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**TABLE 11****SCHEDULE OF AMORTIZATION BASES  
(Base Benefits)**

<b>Amortization Bases</b>	<b>Original Amount</b>	<b>June 30, 2021 Remaining Payments</b>	<b>Date of Last Payment</b>	<b>Outstanding Balance as of June 30, 2021</b>	<b>Annual Contribution</b>
2021 UAAL Base	(15,350,208)	20	7/1/2041	<u>(15,350,208)</u>	<u>(1,285,261)</u>
Total				\$ (15,350,208)	\$ (1,285,261)
1. Total UAAL Amortization Payments					\$ (1,285,261)
2. Projected Payroll for FY 2022					\$ 3,781,121,764
3. UAAL Amortization Payment Rate					(0.03%)
4. Remaining Amortization Period in Years (Weighted) <sup>1</sup>					20.0

<sup>1</sup> The weighted average remaining UAAL amortization period is calculated by weighting the remaining amortization period of each base by the amortization amount of each base.



**SECTION 5 – EMPLOYER CONTRIBUTIONS**

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**TABLE 12**

**DEVELOPMENT OF SURCHARGE RATE**  
(Supplemental Benefits)

**Projected COLAs in Next Biennium Beginning July 1, 2023**

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First Anticipated COLA

1. Date of COLA commencement		January 1, 2024
2. Rate of COLA		0.4%
3. Value as of July 1, 2023 of COLA	\$	7,901,839

Second Anticipated COLA

4. Date of COLA commencement		January 1, 2025
5. Rate of COLA		0.4%
6. Value as of July 1, 2023 of COLA		8,093,644
7. Total COLA Funding Requirement as of July 1, 2023: (3) + (6)	\$	15,995,483

**Funding Sources for Projected COLAs**

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8. Assets as of June 30, 2021 Available for Future COLAs	\$	702,968
9. Projected Contributions from 7/1/2021 to 12/31/2021		2,606,820
10. Expected Earnings through July 1, 2023		383,375
11. Projected Available Assets at July 1, 2023	\$	3,693,163
12. Required Additional Funding for Anticipated COLAs: (7) - (11)		12,302,320

**Surcharge Rate**

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13. Projected Payroll from 1/1/2022 to 6/30/2022		1,862,014,311
14. Projected Payroll from 7/1/2022 to 6/30/2023		3,822,715,380
15. Value of (13) and (14) as of July 1, 2023	\$	5,951,477,787
16. Surcharge Rate: (12)/(15)		0.21%



**SECTION 5 – EMPLOYER CONTRIBUTIONS**

**TABLE 13**

**ACTUARIAL REQUIRED CONTRIBUTION RATE**  
(Base and Supplemental Benefits)

	<u>Base Benefits</u>	<u>Supplemental Benefits</u>	<u>Total</u>
1. Projected Payroll for FY 2022	\$ 3,781,121,764		
2. Normal Cost Rate as of June 30, 2020	5.73%	0.36%	6.09%
3. Amortization of UAAL as of June 30, 2021			
a. Dollar Amount	\$ (1,285,261)		
b. Percent of Projected Pay	(0.03%)		
4. Preliminary Actuarially Determined Contribution Rate: (2) + (3b)	5.70%		
5. Supplemental Benefit Surcharge Rate		0.21%	
6. Actuarially Determined Contribution Rate Subject to Legal Constraints	5.70%	0.21%	
7. Board Policy Surcharge Rate (for 2022 calendar year)		0.21%	
8. Board Policy Contribution Rate			6.00%



**SECTION 5 – EMPLOYER CONTRIBUTIONS**

**TABLE 14**

**INVESTMENT RETURN SENSITIVITY  
(Base and Supplemental Benefits)**

	<b>1.00% Decrease: (5.25%)</b>	<b>0.75% Decrease: (5.50%)</b>	<b>0.50% Decrease: (5.75%)</b>	<b>0.25% Decrease: (6.00%)</b>	<b>Current Assumption: (6.25%)</b>
<b>Funded Status</b>					
Actuarial Accrued Liability	\$8,856,356,149	\$8,493,724,227	\$8,150,513,525	\$7,825,541,239	\$7,517,703,347
Actuarial Value of Assets	7,162,958,020	7,162,958,020	7,162,958,020	7,162,958,020	7,162,958,020
Unfunded Actuarial Accrued Liability	\$1,693,398,129	\$1,330,766,207	\$987,555,505	\$662,583,219	\$354,745,327
Funded Ratio	80.9%	84.3%	87.9%	91.5%	95.3%
<b>Actuarially Determined Contribution Amount</b>					
Normal Cost	\$309,516,375	\$287,294,730	\$266,768,129	\$247,801,337	\$230,270,315
UAAL Amortization	131,855,433	105,552,251	79,773,472	54,497,193	29,702,540
Actuarially Determined Contribution Amount	\$441,371,808	\$392,846,981	\$346,541,601	\$302,298,530	\$259,972,855
Actuarially Determined Contribution Rate	11.67%	10.39%	9.17%	7.99%	6.88%
	<b>0.25% Increase: (6.50%)</b>	<b>0.50% Increase: (6.75%)</b>	<b>0.75% Increase: (7.00%)</b>	<b>1.00% Increase: (7.25%)</b>	<b>1.25% Increase: (7.50%)</b>
<b>Funded Status</b>					
Actuarial Accrued Liability	\$7,225,968,939	\$6,949,374,993	\$6,687,021,547	\$6,438,067,251	\$6,201,725,240
Actuarial Value of Assets	7,162,958,020	7,162,958,020	7,162,958,020	7,162,958,020	7,162,958,020
Unfunded Actuarial Accrued Liability	\$63,010,919	(\$213,583,027)	(\$475,936,473)	(\$724,890,769)	(\$961,232,780)
Funded Ratio	99.1%	103.1%	107.1%	111.3%	115.5%
<b>Actuarially Determined Contribution Amount</b>					
Normal Cost	\$214,061,258	\$199,069,715	\$185,199,807	\$172,363,489	\$160,479,894
UAAL Amortization	5,369,619	(15,720,542)	(35,844,868)	(55,841,678)	(75,710,481)
Actuarially Determined Contribution Amount	\$219,430,877	\$183,349,173	\$149,354,939	\$116,521,811	\$84,769,413
Actuarially Determined Contribution Rate	5.80%	4.85%	3.95%	3.08%	2.24%

Note: Comparisons are based on funding the COLA in the same method as the base benefit, rather than with a surcharge. Consequently, these results are for comparative purposes only and will not match the actual results under the funding policy.



## **SECTION 6 – GASB INFORMATION**

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### **GASB NO. 67 AND GASB NO. 68**

The Governmental Accounting Standards Board issued Statement No. 67 (GASB 67), “Financial Reporting for Pension Plans” and Statement No. 68 (GASB 68), “Accounting and Financial Reporting for Pensions” in June 2012. The effective date for reporting under GASB 67 for the INPRS Plans was the fiscal year ending June 30, 2014. GASB 68’s effective date for employers is the first fiscal year beginning after June 15, 2014.

The sections that follow provide the results of the required actuarial calculations set out in GASB 67 and GASB 68 for note disclosure and Required Supplementary Information (RSI). Some of this information was provided by the INPRS for use in this report.

The discount rate used for these disclosures is the assumed return on assets of 6.25%. We have verified that the current assets in conjunction with future contributions made on behalf of current members (including all contributions to fund any past service liability) will be sufficient to make the anticipated benefit payments to be provided to the current members.

To the best of our knowledge, the information contained in this report is complete and accurate. The calculations were performed by qualified actuaries according to generally accepted actuarial principles and practices, as well as in conformity with Actuarial Standards of Practice issued by the Actuarial Standards Board. The calculations are based on the current provisions of the plan, and on actuarial assumptions that are internally consistent and individually reasonable based on the actual experience of the plan. In addition, the calculations were completed in compliance with applicable law and, in our opinion, meet the requirements of GASB 67 and GASB 68.



TABLE 15

## STATEMENT OF FIDUCIARY NET POSITION

	June 30, 2021
<b>1. Assets</b>	
a. Cash	\$ 201,138
b. Receivables	
i. Contributions and Miscellaneous Receivables	\$ 1,303,609
ii. Investments Receivable	61,909,861
iii. Foreign Exchange Contracts Receivable	1,418,335,531
iv. Interest and Dividends	16,557,794
v. Receivables Due From Other Funds	0
vi. Total Receivables	\$ 1,498,106,795
c. Investments	
i. Short-Term Investments	\$ 0
ii. Pooled Repurchase Agreements	70,610,423
iii. Pooled Short-Term Investments	496,075,732
iv. Pooled Fixed Income	2,434,404,469
v. Pooled Equity	1,700,214,216
vi. Pooled Alternative Investments	3,669,880,014
vii. Pooled Derivatives	21,560,918
viii. Pooled Investments	0
ix. Securities Lending Collateral	41,320,170
x. Total Investments	\$ 8,434,065,942
d. Net Capital Assets	0
e. Other Assets	0
f. Total Assets: a + b(vi) + c(x) + d + e	\$ 9,932,373,875
<b>2. Liabilities</b>	
a. Administrative Payable	\$ 60,786
b. Retirement Benefits Payable	12,849,150
c. Investments Payable	386,099,825
d. Foreign Exchange Contracts Payable	1,408,000,329
e. Securities Lending Obligations	41,320,170
f. Securities Sold Under Agreement to Repurchase	96,171,818
g. Due To Other Funds	376,419
h. Due to Other Governments	0
i. Total Liabilities: a + b + c + d + e + f + g + h	\$ 1,944,878,497
<b>3. Fiduciary Net Position Restricted for Pensions: (1)(f) - (2)(i)</b>	<b>\$ 7,987,495,378</b>



TABLE 16

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

		For Fiscal Year Ending June 30, 2021	
<b>1. Fiduciary Net Position as of June 30, 2020</b>		\$	6,325,311,322
<b>2. Additions</b>			
a. Contributions			
i. Member Contributions		\$	0
ii. Employer Contributions			202,352,758
iii. Service Purchases (Employer and Member) <sup>1</sup>			600,700
iv. Non-Employer Contributing Entity Contributions			0
v. Total Contributions		\$	202,953,458
b. Investment Income/(Loss)			
i. Net Appreciation/(Depreciation)		\$	1,581,258,584
ii. Net Interest and Dividend Income			88,015,706
iii. Securities Lending Income			426,565
iv. Other Net Investment Income			448,701
v. Investment Management Expenses			(51,540,390)
vi. Direct Investment Expenses			(2,067,119)
vii. Securities Lending Expenses			(88,328)
viii. Total Investment Income/(Loss)		\$	1,616,453,719
c. Other Additions			
i. Member Reassignments			5,566,367
ii. Miscellaneous Receipts			(300)
iii. Total Other Additions		\$	5,566,067
d. Total Revenue (Additions): a(v) + b(viii) + c(iii)		\$	1,824,973,244
<b>3. Deductions</b>			
a. Pension, Survivor and Disability Benefits		\$	155,348,220
b. Death and Funeral Benefits			0
c. Distributions of Contributions and Interest			0
d. Administrative Expenses <sup>2</sup>			4,966,317
e. Member Reassignments			2,474,651
f. Miscellaneous Expenses			0
g. Total Expenses (Deductions)		\$	162,789,188
<b>4. Net Increase (Decrease) in Fiduciary Net Position: (2)(d) - (3)(g)</b>		\$	1,662,184,056
<b>5. Fiduciary Net Position as of June 30, 2021: (1) + (4)</b>		\$	7,987,495,378

<sup>1</sup> Service purchases paid by employer of \$135,987 and employee of \$464,713.

<sup>2</sup> Includes \$63,407 of hybrid plan contributions and \$0 of My Choice plan contributions made by INPRS.





**TABLE 17**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY**

	<b>For Fiscal Year Ending June 30, 2021</b>		
	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a) – (b)</b>
<b>1. Balance at June 30, 2020</b>	\$ 6,403,252,089	\$ 6,325,311,322	\$ 77,940,767
<b>2. Changes for the Year:</b>			
Service Cost (SC) <sup>1</sup>	190,036,960		190,036,960
Interest Cost	439,928,627		439,928,627
Experience (Gains)/Losses	96,922,883		96,922,883
Assumption Changes	536,184,338		536,184,338
Plan Amendments	3,034,254		3,034,254
Benefit Payments	(155,348,220)	(155,348,220)	0
Service Purchases			
Employer Contributions	135,987	135,987	0
Employee Contributions	464,713	464,713	0
Member Reassignments <sup>2</sup>	3,091,716	3,091,716	0
Employer Contributions <sup>3</sup>		202,352,758	(202,352,758)
Non-employer Contributions		0	0
Employee Contributions		0	0
Net Investment Income		1,616,453,719	(1,616,453,719)
Administrative Expenses <sup>4</sup>		(4,966,317)	4,966,317
Other		(300)	300
Net Changes	\$ 1,114,451,258	\$ 1,662,184,056	\$ (547,732,798)
<b>3. Balance at June 30, 2021</b>	\$ 7,517,703,347	\$ 7,987,495,378	\$ (469,792,031)

<sup>1</sup> Service cost provided as of beginning of year. Interest to end of year is included in the interest cost.

<sup>2</sup> Includes net interfund transfers of employer contributed amounts.

<sup>3</sup> Includes \$5,000,000 of state appropriations to the fund.

<sup>4</sup> Includes contributions made by INPRS for its employees of \$63,407 in the hybrid plan and \$0 in the My Choice plan.



**TABLE 18**  
**DEFERRED OUTFLOWS OF RESOURCES**

	June 30, 2020	Remaining Period	Recognition	June 30, 2021
<b>1. Liability Experience</b>				
June 30, 2021 Loss	\$ 96,922,883	10.43	\$ 9,292,703	\$ 87,630,180
June 30, 2020 Loss	0	9.60	0	0
June 30, 2019 Loss	0	9.07	0	0
June 30, 2018 Loss	0	8.47	0	0
June 30, 2017 Loss	33,185,643	10.00	3,318,564	29,867,079
June 30, 2016 Loss	19,206,015	9.00	2,134,001	17,072,014
June 30, 2015 Loss	0	8.00	0	0
June 30, 2014 Loss	232,652	6.00	38,775	193,877
<b>2. Assumption Changes</b>				
June 30, 2021 Loss	\$ 536,184,338	10.43	\$ 51,407,895	\$ 484,776,443
June 30, 2020 Loss	0	9.60	0	0
June 30, 2019 Loss	0	9.07	0	0
June 30, 2018 Loss	0	8.47	0	0
June 30, 2017 Loss	0	10.00	0	0
June 30, 2016 Loss	0	9.00	0	0
June 30, 2015 Loss	150,852,026	8.00	18,856,504	131,995,522
<b>3. Investment Experience</b>				
June 30, 2021 Loss	\$ 0	5.00	\$ 0	\$ 0
June 30, 2020 Loss	205,408,483	4.00	51,352,121	154,056,362
June 30, 2019 Loss	0	3.00	0	0
June 30, 2018 Loss	0	2.00	0	0
June 30, 2017 Loss	0	1.00	0	0
<b>Total Outflows:</b>				
<b>(1)+(2)+(3)</b>	<b>\$ 1,041,992,040</b>		<b>\$ 136,400,563</b>	<b>\$ 905,591,477</b>

Information was provided prospectively from June 30, 2013 for GASB No. 68 purposes. Results prior to 2018 were produced by the prior actuary.

In accordance with GASB, the original amortization period for liability experience and assumption changes are amortized over the expected future working lifetime of all members, whereas the investment experience is amortized over five years.



**TABLE 19**  
**DEFERRED INFLOWS OF RESOURCES**

	June 30, 2020	Remaining Period	Recognition	June 30, 2021
<b>1. Liability Experience</b>				
June 30, 2021 Gain	\$ 0	10.43	\$ 0	\$ 0
June 30, 2020 Gain	28,467,630	9.60	2,965,379	25,502,251
June 30, 2019 Gain	17,687,685	9.07	1,950,131	15,737,554
June 30, 2018 Gain	105,062,530	8.47	12,404,078	92,658,452
June 30, 2017 Gain	0	10.00	0	0
June 30, 2016 Gain	0	9.00	0	0
June 30, 2015 Gain	23,347,003	8.00	2,918,375	20,428,628
June 30, 2014 Gain	0	6.00	0	0
<b>2. Assumption Changes</b>				
June 30, 2021 Gain	\$ 0	10.43	\$ 0	\$ 0
June 30, 2020 Gain	102,923	9.60	10,722	92,201
June 30, 2019 Gain	0	9.07	0	0
June 30, 2018 Gain	210,784,462	8.47	24,886,005	185,898,457
June 30, 2017 Gain	82,504,037	10.00	8,250,404	74,253,633
June 30, 2016 Gain	0	9.00	0	0
June 30, 2015 Gain	0	8.00	0	0
<b>3. Investment Experience</b>				
June 30, 2021 Gain	\$ 1,187,951,806	5.00	\$ 237,590,362	\$ 950,361,444
June 30, 2020 Gain	0	4.00	0	0
June 30, 2019 Gain	20,590,973	3.00	6,863,659	13,727,314
June 30, 2018 Gain	49,857,662	2.00	24,928,833	24,928,829
June 30, 2017 Gain	10,843,055	1.00	10,843,055	0
<b>Total Inflows:</b>				
<b>(1)+(2)+(3)</b>	<b>\$ 1,737,199,766</b>		<b>\$ 333,611,003</b>	<b>\$ 1,403,588,763</b>

Information was provided prospectively from June 30, 2013 for GASB No. 68 purposes. Results prior to 2018 were produced by the prior actuary.

In accordance with GASB, the original amortization period for liability experience and assumption changes are amortized over the expected future working lifetime of all members, whereas the investment experience is amortized over five years.



TABLE 20

DEFERRED INFLOWS / OUTFLOWS TO BE RECOGNIZED IN PENSION EXPENSE

<b>Fiscal Year Ending June 30</b>	<b>Deferred Outflows</b>	<b>Deferred Inflows</b>	<b>Net Deferred Outflows/(Inflows)</b>
Current Year:			
2021	\$ 136,400,563	\$ 333,611,003	\$ (197,210,440)
Future Years:			
2022	\$ 136,400,563	\$ 322,767,944	\$ (186,367,381)
2023	136,400,563	297,839,111	(161,438,548)
2024	136,400,562	290,975,456	(154,574,894)
2025	85,048,442	290,975,452	(205,927,010)
2026	85,048,442	53,385,094	31,663,348
Thereafter	326,292,905	147,645,706	178,647,199



SECTION 6 – GASB INFORMATION

TABLE 21

PENSION EXPENSE UNDER GASB NO. 68

	<b>For Fiscal Year Ending June 30, 2021</b>	
1. Service Cost, beginning of year	\$	190,036,960
2. Interest Cost, including interest on service cost		439,928,627
3. Member Contributions <sup>1</sup>		0
4. Administrative Expenses <sup>2</sup>		4,902,910
5. Expected Return on Assets <sup>3</sup>		(428,501,913)
6. Plan Amendments		3,034,254
7. Recognition of Deferred Inflows / Outflows of Resources Related to:		
a. Liability Experience (Gains) / Losses	(5,453,920)	
b. Assumption Change (Gains) / Losses	37,117,268	
c. Investment Experience (Gains) / Losses	<u>(228,873,788)</u>	
d. Total: (7a)+(7b)+(7c)		(197,210,440)
8. Miscellaneous (Income) / Expense		300
9. Total Collective Pension Expense: (1)+(2)+(3)+(4)+(5)+(6)+(7d)+(8)		12,190,698
10. Employer Service Purchases <sup>4</sup>		135,987
<b>Pension Expense / (Income): (9) + (10)</b>	<b>\$</b>	<b>12,326,685</b>

<sup>1</sup> Excludes member paid service purchases of \$464,713.

<sup>2</sup> Excludes contributions made by INPRS for its employees of \$63,407 in the hybrid plan and \$0 in the My Choice plan.

<sup>3</sup> Cash flows assumed to occur mid-year.

<sup>4</sup> To be expensed by the employers who purchased the service.



**GASB NO. 67 and GASB NO. 68  
NOTES TO THE FINANCIAL STATEMENTS**

The material presented herein is a subset of the information requested as Notes to the Financial Statements. Required information not provided herein is to be supplied by the plan.

**Actuarial Assumptions and Inputs**

Significant actuarial assumptions and other inputs used to measure the total pension liability:

Type of Plan	The Teachers’ Retirement Fund 1996 Account is a cost-sharing multiple-employer plan for GASB accounting purposes.
Measurement Date	June 30, 2021
Valuation Date	June 30, 2021
Assets:	June 30, 2021
Liabilities:	June 30, 2020 – The TPL as of June 30, 2021 was determined based on an actuarial valuation prepared as of June 30, 2020 rolled forward one year to June 30, 2021, using the following key actuarial assumptions and other inputs, such as benefit accruals and actual benefit payments during that time period.
Inflation	2.00%
Future Salary Increases	2.65% - 11.90% based on years of service
Cost-of-Living Increases	As of June 30, 2021: Members in pay were granted a 1.00% COLA on January 1, 2022 and no COLA on January 1, 2023. Thereafter, the following COLAs, compounded annually, were assumed: 0.4% beginning on January 1, 2024 0.5% beginning on January 1, 2034 0.6% beginning on January 1, 2039  As of June 30, 2020: In lieu of a COLA on January 1, 2021, members in pay were provided a 13 <sup>th</sup> check on October 1, 2020. 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



## SECTION 6 – GASB INFORMATION

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Mortality Assumption	<p>Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019.</p> <p><i>Healthy Employees</i> – Teacher Employee table with a 1 year set forward for males and a 1 year set forward for females.</p> <p><i>Retirees</i> – Teacher Retiree table with a 1 year set forward for males and a 1 year set forward for females.</p> <p><i>Beneficiaries</i> – Contingent Survivor table with no set forward for males and a 2 year set forward for females.</p> <p><i>Disableds</i> – General Disabled table with a 140% load.</p>
Experience Study	<p>The most recent comprehensive experience study, based on member experience between June 30, 2014 and June 30, 2019, was completed in February 2020. The demographic assumptions were approved by the Board in June 2020 and were used beginning with the June 30, 2020 actuarial valuation. Economic assumptions were updated and approved by the Board in May 2021 following the completion of an Asset-Liability study and first used in the June 30, 2021 actuarial valuation.</p>
Discount Rate	<p>6.25%, net of investment expenses</p> <p>The discount rate is equal to the expected long-term rate of return on plan investments, net of investment expense and including price inflation. The discount rate decreased from the 6.75% used on the prior measurement date.</p> <p>The INPRS Board of Trustees has established a funding policy of setting the employer contribution rate equal to the greater of the current contribution rate (currently 5.5%) and a rate equal to the actuarially determined contribution rate which is based on the assumptions and methods selected by the Board for the annual actuarial valuations and projected covered member payroll. Based on this policy, the employer contribution rate will increase to 6.00%. The June 30, 2021 actuarial valuation assumes a long-term rate of return on assets of 6.25%, a 20-year level dollar closed method for amortizing the future layers of unfunded actuarial accrued liability (dropped below 100% funded on an actuarial basis as of June 30, 2021), and a 5-year smoothing method for recognizing investment gains and losses in the actuarial value of assets.</p> <p>For the past several years, the Board has followed its current funding policy and employers have made their contributions to the plan. Therefore, if past practice is continued, the appropriations will be sufficient to allow the Fund to remain fully funded. As a result, it is presumed that the projected plan assets will be sufficient to cover the future benefit payments for current members and a detailed projection of plan assets and cash flows has not been prepared.</p>



## SECTION 6 – GASB INFORMATION

### Discount Rate Sensitivity

	1% Decrease 5.25%	Current Rate 6.25%	1% Increase 7.25%
Net Pension Liability	\$868,860,771	(\$469,792,031)	(\$1,549,428,127)

### Classes of Plan Members Covered

The June 30, 2021 valuation was performed using census data provided by INPRS as of June 30, 2020. Standard actuarial techniques were used to roll forward the total pension liability computed as of June 30, 2020 to the June 30, 2021 measurement date using actual benefit payments during that period of time.

Number as of June 30, 2020	
1. Currently Receiving Benefits:	
Retired Members, Disabled Members, and Beneficiaries	8,287
2. Inactive Members Entitled To But Not Yet Receiving Benefits	6,827
3. Inactive Non-vested Members Entitled to a Refund of Member Contributions	0
4. Active Members	59,866
Total Covered Plan Members: (1)+(2)+(3)+(4)	74,980

### Money-Weighted Rate of Return

The money-weighted rate of return equals investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested. For the fiscal year ending June 30, 2021, the money-weighted return on the plan assets is 25.5%.

### Components of Net Pension Liability

As of June 30, 2021	
Total Pension Liability	\$ 7,517,703,347
Fiduciary Net Position	7,987,495,378
Net Pension Liability	\$ (469,792,031)
Ratio of Fiduciary Net Position to Total Pension Liability	106.25%





**SECTION 6 – GASB INFORMATION**

**GASB NO. 67 AND GASB NO. 68: REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF CHANGES IN THE TOTAL PENSION LIABILITY AND PLAN FIDUCIARY NET POSITION**

<b>Fiscal Year Ending June 30</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Total Pension Liability</b>					
Total Pension Liability - beginning	\$6,391,750,065	\$6,914,237,041	\$5,563,263,694	\$5,980,426,336	\$6,403,252,089
DC Account Balances - beginning <sup>1</sup>	1,217,432,610	1,378,142,685	0	0	0
DB Pension Liability - beginning	\$5,174,317,455	\$5,536,094,356	\$5,563,263,694	\$5,980,426,336	\$6,403,252,089
Service Cost (SC), beginning-of-year	168,650,636	182,558,143	180,559,476	183,632,094	190,036,960
Interest Cost, including interest on SC	357,392,165	382,297,585	383,383,638	411,329,073	439,928,627
Experience (Gains)/Losses	46,459,899	(142,274,764)	(21,587,947)	(31,433,009)	96,922,883
Assumption Changes	(115,505,653)	(285,442,477)	0	(113,645)	536,184,338
Plan Amendments	1,352,763	0	2,938,618	0	3,034,254
DC Annuity Payments	8,503,495	6,503,849	0	0	0
Actual Benefit Payments	(109,334,779)	(122,239,791)	(132,572,511)	(143,371,247)	(155,348,220)
Member Reassignments	4,258,375	5,602,016	4,293,211	2,678,802	3,091,716
Service Purchases	0	164,777	148,157	103,685	600,700
Net Change in Total Pension Liability	361,776,901	27,169,338	417,162,642	422,825,753	1,114,451,258
DB Pension Liability - ending	\$5,536,094,356	\$5,563,263,694	\$5,980,426,336	\$6,403,252,089	\$7,517,703,347
DC Account Balances - ending <sup>1</sup>	1,378,142,685	0	0	0	0
<b>(a) Total Pension Liability - ending</b>	<b>\$6,914,237,041</b>	<b>\$5,563,263,694</b>	<b>\$5,980,426,336</b>	<b>\$6,403,252,089</b>	<b>\$7,517,703,347</b>
<b>Plan Fiduciary Net Position</b>					
Plan Fiduciary Net Position – beginning	\$5,611,229,693	\$6,252,040,308	\$5,452,351,707	\$6,124,085,498	\$6,325,311,322
DC Account Balances - beginning <sup>1</sup>	1,217,432,610	1,378,142,685	0	0	0
DB Plan Fiduciary Net Position – beginning	\$4,393,797,083	\$4,873,897,623	\$5,452,351,707	\$6,124,085,498	\$6,325,311,322
Contributions – employer	227,206,663	235,819,031	393,172,165	188,789,351	202,488,745
Contributions – non-employer	0	0	0	0	0
Contributions – member	57,709	129,780	127,304	103,685	464,713
Net investment income	354,926,957	457,707,449	411,146,841	158,071,621	1,616,453,719
Actual benefit payments	(109,334,779)	(122,239,791)	(132,572,511)	(143,371,247)	(155,348,220)
Net member reassignments	4,258,236	5,602,016	4,293,211	2,678,802	3,091,716
DC Annuity Payments	8,504,000	6,503,849	0	0	0
Administrative expense	(5,552,446)	(5,208,400)	(5,037,962)	(5,089,388)	(4,966,317)
Other	34,200	140,150	604,743	43,000	(300)
Net change in Plan Fiduciary Net Position	480,100,540	578,454,084	671,733,791	201,225,824	1,662,184,056
DB Plan Fiduciary Net Position – ending	\$4,873,897,623	\$5,452,351,707	\$6,124,085,498	\$6,325,311,322	\$7,987,495,378
DC Account Balances - ending <sup>1</sup>	1,378,142,685	0	0	0	0
<b>(b) Plan Fiduciary Net Position - ending</b>	<b>\$6,252,040,308</b>	<b>\$5,452,351,707</b>	<b>\$6,124,085,498</b>	<b>\$6,325,311,322</b>	<b>\$7,987,495,378</b>
<b>Net Pension Liability - ending, (a) - (b)</b>	<b>\$662,196,733</b>	<b>\$110,911,987</b>	<b>(\$143,659,162)</b>	<b>\$77,940,767</b>	<b>(\$469,792,031)</b>

<sup>1</sup> Effective January 1, 2018, DC account balances are handled by a third party annuity provider and are treated as a separate defined contribution plan. Information was provided prospectively from June 30, 2013 for GASB No. 67 and GASB No. 68 purposes. Results prior to 2018 were produced by the prior actuary.



**SECTION 6 – GASB INFORMATION**

**GASB NO. 67 AND GASB NO. 68: REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF CHANGES IN THE TOTAL PENSION LIABILITY AND PLAN FIDUCIARY NET POSITION (continued)**

Fiscal Year Ending June 30	2013	2014	2015	2016
Total Pension Liability				
Total Pension Liability - beginning	\$4,338,309,018	\$4,748,148,931	\$5,236,993,169	\$5,905,691,033
DC Account Balances - beginning <sup>1</sup>	899,338,904	990,704,762	1,120,728,729	1,170,914,523
DB Pension Liability - beginning	\$3,438,970,114	\$3,757,444,169	\$4,116,264,440	\$4,734,776,510
Service Cost (SC), beginning-of-year	147,336,605	155,314,388	170,892,424	167,836,193
Interest Cost, including interest on SC	240,281,897	262,263,149	287,264,315	328,017,487
Experience (Gains)/Losses	(15,994,636)	504,077	(40,857,253)	29,876,020
Assumption Changes	0	0	263,991,050	0
Plan Amendments	0	(4,504,201)	0	0
DC Annuitizations	11,621,194	15,151,081	22,574,841	8,931,954
Actual Benefit Payments	(68,792,905)	(77,253,362)	(90,266,941)	(99,506,626)
Member Reassignments	0	6,922,378	4,889,464	4,370,023
Service Purchases	4,021,900	422,761	24,170	15,894
Net Change in Total Pension Liability	318,474,055	358,820,271	618,512,070	439,540,945
DB Pension Liability - ending	\$3,757,444,169	\$4,116,264,440	\$4,734,776,510	\$5,174,317,455
DC Account Balances - ending <sup>1</sup>	990,704,762	1,120,728,729	1,170,914,523	1,217,432,610
(a) Total Pension Liability - ending	\$4,748,148,931	\$5,236,993,169	\$5,905,691,033	\$6,391,750,065
Plan Fiduciary Net Position				
Plan Fiduciary Net Position – beginning	\$4,018,148,904	\$4,433,677,345	\$5,189,442,330	\$5,379,113,041
DC Account Balances - beginning <sup>1</sup>	899,338,904	990,704,762	1,120,728,729	1,170,914,523
DB Plan Fiduciary Net Position – beginning	\$3,118,810,000	\$3,442,972,583	\$4,068,713,601	\$4,208,198,518
Contributions – employer	180,714,000	194,750,861	205,763,142	215,625,986
Contributions – non-employer	0	0	0	0
Contributions – member	0	0	0	43,175
Net investment income	207,098,438	492,856,485	2,684,489	61,722,129
Actual benefit payments	(68,793,300)	(77,253,362)	(90,266,941)	(99,506,625)
Net member reassignments	0	6,922,371	4,890,290	4,369,512
DC Annuitizations	11,621,100	15,151,500	22,575,000	8,931,800
Administrative expense	(6,482,000)	(6,707,587)	(6,185,233)	(5,603,306)
Other	4,345	20,750	24,170	15,894
Net change in Plan Fiduciary Net Position	324,162,583	625,741,018	139,484,917	185,598,565
DB Plan Fiduciary Net Position – ending	\$3,442,972,583	\$4,068,713,601	\$4,208,198,518	\$4,393,797,083
DC Account Balances - ending <sup>1</sup>	990,704,762	1,120,728,729	1,170,914,523	1,217,432,610
(b) Plan Fiduciary Net Position - ending	\$4,433,677,345	\$5,189,442,330	\$5,379,113,041	\$5,611,229,693
Net Pension Liability - ending, (a) - (b)	\$314,471,586	\$47,550,839	\$526,577,992	\$780,520,372

<sup>1</sup> Effective January 1, 2018, DC account balances are handled by a third party annuity provider and are treated as a separate defined contribution plan. Information was provided prospectively from June 30, 2013 for GASB No. 67 and GASB No. 68 purposes. Results prior to 2018 were produced by the prior actuary.



SECTION 6 – GASB INFORMATION

GASB NO. 67 AND GASB NO. 68: REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF THE NET PENSION LIABILITY

Fiscal Year Ending June 30	2017	2018	2019	2020	2021
Total Pension Liability	\$6,914,237,041	\$5,563,263,694	\$5,980,426,336	\$6,403,252,089	\$7,517,703,347
Plan Fiduciary Net Position	<u>6,252,040,308</u>	<u>5,452,351,707</u>	<u>6,124,085,498</u>	<u>6,325,311,322</u>	<u>7,987,495,378</u>
Net Pension Liability	\$662,196,733	\$110,911,987	(\$143,659,162)	\$77,940,767	(\$469,792,031)
Ratio of Plan Fiduciary Net Position to Total Pension Liability	90.42%	98.01%	102.40%	98.78%	106.25%
Covered-employee payroll <sup>1</sup>	\$3,020,463,178	\$3,129,070,354	\$3,257,917,777	\$3,465,727,587	\$3,634,648,638
Net Pension Liability as a percentage of covered-employee payroll	21.92%	3.54%	-4.41%	2.25%	-12.93%
Fiscal Year Ending June 30	2013	2014	2015	2016	
Total Pension Liability	\$4,748,148,931	\$5,236,993,169	\$5,905,691,033	\$6,391,750,065	
Plan Fiduciary Net Position	<u>4,433,677,345</u>	<u>5,189,442,330</u>	<u>5,379,113,041</u>	<u>5,611,229,693</u>	
Net Pension Liability	\$314,471,586	\$47,550,839	\$526,577,992	\$780,520,372	
Ratio of Plan Fiduciary Net Position to Total Pension Liability	93.38%	99.09%	91.08%	87.79%	
Covered-employee payroll <sup>1</sup>	\$2,442,496,000	\$2,598,115,000	\$2,742,186,608	\$2,881,397,273	
Net Pension Liability as a percentage of covered-employee payroll	12.88%	1.83%	19.20%	27.09%	

<sup>1</sup> As provided by INPRS.

Information was provided prospectively from June 30, 2013 for GASB No. 67 and GASB No. 68 purposes. Results prior to 2018 were produced by the prior actuary.



SECTION 6 – GASB INFORMATION

GASB NO. 67 AND GASB NO. 68: REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ending June 30	2017	2018	2019	2020	2021
Actuarially Determined Contribution <sup>1</sup>	\$198,444,431	\$210,586,435	\$226,099,494	\$162,035,175	\$158,762,674
Actual employer contributions <sup>2</sup>	<u>\$227,206,663</u>	<u>\$235,675,239</u>	<u>\$393,151,312</u>	<u>\$188,789,351</u>	<u>\$202,352,758</u>
Annual contribution (deficiency) / excess	\$28,762,232	\$25,088,804	\$167,051,818	\$26,754,176	\$43,590,084
Covered-employee payroll <sup>3</sup>	\$3,020,463,178	\$3,129,070,354	\$3,257,917,777	\$3,465,727,587	\$3,634,648,638
Actual contributions as a percentage of covered-employee payroll	7.52%	7.53%	12.07%	5.45%	5.57%

Fiscal Year Ending June 30	2013	2014	2015	2016
Actuarially Determined Contribution <sup>1</sup>	\$164,400,000	\$177,711,000	\$178,260,000	\$180,375,469
Actual employer contributions <sup>2</sup>	<u>\$180,714,567</u>	<u>\$194,750,861</u>	<u>\$205,525,842</u>	<u>\$215,625,986</u>
Annual contribution (deficiency) / excess	\$16,314,567	\$17,039,861	\$27,265,842	\$35,250,517
Covered-employee payroll <sup>3</sup>	\$2,442,496,000	\$2,598,115,000	\$2,742,186,608	\$2,881,397,273
Actual contributions as a percentage of covered-employee payroll	7.40%	7.50%	7.49%	7.48%

<sup>1</sup> The employer rates were applied to the actual covered employee payroll for the fiscal year to determine the contribution amount.

The actuarially determined amortization and normal cost rates were developed in the actuarial report completed one year prior to the fiscal year.

The surcharge rate uses the valuation completed two years ago for July-December and one year ago for January-June.

<sup>2</sup> Excludes service purchases paid for by the employer of \$135,987.

<sup>3</sup> As provided by INPRS.

Information was provided prospectively from June 30, 2013 for GASB No. 67 and GASB No. 68 purposes. Results prior to 2018 were produced by the prior actuary.



**GASB NO. 67 AND GASB NO. 68: REQUIRED SUPPLEMENTAL INFORMATION**

**SCHEDULE OF MONEY-WEIGHTED RETURNS**

<u>For Fiscal Year Ending June 30</u>	<u>Money-Weighted Return</u>
2021	25.5%
2020	2.6%
2019	7.5%
2018	9.3%
2017	8.1%
2016	1.0%
2015	0.6%
2014	12.7%
2013	5.1%

Information was provided prospectively from June 30, 2013 for GASB No. 67 and GASB No. 68 purposes. Returns provided by INPRS.



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APPENDIX A – MEMBERSHIP DATA

MEMBER DATA RECONCILIATION
For June 30, 2020 Data used in the June 30, 2021 Valuation

Table with 8 columns: Active Members, Inactive Vested, Inactive Deceased, Disabled, Retired, Beneficiary, Total. Rows include: 1. As of June 30, 2019; 2. Data Adjustments (New Participants, Rehires, Terminations, Disability, Retirements, Refund / Benefits Ended, Transfer, Deaths); 3. As of June 30, 2020.

1 Data corrections reflect the movement between Disabled and Retired status, along with other movements in the INPRS data.

2 Valuation results as of June 30, 2021 were calculated using June 30, 2020 census data, adjusted for certain activity before the valuation date. Headcounts may include multiple records for individuals, such as members with multiple periods of service.

**APPENDIX A – MEMBERSHIP DATA****SUMMARY OF MEMBERSHIP DATA**

<b>Valuation Date</b>	<b>Combined TRF Plans</b>		<b>1996 Account</b>
	<b>June 30, 2020</b>	<b>June 30, 2021</b>	<b>June 30, 2021</b>
Date of Membership Data <sup>1</sup>	June 30, 2019	June 30, 2020	June 30, 2020
<b>ACTIVE MEMBERS</b>			
Number of Active Members	67,788	68,241	59,866
Annual Membership Data Salary <sup>2</sup>	\$ 3,870,822,192	\$ 4,014,573,154	\$ 3,388,831,431
Anticipated Payroll for Next Fiscal Year	\$ 4,179,833,109	\$ 4,354,360,329	\$ 3,781,121,764
Active Member Averages			
Age	43.0	43.1	41.2
Service	13.6	13.7	11.5
Annual Membership Data Salary	\$ 57,102	\$ 58,829	\$ 56,607
<b>INACTIVE MEMBERS</b>			
Number of Inactive Members	8,881	8,791	6,827
Inactive Member Averages			
Age	51.7	51.6	49.4
Service	14.5	14.1	12.9
<b>RETIREEES, DISABLEDS, AND BENEFICIARIES</b>			
Number of Members			
Retired	55,163	55,701	7,788
Disabled	237	260	150
Beneficiaries	5,611	5,863	349
Total	61,011	61,824	8,287
Annual Benefits			
Retired	\$ 1,186,691,022	\$ 1,204,475,617	\$ 137,943,805
Disabled	2,374,974	2,721,880	1,327,375
Beneficiaries	83,708,657	89,159,775	4,418,843
Total	\$ 1,272,774,653	\$ 1,296,357,272	\$ 143,690,023
Annual Benefits			
Pension	\$ 1,138,731,406	\$ 1,165,138,525	\$ 132,168,577
DC Plan Annuities	134,043,247	131,218,747	11,521,446
Total	\$ 1,272,774,653	\$ 1,296,357,272	\$ 143,690,023

<sup>1</sup> The valuation results were calculated using the prior year's census data and were adjusted for certain activity during fiscal year.

<sup>2</sup> The 2020 amounts include 68 records from the 1996 Account with less than a year of service who are missing a salary. Their salaries were defaulted to the average salary of \$54,561. The 2021 amounts include 30 records where salaries were defaulted to the average salary of \$56,607.

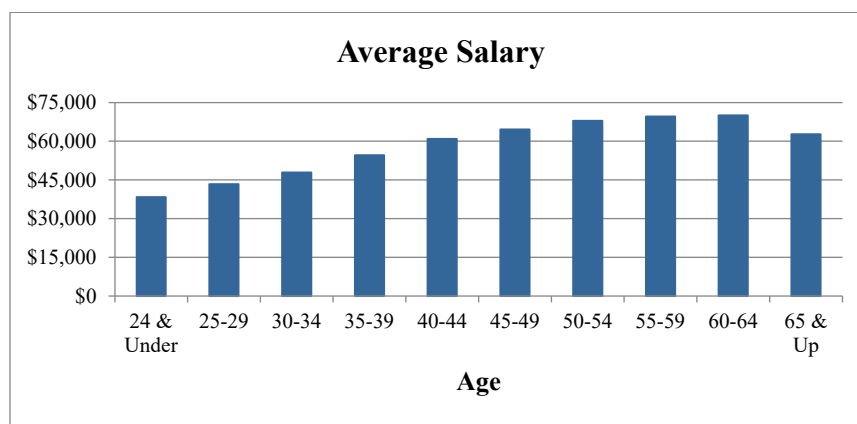
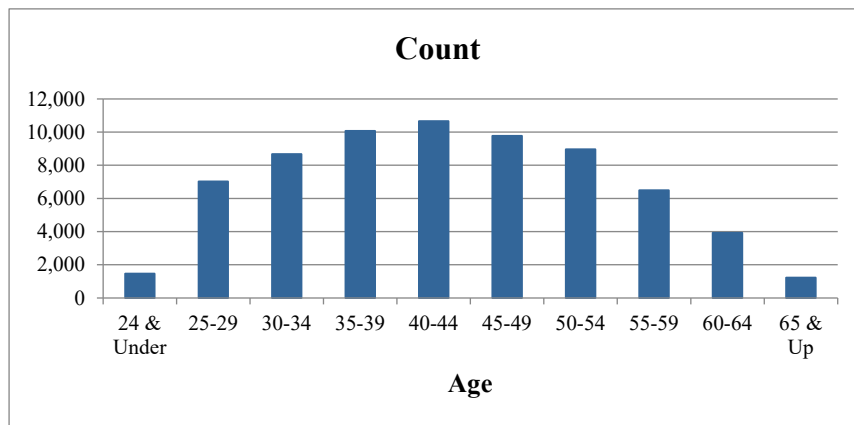




**APPENDIX A – MEMBERSHIP DATA**

**ACTIVE MEMBERS<sup>1</sup>  
As of June 30, 2020 for the June 30, 2021 Valuation  
Combined TRF Plans**

<u>Age</u>	<u>Count of Members</u>			<u>FY 2020 Annual Membership Data Salary</u>		
	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
24 & Under	217	1,243	1,460	\$ 8,364,634	\$ 47,524,589	\$ 55,889,223
25-29	1,532	5,487	7,019	68,327,398	236,014,511	304,341,909
30-34	2,212	6,459	8,671	113,765,262	301,264,612	415,029,874
35-39	2,656	7,414	10,070	158,697,452	390,717,260	549,414,712
40-44	2,886	7,768	10,654	192,684,911	455,619,675	648,304,586
45-49	2,611	7,156	9,767	188,765,627	441,643,677	630,409,304
50-54	2,335	6,626	8,961	175,372,571	433,143,716	608,516,287
55-59	1,702	4,787	6,489	130,077,967	321,068,481	451,146,448
60-64	1,001	2,925	3,926	76,453,967	198,379,382	274,833,349
65 & Up	<u>368</u>	<u>856</u>	<u>1,224</u>	<u>23,901,885</u>	<u>52,785,577</u>	<u>76,687,462</u>
<b>Total</b>	<b>17,520</b>	<b>50,721</b>	<b>68,241</b>	<b>\$ 1,136,411,674</b>	<b>\$ 2,878,161,480</b>	<b>\$ 4,014,573,154</b>



<sup>1</sup> Includes 30 records from the 1996 Account with less than a year of service who are missing a salary. Their salaries were defaulted to the average salary of \$56,607.



**APPENDIX A – MEMBERSHIP DATA**

**AGE AND SERVICE DISTRIBUTION<sup>1</sup>  
As of June 30, 2020 for the June 30, 2021 Valuation  
Combined TRF Plans**

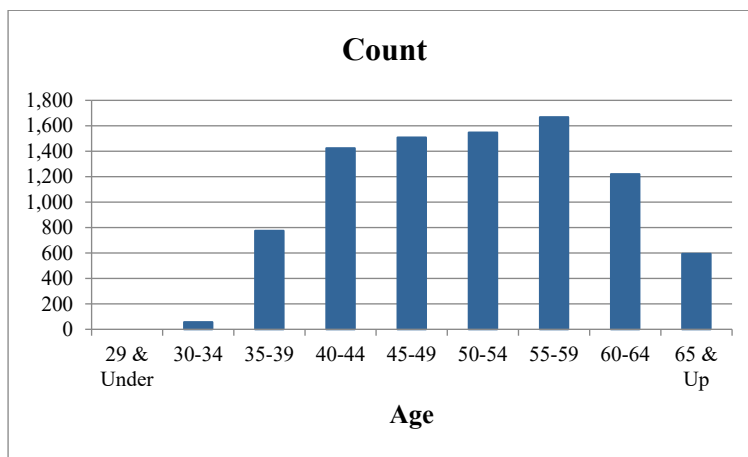
Age		0-4	5-9	10-14	15-19	20-24	25-29	30-34	Over 34	Total
<b>24 &amp; Under</b>	Number	1,459	1	0	0	0	0	0	0	1,460
	Total Salary	\$ 55,846,979	\$ 42,244	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 55,889,223
	Average Sal.	\$ 38,278	\$ 42,244	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 38,280
<b>25-29</b>	Number	5,339	1,679	1	0	0	0	0	0	7,019
	Total Salary	\$ 226,406,030	\$ 77,883,153	\$ 52,726	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 304,341,909
	Average Sal.	\$ 42,406	\$ 46,387	\$ 52,726	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 43,360
<b>30-34</b>	Number	2,213	5,504	953	1	0	0	0	0	8,671
	Total Salary	\$ 95,302,347	\$ 266,580,917	\$ 53,091,367	\$ 55,243	\$ 0	\$ 0	\$ 0	\$ 0	\$ 415,029,874
	Average Sal.	\$ 43,065	\$ 48,434	\$ 55,710	\$ 55,243	\$ 0	\$ 0	\$ 0	\$ 0	\$ 47,864
<b>35-39</b>	Number	1,618	2,627	4,464	1,359	2	0	0	0	10,070
	Total Salary	\$ 70,400,713	\$ 133,183,569	\$ 257,917,038	\$ 87,812,350	\$ 101,042	\$ 0	\$ 0	\$ 0	\$ 549,414,712
	Average Sal.	\$ 43,511	\$ 50,698	\$ 57,777	\$ 64,615	\$ 50,521	\$ 0	\$ 0	\$ 0	\$ 54,560
<b>40-44</b>	Number	1,307	1,690	1,941	4,387	1,325	4	0	0	10,654
	Total Salary	\$ 58,012,445	\$ 86,473,895	\$ 113,839,754	\$ 293,266,332	\$ 96,414,771	\$ 297,389	\$ 0	\$ 0	\$ 648,304,586
	Average Sal.	\$ 44,386	\$ 51,168	\$ 58,650	\$ 66,849	\$ 72,766	\$ 74,347	\$ 0	\$ 0	\$ 60,851
<b>45-49</b>	Number	1,027	1,273	1,213	1,733	3,702	818	1	0	9,767
	Total Salary	\$ 45,828,818	\$ 64,249,020	\$ 69,932,629	\$ 112,620,702	\$ 271,835,853	\$ 65,824,736	\$ 117,546	\$ 0	\$ 630,409,304
	Average Sal.	\$ 44,624	\$ 50,471	\$ 57,653	\$ 64,986	\$ 73,429	\$ 80,470	\$ 117,546	\$ 0	\$ 64,545
<b>50-54</b>	Number	722	920	953	1,203	1,802	2,662	694	5	8,961
	Total Salary	\$ 32,438,538	\$ 47,470,239	\$ 54,039,157	\$ 77,997,368	\$ 131,615,019	\$ 208,398,243	\$ 56,227,760	\$ 329,963	\$ 608,516,287
	Average Sal.	\$ 44,929	\$ 51,598	\$ 56,704	\$ 64,836	\$ 73,038	\$ 78,286	\$ 81,020	\$ 65,993	\$ 67,907
<b>55-59</b>	Number	403	468	608	788	951	996	1,744	531	6,489
	Total Salary	\$ 16,829,782	\$ 23,820,249	\$ 34,244,442	\$ 50,473,395	\$ 67,465,167	\$ 76,170,624	\$ 139,243,793	\$ 42,898,996	\$ 451,146,448
	Average Sal.	\$ 41,761	\$ 50,898	\$ 56,323	\$ 64,053	\$ 70,941	\$ 76,477	\$ 79,842	\$ 80,789	\$ 69,525
<b>60-64</b>	Number	234	259	343	435	600	484	499	1,072	3,926
	Total Salary	\$ 9,651,074	\$ 13,087,565	\$ 18,964,394	\$ 27,828,617	\$ 41,757,732	\$ 36,323,732	\$ 39,818,084	\$ 87,402,151	\$ 274,833,349
	Average Sal.	\$ 41,244	\$ 50,531	\$ 55,290	\$ 63,974	\$ 69,596	\$ 75,049	\$ 79,796	\$ 81,532	\$ 70,003
<b>65 &amp; Up</b>	Number	139	126	118	135	135	101	97	373	1,224
	Total Salary	\$ 3,347,145	\$ 4,356,090	\$ 5,671,377	\$ 8,341,585	\$ 9,336,235	\$ 7,642,602	\$ 7,508,021	\$ 30,484,407	\$ 76,687,462
	Average Sal.	\$ 24,080	\$ 34,572	\$ 48,063	\$ 61,790	\$ 69,157	\$ 75,669	\$ 77,402	\$ 81,728	\$ 62,653
<b>Total</b>	Number	14,461	14,547	10,594	10,041	8,517	5,065	3,035	1,981	68,241
	Total Salary	\$ 614,063,871	\$ 717,146,941	\$ 607,752,884	\$ 658,395,592	\$ 618,525,819	\$ 394,657,326	\$ 242,915,204	\$ 161,115,517	\$ 4,014,573,154
	Average Sal.	\$ 42,463	\$ 49,299	\$ 57,368	\$ 65,571	\$ 72,622	\$ 77,919	\$ 80,038	\$ 81,330	\$ 58,829

<sup>1</sup> Includes 30 records from the 1996 Account with less than a year of service who are missing a salary. Their salaries were defaulted to the average salary of \$56,607.



**INACTIVE VESTED MEMBERS**  
**As of June 30, 2020 for the June 30, 2021 Valuation**  
**Combined TRF Plans**

<u>Age</u>	<u>Count of Members</u>		
	<u>Male</u>	<u>Female</u>	<u>Total</u>
29 & Under	0	0	0
30-34	13	44	57
35-39	186	589	775
40-44	380	1,043	1,423
45-49	477	1,031	1,508
50-54	458	1,089	1,547
55-59	370	1,298	1,668
60-64	252	968	1,220
65 & Up	<u>134</u>	<u>459</u>	<u>593</u>
Total	2,270	6,521	8,791

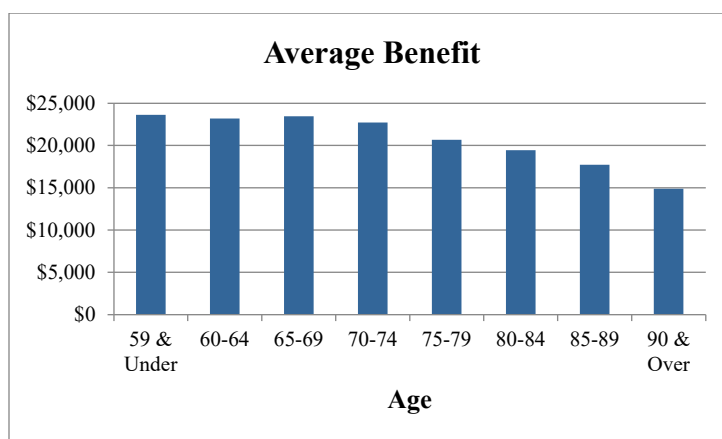
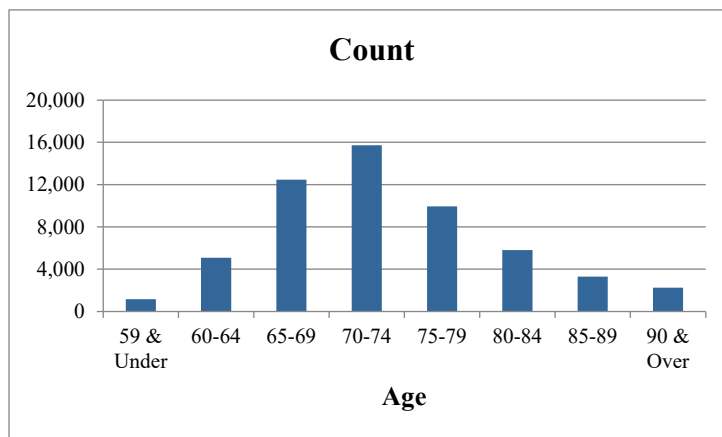




**APPENDIX A – MEMBERSHIP DATA**

**RETIRED MEMBERS  
As of June 30, 2020 for the June 30, 2021 Valuation  
Combined TRF Plans**

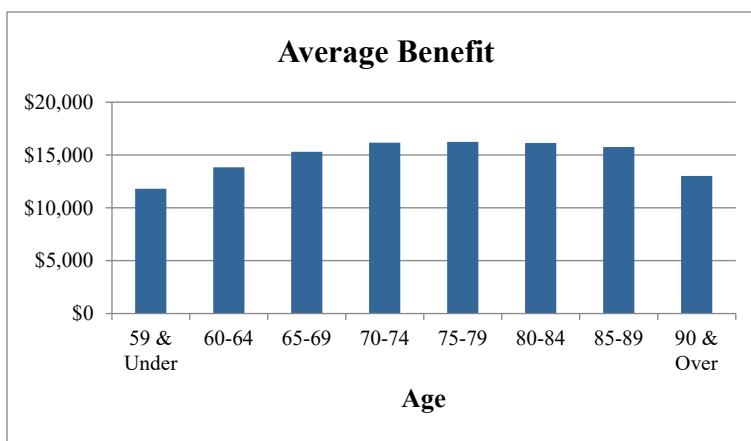
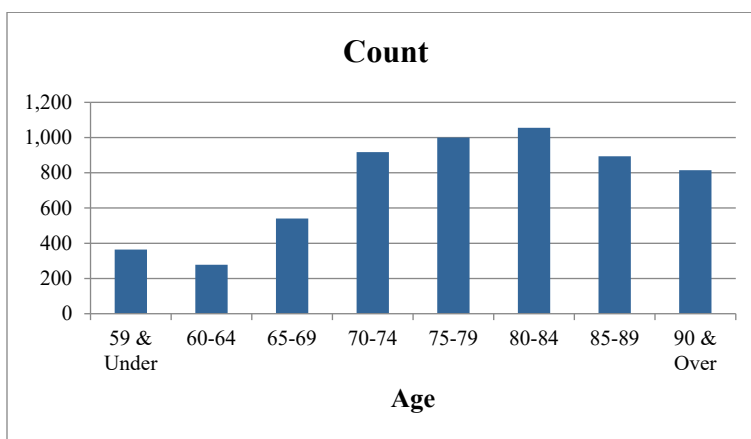
<u>Age</u>	<u>Count of Members</u>			<u>Annual Benefits</u>		
	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
59 & Under	327	827	1,154	\$ 7,888,326	\$ 19,374,254	\$ 27,262,580
60-64	1,275	3,802	5,077	31,989,784	85,703,117	117,692,901
65-69	3,166	9,298	12,464	82,511,060	209,692,431	292,203,491
70-74	4,668	11,051	15,719	119,747,891	237,421,317	357,169,208
75-79	3,552	6,383	9,935	83,772,830	121,640,271	205,413,101
80-84	2,208	3,600	5,808	49,113,675	63,752,748	112,866,423
85-89	1,281	2,018	3,299	26,465,713	32,008,496	58,474,209
90 & Over	<u>682</u>	<u>1,563</u>	<u>2,245</u>	<u>12,774,944</u>	<u>20,618,760</u>	<u>33,393,704</u>
Total	17,159	38,542	55,701	\$ 414,264,223	\$ 790,211,394	\$ 1,204,475,617





**BENEFICIARIES RECEIVING BENEFITS**  
**As of June 30, 2020 for the June 30, 2021 Valuation**  
**Combined TRF Plans**

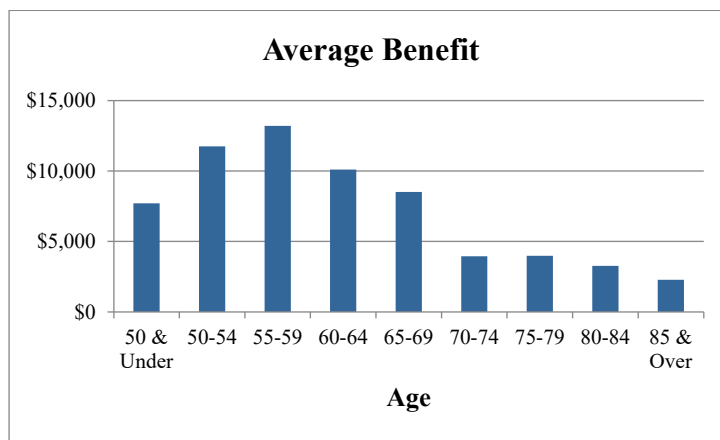
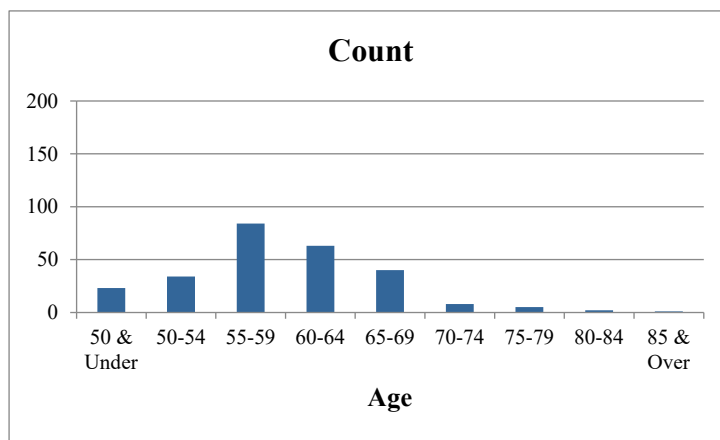
<u>Age</u>	<u>Count of Members</u>			<u>Annual Benefits</u>		
	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
59 & Under	154	210	364	\$ 1,698,807	\$ 2,598,580	\$ 4,297,387
60-64	112	166	278	1,453,675	2,392,053	3,845,728
65-69	218	322	540	2,845,352	5,418,042	8,263,394
70-74	328	589	917	4,863,864	9,950,273	14,814,137
75-79	287	713	1,000	3,963,553	12,276,299	16,239,852
80-84	229	826	1,055	3,101,400	13,917,268	17,018,668
85-89	170	724	894	2,082,634	11,996,160	14,078,794
90 & Over	<u>105</u>	<u>710</u>	<u>815</u>	<u>984,649</u>	<u>9,617,166</u>	<u>10,601,815</u>
Total	1,603	4,260	5,863	\$ 20,993,934	\$ 68,165,841	\$ 89,159,775





**DISABLED MEMBERS**  
**As of June 30, 2020 for the June 30, 2021 Valuation**  
**Combined TRF Plans**

Age	Count of Members			Annual Benefits		
	Male	Female	Total	Male	Female	Total
50 & Under	2	21	23	\$ 14,259	\$ 162,979	\$ 177,238
50-54	9	25	34	91,762	307,535	399,297
55-59	21	63	84	298,275	810,447	1,108,722
60-64	15	48	63	150,840	485,396	636,236
65-69	8	32	40	97,280	242,857	340,137
70-74	2	6	8	9,893	21,653	31,546
75-79	1	4	5	3,637	16,263	19,900
80-84	0	2	2	0	6,530	6,530
85 & Over	<u>0</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>2,274</u>	<u>2,274</u>
Total	58	202	260	\$ 665,946	\$ 2,055,934	\$ 2,721,880





MEMBERS AND BENEFICIARIES RECEIVING BENEFITS  
As of June 30, 2020 for the June 30, 2021 Valuation  
1996 Account

Schedule of Average Benefit Payments <sup>1,2</sup>

For the Year Ended June 30, 2021	Years of Credited Service						Total
	< 10	10 - 14	15 - 19	20 - 24	25 - 29	30 +	
Average Monthly Defined Benefit	\$158	\$492	\$800	\$1,178	\$1,585	\$2,336	\$1,329
Average Monthly DC Annuity <sup>3</sup>	\$70	\$152	\$242	\$337	\$495	\$744	\$392
Average Final Average Salary <sup>4</sup>	\$38,226	\$46,721	\$56,490	\$63,610	\$68,661	\$77,724	\$63,464
Number of Benefit Recipients	182	1,046	2,139	1,601	1,173	2,146	8,287

<sup>1</sup> Calculated using the prior year census data, adjusted for certain activity during the fiscal year.

<sup>2</sup> Members with less than 10 years of service are primarily members receiving a disability benefit.

<sup>3</sup> This represents those retirees who elected to receive their DC account as a supplemental monthly payment in addition to the monthly Defined Benefit payment.

<sup>4</sup> Excludes the 99 in-pay members who are missing a final average salary in the data.



**MEMBERS AND BENEFICIARIES RECEIVING BENEFITS  
As of June 30, 2020 for the June 30, 2021 Valuation  
1996 Account**

**Schedule of Benefit Recipients by Type of Benefit Option <sup>1,2</sup>**

Amount of Monthly Benefit (in dollars)	Number of Recipients by Benefit Option							Total Benefit Recipients
	5-Year Certain & Life	Straight Life	Joint with 100% Survivor Benefits	Joint with Two- Thirds Survivor Benefits	Joint with One-Half Survivor Benefits	Survivors	Disability	
1 - 500	279	250	178	36	42	90	55	930
501 - 1,000	628	584	509	116	193	115	62	2,207
1,001 - 1,500	487	577	475	139	201	58	24	1,961
1,501 - 2,000	336	362	348	107	149	41	5	1,348
2,001 - 2,500	192	198	244	65	120	26	2	847
2,501 - 3,000	66	128	132	44	51	10	0	431
Over 3,000	106	124	178	66	78	9	2	563
Total	2,094	2,223	2,064	573	834	349	150	8,287

<sup>1</sup> Calculated using the prior year census data, adjusted for certain activity during the fiscal year.

<sup>2</sup> Members who elected Social Security Integration were included in their selected benefit option of either 5-Year Certain & Life, Straight Life, Modified Cash Refund Plus 5-Year Certain & Life, Joint With 100% Survivor Benefits, Joint With Two-Thirds Survivor Benefits, or Joint With One-Half Survivor Benefits.





**MEMBERS AND BENEFICIARIES RECEIVING BENEFITS**  
**As of June 30, 2020 for the June 30, 2021 Valuation**  
**1996 Account**

**Schedule of Retirees and Beneficiaries <sup>1</sup>**

	<u>Added to Rolls</u>		<u>Removed from Rolls</u>		<u>Rolls - End of Year</u>		<b>Percent Change In Total Annual Benefits</b>	<b>Average Annual Benefit</b>	<b>Percent Change In Average Annual Benefit</b>
	<b>Number</b>	<b>Annual Benefits<sup>2</sup></b>	<b>Number</b>	<b>Annual Benefits<sup>2</sup></b>	<b>Number</b>	<b>Total Annual Benefits<sup>2</sup></b>			
2021 <sup>3</sup>	760	\$12,813	69	\$977	8,287	\$143,690	8.9%	\$17,339	(0.2%)
2020 <sup>3</sup>	619	10,236	64	927	7,596	132,004	7.4	17,378	(0.5)
2019 <sup>3</sup>	798	13,285	46	566	7,041	122,935	11.3	17,460	(0.6)
2018 <sup>3</sup>	710	9,562	217	1,002	6,289	110,423	8.1	17,558	(0.4)
2017 <sup>3</sup>	855	12,106	36	564	5,796	102,178	12.1	17,629	(3.8)
2016 <sup>3</sup>	858	16,075	17	305	4,977	91,160	20.4	18,316	0.1
2015 <sup>3</sup>	499	9,101	28	353	4,136	75,714	12.7	18,306	(0.1)
2014 <sup>3</sup>	0	12,216	0	251	3,665	67,169	0.0	18,327	0.0
2013	712	12,216	18	251	3,665	67,169	21.1	18,327	(1.8)
2012	433	8,132	16	236	2,971	55,475	15.8	18,672	(0.4)

<sup>1</sup> Dollar amounts are in thousands except for the average annual benefit.

<sup>2</sup> Annual benefits includes members selecting an annuity for their DC account. End of year annual benefits are not equal to prior end of year annual benefits plus additions less removals due to beneficiary benefit changes, data changes, and COLA increases.

<sup>3</sup> The valuation results were calculated using the prior year census data, adjusted for certain activity during the fiscal year.



## APPENDIX B – SUMMARY OF PLAN PROVISIONS

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### Definitions

Fiscal year	Twelve month period ending June 30.
Participation	Any full-time Indiana teachers in a public school corporation, certain INPRS employees, and some employees in charter schools, innovation schools, turnaround schools and public universities who were hired after June 30, 1995.
Average annual compensation	Average of highest five years of compensation. Years do not need to be consecutive.
Member contributions	All Fund members are required by state law to contribute 3% of salary contributions to their Defined Contribution Account. These 3% contributions are generally “picked up” by the employer and contributed on a pre-tax basis on behalf of the employee. Extra voluntary contributions by the member are also possible, but on a post-tax basis. At retirement, there are six alternatives for receiving the proceeds of this account, including lump sums, full and partial rollovers, full and partial annuitization of the balance, and deferred distribution.
Minimum pension benefit	The minimum pension benefit paid to a regularly retired member receiving an unreduced pension benefit is \$185 per month effective July 1, 2017 per SEA 46.

### Eligibility for Benefits

Deferred vested	Ten years of service. Benefit commences at regular or early retirement eligibility.
Disability retirement	
Regular disability benefit	Five years of service.
Disability retirement benefit	Five years of service and determined to be disabled by the Social Security Administration. Annual verification of Social Security disability is required.
Early retirement	Age 50 with 15 years of service.
Normal retirement	Age 65 with ten years of service, or age 60 with 15 years of service, or if age is at least 55 and the sum of age plus credited service is at least 85.
Pre-retirement death	10 years of service. Spouse to whom member had been married for two or more years is automatically eligible, or a dependent may be designated as beneficiary.



## APPENDIX B – SUMMARY OF PLAN PROVISIONS

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### Monthly Benefits Payable

Normal retirement	State pension equal to total service times 1.1% of Average Annual Compensation. Beginning July 1, 2017, the minimum pension benefit is \$185 per month.
Early retirement	State pension is computed as regular retirement benefit, but reduced for each month between age at early retirement and attainment of age 65. The age reduction factor is calculated as the sum of the following: <ul style="list-style-type: none"><li>• 1/10 of 1% for each month from age 60 to 65.</li><li>• 5/12 of 1% for each month from age at early retirement to 60.</li></ul>
Deferred retirement	Computed as a regular retirement benefit with state pension based on service and Average Annual Compensation at termination.
Disability	
Regular disability benefit	\$125 per month plus \$5 per month for each year of service credit over five years.
Disability retirement benefit	Computed as a regular retirement benefit using creditable service to the date of disability and without reduction for early retirement. The minimum benefit is \$180 per month.
Pre-retirement death	The spouse or dependent beneficiary is entitled to receive the monthly life benefit payable immediately under the assumption that the member retired on the later of age 50 or the date before the date of death and elected the joint and full survivor option. If eligible for normal retirement at death, the minimum pension benefit is \$185 per month.
Cost-of-Living-Adjustments	<p>The employer-funded monthly pension benefits for members in pay status are increased periodically to preserve purchasing power that is diminished due to inflation. Such increases are not guaranteed by Statute and will only be provided by legislative action.</p> <p>A "13<sup>th</sup> check" was paid to each member in pay status during fiscal year 2018, 2019, 2020 and 2021. The amount of the 13th check varied based on the years of creditable service the member had earned prior to retirement.</p> <p>Legislation passed in the 2018 legislative session creates a funding mechanism to provide for future benefit increases or 13<sup>th</sup> checks. The INPRS Board has the authority to have</p>



**APPENDIX B – SUMMARY OF PLAN PROVISIONS**

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employers contribute up to 1% of member pay into the fund. Increases or payments are made upon passed legislation subject to the availability of funds to provide the benefit. Legislation passed in 2021 provided for a 1% increase effective January 1, 2022 and no increase through the remainder of the biennium.

Forms of payment

The normal form of benefit payment (Option A-1) is a single life annuity with a five-year certain period. There are five optional forms of payment available, as listed below. Additionally, members retiring between ages 50 and 62 may integrate their pension benefit with their Social Security benefit by choosing Social Security Integration (Option A-4) in conjunction with the normal form or any other optional form selected. Optional forms of payment are calculated on an actuarially equivalent basis.

Additional Forms of Payment

- Option A-2: Straight Life benefit with no certain period
- Option A-3: Modified Cash Refund Annuity (operates in conjunction with the Defined Contribution Account)
- Option B-1: 100% Survivorship
- Option B-2: 66 2/3% Survivorship
- Option B-3: 50% Survivorship

State law provides for actuarially-adjusted and re-calculated benefits based on a new optional form election in the event of the death of the member’s spouse after retirement.

**Changes in Plan Provisions since the Prior Year**

House Enrolled Act No. 1001 was passed in April 2021 and granted a 1.00% cost-of-living adjustment effective January 1, 2022 to be paid from the Supplemental Reserve Account. No supplemental benefits were granted for fiscal year 2023.



## **ACTUARIAL METHODS**

### **1. Actuarial Cost Method**

The actuarial cost method is Entry Age Normal - Level Percent of Payroll.

The normal cost is calculated separately for each active member and is equal to the level percentage of payroll needed as an annual contribution from entry age to retirement age to fund projected benefits. The actuarial accrued liability on any valuation date is the accumulated value of such normal costs from entry age to the valuation date.

For funding, gains and losses occurring from census experience different than assumed, assumption changes, and benefit changes are amortized over a 20-year period with level payments each year. A new gain or loss base is established each year based on the additional gain or loss during that year and that base is amortized over a new 20-year period. However, when the plan is at or above 100% funded (based on Actuarial Value of Assets), the past amortization bases are considered fully amortized and a single amortization base equal to the surplus is amortized over a 30-year period with level payments each year. The purpose of the method is to give a smooth progression of the costs from year to year and, at the same time, provide for an orderly funding of the unfunded liabilities.

For accounting, gains and losses occurring from census experience different than assumed and assumption changes are amortized into expense over the average expected future service of all plan participants. Gains and losses occurring from investment experience different than assumed are amortized into expense over a 5-year period. The effect of plan changes on the plan liability are fully recognized in expense in the year in which they occur.

Member census data as of June 30, 2020 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2020 and June 30, 2021. The valuation results from June 30, 2020 were rolled-forward to June 30, 2021 to reflect benefit accruals during the year less benefits paid.

### **2. COLA Surcharge**

The COLA Surcharge is developed by determining the assets needed at the start of the next biennium to fund the post-retirement benefit increases anticipated to be granted in that biennium. This amount is divided by the present value of expected payroll over which the accumulations will occur.

### **3. Asset Valuation Method**

Actuarial Value of Assets is equal to a five-year smoothing of gains and losses on the Market Value of Assets subject to a 20% corridor.



## **APPENDIX C – SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS**

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### **4. Anticipated Payroll**

The Anticipated Payroll for the fiscal year beginning July 1, 2021 is equal to the actual payroll during the year ending June 30, 2021, increased with one year of salary scale.

### **5. Employer Contribution Rates**

Based on the assumptions and methods previously described, an actuarially determined contribution rate is computed for each employer. The Board considers this information and has ultimate authority in setting the employer contribution rates.

### **Changes in Methods since the Prior Year**

None.



**APPENDIX C – SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS**

**ACTUARIAL ASSUMPTIONS**

Valuation Date June 30, 2021

**Economic Assumptions**

1. Investment return 6.25% per year, compounded annually (net of administrative and investment expenses)

2. Inflation 2.00% per year

3. Salary increase

Service	Wage Inflation	Merit	Salary Increase
0-1	2.65%	9.25%	11.90%
2	2.65%	4.25%	6.90%
3	2.65%	2.75%	5.40%
4-14	2.65%	1.75%	4.40%
15	2.65%	1.50%	4.15%
16	2.65%	1.25%	3.90%
17	2.65%	1.00%	3.65%
18	2.65%	0.75%	3.40%
19	2.65%	0.50%	3.15%
20	2.65%	0.25%	2.90%
21+	2.65%	0.00%	2.65%

4. Cost-of-Living Adjustment (COLA) Members in pay were granted a 1.00% COLA effective January 1, 2022 for the next biennium. Thereafter, the following COLAs, compounded annually, were assumed:

- 0.4% beginning on January 1, 2024
- 0.5% beginning on January 1, 2034
- 0.6% beginning on January 1, 2039

**Demographic Assumptions**

1. Mortality Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019.

*Healthy Employees* – Teacher Employee table with a 1 year set forward for males and a 1 year set forward for females.

*Retirees* – Teacher Retiree table with a 1 year set forward for males and a 1 year set forward for females.

*Beneficiaries* – Contingent Survivor table with no set forward for males and a 2 year set forward for females.

*Disableds* – General Disabled table with a 140% load.



**APPENDIX C – SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS**

2. Disability

Age	Sample Rates
<=36	0.005%
40	0.009%
45	0.014%
50	0.034%
55	0.061%
56-65	0.070%
66+	0.000%

3. Retirement

Age	Eligible for Reduced Benefit	Eligible for Unreduced Benefit
50-53	2.0%	N/A
54	5.0%	N/A
55-56	5.0%	15%
57	6.5%	15%
58	8.0%	15%
59	12.0%	15%
60	N/A	15%
61	N/A	20%
62	N/A	25%
63	N/A	30%
64	N/A	35%
65-74	N/A	40%
75+	N/A	100%

Active members: 30% commence benefit immediately (reduced for early retirement, if applicable). 70% defer to earliest unreduced retirement date.

Inactive vested members are assumed to commence their retirement benefit at their earliest normal retirement date.





## APPENDIX C – SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS

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### 4. Termination

Service	Male	Female
0	15.00%	12.50%
1	13.00%	11.50%
2	11.00%	10.50%
3	9.00%	9.50%
4	8.00%	8.50%
5	7.00%	7.50%
6	6.00%	6.50%
7	5.00%	5.50%
8	4.50%	5.00%
9	4.00%	4.50%
10	3.75%	4.00%
11	3.50%	3.50%
12	3.25%	3.25%
13	3.00%	3.00%
14	2.75%	2.75%
15	2.50%	2.50%
16+	2.25%	2.25%

### Other Assumptions

1. Form of payment  
100% of members are assumed to elect the normal form of benefit payment (Option A-1), a single life annuity with a five-year certain period.
2. Marital status
  - a. Percent married  
80% of male members and 75% of female members are assumed to be married and or to have a dependent beneficiary.
  - b. Spouse's age  
Male members are assumed to be three (3) years older than their spouses and female members are assumed to be two (2) years younger than their spouses.
3. Decrement timing  
Decrements are assumed to occur at the beginning of the year.
4. Miscellaneous adjustments  
For active members, the Average Annual Compensation was increased by \$200 for additional wages received upon termination, such as severance or unused sick leave.



## **APPENDIX C – SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS**

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### **Changes in Assumptions since the Prior Year**

As a result of the Asset-Liability work completed and discussed at the May 7, 2021 Board meeting, the Board made portfolio revisions and adopted a new set of economic assumptions for the June 30, 2021 actuarial valuations as follows:

- The investment return assumption was lowered from 6.75% (as of June 30, 2020) to 6.25%.
- Price inflation was lowered from 2.25% (as of June 30, 2020) to 2.00%.
- General wage inflation was lowered from 2.75% (as of June 30, 2020) to 2.65%.

Legislation granted a 1.00% cost-of-living adjustment effective January 1, 2022 to be paid from the Supplemental Reserve Account. No supplemental benefits were granted for fiscal year 2023. This replaces the COLA assumption of 0.4% for Fiscal Years 2022 and 2023 but does not change the assumption for future years.

### **Data Adjustments**

Active and retired member data is reported as of June 30. Member census data as of June 30, 2020 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2020 and June 30, 2021. Standard actuarial roll-forward techniques were then used to project the total pension liability computed as of June 30, 2020 to the June 30, 2021 measurement date.

The member census data and the asset information for this valuation were furnished as of June 30, 2020. We did not audit the information provided, but we did review it thoroughly for reasonableness and compared it with the prior year's submission for consistency.

Actives and inactives with no date of birth are assumed to be the average age of the member population with their respective status. Additionally, payroll for new hires is annualized, and actives missing a salary are assumed to earn the average active salary amount. For members reported with no gender, the member is assumed to be female.

### **Other Technical Valuation Procedures**

Salary increases are assumed to apply to annual amounts.

Decrements are assumed to occur at the beginning of the year. Standard adjustments are made for multiple decrements.

No actuarial liability is included for participants who terminated without being vested prior to the valuation date.



## APPENDIX D – GLOSSARY OF ACTUARIAL TERMS

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<b>Accrued Service</b>	Service credited under the system that was rendered before the date of the actuarial valuation.
<b>Actuarial Assumptions</b>	Estimates of future experience with respect to demographic or economic events. Demographic assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of an underlying rate in an inflation-free environment plus a provision for a long-term average rate of inflation.
<b>Actuarial Cost Method</b>	A mathematical budgeting procedure for allocating the dollar amount of the actuarial present value of retirement system benefits between future normal cost and actuarial accrued liability. Sometimes referred to as the “actuarial funding method.”
<b>Actuarial Equivalent</b>	A single amount or series of amounts of equal value to another single amount or series of amounts computed on the basis of a given set of actuarial assumptions.
<b>Actuarial Accrued Liability</b>	The difference between the actuarial present value of system benefits and the actuarial value of future normal costs. Also referred to as “accrued liability” or “actuarial liability.”
<b>Actuarial Present Value</b>	The amount of funds currently required to provide a payment or series of payments in the future. It is determined by discounting future payments at predetermined rates of interest and by probabilities of payment.
<b>Amortization</b>	Paying off an interest-discounted amount with periodic payments of interest and principal, as opposed to paying off with lump sum payment.
<b>Experience Gain (Loss)</b>	The difference between actual experience and actuarial assumptions anticipated experience during the period between two actuarial valuation dates.
<b>Normal Cost</b>	The actuarial present value of retirement system benefits allocated to the current year by the actuarial cost method.
<b>Unfunded Actuarial Accrued Liability</b>	<p>The difference between actuarial liability and the actuarial value of assets. Sometimes referred to as “unfunded accrued liability” or “unfunded liability”.</p> <p>Most retirement systems have unfunded actuarial liability. They arise anytime new benefits are added and anytime an actuarial loss is realized.</p>