2023

For the Fiscal Year Ended
June 30, 2023

INPRS
INDIANA PUBLIC RETIREMENT SYSTEM

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Prepared through the joint efforts of INPRS's team members. Available online at www.in.gov/inprs

The Indiana Public Retirement System is a component unit and a pension trust fund of the State of Indiana.

2023 ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2023

INPRS is a component unit and a pension trust fund of the State of Indiana.

INPRS is a trust and an independent body corporate and politic. The system is not a department or agency of the state, but is an independent instrumentality exercising essential governmental functions (IC 5-10.5-2-3).

	FUNDS MANAGED BY INPRS	ABBREVIATIONS USED
	Defined Benefit	**DB Fund**
1.	Public Employees' Defined Benefit Account	PERF DB
2.	Teachers' Pre-1996 Defined Benefit Account	TRF Pre-'96 DB
3.	Teachers' 1996 Defined Benefit Account	TRF '96 DB
4.	1977 Police Officers' and Firefighters' Retirement Fund	77 Fund
5.	Judges' Retirement System	JRS
6.	Excise, Gaming and Conservation Officers' Retirement Fund	EG&C
7.	Prosecuting Attorneys' Retirement Fund	PARF
8.	Legislators' Defined Benefit Fund	LE DB
	Defined Contribution	**DC Fund**
9.	Public Employees' Defined Contribution Account	PERF DC
10.	My Choice: Retirement Savings Plan for Public Employees	PERF MC DC
11.	Teachers' Defined Contribution Account	TRF DC
12.	My Choice: Retirement Savings Plan for Teachers	TRF MC DC
13.	Legislators' Defined Contribution Fund	LE DC
	Other Post Employment Benefit	**OPEB Fund**
14.	Special Death Benefit Fund	SDBF
15.	Retirement Medical Benefits Account Plan	RMBA
	Custodial	**Custodial Fund**
16.	Local Public Safety Pension Relief Fund	LPSPR

Contact Information
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INPRS
INDIANA PUBLIC RETIREMENT SYSTEM

Financial Section

$4.3 Billion
Increase in net position over the previous fiscal year

$3.4 Billion
Benefits and distributions paid to members

$19.8 Million
Additional funds issued as COLA payments

$4.2 Billion
Funds appropriated to fund the pay-as-you-go TRF Pre-'96 DB plan

INPRS
INDIANA PUBLIC RETIREMENT SYSTEM

RSM US LLP

Independent Auditor's Report

Board of Trustees
Indiana Public Retirement System

Opinion

We have audited the financial statements of the Indiana Public Retirement System (the System), a component unit of the State of Indiana, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the fiduciary net position of the System, as of June 30, 2023, and the changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the System, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter - Prior-Year Comparative Information

The financial statements include partial prior-year comparative information. Such information does not include all of the information required or sufficient detail to constitute a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the System's financial statements for the year ended June 30, 2022, from which such partial information was derived.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the System's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the System's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the schedules of changes in net pension liability and related ratios, schedule of contributions, schedule of investment returns, annual money-weighted rate of return, net of investment expense and the related schedule of notes to required supplementary information be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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.

Supplementary Information

Our audit for the year ended June 30, 2023 was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the System's basic financial statements. The other supplementary information including the schedule of administrative expenses, schedule of administrative expenses – vendors and the schedule of direct investment expenses for the year ended June 30, 2023 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2023 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 GAAS. In our opinion, the other supplementary information including the schedule of administrative expenses, schedule of administrative expenses – vendors and the schedule of direct investment expenses is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2023.

We also previously audited, in accordance with GAAS, the basic financial statements of the System as of and for the year ended June 30, 2022 (not presented herein), and have issued our report thereon dated December 8, 2022 which contained an unmodified opinion on those basic financial statements. The other supplementary information including the schedule of administrative expenses, schedule of administrative expenses – vendors and the schedule of direct investment expenses for the year ended June 30, 2022 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2022 financial statements. The information was subjected to the audit procedures applied in the audit of the 2022 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information including the schedule of administrative expenses, schedule of administrative expenses – vendors and the schedule of direct investment expenses is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2022.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory, investment, actuarial and statistical sections but does not include the basic financial statements and our auditor’s report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Summarized Comparative Information

We have previously audited the System’s 2022 financial statements, and we expressed an unmodified opinion on the basic financial statements of the System in our report dated December 8, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

RSM US LLP

Indianapolis, Indiana
December 12, 2023

Management's Discussion and Analysis

Introduction

Management’s Discussion and Analysis (MD&A) provides details of INPRS’s financial performance during the fiscal year ended June 30, 2023. The MD&A is intended to serve as an introduction to INPRS’s financial statements that we present in conjunction with the Letter of Transmittal included in the Introductory Section. Reviewing these statements, along with the accompanying notes, Investment, Actuarial, and Statistical sections, will provide for a comprehensive understanding of INPRS’s financial position.

The Statement of Fiduciary Net Position is a point-in-time snapshot of the net assets available to pay for future benefits owed as of the statement date. The Statement of Changes in Fiduciary Net Position presents the additions and deductions for the fiscal year. Major sources of additions are contributions and investments gains. Major sources of deductions are benefit disbursements, investment losses, distributions of contributions and interest, pension relief distributions, and administrative expenses.

Notes to the Financial Statements provide additional analysis that is essential for a complete understanding of the information provided in the financial statements. The notes describe the history and purpose of the plans, current information about accounting and investment policies, actuarial methods and assumptions, as well as subsequent events that may impact INPRS’s financial position.

The Required Supplementary Information includes schedules about the changes in the net pension liability, employer contributions, actuarial assumptions used to calculate the actuarially determined contributions, historical trends, along with other information used in evaluating the financial condition of INPRS.

INPRS administers 16 funds consisting of eight defined benefit and five defined contribution retirement funds, two other postemployment benefit funds, and one custodial fund (refer to Note 1 for further details). PERF DC and PERF MC DC are consolidated on the financial statements for reporting purposes and shown as PERF DC. The TRF DC and TRF MC DC funds are consolidated on the financial statements for reporting purposes and shown as TRF DC.

Management Discussion

Financial Highlights

The Fiduciary Net Position of INPRS held in trust to pay pension benefits and refund of contributions was $46.7 billion as of June 30, 2023. The amount reflects an increase of $4.3 billion from the prior year. This change is primarily the result of additional appropriations received for TRF Pre-'96 DB, as well as modest investment earnings.

- INPRS's Net Investment Income/Loss for the years ended June 30, 2023, and June 30, 2022, was $1.7 billion and -$3.3 billion, respectively. The money-weighted rate of return for INPRS assets, net of investment expense, was 3.7% for the year ended June 30, 2023, and -7.0% for the year ended June 30, 2022.
- Contributions from employers, members, and appropriations were $6.1 billion for the year ended June 30, 2023, compared to $3.2 billion for the fiscal year ended June 30, 2022. The $2.9 billion increase was predominantly due to TRF Pre-'96 DB receiving $3.2 billion in additional state funding during the fiscal year.
- Net position for the Supplemental Reserve Accounts at June 30, 2023, totaled $355.0 million. These reserves were utilized to pay postretirement benefit increases for PERF DB, TRF Pre-'96 DB, TRF '96 DB, EG&C, and LE DB enacted since June 30, 2018.
- Benefits, administrative expenses, and refunds of contributions and interest totaled $3.4 billion for the year ended June 30, 2023, compared to $3.4 billion for the year ended June 30, 2022. Benefits paid included a distribution of $19.8 million as a COLA to benefit recipients of PERF DB, TRF Pre-'96 DB, TRF '96 DB, EG&C, and LE DB.

CONDENSED SUMMARY OF TOTAL FIDUCIARY NET POSITION RESTRICTED

(dollars in millions)	Defined Benefit		Defined Contribution		OPEB and Custodial		Total		Increase/(Decrease)	
Assets	2023	2022	2023	2022	2023	2022	2023	2022	Amount	Percent
Investments	$ 48,498	$ 44,430	$ 6,593	$ 6,023	$ 405	$ 387	$ 55,496	$ 50,840	$ 4,656	9.2 %
Other Assets	36	23	12	7	29	44	77	74	3	4.1
Total Assets	**48,534**	**44,453**	**6,605**	**6,030**	**434**	**431**	**55,573**	**50,914**	**4,659**	9.2
Liabilities										
Investments	8,740	8,347	76	25	—	—	8,816	8,372	444	5.3
Other Liabilities	15	124	6	7	—	—	21	131	(110)	(84.0)
Total Liabilities	**8,755**	**8,471**	**82**	**32**	**—**	**—**	**8,837**	**8,503**	**334**	3.9
Net Position	**$ 39,779**	**$ 35,982**	**$ 6,523**	**$ 5,998**	**$ 434**	**$ 431**	**$ 46,736**	**$ 42,411**	**$ 4,325**	**10.2 %**

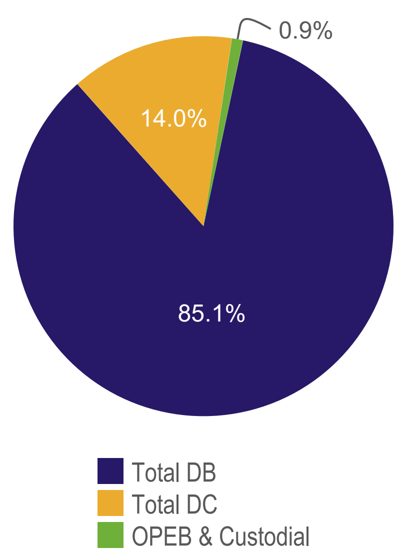
CONDENSED SUMMARY OF CHANGES IN TOTAL FIDUCIARY NET POSITION RESTRICTED

(dollars in millions)	Defined Benefit		Defined Contribution		OPEB and Custodial		Total		Increase/(Decrease)	
Additions	2023	2022	2023	2022	2023	2022	2023	2022	Amount	Percent
Contributions	$ 5,458	$ 2,665	$ 374	$ 343	$ 236	$ 237	$ 6,068	$ 3,245	$ 2,823	87.0 %
Net Investment Income	1,072	(2,536)	578	(685)	3	(30)	1,653	(3,251)	4,904	150.8
Other Additions	22	11	—	—	—	—	22	11	11	100.0
Total Additions	6,552	140	952	(342)	239	207	7,743	5	7,738	154760.0
Deductions										
Benefits and Refunds	2,697	2,577	415	508	235	245	3,347	3,330	17	0.5
Other Deductions	58	42	12	11	1	1	71	54	17	31.5
Total Deductions	2,755	2,619	427	519	236	246	3,418	3,384	34	1.0
Net Increase/(Decrease)	3,797	(2,479)	525	(861)	3	(39)	4,325	(3,379)	7,704	228.0
Balance, Beginning of Year	35,982	38,461	5,998	6,859	431	470	42,411	45,790	(3,379)	(7.4)
Balance, End of Year	**$ 39,779**	**$ 35,982**	**$ 6,523**	**$ 5,998**	**$ 434**	**$ 431**	**$ 46,736**	**$ 42,411**	**$ 4,325**	**10.2 %**

FIDUCIARY NET POSITION RESTRICTED - SUMMARY BY FUND

(dollars in millions)	As of June 30		Increase/ (Decrease)	
Fund	2023	2022	Amount	Percent
PERF DB	$ 14,886	$ 14,848	$ 38	0.3 %
TRF Pre-'96 DB	8,473	5,113	3,360	65.7
TRF '96 DB	7,746	7,497	249	3.3
77 Fund	7,772	7,634	138	1.8
JRS	640	635	5	0.8
EG&C	177	172	5	2.9
PARF	82	80	2	2.5
LE DB	3	3	—	—
Total DB	39,779	35,982	3,797	10.6
PERF DC	3,333	3,075	258	8.4
TRF DC	3,153	2,888	265	9.2
LE DC	37	35	2	5.7
Total DC	6,523	5,998	525	8.8
SDBF	9	10	(1)	(10.0)
RMBA	412	413	(1)	(0.2)
LPSPR	13	8	5	62.5
Total Fiduciary Net Position	**$ 46,736**	**$ 42,411**	**$ 4,325**	**10.2 %**

Total Net Position by Plan Type



Management's Discussion and Analysis, continued

Investment Highlights

Defined Benefits

The consolidated defined benefit assets ended with a fair value of $39.8 billion, an increase of 2.5% (time-weighted) net of all fees over the past fiscal year. The long-term targeted rate of return is 6.25%. The fiscal year was characterized by aggressive monetary policy and heightened economic volatility. Public Equity and Absolute Return proved resilient, however the dampening returns across other asset classes had discernible effect on portfolio returns. The consolidated defined benefit portfolio underperformed its passive benchmark by 0.1%, as asset classes with the largest allocations underperformed their respective benchmarks.

The following table provides a comparison of time-weighted rates of return for the defined benefit assets for the year ended June 30, 2023, and June 30, 2022, with corresponding benchmarks for each asset class.

		1-Year Notional Return[1]			1-Year Benchmark Return and Variance			
Global Asset Class	Target Allocation	2023	2022	Increase / (Decrease)	2023	Out/(Under) Performance	2022	Out/(Under) Performance
Public Equity	20 %	16.7 %	(17.2)%	33.9 %	16.1 %	0.6 %	(16.5)%	(0.7)%
Private Markets	15	3.2	10.2	(7.0)	(0.6)	3.8	7.5	2.7
Fixed Income - Ex Inflation-Linked	20	(0.1)	(17.1)	17.0	2.0	(2.1)	(14.9)	(2.2)
Fixed Income - Inflation-Linked	15	(2.7)	(7.4)	4.7	(2.0)	(0.7)	(7.9)	0.5
Commodities	10	(5.2)	9.6	(14.8)	(5.6)	0.4	13.3	(3.7)
Real Assets	10	(1.4)	19.8	(21.2)	(11.1)	9.7	13.3	6.5
Absolute Return	5	3.0	7.2	(4.2)	2.3	0.7	1.7	5.5
Risk Parity	20	(2.6)	(16.6)	14.0	9.9	(12.5)	(13.4)	(3.2)
Cash and Cash Overlay	N/A	3.0	(12.5)	15.5	2.9	0.1	(11.8)	(0.7)
Total Consolidated Defined Benefit Assets		**2.5 %**	**(6.6)%**	9.1 %	**2.4 %**	**0.1 %**	**(6.1)%**	(0.5)%

As of June 30, 2023, INPRS estimates 51% of the Consolidated Defined Benefit Assets could be liquidated in one week, 60% of the assets could be liquidated within one month, and 76% of the assets could be liquidated within six months without a significant market impact.

[1] The defined benefit plans target allocation for total exposure is 115%. Performance returns are presented using exposure/notional amounts for Public Equity, Fixed Income - Ex Inflation-Linked, and Commodities asset classes.

Defined Contribution

The consolidated defined contribution assets ended with a fair value of $6.5 billion, an increase of $0.5 billion from the prior fiscal year. All twelve target date funds had a positive net return ranging from 2.9% to 14.0%, with only the Fund 2015 return not exceeding their custom benchmarks due to active management. The more aggressive the target date fund (i.e., longer vintage dates), the larger gains due to the higher equity exposure and all target date funds except three returned over 7% due to the strong equity performance. For the core menu, three of the seven standalone investment options exceeded their respective benchmarks.

Actuarial Highlights

In accordance with GASB Statement No. 67, the fair value of assets is used for financial reporting purposes; however, the actuarial value of assets will continue to be used for funding purposes as presented in the Actuarial Section. The Fair Value Funded Status declined for all funds except TRF Pre-'96 DB and LE DB due to modest investment returns. The Fair Value Funded Status for TRF Pre-'96 DB and LE DB increased due to additional contributions. Liability experience had offsetting factors which varied by fund, but which resulted in losses for most funds. Liability experience is further discussed below. All funds except JRS and PARF contributed at least their Actuarially Determined Contribution (ADC). JRS and PARF set contribution amounts every other year in accordance with the biennial budget cycle. ADCs are determined as a percent of payroll, but biennial budget appropriations must be made in advance in specific amounts. JRS did not meet its ADC due to faster-than-expected payroll growth over the biennium. PARF did not meet its ADC due to assumption changes causing an increase in the ADC. Both of these factors increased their ADC beyond the estimates made at the start of the biennium. See the Required Supplementary Information of the Financial Section for more information.

There were no changes in assumptions from the June 30, 2022 actuarial valuations to the June 30, 2023 actuarial valuations. The most significant factor in the liability experience was salaries increasing by more than expected, especially in PERF DB, TRF '96 DB, '77 Fund, JRS, and PARF. Note that the data used in these valuations is based on census data as of June 30, 2022, and therefore includes experience for part of the COVID-19 pandemic.

The INPRS Funding Policy sets the employer contribution rates for PERF DB, TRF '96 DB, '77 Fund, and EG&C. The employer contribution rate is set to be at least the ADC, but per the funding policy, is not allowed to decrease until a fund reaches 95 percent funded. As a result, employers in these funds systemically contribute more than the ADC. TRF Pre-'96 DB, JRS, PARF, and LE DB are funded through appropriations. Due to the biennial budget cycle, these appropriations do not always match their corresponding ADC exactly. TRF Pre-'96 DB received special appropriations of $3.2 billion in fiscal year 2023, consisting of $2.5 billion per the excess reserve provisions of IC 4-10-22-3 and an additional $700 million provided by the state budget bill passed in 2023. These special contributions were the driving factor in the increase in TRF Pre-'96 DB's funded status.

An analysis of the funding progress, contributions, and a summary of actuarial assumptions and methods are outlined in Note 8 and in the Required Supplementary Information of the Financial Section. For additional actuarial-related information on a funding basis, refer to the Actuarial Section.

The following table provides a comparison of the defined benefit funding progress for each plan as of June 30, 2023, and June 30, 2022.

(dollars in millions)

Pre-Funded DB Pension Funds	Fair Value Funded Status 2023	Fair Value Funded Status 2022	Net Pension Liability/ (Asset)	Contributions as a Percent of ADC
PERF DB	80.8 %	82.5 %	$ 3,529.3	145.3 %
TRF '96 DB	87.7	91.9	1,086.4	101.5
77 Fund	88.4	92.2	1,024.4	110.0
JRS	87.9	93.8	87.9	82.9
EG&C	90.8	91.8	17.9	182.9
PARF	64.4	65.3	45.2	95.5
LE DB	112.4	109.9	(0.3)	662.4
Pay-As-You-Go DB Pension Fund				
TRF Pre-'96 DB	61.8 %	36.4 %	$ 5,230.4	100.0 %

Request For Information

This financial report is designed to provide the Board of Trustees, our membership, employers, rating agencies, and investment managers with a general overview of INPRS's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to:

Indiana Public Retirement System

Finance Department

One North Capitol, Suite 001

Indianapolis, IN 46204

Statement of Fiduciary Net Position

As of June 30, 2023 (with Comparative Totals as of June 30, 2022) [1]

(dollars in thousands)	Pension Trust Funds [2]								
	Defined Benefit (DB)								
	PERF DB	TRF Pre-'96 DB	TRF '96 DB	77 Fund	JRS	EG&C	PARF	LE DB	Total DB
Assets									
Cash	$ 2,693	$ 11	$ 314	$ 564	$ —	$ —	$ —	$ —	$ 3,582
Receivables:									
Contributions and Miscellaneous	9,049	3,090	3,499	5,456	3,628	—	—	—	24,722
Investments	122,319	69,656	63,674	63,875	5,235	1,455	671	25	326,910
Foreign Exchange Contracts	2,591,930	1,476,027	1,349,250	1,353,515	110,918	30,841	14,219	525	6,927,225
Interest and Dividends	38,918	22,162	20,259	20,323	1,665	463	213	8	104,011
Due From Other Funds	3,195	—	—	—	—	—	—	—	3,195
Total Receivables	2,765,411	1,570,935	1,436,682	1,443,169	121,446	32,759	15,103	558	7,386,063
Investments:									
Repurchase Agreements	6,762	3,852	3,521	3,532	290	81	37	1	18,076
Short-Term	1,339,396	762,745	697,232	699,436	57,317	15,937	7,348	271	3,579,682
Fixed Income	4,086,676	2,327,239	2,127,350	2,134,075	174,883	48,627	22,418	828	10,922,096
Equities	2,075,750	1,182,078	1,080,549	1,083,965	88,829	24,699	11,387	421	5,547,678
Alternative	7,830,040	4,458,975	4,075,990	4,088,875	335,075	93,171	42,954	1,587	20,926,667
Derivatives	(4,943)	(2,815)	(2,573)	(2,582)	(212)	(59)	(27)	(1)	(13,212)
Pooled Synthetic GIC's at Contract Value	—	—	—	—	—	—	—	—	—
Securities Lending Collateral	59,581	33,930	31,015	31,113	2,550	709	327	12	159,237
Total Investments	15,393,262	8,766,004	8,013,084	8,038,414	658,732	183,165	84,444	3,119	41,140,224
Other Assets	324	—	—	—	—	—	—	—	324
Gross Capital Assets	21,445	—	—	—	—	—	—	—	21,445
Less: Accumulated Depreciation and Amortization	(17,502)	—	—	—	—	—	—	—	(17,502)
Net Capital Assets	3,943	—	—	—	—	—	—	—	3,943
Total Assets	**18,165,633**	**10,336,950**	**9,450,080**	**9,482,147**	**780,178**	**215,924**	**99,547**	**3,677**	**48,534,136**
Liabilities									
Administrative Payable	8,770	695	55	76	11	11	13	7	9,638
Retirement Benefits Payable	715	184	155	2,110	—	88	1	—	3,253
Investments Payable	519,272	295,709	270,311	271,165	22,221	6,179	2,848	105	1,387,810
Foreign Exchange Contracts Payable	2,600,953	1,481,165	1,353,947	1,358,227	111,304	30,949	14,268	527	6,951,340
Securities Lending Obligations	59,581	33,930	31,015	31,113	2,550	709	327	12	159,237
Obligations Under Reverse Repurchase Agreement	90,427	51,496	47,073	47,221	3,870	1,076	496	18	241,677
Due to Other Funds	—	868	1,048	337	15	12	9	1	2,290
Total Liabilities	**3,279,718**	**1,864,047**	**1,703,604**	**1,710,249**	**139,971**	**39,024**	**17,962**	**670**	**8,755,245**
Total Fiduciary Net Position Restricted	**$ 14,885,915**	**$ 8,472,903**	**$ 7,746,476**	**$ 7,771,898**	**$ 640,207**	**$ 176,900**	**$ 81,585**	**$ 3,007**	**$ 39,778,891**

[1] *The accompanying notes are an integral part of the financial statements.*

[2] *Pension Trust Fund assets are restricted solely for qualifying member benefits.*

Statement of Fiduciary Net Position, continued

As of June 30, 2023 (with Comparative Totals as of June 30, 2022) [1]

(dollars in thousands)	Pension Trust Funds [2] Defined Contribution (DC)				OPEB DB Fund [3]	OPEB DC Fund [3]	Custodial Fund	INPRS Total Fiduciary Activities	
	PERF DC	TRF DC	LE DC	Total DC	SDBF	RMBA	LPSPR	2023	2022
Assets									
Cash	$ 4,651	$ 1,749	$ 2	$ 6,402	$ 12	$ 16,010	$ —	$ 26,006	$ 8,388
Receivables:									
Contributions and Miscellaneous	2,834	2,266	224	5,324	75	10,417	2,721	43,259	59,333
Investments	15,954	15,103	177	31,234	—	—	—	358,144	299,821
Foreign Exchange Contracts	22,803	21,587	253	44,643	—	—	—	6,971,868	7,022,763
Interest and Dividends	15,855	15,009	176	31,040	1	—	320	135,372	104,704
Due From Other Funds	—	—	—	—	—	—	—	3,195	2,508
Total Receivables	57,446	53,965	830	112,241	76	10,417	3,041	7,511,838	7,489,129
Investments:									
Repurchase Agreements	—	—	—	—	—	—	—	18,076	82,400
Short-Term	74,595	70,617	827	146,039	123	—	9,603	3,735,447	3,018,953
Fixed Income	196,845	186,347	2,183	385,375	9,110	385,564	—	11,702,145	10,487,924
Equities	1,899,876	1,798,553	21,070	3,719,499	—	—	—	9,267,177	7,899,798
Alternative	—	—	—	—	—	—	—	20,926,667	19,743,472
Derivatives	—	—	—	—	—	—	—	(13,212)	(263,557)
Pooled Synthetic GIC's at Contract Value	1,141,787	1,080,893	12,662	2,235,342	—	—	—	2,235,342	2,275,539
Securities Lending Collateral	—	—	—	—	—	—	—	159,237	167,504
Total Investments	3,313,103	3,136,410	36,742	6,486,255	9,233	385,564	9,603	48,030,879	43,412,033
Other Assets	—	—	—	—	—	—	—	324	226
Gross Capital Assets	—	—	—	—	—	—	—	21,445	21,445
Less: Accumulated Depreciation and Amortization	—	—	—	—	—	—	—	(17,502)	(17,253)
Net Capital Assets	—	—	—	—	—	—	—	3,943	4,192
Total Assets	**3,375,200**	**3,192,124**	**37,574**	**6,604,898**	**9,321**	**411,991**	**12,644**	**55,572,990**	**50,913,968**
Liabilities									
Administrative Payable	1,095	1,238	1	2,334	—	38	—	12,010	13,624
Retirement Benefits Payable	1,515	1,117	1	2,633	—	—	—	5,886	115,480
Investments Payable	15,897	15,050	176	31,123	1	8	—	1,418,942	1,017,650
Foreign Exchange Contracts Payable	22,825	21,608	253	44,686	—	—	—	6,996,026	6,965,990
Securities Lending Obligations	—	—	—	—	—	—	—	159,237	167,504
Obligations Under Reverse Repurchase Agreement	—	—	—	—	—	—	—	241,677	219,297
Due to Other Funds	597	237	1	835	5	43	22	3,195	2,508
Total Liabilities	**41,929**	**39,250**	**432**	**81,611**	**6**	**89**	**22**	**8,836,973**	**8,502,053**
Total Fiduciary Net Position Restricted	**$ 3,333,271**	**$ 3,152,874**	**$ 37,142**	**$ 6,523,287**	**$ 9,315**	**$ 411,902**	**$ 12,622**	**$ 46,736,017**	**$ 42,411,915**

[1] *The accompanying notes are an integral part of the financial statements.*

[2] *Pension Trust Fund assets are restricted solely for qualifying member benefits.*

[3] *Other postemployment benefit trust fund.*

Statement of Changes in Fiduciary Net Position

For the Year Ended June 30, 2023 (with Comparative Totals as of June 30, 2022) [1]

(dollars in thousands)	Pension Trust Funds [2]								
	Defined Benefit (DB)								
	PERF DB	TRF Pre-'96 DB	TRF '96 DB	77 Fund	JRS	EG&C	PARF	LE DB	Total DB
Additions									
Contributions:									
Employer	$ 682,854	$ 2,467	$ 244,600	$ 192,972	$ 18,047	$ 7,177	$ 4,155	$ 182	$ 1,152,454
Nonemployer Contributing Entity	—	4,235,000	—	—	—	—	—	—	4,235,000
Member	208	4	379	62,932	4,122	1,497	1,531	—	70,673
Total Contributions	683,062	4,237,471	244,979	255,904	22,169	8,674	5,686	182	5,458,127
Investment Income / (Loss):									
Net Appreciation Fair Value of Investments	258,247	236,812	134,204	135,186	11,044	3,080	1,427	52	780,052
Other Net Investment Income	453	256	234	236	19	5	3	—	1,206
Net Interest and Dividends Income	194,588	103,131	100,181	101,021	8,387	2,292	1,084	41	510,725
Securities Lending Income	1,136	591	585	589	49	13	6	—	2,969
Total Investment Income / (Loss)	454,424	340,790	235,204	237,032	19,499	5,390	2,520	93	1,294,952
Less Direct Investment Expenses:									
Investment Management Fees	(81,386)	(40,962)	(41,739)	(42,161)	(3,513)	(956)	(455)	(17)	(211,189)
Securities Lending Fees	(116)	(61)	(60)	(60)	(5)	(1)	(1)	—	(304)
General Investment Expenses	(6,103)	(1,876)	(2,120)	(1,116)	(75)	(31)	(19)	(2)	(11,342)
Total Direct Investment Expenses	(87,605)	(42,899)	(43,919)	(43,337)	(3,593)	(988)	(475)	(19)	(222,835)
Net Investment Income / (Loss)	366,819	297,891	191,285	193,695	15,906	4,402	2,045	74	1,072,117
Other Additions:									
Member Reassignment Income	7,732	2,784	10,803	14	11	207	—	—	21,551
Miscellaneous Income	4	—	—	8	—	—	—	—	12
Total Other Additions	7,736	2,784	10,803	22	11	207	—	—	21,563
Total Additions	**1,057,617**	**4,538,146**	**447,067**	**449,621**	**38,086**	**13,283**	**7,731**	**256**	**6,551,807**
Deductions									
Pension, Disability, and Survivor Benefits	984,759	1,170,518	185,167	303,825	32,560	8,311	5,739	329	2,691,208
Special Death Benefits	—	—	—	1,212	—	—	—	—	1,212
Retiree Health Benefits	—	—	—	—	—	—	—	—	—
Retiree Health Forfeitures	—	—	—	—	—	—	—	—	—
Distributions of Contributions and Interest	—	—	—	4,060	59	72	334	—	4,525
Pension Relief Distributions	—	—	—	—	—	—	—	—	—
Administrative Expenses	21,695	5,761	6,319	2,429	124	119	108	36	36,591
Member Reassignment Expenses	13,609	2,085	5,645	210	—	2	—	—	21,551
Total Deductions	**1,020,063**	**1,178,364**	**197,131**	**311,736**	**32,743**	**8,504**	**6,181**	**365**	**2,755,087**
Net Increase / (Decrease)	**37,554**	**3,359,782**	**249,936**	**137,885**	**5,343**	**4,779**	**1,550**	**(109)**	**3,796,720**
Beginning Fiduciary Net Position Restricted	14,848,361	5,113,121	7,496,540	7,634,013	634,864	172,121	80,035	3,116	35,982,171
Ending Fiduciary Net Position Restricted	**$ 14,885,915**	**$ 8,472,903**	**$ 7,746,476**	**$ 7,771,898**	**$ 640,207**	**$ 176,900**	**$ 81,585**	**$ 3,007**	**$ 39,778,891**

[1] *The accompanying notes are an integral part of the financial statements.*

[2] *Pension Trust Fund assets are restricted solely for qualifying member benefits.*

For the Year Ended June 30, 2023 (with Comparative Totals as of June 30, 2022) [1]

(dollars in thousands)	Pension Trust Funds [2]				OPEB DB Fund [3]	OPEB DC Fund [3]	Custodial Fund	INPRS Total Fiduciary Activities	
	Defined Contribution (DC)								
	PERF DC	TRF DC	LE DC	Total DC	SDBF	RMBA	LPSPR	2023	2022
Additions									
Contributions:									
Employer	$ —	$ —	$ 1,657	$ 1,657	$ —	$ 28,569	$ —	$ 1,182,680	$ 1,076,370
Nonemployer Contributing Entity	—	—	—	—	463	—	206,711	4,442,174	1,760,372
Member	217,910	153,657	456	372,023	—	—	—	442,696	408,854
Total Contributions	217,910	153,657	2,113	373,680	463	28,569	206,711	6,067,550	3,245,596
Investment Income / (Loss):									
Net Appreciation Fair Value of Investments	230,692	267,473	2,854	501,019	(13)	(261)	—	1,280,797	(6,623,716)
Other Net Investment Income	53	61	1	115	—	—	—	1,321	1,454
Net Interest and Dividends Income	40,353	45,601	685	86,639	9	60	3,524	600,957	3,656,697
Securities Lending Income	—	—	—	—	—	—	—	2,969	1,488
Total Investment Income / (Loss)	271,098	313,135	3,540	587,773	(4)	(201)	3,524	1,886,044	(2,964,077)
Less Direct Investment Expenses:									
Investment Management Fees	(4,161)	(3,905)	(46)	(8,112)	(2)	(25)	—	(219,328)	(273,431)
Securities Lending Fees	—	—	—	—	—	—	—	(304)	(210)
General Investment Expenses	(1,243)	(935)	(9)	(2,187)	(6)	(31)	(25)	(13,591)	(13,366)
Total Direct Investment Expenses	(5,404)	(4,840)	(55)	(10,299)	(8)	(56)	(25)	(233,223)	(287,007)
Net Investment Income / (Loss)	265,694	308,295	3,485	577,474	(12)	(257)	3,499	1,652,821	(3,251,084)
Other Additions:									
Member Reassignment Income	—	—	—	—	—	—	—	21,551	10,841
Miscellaneous Income	—	—	12	12	—	—	—	24	69
Total Other Additions	—	—	12	12	—	—	—	21,575	10,910
Total Additions	**483,604**	**461,952**	**5,610**	**951,166**	**451**	**28,312**	**210,210**	**7,741,946**	**5,422**
Deductions									
Pension, Disability, and Survivor Benefits	—	—	—	—	—	—	—	2,691,208	2,570,772
Special Death Benefits	—	—	—	—	1,575	—	—	2,787	4,542
Retiree Health Benefits	—	—	—	—	—	15,559	—	15,559	17,093
Retiree Health Forfeitures	—	—	—	—	—	12,835	—	12,835	17,295
Distributions of Contributions and Interest	217,539	193,364	3,796	414,699	—	—	—	419,224	512,706
Pension Relief Distributions	—	—	—	—	—	—	205,531	205,531	207,363
Administrative Expenses	8,113	3,459	8	11,580	37	795	146	49,149	43,187
Member Reassignment Expenses	—	—	—	—	—	—	—	21,551	10,841
Total Deductions	**225,652**	**196,823**	**3,804**	**426,279**	**1,612**	**29,189**	**205,677**	**3,417,844**	**3,383,799**
Net Increase / (Decrease)	**257,952**	**265,129**	**1,806**	**524,887**	**(1,161)**	**(877)**	**4,533**	**4,324,102**	**(3,378,377)**
Beginning Fiduciary Net Position Restricted	3,075,319	2,887,745	35,336	5,998,400	10,476	412,779	8,089	42,411,915	45,790,292
Ending Fiduciary Net Position Restricted	**$ 3,333,271**	**$ 3,152,874**	**$ 37,142**	**$ 6,523,287**	**$ 9,315**	**$ 411,902**	**$ 12,622**	**$ 46,736,017**	**$ 42,411,915**

[1] *The accompanying notes are an integral part of the financial statements.*

[2] *Pension Trust Fund assets are restricted solely for qualifying member benefits.*

[3] *Other postemployment benefit trust fund.*

Notes to the Financial Statements

Note 1. Descriptions of System and Funds

Reporting Entity

INPRS is an independent body corporate and politic, a component unit, and is not a department or agency of the State of Indiana. INPRS exercises essential government functions as established by Indiana Public Law 23-2011, and is a pension trust fund for the State of Indiana for financial statement reporting purposes.

INPRS administers 16 funds consisting of eight DB funds and five DC funds, two OPEB funds, and one custodial fund. PERF DC and PERF MC DC are consolidated on the financial statements for reporting purposes and shown as PERF DC. The TRF DC and TRF MC DC funds are consolidated on the financial statements for reporting purposes and shown as TRF DC. These fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of others.

In accordance with Indiana Code (IC) 5-10.5, INPRS is governed by a nine-member Board of Trustees. The Board approves an annual budget for general administrative and direct investment expenses. Expenses are paid from investment earnings and if necessary, plan assets. The Board is composed of:

- One trustee with experience in economics, finance, or investments;
- One trustee with experience in executive management or benefits administration;
- One trustee who is an active or retired member of the '77 Fund;
- Two trustees who are TRF members with at least 10 years of creditable service;
- One trustee who is a PERF member with at least 10 years of creditable service;
- Director of the Office of Management and Budget, or designee;
- State Comptroller, or nominee;
- Treasurer of State, or nominee.

Demographic Information of Funds

DB member data shown below is based on census data as of June 30, 2022, and used in the actuarial valuations for June 30, 2023. DC member account data is as of June 30, 2023, based on information from the recordkeeper. Members of PERF DC and TRF DC are included in the PERF DB, TRF Pre-'96 DB and TRF '96 DB member count.

		Number of DB Members as of June 30, 2022				
DB Fund	Number of DB Employers	Active	Annuitants	Inactive Vested	Inactive Non-Vested With Balance	Total
PERF DB	1,244	119,398	99,635	35,174	—	254,207
TRF Pre-'96 DB	334	6,287	53,282	1,502	—	61,071
TRF '96 DB	384	60,057	10,127	8,029	—	78,213
77 Fund	186	14,503	6,993	315	1,710	23,521
JRS	1	480	426	30	38	974
EG&C	1	431	275	7	148	861
PARF	1	210	203	75	140	628
LE DB	1	3	74	6	—	83

		Number of DC Member Accounts as of June 30, 2023		
DC Fund	Number of DC Employers	Active	Inactive	Total
PERF DC	1,244	127,809	109,018	236,827
PERF MC DC	45	5,188	4,438	9,626
TRF DC	384	67,745	32,122	99,867
TRF MC DC	317	2,636	753	3,389
LE DC	1	150	86	236

Description of Defined Benefit Funds

Public Employees' Defined Benefit Account (PERF DB)

PERF DB is a cost-sharing, multiple-employer DB 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, 5-10.3, 5-10.5, 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 MC DC. Refer to the Description of Defined Contribution Funds for discussion of both the PERF DC and PERF MC DC plans. 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 service in both PERF DB and either TRF Pre-'96 DB or TRF '96 DB, have the option of choosing from which of these funds they would like to retire.

Eligibility for Pension Benefit Payment

Full Retirement Benefit

- Age 65 with at least 10 years of creditable service (eight years for certain elected officials).
- Age 60 with at least 15 years of creditable service.
- Age 55 if age and creditable service total at least 85 (“Rule of 85”).
- Age 55 with 20 years of creditable service and active as an elected official in the PERF-covered position.
- Age 70 with 20 years of creditable service and still active in the PERF-covered position.

Early Retirement Benefit

Age 50 and minimum of 15 years of creditable service (44% of full benefit at age 50, increasing 5% per year up to 89% at age 59).

Disability Benefit

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).

Survivor Benefit

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.

Contribution

Contributions are determined by the Board based on an actuarial valuation. Employers contribute 11.2% of covered payroll, with 0.72% from July 2022 to December 2022 and 0.66% from January 2023 to June 2023 funding a supplemental reserve account for postretirement benefit increases. Contributions from employers with PERF MC DC plan members who offered PERF Hybrid prior to July 1, 2016 fund PERF DB's unfunded liability at 7.5% of covered payroll for the State and 6.8% for political subdivisions as of June 30, 2023. No member contributions are required.

Benefit Formula & Postretirement Benefit Adjustment

Lifetime Annual Benefit = Years of Creditable Service x Average Highest Five-Year Annual Salary x 1.1% (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 Board. For the year ended June 30, 2023, postretirement benefits of $8 million were issued to members as a COLA.

Description of Defined Benefit Funds (continued)

Teachers' Pre-1996 Defined Benefit Account (TRF Pre-'96 DB)

TRF Pre-'96 DB is a pay-as-you-go, cost-sharing, multiple-employer DB fund 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 (TRF Hybrid).

TRF Hybrid Plan consists of three components: TRF Pre-'96 DB and TRF '96 DB, the monthly employer-funded defined benefit components, along with TRF DC, a member-funded account. Refer to the Description of Defined Contribution Funds for discussion of the TRF DC plan.

Eligibility for Pension Benefit Payment

Full Retirement Benefit

- Age 65 with at least 10 years of creditable service.
- Age 60 with at least 15 years of creditable service.
- Age 55 if age and creditable service total at least 85 ("Rule of 85").
- Age 55 with 20 years of creditable service and active as an elected official in the TRF-covered position.
- Age 70 with 20 years of creditable service and still active in the TRF-covered position.

Early Retirement Benefit

Age 50 and minimum of 15 years of creditable service (44% of full benefit at age 50, increasing 5% per year up to 89% at age 59).

Disability Benefit

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.

Survivor Benefit

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.

Contribution

According to statute, the TRF Pre-'96 DB fund is funded primarily by appropriations from the state general fund and lottery proceeds. The total contributions for TRF Pre-'96 DB were $4.2 billion. This includes a base appropriation of $1.0 billion, $30.0 million of lottery proceeds to fund the supplemental reserve account for postretirement benefits, and $2.5 million of employer contributions from grant monies. In addition, TRF Pre-'96 DB received special appropriations of $3.2 billion in fiscal year 2023. Of that, $2.5 billion was due to the excess reserve provisions of IC 4-10-22-3. An additional $700 million was provided per the state budget bill HB 1001 passed in fiscal year 2023. No member contributions are required.

Benefit Formula & Postretirement Benefit Adjustment

Lifetime Annual Benefit = Years of Creditable Service x Average Highest Five-Year Annual Salary x 1.1% (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 Board. For the year ended June 30, 2023, postretirement benefits of $10.2 million were issued to members as a COLA.

Description of Defined Benefit Funds (continued)

Teachers’ 1996 Defined Benefit Account (TRF '96 DB)

TRF '96 DB is a cost-sharing, multiple-employer DB 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 personnel. 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, 35 IAC 14 and other Indiana pension law. TRF '96 DB is a component of the Teachers’ Hybrid Plan (TRF Hybrid).

TRF Hybrid Plan consists of three components: TRF Pre-'96 DB and TRF '96 DB, the monthly employer-funded defined benefit components, along with TRF DC, a member-funded account. Refer to the Description of Defined Contribution Funds for discussion of the TRF DC plan.

Eligibility for Pension Benefit Payment

Full Retirement Benefit

- Age 65 with at least 10 years of creditable service.
- Age 60 with at least 15 years of creditable service.
- Age 55 if age and creditable service total at least 85 (“Rule of 85”).
- Age 55 with 20 years of creditable service and active as an elected official in the TRF-covered position.
- Age 70 with 20 years of creditable service and still active in the TRF-covered position.

Early Retirement Benefit

Age 50 and minimum of 15 years of creditable service (44% of full benefit at age 50, increasing 5% per year up to 89% at age 59).

Disability Benefit

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.

Survivor Benefit

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.

Contribution

Contributions are determined by the Board based on an actuarial valuation. Employers contribute 5.5% of covered payroll, with 0.21% for the full fiscal year funding a supplemental reserve account for future postretirement benefit increases. No member contributions are required.

Benefit Formula & Postretirement Benefit Adjustment

Lifetime Annual Benefit = Years of Creditable Service x Average Highest Five-Year Annual Salary x 1.1% (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 Board. For the year ended June 30, 2023, postretirement benefits of $1.5 million were issued to members as a COLA.

Description of Defined Benefit Funds (continued)

1977 Police Officers' and Firefighters' Retirement Fund ('77 Fund)

The '77 Fund is a cost-sharing, multiple-employer DB fund for members hired (or rehired) after April 30, 1977. The fund provides retirement, disability and survivor benefits to full-time sworn officers of a police force of an Indiana city or eligible town, along with full-time firefighters employed by an Indiana city, town, township, county, or airport authority. Administration of the fund is generally in accordance with IC 36-8, 35 IAC 2, and other Indiana pension law.

Eligibility for Pension Benefit Payment

Full Retirement Benefit

Age 52 with 20 years of creditable service.

Early Retirement Benefit

Age 50 and 20 years of creditable service (reduce full benefit by 7% for each year less than age 52).

Deferred Retirement Option Plan (DROP)

In accordance with IC 36-8-8.5, 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 no less than 12 months and not more than 36 months after their DROP entry date, and cannot be after the date the member reaches mandatory retirement age. The DROP and future retirement monthly benefit are calculated as of the member's 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, 2023, the amount held by the fund under the DROP is $98.6 million.

Non vested Termination

If a member ends employment prior to reaching vested status, the member may apply to receive the sum total of the member's contributions plus interest at a rate set by the Board.

Disability Benefit

An active member may qualify for a benefit with the amount based on the class of impairment and other factors, as recommended by the local pension board with final determination by the Board.

Survivor Benefit

The eligible survivor of a member who dies in the line of duty receives 100% of member's benefit (the minimum benefit is calculated as if the member had at least 20 years of service and age 52). Otherwise, eligible survivors of members who die other than in the line of duty receive 70% of the member's benefit.

While receiving a benefit, a spouse or a wholly dependent parent (for their lifetimes) or dependent (until at least age 18) receives up to 70% of the member's benefit. Heirs or estate may be entitled to receive $12,000.

Contribution

Contributions are determined by the Board based on an actuarial valuation. Employers contribute 18.0% of the salary of a first-class officer or firefighter. Members are required to contribute 6% of the salary of a first-class officer or firefighter for the term of the member's employment up to 32 years. Employers may pay all or part of the member contribution for the member.

Benefit Formula & Postretirement Benefit Adjustment

Annual Benefit = 52% of first-class officer salary for 20 years of service. The percentage is increased by 1% for each six months of active service accumulated after 20 years of service to a maximum of 32 years, or 76%.

Postretirement benefit increases is a percentage determined by statute equal to the change in the Consumer Price Index but not in excess of a 3% increase. For the year ended June 30, 2023, no postretirement benefits were issued to members as a COLA.

Description of Defined Benefit Funds (continued)

Judges' Retirement System (JRS)

JRS is a single-employer (State of Indiana) DB fund 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.

Eligibility for Pension Benefit Payment

Full Retirement Benefit

- Age 65 with at least eight years of creditable service.
- Age 55 if age and creditable service total at least 85 ("Rule of 85").

Early Retirement Benefit

Age 62 and at least eight years of creditable service (full benefit reduced by 0.1% for each month less than age 65).

Non vested Termination

If a member ends employment prior to reaching vested status, the member may apply to receive the sum total of the member's contributions plus interest at a rate set by the Board.

Disability Benefit

A qualified member with 22+ years of creditable service receives an unreduced benefit. Members with less than 22 years of creditable service receive the full benefit reduced by 1% for each year under 22 years of creditable service (benefit to be no lower than 50%).

Survivor Benefit

While in active service with 8+ years of service, or while receiving a benefit, a spouse or dependent child(ren) (for their lifetime) receive the greater of $12,000 annually or 50% of benefit entitled at the date of death.

Contribution

Employer contributions are determined by the Board based on an actuarial valuation and are received from the state general fund and certain court and docket fees. Employer contributions totaled $18.0 million, with appropriations of $10.9 million and $7.2 million in docket and court fees. The Actuarially Determined Contribution (ADC) was $21.8 million.

Members are required to contribute 6% 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.

Benefit Formula & Postretirement Benefit Adjustment

Annual Benefit = Individual Salary, or Salary of Office at Retirement x Percentage for Years of Service: 24% at eight years of service; increased by 3% per year for years nine through 11; 50% at year 12; increased by 1% per year for years 13 through 22 with a maximum of 60%.

Postretirement benefit increases for JRS 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, 2023, no postretirement benefits were issued to members as a COLA.

Description of Defined Benefit Funds (continued)

Excise, Gaming and Conservation Officers' Retirement Fund (EG&C)

EG&C is a single-employer (State of Indiana) DB fund providing retirement, disability and survivor benefits to certain employees of: (1) the Indiana Department of Natural Resources, (2) the 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. Administration of the fund is generally in accordance with IC 5-10-5.5. 35 IAC 4, and other Indiana pension law.

Eligibility for Pension Benefit Payment

Full Retirement Benefit

- Age 65 if members were employed by age 50 with 15 years of creditable service. Retirement is mandatory.
- Age 65 if employed after age 50 with 10 years of service. Mandatory retirement occurs on the first day of the month after age 65 or 15 years of creditable service.
- Age 55 if age and creditable service total at least 85 ("Rule of 85").
- Age 50 with 25 years of service.

Early Retirement Benefit

Age 45 and 15 years of creditable service (reduce full benefit by 0.25% for each month less than age 60).

Deferred Retirement Option Plan (DROP)

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 no 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, 2023, the amount held by the fund under the DROP is $1.7 million.

Nonvested Termination

If a member ends employment prior to reaching vested status, the member may apply to receive the sum total of the member's contributions plus interest at a rate set by the Board.

Disability Benefit

If disability occurs 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%.

Survivor Benefit

The eligible survivor of an active member who dies in the line of duty receives 100% of the member's benefit. Survivors of active members who die not in the line of duty or inactive members with more than 15 years of service who die receive 50% 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 dependent(s) (until age 18) receives 50% of the member's benefit. If the spouse is more than five years younger than the member, the benefit is actuarially adjusted.

Contribution

Contributions are determined by the Board based on an actuarial valuation. Employers contribute 20.8%, with 0.94% from July 2022 to December 2022 and 1.00% January 2023 to June 2023 funding a supplemental reserve account for postretirement benefits administered by the Board. Members are required to contribute 4% of annual salary. Employers may pay all or part of the member contribution for the member.

Benefit Formula & Postretirement Benefit Adjustment

Annual Benefit = 25% x Average Annual Salary. Average annual salary = average annual salary of the five highest years in the 10 years immediately preceding an officer's retirement date. Percentage is increased by 1.66% for each completed year of creditable service after 10 years. Total percentage may not exceed 75%.

Postretirement benefit increases are granted on an ad hoc basis pursuant to IC 5-10.2-12-4 and administered by the Board. For the year ended June 30, 2023, postretirement benefits of $76 thousand were issued to members as a COLA.

Description of Defined Benefit Funds (continued)

Prosecuting Attorneys' Retirement Fund (PARF)

PARF is a single-employer (State of Indiana) DB fund that provides retirement, disability and survivor benefits to prosecuting attorneys. Members serve as a: (1) prosecuting attorney or chief deputy prosecuting attorney, (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.

Eligibility for Pension Benefit Payment

Full Retirement Benefit

- Age 65 with at least eight years of creditable service.
- Age 55 if age and creditable service total at least 85 ("Rule of 85").

Early Retirement Benefit

Age 62 and eight years of creditable service (reduce full benefit by 0.25% for each month less than age 65).

Nonvested Termination

If a member ends employment prior to reaching vested status, the member may apply to receive the sum total of the member's contributions plus interest at a rate set by the Board.

Disability Benefit

A qualified member with 22+ years of creditable service receives full benefit. Less than 22 years of creditable service receives the full benefit reduced by 1% for each year under 22. Benefit to be no lower than 50%.

Survivor Benefit

While in active service, a spouse or dependent child(ren) receives the greater of $12,000 annually or 50% of benefit for the later of age 62 or age the day before death.

While receiving a benefit, a spouse (for their lifetime), or dependent child(ren) (until age 18 unless disabled) receives the greater of $12,000 annually or 50% of the member's benefit.

Contribution

Employer contributions are determined by the Board based on an actuarial valuation and appropriations are received from the state's General Fund and totaled $4.2 million. The Actuarially Determined Contribution (ADC) was $4.4 million.

Members are required to contribute 6% of the state-paid portion of salary for a maximum period of 22 years of creditable service. In addition, members are required to contribute 3% as participants of the PERF DC plan. Employers may pay all or part of the member contributions for the member.

Benefit Formula & Postretirement Benefit Adjustment

Annual Benefit = Highest 12 consecutive months of salary (state-paid portion only) before separation from service x Percentage for Years of Service: 24% at eight years of service; increased by 3% per year for years nine through 11; 50% at year 12; increased by 1% per year for years 13 through 22 with a maximum of 60%, and reduced for any PERF DB benefit.

No postretirement benefit adjustment is provided.

Description of Defined Benefit Funds (continued)

Legislators' Defined Benefit Fund (LE DB)

LE DB is a single-employer (State of Indiana) DB fund 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.

Eligibility for Pension Benefit Payment

Full Retirement Benefit

- Age 65 with at least 10 years of creditable service.
- Age 60 with at least 15 years of creditable service.
- Age 55 if age and creditable service total at least 85 ("Rule of 85").

Early Retirement Benefit

Age 55 and 10 years of creditable service (reduce full benefit by 0.1% 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.

Disability Benefit

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.

Survivor Benefit

While in active service, a spouse or dependent child(ren) receives 50% of the benefit for the later of age 55 or age the day before the member's death.

While receiving a benefit, a spouse (for their lifetime), or dependent(s) (until age 18 unless disabled) receives 50% of the member's benefit.

Contribution

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. Appropriations were $182 thousand. The Actuarially Determined Contribution (ADC) was $28 thousand.

Benefit Formula & Postretirement Benefit Adjustment

Annual Benefit = The lesser of $40 x 12 months x 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 to IC 5-10.2-12-4, IC 2-3.5-4-13 and administered by the Board. For the year ended June 30, 2023, postretirement benefits of $3.2 thousand were issued to members as a COLA.

Description of Defined Contribution Funds

Public Employees' Defined Contribution Account (PERF DC)

PERF DC is a multiple-employer DC 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. Administration of the account is generally in accordance with IC 5-10.2, IC 5-10.3, 35 IAC 1.2 and other Indiana pension law.

PERF DC fund provides supplemental defined contribution benefits under the PERF Hybrid plan. Refer to the Description of Defined Benefit Funds for discussion of the PERF Hybrid plan.

First time new employees hired by the State of Indiana or a political subdivision that offers a choice have a one-time election to join either PERF Hybrid or PERF MC DC. A state rehire that is an existing member of PERF Hybrid plan and was not given the option for PERF MC DC is given the option to elect PERF MC DC or remain in PERF Hybrid.

Contribution

Member contributions under PERF DC are set by statute and the Board at 3% of covered payroll. The employer may choose to make these contributions on behalf of the member. Under certain limitations, voluntary post-tax member contributions up to 10% of their compensation can be made solely by the member.

Retirement & Termination Benefit

Members are entitled to the sum total of vested contributions plus earnings 30 days after separation from employment (retirement, termination, disability or death). As of January 1, 2021, members at least 59½ years of age and service eligible for normal retirement may take in-service distribution of their DC account. Additionally, members who are age and service eligible for normal retirement may take a withdrawal after separation without the 30 day wait period. The amount may be paid in a lump sum, partial lump sum, direct rollover to another eligible retirement plan or a monthly annuity. PERF DC members are 100% vested in their account balance.

Disability Benefit

Upon providing proof of the member's qualification for social security disability benefits, the member is entitled to the sum total of contributions plus earnings. The amount can be paid in a full or partial withdrawal as a lump sum, direct rollover to another eligible retirement plan or a monthly annuity.

Survivor Benefit

Beneficiary is entitled to the sum 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. The amount a beneficiary is entitled to if a member dies after having selected an annuity or having withdrawn from the account depends upon the annuity option selected by the member and the amount of benefits the member received.

Description of Defined Contribution Funds (continued)

My Choice: Retirement Savings Plan for Public Employees (PERF MC DC)

PERF MC DC is a multiple-employer DC 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 a primary defined contribution benefit plan for members making this election. Administration of the account is generally in accordance with other Indiana pension law.

The Volunteer Firefighters Fund (PERF VFF) allows a political subdivision served by a volunteer fire department to make contributions to the PERF MC DC plan for the members of the volunteer fire department in an amount determined by the governing body of the political subdivision. As of June 30, 2023 there were no participants in this fund.

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 MC DC. A state hire that is an existing member of PERF Hybrid plan and was not given the option for PERF MC DC is given the option to elect PERF MC DC or remain in PERF Hybrid.

Contribution

The PERF MC DC plan may be funded with a variable employer contribution. As of June 30, 2023, the employer contribution is 3.7% for state employees and up to 4.4% for political subdivision members. Political subdivisions may match 50% of a member's voluntary contributions.

Member contributions under the PERF MC DC are set by statute and the Board at 3% 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% can be made solely by the member.

Retirement & Termination Benefit

Members are entitled to the sum total of vested contributions plus earnings 30 days after separation from employment (retirement, termination, disability, or death). As of January 1, 2021, members at least 62 years of age with five qualifying years of service may take an in-service distribution of their DC account. Additionally, members that are normal retirement age may take a withdrawal after separation without the 30 day wait period. The amount may be paid in a lump sum, partial lump sum, direct rollover to another eligible retirement plan, or a monthly annuity. PERF MC DC members are 100% vested in their member contributions. PERF MC DC members vest in employer contributions in increments of 20% for each full year of service until 100% is reached at 5 years.

Disability Benefit

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 can be paid in a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity.

Survivor Benefit

Beneficiary is entitled to the sum total of vested contributions plus earnings. The amount can be paid in a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity. The amount a beneficiary is entitled to if a member dies after having selected an annuity or having withdrawn from the account depends upon the annuity option selected by the member and the amount of benefits the member received.

Description of Defined Contribution Funds (continued)

Teachers' Defined Contribution Account (TRF DC)

TRF DC is a multiple-employer DC fund providing supplemental retirement benefits to TRF Pre-'96 DB and TRF '96 DB members. 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 DC is the defined contribution component of the Teachers' Hybrid Plan. Refer to the Description of Defined Benefit Funds for discussion of both Teachers' Defined Benefit plans.

Contribution

Contributions are determined by statute and the Board at 3% of covered payroll. The employer may choose to make these contributions on behalf of the member. Under certain limitations, voluntary contributions up to 10% can be made solely by the member.

Retirement & Termination Benefit

Members are 100% vested in their account balance plus earnings and may take a distribution 30 days after separation from employment (retirement, termination, disability, or death). As of January 1, 2021, members at least 59½ years of age and service eligible for a normal retirement may take an in-service distribution of their DC account. Additionally, members who are age and service eligible for normal retirement may take a withdrawal after separation without the 30 day wait period. The amount may be paid in a lump sum, partial lump sum, direct rollover to another eligible retirement plan, or a monthly annuity.

Disability Benefit

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 can be paid in a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity.

Survivor Benefit

Beneficiary is entitled to the sum total of vested contributions plus earnings. The amount can be paid in a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity. The amount a beneficiary is entitled to if a member dies after having selected an annuity or having withdrawn from the account depends upon the annuity option selected by the member and the amount of benefits the member received.

Description of Defined Contribution Funds (continued)

My Choice: Retirement Savings Plan for Teachers (TRF MC DC)

TRF MC DC is a multiple-employer DC fund providing retirement benefits to eligible school corporation employees. New employees hired by a school corporation after June 30, 2019 have a one-time election to join either TRF Hybrid or TRF MC DC.

Contribution

TRF MC DC plan is funded with employer contributions and member contributions. The employer contributions must equal the contribution rate for TRF Hybrid DB. The amount deposited into the employer contribution subaccount for the member is the normal cost of participation. The employer contribution can be no less than 3%. For fiscal year 2023 the rate was 6.0%.

Member contributions are determined by statute and the Board at 3% of covered payroll. The employer is required to make these contributions on behalf of the member. Under certain limitations, voluntary contributions up to 10% can be made solely by the member.

Retirement & Termination Benefit

Members are entitled to the sum total of vested contributions plus earnings 30 days after separation from employment (retirement, termination, disability or death). As of January 1, 2021, members at least 62 years of age with five qualifying years of service may take an in-service distribution of their DC account. Additionally, members that are normal retirement age may take a withdrawal after separation without the 30 day wait period. The amount may be paid in a lump sum, partial lump sum, direct rollover to another eligible retirement plan or a monthly annuity. TRF MC DC members are 100% vested in their member contributions. TRF MC DC members vest in employer contributions in increments of 20% for each full year of service until 100% is reached at 5 years. The variable employer rate contribution amount that is not vested remains in the account until the member either vests or forfeits the balance. The balance is forfeited by death, member withdrawal, or a required minimum distribution occurs.

Disability Benefit

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 can be paid in a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity.

Survivor Benefit

Beneficiary is entitled to the sum total of vested contributions plus earnings. The amount can be paid in a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity. The amount a beneficiary is entitled to if a member dies after having selected an annuity or having withdrawn from the account depends upon the annuity option selected by the member and the amount of benefits the member received.

Description of Defined Contribution Funds (continued)

Legislators' Defined Contribution Fund (LE DC)

LE DC is a single-employer (State of Indiana) DC 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.

Contribution

Contributions are determined by statute and the Board, and confirmed by the State Budget Agency. The employer contribution rate is 14.2% 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 5% of member's salary. The employer may choose to make contributions on behalf of the member.

Retirement & Termination Benefit

Members are entitled to the sum total of vested contributions plus earnings. Effective January 1, 2021, a member at least 59½ years of age may take an in-service distribution of their account. The amount may be paid in a lump sum, partial lump sum, direct rollover to another eligible retirement plan, monthly annuity, or installment options.

Survivor Benefit

Beneficiary is entitled to the sum 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.

Description of Other Postemployment Benefit Fund (OPEB)

Special Death Benefit Fund (SDBF)

SDBF is an OPEB DB fund and is generally administered in accordance with IC 5-10-10, IC 5-10-11, IC 35-33-8 and IC 36-8-8. The fund is a multiple-employer, cost-sharing plan with approximately 44 thousand members. Funds are restricted for the purpose of providing surviving spouses, children, or parents a benefit of $100,000 for state employees and $225,000 for public safety officers or other eligible officers who die in the line of duty.

The Hero's Honor benefit was passed in 2015 by the Indiana General Assembly. The benefit covers a line-of-duty death in the amount of $225,000 for emergency medical service providers. Employers may elect to purchase coverage at $100 per year for each employee.

Funding is derived from bail bond fees, payments under IC 5-10-10-4.5 and investment income earned. The measurement of potential liability and the related disclosures required for other postemployment benefit plans have been excluded, as they would not be material to the INPRS system.

Retirement Medical Benefits Account Plan (RMBA)

RMBA is a single-employer (State of Indiana) OPEB DC plan 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.

Retired participants include:

a. A participant who is eligible for a normal, unreduced or disability retirement benefit.
b. A participant who has completed at least ten years of service as an elected or appointed officer on their last day of service.
c. A participant who is a member of the PERF My Choice plan who is of normal retirement age on their last day of service and whose last day of service is after June 30, 2021.

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. Individual account balances are reset after a break in service of more than 30 days.

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 after the participant's last day of service. Participants lose their right to this one-time contribution if there is a break in service for more than 30 days between July 1, 2007 and June 30, 2017.

Contributions for self-funded agencies, and employees not funded by the state budget, are funded with an annual charge per employee determined each year. The annual charge for FY 2023 was $1,026, which is due by June 30. The remaining funding is through appropriation of cigarette taxes (IC 6-7-1-28.1(6)) received throughout the year.

The Plan administrator reimburses premiums for medical, dental, vision, and long-term care for retired participants and their spouses and dependent children. The reimbursements are deducted from the participant's individual account balance and end when the participant's individual account balance is exhausted. If a retired participant dies without a surviving spouse or dependent children, unused amounts are forfeited. Forfeitures are used to reduce the contributions required from the employer.

As of June 30, 2023, $10.4 million is due as a contribution receivable, of which $0.7 million was received in July 2023 and $9.7 million is an employer owed contribution due to the plan to fulfill its obligation towards additional contributions per IC 5-10-8.5-16.

As of June 30, 2023, participation in the plan was as follows:

Active	28,240
Retired or beneficiaries	8,617
Total	36,857

Description of Custodial Fund

Local Public Safety Pension Relief Fund (LPSPR)

LPSPR is a custodial fund and is generally administered in accordance with IC 5-10.3 and IC 36-8. Funds are restricted for the purpose of providing financial relief to pension funds maintained by units of local government for their police officers' and firefighters' retirement plan benefits.

Funding is derived from contributions from the State of Indiana from a portion of cigarette and alcohol taxes, a portion of the state's lottery proceeds, investment income earned and appropriations from the General Assembly.

Distributions are made from LPSPR to units of local government in two equal installments before July 1 and before October 2 of each year. The distribution is determined by an estimate of the total amount of pension, disability, and survivor benefits that will be paid in the current calendar year by the local government units from the 1925 Police Pension Fund, the 1937 Firefighters' Pension Fund and the 1953 Police Pension Fund (before the establishment of the '77 Fund).

Local government units may deposit funds with INPRS and funds are maintained in separate accounts for each local governmental unit that made an election in 2001. As of June 30, 2023, there are no local government funds deposited with INPRS. Funds deposited are invested and are available for withdrawal at their request.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements are fiduciary account assets held in a trustee capacity on behalf of its members. In the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position, PERF DC and PERF MC DC are combined into PERF DC for the purposes of presentation. In the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position, TRF DC and TRF MC DC are combined into TRF DC for the purposes of presentation. INPRS's financial statements are not intended to present the financial position or results of operations for the State of Indiana or any other retirement and benefit plans administered by the State. The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended June 30, 2022, from which the summarized information was derived.

Basis of Accounting

Accrual Basis

INPRS maintains records and prepares financial statements using the accrual basis of accounting in conformity with generally accepted accounting principles (GAAP) as applied to governmental units.

Provision for Taxes

All defined benefit funds administered by INPRS are qualified under section 401(a) of the internal revenue code and are exempt from federal income taxes. Therefore, no provision for income taxes has been included in the financial statements.

Use of Estimates

In preparing the financial statements in conformity with GAAP, INPRS management makes estimates and assumptions that affect the reported amount of assets and liabilities, disclosures of contingent assets and liabilities, as well as the reported amounts of revenue and expenses at the date of the financial statements. Actual results could differ from those estimates and assumptions.

Contributions

Employer and member contributions are recognized when due, according to statutory requirements, in accordance with the terms of each plan. Nonemployer contributions are recognized when funds are received from the State of Indiana. Service purchase revenues are recognized in full when employers elect to participate in a fund or enlarge participation. As of June 30, 2023, $839 thousand is outstanding for employer service purchase contracts. The payment terms of the contracts vary between lump sum payment and 40 years.

Net Investment Income

Net appreciation (depreciation) is determined by calculating the change in the fair value of investments between the beginning of the year and the end of the year, less purchases of investments at cost, plus sales of investments at fair value. Other investment income is recognized when earned. Dividend income is recognized on the ex-dividend date. Investment expenses consist of external expenses directly related to INPRS's investment operations, as well as the internal administrative expenses associated with INPRS's investment program.

Other Additions

Member reassignments are recorded when a member is retiring with service credit in multiple funds. Applicable member and employer balances are transferred between funds as allowed by the statute. The transfer allows all benefits to be paid from the fund designated by the member.

Deductions & Expenses

Benefit payments, including refunds and distributions of employee contributions, are recognized when due and payable in accordance with the benefit terms. Internal administrative expenses are recognized when due and payable. Retiree health benefits reimbursements are issued to qualified retirees to cover qualifying health insurance and medical cost. INPRS also acts as a custodian to receive and distribute funds on a biannual basis to specific pension plans of local government entities.

Year-end expense accruals include compensated absences which are calculated for earned but unused vacation, compensatory, and personal time of full-time INPRS employees.

Forfeitures are shown as deductions when the retiree and any covered dependents are deceased or an active member terminates before meeting eligibility requirements.

Net Investment Assets

Investments are recorded on a trade-date basis and reported at fair value. Fair value is defined as the amount that can reasonably be expected to be received for an investment in a current sale between a willing buyer and a willing seller. Certain INPRS investment assets, in particular, Global Real Assets, Global Private Equity, and Opportunistic Investments, use estimates in reporting fair value in the financial statements. These estimates are subject to uncertainty in the near term, which could result in changes in the values reported for those assets in the Statement of Fiduciary Net Position. See Note 3 for detailed information on the investment policy, valuation and methods used to measure the fair value of investments.

Pool Accounting

All DB assets are pooled for the purpose of investments. Each DB fund holds units of the total investment pool. Units of participation are bought and sold as each plan contributes and withdraws cash or assets from the investment pool. The investment pool earnings are allocated to each fund with a change in the unit of participation price. The price is determined by dividing the net asset value of the investment pool by the total number of Master Trust Units held by funds. The price of one unit of the DB pool on June 30, 2023 was $42.15 The unit holdings by DB fund are shown below:

DB Fund Name	Units
PERF DB	352,924,583
TRF Pre-'96 DB	200,980,009
TRF '96 DB	183,717,677
77 Fund	184,298,426
JRS	15,102,899
EG&C	4,199,443
PARF	1,936,072
LE DB	71,512
Total	**943,230,621**

All DC assets are pooled for the purpose of investments. The DC pool consists of the asset class options offered to the DC members. Each DC fund holds units of each asset class option.

Capital Assets

The cost of Building and Related Improvements, Equipment, and Software in excess of $100 thousand is capitalized when the asset is put into service. Improvements that increase the useful life of the property are capitalized. Capital Assets are depreciated using the straight-line method. Land is not subject to depreciation. Depreciation expense of $249 thousand is included in Administrative Expenses. A summary of Capital Assets is shown below:

(dollars in thousands)

Capital Assets	June 30, 2022	Additions	Disposals	June 30, 2023
Land	$ 856	$ —	$ —	$ 856
Depreciable Capital Assets (Useful Life):				
Software (5 years)	$ 15,989	—	—	$ 15,989
Building and Related Improvements (20 years)	$ 4,600	—	—	$ 4,600
Total Depreciable Capital Assets	**20,589**	**—**	**—**	**20,589**
Less: Accumulated Depreciation/Amortization				
Software	(15,989)	—	—	$ (15,989)
Building and Related Improvements	(1,264)	(249)	—	(1,514)
Total Accumulated Depreciation/Amortization	**(17,253)**	**(249)**	**—**	**(17,502)**
Total Net Depreciable Capital Assets	**3,336**	**(249)**	**—**	**3,087**
Total Net Capital Assets	**$ 4,192**	**$ (249)**	**$ —**	**$ 3,943**

Reserves

The reserves required by Indiana Code are shown below for June 30, 2023:

- Member Reserves - The sum of member contributions and the investment earnings for the four DB funds listed below are set aside in a separate member's account. A member may withdraw the amounts before being vested.
- Supplemental Reserve Accounts - Amounts set aside to pay postretirement benefit enacted since June 30, 2018.

(dollars in thousands)

Defined Benefit Pension Trust Fund	Member Reserves	Defined Benefit Pension Trust Fund	Supplemental Reserve Account
77 Fund	$ 883,960	PERF DB	$ 149,225
JRS	44,819	TRF Pre-'96 DB	172,393
EG&C	15,292	TRF '96 DB	31,962
PARF	27,409	EG&C	1,375
		LE DB	25

Due To/Due From

Due To and Due From balances result from member reassignments and other miscellaneous income and expenses recorded to the applicable accounts. A surcharge based on the Long-Term Assumed Investment Rate of Return is collected from the respective fund each month that the balance is not repaid the following month.

Accounting Pronouncements Effective for the Year

Management has determined that GASB Statements; No.91 (Conduit Debt Obligations), No. 94 (Public-Private and Public-Public Partnerships and Availability Payment Arrangements), and No. 96 (Subscription-Based Information Technology Arrangements) do not have a material effect on financial statements as presented. GASB No. 99 (Omnibus 2022) has been implemented as applicable with this fiscal year 2023 report.

Note 3. Investment Policy, Valuation and Performance

Investment Oversight and Policy

Oversight of INPRS assets is the fiduciary responsibility of the 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 Board must sufficiently diversify 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 contribution rates.

Indiana law permits the Board to establish investment guidelines, 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, 2023, 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 allocation and allowable ranges that are expected to meet rates of return over a period while minimizing risk.

Defined Benefit Assets

The following Defined Benefits global asset classes, target allocations and target ranges were approved by the Board based on a formal asset-liability study and shall remain in place until revised by the Board. An asset-liability study is conducted every five years. Further information regarding the Investment Policy Statement can be found in the Investment Section.

To maximize the probability of achieving the target rate of return over a 30-year time horizon, INPRS's Board of Trustees approved a new asset allocation on May 7, 2021 that included an increased use of leverage. The explicit leverage enables the Plan to obtain additional investment exposure, which results in an asset allocation that exceeds 100% of invested assets. Beginning in fiscal year 2022, the plan's target allocation for total exposure is 115%. Further details of INPRS's leverage policy are available in the Investment Policy Statement.

Global Asset Class:	Target Allocation		Target Range	
Public Equity	20.0	%	17.0 to 23.0	%
Private Markets	15.0		10.0 to 20.0	
Fixed Income - Ex Inflation-Linked	20.0		17.0 to 23.0	
Fixed Income - Inflation-Linked	15.0		12.0 to 18.0	
Commodities	10.0		7.0 to 13.0	
Real Assets	10.0		5.0 to 15.0	
Absolute Return	5.0		0.0 to 10.0	
Risk Parity	20.0		15.0 to 25.0	

Defined Contribution Assets

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 a default target date retirement fund. The offered investment options undergo periodic reviews by the Board. Detailed information of the funds is provided in the Investment Section.

Other Funds Assets

The Special Death Benefit Fund (SDBF) and the Retirement Medical Benefits Account Plan (RMBA) assets are allocated to commingled funds that invest in intermediate term fixed income securities. The Local Public Safety Pension Relief Fund (LPSPR) is invested 100% in high-quality, short-term money market instruments.

Methods 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, 2023 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, 2023, 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 debt instruments. Securities traded on 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, 2023 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 Assets, 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 within 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.

Fair Value Measurement

GASB Statement No. 72 requires investments measured at fair value to be categorized under a fair value hierarchy. The categorization of INPRS's investments within the hierarchy is based on 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.

The table on the next page presents the fair value hierarchy of the INPRS investment portfolio as of June 30, 2023.

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.

U.S. Government, U.S. corporate obligations, Equity 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.

The remaining investments not categorized under the fair value hierarchy are measured at the Net Asset Value (NAV). The NAV for these investments is provided by the investment manager 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.

The following table summarizes INPRS's investment assets and liabilities measured at fair value as of June 30, 2023, presented in the fair value hierarchy. Also shown are investments at amortized cost and NAV to allow reconciliation to the Total Pooled Investments in the Statement of Fiduciary Net Position.

(dollars in thousands) Investment Type	June 30, 2023	Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Short-Term Investments				
BNY - Mellon Cash Reserves	$ 10,572	$ —	$ 10,572	$ —
U.S. Treasury Obligations	544,265	544,265	—	—
Non U.S. Government	22,214	—	22,214	—
Commercial Paper	3,285	—	3,285	—
Corporate Bonds (Short Term)	3,160	—	3,160	—
Total Short-Term Investments	583,496	544,265	39,231	—
Fixed Income Investments				
U.S. Governments	5,759,378	5,759,378	—	—
Non-U.S. Governments	3,717,445	—	3,659,895	57,550
U.S. Agencies	122,212	—	122,212	—
Corporate Bonds	846,078	720	284,380	560,978
Asset-Backed Securities	261,693	—	261,693	—
Total Fixed Income Investments	10,706,806	5,760,098	4,328,180	618,528
Equity Investments				
Domestic Equities	3,305,332	3,303,795	1,537	—
International Equities	3,375,670	3,374,446	1,224	—
Total Equity Investments	6,681,002	6,678,241	2,761	—
Total Investments by Fair Value Level	**$ 17,971,304**	**$ 12,982,604**	**$ 4,370,172**	**$ 618,528**
Investments Measured at the Net Asset Value (NAV)				
Commingled Short Term Funds	173,466			
Commingled Fixed Income Funds	995,340			
Commingled Equity Funds	2,586,176			
Private Markets	6,912,375			
Absolute Return	3,479,522			
Real Assets	3,233,819			
Risk Parity	7,300,950			
Total Investments Measured at the Net Asset Value (NAV)	**24,681,648**			
Investment Derivatives				
Total Futures	(20,933)	$ (20,933)	$ —	$ —
Total Options	14,572	2,088	12,484	—
Total Swaps	(6,851)	—	(6,851)	—
Total Investment Derivatives	**$ (13,212)**	**$ (18,845)**	**$ 5,633**	$ —
Investments Not Subject to Fair Value Leveling				
Cash at Brokers	$ 440,642			
Repurchase Agreements	18,076			
Short-Term Investments	2,537,842			
Pooled Synthetic GIC's at Contract Value	2,235,342			
Securities Lending Collateral	159,237			
Total Investments Not Subject to Fair Value Leveling	**5,391,139**			
Total Investments	**$ 48,030,879**			

The valuation method for investments measured at the NAV per share or equivalent, at June 30, 2023, is presented as follows:

(dollars in thousands)	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Commingled Short Term Funds	$ 173,466	$ —	Daily	1 day
Commingled Fixed Income Funds	995,340	—	Daily	1 day
Commingled Equity Funds	2,586,176	—	Daily	1 day
Private Markets	6,912,375	3,830,886	Not Eligible	N/A
Absolute Return	3,479,522	331,630	Monthly, Quarterly, Semi-Annually	30-120 days
Real Asset Funds	3,233,819	1,518,807	Quarterly	30-90 days
Risk Parity	7,300,950	—	Daily, Weekly, Monthly	3-5 days
Total	**$ 24,681,648**	**$ 5,681,323**		

Commingled Short-Term, Fixed Income, and Equity Funds

There are three short-term funds, 15 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, 2023, based upon the fair value of the underlying securities.

Private Markets

There are 263 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.

Absolute Return

The portfolio consists of 23 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 majority of absolute return funds are done monthly.

Real Assets

There are 87 funds invested primarily in U.S. commercial real assets, of which 78 funds are classified as illiquid, or approximately 64% of the value of the real asset 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 nine real asset funds that have been classified as liquid due to the open-ended structure of the fund. Open-ended funds generally offer periodic distributions of net cash flow, which can be reinvested, as well as quarterly redemption windows.

Risk Parity

This portfolio, which consists of four 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% 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).

Investment Performance

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, 2023, the annual money-weighted rates of return for DB investments are as follows:

Defined Benefit Pension Trust Funds	Annual-Money Weighted Rate of Return
PERF DB	2.5 %
TRF Pre-'96 DB	4.0 %
TRF '96 DB	2.5 %
77 Fund	2.5 %
JRS	2.5 %
EG&C	2.5 %
PARF	2.5 %
LE DB	2.4 %

Time-weighted rates of return for DB asset classes and DC investment options are detailed in the Investment Section.

Note 4. Deposit and Investment Risk Disclosure

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, 2023, $466.4 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, 2023.

(dollars in thousands)

Cash Deposits	Total
Demand Deposit Account – Bank Balances (Insured by FDIC up to $250 thousand per financial institution)	$ 26,006
Held with Custodian Bank (Uncollateralized)	440,642
Short-Term Investment Funds held at Bank (Collateralized)	2,721,881
Total	**$ 3,188,529**

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. As such, there is no custodial credit risk for INPRS investments.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates adversely affect the fair value of the investments. 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. 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. Short-Term Investments excludes cash with custodian of approximately $440.6 million. Securities with no available duration include term loans, commingled funds, private placements, commit to purchase swaps, and new positions where availability of modeling characteristics are pending.

As of June 30, 2023, the duration of the fixed income portfolio is as follows:

(dollars in thousands)

Debt Security Type	Fair Value	% of All Debt Security	Portfolio Weighted Average Effective Duration (Years)
Short-Term Investments			
Short-Term Investment Fund	$ 2,721,881	18.1 %	0.08
U.S. Treasury Obligations	544,265	3.6	0.13
Non - US Governments Short Term	25,374	0.2	0.08
Commercial Paper	3,285	—	0.24
Total Short-Term Investments	**3,294,805**	**21.9**	
Fixed Income Investments			
US Governments	5,759,378	38.4	12.16
Non - US Governments Fixed Income	3,329,828	22.2	6.62
Corporate Bonds	784,603	5.2	3.25
Asset Backed Securities	311,942	2.1	0.72
Commingled Fixed Income Pools	269,252	1.8	2.90
US Agencies	128,964	0.9	6.29
Duration Not Available	1,118,178	7.5	N/A
Total Fixed Income Investments	**11,702,145**	**78.1**	
Total Debt Securities	**$ 14,996,950**	**100.0 %**	

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a plan's investment in a single issuer. As of June 30, 2023, INPRS does not have investments in any single issuer that represent 5% or more of the Fiduciary Net Position other than U.S. Government securities which are not subject to the GASB 40 disclosure requirements. To limit business and liquidity risk arising due to the allocation of a large percentage of assets to a single investment manager, the Board has placed an upper limit on the concentration of assets placed with an investment manager as follows:

- No investment manager shall manage more than 15% of the System's assets in actively managed portfolios.
- No investment manager shall manage more than 20% of the System's assets in passively managed portfolios.
- No investment manager shall manage more than 25% of the assets in a combination of actively and passively managed portfolios.

Credit Quality Risk

Credit quality 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 given to 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 $440.6 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.

(dollars in thousands)

Credit Rating	Short-Term Investments	Fixed Income Securities	Total	% of All Debt Securities
AAA	$ —	$ 432,590	$ 432,590	2.9 %
U.S. Government Guaranteed	—	5,888,343	5,888,343	39.3
AA	544,265	1,217,535	1,761,800	11.7
A	—	359,718	359,718	2.4
BBB	3,285	653,441	656,726	4.4
BB	—	645,662	645,662	4.3
B	—	340,006	340,006	2.3
Below B	—	317,244	317,244	2.1
Unrated	2,747,255	1,847,606	4,594,861	30.6
Total	**$ 3,294,805**	**$ 11,702,145**	**$ 14,996,950**	**100.0 %**

Custodial Credit Risk for Securities Lending

The 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 the following:

- Securities that are loaned in exchange for cash or securities collateral must be at least 102% of the fair value of domestic securities on loan and 105% of the fair 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 fair value of loaned securities. Securities shall not be loaned in excess of 40% of the fair 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.
- A maximum of 25% of the cash collateral may be invested with a single counterparty.
- All collateral investments have a maturity of the next business day.

As of June 30, 2023, there was no security lending credit risk exposure as the collateral pledged of $292.9 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.

(dollars in thousands)

Security Type	Fair Value of Securities on Loan
U.S. Government	$ 80,029
Corporate Bonds	13,408
International Bonds	64,912
Domestic Equities	89,902
International Equities	28,479
Total	**$ 276,730**

Credit Risk for 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. These repurchase agreements are assets whereby security collateral is held by the custodian. An obligation under a reverse repurchase agreement is the same as a repurchase agreement, but from the perspective of the buyer rather than a 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% at time of purchase and marked to market on each business day.

Investments under Repurchase Agreements (exclusive of Securities Lending) as of June 30, 2023 are as follows. At June 30, 2023, there was no reverse repurchase risk as the cash collateral value posted was less than the fair value of the liability held.

(dollars in thousands)

Repurchase Agreements by Collateral Type	Cash Collateral Received	Fair Value
U.S. Treasury	$ 18,076	$ 18,076

Obligations Under Reverse Repurchase Agreements by Collateral Type	Cash Collateral Posted	Fair Value
U.S. Treasury	$ 241,677	$ 435,815

Foreign Currency Risk

Foreign currency risk is the risk that 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.

Foreign investments included in the Fiduciary Net Position as of June 30, 2023 are below. Short-term, fixed income, and equity investments include income accruals. Other investments include foreign holdings of other investments, derivatives, and receivables/ payables. The percentage shown in the table is with respect to DB pooled investments. Totals less than $5 million are included in Other.

(dollars in thousands)	Investments Held in Foreign Currency					
Currency	Short-Term	Fixed Income	Equity	Other Investments	Total	% of Total
AUSTRALIAN DOLLAR	$ 377	$ 64,799	$ 9,295	$ (66,033)	$ 8,438	— %
BRAZIL REAL	(9)	140,998	56,456	(36,528)	160,917	0.3
CANADIAN DOLLAR	4,465	107,934	61,298	(112,900)	60,797	0.1
CHILEAN PESO	394	25,271	—	(733)	24,932	0.1
CHINESE YUAN RENMINBI	9,388	32,804	142,418	(41,344)	143,266	0.3
COLOMBIAN PESO	1,007	56,763	—	(2,423)	55,347	0.1
CZECH KORUNA	708	57,871	—	(1,952)	56,627	0.1
DANISH KRONE	1,982	6,417	60,281	(6,941)	61,739	0.1
DOMINICAN REP PESO	—	22,400	—	(17,369)	5,031	—
EGYPTIAN POUND	3,160	1,232	—	2,761	7,153	—
EURO CURRENCY UNIT	17,543	932,307	758,164	(710,505)	997,509	2.1
HONG KONG DOLLAR	752	—	181,261	87	182,100	0.4
HUNGARIAN FORINT	884	31,117	871	12,631	45,503	0.1
INDIAN RUPEE	3	198	67,829	9,114	77,144	0.2
INDONESIAN RUPIAH	380	96,574	7,827	3,318	108,099	0.2
JAPANESE YEN	27,178	230,032	538,848	(232,153)	563,905	1.2
MALAYSIAN RINGGIT	580	76,854	3,308	21,613	102,355	0.2
MEXICAN PESO	(530)	80,316	19,415	25,133	124,334	0.3
NEW TAIWAN DOLLAR	—	—	113,192	(6,503)	106,689	0.2
NORWEGIAN KRONE	272	1,852	12,307	(1,515)	12,916	—
PERUVIAN SOL	827	57,933	—	(29,934)	28,826	0.1
POLISH ZLOTY	(1,732)	56,562	7,579	9,933	72,342	0.2
POUND STERLING	2,311	533,678	151,789	(548,265)	139,513	0.3
ROMANIAN LEU	344	43,108	—	(1,884)	41,568	0.1
SOUTH AFRICAN RAND	(10,153)	126,572	22,015	(27,197)	111,237	0.2
SOUTH KOREAN WON	769	(693)	160,821	(1,700)	159,197	0.3
SWEDISH KRONA	678	67,958	65,024	(73,676)	59,984	0.1
SWISS FRANC	8,714	—	145,654	1,435	155,803	0.3
THAILAND BAHT	20	52,021	8,359	48,830	109,230	0.2
TURKISH LIRA	39	—	60,127	109	60,275	0.1
Other	2,495	23,396	22,964	(28,647)	20,208	—
Held in Foreign Currency	**$ 72,846**	**$ 2,926,274**	**$ 2,677,102**	**$ (1,813,238)**	**$ 3,862,984**	**7.9 %**

Note 5. Derivative Instruments - Activity and Risk

Derivative 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 the 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 an agreed price on or before the 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 contract inception.

The following table summarizes the derivative instruments outstanding as of June 30, 2023:

(dollars in thousands)

Investment Derivatives	Change in Fair Value	Fair Value	Notional
Futures:			
Index Futures - Long	$ 2,167	$ 2,167	$ 167,642
Index Futures - Short	—	—	—
Commodity Futures - Long	(122,361)	(122,361)	3,835,484
Commodity Futures - Short	12,293	12,293	(164,665)
Fixed Income Futures - Long	83,626	83,626	4,368,696
Fixed Income Futures - Short	3,331	3,331	(300,820)
Currency Futures - Long	11	11	14,370
Total Futures	**(20,933)**	**(20,933)**	**7,920,707**
Options:			
Currency Spot Options Bought	—	—	—
Currency Spot Options Written	500	(1,694)	(214,316)
Interest Rate Options Bought	1,749	2,239	9,000
Interest Rate Options Written	(3,702)	(4,192)	(45,000)
ABS Shares Par	(430)	2,234	245,833
Market Index - Options and Hybrids	956	14,204	10,701
Options on Futures	(119)	1,781	(50,200)
Total Options	**(1,046)**	**14,572**	**(43,982)**
Swaps:			
Variance Swaps	—	—	—
Interest Rate Swaps - Pay Fixed Receive Variable	2,797	5,644	405,851
Interest Rate Swaps - Pay Variable Receive Fixed	(9,950)	(13,127)	842,017
Inflation Swaps - Pay Fixed Receive Variable	—	—	—
Zero Coupon Swaps - Pay Fixed Receive Variable	849	908	287,129
Zero Coupon Swaps - Pay Variable Receive Fixed	120	2	481,574
Total Return Swaps	—	—	—
Credit Default Swaps Single Name - Buy Protection	(352)	401	17,890
Credit Default Swaps Single Name - Sell Protection	2,445	(278)	120,821
Credit Default Swaps Index - Buy Protection	(280)	(105)	14,600
Credit Default Swaps Index - Sell Protection	214	(296)	11,548
Total Swaps	**(4,157)**	**(6,851)**	**2,181,430**
Total Derivatives	**$ (26,136)**	**$ (13,212)**	**$ 10,058,155**

The table below summarizes the swap maturity profile of derivative instruments as of June 30, 2023:

(dollars in thousands)

	Swap Maturity Profile					
Swap Type	< 1 yr	1-5 yrs	5-10 yrs	10-20 yrs	20+ yrs	Total
Interest Rate Swaps - Pay Fixed Receive Variable	$ —	$ 781	$ 1,254	$ (468)	$ 4,077	$ 5,644
Interest Rate Swaps - Pay Variable Receive Fixed	—	(6,651)	(3,757)	(1,414)	(1,305)	(13,127)
Inflation Swaps - Pay Fixed Receive Variable	—	—	—	—	—	—
Zero Coupon Swaps - Pay Fixed Receive Variable	—	993	(1)	(84)	—	908
Zero Coupon Swaps - Pay Variable Receive Fixed	—	(2,462)	2,464	—	—	2
Credit Default Swaps Single Name - Buy Protection	—	187	214	—	—	401
Credit Default Swaps Single Name - Sell Protection	—	81	(359)	—	—	(278)
Credit Default Swaps Index - Buy Protection	—	—	(105)	—	—	(105)
Credit Default Swaps Index - Sell Protection	—	(157)	(129)	—	(10)	(296)
Total Swap Fair Value	**$ —**	**$ (7,228)**	**$ (419)**	**$ (1,966)**	**$ 2,762**	**$ (6,851)**

Derivative Instruments - Risk Management:

INPRS's Investment Policy Statement allows derivative 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 are 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 the guidelines below:

- 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 ("NRSROs").
- 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.
- 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.
- 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.
- The fair value of commodities collateral is maintained at 100% 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 fair 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 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, 2023, the aggregate fair value of investment derivatives in an unrealized gain position subject to counterparty credit risk was approximately $24.3 million, of which $20.4 million was uncollateralized.

The table below summarizes the counterparty positions as of June 30, 2023:

(dollars in thousands)		Fair Value			Collateral	
Swaps Counterparty	S&P Rating	Receivable Unrealized Gain	Payable (Unrealized Loss)	Total Fair Value	Posted	Received
Bank of America	A-	$ —	$ —	$ —	$ 920	$ (200)
Banque Nationale De Paris	A+	655	(216)	(9)	1,580	—
Barclays	BBB	389	(137)	(105)	3,128	(210)
Chicago Mercantile Exchange	AA-	9,794	(11,344)	(793)	1,773	—
Citigroup	BBB+	699	(209)	(128)	—	(2,730)
Goldman Sachs	BBB+	624	(413)	348	3,735	(3,064)
Intercontinental Exchange Inc.	A-	1,080	(1,060)	(281)	—	2,346
JPMorgan Chase Bank	A-	211	(42)	127	1,050	(100)
London Clearing House	A	9,418	(14,601)	(6,134)	—	—
Morgan Stanley	A-	1,385	(390)	124	5,851	163
Standard Chartered	BBB+	—	—	—	3,900	(20)
Total		**$ 24,255**	**$ (28,412)**	**$ (6,851)**	**$ 21,937**	**$ (3,815)**

Derivative Instruments - Foreign Currency Risk

Foreign currency forward contracts and futures contracts are exposed to foreign currency risk. At June 30, 2023, INPRS's investments included a foreign currency contract receivable balance of $7.0 billion and an offsetting foreign currency contract payable of $7.0 billion. In addition, the net gain for the year ended June 30, 2023, due to foreign currency transactions was $2.5 million.

Derivative 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, 2023, the Stable Value Fund portfolio of well-diversified high-quality investment grade fixed income securities had a fair value of $1.8 billion, which was $443.8 million less than the fair value protected by the wrap contract.

Derivative Instruments - Interest Risk

INPRS has exposure to interest rate risk due to investments in interest rate swaps, inflation swaps and forward mortgage-backed securities (TBAs). Reference Note 4 Interest Rate Risk for further analysis.

Derivative Instruments as of June 30, 2023, subject to interest rate risk are summarized below:

Reference Currency	Pays	Receives	Fair Value	Notional
Interest Rate Swap - Pay Fixed Receive Variable:				
U.S. Dollar	0.00% to 3.25%	3M USD LIBOR BBA	$ 8,175	$ 167,940
Polish Zloty	0.25% to 7.31%	6M PLN WIBOR	(2,325)	87,135
Euro Currency Unit	0.25% to 3.25%	6M EURIBOR REUTERS	(323)	30,755
Hungarian Forint	7.84% to 9.24%	6M HUB BUBOR REUTERS	(77)	825
Chilean Peso	3.73% to 9.82%	CLP CLICP BLOOMBERG	(302)	29,096
Mexican Peso	6.40% to 9.37%	28D MXN TIIE BANXICO	(248)	19,921
Israeli Shekel	3.75% to 4.25%	3M ILS TELBOR REFERENCE BANKS	(95)	24,732
Malaysian Ringgit	3.00% to 3.55%	3M MYR-KLIBOR-BNM	63	10,391
Pound Sterling	0.75% to 3.75%	GBP SONIA COMPOUND	1,010	18,689
South African Rand	6.12% to 9.25%	3M ZAR JIBAR SAFEX	(234)	16,367
			$ 5,644	**$ 405,851**
Interest Rate Swap - Pay Variable Receive Fixed:				
U.S. Dollar	3M USD LIBOR BBA	0.00% to 3.80%	$ (8,198)	$ 302,420
South Korean Won	3M KRW KWCDC COD	3.25%	(690)	57,980
Polish Zloty	6M PLN WIBOR	1.19% to 8.01%	344	28,299
Euro Currency Unit	6M EURIBOR REUTERS	0.65% to 3.00%	(1,010)	32,185
Hungarian Forint	6M HUB BUBOR REUTERS	1.76% to 8.67%	(509)	15,044
Chilean Peso	CLP CLICP BLOOMBERG	3.25% to 7.24%	293	6,464
Czech Koruna	6M CZK PRIBOR PRBO	1.12% to 4.69%	369	50,505
Mexican Peso	28D MXN TIIE BANXICO	7.27% to 9.25%	214	69,257
Malaysian Ringgit	3M MYR-KLIBOR-BNM	3.50% to 4.00%	(48)	14,989
Thailand Baht	6M THB THBFIX REUTERS	2.25%	(150)	18,606
Pound Sterling	GBP SONIA COMPOUND	3.50% to 5.59%	(1,792)	31,402
South African Rand	3M ZAR JIBAR SAFEX	8.12% to 10.50%	445	11,390
New Zealand Dollar	3M NZD BBR FRA	3.00%	(651)	59,059
Canadian Dollar	CAD-BA-CDOR 3M	2.06% to 4.00%	(1,744)	144,417
			$ (13,127)	**$ 842,017**

Note 6. Other Risk Management

INPRS is exposed to the following risks:

- Damage to INPRS property.
- Personal injury or property damage liabilities.
- Errors, omissions and employee theft.
- Employee death benefits.
- Certain employee health benefits, unemployment and worker's compensation costs for INPRS employees.
- Breach of fiduciary responsibility.
- Lawsuits.
- Unanticipated events.
- Cybersecurity and breach of IT systems.

INPRS purchases commercial insurance for property, general liability, employee crime, employee health, and fiduciary responsibility. INPRS follows industry best practice to mitigate the risk of breaches to cybersecurity and IT systems. INPRS pays into the unemployment insurance fund as legally required. Settlements have not exceeded the insurance coverage for any of the past three years. INPRS records expenses for losses, if any, as the liabilities are incurred or replacement items are purchased.

Note 7. Legislative Changes

The following legislative changes were signed into law during the fiscal year, which have a financial impact in the current and future years. These changes have been included in the actuarial valuations, where applicable, as of June 30, 2023.

House Enrolled Act (HEA) 1001

Changes requirements for PERF and TRF members to begin receiving pension benefits while continuing to work in a covered position (in-service retirement). PERF and TRF plan members with at least 20 years of service are now eligible for in-service retirement, also known as Millie Morgan retirement, at age 65. Prior to July 1, 2023, the eligibility age for in-service retirement was 70. This change excludes elected officials who are still able to begin in-service retirement at age 55 with 20 years of service.

Provided an extra $700 million appropriation for TRF Pre-'96 DB. This appropriation was received in fiscal year 2023 and is reported in our financial statements.

House Enrolled Act (HEA) 1008

Provides that a fiduciary, in making and supervising investments of a reserve fund of the public pension system, shall discharge the fiduciary's duties solely in the financial interest of the participants and beneficiaries of the public pension system. Establishes certain requirements for fiduciaries, proxy advisors, service providers, and proxy voting. Requires a governmental entity to, at least annually, tabulate and report all proxy votes made in relation to the administration of a fund of the public pension system. Provides that the treasurer of state shall enforce these provisions.

House Enrolled Act (HEA) 1055

Provides that if an entity is eligible to participate in the '77 Fund under IC 36-8-8-18, prior service as a full-time and fully-paid Conservancy District Marshal may be purchased under the provisions of IC 36-8-8-18 and IC 36-8-8-18-1.

This amendment is only for the purpose of prior service and not membership in the '77 Fund.

Senate Enrolled Act (SEA) 185

Modifies the definition of "salary of a first class patrolman or first class firefighter" for the 1977 police officers' and firefighters' pension and disability fund ('77 Fund). Allows an airport authority to participate in the '77 Fund. Increases the maximum age for a firefighter to be appointed to a fire department and become a member of the '77 Fund from 35 years of age to 39 years of age. Makes corresponding changes. Effective July 1, 2023.

Senate Enrolled Act (SEA) 268

Provides as follows beginning June 30th, 2023; The Indiana Public Retirement System will be prohibited from investing in certain restricted entities or restricted investment products, including particular investments publicly confirmed to be controlled by the People's Republic of China or the Chinese Communist Party. Specifies exceptions, a divestment schedule, and reporting requirements. Adds a provision urging the legislative council to assign to the interim study committee on pension management oversight the topic of studying whether to cease or defer divestment or resume investment in an entity or product in accordance with the provisions regarding divestment from Chinese companies. Additionally, the board shall make a good faith effort to identify all restricted entities and restricted investment products in which the system holds an investment beginning July 30th, 2023 and before July 1st each subsequent year. If the board determines after a review that the system has investments in a restricted entity or a restricted investment product, the board shall establish a plan to divest the investment and complete the divestment as soon as financially prudent. However, the investment must be divested not later than the following:

(1) At least fifty percent (50%) of the investment shall be removed from a fund's assets within three (3) years after the board discovers that the investment is in a restricted entity or restricted investment product.

(2) At least seventy-five percent (75%) of the investment shall be removed from a fund's assets within four (4) years after the board discovers that the investment is in a restricted entity or restricted investment product.

(3) One hundred percent (100%) of the investment shall be removed from a fund's assets within five (5) years after the board discovers that the investment is in a restricted entity or restricted investment product.

Note 8. Net Pension Liability and Actuarial Information – Defined Benefit Plans

The components of the Net Pension Liability of each defined benefit retirement plan as of June 30, 2023:

(dollars in thousands) **Pre-Funded Defined Benefit Pension Trust Funds**	**Total Pension Liability (a)**	**Fiduciary Net Position (b)**	**Net Pension Liability (Asset) (a) - (b)**	**Fiduciary Net Position as a Percent of Total Pension Liability (Asset) (b) / (a)**
PERF DB	$ 18,415,248	$ 14,885,915	$ 3,529,333	80.8%
TRF '96 DB	8,832,827	7,746,476	1,086,351	87.7
77 Fund	8,796,329	7,771,898	1,024,431	88.4
JRS	728,137	640,207	87,930	87.9
EG&C	194,827	176,900	17,927	90.8
PARF	126,749	81,585	45,164	64.4
LE DB	2,676	3,007	(331)	112.4
Total Pre-Funded DB	**$ 37,096,793**	**$ 31,305,988**	**$ 5,790,805**	**84.4**
Pay-As-You-Go Defined Benefit Pension Trust Fund				
TRF Pre-'96 DB	$ 13,703,295	$ 8,472,903	$ 5,230,392	61.8%
Total DB	**$ 50,800,088**	**$ 39,778,891**	**$ 11,021,197**	**78.3%**

Total Pension Liability is determined by the actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service, etc.) and assumptions about the probability of occurrence of events in the future (e.g., mortality, disabilities, retirements, employment terminations, etc.). Actuarially determined amounts are subject to review and modifications, as actual results are compared with past expectations and new estimates are developed. INPRS completed an asset-liability study in February 2021. Assumption changes were recommended to the board and adopted in May 2021 for the June 30, 2021 actuarial valuations. No changes in methods were recommended or adopted. See the Schedule of Notes to Required Supplementary Information for additional information.

The Schedule of Contributions in the Required Supplementary Information presents trend information about the amounts contributed to the plan by employers and a nonemployer contributing entity in comparison to the Actuarially Determined Contribution (ADC). The ADC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost for each year and the amortization of any unfunded actuarial accrued liability.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuations are presented below:

Description		PERF DB	TRF Pre-'96 DB	TRF '96 DB	77 Fund	JRS	EG&C	PARF	LE DB
Asset Valuation Date		June 30, 2023							
Liability Valuation Date		June 30, 2022 - Member census data as of June 30, 2022 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2022 and June 30, 2023. Standard actuarial roll forward techniques were then used to project the total pension liability computed as of June 30, 2022 to the June 30, 2023 measurement date.							
Actuarial Cost Method (Accounting)		Entry Age Normal (Level Percent of Payroll)							
Actuarial Assumptions:									
Experience Study Date		Period of five years ended June 30, 2019							
Investment Rate of Return (Accounting)		6.25%, includes inflation and net of investment expenses							
Cost of Living Increases (COLA), see Notes 1 and 7		Beginning Jan. 1, 2026 - 0.40%, Beginning Jan. 1, 2034 - 0.50%, Beginning Jan. 1, 2039 - 0.60%			1.95%	2.65%	Beginning Jan. 1, 2026 - 0.40%, Beginning Jan. 1, 2034 - 0.50%, Beginning Jan. 1, 2039 - 0.60%	N/A	Beginning Jan. 1, 2026 - 0.40%, Beginning Jan. 1, 2034 - 0.50%, Beginning Jan. 1, 2039 - 0.60%
Future Salary Increases, including Inflation		2.65% - 8.65%	2.65% - 11.90%		2.65%		2.65% - 4.90%	2.65%	N/A
Inflation		2.00%							
Mortality - Healthy Employees and Retirees	Base Table	PubG-2010	PubT-2010		PubS-2010	PubG-2010	PubS-2010	PubG-2010	PubG-2010
	M/F Set Forward	+3/+1	+1/+1		+3/+0	-1/-1	+3/+0	-1/-1	-1/-1
Mortality - Disabled	Base Table	PubG-2010							
	Load	140%	140%		100%	140%	100%	140%	140%
Mortality - Beneficiaries	Base Table	PubCS-2010							
	M/F Set Forward	+0/+2							
Mortality - Improvement - All Tables	Generational Improvement Scale	MP-2019							

The long-term return expectation for the INPRS defined benefit retirement plans has been 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 market 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 market 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, along with a reasonable alpha assumption from manager selection, ultimately supports the long-term expected rate of return assumption of 6.25% 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.

Global Asset Class	Long-Term Expected Real Rate of Return (Geometric Basis)	Target Asset Allocation[1]
Public Equity	3.7%	20.0%
Private Markets	6.4	15.0
Fixed Income - Ex Inflation-Linked	2.2	20.0
Fixed Income - Inflation-Linked	0.5	15.0
Commodities	1.1	10.0
Real Assets	3.4	10.0
Absolute Return	1.6	5.0
Risk Parity	5.9	20.0
Cash and Cash Overlay	—	N/A

[1] The defined benefit plans target allocation for total exposure is 115%. For the long-term expected rate of return calculation, an additional -15% is allocated to the cash and cash overlay global asset class.

The Total Pension Liability (TPL) for each defined benefit pension plan was calculated using the long-term expected rate of return of 6.25%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and, where applicable, from members, would at the minimum be made at the actuarially determined required rates, computed in accordance with the current funding policy adopted by the Board, and contributions required by the State of Indiana (the nonemployer contributing entity) would be made as stipulated by Indiana statute. Projected inflows from investment earnings were calculated using the 6.25% long-term assumed investment rate of return. Based on those assumptions, each defined benefit pension plan's Fiduciary Net Position were 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 TPL for each plan.

Net Pension Liability (NPL) is sensitive to changes in the discount rate. To illustrate the potential impact, the following table presents the NPL of the defined benefit pension plans calculated using the discount rate of 6.25%, as well as what each plan's NPL would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

(dollars in thousands)	Discount Rate		
Pre-Funded Defined Benefit Pension Trust Funds	**1% Decrease 5.25%**	**Current 6.25%**	**1% Increase 7.25%**
PERF DB	$ 5,751,693	$ 3,529,333	$ 1,676,324
TRF '96 DB	2,628,611	1,086,351	(160,302)
77 Fund	2,387,039	1,024,431	(75,709)
JRS	173,420	87,930	16,121
EG&C	44,068	17,927	(3,612)
PARF	61,123	45,164	32,005
LE DB	(162)	(331)	(482)
Pay-As-You-Go Defined Benefit Pension Trust Fund			
TRF Pre-'96 DB	$ 6,442,684	$ 5,230,392	$ 4,183,478
Total	$ 17,488,476	$ 11,021,197	$ 5,667,823

Note 9. Subsequent Events

Impact on the Financial Statements

Before the issuance of the financial statements, there were no known events or transactions that were material in nature that would have affected the financial results as of June 30, 2023. All events and transactions have been recognized or disclosed in the financial statements and notes as it pertains to the period ending June 30, 2023.

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Introduction to Required Supplementary Information

Purpose of Supplementary Information

Required Supplementary Information and the Other Supplementary Schedules consist of statistical data and other information to provide greater transparency and to enhance the usefulness of the financial statements.

RSI Schedules (Unaudited)

- Schedule of Changes in Net Pension Liability and Related Ratios
- Schedule of Contributions
- Schedule of Investment Returns
- Schedule of Notes to Required Supplementary Information

OSS Schedules

- Schedule of Administrative Expenses
- Schedule of Administrative Expenses - Vendors
- Schedule of Direct Investment Expenses

Accompanying Notes to the RSI Schedules

The schedules currently reflect historical results for the years available within the last 10 years.

Schedules for Public Employees' Defined Benefit Account, Teachers' Pre-1996 Defined Benefit Account and Teachers' 1996 Defined Benefit Account were restated for fiscal years 2014-2017 to reflect the DB/DC split effective January 1, 2018.

The following details are intended to clarify results for selected categories in these schedules:

- **Benefit Payments** - includes pension, disability and survivor benefits, special death benefits, distributions of contributions and interest, and refund of employee contributions.
- **ASA Annuitizations** - include activity through December 31, 2017. Effective January 1, 2018, members can no longer annuitize their DC balances to increase their DB payments.
- **Net Member Reassignments** - includes net interfund transfers of employer contribution amounts.
- **Contributions** - include received and accrued contributions from employers, members, nonemployer contributing entity, and additional one-time contributions as reflected in the table below. In accordance with statute, TRF Pre-'96 DB nonemployer contributing entity contributions increase 3% annually.

(dollars in thousands)	One-time Contributions				
Fund	2023	2022	2021	2019	2016
PERF DB	$ —	$ —	$ 23,000	$ —	$ —
TRF Pre-'96 DB	3,200,000	545,410	621,805	—	—
TRF '96 DB	—	—	5,000	150,000	—
JRS	—	—	—	—	—
EG&C	—	—	195	—	70
PARF	—	—	—	—	—
LE DB	—	—	30	—	—

- **Administrative Expenses** - include contributions by INPRS to PERF DB and TRF '96 DB for its employees in their respective funds. Administrative expenses use a predetermined allocation methodology.
- **Covered Payroll** - Excludes payroll corresponding to the contribution accrual. LE DB has no covered payroll. TRF Pre-'96 DB and LE DB are closed to new members and the population will continue to decline over time.
- **Actuarially Determined Contribution (ADC)** - Calculated using covered payroll at the applicable ADC rate. To determine the contribution deficiency/(excess), contributions in relation to ADC exclude service purchases and specific financed liabilities.

Trends

In 2021, HEA 1001-2021 granted a 1% COLA for PERF DB, TRF Pre-'96 DB, TRF '96 DB, EG&C and LE DB beginning January 1, 2022, and no additional postretirement benefit increases for those funds through June 30, 2024. Additionally in 2021, an asset-liability study was completed resulting in updates to several economic assumptions. These assumption changes included changes in the inflation rate, discount rate, salary increase rates, and COLA assumptions for the '77 Fund and JRS. For further details, refer to the Actuarial Section.

Schedule of Changes in Net Pension Liability and Related Ratios
Public Employees' Defined Benefit Account [1]
For the Years Ended June 30

(dollars in thousands)

Changes in Net Pension Liability	2023	2022	2021	2020	2019
Total Pension Liability - Beginning of Year	**$ 18,002,194**	**$ 17,563,157**	**$ 16,281,754**	**$ 16,576,060**	**$ 16,091,373**
Service Cost	246,229	237,481	206,225	201,143	195,383
Interest Cost	1,109,694	1,082,719	1,080,920	1,101,241	1,069,184
Experience (Gains) / Losses	43,755	73,112	30,429	(54,832)	101,180
Assumption Changes	—	—	896,589	(616,830)	—
Plan Amendments	—	—	15,946	—	12,920
Benefit Payments [1]	(984,759)	(949,955)	(946,107)	(922,189)	(888,512)
ASA Annuitizations [1]	—	—	—	—	—
Net Member Reassignment [1]	(5,876)	(5,714)	(3,057)	(3,163)	(5,787)
Other	4,011	1,394	458	324	319
Net Change in Total Pension Liability	**413,054**	**439,037**	**1,281,403**	**(294,306)**	**484,687**
Total Pension Liability - End of Year	**$ 18,415,248**	**$ 18,002,194**	**$ 17,563,157**	**$ 16,281,754**	**$ 16,576,060**
Fiduciary Net Position - Beginning of Year	**$ 14,848,361**	**$ 16,247,310**	**$ 13,261,360**	**$ 13,270,996**	**$ 12,694,328**
Employer Contributions [1]	682,854	629,001	627,315	599,100	581,873
Member Contributions [1]	208	307	131	127	296
Net Investment Income / (Loss)	366,819	(1,053,903)	3,325,549	335,139	906,388
Benefit Payments [1]	(984,759)	(949,955)	(946,107)	(922,189)	(888,512)
ASA Annuitizations [1]	—	—	—	—	—
Net Member Reassignment [1]	(5,877)	(5,714)	(3,057)	(3,163)	(5,787)
Administrative Expenses [1]	(21,695)	(18,704)	(18,003)	(18,887)	(18,472)
Other	4	19	122	237	882
Net Change in Fiduciary Net Position	**37,554**	**(1,398,949)**	**2,985,950**	**(9,636)**	**576,668**
Fiduciary Net Position - End of Year	**$ 14,885,915**	**$ 14,848,361**	**$ 16,247,310**	**$ 13,261,360**	**$ 13,270,996**
Net Pension Liability					
Total Pension Liability	$ 18,415,248	$ 18,002,194	$ 17,563,157	$ 16,281,754	$ 16,576,060
Fiduciary Net Position	14,885,915	14,848,361	16,247,310	13,261,360	13,270,996
Net Pension Liability / (Asset)	**$ 3,529,333**	**$ 3,153,833**	**$ 1,315,847**	**$ 3,020,394**	**$ 3,305,064**
Fiduciary Net Position as a Percentage of the Total Pension Liability	**80.8 %**	**82.5 %**	**92.5 %**	**81.4 %**	**80.1 %**
Covered Payroll [1]	$ 6,149,915	$ 5,670,744	$ 5,482,242	$ 5,380,843	$ 5,205,243
Net Pension Liability as a Percentage of Covered Payroll	**57.4 %**	**55.6 %**	**24.0 %**	**56.1 %**	**63.5 %**

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

Schedule of Changes in Net Pension Liability and Related Ratios, continued

Public Employees' Defined Benefit Account [1]

For the Years Ended June 30

(dollars in thousands)

Changes in Net Pension Liability	2018	2017	2016	2015	2014
Total Pension Liability - Beginning of Year	**$ 16,335,253**	**$ 15,752,055**	**$ 15,263,395**	**$ 13,880,722**	**$ 13,349,578**
Service Cost	202,324	194,101	191,055	273,910	258,070
Interest Cost	1,088,503	1,051,217	1,018,993	936,404	895,454
Experience (Gains) / Losses	20,103	82,964	(4,870)	247,978	(15,161)
Assumption Changes	(731,601)	22,809	—	488,354	—
Plan Amendments	—	(22,766)	—	—	(42,985)
Benefit Payments [1]	(860,613)	(820,721)	(786,607)	(752,896)	(680,203)
ASA Annuitizations [1]	43,874	78,793	75,036	196,788	119,094
Net Member Reassignment [1]	(7,030)	(3,618)	(5,441)	(8,155)	(3,125)
Other	560	419	494	290	—
Net Change in Total Pension Liability	**(243,880)**	**583,198**	**488,660**	**1,382,673**	**531,144**
Total Pension Liability - End of Year	**$ 16,091,373**	**$ 16,335,253**	**$ 15,752,055**	**$ 15,263,395**	**$ 13,880,722**
Fiduciary Net Position - Beginning of Year	**$ 11,873,709**	**$ 11,213,610**	**$ 11,190,493**	**$ 11,252,787**	**$ 9,924,498**
Employer Contributions [1]	571,374	558,891	615,773	538,059	526,090
Member Contributions	708	590	443	—	—
Net Investment Income / (Loss)	1,093,094	870,592	147,106	(10,667)	1,393,814
Benefit Payments [1]	(860,613)	(820,721)	(786,607)	(752,896)	(680,203)
ASA Annuitizations [1]	43,874	78,793	75,036	196,788	119,094
Net Member Reassignment [1]	(7,030)	(3,618)	(5,441)	(8,155)	(3,125)
Administrative Expenses [1]	(20,844)	(24,483)	(24,098)	(25,506)	(27,433)
Other	56	55	905	83	52
Net Change in Fiduciary Net Position	**820,619**	**660,099**	**23,117**	**(62,294)**	**1,328,289**
Fiduciary Net Position - End of Year	**$ 12,694,328**	**$ 11,873,709**	**$ 11,213,610**	**$ 11,190,493**	**$ 11,252,787**
Net Pension Liability					
Total Pension Liability	$ 16,091,373	$ 16,335,253	$ 15,752,055	$ 15,263,395	$ 13,880,722
Fiduciary Net Position	12,694,328	11,873,709	11,213,610	11,190,493	11,252,787
Net Pension Liability / (Asset)	**$ 3,397,045**	**$ 4,461,544**	**$ 4,538,445**	**$ 4,072,902**	**$ 2,627,935**
Fiduciary Net Position as a Percentage of the Total Pension Liability	**78.9 %**	**72.7 %**	**71.2 %**	**73.3 %**	**81.1 %**
Covered Payroll [1]	$ 5,083,131	$ 4,997,555	$ 4,868,709	$ 4,804,145	$ 4,896,635
Net Pension Liability as a Percentage of Covered Payroll	**66.8 %**	**89.3 %**	**93.2 %**	**84.8 %**	**53.7 %**

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

Schedule of Changes in Net Pension Liability and Related Ratios

Teachers' Pre-1996 Defined Benefit Account [1]

For the Years Ended, June 30

(dollars in thousands)

Changes in Net Pension Liability	2023	2022	2021	2020	2019
Total Pension Liability - Beginning of Year	**$ 14,059,122**	**$ 14,338,188**	**$ 13,968,703**	**$ 14,389,164**	**$ 14,583,189**
Service Cost	29,212	32,789	31,513	33,750	37,234
Interest Cost	843,965	861,852	905,232	933,928	947,607
Experience (Gains) / Losses	(59,219)	(11,007)	6,414	(43,562)	(15,073)
Assumption Changes	—	—	582,474	(170,663)	—
Plan Amendments	—	—	22,605	—	(190)
Benefit Payments [1]	(1,170,518)	(1,164,307)	(1,178,740)	(1,174,419)	(1,165,134)
ASA Annuitizations [1]	—	—	—	—	—
Net Member Reassignment [1]	699	1,543	(35)	484	1,494
Other	34	64	22	21	37
Net Change in Total Pension Liability	**(355,827)**	**(279,066)**	**369,485**	**(420,461)**	**(194,025)**
Total Pension Liability - End of Year	**$ 13,703,295**	**$ 14,059,122**	**$ 14,338,188**	**$ 13,968,703**	**$ 14,389,164**
Fiduciary Net Position - Beginning of Year	**$ 5,113,121**	**$ 5,074,751**	**$ 3,661,151**	**$ 3,759,145**	**$ 3,711,347**
Employer Contributions [1]	2,467	2,205	2,254	2,356	3,505
Nonemployer Contributing Entity Contributions [1]	4,235,000	1,550,410	1,598,375	971,132	943,900
Member Contributions [1]	4	64	23	21	36
Net Investment Income / (Loss)	297,891	(346,479)	996,761	107,748	269,009
Benefit Payments [1]	(1,170,518)	(1,164,307)	(1,178,740)	(1,174,419)	(1,165,134)
ASA Annuitizations [1]	—	—	—	—	—
Net Member Reassignment [1]	699	1,543	(34)	484	1,494
Administrative Expenses [1]	(5,761)	(5,067)	(5,039)	(5,341)	(5,329)
Other	—	1	—	25	317
Net Change in Fiduciary Net Position	**3,359,782**	**38,370**	**1,413,600**	**(97,994)**	**47,798**
Fiduciary Net Position - End of Year	**$ 8,472,903**	**$ 5,113,121**	**$ 5,074,751**	**$ 3,661,151**	**$ 3,759,145**
Net Pension Liability					
Total Pension Liability	$ 13,703,295	$ 14,059,122	$ 14,338,188	$ 13,968,703	$ 14,389,164
Fiduciary Net Position	8,472,903	5,113,121	5,074,751	3,661,151	3,759,145
Net Pension Liability / (Asset)	**$ 5,230,392**	**$ 8,946,001**	**$ 9,263,437**	**$ 10,307,552**	**$ 10,630,019**
Fiduciary Net Position as a Percentage of the Total Pension Liability	**61.8 %**	**36.4 %**	**35.4 %**	**26.2 %**	**26.1 %**
Covered Payroll [1]	$ 521,286	$ 575,523	$ 625,812	$ 693,965	$ 753,355
Net Pension Liability as a Percentage of Covered Payroll	**1,003.4 %**	**1,554.4 %**	**1,480.2 %**	**1,485.3 %**	**1,411.0 %**

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

Schedule of Changes in Net Pension Liability and Related Ratios, continued

Teachers' Pre-1996 Defined Benefit Account [1]

For the Years Ended, June 30

(dollars in thousands)

Changes in Net Pension Liability	2018	2017	2016	2015	2014
Total Pension Liability - Beginning of Year	**$ 15,494,539**	**$ 15,575,072**	**$ 15,596,291**	**$ 14,639,876**	**$ 14,649,549**
Service Cost	44,603	43,204	46,787	57,751	68,860
Interest Cost	1,010,565	1,016,915	1,019,404	959,895	961,628
Experience (Gains) / Losses	(162,414)	22,416	(5,794)	(140,466)	(70,517)
Assumption Changes	(668,484)	(61,548)	—	1,033,157	—
Plan Amendments	—	4,213	—	—	(25,524)
Benefit Payments [1]	(1,153,374)	(1,135,662)	(1,118,122)	(1,100,434)	(1,034,563)
ASA Annuitizations [1]	16,301	30,502	35,185	143,225	93,982
Net Member Reassignment [1]	1,428	—	—	3,266	(3,802)
Other	25	(573)	1,321	21	263
Net Change in Total Pension Liability	**(911,350)**	**(80,533)**	**(21,219)**	**956,415**	**(9,673)**
Total Pension Liability - End of Year	**$ 14,583,189**	**$ 15,494,539**	**$ 15,575,072**	**$ 15,596,291**	**$ 14,639,876**
Fiduciary Net Position - Beginning of Year	**$ 3,575,400**	**$ 3,522,401**	**$ 3,678,455**	**$ 3,786,527**	**$ 3,401,153**
Employer Contributions [1]	4,168	4,525	5,048	5,811	6,325
Nonemployer Contributing Entity Contributions [1]	917,900	871,000	887,500	845,616	825,617
Member Contributions [1]	156	10	132	—	5
Net Investment Income / (Loss)	354,639	288,850	40,767	953	504,801
Benefit Payments [1]	(1,153,374)	(1,135,662)	(1,118,122)	(1,100,434)	(1,034,563)
ASA Annuitizations [1]	16,301	30,502	35,185	143,225	93,982
Net Member Reassignment [1]	1,429	—	—	3,266	(3,802)
Administrative Expenses [1]	(5,385)	(6,226)	(6,564)	(6,530)	(7,010)
Other	113	—	—	21	19
Net Change in Fiduciary Net Position	**135,947**	**52,999**	**(156,054)**	**(108,072)**	**385,374**
Fiduciary Net Position - End of Year	**$ 3,711,347**	**$ 3,575,400**	**$ 3,522,401**	**$ 3,678,455**	**$ 3,786,527**
Net Pension Liability					
Total Pension Liability	$ 14,583,189	$ 15,494,539	$ 15,575,072	$ 15,596,291	$ 14,639,876
Fiduciary Net Position	3,711,347	3,575,400	3,522,401	3,678,455	3,786,527
Net Pension Liability / (Asset)	**$ 10,871,842**	**$ 11,919,139**	**$ 12,052,671**	**$ 11,917,836**	**$ 10,853,349**
Fiduciary Net Position as a Percentage of the Total Pension Liability	**25.4 %**	**23.1 %**	**22.6 %**	**23.6 %**	**25.9 %**
Covered Payroll [1]	$ 824,770	$ 912,685	$ 989,093	$ 1,074,827	$ 1,262,828
Net Pension Liability as a Percentage of Covered Payroll	**1,318.2 %**	**1,305.9 %**	**1,218.6 %**	**1,108.8 %**	**859.4 %**

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

Schedule of Changes in Net Pension Liability and Related Ratios
Teachers' 1996 Defined Benefit Account [1]
For the Years Ended June 30

(dollars in thousands)

Changes in Net Pension Liability	2023	2022	2021	2020	2019
Total Pension Liability - Beginning of Year	**$ 8,154,991**	**$ 7,517,702**	**$ 6,403,252**	**$ 5,980,426**	**$ 5,563,264**
Service Cost	240,571	230,270	190,037	183,633	180,559
Interest Cost	519,115	479,121	439,929	411,329	383,384
Experience (Gains) / Losses	97,604	91,984	96,923	(31,433)	(21,588)
Assumption Changes	—	—	536,184	(114)	—
Plan Amendments	—	—	3,034	—	2,939
Benefit Payments [1]	(185,167)	(168,621)	(155,348)	(143,372)	(132,572)
ASA Annuitizations [1]	—	—	—	—	—
Net Member Reassignment [1]	5,158	4,037	3,092	2,679	4,293
Other	555	498	599	104	147
Net Change in Total Pension Liability	**677,836**	**637,289**	**1,114,450**	**422,826**	**417,162**
Total Pension Liability - Ending	**$ 8,832,827**	**$ 8,154,991**	**$ 7,517,702**	**$ 6,403,252**	**$ 5,980,426**
Fiduciary Net Position - Beginning of Year	**$ 7,496,540**	**$ 7,987,495**	**$ 6,325,311**	**$ 6,124,086**	**$ 5,452,352**
Employer Contributions [1]	244,600	210,665	202,489	188,789	393,172
Member Contributions [1]	379	433	464	104	127
Net Investment Income / (Loss)	191,285	(532,181)	1,616,454	158,072	411,147
Benefit Payments [1]	(185,167)	(168,621)	(155,348)	(143,372)	(132,572)
ASA Annuitizations [1]	—	—	—	—	—
Net Member Reassignment [1]	5,158	4,038	3,091	2,679	4,293
Administrative Expenses [1]	(6,319)	(5,292)	(4,966)	(5,090)	(5,038)
Other	—	3	—	43	605
Net Change in Fiduciary Net Position	**249,936**	**(490,955)**	**1,662,184**	**201,225**	**671,734**
Fiduciary Net Position - End of Year	**$ 7,746,476**	**$ 7,496,540**	**$ 7,987,495**	**$ 6,325,311**	**$ 6,124,086**
Net Pension Liability					
Total Pension Liability	$ 8,832,827	$ 8,154,991	$ 7,517,702	$ 6,403,252	$ 5,980,426
Fiduciary Net Position	7,746,476	7,496,540	7,987,495	6,325,311	6,124,086
Net Pension Liability / (Asset)	**$ 1,086,351**	**$ 658,451**	**$ (469,793)**	**$ 77,941**	**$ (143,660)**
Fiduciary Net Position as a Percentage of the Total Pension Liability	**87.7 %**	**91.9 %**	**106.2 %**	**98.8 %**	**102.4 %**
Covered Payroll [1]	$ 4,199,773	$ 3,915,888	$ 3,634,649	$ 3,465,728	$ 3,257,918
Net Pension Liability as a Percentage of Covered Payroll	**25.9 %**	**16.8 %**	**(12.9)%**	**2.2 %**	**(4.4)%**

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

Schedule of Changes in Net Pension Liability and Related Ratios, continued

Teachers' 1996 Defined Benefit Account [1]

For the Years Ended June 30

(dollars in thousands)

Changes in Net Pension Liability	2018	2017	2016	2015	2014
Total Pension Liability - Beginning of Year	**$ 5,536,094**	**$ 5,174,317**	**$ 4,734,777**	**$ 4,116,264**	**$ 3,757,444**
Service Cost	182,558	168,651	167,836	170,892	155,314
Interest Cost	382,298	357,392	328,017	287,265	262,263
Experience (Gains) / Losses	(142,275)	46,460	29,876	(40,857)	504
Assumption Changes	(285,442)	(115,506)	—	263,991	—
Plan Amendments	—	1,353	—	—	(4,504)
Benefit Payments [1]	(122,239)	(109,335)	(99,507)	(90,267)	(77,253)
ASA Annuitizations [1]	6,504	8,504	8,932	22,575	15,151
Net Member Reassignment [1]	5,601	4,258	4,370	4,890	6,922
Other	165	—	16	24	423
Net Change in Total Pension Liability	**27,170**	**361,777**	**439,540**	**618,513**	**358,820**
Total Pension Liability - Ending	**$ 5,563,264**	**$ 5,536,094**	**$ 5,174,317**	**$ 4,734,777**	**$ 4,116,264**
Fiduciary Net Position - Beginning of Year	**$ 4,873,897**	**$ 4,393,797**	**$ 4,208,198**	**$ 4,068,713**	**$ 3,442,972**
Employer Contributions [1]	235,819	227,207	215,626	205,763	194,751
Member Contributions	130	58	43	—	—
Net Investment Income / (Loss)	457,708	354,927	61,722	2,684	492,856
Benefit Payments [1]	(122,239)	(109,335)	(99,507)	(90,267)	(77,253)
ASA Annuitizations [1]	6,504	8,504	8,932	22,575	15,151
Net Member Reassignment [1]	5,601	4,258	4,370	4,890	6,922
Administrative Expenses [1]	(5,208)	(5,553)	(5,603)	(6,184)	(6,707)
Other	140	34	16	24	21
Net Change in Fiduciary Net Position	**578,455**	**480,100**	**185,599**	**139,485**	**625,741**
Fiduciary Net Position - End of Year	**$ 5,452,352**	**$ 4,873,897**	**$ 4,393,797**	**$ 4,208,198**	**$ 4,068,713**
Net Pension Liability					
Total Pension Liability	$ 5,563,264	$ 5,536,094	$ 5,174,317	$ 4,734,777	$ 4,116,264
Fiduciary Net Position	5,452,352	4,873,897	4,393,797	4,208,198	4,068,713
Net Pension Liability / (Asset)	**$ 110,912**	**$ 662,197**	**$ 780,520**	**$ 526,579**	**$ 47,551**
Fiduciary Net Position as a Percentage of the Total Pension Liability	**98.0 %**	**88.0 %**	**84.9 %**	**88.9 %**	**98.8 %**
Covered Payroll [1]	$ 3,129,070	$ 3,020,463	$ 2,881,397	$ 2,742,187	$ 2,598,115
Net Pension Liability as a Percentage of Covered Payroll	**3.5 %**	**21.9 %**	**27.1 %**	**19.2 %**	**1.8 %**

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

Schedule of Changes in Net Pension Liability and Related Ratios
1977 Police Officers' and Firefighters' Retirement Fund [1]
For the Years Ended June 30

(dollars in thousands)

Changes in Net Pension Liability	2023	2022	2021	2020	2019
Total Pension Liability - Beginning of Year	**$ 8,281,865**	**$ 7,598,774**	**$ 6,785,608**	**$ 6,389,002**	**$ 5,839,659**
Service Cost	223,652	210,536	188,344	162,497	150,289
Interest Cost	521,949	480,332	462,723	434,975	398,002
Experience (Gains) / Losses	77,525	240,229	33,618	11,694	31,019
Assumption Changes	—	—	366,065	2,278	—
Plan Amendments	—	—	—	—	157,278
Benefit Payments [1]	(309,097)	(249,119)	(238,903)	(215,751)	(189,951)
Net Member Reassignment [1]	(196)	8	—	—	—
Other	631	1,105	1,319	913	2,706
Net Change in Total Pension Liability	**514,464**	**683,091**	**813,166**	**396,606**	**549,343**
Total Pension Liability - Ending	**$ 8,796,329**	**$ 8,281,865**	**$ 7,598,774**	**$ 6,785,608**	**$ 6,389,002**
Fiduciary Net Position - Beginning of Year	**$ 7,634,013**	**$ 8,189,789**	**$ 6,542,800**	**$ 6,379,786**	**$ 5,927,570**
Employer Contributions [1]	192,972	177,035	166,436	162,302	155,051
Member Contributions [1]	62,932	58,921	55,703	54,175	52,811
Net Investment Income / (Loss)	193,695	(540,566)	1,665,668	164,228	436,229
Benefit Payments [1]	(309,097)	(249,119)	(238,903)	(215,751)	(189,951)
Net Member Reassignment [1]	(196)	9	—	—	—
Administrative Expenses [1]	(2,429)	(2,073)	(1,934)	(1,960)	(1,904)
Other	8	17	19	20	(20)
Net Change in Fiduciary Net Position	**137,885**	**(555,776)**	**1,646,989**	**163,014**	**452,216**
Fiduciary Net Position - End of Year	**$ 7,771,898**	**$ 7,634,013**	**$ 8,189,789**	**$ 6,542,800**	**$ 6,379,786**
Net Pension Liability					
Total Pension Liability	$ 8,796,329	$ 8,281,865	$ 7,598,774	$ 6,785,608	$ 6,389,002
Fiduciary Net Position	7,771,898	7,634,013	8,189,789	6,542,800	6,379,786
Net Pension Liability / (Asset)	**$ 1,024,431**	**$ 647,852**	**$ (591,015)**	**$ 242,808**	**$ 9,216**
Fiduciary Net Position as a Percentage of the Total Pension Liability	**88.4 %**	**92.2 %**	**107.8 %**	**96.4 %**	**99.9 %**
Covered Payroll [1]	$ 1,072,187	$ 1,018,600	$ 951,301	$ 940,496	$ 866,299
Net Pension Liability as a Percentage of Covered Payroll	**95.5 %**	**63.6 %**	**(62.1)%**	**25.8 %**	**1.1 %**

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

Schedule of Changes in Net Pension Liability and Related Ratios, continued
1977 Police Officers' and Firefighters' Retirement Fund [1]
For the Years Ended June 30

(dollars in thousands)

Changes in Net Pension Liability	2018	2017	2016	2015	2014
Total Pension Liability - Beginning of Year	**$ 5,385,753**	**$ 5,039,836**	**$ 4,680,694**	**$ 4,706,997**	**$ 4,392,947**
Service Cost	136,640	134,489	129,369	138,204	133,074
Interest Cost	366,932	344,397	320,219	323,129	301,824
Experience (Gains) / Losses	123,069	33,409	41,723	(61,640)	(11,754)
Assumption Changes	—	(23,399)	—	(309,801)	—
Plan Amendments	—	1,323	—	—	—
Benefit Payments [1]	(172,908)	(148,865)	(132,746)	(116,490)	(109,094)
Net Member Reassignment [1]	—	—	(74)	—	—
Other	173	4,563	651	295	—
Net Change in Total Pension Liability	**453,906**	**345,917**	**359,142**	**(26,303)**	**314,050**
Total Pension Liability - Ending	**$ 5,839,659**	**$ 5,385,753**	**$ 5,039,836**	**$ 4,680,694**	**$ 4,706,997**
Fiduciary Net Position - Beginning of Year	**$ 5,401,179**	**$ 4,950,999**	**$ 4,828,415**	**$ 4,757,978**	**$ 4,116,861**
Employer Contributions [1]	147,094	150,857	151,674	146,697	140,119
Member Contributions [1]	48,839	51,521	44,918	43,523	41,791
Net Investment Income / (Loss)	504,991	398,196	60,320	(1,600)	570,058
Benefit Payments [1]	(172,908)	(148,865)	(132,746)	(116,490)	(109,094)
Net Member Reassignment [1]	—	—	(74)	—	—
Administrative Expenses [1]	(1,643)	(1,607)	(1,651)	(1,708)	(1,787)
Other	18	78	143	15	30
Net Change in Fiduciary Net Position	**526,391**	**450,180**	**122,584**	**70,437**	**641,117**
Fiduciary Net Position - End of Year	**$ 5,927,570**	**$ 5,401,179**	**$ 4,950,999**	**$ 4,828,415**	**$ 4,757,978**
Net Pension Liability					
Total Pension Liability	$ 5,839,659	$ 5,385,753	$ 5,039,836	$ 4,680,694	$ 4,706,997
Fiduciary Net Position	5,927,570	5,401,179	4,950,999	4,828,415	4,757,978
Net Pension Liability / (Asset)	**$ (87,911)**	**$ (15,426)**	**$ 88,837**	**$ (147,721)**	**$ (50,981)**
Fiduciary Net Position as a Percentage of the Total Pension Liability	**101.5 %**	**100.3 %**	**98.2 %**	**103.2 %**	**101.1 %**
Covered Payroll [1]	$ 842,179	$ 809,382	$ 771,949	$ 745,336	$ 710,581
Net Pension Liability as a Percentage of Covered Payroll	**(10.4)%**	**(1.9)%**	**11.5 %**	**(19.8)%**	**(7.2)%**

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

Schedule of Changes in Net Pension Liability and Related Ratios
Judges' Retirement System [1]
For the Years Ended June 30

(dollars in thousands)

Changes in Net Pension Liability	2023	2022	2021	2020	2019
Total Pension Liability - Beginning of Year	**$ 676,859**	**$ 642,172**	**$ 592,510**	**$ 586,499**	**$ 547,694**
Service Cost	21,922	20,838	17,969	19,567	18,230
Interest Cost	42,657	40,497	40,244	40,006	37,346
Experience (Gains) / Losses	19,233	3,481	(6,219)	(1,968)	8,527
Assumption Changes	—	—	26,217	(24,814)	—
Benefit Payments [1]	(32,619)	(30,977)	(28,916)	(26,837)	(25,391)
Net Member Reassignment	11	126	—	—	—
Other	74	722	367	57	93
Net Change in Total Pension Liability	**51,278**	**34,687**	**49,662**	**6,011**	**38,805**
Total Pension Liability - Ending	**$ 728,137**	**$ 676,859**	**$ 642,172**	**$ 592,510**	**$ 586,499**
Fiduciary Net Position - Beginning of Year	**$ 634,864**	**$ 687,993**	**$ 554,121**	**$ 545,331**	**$ 513,952**
Employer Contributions	18,047	17,564	18,621	18,167	16,031
Member Contributions	4,122	4,632	4,041	3,549	3,476
Net Investment Income / (Loss)	15,906	(44,387)	140,227	14,020	37,371
Benefit Payments [1]	(32,619)	(30,976)	(28,916)	(26,837)	(25,391)
Net Member Reassignment	11	126	—	—	—
Administrative Expenses [1]	(124)	(104)	(101)	(109)	(108)
Other	—	16	—	—	—
Net Change in Fiduciary Net Position	**5,343**	**(53,129)**	**133,872**	**8,790**	**31,379**
Fiduciary Net Position - End of Year	**$ 640,207**	**$ 634,864**	**$ 687,993**	**$ 554,121**	**$ 545,331**
Net Pension Liability					
Total Pension Liability	$ 728,137	$ 676,859	$ 642,172	$ 592,510	$ 586,499
Fiduciary Net Position	640,207	634,864	687,993	554,121	545,331
Net Pension Liability / (Asset)	**$ 87,930**	**$ 41,995**	**$ (45,821)**	**$ 38,389**	**$ 41,168**
Fiduciary Net Position as a Percentage of the Total Pension Liability	**87.9 %**	**93.8 %**	**107.1 %**	**93.5 %**	**93.0 %**
Covered Payroll [1]	$ 67,466	$ 65,159	$ 61,215	$ 58,189	$ 56,380
Net Pension Liability as a Percentage of Covered Payroll	**130.3 %**	**64.5 %**	**(74.9)%**	**66.0 %**	**73.0 %**

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

Schedule of Changes in Net Pension Liability and Related Ratios, continued

Judges' Retirement System [1]

For the Years Ended June 30

(dollars in thousands)

Changes in Net Pension Liability	2018	2017	2016	2015	2014
Total Pension Liability - Beginning of Year	**$ 523,735**	**$ 501,126**	**$ 468,945**	**$ 464,855**	**$ 453,110**
Service Cost	14,886	14,762	13,870	15,283	15,302
Interest Cost	35,567	34,083	31,888	31,754	30,992
Experience (Gains) / Losses	(3,090)	(3,107)	7,182	8,411	(16,026)
Assumption Changes	—	(1,213)	—	(31,926)	—
Benefit Payments [1]	(23,623)	(22,099)	(20,922)	(19,432)	(18,527)
Net Member Reassignment [1]	—	—	—	—	4
Other	219	183	163	—	—
Net Change in Total Pension Liability	**23,959**	**22,609**	**32,181**	**4,090**	**11,745**
Total Pension Liability - Ending	**$ 547,694**	**$ 523,735**	**$ 501,126**	**$ 468,945**	**$ 464,855**
Fiduciary Net Position - Beginning of Year	**$ 475,055**	**$ 441,790**	**$ 437,352**	**$ 432,730**	$ 375,752
Employer Contributions [1]	15,117	16,824	16,946	21,020	20,895
Member Contributions [1]	3,418	3,468	3,239	3,292	2,856
Net Investment Income / (Loss)	44,104	35,196	5,323	(102)	51,890
Benefit Payments[1]	(23,623)	(22,099)	(20,922)	(19,432)	(18,527)
Net Member Reassignment [1]	—	—	—	—	4
Administrative Expenses [1]	(119)	(124)	(148)	(165)	(146)
Other	—	—	—	9	6
Net Change in Fiduciary Net Position	**38,897**	**33,265**	**4,438**	**4,622**	**56,978**
Fiduciary Net Position - End of Year	**$ 513,952**	**$ 475,055**	**$ 441,790**	**$ 437,352**	**$ 432,730**
Net Pension Liability					
Total Pension Liability	$ 547,694	$ 523,735	$ 501,126	$ 468,945	$ 464,855
Fiduciary Net Position	513,952	475,055	441,790	437,352	432,730
Net Pension Liability / (Asset)	**$ 33,742**	**$ 48,680**	**$ 59,336**	**$ 31,593**	**$ 32,125**
Fiduciary Net Position as a Percentage of the Total Pension Liability	**93.8 %**	**90.7 %**	**88.2 %**	**93.3 %**	**93.1 %**
Covered Payroll [1]	$ 53,350	$ 54,755	$ 51,382	$ 48,582	$ 46,041
Net Pension Liability as a Percentage of Covered Payroll	**63.2 %**	**88.9 %**	**115.5 %**	**65.0 %**	**69.8 %**

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

Schedule of Changes in Net Pension Liability and Related Ratios
Excise, Gaming and Conservation Officers' Retirement Fund [1]
For the Years Ended June 30

(dollars in thousands)

Changes in Net Pension Liability	2023	2022	2021	2020	2019
Total Pension Liability - Beginning of Year	**$ 187,505**	**$ 180,848**	**$ 163,978**	**$ 152,207**	**$ 140,056**
Service Cost	4,537	4,631	4,050	3,983	3,551
Interest Cost	11,751	11,346	11,081	10,294	9,448
Experience (Gains) / Losses	(902)	(1,431)	(1,099)	6,031	6,427
Assumption Changes	—	—	10,403	(1,984)	—
Plan Amendments	—	—	159	814	—
Benefit Payments [1]	(8,383)	(7,947)	(7,735)	(7,367)	(7,325)
Net Member Reassignment [1]	205	—	—	—	—
Other	114	58	11	—	50
Net Change in Total Pension Liability	**7,322**	**6,657**	**16,870**	**11,771**	**12,151**
Total Pension Liability - Ending	**$ 194,827**	**$ 187,505**	**$ 180,848**	**$ 163,978**	**$ 152,207**
Fiduciary Net Position - Beginning of Year	**$ 172,121**	**$ 184,314**	**$ 146,358**	**$ 142,115**	**$ 131,491**
Employer Contributions [1]	7,177	6,714	7,083	6,742	6,982
Member Contributions [1]	1,497	1,352	1,333	1,298	1,368
Net Investment Income / (Loss)	4,402	(12,209)	37,370	3,677	9,711
Benefit Payments [1]	(8,383)	(7,948)	(7,736)	(7,367)	(7,325)
Net Member Reassignment [1]	205	—	—	—	—
Administrative Expenses [1]	(119)	(102)	(94)	(107)	(112)
Other	—	—	—	—	—
Net Change in Fiduciary Net Position	**4,779**	**(12,193)**	**37,956**	**4,243**	**10,624**
Fiduciary Net Position - End of Year	**$ 176,900**	**$ 172,121**	**$ 184,314**	**$ 146,358**	**$ 142,115**
Net Pension Liability					
Total Pension Liability	$ 194,827	$ 187,505	$ 180,848	$ 163,978	$ 152,207
Fiduciary Net Position	176,900	172,121	184,314	146,358	142,115
Net Pension Liability / (Asset)	**$ 17,927**	**$ 15,384**	**$ (3,466)**	**$ 17,620**	**$ 10,092**
Fiduciary Net Position as a Percentage of the Total Pension Liability	**90.8 %**	**91.8 %**	**101.9 %**	**89.3 %**	**93.4 %**
Covered Payroll [1]	$ 34,597	$ 32,356	$ 33,194	$ 32,491	$ 33,272
Net Pension Liability as a Percentage of Covered Payroll	**51.8 %**	**47.5 %**	**(10.4)%**	**54.2 %**	**30.3 %**

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

Schedule of Changes in Net Pension Liability and Related Ratios, continued

Excise, Gaming and Conservation Officers' Retirement Fund [1]

For the Years Ended June 30

(dollars in thousands)

Changes in Net Pension Liability	2018	2017	2016	2015	2014
Total Pension Liability - Beginning of Year	**$ 142,603**	**$ 138,965**	**$ 132,796**	**$ 123,601**	**$ 118,097**
Service Cost	3,369	3,550	3,011	3,905	3,841
Interest Cost	9,619	9,389	8,955	8,384	8,031
Experience (Gains) / Losses	(587)	120	470	845	(430)
Assumption Changes	(8,015)	(2,578)	—	2,669	—
Plan Amendments	—	—	—	—	—
Benefit Payments [1]	(6,935)	(6,826)	(6,245)	(6,608)	(5,938)
Net Member Reassignment [1]	—	(26)	(21)	—	—
Other	2	9	(1)	—	—
Net Change in Total Pension Liability	**(2,547)**	**3,638**	**6,169**	**9,195**	**5,504**
Total Pension Liability - Ending	**$ 140,056**	**$ 142,603**	**$ 138,965**	**$ 132,796**	**$ 123,601**
Fiduciary Net Position - Beginning of Year	**$ 120,016**	**$ 111,329**	**$ 110,038**	**$ 110,657**	$ 97,019
Employer Contributions [1]	6,175	5,691	5,367	5,215	5,359
Member Contributions [1]	1,172	1,102	1,016	1,004	1,019
Net Investment Income / (Loss)	11,189	8,869	1,313	(71)	13,339
Benefit Payments [1]	(6,935)	(6,826)	(6,245)	(6,608)	(5,938)
Net Member Reassignment [1]	—	(26)	(21)	—	—
Administrative Expenses [1]	(136)	(123)	(139)	(159)	(141)
Other	10	—	—	—	—
Net Change in Fiduciary Net Position	**11,475**	**8,687**	**1,291**	**(619)**	**13,638**
Fiduciary Net Position - End of Year	**$ 131,491**	**$ 120,016**	**$ 111,329**	**$ 110,038**	**$ 110,657**
Net Pension Liability					
Total Pension Liability	$ 140,056	$ 142,603	$ 138,965	$ 132,796	$ 123,601
Fiduciary Net Position	131,491	120,016	111,329	110,038	110,657
Net Pension Liability / (Asset)	**$ 8,565**	**$ 22,587**	**$ 27,636**	**$ 22,758**	**$ 12,944**
Fiduciary Net Position as a Percentage of the Total Pension Liability	**93.9 %**	**84.2 %**	**80.1 %**	**82.9 %**	**89.5 %**
Covered Payroll [1]	$ 29,387	$ 27,428	$ 25,526	$ 25,133	$ 25,825
Net Pension Liability as a Percentage of Covered Payroll	**29.1 %**	**82.4 %**	**108.3 %**	**90.6 %**	**50.1 %**

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

Schedule of Changes in Net Pension Liability and Related Ratios
Prosecuting Attorneys' Retirement Fund [1]
For the Years Ended June 30

(dollars in thousands)

Changes in Net Pension Liability	2023	2022	2021	2020	2019
Total Pension Liability - Beginning of Year	**$ 122,474**	**$ 117,023**	**$ 107,049**	**$ 110,081**	**$ 103,284**
Service Cost	2,144	2,197	2,164	2,068	2,031
Interest Cost	7,599	7,273	7,193	7,402	6,959
Experience (Gains) / Losses	605	1,682	(298)	(2,515)	2,240
Assumption Changes	—	—	6,203	(5,012)	—
Plan Amendments	—	—	—	—	—
Benefit Payments [1]	(6,073)	(5,699)	(5,289)	(4,975)	(4,433)
Net Member Reassignment	—	(2)	—	—	—
Other	—	—	1	—	1
Net Change in Total Pension Liability	**4,275**	**5,451**	**9,974**	**(3,032)**	**6,798**
Total Pension Liability - Ending	**$ 126,749**	**$ 122,474**	**$ 117,023**	**$ 107,049**	**$ 110,082**
Fiduciary Net Position - Beginning of Year	**$ 80,035**	**$ 85,869**	**$ 67,876**	**$ 65,523**	**$ 61,019**
Employer Contributions [1]	4,155	4,044	4,402	4,232	3,216
Member Contributions [1]	1,531	1,474	1,459	1,440	1,307
Net Investment Income / (Loss)	2,045	(5,582)	17,492	1,730	4,489
Benefit Payments [1]	(6,073)	(5,699)	(5,289)	(4,975)	(4,433)
Net Member Reassignment	—	(2)	—	—	—
Administrative Expenses [1]	(108)	(69)	(71)	(74)	(75)
Other	—	—	—	—	—
Net Change in Fiduciary Net Position	**1,550**	**(5,834)**	**17,993**	**2,353**	**4,504**
Fiduciary Net Position - End of Year	**$ 81,585**	**$ 80,035**	**$ 85,869**	**$ 67,876**	**$ 65,523**
Net Pension Liability					
Total Pension Liability	$ 126,749	$ 122,474	$ 117,023	$ 107,049	$ 110,082
Fiduciary Net Position	81,585	80,035	85,869	67,876	65,523
Net Pension Liability / (Asset)	**$ 45,164**	**$ 42,439**	**$ 31,154**	**$ 39,173**	**$ 44,559**
Fiduciary Net Position as a Percentage of the Total Pension Liability	**64.4 %**	**65.3 %**	**73.4 %**	**63.4 %**	**59.5 %**
Covered Payroll [1]	$ 25,515	$ 24,577	$ 24,323	$ 23,989	$ 21,791
Net Pension Liability as a Percentage of Covered Payroll	**177.0 %**	**172.7 %**	**128.1 %**	**163.3 %**	**204.5 %**

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

Schedule of Changes in Net Pension Liability and Related Ratios, continued

Prosecuting Attorneys' Retirement Fund [1]

For the Years Ended June 30

(dollars in thousands)

Changes in Net Pension Liability	2018	2017	2016	2015	2014
Total Pension Liability - Beginning of Year	**$ 96,655**	**$ 85,033**	**$ 77,861**	**$ 65,336**	**$ 61,940**
Service Cost	1,947	1,650	1,626	1,603	1,587
Interest Cost	6,521	5,714	5,239	4,409	4,207
Experience (Gains) / Losses	2,156	1,996	4,058	4,551	—
Assumption Changes	—	(216)	—	5,216	—
Plan Amendments	—	6,547	—	—	—
Benefit Payments[1]	(3,995)	(4,069)	(3,747)	(3,254)	(2,398)
Net Member Reassignment	—	—	—	—	—
Other	—	—	(4)	—	—
Net Change in Total Pension Liability	**6,629**	**11,622**	**7,172**	**12,525**	**3,396**
Total Pension Liability - Ending	**$ 103,284**	**$ 96,655**	**$ 85,033**	**$ 77,861**	**$ 65,336**
Fiduciary Net Position - Beginning of Year	**$ 55,575**	**$ 52,792**	**$ 53,424**	**$ 54,507**	**$ 47,920**
Employer Contributions [1]	3,014	1,486	1,440	1,063	1,174
Member Contributions [1]	1,294	1,357	1,279	1,269	1,334
Net Investment Income / (Loss)	5,218	4,167	589	(34)	6,581
Benefit Payments [1]	(3,995)	(4,069)	(3,747)	(3,254)	(2,398)
Net Member Reassignment	—	—	—	—	—
Administrative Expenses [1]	(87)	(158)	(193)	(127)	(108)
Other	—	—	—	—	4
Net Change in Fiduciary Net Position	**5,444**	**2,783**	**(632)**	**(1,083)**	**6,587**
Fiduciary Net Position - End of Year	**$ 61,019**	**$ 55,575**	**$ 52,792**	**$ 53,424**	**$ 54,507**
Net Pension Liability					
Total Pension Liability	$ 103,284	$ 96,655	$ 85,033	$ 77,861	$ 65,336
Fiduciary Net Position	61,019	55,575	52,792	53,424	54,507
Net Pension Liability / (Asset)	**$ 42,265**	**$ 41,080**	**$ 32,241**	**$ 24,437**	**$ 10,829**
Fiduciary Net Position as a Percentage of the Total Pension Liability	**59.1 %**	**57.5 %**	**62.1 %**	**68.6 %**	**83.4 %**
Covered Payroll [1]	$ 21,578	$ 22,635	$ 21,372	$ 21,145	$ 20,608
Net Pension Liability as a Percentage of Covered Payroll	**195.9 %**	**181.5 %**	**150.9 %**	**115.6 %**	**52.5 %**

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

Schedule of Changes in Net Pension Liability and Related Ratios
Legislators' Defined Benefit Fund [1]
For the Years Ended June 30

(dollars in thousands)

Changes in Net Pension Liability	2023	2022	2021	2020	2019
Total Pension Liability - Beginning of Year	**$ 2,835**	**$ 3,034**	**$ 3,126**	**$ 3,362**	**$ 3,484**
Service Cost	—	—	—	—	—
Interest Cost	167	179	200	214	223
Experience (Gains) / Losses	3	(44)	(49)	(14)	10
Assumption Changes	—	—	90	(87)	—
Plan Amendments	—	—	7	—	—
Benefit Payments[1]	(329)	(334)	(341)	(349)	(356)
Other	—	—	1	—	1
Net Change in Total Pension Liability	**(159)**	**(199)**	**(92)**	**(236)**	**(122)**
Total Pension Liability - Ending	**$ 2,676**	**$ 2,835**	**$ 3,034**	**$ 3,126**	**$ 3,362**
Fiduciary Net Position - Beginning of Year	**$ 3,116**	**$ 3,515**	**$ 2,924**	**$ 3,026**	**$ 2,942**
Employer Contributions [1]	182	183	208	208	269
Nonemployer Contributing Entity Contributions [1]	—	—	30	—	—
Net Investment Income / (Loss)	74	(217)	729	77	209
Benefit Payments [1]	(329)	(335)	(341)	(349)	(356)
Administrative Expenses [1]	(36)	(30)	(35)	(38)	(38)
Net Change in Fiduciary Net Position	**(109)**	**(399)**	**591**	**(102)**	**84**
Fiduciary Net Position - End of Year	**$ 3,007**	**$ 3,116**	**$ 3,515**	**$ 2,924**	**$ 3,026**
Net Pension Liability					
Total Pension Liability	$ 2,676	$ 2,835	$ 3,034	$ 3,126	$ 3,362
Fiduciary Net Position	3,007	3,116	3,515	2,924	3,026
Net Pension Liability / (Asset)	**$ (331)**	**$ (281)**	**$ (481)**	**$ 202**	**$ 336**
Fiduciary Net Position as a Percentage of the Total Pension Liability	**112.4 %**	**109.9 %**	**115.9 %**	**93.5 %**	**90.0 %**
Covered Payroll [1]	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**

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

Schedule of Changes in Net Pension Liability and Related Ratios, continued

Legislators' Defined Benefit Fund [1]

For the Years Ended June 30

(dollars in thousands)

Changes in Net Pension Liability	2018	2017	2016	2015	2014
Total Pension Liability - Beginning of Year	**$ 3,804**	**$ 4,015**	**$ 4,325**	**$ 4,166**	**$ 4,285**
Service Cost	—	1	2	3	3
Interest Cost	245	258	280	269	277
Experience (Gains) / Losses	(85)	(113)	(233)	(68)	(36)
Assumption Changes	(121)	—	—	325	—
Plan Amendments	—	—	—	—	—
Benefit Payments[1]	(359)	(357)	(359)	(370)	(363)
Other	—	—	—	—	—
Net Change in Total Pension Liability	**(320)**	**(211)**	**(310)**	**159**	**(119)**
Total Pension Liability - Ending	**$ 3,484**	**$ 3,804**	**$ 4,015**	**$ 4,325**	**$ 4,166**
Fiduciary Net Position - Beginning of Year	**$ 2,865**	**$ 2,919**	**$ 3,174**	**$ 3,489**	**$ 3,337**
Employer Contributions [1]	237	135	138	131	138
Nonemployer Contributing Entity Contributions [1]	—	—	—	—	—
Net Investment Income / (Loss)	263	221	27	(5)	439
Benefit Payments [1]	(359)	(357)	(359)	(370)	(363)
Administrative Expenses [1]	(64)	(53)	(61)	(71)	(62)
Net Change in Fiduciary Net Position	**77**	**(54)**	**(255)**	**(315)**	**152**
Fiduciary Net Position - End of Year	**$ 2,942**	**$ 2,865**	**$ 2,919**	**$ 3,174**	**$ 3,489**
Net Pension Liability					
Total Pension Liability	$ 3,484	$ 3,804	$ 4,015	$ 4,325	$ 4,166
Fiduciary Net Position	2,942	2,865	2,919	3,174	3,489
Net Pension Liability / (Asset)	**$ 542**	**$ 939**	**$ 1,096**	**$ 1,151**	**$ 677**
Fiduciary Net Position as a Percentage of the Total Pension Liability	**84.4 %**	**75.3 %**	**72.7 %**	**73.4 %**	**83.7 %**
Covered Payroll	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**

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

Schedule of Contributions

(dollars in thousands)

For the Years Ended June 30	Actuarially Determined Contribution (ADC) [1]	Contributions in Relation to ADC [1]	Contribution Deficiency (Excess)	Contributions as a Percentage of ADC	Covered Payroll [1]	Contributions as a Percentage of Covered Payroll
PERF DB						
2023	$ 467,207	$ 679,052	$ (211,845)	145.3 %	$ 6,149,915	11.0 %
2022	433,048	627,914	(194,866)	145.0	5,670,744	11.1
2021	452,333	626,780	(174,447)	138.6	5,482,242	11.4
2020	482,316	598,903	(116,587)	124.2	5,380,843	11.1
2019	527,836	581,559	(53,723)	110.2	5,205,243	11.2
2018	502,206	571,099	(68,893)	113.7	5,083,131	11.2
2017	496,867	558,659	(61,792)	112.4	4,997,555	11.2
2016	492,000	547,684	(55,684)	111.3	4,868,709	11.2
2015	517,717	536,467	(18,750)	103.6	4,804,145	11.2
2014	528,562	519,576	8,986	98.3	4,896,635	10.6
TRF Pre-'96 DB						
2023	$ 4,237,437	$ 4,237,437	$ —	100.0 %	$ 521,286	812.9 %
2022	1,552,615	1,552,615	—	100.0	575,523	269.8
2021	1,600,629	1,600,629	—	100.0	625,812	255.8
2020	973,488	973,488	—	100.0	693,965	140.3
2019	947,405	947,405	—	100.0	753,355	125.8
2018	922,068	922,068	—	100.0	824,770	111.8
2017	875,525	875,525	—	100.0	912,685	95.9
2016	892,548	892,548	—	100.0	989,093	90.2
2015	851,427	851,427	—	100.0	1,074,827	79.2
2014	831,942	831,942	—	100.0	1,262,828	65.9
TRF '96 DB						
2023	$ 240,742	$ 244,424	$ (3,682)	101.5 %	$ 4,199,773	5.8 %
2022	171,570	210,601	(39,031)	122.7	3,915,888	5.4
2021	158,763	202,353	(43,590)	127.5	3,634,649	5.6
2020	162,035	188,789	(26,754)	116.5	3,465,728	5.4
2019	226,099	393,151	(167,052)	173.9	3,257,918	12.1
2018	210,586	235,675	(25,089)	111.9	3,129,070	7.5
2017	198,444	227,207	(28,763)	114.5	3,020,463	7.5
2016	180,375	215,626	(35,251)	119.5	2,881,397	7.5
2015	178,260	205,763	(27,503)	115.4	2,742,187	7.5
2014	177,711	194,751	(17,040)	109.6	2,598,115	7.5
77 Fund						
2023	$ 175,142	$ 192,700	$ (17,558)	110.0 %	$ 1,072,187	18.0 %
2022	142,146	176,667	(34,521)	124.3	1,018,600	17.3
2021	113,015	166,094	(53,079)	147.0	951,301	17.5
2020	91,134	162,056	(70,922)	177.8	940,496	17.2
2019	78,010	154,228	(76,218)	197.7	866,299	17.8
2018	74,491	147,074	(72,583)	197.4	842,179	17.5
2017	91,258	150,698	(59,440)	165.1	809,382	18.6
2016	113,438	151,299	(37,861)	133.4	771,949	19.6
2015	118,881	146,402	(27,521)	123.2	745,336	19.6
2014	103,425	140,119	(36,694)	135.5	710,581	19.7

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

Schedule of Contributions, continued

(dollars in thousands)

For the Years Ended June 30	Actuarially Determined Contribution (ADC) [1]	Contributions in Relation to ADC [1]	Contribution Deficiency (Excess)	Contributions as a Percentage of ADC	Covered Payroll [1]	Contributions as a Percentage of Covered Payroll
JRS						
2023	$ 21,771	$ 18,047	$ 3,724	82.9 %	$ 67,466	26.7 %
2022	19,039	17,564	1,475	92.3	65,159	27.0
2021	22,074	18,621	3,453	84.4	61,215	30.4
2020	19,406	18,166	1,240	93.6	58,189	31.2
2019	14,862	16,031	(1,169)	107.9	56,380	28.4
2018	14,853	15,117	(264)	101.8	53,350	28.3
2017	14,335	16,824	(2,489)	117.4	54,755	30.7
2016	17,485	16,946	539	96.9	51,382	33.0
2015	18,865	21,020	(2,155)	111.4	48,582	43.3
2014	27,648	20,895	6,753	75.6	46,041	45.4
EG&C						
2023	$ 3,923	$ 7,177	$ (3,254)	182.9 %	$ 34,597	20.7 %
2022	3,200	6,714	(3,514)	209.8	32,356	20.8
2021	2,924	7,083	(4,159)	242.2	33,194	21.3
2020	3,647	6,742	(3,095)	184.9	32,491	20.8
2019	4,874	6,982	(2,108)	143.2	33,272	21.0
2018	4,393	6,175	(1,782)	140.6	29,387	21.0
2017	4,033	5,691	(1,658)	141.1	27,428	20.7
2016	4,078	5,297	(1,219)	129.9	25,526	20.8
2015	4,820	5,215	(395)	108.2	25,133	20.7
2014	5,341	5,359	(18)	100.3	25,825	20.8
PARF						
2023	$ 4,353	$ 4,155	$ 198	95.5 %	$ 25,515	16.3 %
2022	4,011	4,044	(33)	100.8	24,577	16.5
2021	5,042	4,402	640	87.3	24,323	18.1
2020	4,608	4,232	376	91.8	23,989	17.6
2019	3,543	3,216	327	90.8	21,791	14.8
2018	2,533	3,014	(481)	119.0	21,578	14.0
2017	2,148	1,486	662	69.2	22,635	6.6
2016	1,381	1,440	(59)	104.3	21,372	6.7
2015	1,419	1,063	356	74.9	21,145	5.0
2014	2,345	1,174	1,171	50.1	20,608	5.7
LE DB						
2023	$ 28	$ 183	$ (155)	662.4 %	N/A	N/A
2022	202	183	19	90.6	N/A	N/A
2021	217	238	(21)	109.7	N/A	N/A
2020	216	208	8	96.3	N/A	N/A
2019	240	269	(29)	112.1	N/A	N/A
2018	237	237	—	100.0	N/A	N/A
2017	170	135	35	79.4	N/A	N/A
2016	138	138	—	100.0	N/A	N/A
2015	119	131	(12)	110.1	N/A	N/A
2014	138	138	—	100.0	N/A	N/A

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

Schedule of Investment Returns [1]

Annual Money-Weighted Rate of Return, Net of Investment Expense

For the Years Ended, June 30

Defined Benefit Pension Trust Funds	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
PERF DB	2.51 %	(6.55)%	25.46 %	2.58 %	7.32 %	9.33 %	7.60 %	1.11 %	0.32 %	12.33 %
TRF Pre-'96 DB	3.99	(5.89)	25.67	2.76	7.61	9.46	8.14	1.01	0.57	12.71
TRF '96 DB	2.54	(6.64)	25.46	2.58	7.47	9.28	8.14	1.01	0.57	12.71
77 Fund	2.53	(6.62)	25.47	2.57	7.34	9.30	7.97	1.22	(0.07)	13.70
JRS	2.50	(6.48)	25.46	2.57	7.31	9.32	7.96	1.18	(0.06)	13.69
EG&C	2.54	(6.63)	25.48	2.57	7.40	9.30	7.97	1.17	(0.09)	13.69
PARF	2.49	(6.38)	25.49	2.60	7.30	9.31	7.94	1.10	(0.08)	13.70
LE DB	2.41	(6.15)	25.46	2.64	7.19	9.39	7.91	0.84	(0.13)	13.65
Total INPRS [2]	**3.65**	**(6.96)**	**24.76**	**2.77**	**6.84**	**8.88**	**7.85**	**1.10**	**0.44**	**12.69**

[1] *For further details, see Accompanying Notes to the RSI Schedules in the Introduction to Required Supplementary Information (Unaudited).*

[2] *Rate of return includes DC, OPEB and custodial funds.*

Schedule of Notes to Required Supplementary Information

Plan Amendments

In 2023, for PERF DB, TRF Pre-'96 DB, and TRF '96 DB the full retirement benefit eligibility condition of age 70 and 20 years of credible service while still active in covered position was changed to age 65 and 20 years of creditable service while still active in a covered position. This change was deemed immaterial and has no impact on the actuarial liability.

Assumption Changes

In 2023, there were no changes to the actuarial assumptions during the fiscal year. For further details, refer to the Actuarial Section.

Methods and Assumptions Used in Calculating Actuarially Determined Contributions [1]

The following actuarial methods and assumptions were used to determine the ADC Rates for the Fiscal Year Ending June 30, 2023:

Description	PERF DB	TRF Pre-'96 DB	TRF '96 DB	77 Fund	JRS	EG&C	PARF	LE DB
Valuation Date:								
Assets	June 30, 2021							
Liabilities	June 30, 2020 - 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.							
Actuarial Cost Method (Funding)	Entry Age Normal (Level Percent of Payroll)							Traditional Unit Credit
Actuarial Amortization Method for Unfunded Liability	Level Dollar							
Actuarial Amortization Period for Unfunded Liability	20 years, closed	N/A [2]	20 years, closed					30 years, open [3]
Asset Valuation Method	Five-year smoothing of gains and losses on the fair value of assets subject to a 20% corridor							
Investment Rate of Return (Funding)	6.25%, includes inflation, and net of administrative and investment expenses							
Cost of Living Increases	Beginning Jan. 1, 2024 - 0.40% Beginning Jan 1, 2034 - 0.50% Beginning Jan 1, 2039 - 0.60%			1.95%	2.65%	Beginning Jan. 1, 2024 - 0.40% Beginning Jan 1, 2034 - 0.50% Beginning Jan 1, 2039 - 0.60%	N/A	Beginning Jan. 1, 2024 - 0.40% Beginning Jan 1, 2034 - 0.50% Beginning Jan 1, 2039 - 0.60%
Future Salary Increases, including Inflation	2.65% - 8.65%	2.65% - 11.90%		2.65%		2.65% - 4.90%	2.65%	2.65%
Inflation	2.00%							

[1] Differs from Note 8 schedule as this table is for funding purposes and Note 8 is for financial reporting purposes. Actuarially Determined Contributions in a given year are determined based on the actuarial valuation dated two fiscal years prior (i.e., rates effective 7-1-17 are based on the 6-30-16 valuation).

[2] TRF Pre-'96 is funded in accordance with IC 5-10.4 and does not use an amortization of the unfunded liability period to determine its contribution amounts.

[3] The remaining amortization period becomes 30 years, open when a plan reaches 100% funded status.

Schedule of Administrative Expenses

For the Years Ended June 30

(dollars in thousands)	2023	2022
Personnel Services		
Salaries and Wages	$ 17,528	$ 15,359
Employee Benefits	7,694	6,204
Temporary Services	732	636
Total Personnel Services	**25,954**	**22,199**
Professional Services		
Benefit Payment Processing Fees	2,073	2,079
Consulting Services	3,298	1,953
Actuarial Services	434	345
Legal Services	63	67
Recordkeeper Services	6,605	6,642
Total Professional Services	**12,473**	**11,086**
Information Technology Services		
Data Processing	1,935	1,844
Software and Licenses	2,764	2,348
Other Computer Services	3,585	3,387
Total Information Technology Services	**8,284**	**7,579**
Communications		
Postage	199	180
Telephone	516	496
Printing	143	135
E-communications	17	12
Total Communications	**875**	**823**
Miscellaneous		
Depreciation and Amortization	249	281
Building and Facility Expenses	530	505
Memberships and Training	227	250
Travel	141	33
Equipment Rental	45	41
Other Administrative Expenses	371	390
Total Miscellaneous	**1,563**	**1,500**
Total Administrative Expenses	**$ 49,149**	**$ 43,187**

Schedule of Administrative Expenses - Vendors

For the Years Ended June 30

INPRS elected to display vendors with administrative expenses of $50 thousand or greater.

(dollars in thousands)

Vendor	2023	2022	Nature of Services
Voya Institutional Plan Services LLC	$ 8,700	$ 8,878	Recordkeeper & Benefit Processing Services
CherryRoad Technologies Inc.	1,814	1,628	INPAS Pension System Support
ILAB LLC	1,649	1,607	Quality Assurance
Mythics	1,712	1,372	Mythics Software Vendor and Support
Intervision Systems LLC	1,424	1,298	Servers - Offsite
Indiana Office of Technology	673	677	Desktop & Network Services, Software
Accenture LLP	621	—	Consultant for CRM Business Case and Roadmap
Acorio LLC	502	206	ServiceNow Consultant and Implementation
JLL Property Management	468	392	Property Management
RSM US LLP	465	465	Auditing Services
Key Benefit Administrators	446	364	RMBA Account Administrators
8X8 INC	446	65	Call Center Software and Phone Services
Cavanaugh Macdonald Consulting LLC	349	345	Actuarial Services
KPMG LLP	254	187	Document and Data Retention Governance
DAS	189	152	FileNet Managed Service Provider
Crowe	172	28	IT Security, Website Governace Assessment
ServiceNow	170	170	IT Desktop Support Services
Tandem	166	141	Mail and Print Services
Fineline Printing Group	138	155	Printing
Dynatrace	131	118	Application & Server Monitoring Software
Brown & Brown Of Indiana Inc.	118	115	Insurance
Looker Data Sciences Inc.	109	123	Data Analytics & Reporting Software
Indiana State Personnel Department	97	89	HR Shared Services
Carahsoft Technology Corporation	88	113	IT Software
Gabriel, Roeder, Smith & Company	85	—	Actuarial Services
Pension Benefit Information LLC	85	83	Death Match Services
Flashpoint, Inc.	82	124	Management Consulting
Gartner Inc.	81	77	IT Project Research & Advisory Services
Experian Reserved Response Inc.	75	75	Identity Theft Protection Services
Loyalty Research Center	73	73	Research Services
Automatic Data Processing Inc.	72	63	Payroll Processing Services
Dr. Omkar N. Markand, MD	64	60	Medical Consulting
GitLab	59	—	Software Development Platform
Dr. Lisa Helene Smith, MD	58	50	Medical Consulting
Optiv Security Inc.	54	34	Cybersecurity Services
CEM Benchmarking Inc.	50	50	Benchmarking Services
Other	1,207	1,330	
Total	**22,946**	**20,707**	
Personnel Services	25,954	22,199	
Depreciation and Amortization	249	281	
Total Administrative Expenses	**$ 49,149**	**$ 43,187**	

Schedule of Direct Investment Expenses

For the Years Ended June 30

(dollars in thousands)	2023	2022
Investment Management Fees [1]	**$ 219,328**	**$ 273,431**
Securities Lending Fees	**304**	**210**
General Investment Expenses		
Investment Consultants:		
Verus	773	753
TorreyCove	650	650
Mercer	621	609
Aksia	400	400
Strive Advisory	100	—
Other	492	358
Total Investment Consultants	**3,036**	**2,770**
Investment Custodian (BNY Mellon)	**959**	**863**
Broker Commissions:		
Morgan Stanley & Co. Inc.	750	719
Goldman Sachs & Co.	629	665
J P Morgan Securities Ltd., New York	603	534
Newedge USA LLC	130	407
Merrilly Lynch International Equities	128	80
Instinet Clearing Services Inc.	116	102
Jefferies & Co. Inc.	72	55
Pershing LLC, Jersey City	61	34
J P Morgan Securities Ltd., London	58	53
Exane, Paris	55	28
Other Brokers	1,453	1,416
Total Broker Commissions	**4,055**	**4,093**
Investment Staff Expenses	**3,750**	**3,696**
Investment Administrative Expenses:		
Barra	501	470
Foster Garvey PC	494	676
Bloomberg	301	289
Kutak Rock LLP	172	178
Dynamo	128	165
Other	195	166
Total Investment Administrative Expenses	**1,791**	**1,944**
Total General Investment Expenses	**13,591**	**13,366**
Total Direct Investment Expenses	**$ 233,223**	**$ 287,007**

[1] Information regarding investment professionals that have provided services to INPRS can be in the Schedules of Investment Management Fees and Investments Professionals in the Investment Section.