(15,913)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,140	1,322,029	501,685	820,344	2,600	-	-	-
-	-	-	-	-	-	9	(9)
-	-	-	-	-	-	-	-
1,140	1,325,604	501,685	823,919	95,912	93,312	109,234	(15,922)
1,344,446	19,982	805,956	(785,974)	19,253	21,853	(9,699)	31,552
(822,507)	(822,507)	(822,507)	-	(7,059)	(7,059)	(7,059)	-
$ 521,939	$ (802,525)	(16,551)	$ 785,974	$ 12,194	$ 14,794	(16,758)	$ (31,552)
		120,884				67,935	
		$ 104,333				**$ 51,177**	

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State of Indiana
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Build Indiana Fund			
	Budget		Actual	Variance to Final Budget
	Original	Final		
Revenues:				
Taxes:				
Sales	$ -	$ -	$ -	$ -
Fuels	-	-	-	-
Gaming	-	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Financial institutions	-	-	-	-
Other	-	-	-	-
Total taxes	-	-	-	-
Current service charges	248,965	248,965	-	(248,965)
Investment income	-	-	-	-
Sales/rents	-	-	-	-
Grants	-	-	-	-
Other	-	-	-	-
Total revenues	248,965	248,965	-	(248,965)
Expenditures:				
Current:				
General government	-	279	-	279
Public safety	120,762	-	-	-
Health	-	-	-	-
Welfare	-	-	-	-
Conservation, culture and development	-	244	244	-
Education	4,358	664	2,227	(1,563)
Transportation	1,283	653	1,708	(1,055)
Debt service:				
Capital lease principal	-	-	-	-
Capital lease interest	-	-	-	-
Total expenditures	126,403	1,840	4,179	(2,339)
Excess of revenues over (under) expenditures	122,562	247,125	(4,179)	251,304
Other financing sources (uses):				
Total other financing sources (uses)	3,067	3,067	3,067	-
Net change in fund balances	$ 125,629	$ 250,192	(1,112)	$ (251,304)
Fund balances July 1, as restated			7,637	
Fund balances June 30			**$ 6,525**	

	State Highway Fund				Major Moves Construction Fund			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
	$ -	$ -	$ 8,244	$ 8,244	$ -	$ -	$ -	$ -
	279,661	279,661	266,889	(12,772)	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	279,661	279,661	275,133	(4,528)	-	-	-	-
	41,908	41,908	41,028	(880)	400,000	400,000	300,000	(100,000)
	114	114	92	(22)	11,421	11,421	16,522	5,101
	2,510	2,510	2,714	204	-	-	-	-
	-	-	130	130	-	-	-	-
	64,584	64,584	87,543	22,959	-	-	-	-
	388,777	388,777	406,640	17,863	411,421	411,421	316,522	(94,899)
	-	10	-	10	18,922	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	19,690	32,700	5,024	27,676
	-	-	-	-	-	-	-	-
	126,309	463,492	400,175	63,317	1,316,937	441,905	251,669	190,236
	-	-	65,152	(65,152)	-	-	-	-
	-	-	41,763	(41,763)	-	-	-	-
	126,309	463,502	507,090	(43,588)	1,355,549	474,605	256,693	217,912
	262,468	(74,725)	(100,450)	25,725	(944,128)	(63,184)	59,829	(123,013)
	(164,358)	(164,358)	(164,358)	-	(5,947)	(5,947)	(5,947)	-
	$ 98,110	$ (239,083)	(264,808)	$ (25,725)	$ (950,075)	$ (69,131)	53,882	$ 123,013
			872,006				705,242	
			$ 607,198				**$ 759,124**	

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State of Indiana
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Indiana Check-Up Plan			
	Budget		Actual	Variance to Final Budget
	Original	Final		
Revenues:				
Taxes:				
Sales	$ -	$ -	$ -	$ -
Fuels	-	-	-	-
Gaming	-	-	-	-
Alcohol and tobacco	107,093	107,093	108,288	1,195
Insurance	-	-	-	-
Financial institutions	-	-	-	-
Other	-	-	-	-
Total taxes	107,093	107,093	108,288	1,195
Current service charges	195,129	195,129	261,691	66,562
Investment income	-	-	-	-
Sales/rents	-	-	-	-
Grants	7	7	-	(7)
Other	-	-	-	-
Total revenues	302,229	302,229	369,979	67,750
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health	6,708	75,168	9,359	65,809
Welfare	-	-	-	-
Conservation, culture and development	-	-	-	-
Education	-	-	-	-
Transportation	658,000	-	-	-
Debt service:				
Capital lease principal	-	-	-	-
Capital lease interest	-	-	-	-
Total expenditures	664,708	75,168	9,359	65,809
Excess of revenues over (under) expenditures	(362,479)	227,061	360,620	(133,559)
Other financing sources (uses):				
Total other financing sources (uses)	(328,348)	(328,348)	(328,348)	-
Net change in fund balances	$ (690,827)	$ (101,287)	32,272	$ 133,559
Fund balances July 1, as restated			190,820	
Fund balances June 30			**$ 223,092**	

Fund 6000 Programs				Patients Compensation Fund			
Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
Original	Final			Original	Final		
$ 2,368	$ 2,368	$ 2,433	$ 65	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
227	227	211	(16)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
165,087	165,087	131,507	(33,580)	-	-	-	-
1,424	1,424	1,289	(135)	-	-	-	-
169,106	169,106	135,440	(33,666)	-	-	-	-
130,924	130,924	150,376	19,452	160,972	160,972	129,902	(31,070)
1,102	1,102	1,024	(78)	3,071	3,071	5,970	2,899
5,280	5,280	5,425	145	-	-	-	-
17,424	17,424	19,424	2,000	-	-	-	-
5,601	5,601	12,410	6,809	-	-	-	-
329,437	329,437	324,099	(5,338)	164,043	164,043	135,872	(28,171)
3,775	320,037	141,801	178,236	14,588	-	-	-
33,064	80,367	38,530	41,837	408	389,133	109,546	279,587
115,834	4,427	1,867	2,560	64	-	-	-
5,456	12,072	8,144	3,928	-	-	-	-
2,584	21,710	6,571	15,139	-	-	-	-
1,442	11,888	5,842	6,046	-	-	-	-
4,088	1,858	2,198	(340)	20	-	-	-
-	-	632	(632)	-	-	-	-
-	-	103	(103)	-	-	-	-
166,243	452,359	205,688	246,671	15,080	389,133	109,546	279,587
163,194	(122,922)	118,411	(241,333)	148,963	(225,090)	26,326	(251,416)
(77,784)	(77,784)	(77,784)	-	-	-	-	-
$ 85,410	$ (200,706)	40,627	$ 241,333	$ 148,963	$ (225,090)	26,326	$ 251,416
		244,820				257,530	
		$ 285,447				**$ 283,856**	

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State of Indiana
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Road and Street, Primary Highway			
	Budget		Actual	Variance to Final Budget
	Original	Final		
Revenues:				
Taxes:				
Sales	$ -	$ -	$ -	$ -
Fuels	119,225	119,225	123,188	3,963
Gaming	-	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Financial institutions	-	-	-	-
Other	-	-	-	-
Total taxes	119,225	119,225	123,188	3,963
Current service charges	7,460	7,460	7,229	(231)
Investment income	-	-	-	-
Sales/rents	-	-	-	-
Grants	-	-	-	-
Other	-	-	-	-
Total revenues	126,685	126,685	130,417	3,732
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	2,529	-	-	-
Health	-	-	-	-
Welfare	-	-	-	-
Conservation, culture and development	-	-	-	-
Education	-	-	-	-
Transportation	-	525,760	135,891	389,869
Debt service:				
Capital lease principal	-	-	-	-
Capital lease interest	-	-	-	-
Total expenditures	2,529	525,760	135,891	389,869
Excess of revenues over (under) expenditures	124,156	(399,075)	(5,474)	(393,601)
Other financing sources (uses):				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	$ 124,156	$ (399,075)	(5,474)	$ 393,601
Fund balances July 1, as restated			27,843	
Fund balances June 30			**$ 22,369**	

Tobacco Settlement Fund				Common School Fund			
Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
Original	Final			Original	Final		
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
136,679	136,679	130,484	(6,195)	2,392	2,392	2,180	(212)
29	29	262	233	-	-	-	-
-	-	-	-	-	-	-	-
-	-	11	11	-	-	-	-
-	-	-	-	2,750	2,750	105	(2,645)
136,708	136,708	130,757	(5,951)	5,142	5,142	2,285	(2,857)
-	-	-	-	12,381	15,339	-	15,339
-	-	-	-	-	-	-	-
44,976	80,660	70,926	9,734	76,926	-	-	-
3,148	13,199	10,659	2,540	41,661	-	-	-
-	-	-	-	-	-	-	-
3,660	10,289	5,606	4,683	7,853	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
51,784	104,148	87,191	16,957	138,821	15,339	-	15,339
84,924	32,560	43,566	(11,006)	(133,679)	(10,197)	2,285	(12,482)
(34,120)	(34,120)	(34,120)	-	-	-	-	-
$ 50,804	$ (1,560)	9,446	$ 11,006	$ (133,679)	$ (10,197)	2,285	$ 12,482
		128,578				586,925	
		$ 138,024				**$ 589,210**	

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State of Indiana
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	U.S. Department of Agriculture			
	Budget		Actual	Variance to Final Budget
	Original	Final		
Revenues:				
Taxes:				
Sales	$ -	$ -	$ -	$ -
Fuels	-	-	-	-
Gaming	-	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Financial institutions	-	-	-	-
Other	-	-	-	-
Total taxes	-	-	-	-
Current service charges	51	51	-	(51)
Investment income	-	-	-	-
Sales/rents	-	-	-	-
Grants	1,451,315	1,451,315	1,629,553	178,238
Other	216	216	-	(216)
Total revenues	1,451,582	1,451,582	1,629,553	177,971
Expenditures:				
Current:				
General government	1,382	10,207	652	9,555
Public safety	8	5,895	4,382	1,513
Health	17,602	267,887	145,917	121,970
Welfare	13,294	3,117,113	1,190,561	1,926,552
Conservation, culture and development	631	10,992	2,845	8,147
Education	1,680	570,928	344,231	226,697
Transportation	-	-	-	-
Debt service:				
Capital lease principal	-	-	-	-
Capital lease interest	-	-	-	-
Total expenditures	34,597	3,983,022	1,688,588	2,294,434
Excess of revenues over (under) expenditures	1,416,985	(2,531,440)	(59,035)	(2,472,405)
Other financing sources (uses):				
Total other financing sources (uses)	86,299	86,299	86,299	-
Net change in fund balances	$ 1,503,284	$ (2,445,141)	27,264	$ 2,472,405
Fund balances July 1, as restated			25,881	
Fund balances June 30			**$ 53,145**	

U.S. Department of Labor				U.S. Department of Transportation			
Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
Original	Final			Original	Final		
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
96	96	82	(14)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
119,706	119,706	115,537	(4,169)	1,075,734	1,075,734	1,161,268	85,534
-	-	-	-	-	-	1,867	1,867
119,802	119,802	115,619	(4,183)	1,075,734	1,075,734	1,163,135	87,401
-	-	-	-	-	4,600	2,827	1,773
41	11,544	6,111	5,433	9,035	69,574	23,073	46,501
-	-	-	-	-	637	22	615
-	3,933	-	3,933	-	13	-	13
30,408	211,712	111,619	100,093	2,777	4,199	1,088	3,111
-	525	-	525	-	-	-	-
-	-	-	-	2,030,052	2,521,488	1,793,409	728,079
-	-	127	(127)	-	-	-	-
-	-	4	(4)	-	-	-	-
30,449	227,714	117,861	109,853	2,041,864	2,600,511	1,820,419	780,092
89,353	(107,912)	(2,242)	(105,670)	(966,130)	(1,524,777)	(657,284)	(867,493)
3,767	3,767	3,767	-	970,097	970,097	970,097	-
$ 93,120	$ (104,145)	1,525	$ 105,670	$ 3,967	$ (554,680)	312,813	$ 867,493
		(2,060)				422,949	
		$ (535)				**$ 735,762**	

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State of Indiana
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	U.S. Department of Education			
	Budget		Actual	Variance to Final Budget
	Original	Final		
Revenues:				
Taxes:				
Sales	$ -	$ -	$ -	$ -
Fuels	-	-	-	-
Gaming	-	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Financial institutions	-	-	-	-
Other	-	-	-	-
Total taxes	-	-	-	-
Current service charges	-	-	-	-
Investment income	-	-	-	-
Sales/rents	-	-	-	-
Grants	722,788	722,788	717,112	(5,676)
Other	-	-	-	-
Total revenues	722,788	722,788	717,112	(5,676)
Expenditures:				
Current:				
General government	-	1,188	515	673
Public safety	397	2,347	1,327	1,020
Health	-	-	-	-
Welfare	17,690	262,243	79,506	182,737
Conservation, culture and development	8,684	36,219	26,812	9,407
Education	73,614	920,447	644,890	275,557
Transportation	-	-	-	-
Debt service:				
Capital lease principal	-	-	-	-
Capital lease interest	-	-	-	-
Total expenditures	100,385	1,222,444	753,050	469,394
Excess of revenues over (under) expenditures	622,403	(499,656)	(35,938)	(463,718)
Other financing sources (uses):				
Total other financing sources (uses)	30,619	30,619	30,619	-
Net change in fund balances	$ 653,022	$ (469,037)	(5,319)	$ 463,718
Fund balances July 1, as restated			31,094	
Fund balances June 30			**$ 25,775**	

Other Non-Major Special Revenue Funds			
Budget		Actual	Variance to Final Budget
Original	Final		
$ 10,006	$ 10,006	$ 10,281	$ 275
93,516	93,516	80,341	(13,175)
26,670	26,670	23,735	(2,935)
35,905	35,905	35,821	(84)
4,880	4,880	5,084	204
-	-	-	-
2,731	2,731	15,456	12,725
173,708	173,708	170,718	(2,990)
390,379	390,379	643,018	252,639
3,466	3,466	3,362	(104)
9,217	9,217	3,763	(5,454)
301,220	301,220	283,244	(17,976)
1,257	1,257	1,450	193
879,247	879,247	1,105,555	226,308
139,622	641,126	127,860	513,266
307,664	664,724	254,376	410,348
8,416	16,605	5,829	10,776
164,279	857,674	42,374	815,300
216,644	542,875	260,457	282,418
3,669	16,629	4,292	12,337
110,584	198,620	129,662	68,958
-	-	-	-
-	-	-	-
950,878	2,938,253	824,850	2,113,403
(71,631)	(2,059,006)	280,705	(2,339,711)
(189,959)	(189,959)	(189,959)	-
$ (261,590)	$ (2,248,965)	90,746	$ 2,339,711
		661,524	
		$ 752,270	

Budget/GAAP Reconciliation
Nonmajor Special Revenue Funds

The cash basis of accounting (budgetary basis) is applied to each budget. The budgetary basis differs from GAAP. The major differences between budgetary (non-GAAP) basis and GAAP basis are:

(amounts expressed in thousands)	**Nonmajor Special Revenue Funds**
Net change in fund balances (budgetary basis)	$ 287,112
Adjustments necessary to convert the results of operations on a budgetary basis to a GAAP basis are:	
Revenues are recorded when earned (GAAP) as opposed to when cash is received (budgetary)	48,658
Expenditures are recorded when the liability is incurred (GAAP) as opposed to when payment is made (budgetary)	(42,739)
Funds not subject to legally adopted budget	11,098
Net change in fund balances (GAAP basis)	**$ 304,128**

NON-MAJOR PROPRIETARY FUNDS

ENTERPRISE FUNDS

Enterprise Funds account for operations established to provide services to the general public in a manner similar to private business enterprises. Cost of providing the goods or services are financed or recovered primarily through fees and user charges. The non-major enterprise funds are as follows:

Residual Malpractice Insurance Authority – IC 34-18-17 created the Residual Malpractice Insurance Authority to make malpractice liability insurance available to those who cannot obtain this coverage through other insurers. The Indiana Department of Insurance is the designated residual malpractice insurance authority per State law. Revenues are from the premiums collected.

Inns and Concessions - This fund accounts for the operations of various State Park Inns which provide lodging throughout the year for park tourists, and for the restaurant and concessions at Fort Benjamin Harrison.

State of Indiana
Combining Statement of Fund Net Position
Non-Major Enterprise Funds
June 30, 2020

(amounts expressed in thousands)

	Residual Malpractice Insurance Authority	Inns and Concessions	Total
Assets			
Current assets:			
Cash, cash equivalents and investments - unrestricted	$ 72,729	$ 14,679	**$ 87,408**
Receivables:			
Accounts	71	162	**233**
Interest	248	-	**248**
Inventory	-	625	**625**
Prepaid expenses	-	92	**92**
Other assets	31	-	**31**
Total current assets	73,079	15,558	**88,637**
Noncurrent assets:			
Capital assets:			
Capital assets being depreciated/amortized	-	1,052	**1,052**
less accumulated depreciation/amortization	-	(670)	**(670)**
Total capital assets, net of depreciation/amortization	-	382	**382**
Total noncurrent assets	-	382	**382**
Total assets	**73,079**	**15,940**	**89,019**
Liabilities			
Current liabilities:			
Accounts payable	-	532	**532**
Claims payable	1,301	-	**1,301**
Salaries and benefits payable	-	489	**489**
Accrued liability for compensated absences	-	260	**260**
Unearned revenue	475	4,101	**4,576**
Other liabilities	27	210	**237**
Total current liabilities	1,803	5,592	**7,395**
Noncurrent liabilities:			
Accrued liability for compensated absences	-	504	**504**
Claims payable	21,778	-	**21,778**
Total noncurrent liabilites	21,778	504	**22,282**
Total liabilities	**23,581**	**6,096**	**29,677**
Net position			
Net investment in capital assets	-	382	**382**
Unrestricted (deficit)	49,498	9,462	**58,960**
Total net position	**$ 49,498**	**$ 9,844**	**$ 59,342**

State of Indiana
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Non-Major Enterprise Funds
For the Fiscal Year Ended June 30, 2020

(amounts expressed in thousands)

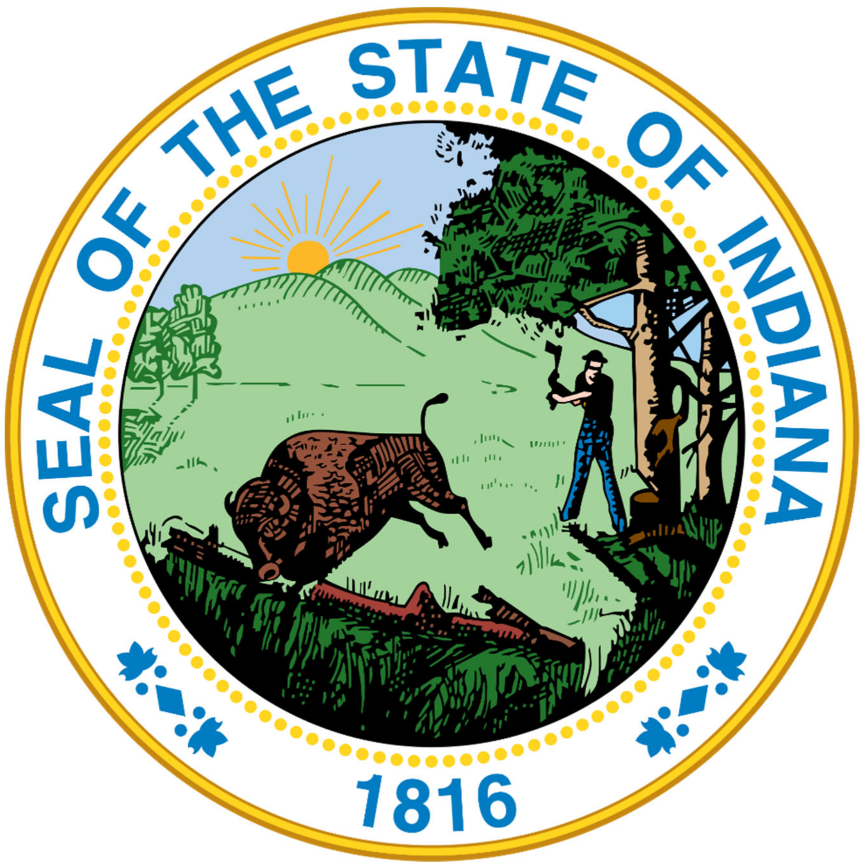
	Residual Malpractice Insurance Authority	Inns and Concessions	Total
Operating revenues:			
Sales/rents/premiums	$ 638	$ 23,219	**$ 23,857**
Other	-	228	**228**
Total operating revenues	638	23,447	**24,085**
Cost of sales	-	5,416	**5,416**
Gross margin	638	18,031	**18,669**
Operating expenses:			
General and administrative expense	568	16,957	**17,525**
Claims expense	463	-	**463**
Depreciation and amortization	-	83	**83**
Other	-	32	**32**
Total operating expenses	1,031	17,072	**18,103**
Operating income (loss)	(393)	959	**566**
Nonoperating revenues (expenses):			
Interest and other investment income	5,873	65	**5,938**
Total nonoperating revenues (expenses)	5,873	65	**5,938**
Income before contributions and transfers	5,480	1,024	**6,504**
Transfers (out)	-	(394)	**(394)**
Change in net position	5,480	630	**6,110**
Total net position, July 1, as restated	44,018	9,214	**53,232**
Total net position, June 30	**$ 49,498**	**$ 9,844**	**$ 59,342**

State of Indiana
Combining Statement of Cash Flows
Non-Major Enterprise Funds
For the Fiscal Year Ended June 30, 2020
(amounts expressed in thousands)

	Residual Malpractice Insurance Authority	Inns and Concessions	Total
Cash flows from operating activities:			
Cash received from customers	$ 754	$ 23,454	**$ 24,208**
Cash paid for general and administrative	(549)	(17,078)	**(17,627)**
Cash paid to suppliers	-	(5,321)	**(5,321)**
Cash paid for claims expense	(762)	-	**(762)**
Net cash provided (used) by operating activities	(557)	1,055	**498**
Cash flows from noncapital financing activities:			
Transfers out	-	(394)	**(394)**
Net cash provided (used) by noncapital financing activities	-	(394)	**(394)**
Cash flows from capital and related financing activities:			
Acquisition/construction of capital assets	-	(59)	**(59)**
Net cash provided (used) by capital and related financing activities	-	(59)	**(59)**
Cash flows from investing activities:			
Proceeds from sales of investments	4,501	-	**4,501**
Purchase of investments	(4,106)	-	**(4,106)**
Interest income (expense) on investments	1,112	65	**1,177**
Net cash provided (used) by investing activities	1,507	65	**1,572**
Net increase (decrease) in cash and cash equivalents	950	667	**1,617**
Cash and cash equivalents, July 1	2,391	12,877	**15,268**
Cash and cash equivalents, June 30	**$ 3,341**	**$ 13,544**	**$ 16,885**
Reconciliation of cash , cash equivalents and investments:			
Cash and cash equivalents unrestricted at end of year	$ 3,341	$ 13,544	**$ 16,885**
Investments unrestricted	69,388	1,135	**70,523**
Cash, cash equivalents and investments per balance sheet	**$ 72,729**	**$ 14,679**	**$ 87,408**

State of Indiana
Combining Statement of Cash Flows
Non-Major Enterprise Funds
For the Fiscal Year Ended June 30, 2020
(amounts expressed in thousands)

	Residual Malpractice Insurance Authority	Inns and Concessions	Total
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income (loss)	$ (393)	$ 959	**$ 566**
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation/amortization expense	-	83	**83**
(Increase) decrease in receivables	(36)	267	**231**
(Increase) decrease in inventory	-	95	**95**
(Increase) decrease in prepaid expenses	-	(31)	**(31)**
Increase (decrease) in claims payable	(299)	-	**(299)**
Increase (decrease) in accounts payable	-	13	**13**
Increase (decrease) in unearned revenue	146	(259)	**(113)**
Increase (decrease) in salaries payable	-	(23)	**(23)**
Increase (decrease) in compensated absences	-	(15)	**(15)**
Increase (decrease) in other payables	25	(34)	**(9)**
Net cash provided (used) by operating activities	**$ (557)**	**$ 1,055**	**$ 498**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INTERNAL SERVICE FUNDS

Internal Service Funds account for the operations of State agencies that supply goods or services to other agencies of governmental units on a cost-reimbursement basis.

Institutional Industries - This fund accounts for revenues and expenses incurred from the operation of inmate employment programs. Goods produced or manufactured as a result of such programs are sold to state agencies and political subdivisions of the State as well as to the general public.

Administrative Services Revolving – This fund is used to account for the following rotary funds.

Information Technology Services provides telecommunications and data processing services to State agencies. Revenues consist of charges to user agencies.

Motor Pool Rotary Fund accounts for the operation and maintenance of State garages including the servicing and repair of all automotive equipment owned or controlled by the State. Revenues consist of charges to user agencies.

Printing Rotary Fund accounts for the operation of the State Print Shop, which provides printing services to other State agencies. Revenues consist of charges to user agencies.

General Services Rotary accounts for postal service charges to agencies. Revenues consist of charges to user agencies.

Aviation Rotary Fund accounts for the operation and maintenance of state aircraft. Revenues consist of charges to user agencies.

Self-Insurance Funds - The self-insurance funds consist of the **State Police Health Insurance Fund, State Employee Disability Fund, State Employee Health Insurance Fund, and the Conservation and Excise Officers Health Insurance Fund.** These funds administer health insurance and disability plans for state employees, state police personnel, and conservation and excise police officers as well as for certain school corporations.

State Personnel Department - This fund accounts for revenues and expenses incurred by the Indiana State Personnel Department for providing human resource services to the executive branch of the government.

Accounting Centralization - This fund accounts for revenues and expenses incurred by the Indiana State Budget Agency for providing centralized accounting services to some smaller state agencies.

State of Indiana
Combining Statement of Net Position
Internal Service Funds
June 30, 2020
(amounts expressed in thousands)

	Institutional Industries	Administrative Services Revolving	State Police Health Insurance Fund	State Employee Disability Fund	State Employee Health Insurance Fund	Conservation and Excise Officers Health Insurance Fund	State Personnel Department Fund	Accounting Centralization	Total
Assets									
Current assets:									
Cash, cash equivalents and investments - unrestricted	$ 2,871	$ 42,162	$ 20,985	$ 17,934	$ 147,188	$ 2,874	$ 895	$ 1	**$ 234,910**
Receivables:									
Accounts	3,246	1,432	1,605	1,702	17,783	260	50	-	**26,078**
Interfund services provided	532	10,360	-	-	-	-	-	-	**10,892**
Inventory	3,786	134	-	-	-	-	-	-	**3,920**
Prepaid expenses	-	2,765	-	-	-	-	-	-	**2,765**
Total current assets	10,435	56,853	22,590	19,636	164,971	3,134	945	1	**278,565**
Noncurrent assets:									
Capital assets:									
Capital assets not being depreciated/amortized	113	-	-	-	-	-	-	-	**113**
Capital assets being depreciated/amortized	13,468	117,204	-	-	1,280	-	-	-	**131,952**
less accumulated depreciation/amortization	(10,262)	(68,467)	-	-	(267)	-	-	-	**(78,996)**
Total capital assets, net of depreciation/amortization	3,319	48,737	-	-	1,013	-	-	-	**53,069**
Total noncurrent assets	3,319	48,737	-	-	1,013	-	-	-	**53,069**
Total assets	**13,754**	**105,590**	**22,590**	**19,636**	**165,984**	**3,134**	**945**	**1**	**331,634**
Deferred Outflows of Resources									
Related to pensions	953	3,101	-	-	-	-	803	19	**4,876**
Related to OPEB	71	232	-	-	-	-	60	1	**364**
Total deferred outflows of resources	**1,024**	**3,333**	**-**	**-**	**-**	**-**	**863**	**20**	**5,240**
Liabilities									
Current liabilities:									
Accounts payable	3,121	-	3,934	4,194	40,398	740	76	-	**52,463**
Salaries and benefits payable	402	1,845	-	-	66	-	490	10	**2,813**
Accrued liability for compensated absences	218	1,866	-	-	37	-	355	23	**2,499**
Unearned revenue	4	44	-	-	-	-	-	-	**48**
Other liabilities	5	-	-	-	-	-	-	-	**5**
Total current liabilities	3,750	3,755	3,934	4,194	40,501	740	921	33	**57,828**
Noncurrent liabilities:									
Accrued liability for compensated absences	352	3,108	-	-	59	-	559	34	**4,112**
Net pension liability	4,366	14,210	-	-	-	-	3,681	86	**22,343**
OPEB Liability	57	186	-	-	-	-	48	1	**292**
Total noncurrent liabilities	4,775	17,504	-	-	59	-	4,288	121	**26,747**
Total liabilities	**8,525**	**21,259**	**3,934**	**4,194**	**40,560**	**740**	**5,209**	**154**	**84,575**
Deferred Inflows of Resources									
Related to pensions	697	2,268	-	-	-	-	588	14	**3,567**
Related to OPEB	24	77	-	-	-	-	20	-	**121**
Total deferred inflows of resources	**721**	**2,345**	**-**	**-**	**-**	**-**	**608**	**14**	**3,688**
Net position									
Net investment in capital assets	3,319	48,737	-	-	1,013	-	-	-	**53,069**
Unrestricted (deficit)	2,213	36,582	18,656	15,442	124,411	2,394	(4,009)	(147)	**195,542**
Total net position	**$ 5,532**	**$ 85,319**	**$ 18,656**	**$ 15,442**	**$ 125,424**	**$ 2,394**	**$ (4,009)**	**$ (147)**	**$ 248,611**

State of Indiana
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2020
(amounts expressed in thousands)

	Institutional Industries	Administrative Services Revolving	State Police Health Insurance Fund	State Employee Disability Fund	State Employee Health Insurance Fund	Conservation and Excise Officers Health Insurance Fund	State Personnel Department Fund	Accounting Centralization	Total
Operating revenues:									
Sales/rents/premiums	$ 38,318	$ 131,994	$ 37,981	$ 21,017	$ 386,710	$ 5,542	$ -	$ -	**$ 621,562**
Charges for services	-	75	-	-	-	-	11,201	269	**11,545**
Other	-	10	-	1,058	1,419	-	-	-	**2,487**
Total operating revenues	38,318	132,079	37,981	22,075	388,129	5,542	11,201	269	**635,594**
Cost of sales	20,230	1,956	-	-	-	-	-	-	**22,186**
Gross margin	18,088	130,123	37,981	22,075	388,129	5,542	11,201	269	**613,408**
Operating expenses:									
General and administrative expense	15,749	125,036	2,060	735	20,554	930	12,841	207	**178,112**
Health / disability benefit payments	-	-	25,137	15,690	337,710	3,125	-	-	**381,662**
Depreciation and amortization	315	25,024	-	-	41	-	-	-	**25,380**
Total operating expenses	16,064	150,060	27,197	16,425	358,305	4,055	12,841	207	**585,154**
Operating income (loss)	2,024	(19,937)	10,784	5,650	29,824	1,487	(1,640)	62	**28,254**
Nonoperating revenues (expenses):									
Interest and other investment income	2	-	-	-	-	-	-	-	**2**
Gain (Loss) on disposition of assets	1	798	-	-	-	-	-	-	**799**
Contributions to other postemployment benefits	-	-	(6,051)	(362)	(3,430)	(1,047)	-	-	**(10,890)**
Total nonoperating revenues (expenses)	3	798	(6,051)	(362)	(3,430)	(1,047)	-	-	**(10,089)**
Income before contributions and transfers	2,027	(19,139)	4,733	5,288	26,394	440	(1,640)	62	**18,165**
Capital contributions	-	21,215	-	-	-	-	-	-	**21,215**
Transfers in	-	324	-	-	-	-	-	-	**324**
Transfers (out)	(3,505)	(833)	-	-	-	-	-	-	**(4,338)**
Income before special item	(3,505)	20,706	-	-	-	-	-	-	**17,201**
Change in net position	(1,478)	1,567	4,733	5,288	26,394	440	(1,640)	62	**35,366**
Total net position, July 1, as restated	7,010	83,752	13,923	10,154	99,030	1,954	(2,369)	(209)	**213,245**
Total net position, June 30	**$ 5,532**	**$ 85,319**	**$ 18,656**	**$ 15,442**	**$ 125,424**	**$ 2,394**	**$ (4,009)**	**$ (147)**	**$ 248,611**

State of Indiana
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2020
(amounts expressed in thousands)

	Institutional Industries	Administrative Services Revolving	State Police Health Insurance Fund	State Employee Disability Fund	State Employee Health Insurance Fund	Conservation and Excise Officers Health Insurance Fund	State Personnel Department Fund	Accounting Centralization	Total
Cash flows from operating activities:									
Cash received from customers	$ 31,784	$ 15,795	$ 37,704	$ 20,511	$ 384,771	$ 5,490	$ 11,228	$ 270	**$ 507,553**
Cash received from interfund services provided	6,061	114,918	-	-	-	-	-	-	**120,979**
Cash paid for general and administrative	(15,576)	(125,214)	(2,060)	(735)	(20,463)	(930)	(12,275)	(285)	**(177,538)**
Cash paid for salary/health/disability benefit payments	-	-	(24,837)	(15,514)	(341,434)	(3,214)	-	-	**(384,999)**
Cash paid to suppliers	(18,501)	(1,963)	-	-	-	-	-	-	**(20,464)**
Other operating income	-	10	-	1,058	1,419	-	-	-	**2,487**
Net cash provided (used) by operating activities	3,768	3,546	10,807	5,320	24,293	1,346	(1,047)	(15)	**48,018**
Cash flows from noncapital financing activities:									
Transfers in	-	324	-	-	-	-	-	-	**324**
Transfers out	(3,505)	(833)	-	-	-	-	-	-	**(4,338)**
Contributions to other postemployment benefits	-	-	(6,051)	(361)	(3,430)	(1,047)	-	-	**(10,889)**
Net cash provided (used) by noncapital financing activities	(3,505)	(509)	(6,051)	(361)	(3,430)	(1,047)	-	-	**(14,903)**
Cash flows from capital and related financing activities:									
Acquisition/construction of capital assets	(517)	(21,582)	-	-	-	-	-	-	**(22,099)**
Proceeds from sale of assets	1	881	-	-	-	-	-	-	**882**
Capital contributions	-	21,215	-	-	-	-	-	-	**21,215**
Net cash provided (used) by capital and related financing activities	(516)	514	-	-	-	-	-	-	**(2)**
Cash flows from investing activities:									
Interest income (expense) on investments	2	-	-	-	-	-	-	-	**2**
Net cash provided (used) by investing activities	2	-	-	-	-	-	-	-	**2**
Net increase (decrease) in cash and cash equivalents	(251)	3,551	4,756	4,959	20,863	299	(1,047)	(15)	**33,115**
Cash and cash equivalents, July 1	3,122	38,611	16,229	12,975	126,325	2,575	1,942	16	**201,795**
Cash and cash equivalents, June 30	**$ 2,871**	**$ 42,162**	**$ 20,985**	**$ 17,934**	**$ 147,188**	**$ 2,874**	**$ 895**	**$ 1**	**$ 234,910**
Reconciliation of cash , cash equivalents and investments:									
Cash and cash equivalents unrestricted at end of year	$ 2,871	$ 42,162	$ 20,985	$ 17,934	$ 147,188	$ 2,874	$ 895	$ 1	**$ 234,910**
Cash, cash equivalents and investments per balance sheet	**$ 2,871**	**$ 42,162**	**$ 20,985**	**$ 17,934**	**$ 147,188**	**$ 2,874**	**$ 895**	**$ 1**	**$ 234,910**

State of Indiana
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2020
(amounts expressed in thousands)

	Institutional Industries	Administrative Services Revolving	State Police Health Insurance Fund	State Employee Disability Fund	State Employee Health Insurance Fund	Conservation and Excise Officers Health Insurance Fund	State Personnel Department Fund	Accounting Centralization	Total
Reconciliation of operating income to net cash provided (used) by operating activities:									
Operating income (loss)	$ 2,024	$ (19,937)	$ 10,784	$ 5,650	$ 29,824	$ 1,487	$ (1,640)	$ 62	**$ 28,254**
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:									
Depreciation/amortization expense	315	25,024	-	-	41	-	-	-	**25,380**
(Increase) decrease in receivables	(369)	(403)	(277)	(506)	(1,939)	(52)	28	-	**(3,518)**
(Increase) decrease in interfund services provided	(97)	(786)	-	-	-	-	-	-	**(883)**
(Increase) decrease in inventory	233	(7)	-	-	-	-	-	-	**226**
(Increase) decrease in prepaid expenses	-	1,235	-	-	-	-	-	-	**1,235**
(Increase) decrease in deferred outflows	(37)	(110)	-	-	-	-	(77)	20	**(204)**
Increase (decrease) in accounts payable	1,496	(2,811)	300	176	(3,665)	(89)	17	-	**(4,576)**
Increase (decrease) in unearned revenue	(8)	(167)	-	-	-	-	-	-	**(175)**
Increase (decrease) in salaries payable	82	476	-	-	16	-	106	4	**684**
Increase (decrease) in compensated absences	(9)	644	-	-	16	-	168	2	**821**
Increase (decrease) in net pension liabilties	109	309	-	-	-	-	293	(88)	**623**
Increase (decrease) in net OPEB liabilties	47	153	-	-	-	-	40	1	**241**
Increase (decrease) in deferred inflows	(20)	(74)	-	-	-	-	18	(16)	**(92)**
Increase (decrease) in other payables	2	-	-	-	-	-	-	-	**2**
Net cash provided (used) by operating activities	**$ 3,768**	**$ 3,546**	**$ 10,807**	**$ 5,320**	**$ 24,293**	**$ 1,346**	**$ (1,047)**	**$ (15)**	**$ 48,018**

FIDUCIARY FUNDS

Fiduciary funds account for assets held by or on behalf of the government in a trustee capacity or as an agent on behalf of others.

PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS

Pension trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, and other post-employment benefit plans.

State Police Pension Fund - This fund is used to account for assets held for a defined benefit, single-employer public employee retirement system administered by the Indiana State Police.

State Police Supplemental Trust - This fund is used to account for a defined benefit, single-employer public employee retirement system that provides additional benefits under the supplemental pension trust agreement administered by the Treasurer of the State of Indiana with the Indiana State Police.

State Employee Retiree Health Benefit Trust Fund-DB - This fund is used to account for assets held for the State's defined benefit, single-employer OPEB plans: the State Personnel Plan (SPP) administered by the State Personnel Department; Indiana State Police Plan (ISPP) administered by the Indiana State Police; and the Conservation and Excise Police Plan (CEPP) administered by the Indiana State Excise Police and Indiana Conservation Officers Health Insurance Committee.

State Employee Retiree Health Benefit Trust Fund-DC - This fund is used to account for assets held for a defined contribution, single-employer OPEB plan administered by the State Budget Agency.

Indiana Public Retirement System – INPRS administers and manages public pension plans including the Public Employees' Retirement Fund (PERF), the Teachers' Retirement Fund (TRF), the Prosecuting Attorney's Retirement Fund (PARF), the 1977 Police Officers' and Firefighters' Pension and Disability Fund (1977 Fund), the Legislators Retirement System (LRS), the Judges Retirement System (JRS), and the State Excise, Gaming Agent, Gaming Control Officers and Conservation Enforcement Officers' Retirement Plan (EG&C). The PERF, TRF, and 1977 Fund plans are cost-sharing, multiple-employer defined benefit plans. The LRS plan has both a single-employer defined benefit plan and a single-employer defined contribution plan. The PARF, JRS, and EG&C plans are single-employer defined benefit plans. INPRS also oversees three non-retirement funds which are the Pension Relief Fund, the Public Safety Officers' Special Death Benefit Fund and the State Employees' Death Benefit Fund.

FIDUCIARY FUNDS

PRIVATE-PURPOSE TRUST FUNDS

Private-Purpose trust funds are used to account for trust arrangements in which both the principal and interest may be spent for the benefit of individuals, private organizations or other governments.

Abandoned Property Fund - This fund is used to administer abandoned property of individuals, private organizations and other governments held by the State.

Private-Purpose Trust Fund - This fund is used to account for a group of fund centers under which principal and interest benefit individuals, private organizations, or other governments.

AGENCY FUNDS

Agency funds account for resources that are custodial in nature. They generally are amounts held by the State of Indiana on behalf of third parties.

Employee Payroll, Withholding and Benefits Funds - These funds are used for the disposition of various payroll-related deductions and contributions such as social security and insurance contributions.

Local Distributions Fund - This fund is composed of accounts used to distribute revenue collections to local units of government based upon statutory formulas.

Child Support Fund - This fund is used for the collection and distribution of child support payments.

Department of Insurance Fund - This fund includes security deposits of insurance companies, health maintenance organizations and third party administrators as required.

Other Agency Funds – This category comprises various escrows, revenue collection, and agency accounts for which the State acts in an agent capacity until proper disposition of the assets can be made.

State of Indiana
Combining Statement of Fiduciary Net Position
Pension and Other Employee Benefit Trust Funds
June 30, 2020

(amounts expressed in thousands)

	Primary Government				Fiduciary in Nature Component Unit	
	State Police Pension Fund	State Police Supplemental Trust	State Employee Retiree Health Benefit Trust Fund - DB	State Employee Retiree Health Benefit Trust Fund - DC	Indiana Public Retirement System	Total
Assets						
Cash, cash equivalents and non-pension investments	$ 36,644	$ -	$ 5,272	$ -	$ 4,067	**$ 45,983**
Securities lending collateral	-	-	-	-	158,656	**158,656**
Receivables:	-	-		-	-	
Contributions	447	65	656	-	91,491	**92,659**
Interest	365	-	131	-	87,034	**87,530**
Member loans	65	-	-	-	-	**65**
From investment sales	426	-	-	-	8,048,756	**8,049,182**
Total receivables	1,303	65	787	-	8,227,281	**8,229,436**
Pension and other employee benefit investments at fair value:						
Short term investments	-	-	-	-	1,521,727	**1,521,727**
Equity Securities	209,074	-	-	-	9,685,426	**9,894,500**
Debt Securities	140,156	-	227,866	-	13,809,293	**14,177,315**
Mutual Funds and Collective Trust Funds	111,618	-	-	-	-	**111,618**
Other	-	-	-	-	13,243,498	**13,243,498**
Total investments at fair value	460,848	-	227,866	-	38,259,944	**38,948,658**
Other assets	-	-	-	-	229	**229**
Property, plant and equipment net of accumulated depreciation	15	-	-	-	4,600	**4,615**
Total assets	**498,810**	**65**	**233,925**	**-**	**46,654,777**	**47,387,577**
Liabilities						
Accounts/escrows payable	100	-	-	-	10,247	**10,347**
Benefits payable	-	65	959	-	113,055	**114,079**
Investment purchases payable	-	-	-	-	9,120,818	**9,120,818**
Securities purchased payable	-	-	-	-	387,498	**387,498**
Securities lending collateral	-	-	-	-	158,656	**158,656**
Other	-	-	-	-	1,529	**1,529**
Total liabilities	**100**	**65**	**959**	**-**	**9,791,803**	**9,792,927**
Net Position						
Restricted for:						
Employees' pension benefits	498,710	-	-	-	36,398,355	**36,897,065**
OPEB benefits	-	-	232,966	-	448,914	**681,880**
Future death benefits	-	-	-	-	15,705	**15,705**
Total net position	**$ 498,710**	**$ -**	**$ 232,966**	**$ -**	**$ 36,862,974**	**$ 37,594,650**

State of Indiana
Combining Statement of Changes in Fiduciary Net Position
Pension and Other Employee Benefit Trust Funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Primary Government				Fiduciary in Nature Component Unit	
	State Police Pension Fund	**State Police Supplemental Trust**	**State Employee Retiree Health Benefit Trust Fund - DB**	**State Employee Retiree Health Benefit Trust Fund - DC**	**Indiana Public Retirement System**	**Total**
Additions:						
Member contributions	$ 5,338	$ -	$ -	$ -	$ 374,075	**$ 379,413**
Employer contributions	34,096	3,997	30,016	-	1,010,981	**1,079,090**
Contributions from the State of Indiana	-	-	-	-	1,172,724	**1,172,724**
Net investment income (loss)	8,777	-	3,258	-	1,230,163	**1,242,198**
Less investment expense	(1,668)	-	-	-	(224,327)	**(225,995)**
Federal reimbursements	-	-	633	-	-	**633**
Transfers from other retirement funds	-	-	-	-	435,947	**435,947**
Other	-	-	275	-	371	**646**
Total additions	46,543	3,997	34,182	-	3,999,934	**4,084,656**
Deductions:						
Pension and disability benefits	38,713	3,274	-	-	2,490,812	**2,532,799**
Retiree health benefits	-	-	8,542	-	17,306	**25,848**
Retiree health forfeitures	-	-	-	-	18,969	**18,969**
Death benefits	-	-	-	-	1,919	**1,919**
Refunds of contributions and interest	21	-	-	-	423,885	**423,906**
Administrative	392	69	569	-	43,018	**44,048**
Pension relief distributions	-	-	-	-	209,167	**209,167**
Transfers to other retirement funds	-	-	-	435,947	-	**435,947**
Other	-	654	-	-	237	**891**
Total deductions	39,126	3,997	9,111	435,947	3,205,313	**3,693,494**
Net increase (decrease) in net position	7,417	-	25,071	(435,947)	794,621	**391,162**
Net position restricted for pension and other employee benefits, July 1, as restated:						
Pension benefits	491,293	-	-	-	36,053,120	**36,544,413**
OPEB benefits	-	-	207,895	435,947	-	**643,842**
Future death benefits	-	-	-	-	15,233	**15,233**
Net position restricted for pension and other employee benefits, June 30, as restated	**$ 498,710**	**$ -**	**$ 232,966**	**$ -**	**$ 36,862,974**	**$ 37,594,650**

State of Indiana
Combining Statement of Net Position
Private-Purpose Trust Funds
June 30, 2020
(amounts expressed in thousands)

	Abandoned Property Fund	Private Purpose Trust Fund	Total
ASSETS			
Cash, cash equivalents and non-pension investments	$ 41,859	$ 2,531	**$ 44,390**
Receivables:			
Accounts	5,498	185	**5,683**
Interest	-	17	**17**
Total receivables	5,498	202	**5,700**
Total assets	**47,357**	**2,733**	**50,090**
LIABILITIES			
Accounts/escrows payable	54	-	**54**
Salaries and benefits payable	131	-	**131**
Total liabilities	**185**	**-**	**185**
NET POSITION			
Restricted for:			
Trust beneficiaries	47,172	2,733	**49,905**
Total net position	**$ 47,172**	**$ 2,733**	**$ 49,905**

State of Indiana
Combining Statement of Changes in Net Position
Private-Purpose Trust Funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Abandoned Property Fund	Private-Purpose Trust Fund	Total
Additions:			
Current Service Charge	$ -	$ 9,647	$ 9,647
Investment Income	47	24	71
Member Contributions	-	305	305
Donations/escheats	118,079	-	118,079
Total additions	118,126	9,976	128,102
Deductions:			
Payments to participants/beneficiaries	116,528	9,653	126,181
Total deductions	116,528	9,653	126,181
Net increase (decrease) in net position	1,598	323	1,921
Net position, July 1, as restated	**45,574**	**2,410**	**47,984**
Net position, June 30	**$ 47,172**	**$ 2,733**	**$ 49,905**

State of Indiana
Combining Statement of Net Position
Agency Funds
June 30, 2020
(amounts expressed in thousands)

	Employee Payroll, Withholding and Benefits	Local Distributions	Child Support	Other Agency Funds	Total
Assets:					
Cash, cash equivalents and investments	$ 1,240	$ 768,919	$ 45,811	$ 70,405	**$ 886,375**
Receivables:					
Taxes	-	9,552	-	124	**9,676**
Accounts	-	-	-	97	**97**
Total assets	**$ 1,240**	**$ 778,471**	**$ 45,811**	**$ 70,626**	**$ 896,148**
Liabilities:					
Accounts/escrows payable	$ 1,240	$ 778,471	$ 45,811	$ 70,626	**$ 896,148**
Total liabilities	**$ 1,240**	**$ 778,471**	**$ 45,811**	**$ 70,626**	**$ 896,148**

State of Indiana
Combining Statement of Changes In Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2020

(amounts expressed in thousands)

	Balance, July 1	Additions	Deductions	Balance, June 30
Employee Payroll, Withholding and Benefits				
Assets:				
Cash, cash equivalents, and investments	$ 1,173	$ 2,629,989	$ 2,629,922	**$ 1,240**
Total assets	$ 1,173	$ 2,629,989	$ 2,629,922	**$ 1,240**
Liabilities:				
Accounts / escrows payable	$ 1,173	$ 2,629,989	$ 2,629,922	**$ 1,240**
Total liabilities	$ 1,173	$ 2,629,989	$ 2,629,922	**$ 1,240**
Local Distributions				
Assets:				
Cash, cash equivalents, and investments	$ 803,434	$ 3,233,399	$ 3,267,914	**$ 768,919**
Receivables	17,521	9,552	17,521	**9,552**
Total assets	$ 820,955	$ 3,242,951	$ 3,285,435	**$ 778,471**
Liabilities:				
Accounts / escrows payable	$ 820,955	$ 3,242,951	$ 3,285,435	**$ 778,471**
Total liabilities	$ 820,955	$ 3,242,951	$ 3,285,435	**$ 778,471**
Child Support				
Assets:				
Cash, cash equivalents, and investments	$ 17,788	$ 888,872	$ 860,849	**$ 45,811**
Total assets	$ 17,788	$ 888,872	$ 860,849	**$ 45,811**
Liabilities:				
Accounts / escrows payable	$ 17,788	$ 888,872	$ 860,849	**$ 45,811**
Total liabilities	$ 17,788	$ 888,872	$ 860,849	**$ 45,811**
Other Agency Funds				
Assets:				
Cash, cash equivalents, and investments	$ 53,602	$ 765,338	$ 748,535	**$ 70,405**
Receivables	871	221	871	**221**
Total assets	$ 54,473	$ 765,559	$ 749,406	**$ 70,626**
Liabilities:				
Accounts / escrows payable	$ 54,473	$ 765,559	$ 749,406	**$ 70,626**
Total liabilities	$ 54,473	$ 765,559	$ 749,406	**$ 70,626**
Total Agency Funds				
Assets:				
Cash, cash equivalents, and investments	**$ 875,997**	**$ 7,517,598**	**$ 7,507,220**	**$ 886,375**
Receivables	**18,392**	**9,773**	**18,392**	**9,773**
Total assets	**$ 894,389**	**$ 7,527,371**	**$ 7,525,612**	**$ 896,148**
Liabilities:				
Accounts / escrows payable	**$ 894,389**	**$ 7,527,371**	**$ 7,525,612**	**$ 896,148**
Total liabilities	**$ 894,389**	**$ 7,527,371**	**$ 7,525,612**	**$ 896,148**

NON-MAJOR DISCRETELY PRESENTED COMPONENT UNITS

GOVERNMENTAL FUNDS

Governmental component units represent funds that are legally separate from the State of Indiana, but provide valuable and beneficial services to the State and its citizens. The non-major discretely presented component unit consists of the following governmental fund:

Indiana Economic Development Corporation – The responsibility of this corporation is to improve the quality of life for the citizens of Indiana by encouraging the diversification of Indiana's economy, by the orderly economic development and growth of Indiana, the creation of new jobs, the growth and modernization of existing industry and the promotion of Indiana.

PROPRIETARY FUNDS

Proprietary component units represent funds that are legally separate from the State of Indiana, but provide valuable and beneficial services to the State and its citizens. The non-major discretely presented component units consist of the following proprietary funds:

Indiana Stadium and Convention Building Authority – The authority's responsibility is to finance, design, construct and own the new Indiana Stadium in Indianapolis and the expansion of the adjacent Indiana Convention Center.

Indiana Bond Bank – The Bond Bank issues debt obligations and invests the proceeds in various projects of State and local governments.

Indiana Housing and Community Development Authority – The authority's purpose is to finance residential housing for persons and families of low and moderate incomes.

Indiana Board for Depositories – The board is responsible to ensure the safekeeping and prompt payment of all public funds deposited in Indiana banks. It provides insurance on public funds in excess of the Federal Deposit Insurance Corporation limit.

Indiana Secondary Market for Education Loans Inc. – The company is responsible for purchasing education loans in the secondary market.

White River State Park Development Commission – The responsibility of this commission is to design and implement a plan for the establishment and development of park, exposition, educational, athletic, and recreational projects to be located within one mile from the banks of the Indiana White River in a consolidated first-class city and county.

Ports of Indiana – The responsibility of this commission is to construct, maintain, and operate public ports with terminal facilities and traffic exchange points for all forms of transportation on Lake Michigan and the Ohio and Wabash Rivers.

State Fair Commission – This commission is responsible for holding the annual Indiana State Fair and for operating and maintaining the State Fairgrounds and other properties it owns.

Indiana Comprehensive Health Insurance Association – The responsibility of this Association is to assure that health insurance is made available throughout the year to each eligible Indiana resident applying to the Association for coverage.

Indiana Political Subdivision Risk Management Commission – This commission is responsible for administering the Basic and Catastrophic funds that aid political subdivisions in protecting themselves against liabilities.

Indiana State Museum and Historic Sites Corporation – The responsibility of this corporation is to operate and administer the state historic sites including the Indiana State Museum which collects, conserves and exhibits artifacts and materials reflecting the cultural and natural history of Indiana.

Indiana Motorsports Commission – The commission is responsible for financing and leasing real and personal property improvements for the benefit of an owner of a qualified motorsports facility within a motorsports investment district.

COLLEGES AND UNIVERSITIES

College and university funds are used to account for the operations of state-supported colleges and universities. The non-major discretely presented component units consist of the following institutions:

Ball State University
Indiana State University
Ivy Tech Community College of Indiana
University of Southern Indiana
Vincennes University

State of Indiana
Combining Statement of Net Position
Non-Major Discretely Presented Component Units - Governmental Funds
June 30, 2020

(amounts expressed in thousands)

	Indiana Economic Development Corporation	Totals
Assets		
Current assets:		
Cash, cash equivalents and investments - unrestricted	$ 11,097	**$ 11,097**
Cash, cash equivalents and investments - restricted	292,734	**292,734**
Receivables (net)	1,593	**1,593**
Total current assets	305,424	**305,424**
Noncurrent assets:		
Loans	86,862	**86,862**
Capital assets:		
Capital assets being depreciated/amortized	507	**507**
less accumulated depreciation/amortization	(290)	**(290)**
Total capital assets, net of depreciation/amortization	217	**217**
Total noncurrent assets	87,079	**87,079**
Total assets	**392,503**	**392,503**
Deferred Outflows of Resources		
Related to pensions	916	**916**
Total deferred outflows of resources	**916**	**916**
Liabilities		
Current liabilities:		
Accounts payable	42,310	**42,310**
Unearned revenue	128,824	**128,824**
Accrued liability for compensated absences	587	**587**
Total current liabilities	171,721	**171,721**
Noncurrent liabilities:		
Net pension and OPEB liabilities	3,923	**3,923**
Total noncurrent liabilities	3,923	**3,923**
Total liabilities	**175,644**	**175,644**
Deferred inflows of resources		
Related to pensions	640	**640**
Total deferred inflows of resources	**640**	**640**
NET POSITION		
Net investment in capital assets	218	**218**
Restricted - expendable:		
Grants/constitutional restrictions	210,570	**210,570**
Unrestricted	6,347	**6,347**
Total net position	**$ 217,135**	**$ 217,135**

State of Indiana
Combining Statement of Activities
Non-Major Discretely Presented Component Units - Governmental Funds
For the Fiscal Year Ended June 30, 2020

(amounts expressed in thousands)

			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Operating Grants and Contributions	Indiana Economic Development Corporation	Total
Indiana Economic Development Corporation	$ 154,645	$ 86,282	$ (68,363)	**$ (68,363)**
Total component units	$ 154,645	$ 86,282	(68,363)	**(68,363)**
General Revenues:				
Gaming tax			1,228	**1,228**
Total taxes			1,228	**1,228**
Revenue not restricted to specific programs				
Investment earnings			399	**399**
Payments from State of Indiana			95,567	**95,567**
Total general revenues			97,194	**97,194**
Changes in net position			28,831	**28,831**
Net position - beginning			188,304	**188,304**
Net position - ending			**$ 217,135**	**$ 217,135**

State of Indiana
Combining Statement of Net Position
Non-Major Discretely Presented Component Units - Proprietary Funds
June 30, 2020
(amounts expressed in thousands)

	Indiana Stadium and Convention Building Authority	Indiana Bond Bank	Indiana Housing and Community Development Authority	Indiana Board for Depositories	Indiana Secondary Market for Education Loans Inc.
Assets					
Current assets:					
Cash, cash equivalents and investments - unrestricted	$ -	$ 9,182	$ 82,684	$ 212,683	$ 95,869
Cash, cash equivalents and investments - restricted	63,222	36,873	130,482	-	2,277
Receivables (net)	1,734	301,075	15,261	512	3,509
Due from primary government	-	-	-	5,000	-
Inventory	-	-	-	-	-
Prepaid expenses	-	-	-	253	233
Loans	-	-	16,154	-	5,456
Investment in direct financing lease	11,855	-	-	-	-
Other assets	-	-	732	-	-
Total current assets	76,811	347,130	245,313	218,448	107,344
Noncurrent assets:					
Cash, cash equivalents and investments - unrestricted	-	5,049	139,385	90,026	17,290
Cash, cash equivalents and investments - restricted	-	32,704	584,501	-	-
Receivables (net)	-	520,529	-	-	3,408
Due from primary government	-	-	-	10,000	-
Loans	-	-	88,535	-	93,898
Investment in direct financing lease	919,302	-	-	-	-
Other assets	-	-	-	-	-
Capital assets:					
Capital assets not being depreciated/amortized	-	-	-	-	423
Capital assets being depreciated/amortized	-	-	9,574	612	(328)
less accumulated depreciation/amortization	-	-	(7,641)	(279)	-
Total capital assets, net of depreciation/amortization	-	-	1,933	333	95
Total noncurrent assets	919,302	558,282	814,354	100,359	114,691
Total assets	**996,113**	**905,412**	**1,059,667**	**318,807**	**222,035**
Deferred Outflows of Resources					
Accumulated decrease in fair value of hedging derivatives	144,364	2,885	1,507	-	-
Debt refunding loss	716	6,745	1,665	-	-
Related to pensions	-	85	567	10	-
Deferred swap termination	55,301	-	-	-	-
Total deferred outflows of resources	**200,381**	**9,715**	**3,739**	**10**	**-**
Liabilities					
Current liabilities:					
Accounts payable	10	315	13,608	62	1,052
Interest payable	15,441	9,100	5,681	-	9
Unearned revenue	-	-	34,476	-	-
Advances from federal government	-	-	590	-	-
Accrued liability for compensated absences	-	-	-	-	-
Other liabilities	-	35,330	-	-	958
Current portion of long-term liabilities	11,855	319,776	13,038	-	7,565
Total current liabilities	27,306	364,521	67,393	62	9,584
Noncurrent liabilities:					
Accrued liability for compensated absences	-	-	-	-	-
Net pension and OPEB liabilities	-	200	3,382	25	-
Advances from federal government	-	-	31,679	-	-
Revenue bonds/notes payable	1,001,170	532,211	519,771	-	56,405
Derivative instrument liability	144,364	2,885	1,507	-	-
Other noncurrent liabilities	835	-	267	-	-
Total noncurrent liabilities	1,146,369	535,296	556,606	25	56,405
Total liabilities	**1,173,675**	**899,817**	**623,999**	**87**	**65,989**
Deferred Inflows of Resources					
Advanced payment for service concession agreement	-	-	-	-	-
Related to pensions	-	32	542	4	-
Related to irrevocable split interest agreements	-	-	-	-	-
Total deferred inflows of resources	**-**	**32**	**542**	**4**	**-**
Net Position					
Net investment in capital assets	-	-	1,573	333	95
Restricted - nonexpendable:					
Permanent funds	-	-	-	-	-
Restricted - expendable:					
Grants/constitutional restrictions	-	-	121,538	-	-
Future debt service	-	798	98,772	-	2,277
Student aid	-	-	-	-	-
Endowments	-	-	-	-	-
Capital projects	22,819	-	-	-	-
Unrestricted	-	14,480	216,982	318,393	153,674
Total net position	**$ 22,819**	**$ 15,278**	**$ 438,865**	**$ 318,726**	**$ 156,046**

White River State Park Development Commission	Ports of Indiana	Indiana State Fair Commission	Indiana Comprehensive Health Insurance Association	Indiana Political Subdivision Risk Management Commission	Indiana State Museum and Historic Sites Corporation	Indiana Motorsports Commission	Totals
$ 2,893	$ 28,408	$ 5,664	$ 11,599	$ 4,814	$ 7,466	$ -	**$ 461,262**
13,523	-	3,486	-	-	-	5,939	**255,802**
55	652	771	1,470	8	196	-	**325,243**
-	-	-	-	-	-	-	**5,000**
19	-	-	-	-	219	-	**238**
61	294	-	50	19	52	-	**962**
-	-	-	-	-	-	-	**21,610**
-	-	-	-	-	-	3,700	**15,555**
-	-	-	-	-	-	-	**732**
16,551	29,354	9,921	13,119	4,841	7,933	9,639	**1,086,404**
-	22,000	-	-	-	1,076	-	**274,826**
-	-	-	-	-	2,693	-	**619,898**
-	-	-	-	-	44	-	**523,981**
-	-	-	-	-	-	-	**10,000**
-	-	-	-	-	-	-	**182,433**
-	-	-	-	-	-	75,520	**994,822**
-	-	-	-	-	214	-	**214**
98,455	37,972	1,497	-	-	-	-	**138,347**
53,922	148,469	168,209	-	-	1,875	-	**382,333**
(25,696)	(88,495)	(94,069)	-	-	(1,784)	-	**(217,964)**
126,681	97,946	75,637	-	-	91	-	**302,716**
126,681	119,946	75,637	-	-	4,118	75,520	**2,908,890**
143,232	**149,300**	**85,558**	**13,119**	**4,841**	**12,051**	**85,159**	**3,995,294**
-	-	-	-	-	-	-	**148,756**
-	-	-	-	-	-	-	**9,126**
145	295	469	-	-	739	-	**2,310**
-	-	-	-	-	-	-	**55,301**
145	**295**	**469**	**-**	**-**	**739**	**-**	**215,493**
2,849	2,228	2,241	50	-	154	-	**22,569**
-	-	-	-	-	-	1,489	**31,720**
-	-	953	-	-	106	-	**35,535**
-	-	-	-	-	-	-	**590**
-	-	231	-	-	-	-	**231**
-	372	-	-	-	-	-	**36,660**
34	-	1,790	-	-	-	3,700	**357,758**
2,883	2,600	5,215	50	-	260	5,189	**485,063**
-	-	102	-	-	-	-	**102**
397	1,535	3,079	-	-	3,661	-	**12,279**
-	-	-	-	-	-	-	**31,679**
190	-	-	-	-	-	74,820	**2,184,567**
-	-	-	-	-	-	-	**148,756**
-	-	43,453	-	-	-	-	**44,555**
587	1,535	46,634	-	-	3,661	74,820	**2,421,938**
3,470	**4,135**	**51,849**	**50**	**-**	**3,921**	**80,009**	**2,907,001**
6,899	4,079	-	-	-	-	-	**10,978**
62	239	480	-	-	801	-	**2,160**
-	-	-	-	-	214	-	**214**
6,961	**4,318**	**480**	**-**	**-**	**1,015**	**-**	**13,352**
119,079	97,574	31,959	-	-	91	-	**250,704**
-	-	-	-	-	782	-	**782**
-	-	1,001	-	-	2,202	5,150	**129,891**
-	-	477	-	-	-	-	**102,324**
1	-	-	-	-	-	-	**1**
-	-	-	-	-	1,136	-	**1,136**
10,454	-	2,008	-	-	3,905	-	**39,186**
3,412	43,568	(1,747)	13,069	4,841	(262)	-	**766,410**
$ 132,946	**$ 141,142**	**$ 33,698**	**$ 13,069**	**$ 4,841**	**$ 7,854**	**$ 5,150**	**$ 1,290,434**

State of Indiana
Combining Statement of Activities
Non-Major Discretely Presented Component Units - Proprietary Funds
For the Fiscal Year Ended June 30, 2020
(amounts expressed in thousands)

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Indiana Stadium and Convention Building Authority	Indiana Bond Bank	Indiana Housing and Community Development Authority	Indiana Board for Depositories
Indiana Stadium and Convention Building Authority	$ 52,589	$ 50,691	$ 4,160	$ -	$ 2,262	$ -	$ -	$ -
Indiana Bond Bank	32,681	1,817	31,067	-	-	203	-	-
Indiana Housing and Community Development Authority	407,372	26,455	377,950	-	-	-	(2,967)	-
Indiana Board for Depositories	1,759	-	7,278	-	-	-	-	5,519
Indiana Secondary Market for Education Loans Inc.	7,591	-	3,981	-	-	-	-	-
White River State Park Development Commission	5,140	2,459	56	8,877	-	-	-	-
Ports of Indiana	13,196	13,455	636	-	-	-	-	-
Indiana State Fair Commission	32,484	21,738	436	-	-	-	-	-
Indiana Comprehensive Health Insurance Association	164	20	-	-	-	-	-	-
Indiana Political Subdivision Risk Management Commission	75	-	-	-	-	-	-	-
Indiana State Museum and Historic Sites Corporation	13,949	1,841	2,985	-	-	-	-	-
Indiana Motorsports Commission	5,411	2,000	-	-	-	-	-	-
Total component units	$ 572,411	$ 120,476	$ 428,549	$ 8,877	2,262	203	(2,967)	5,519
General revenues:								
Investment earnings					1,091	355	34,394	-
Payments from State of Indiana					-	-	-	-
Other					-	-	-	-
Total general revenues					1,091	355	34,394	-
Change in net position					3,353	558	31,427	5,519
Net position - beginning, as restated					19,466	14,720	407,438	313,207
Net position - ending					**$ 22,819**	**$ 15,278**	**$ 438,865**	**$ 318,726**

State of Indiana
Combining Statement of Activities
Non-Major Discretely Presented Component Units - Proprietary Funds
For the Fiscal Year Ended June 30, 2020

(amounts expressed in thousands)

	Net (Expense) Revenue and Changes in Net Position								
	Indiana Secondary Market for Education Loans Inc.	White River State Park Development Commission	Ports of Indiana	Indiana State Fair Commission	Indiana Comprehensive Health Insurance Association	Indiana Political Subdivision Risk Management Commission	Indiana State Museum and Historic Sites Corporation	Indiana Motorsports Commission	Total
Indiana Stadium and Convention Building Authority	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 2,262**
Indiana Bond Bank	-	-	-	-	-	-	-	-	**203**
Indiana Housing and Community Development Authority	-	-	-	-	-	-	-	-	**(2,967)**
Indiana Board for Depositories	-	-	-	-	-	-	-	-	**5,519**
Indiana Secondary Market for Education Loans Inc.	(3,610)	-	-	-	-	-	-	-	**(3,610)**
White River State Park Development Commission	-	6,252	-	-	-	-	-	-	**6,252**
Ports of Indiana	-	-	895	-	-	-	-	-	**895**
Indiana State Fair Commission	-	-	-	(10,310)	-	-	-	-	**(10,310)**
Indiana Comprehensive Health Insurance Association	-	-	-	-	(144)	-	-	-	**(144)**
Indiana Political Subdivision Risk Management Commission	-	-	-	-	-	(75)	-	-	**(75)**
Indiana State Museum and Historic Sites Corporation	-	-	-	-	-	-	(9,123)	-	**(9,123)**
Indiana Motorsports Commission	-	-	-	-	-	-	-	(3,411)	**(3,411)**
Total component units	(3,610)	6,252	895	(10,310)	(144)	(75)	(9,123)	(3,411)	**(14,509)**
General revenues:									
Investment earnings	2,791	145	1,093	38	-	72	153	52	**40,184**
Payments from State of Indiana	-	843	-	12,479	-	-	9,777	3,385	**26,484**
Other	-	-	2	-	-	-	-	115	**117**
Total general revenues	2,791	988	1,095	12,517	-	72	9,930	3,552	**66,785**
Change in net position	(819)	7,240	1,990	2,207	(144)	(3)	807	141	**52,276**
Net position - beginning, as restated	156,865	125,706	139,152	31,491	13,213	4,844	7,047	5,009	**1,238,158**
Net position - ending	**$ 156,046**	**$ 132,946**	**$ 141,142**	**$ 33,698**	**$ 13,069**	**$ 4,841**	**$ 7,854**	**$ 5,150**	**$ 1,290,434**

State of Indiana
Combining Statement of Net Position
Non-Major Discretely Presented Component Units - Colleges and Universities
June 30, 2020
(amounts expressed in thousands)

	Ball State University	Indiana State University	Ivy Tech Community College	University of Southern Indiana	Vincennes University	Totals
Assets						
Current assets:						
Cash, cash equivalents and investments - unrestricted	$ 110,192	$ 43,989	$ 274,648	$ 85,172	$ 100,763	**$ 614,764**
Cash, cash equivalents and investments - restricted	88,724	18,338	8,256	3,015	6,593	**124,926**
Receivables (net)	41,391	24,787	44,251	8,403	7,968	**126,800**
Inventory	1,163	8	5	1,567	1,405	**4,148**
Prepaid expenses	2,623	1,909	4,507	2	416	**9,457**
Investment in direct financing lease	-	-	254	-	-	**254**
Other assets	29,408	2,444	7,162	24,980	18	**64,012**
Total current assets	273,501	91,475	339,083	123,139	117,163	**944,361**
Noncurrent assets:						
Cash, cash equivalents and investments - unrestricted	239,313	106,617	341,721	36,380	97,737	**821,768**
Cash, cash equivalents and investments - restricted	247,164	76,586	52,126	127,115	117,423	**620,414**
Receivables (net)	5,998	5,705	9,004	5,215	174	**26,096**
Investment in direct financing lease	-	-	4,458	-	-	**4,458**
Net pension and OPEB assets	2,901	48,698	-	-	14,319	**65,918**
Other assets	10,260	16	245	102	220	**10,843**
Capital assets:						
Capital assets not being depreciated/amortized	111,014	84,718	76,296	27,664	35,860	**335,552**
Capital assets being depreciated/amortized	1,297,297	847,946	1,011,564	417,377	372,625	**3,946,809**
less accumulated depreciation/amortization	(528,092)	(340,541)	(430,192)	(229,760)	(147,272)	**(1,675,857)**
Total capital assets, net of depreciation/amortization	880,219	592,123	657,668	215,281	261,213	**2,606,504**
Total noncurrent assets	1,385,855	829,745	1,065,222	384,093	491,086	**4,156,001**
Total assets	**1,659,356**	**921,220**	**1,404,305**	**507,232**	**608,249**	**5,100,362**
Deferred Outflows of Resources						
Accumulated decrease in fair value of hedging derivatives	-	-	-	716	359	**1,075**
Debt refunding loss	-	433	-	-	-	**433**
Related to pensions	13,448	2,344	1,590	883	73	**18,338**
Related to OPEB	39,425	2,540	1,519	510	12,980	**56,974**
Total deferred outflows of resources	**52,873**	**5,317**	**3,109**	**2,109**	**13,412**	**76,820**
Liabilities						
Current liabilities:						
Accounts payable	47,573	13,139	53,232	9,257	6,889	**130,090**
Interest payable	8,976	2,278	-	881	225	**12,360**
Unearned revenue	9,014	5,720	14,548	4,474	2,602	**36,358**
Accrued liability for compensated absences	4,211	4,322	7,992	478	1,354	**18,357**
Other liabilities	9,929	6,935	1,138	3,452	6,414	**27,868**
Current portion of long-term liabilities	24,915	19,506	72,189	13,310	6,450	**136,370**
Total current liabilities	104,618	51,900	149,099	31,852	23,934	**361,403**
Noncurrent liabilities:						
Accrued liability for compensated absences	4,412	280	10,054	3,277	-	**18,023**
Net pension and OPEB liabilities	60,134	12,088	52,898	22,300	-	**147,420**
Funds held in trust for others	-	-	-	-	64,542	**64,542**
Advances from federal government	-	6,141	-	-	701	**6,842**
Revenue bonds/notes payable	437,203	251,842	216,004	95,218	42,752	**1,043,019**
Derivative instrument liability	-	-	-	716	359	**1,075**
Other noncurrent liabilities	9,215	1,373	11,530	7	-	**22,125**
Total noncurrent liabilities	510,964	271,724	290,486	121,518	108,354	**1,303,046**
Total liabilities	**615,582**	**323,624**	**439,585**	**153,370**	**132,288**	**1,664,449**
Deferred Inflows of Resources						
Advanced payment for service concession agreement	-	1,593	-	-	-	**1,593**
Related to pensions	16,884	2,307	3,822	1,180	230	**24,423**
Related to OPEB	21,212	5,061	6,211	7,228	18,476	**58,188**
Total deferred inflows of resources	**38,096**	**8,961**	**10,033**	**8,408**	**18,706**	**84,204**
Net Position						
Net investment in capital assets	485,236	333,956	350,722	122,917	211,026	**1,503,857**
Restricted - nonexpendable:						
Grants/constitutional restrictions	-	3,068	-	-	-	**3,068**
Instruction and research	355	9,496	1,300	11,102	-	**22,253**
Student aid	63,107	33,077	31,258	32,707	23,888	**184,037**
Other purposes	110,556	7,696	4,216	9,119	5,172	**136,759**
Restricted - expendable:						
Grants/constitutional restrictions	8,263	2,102	23,888	-	1,616	**35,869**
Future debt service	4,233	-	-	102	-	**4,335**
Instruction and research	12,498	146	113	18,731	-	**31,488**
Student aid	44,165	8,646	6,449	41,797	10,250	**111,307**
Endowments	33,576	13,710	2,874	-	-	**50,160**
Capital projects	80,551	5,667	517,253	431	12,349	**616,251**
Other purposes	6,271	-	2,611	12,120	2,591	**23,593**
Unrestricted	209,740	176,388	17,112	98,537	203,775	**705,552**
Total net position	**$ 1,058,551**	**$ 593,952**	**$ 957,796**	**$ 347,563**	**$ 470,667**	**$ 3,428,529**

State of Indiana
Combining Statement of Activities
Non-Major Discretely Presented Component Units - Colleges and Universities
For the Year Ended June 30, 2020
(amounts expressed in thousands)

		Program Revenues			Net (Expense) Revenue and Changes in Net Position					
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Ball State University	Indiana State University	Ivy Tech State College	University of Southern Indiana	Vincennes University	Net (Expense) Revenue
Ball State University	$ 566,659	$ 225,498	$ 132,780	$ 5,735	$ (202,646)	$ -	$ -	$ -	$ -	**$ (202,646)**
Indiana State University	242,920	99,297	67,304	4,228	-	(72,091)	-	-	-	**(72,091)**
Ivy Tech Community College	560,609	144,810	185,625	12,762	-	-	(217,412)	-	-	**(217,412)**
University of Southern Indiana	160,659	72,156	36,620	1,183	-	-	-	(50,700)	-	**(50,700)**
Vincennes University	122,282	31,555	49,441	7,284	-	-	-	-	(34,002)	**(34,002)**
Total component units	$ 1,653,129	$ 573,316	$ 471,770	$ 31,192	(202,646)	(72,091)	(217,412)	(50,700)	(34,002)	**(576,851)**
General revenues:										
Investment earnings					26,067	14,586	23,023	7,541	8,311	**79,528**
Payments from State of Indiana					203,126	84,011	272,946	59,250	56,272	**675,605**
Other					42,656	735	27	23	2,659	**46,100**
Total general revenues					271,849	99,332	295,996	66,814	67,242	**801,233**
Change in net position					69,203	27,241	78,584	16,114	33,240	**224,382**
Net position - beginning					989,348	566,711	879,212	331,449	437,427	**3,204,147**
Net position - ending					**$ 1,058,551**	**$ 593,952**	**$ 957,796**	**$ 347,563**	**$ 470,667**	**$ 3,428,529**