

INDIANA

**Annual Comprehensive Financial Report
For Fiscal Year Ended June 30, 2023**

Eric J. Holcomb, Governor



**Prepared by the Office of
Indiana State Comptroller
Elise M. Nieshalla**

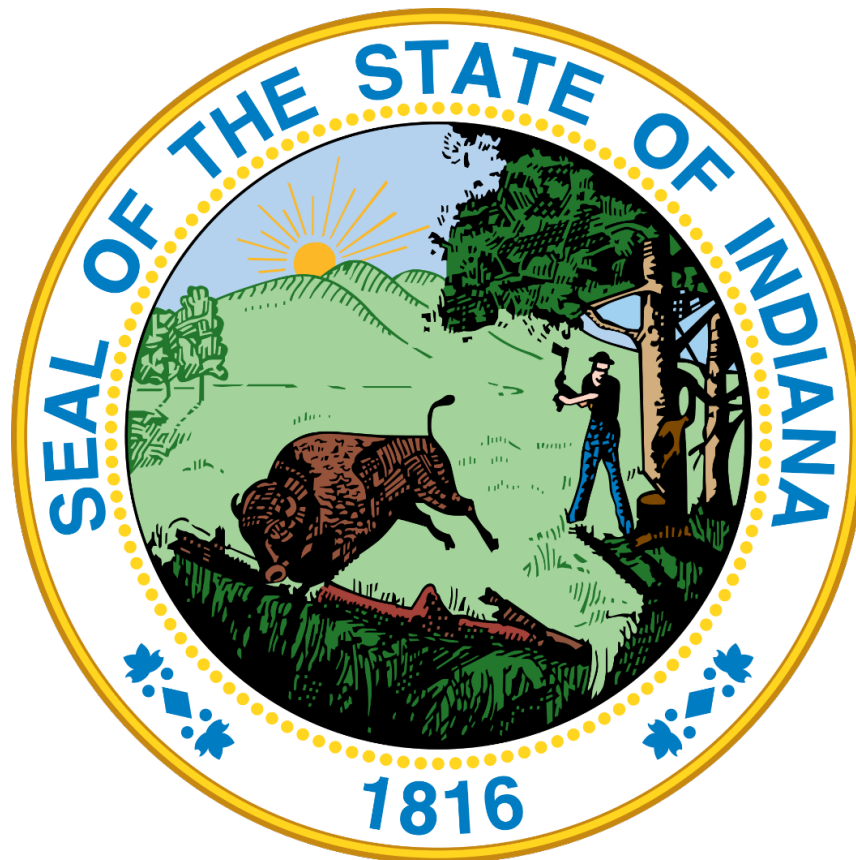
Room 240 State House
200 West Washington St.
Indianapolis, IN 46204

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STATE OF INDIANA

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For the Fiscal Year Ended June 30, 2023

Eric J. Holcomb, Governor



Prepared by:

The Office of Indiana State Comptroller

Elise M. Nieshalla

State Comptroller

Room 240

State House

Indianapolis, Indiana 46204

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We acknowledge the cooperation and assistance of the State Budget Agency and all other state agencies in the preparation of this report.

Please visit our web site at www.in.gov/comptroller/

Indiana State Comptroller Biography

Elise M. Nieshalla is the Indiana State Comptroller, fulfilling the duties of the Constitutional Office of State Auditor. Appointed by Governor Eric J. Holcomb on December 1, 2023, Comptroller Nieshalla is committed to serving our state and local governments by upholding the highest standards of fiscal responsibility in the:

- provision of accurate accounting and reporting of state funds;
- disbursement of tax revenues to local units of government;
- payment of Indiana's employees and vendors;
- administration of the state's deferred compensation plan; and
- enhancement of information delivered through the *Indiana Transparency Portal*.

Prior to becoming the State Comptroller, Nieshalla served on the fiscal side of local government as President of the Boone County Council, and President of the Indiana County Councils Association. In addition, Comptroller Nieshalla served as Chairwoman of the Association of Indiana Counties 2023 Legislative Committee and was named *2018 Indiana County Councilor of the Year*.

As a hard-working entrepreneur and economic development professional, Comptroller Nieshalla has worked over 20 years in real estate overseeing property acquisitions and business management for a portfolio of investments. From managing and appropriating millions within her local county budget, to reviewing revenue projections and planning for future needs, Comptroller Nieshalla has a proven record of trusted fiscal stewardship of hard-earned tax dollars, and she is a strong proponent for the essential combination of transparency and fiscal responsibility to undergird our birthright of freedom.

Comptroller Nieshalla earned her bachelor's degree from Oral Roberts University and a master's degree from Indiana University where she also taught as an adjunct faculty member in the O'Neill School of Public and Environmental Affairs. She resides with her husband, Chris, in Zionsville where they have raised their four children.



**STATE COMPTROLLER
Of THE STATE OF INDIANA**

Term	Name	Politics
1816-1828	William H. Lilley	Party Unknown
1828-1829	Benjamin I. Blythe	Party Unknown
1829-1844	Morris Morris	Party Unknown
1844-1847	Horatio J. Harris	Party Unknown
1847-1850	Douglas Maguire	Whig
1850-1853	Erastus W. H. Ellis	Democrat
1853-1855	John P. Dunn	Democrat
1855-1857	Hiram E. Talbot	Fusion-"peoples"
1857-1861	John W. Dodd	Democrat
1861-1863	Albert Lange	Republican
1863-1865	Joseph Ristine	Democratic Union
1865-1869	Thomas P. McCarthy	Republican
1869-1871	John D. Evans	Republican
1871-1873	John C. Shoemaker	Democrat
1873-1875	James A. Wilder	Republican
1875-1879	Ebenezer Henderson	Democrat
1879-1881	Mahlon D. Manson	Democrat
1881-1883	Edward H. Wolfe	Republican
1885-1887	James H. Rice	Democrat
1887-1891	Bruce Carr	Republican
1891-1895	John O. Henderson	Democrat
1895-1899	Americus C. Daily	Republican
1899-1903	William H. Hart	Republican
1903-1905	David E. Sherrick	Republican
1905-1906	Warren Bigler	Republican
1906-1910	John C. Billheimer	Republican
1910-1914	William H. O'Brien	Democrat
1914-1916	Dale J. Crittenberger	Democrat
1916-1920	Otto Clauss	Republican
1920-1922	William G. Oliver	Republican
1922-1924	Robert Bracken	Democrat
1924-1928	Lewis S. Bowman	Republican
1928-1930	Arch N. Bobbit	Republican
1930-1934	Floyd E. Williamson	Democrat
1934-1938	Laurence F. Sullivan	Democrat
1938-1940	Frank G. Thompson	Democrat
1940-1944	Richard T. James	Republican
1944-1948	Alvin V. Burch	Republican
1948-1950	James M. Propst	Democrat
1950-1954	Frank T. Millis	Republican
1954-1956	Curtis E. Rardin	Republican
1956-1958	Roy T. Combs	Republican
1958-1960	Albert A. Steinwedel	Democrat
1960-1964	Dorothy Gardner	Republican
1964-1966	Mark L. France	Democrat
1966-1968	John P. Gallagher	Republican
1968-1970	Trudy Slaby Etherton	Republican
1970-1978	Mary Aikins Currie	Democrat
1978-1982	Charles D. Loos	Republican
1982-1986	Otis E. Cox	Democrat
1986-1994	Ann G. DeVore	Republican
1994-1998	Morris Wooden	Republican
1998-2006	Connie K. Nass	Republican
2006-2013	Tim Berry	Republican
2013-2013	Dwayne Sawyer	Republican
2013-2017	Suzanne Crouch	Republican
2017-2023	Tera Klutz	Republican
2023-	Elise Nieshalla	Republican

STATE OF INDIANA
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June 30, 2023

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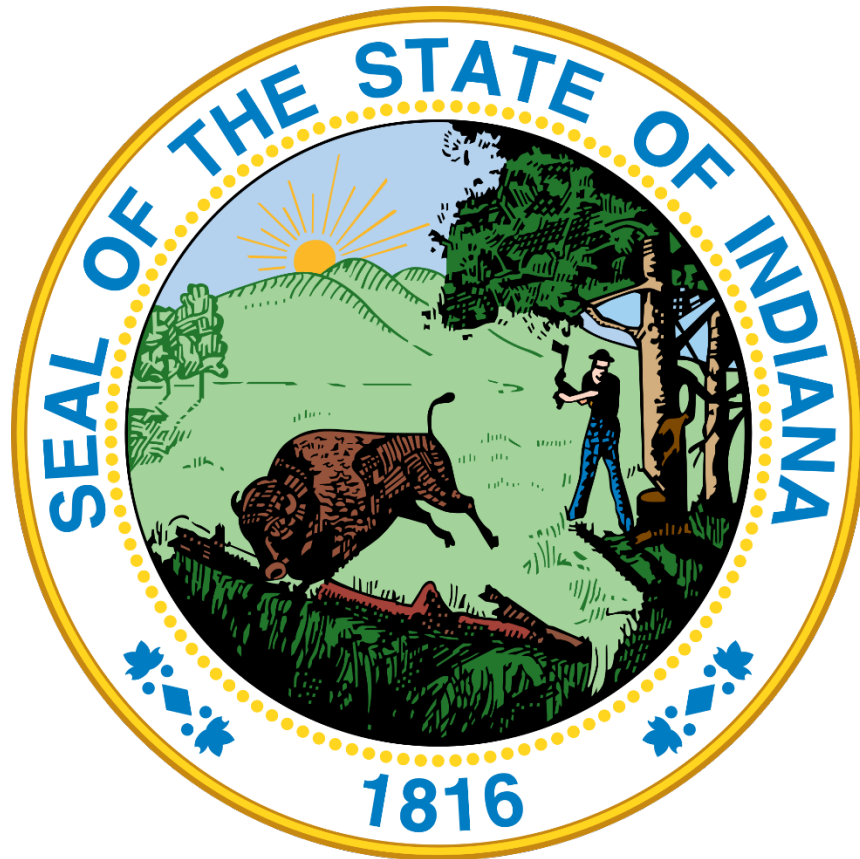
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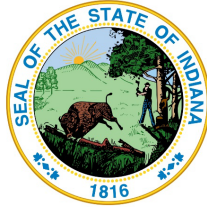
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INTRODUCTORY SECTION



ELISE M. NIESHALLA



STATE COMPTROLLER

January 18, 2024

The Honorable Eric J. Holcomb, Governor,
Honorable Members of the General Assembly,
Citizens of the State of Indiana:

We are proud to present the Annual Comprehensive Financial Report (ACFR) for the State of Indiana's fiscal year ended June 30, 2023.

This Annual Comprehensive Financial Report has been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as prescribed in pronouncements by the Governmental Accounting Standards Board. While management remains primarily and ultimately responsible for the contents and presentation of this report, responsibility for both the accuracy of the data presented and completeness and fairness of the presentation rests with the State agencies that provide the data and which are obligated to verify postings. We believe the information in this report is accurate in all aspects and presents the financial position and results of operations of the State as measured by the financial activity of its various funds.

State statute requires an annual audit by the Indiana State Board of Accounts. The Board is considered by both the federal and state government to be independent auditors. The Independent Auditor's Report on the financial statements is included in the financial section of this report and in the Statewide Single Audit Report of the State of Indiana.

The State is responsible for ensuring that an adequate internal control structure is in place to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized user disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires management to make estimates and judgments.

This internal control structure is subject to periodic evaluation by management and internal audit staff of the various State agencies. As part of the Single Audit, tests are conducted to determine the adequacy of the internal control structure related to federal financial assistance programs, as well as to determine that the State of Indiana has complied with applicable laws and regulations.

Generally Accepted Accounting Principles provides for two types of statements: government-wide and fund statements. The government-wide statements are very similar to the private sector's statements, using the full accrual basis of accounting and the economic resources measurement focus. The governmental funds financial statements use the modified accrual basis of accounting and the current financial resources measurement focus. In the government-wide statements, infrastructure (roads, bridges, dams) is capitalized. Capital assets, except for infrastructure using the modified approach, are depreciated like the private sector.

Management's Discussion and Analysis (MD&A) in the Financial Section introduces the basic financial statements and provides an analytical overview of the government's financial activities.

THE INDIANA STATE COMPTROLLER IS FULFILLING THE DUTIES OF THE CONSTITUTIONAL OFFICE OF STATE AUDITOR.

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It is presented before the basic financial statements and provides an in-depth analysis of the State of Indiana's finances.

Profile of the Government

Located in America's heartland in the Midwest, Indiana is a leading manufacturing state and a major agricultural producer. According to the 2020 Census results that were published in 2021, Indiana's population is approximately 6.8 million, which makes Indiana the nation's 17th largest State. The 2020 Census results show a 4.7% growth in residents since the 2010 Census. The five largest cities are Indianapolis (the capital), Fort Wayne, Evansville, South Bend, and Carmel.

Indiana became the 19th State of the Union on December 11, 1816. The State Constitution establishes the government in three separate branches: legislative, executive including administrative, and judicial. The legislative power of the State is vested in the Indiana General Assembly, which consists of a 100-member House of Representatives and a 50-member Senate. The Indiana General Assembly has the power to enact laws which are authorized and not prohibited by the State Constitution and not in conflict with the U.S. Constitution and laws made in pursuance thereof. The executive power of the State is vested with the Governor. The State Constitution and legislation establish the following statewide elected administrative officials: Lieutenant Governor; Treasurer of State; State Comptroller, who fulfills the constitutional duties of Auditor of State; Secretary of State; and Attorney General. The judicial power of the State is vested in one Supreme Court consisting of five justices, one Court of Appeals consisting of 15 judges, 319 Trial Courts (including Circuit Courts), and one Tax Court.

The State government provides a wide range of services to the citizens of Indiana, including education, transportation, public health, public safety, welfare, conservation, and economic development.

This report includes the financial activities and balances of the State of Indiana and its component units. The component units are legally separate entities for which the State of Indiana has financial responsibility and include State funded colleges and universities, and other legally separate entities that provide services and benefits to local governments and the citizens of the State of Indiana. More information on the financial reporting entity can be found in Note I(A) in the notes to the financial statements.

The Indiana General Assembly meets every year. In odd years, the Governor submits a biennial budget to the General Assembly. The General Assembly enacts the budget through passage of specific appropriations, the sum of which may not exceed estimated funding sources. Budgetary control is exercised in that agencies of the State may only expend appropriations as allotted by the Budget Agency or other statutory authority. The State Board of Finance, which consists of the Governor, State Comptroller, and Treasurer of State, is empowered to transfer appropriations from one agency of the State to another, with the exception of trust funds. The State Budget Agency may transfer, assign, and reassign appropriations made for one specific purpose to another use or purpose within the same agency.

Factors Affecting Economic and Financial Conditions

The information presented in the financial statements is better understood within the context of the specific environment within which the State of Indiana operates. The following describes that environment.

Local Economy

Indiana employment and personal income indicators continue to grow, 3.0% and 4.4% respectively in Fiscal Year (FY) 2023, and trend above pre-pandemic levels. In addition to higher payroll, Indiana's unemployment rate is near 3.12% in FY 2023 compared to 3.14% in FY 2022 and 5.37% in FY 2021. Indiana's Gross State Product (GSP) in FY 2023 grew 0.7% in real value compared to 3.4% in FY 2022. This deceleration in real GSP follows the national trend as the economy transitions away from pandemic-related idiosyncratic factors (including monetary and fiscal policy, and more). Real Indiana Gross State Product growth from Q2 2022 to Q2 2023 was 1.1%.

In comparison to other states, Indiana's economy ranked 19th largest in the U.S. in terms of value of goods and services in calendar year 2022. Indiana's largest contributor to real GSP has been and continues to be the manufacturing sector. The manufacturing sector accounts for over 500,000 jobs and 16.7% of the non-farm jobs in Indiana. Canada and Mexico are Indiana's leading merchandise export markets with chemicals, transportation equipment, and machinery accounting for nearly two-thirds of total export categories in 2022.

Aside from the dominance of transportation equipment, steel, and chemical manufacturing in the State, Indiana's economy has a rich farming history. Nearly two-thirds of the State's 23 million acres is dedicated to agriculture of which corn, soybeans, and hogs are the top grossing commodities.

Cash Management and Investments

Cash temporarily idle during the year was invested in deposit accounts, obligations of the U.S. Treasury and U.S. Agencies, money market mutual funds, and repurchase agreements and other fixed income securities. The pension trust funds' portfolios include other investments as outlined in Note I(E)(1) in the notes to the financial statements. The average yield on the General Fund investments was 2.44% for the FY ended June 30, 2023. The average yield on the total investment of all funds, except for pension trust funds, was 2.17% for the FY ended June 30, 2023. The State's investment policy is to minimize credit and market risks while maintaining sufficient liquidity and earning a competitive yield on its portfolio. Deposits held by the Treasurer of State are insured by federal and state depository insurance.

Debt Administration

The commissions and authorities, some of which are included as component units in the financial reporting entity of the State of Indiana, issue bonds for some of the State's capital needs. All of the bond issues are revenue bonds associated with specific State component units. The total of long-term revenue bonds and notes outstanding, net of amortized discounts, is \$9.4 billion at June 30, 2023.

Financial Policies

The Office of Management and Budget ("OMB") directs the fiscal management and budget policy of the State. The Director of the OMB ("Director") is the chief financial officer of the State and reports directly to the Governor. The Director is responsible for and has authority over all functions performed by the Budget Agency, the Department of Revenue, the Management Performance Hub, and the Department of Local Government Finance, as well as all budgeting, accounting, and spending functions within the various agencies, departments, and programs of

State government. By statutory designation, the OMB Director also serves as the Chairman of the Indiana Finance Authority.

FY 2023 finished with revenue collections of \$21.1 billion. This was slightly below (-0.6%) revenue collections for FY 2022 but above the April 2023 revenue forecast by 0.1%. The state ended FY 2023 with combined General Fund balances of \$2.9 billion. The latest forecast projects total General Fund collections in FY 2024 to be \$21.5 billion (or 2.1% above FY 2023) and \$22.3 billion in FY 2025 (or 3.8% above FY 2024).

Strong revenue collections coupled with modest expenditure growth resulted in historic surplus levels in FY 2022 and FY 2023. Strategic one-time uses appropriated by the Indiana General Assembly along with statutory excess reserve transfers to pensions and taxpayer refunds brought total combined reserves down from \$6.1 billion to \$2.9 billion.

In response to Indiana's strong financial position in FY 2022 and FY 2023, Hoosier lawmakers passed various tax changes. These included a full repeal of the utility receipts tax and the utility services use tax along with a phased reduction in the individual adjusted gross income tax rate from the CY 2022 rate of 3.23% to an eventual rate of 2.9% by CY 2027. In addition to the \$125 automatic taxpayer refund resulting from the FY 2021 excess reserve calculation, lawmakers passed, and the Governor signed an additional automatic taxpayer refund in the amount of \$200 during the special legislative session in August 2022.

Long-Term Financial Planning

The Indiana Finance Authority is charged with developing, implementing, maintaining, and monitoring a debt management plan for all non-conduit debt or debt-related obligations issued by the State. This plan is intended to provide guidance in the structuring, sale, monitoring, and post-issuance compliance for all State-related debt.

Indiana continues to position itself as one of the lowest debt-level states in the country. Net tax supported debt (NTSD) represents just \$366 per capita, the 7th lowest in the country ("Moody's Investors Service – States – US: Ability to Service Long-term Liabilities and Fixed Costs Improves", September 26, 2023). Indiana has continued its low debt discipline by not issuing any appropriation debt over the last budget cycle. Due to Indiana's strong cash position, capital projects were cash funded as opposed to debt financed in order to maintain maximum financial flexibility.

Indiana is one of a minority of states that has the highest credit rating assigned by all three independent credit rating agencies: Fitch, Moody's, and Standard & Poor's Ratings Service (S&P). Fitch's October 2023 rating report affirmed the state's AAA rating with a long-term outlook of "stable" explains that "Indiana remains very well positioned to deal with economic downturns, with exceptionally strong gap-closing capacity in the form of ample budgetary reserves, robust control over revenues and spending, and a demonstrated willingness to take timely budgetary actions."

Major Initiatives

K-12 Education – Funding for elementary and secondary education is the State's largest operating expense. Prior to January 1, 2003, the State provided approximately 66% of school corporations' general fund budgets. As part of the property tax reform legislation enacted by P.L.

146-2008, the State assumed responsibility for the local share of tuition support and provides 100% of the tuition support for school corporation general funds since January 2009.

For FY 2023, the K-12 tuition support appropriation was \$8.2 billion. This appropriation funds a statutory formula distribution to local schools. Of the appropriation, \$44.7 million was left remaining at the end of FY 2023 and reverted to the General Fund. The FY 2024 appropriation for K-12 tuition support was increased in the 2023 budget bill to \$8.8 billion.

In addition to the \$1.7 billion appropriated in FY 2023 for the teachers' pre-1996 retirement account, the Budget Agency transferred an additional \$2.5 billion from the General Fund to the pre-1996 account per a statutory excess reserves calculation. A provision in the 2023 budget bill requires any combined reserve balances in excess of \$3.0 billion at the end of FY 2024 and FY 2025 to be transferred to the pre-1996 account.

Higher Education – Through the General Fund, the State supports seven higher education institutions: Ball State University, Indiana University, Indiana State University, Ivy Tech Community College of Indiana, Purdue University, University of Southern Indiana, and Vincennes University. Higher education General Fund appropriations for FY 2023 totaled \$2.1 billion, which includes funding for university operating, fee-replaced debt service, line items, and State student aid.

Since FY 1976, the General Assembly has appropriated to each State university and college an amount equal to the annual debt service requirements due on qualified outstanding student fee and building facilities fee bonds and other amounts due with respect to debt service and debt reduction for interim financings (collectively, "Fee Replacement Appropriations"). The Fee Replacement Appropriations are not pledged as security for such bonds and other amounts. Under the Indiana Constitution, the General Assembly cannot bind subsequent General Assemblies to continue the present Fee Replacement Appropriations policy; however, it is anticipated that the policy will continue for outstanding bonds and notes. Estimated amount of debt outstanding at public universities at the end of FY 2023 was \$1.1 billion.

Public Safety – Appropriations for the Department of Correction (DOC), payable almost entirely from the General Fund, include funds for incarceration and rehabilitation of adult and juvenile offenders, as well as parole programs. General Fund expenditures for FY 2023 totaled \$822.7 million.

Offender population is the most significant driver of corrections expenditures. The total offender population, including those in contracted jail beds, decreased from 23,523 at the end of FY 2022 to 23,213 at the end of FY 2023. This represents a 1.13% decrease year over year.

Reduction of the recidivism rate among offenders has been a focus of the administration. In CY 2021, the DOC reported that roughly 33.82% of all offenders were recommitted to the DOC within three years of their release date, for either a new conviction or a violation of post-release supervision. In CY 2022 that number decreased to 29.79% of all offenders being recommitted. This is the largest annual decrease since 2014.

Transportation – The Indiana Department of Transportation (INDOT) has responded quickly to increase transportation construction, maintenance, and preservation activities as directed in the Governor's 20-year Next Level Roads plan which was made possible through the bipartisan passage of House Enrolled Act 1002 during the 2017 legislative session. INDOT manages and maintains 10,978 miles of roadway and 5,763 bridges.

During the 2023 legislative session, the final 10.735% of gasoline use tax revenue was accelerated from FY 2025 to FY 2024 into the State Highway Fund, and fuel tax indexing for gasoline and special fuels was extended three years through FY 2028. This additional funding potential will be invested across all INDOT asset classes beginning in FY 2024.

Through the first six years of Next Level Roads, INDOT invested over \$10 billion to improve the condition of existing assets, enhance safety, and prepare our transportation system to accommodate future demands. INDOT has resurfaced, rehabilitated, and reconstructed over 3,700 center lane miles of roadway and repaired or replaced over 4,200 bridges and large culverts.

Further, since 2016 and through FY 2023, INDOT has partnered with cities, towns, and counties to provide more than \$1.4 billion in state funds to support local road and bridge projects through the Community Crossings Matching Grant Program. This program is funded with gasoline use taxes, the special Transportation Infrastructure Improvement Fees, and supplemental registration fees for electric and hybrid vehicles.

The Bipartisan Infrastructure Law increased INDOT's core federal program by approximately \$970 million through FY 2026. In addition to increased core formula funding, INDOT was also the recipient of over \$1.1 billion of funding from the American Rescue Plan Act, all of which had been obligated through the end of FY 2023.

Conservation and Environment – Next Level Trails is the largest infusion of trail funding in state history. The grant program is divided into two components: regional projects and local projects. Each project will require a minimum 20 percent match, which can include monetary contributions, land value, and in-kind donations of materials and labor. Projects funded through this program must be open to the public. Next Level Trails is part of Governor Eric J. Holcomb's Next Level Connections, a \$1 billion statewide infrastructure program announced in September 2018.

The General Assembly appropriated an additional \$30 million in state funds to Next Level Trails in April 2023 bringing the total of the program to \$180 million for trail development: \$150 million of state funding and \$30 million in American Rescue Plan Act funding. Round 4 received 47 applications and awards will be announced in December 2023. 62.89 miles of trails have been constructed with \$53.7 million disbursed to grantees.

The Department of Natural Resources (DNR) will receive \$370 million from the federal Bipartisan Infrastructure Law over 15 years to conduct reclamation projects on abandoned mines across Indiana. DNR is continuously building an inventory of projects to dedicate funding towards that restore mining lands to their pre-mine status and make them available for beneficial use.

Health and Human Services – Medicaid is a state/federal shared fiscal responsibility. Average monthly enrollment has risen substantially since the beginning of the Public Health Emergency (PHE) due to the economic impacts from COVID-19 pandemic responses along with federal maintenance of effort requirements that prevented eligibility redetermination activities from January 2020 until March 31, 2023. Enrollment peaked at a total of 2,281,058 members in April 2023 with an average monthly enrollment of 2,205,325 for FY 2023. Indiana's base federal reimbursement rate equaled 66.30% for Federal Fiscal Year 2022 and 65.82% for Federal Fiscal Year 2023. The base rate is expected to be reduced to 65.62% for Federal Fiscal Year 2024. In addition, Congress authorized a phase-down of the pandemic era 6.2% federal medical assistance percentage (FMAP) increase through December 2023. The state General Fund Medicaid appropriations for Fiscal Year 2023 total \$3.9 billion.

In FY 2023, the Department of Child Services (DCS) continued the implementation of its practice to place children in the most stable, family-like setting and continued a downward trend in the number of cases handled by the Department. At the end of the fiscal year, DCS had a total of 11,485 open cases (figure includes informal adjustments and collaborative care for older youth), compared to 13,079 open cases at the close of FY 2022. The state General Fund appropriations supporting the DCS totaled \$885.6 million.

The Indiana Department of Health (IDOH) promotes, protects, and improves the health and safety of all Hoosiers, with the goal of every Hoosier reaching their optimal health regardless of where they live, learn, work, or play. In collaboration with Indiana's 94 locally controlled health departments, IDOH's work spans the entire State and impacts every Hoosier. In FY 2023, local departments of health received some grants from the State but were predominantly funded by local taxes and user fees. State funding for local health departments was increased to historic levels in the 2023 budget bill from less than \$15 million in the prior biennium to \$225 million for the FY 2024-2025 biennium with the programming of these dollars occurring on the local level to meet core needs. General Fund appropriations totaled \$12.6 million and other state dedicated funds, including user fees and Tobacco Master Settlement funding, totaled \$111.3 million in FY 2023 for the IDOH. The IDOH continued to receive an elevated amount of federal grant funding in FY 2023 to address the COVID-19 pandemic and other associated efforts.

Economic Development – The Indiana Economic Development Corporation (IEDC) is the State of Indiana's chief economic development agency. The IEDC seeks to bring new job creation and capital investment opportunities to Indiana through competitive company attractions, expansions, and consolidations. In FY 2023, an additional \$500 million was appropriated to support the IEDC economic development efforts. Indiana has received several accolades for its business environment. This includes favorable rankings of 6th in the nation in Chief Executive Magazine's annual "Best States for Business" survey (April 2023), top 10 best states for business tax climate according to the Tax Foundation 2024 index, and 1st in infrastructure according to CNBC.

Awards and Acknowledgements

Certificate of Achievement Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Indiana for its annual comprehensive financial report for the fiscal year ended June 30, 2022. This was the thirtieth consecutive year that the State of Indiana has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility.

Acknowledgments

We acknowledge the cooperation and assistance of all State agencies in the preparation of this report.

Sincerely,



Elise M. Nieshalla
State Comptroller
State of Indiana



Cristopher Johnston
Director
Office of Management and Budget



Government Finance Officers Association

Certificate of
Achievement
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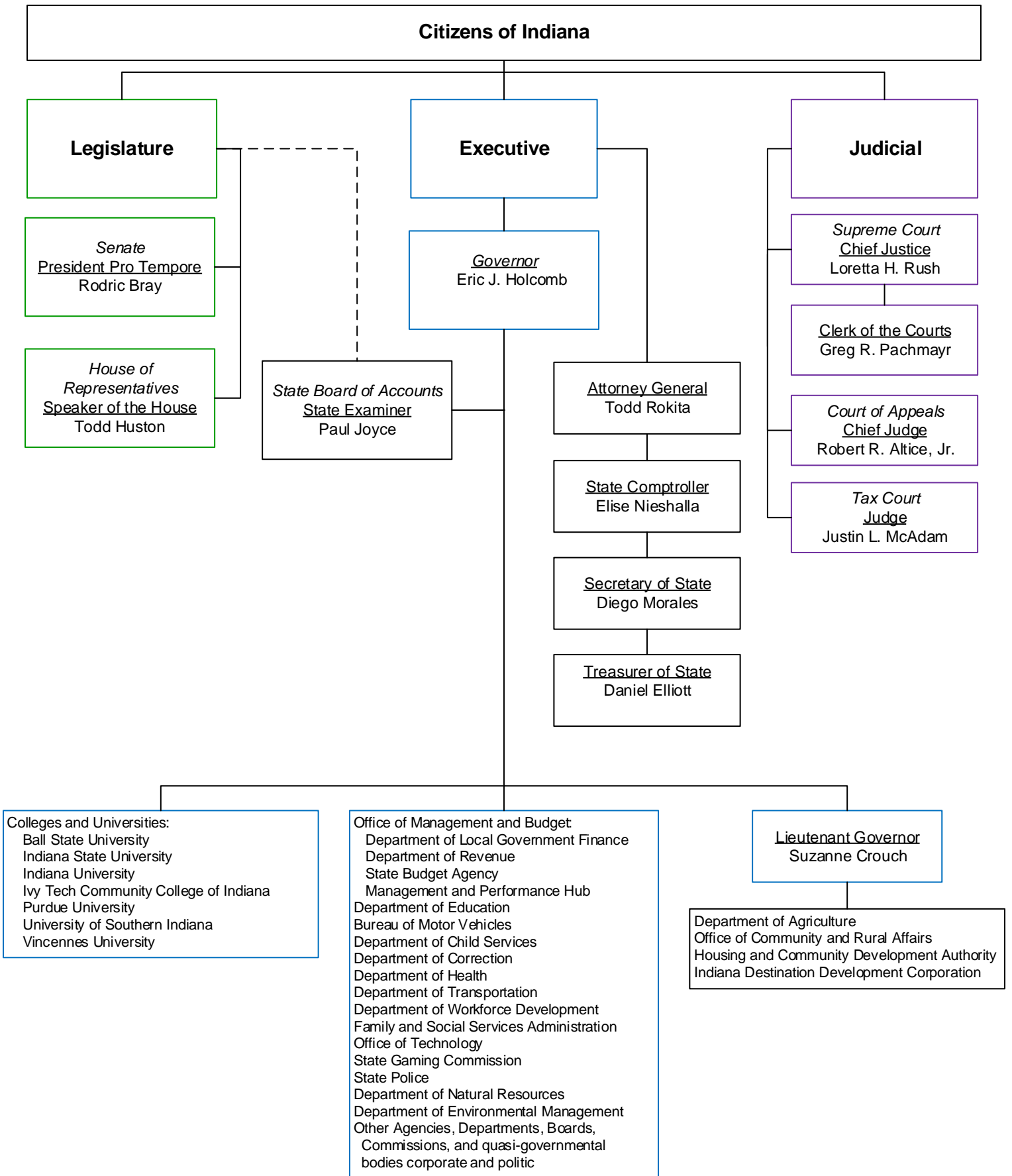
State of Indiana

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

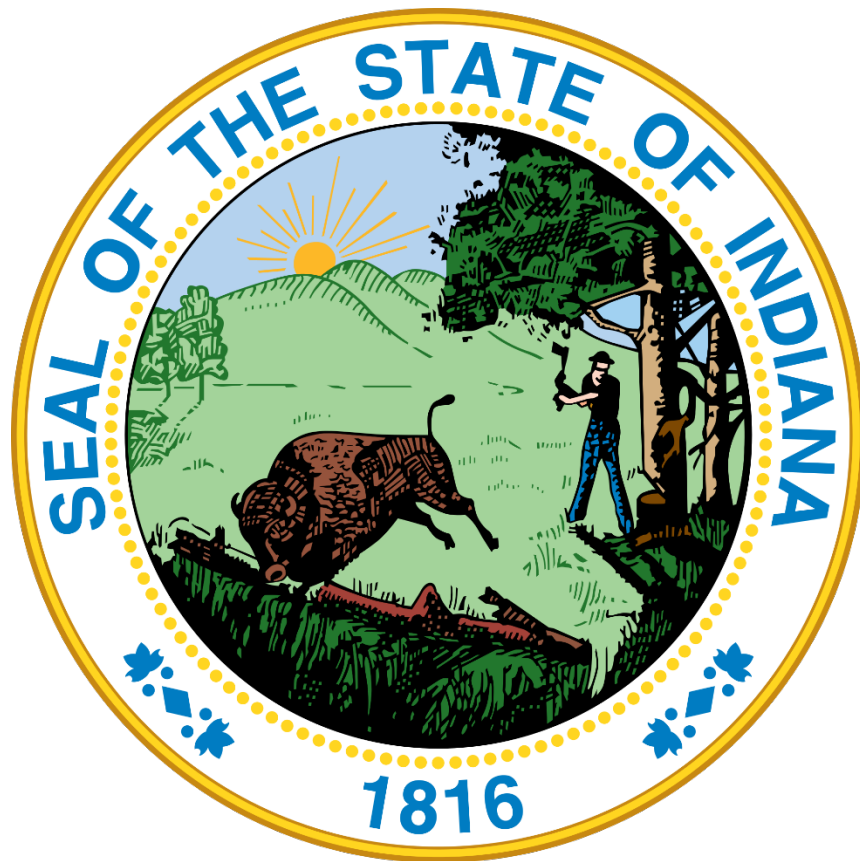
June 30, 2022

Christopher P. Morrill

Executive Director/CEO



FINANCIAL SECTION





STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Indiana (State), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the State'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 respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Indiana Economic Development Corporation, Indiana Finance Authority, State Lottery Commission, Indiana Bond Bank, Indiana Housing and Community Development Authority, Indiana Board for Depositories, Indiana Secondary Market for Educational Loans Inc., Indiana Stadium and Convention Building Authority, White River State Park Development Commission, Ports of Indiana, Indiana State Fair Commission, Indiana Comprehensive Health Insurance Association, Indiana Political Subdivision Risk Management Commission, Indiana State Museum and Historic Sites Corporation, Indiana Motorsports Commission, Purdue University, and Indiana University, which represent 86.1 percent, 82.2 percent, and 86.0 percent, respectively, of the total assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended. We also did not audit the Indiana Public Retirement System, State Police Pension Fund, State of Indiana 457 Deferred Compensation Retirement Plan, State of Indiana 401(a) Deferred Compensation Matching Retirement Plan, and External Investment Pool Custodial Fund, which represent 86.4 percent, 89.6 percent, and 35.9 percent, respectively, of the assets, net position, and revenues and additions of the aggregate remaining fund information as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended. Those statements were audited by other

INDEPENDENT AUDITOR'S REPORT
(Continued)

auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units and the fiduciary activities, is based solely on the report of the other auditors. The financial statements of the Indiana State Fair Commission, Indiana Political Subdivision Risk Management Commission, and Ports of Indiana reported as discretely presented component units, and the State Police Pension Fund, Indiana Public Retirement System, State of Indiana 457 Deferred Compensation Retirement Plan, and State of Indiana 401(a) Deferred Compensation Matching Retirement Plan reported within the aggregate remaining fund information, were audited in accordance with auditing standards generally accepted in the United State of America, but were not audited in accordance with *Government Auditing Standards*.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 State, 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 opinions.

Emphasis of Matter

As discussed in Note IV, J, to the financial statements, the State adopted new accounting guidance, GASB Statement No. 96 *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

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 State'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 opinions. 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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

INDEPENDENT AUDITOR'S REPORT
(Continued)**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State's basic financial statements. The accompanying combining and individual statements for the Non-Major Governmental and Proprietary Funds, Internal Service Funds, Fiduciary Funds, and the Non-Major Discretely Presented Component Units are presented for purposes of additional analysis and are 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 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual statements for the Non-Major Governmental and Proprietary Funds, Internal Service Funds, Fiduciary Funds, and the Non-Major Discretely Presented Component Units are fairly stated, in all material respects, in relation to the basic financial statements as a whole.


Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory and Statistical Sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do 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.

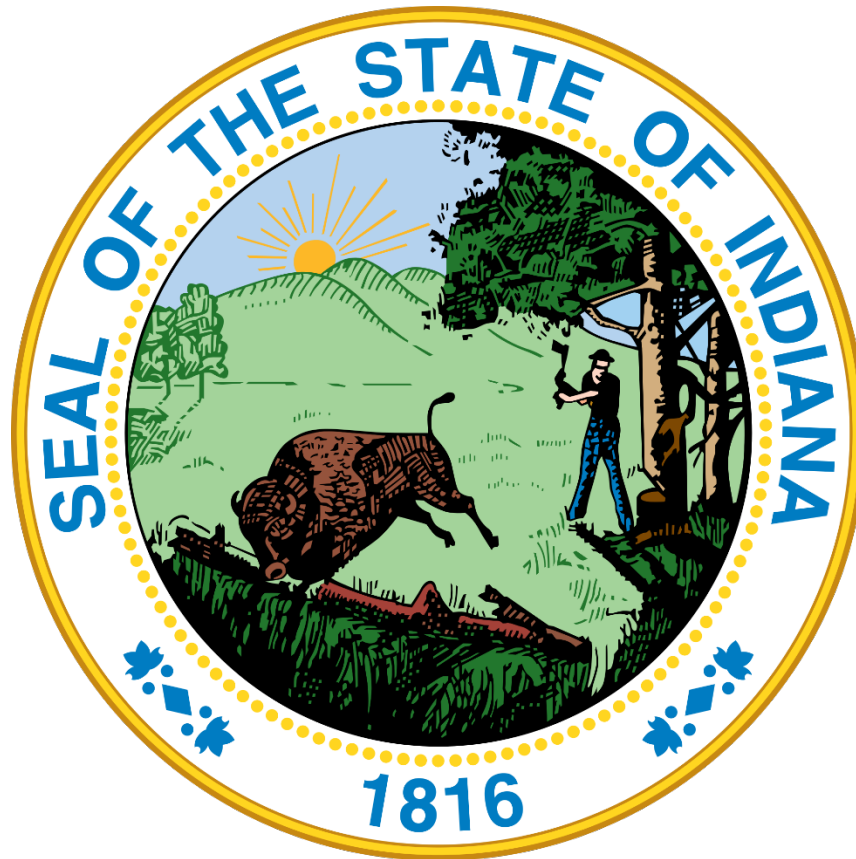
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 18, 2024, on our consideration of the State's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

January 18, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS



STATE OF INDIANA

Management's Discussion and Analysis

June 30, 2023

The following discussion and analysis of the State of Indiana's financial performance provides an overview of the state's financial activities for the fiscal year (FY) ended June 30, 2023. Please read it in conjunction with the transmittal letter at the front of this report and the state's financial statements, which follow this section.

Financial Highlights

- For FY 2023, on a government-wide basis, the assets and deferred outflows of the State of Indiana exceeded its liabilities and deferred inflows by \$30.5 billion. This compares with \$26.1 billion for FY 2022.
- At the end of the FY 2023, unassigned fund balance for the General Fund was \$1.7 billion, or 8.4% of the total General Fund expenditures.
- On a government-wide basis for the primary government, the state incurred expenses net of program revenues of \$20.5 billion, which are offset by general revenues totaling \$25.0 billion, giving an increase in net position of \$4.5 billion.
- General fund forecasted revenue for the primary government decreased by \$132.5 million, or 0.6%, from FY 2022.
- Combined general fund reserve balances for FY 2023 were \$2.9 billion.
- An excess reserves calculation was triggered at the conclusion of FY 2022 that directed \$2.5 billion of the reserve balance to reduce the teachers pre-1996 pension liability. This transfer was made in FY 2023.
- During the special legislative session in August 2022, the Indiana General Assembly passed, and Governor Holcomb signed, a taxpayer refund of \$200 per taxpayer. This was in addition to a \$125 taxpayer refund previously provided in FY 2022.
- Indiana's Pre-1996 Teachers' Retirement Fund Pay-Go Plan's funded status increased from 37.5% to 63.6%. This led to overall funded status of INPRS managed pension plans increasing from 74.8% to 82.2%.
- Indiana is one of a minority of states that has the highest credit rating assigned by all three independent credit rating agencies: Fitch, Moody's, and Standard & Poor's Ratings Service (S&P). Fitch's October 2023 report states that "Indiana remains very well positioned to deal with economic downturns, with exceptionally strong gap-closing capacity in the form of ample budgetary reserves, robust control over revenues and spending, and a demonstrated willingness to take timely budgetary actions."
- Indiana continues to position itself as one of the lowest debt-level states in the country. Net tax supported debt (NTSD) represents just \$366 per capita, the 7th lowest in the country ("Ability to service long-term liabilities and fixed costs improves", Moody's Investor Service, September 26, 2023). Indiana has continued its low debt discipline by not issuing any appropriation debt over the last budget cycle. Due to Indiana's strong cash position, capital projects were cash funded as opposed to debt financed in order to maintain maximum financial flexibility.
- Indiana has received several accolades for its business environment. This includes favorable rankings of 6th in the nation and best in the Midwest in Chief Executive Magazine's annual "Best States for Business" survey (April 2023), top 10 best states for business tax climate according to the Tax Foundation 2023 index, and 1st in infrastructure according to CNBC.

Key Economic Indicators			
	<u>Dec. 31, 2022</u>	<u>Dec. 31, 2021</u>	<u>% Change</u>
Total Labor Force	3,396,110	3,289,362	3.2%
Total Employed Labor Force	3,308,815	3,239,887	2.1%
Total Goods and Service Employment	3,246,900	3,199,300	1.5%
Service-Providing Employment	2,535,300	2,480,900	2.2%
Goods-Producing Employment	711,600	695,900	2.3%
Unemployment Rate	2.6%	1.5%	72.8%
Median Household Income	66,785	62,743	6.4%

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

Salaries and benefits for state employees represent approximately 5.2% of governmental fund expenditures. The following table shows a ten-year history of the count of full-time state employees.

Full Time State Employees Paid Through The State Comptroller's Office					
<u>Year</u>	<u>Governor's Authority</u>	<u>Judiciary</u>	<u>Other Elected Officials</u>	<u>On Disability Leave</u>	<u>Total</u>
2023	28,432	1,113	868	405	30,818
2022	27,828	1,092	831	643	30,394
2021	28,803	964	896	576	31,239
2020	29,607	950	1,147	576	32,280
2019	28,868	922	1,124	556	31,470
2018	28,634	908	1,095	590	31,227
2017	28,286	894	1,062	646	30,888
2016	28,315	886	1,107	669	30,977
2015	28,157	865	1,083	744	30,849
2014	28,279	845	1,065	783	30,972

For more information on personnel paid through the State Comptroller, please read the Statistical Section.

Overview of the Financial Statements

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

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

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

The financial statements also include notes that explain some of the information in the financial

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

Government-wide Financial Statements

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

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

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

Fund Financial Statements

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

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

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

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

Non-current assets such as infrastructure, land, and property, plant and equipment appear on the government-wide statements but not on the governmental fund statements where they are expensed as acquired rather than capitalized. Non-current liabilities such as lease and subscription-based information technology (IT) arrangements (SBITAs) payables and net

pension liabilities also appear on the government-wide statements but not on the fund statements. Internal service funds are included as part of the governmental activities in the government-wide statements but not the governmental fund financial statements because they provide services to the governmental funds.

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

provide supplies and services for the state's other programs and activities. An example would be the State Employee Health Insurance Fund.

3. **Fiduciary funds.** The state is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. The state is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Fiduciary funds use the economic resources measurement focus and the accrual basis of accounting. All the state's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. These activities are excluded from the state's government-wide financial statements because the state cannot use these assets to finance its operations.

Financial Analysis of the State as a Whole

Net Position

The following is condensed from the Statement of Net Position:

State of Indiana Condensed Schedule of Net Position (in millions of dollars)						
	Primary Government					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 24,125.7	\$ 22,497.1	\$ 1,769.1	\$ 1,802.7	\$ 25,894.8	\$ 24,299.8
Capital assets	19,857.2	19,352.6	0.3	0.3	19,857.5	19,352.9
Total assets	43,982.9	41,849.7	1,769.4	1,803.0	45,752.3	43,652.7
Deferred outflows of resources	5,206.4	2,268.0	0.9	-	5,207.3	2,268.0
Total deferred outflows of resources	5,206.4	2,268.0	0.9	-	5,207.3	2,268.0
Current liabilities	8,702.1	7,311.0	202.9	93.6	8,905.0	7,404.6
Long-term liabilities	11,258.8	10,947.8	23.3	23.5	11,282.1	10,971.3
Total liabilities	19,960.9	18,258.8	226.2	117.1	20,187.1	18,375.9
Deferred inflows of resources	257.2	1,482.9	-	-	257.2	1,482.9
Total deferred inflows of resources	257.2	1,482.9	-	-	257.2	1,482.9
Net position:						
Net investment in capital assets	19,028.6	18,507.6	0.3	0.3	19,028.9	18,507.9
Restricted	2,636.5	1,344.8	1,488.5	1,627.6	4,125.0	2,972.4
Unrestricted	7,306.1	4,523.6	55.3	58.0	7,361.4	4,581.6
Total net position	\$ 28,971.2	\$ 24,376.0	\$ 1,544.1	\$ 1,685.9	\$ 30,515.3	\$ 26,061.9

At the end of the current FY, net position for the primary government increased by \$4.5 billion.

Current and other assets increased by \$1.6 billion, primarily due to increases in security lending collateral, attributed to owning more US treasuries at year end compared to previous year and a higher demand for borrowing by the broker/dealer community.

Capital assets increased by \$504.6 million. The principal reasons for the increase in capital assets were infrastructure and construction in progress at the Indiana Department of Transportation primarily due to the continuation of the Next Level Agenda initiative, which focuses on maintaining and building the state's infrastructure.

Deferred outflows increased from \$2.3 billion in FY 2022 to \$5.2 billion in FY 2023. The state contributed

\$4.2 billion to the teacher's Pre-1996 retirement fund and of this amount, \$2.5 billion was an additional contribution from the FY 2022 excess reserve calculation.

Total liabilities increased \$1.8 billion, predominantly due to security lending collateral. Long-term liabilities increased by \$310 million, primarily from an increase in pension liabilities due to the net difference between projected and actual earnings on pension

plan investments. Tax refunds payable decreased by \$301.6 million mostly as a result of the payout of the initial automatic taxpayer refund.

Deferred inflows of resources decreased by \$1.2 billion due to changes between projected and actual earnings on pension plan investments. Deferred inflows and outflows can fluctuate annually as the investment market changes.

Changes in Net Position

The following is condensed from the Statement of Activities:

State of Indiana Condensed Schedule of Change in Net Position (in millions of dollars)						
	Primary Government					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues:						
Charges for services	\$ 4,216.1	\$ 3,282.5	\$ 431.8	\$ 779.6	\$ 4,647.9	\$ 4,062.1
Operating grants and contributions	21,445.7	21,355.1	-	-	21,445.7	21,355.1
Capital grants and contributions	981.1	1,540.9	-	-	981.1	1,540.9
General revenues:						
Income taxes	8,833.7	9,069.4	-	-	8,833.7	9,069.4
Sales taxes	10,978.8	10,445.6	-	-	10,978.8	10,445.6
Other	5,086.1	3,756.5	102.2	1,568.9	5,188.3	5,325.4
Total revenues	51,541.5	49,450.0	534.0	2,348.5	52,075.5	51,798.5
Program Expense						
General government	4,975.1	3,063.0	-	-	4,975.1	3,063.0
Public safety	1,978.9	1,904.0	-	-	1,978.9	1,904.0
Health	573.9	682.4	-	-	573.9	682.4
Welfare	22,954.1	22,235.8	-	-	22,954.1	22,235.8
Conservation, culture and development	1,734.8	1,397.6	-	-	1,734.8	1,397.6
Education	10,995.2	13,050.0	-	-	10,995.2	13,050.0
Transportation	3,681.3	3,243.6	-	-	3,681.3	3,243.6
Interest expense	29.9	11.6	-	-	29.9	11.6
Unemployment compensation fund	-	-	642.9	1,226.7	642.9	1,226.7
Other	-	-	32.9	27.3	32.9	27.3
Total expenses	46,923.2	45,588.0	675.8	1,254.0	47,599.0	46,842.0
Change in net position	4,618.3	3,862.0	(141.8)	1,094.5	4,476.5	4,956.5
Beginning net position, as restated	24,352.9	20,514.0	1,685.9	591.4	26,038.8	21,105.4
Ending net position	\$ 28,971.2	\$ 24,376.0	\$ 1,544.1	\$ 1,685.9	\$ 30,515.3	\$ 26,061.9

Governmental Activities

Program expenses exceeded program revenues by \$20.3 billion. General revenues and transfers were \$24.9 billion. The increase in net position was \$4.6 billion as compared to \$3.9 billion in FY 2022. The change in net position represents 9.0% of total revenues and 9.8% of total expenses.

Increased revenues were driven significantly by

additional Hospital Assessment Fee revenue under the Medicaid program. A delay in getting an agreement with the hospitals in FY 2022 resulted in additional Hospital Assessment Fee accounts receivable being established and collected in FY 2023 after the agreement was finalized.

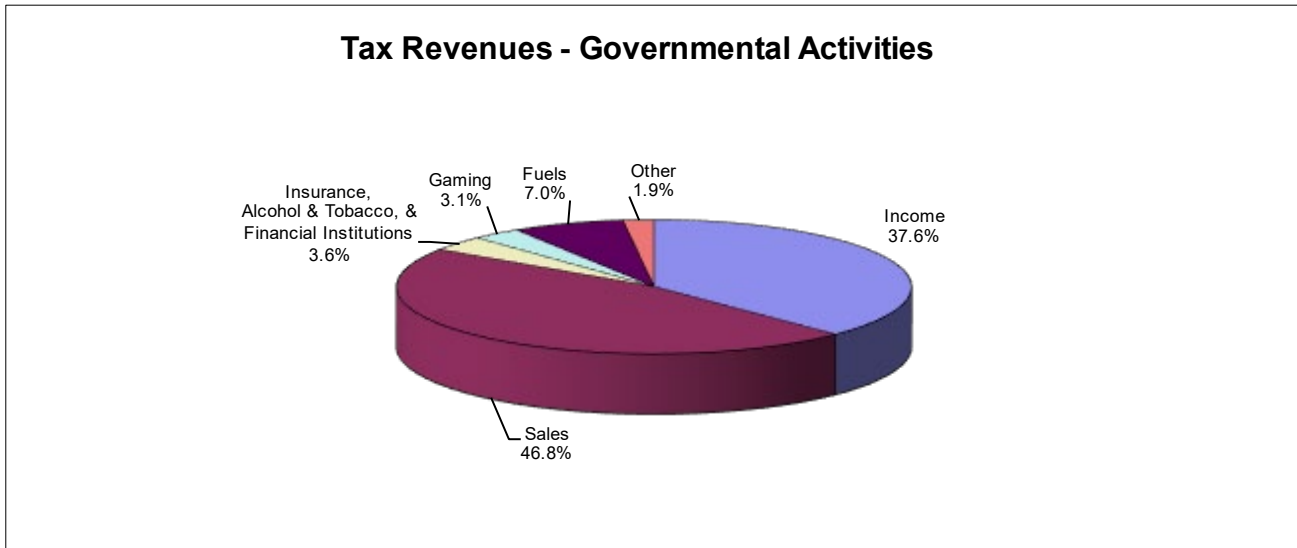
Expenses increased by \$1.3 billion or 2.9%. General government expenses increased by \$1.9 billion. Welfare expenses increased \$718.3 million due to

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the continued increase in the number of Medicaid recipients from the economic impacts of the COVID-

19 pandemic responses.

Tax revenues for governmental activities were broken down as follows:



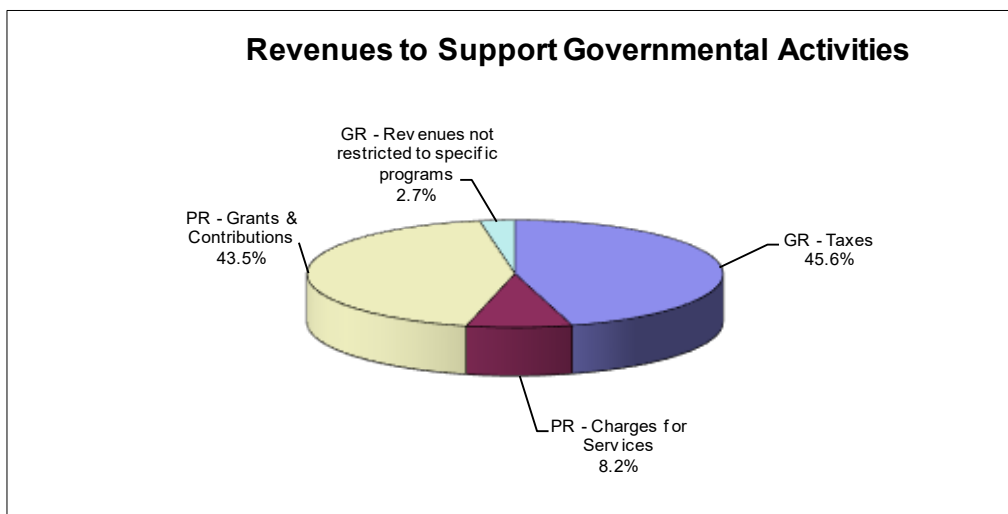
Tax revenues of \$23.5 billion represent 45.6% of total revenues for governmental activities. This compares to \$23.2 billion or 46.9% of total revenues in FY 2022. Program revenues accounted for \$26.6 billion or 51.7% of total revenues. In FY 2022, program revenues accounted for \$26.2 billion or 52.9% of total revenues.

General revenues other than tax revenues were \$1.4 billion or 2.7% of total revenues as compared to \$94.7 million or .2% of total revenues in FY 2022.

American Rescue Plan Act (ARPA) revenues are now being reported in general revenues, multipurpose grants and contributions. Previously, these were reported under program revenue grants and contributions.

Investment earnings increased from negative earnings of \$30.4 million in FY 2022 to positive earnings of \$466.8 million in FY 2023 due to increased rates of return on investments.

Total revenues for governmental activities were broken down as follows:



PR = program revenues
GR = general revenues

Total revenues were 109.8% of expenses which was an increase from 108.5% in FY 2022. Total revenues increased 4.2% from \$49.5 billion in FY 2022 to \$51.5 billion in FY 2023. Expenses increased 2.9% from \$45.6 billion in FY 2022 to \$46.9 billion in FY 2023.

The largest portion of the state's expenses is for welfare, which is \$23.0 billion, or 48.9% of total expenses. This compares with \$22.2 billion, or 48.8% of total expenses in FY 2022. The change in welfare expenses was an increase of \$718.3 million or 3.2%. \$4.1 billion of welfare expenses in FY 2023 were funded from general revenues. Some of the major expenses were Medicaid Assistance (\$17.7 billion), the U.S. Department of Health and Human Services Fund (\$1.8 billion), and the federal food stamp program in the U.S. Department of Agriculture Fund (\$1.8 billion).

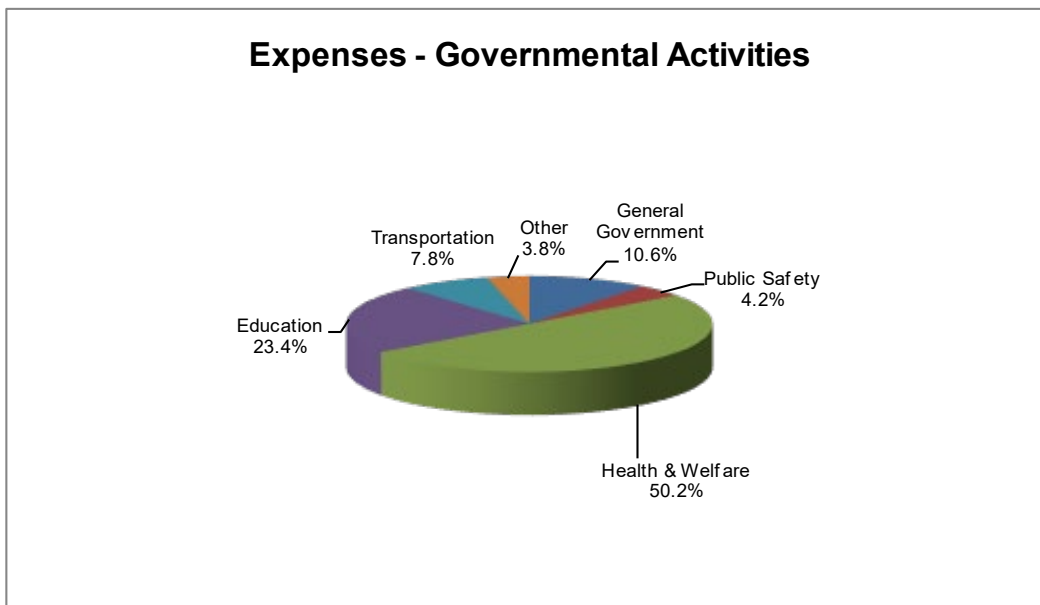
General Government expenses increased \$1.9 billion or 62.4% over the previous year. Due to excess reserves in fiscal year 2022, the state made an additional contribution to the Pre-1996 Teachers

Retirement Plan of \$2.5 billion and paid out \$867.3 million in an additional automatic taxpayer refund in fiscal year 2023 from the state's General Fund.

Education comprises 23.4%, or \$11.0 billion of the state's expenses. In FY 2022, education accounted for 28.6%, or \$13.0 billion, of expenses. The change in education expenses was a decrease of \$2.1 billion, or 15.7%. Some of the major expenses were tuition support of \$8 billion; General Fund appropriations for state colleges and universities of \$1.7 billion and Teachers' Retirement Pension of \$1.7 billion; and fund expenditures for federal grant programs from the U.S. Department of Education Fund of \$706.0 million, U.S. Department of Agriculture Fund of \$611.2 million, and \$997.5 million from the Covid-19 fund.

Transportation spending accounted for \$3.7 billion, or 7.8% of expenses. Transportation comprised \$3.2 billion or 7.1% of expenses in FY 2022. Transportation includes expenses related to the maintenance and construction of state infrastructure.

Total expenses for governmental activities were broken down as follows:



Business-type Activities

Business-type activities represent 1.0% of the Primary Government's revenues and 1.4% of the expenses. The Unemployment Compensation Fund accounts for 93.0% of business-type activities program revenues and 95.1% of operating expenses. The change in net position for business-type activities was a decrease of \$141.9 million.

The Unemployment Compensation Fund collects

employer taxes and the federal share of unemployment compensation. Benefits are paid to eligible individuals, and the fund covers general and administrative expenses. Expenses in the fund exceeded revenues by \$139.1 million. This compares to FY 2022 when this fund's revenues exceeded expenses by \$1.1 billion. Employer contributions into the fund decreased by \$348.4 million, from \$750.1 million in FY 2022 to \$401.7 million in FY 2023. The decrease in net position of \$139.1 million is primarily due to estimating an

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allowance for doubtful accounts on employer and overpayment receivables.

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

Net Cost of Primary Government (in millions of dollars)			
	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>% Change</u>
Governmental Activities:			
General government	\$ 3,978.0	\$ (201.4)	2075.2%
Public safety	1,096.4	1,026.7	6.8%
Health	(722.9)	(673.6)	-7.3%
Welfare	4,087.7	5,272.8	-22.5%
Conservation, culture, and development	1,254.5	1,420.8	-11.7%
Education	8,575.8	10,921.5	-21.5%
Transportation	1,980.8	1,631.0	21.4%
Interest expense	29.9	11.6	157.8%
Business-type Activities:			
Unemployment Compensation Fund	241.2	476.6	-49.4%
Malpractice Insurance Authority	0.4	0.3	33.3%
Indiana State Park Inns Authority	2.3	(2.6)	188.5%
Total	<u>\$ 20,524.1</u>	<u>\$ 19,883.7</u>	<u>3.2%</u>

Financial Analysis of the State's Funds

The total Governmental fund balance for the end of FY 2023 was \$14.4 billion, up from \$14.1 billion from last year. The General Fund accounts for most of this increase.

General Fund

The General Fund is maintained to account for resources obtained and used for those services traditionally provided by state government which are not required to be accounted for in another fund. The fund balance of the General Fund at June 30, 2023 was \$9.2 billion, which is 63.1% of total assets. This compares to a fund balance at June 30, 2022 of \$9.6 billion, which was 72.8% of assets. The fund balance of \$9.2 billion is comprised of nonspendable of \$122.4 million, restrictions of \$996.7 million, commitments of \$48.9 million, and assignments of \$6.3 billion, leaving an unassigned balance of \$1.7 billion. The restricted amount consists of the Rainy Day Fund, which is accounted for in the General Fund. For more information on the components of fund balance, see the chart in the Notes to the Financial Statements III(B).

The General Fund's revenues increased 4.4%, or \$924.5 million, from FY 2022, mainly because of an increase in investment income of \$497.3 million and current service charge revenue of \$390.5 million. Investment income increased due to more favorable

returns on investments. Current Service Charge revenue increased due to increased distributions to the state from the Hoosier Lottery and the reclassification of the Tobacco Settlement fund from a special revenue fund to the General Fund.

General Fund expenditures increased \$4.2 billion, or 26.0% from FY 2022. The most significant reasons for the increase in FY2023 were results of revenue surpluses from the previous budget biennium – the state increased funding of \$2.7 billion to the Teachers Pre-1996 Retirement Pension plan of which \$2.5 billion resulted from the FY2022 excess reserve calculation and authorized up to \$935.0 million for the additional taxpayer refund of which \$867.3 million was disbursed. Additionally, the state increased its tuition support funding to local educational agencies by \$387.0 million.

General Fund net transfers remained similar to FY2022. Increases to transfers in and out primarily related to Medicaid state match funding and program funding reclassification. More detail on these transfers can be found in the Notes to the Financial Statements IV(B).

Overall, the fund balance of the General Fund decreased \$554.9 million. This is a reflection of the state government's continued support to reduce the net pension liabilities related to the state's pension plans.

Public Welfare-Medicaid Assistance Fund

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

The fund received \$15.5 billion in federal revenue as compared to \$12.8 billion in FY 2022. This increase was a result of an increase in eligible recipients and higher utilization. State funding primarily comes through transfers from the General Fund. Net transfers from the General fund were \$1.9 billion which was comparable to FY 2022. Increases to transfers in and out primarily related to state match funding and program funding reclassification. The fund distributed \$1.1 billion more in Medicaid Assistance during the year as compared to the prior year due to an increase in the number of eligible Medicaid recipients. The fund balance increased by \$338.3 million from FY 2022 to FY 2023.

U.S. Department of Health and Human Services Fund

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

The fund received \$1.6 billion in federal grant revenues and expended \$2.1 billion. Revenues increased \$255.6 million and expenditures increased \$343.3 million from FY 2022 to FY 2023. These increases were due to increased enrollment and utilization of the Children's Health Insurance Program (CHIP). Also, there were increases in Medicaid administration driven by increased enrollment and restarting eligibility redeterminations that were paused during the COVID public health emergency. In addition, there were increases in federal funding at the Department of Child Services due to retroactive rate increases for services and increased eligibility of DCS families and children. The US DHHS Fund received transfers in of \$473.3 million mostly from the General Fund for various health and human services programs. The change in fund balance from FY 2022 to FY 2023 was a decrease of \$63.1 million.

ARPA – Economic Stimulus Fund

The ARPA-Economic Stimulus Fund provides federal grant dollars to support the state in its efforts to contain COVID-19 and in responding to the impact of COVID-19 on communities, residents, and businesses. It's uses build on and expand the support provided to the state and local governments through the CRF.

The fund received \$728.1 million in revenues and had \$724.8 million in expenditures. The change in fund balance from FY 2022 to FY 2023 was an increase of \$3.3 million. Revenues and expenditures in the fund decreased as a result of the state winding down its eligible expenditures under this federal program.

General Fund Budgetary Highlights

FY 2023 finished with revenue collections of \$21.1 billion. This was slightly below (-0.6%) revenue collections for FY 2022. The state ended FY 2023 with combined General Fund balances of \$2.9 million.

Revenue collections in FY 2023 finished 0.1% above the April 2023 revenue forecast. The forecast presented on April 19, 2023 projected total General Fund collections in FY 2024 to be \$21.9 billion (or 2.7% above FY 2023) and FY 2025 to be \$22.4 billion (or 2.5% above FY 2024).

Strong revenue collections in FY 2022 coupled with modest expenditure growth in the same fiscal year resulted in historic surplus levels. This triggered a statutory excess reserve calculation that required a FY 2023 transfer of \$2.5 billion of reserve balances to the Indiana Public Retirement System for credit against the pre-1996 Teachers' Retirement Fund. Additionally, \$867.3 million was returned to Hoosier taxpayers in the form of an Automatic Taxpayer Refund and \$450.3 million was transferred to the Rainy Day Fund.

In response to Indiana's strong financial position in FY 2022 and FY 2023, Hoosier lawmakers passed various tax changes. These included a full repeal of the utility receipts tax and the utility services use tax along with a phased reduction in the individual adjusted gross income tax rate from the current rate of 3.23% to an eventual rate of 2.9% in 2027.

Capital Asset and Debt Administration

Capital Assets

Capital assets were \$19.9 billion, which was 43.4% of total assets for the primary government. Related debt was \$0.9 billion. Net investment in capital assets for the primary government was \$19.0 billion. Related debt was 4.5% of capital assets. Total capital assets increased \$504.6 million or 2.6% and is mostly attributable to increases in the Indiana Department of Transportation's infrastructure and construction in progress as a result of the continued emphasis on improving the state's infrastructure

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through the Next Level Agenda initiative. More detailed information about the state's capital assets

is presented in Note IV(D) to the Financial Statements.

The following table shows the percentage change in capital assets from FY 2022 to FY 2023.

State of Indiana Capital Assets (in millions of dollars)							
	Governmental Activities		Business-type Activities		Total Primary Government		Total % Change
	2023	2022	2023	2022	2023	2022	
Land	\$ 2,813.6	\$ 2,737.1	\$ -	\$ -	\$ 2,813.6	\$ 2,737.1	2.8%
Infrastructure	13,199.3	13,019.0	-	-	13,199.3	13,019.0	1.4%
Construction/Development in progress	1,881.6	1,587.2	-	-	1,881.6	1,587.2	18.5%
Property, plant and equipment	4,134.3	3,978.8	1.1	1.1	4,135.4	3,979.9	3.9%
Computer software and subscription based IT arrangements	1,024.2	937.9	-	-	1,024.2	937.9	9.2%
Less accumulated depreciation	(3,195.8)	(2,907.4)	(0.8)	(0.8)	(3,196.6)	(2,908.2)	9.9%
Total	\$ 19,857.2	\$ 19,352.6	\$ 0.3	\$ 0.3	\$ 19,857.5	\$ 19,352.9	2.6%

Long-term Obligations

Long-term obligation items are included in the following table. These items comprised 55.9% of total liabilities.

The following table shows the percentage change from FY 2022 to FY 2023.

State of Indiana Long-term Liabilities (in millions of dollars)							
	Governmental Activities		Business-type Activities		Total Primary Government		Total % Change
	2023	2022	2023	2022	2023	2022	
Accrued liability for compensated absences	\$ 225.7	\$ 208.2	\$ 1.0	\$ 0.8	\$ 226.7	\$ 209.0	8.5%
Leases	231.3	200.5	-	-	231.3	200.5	15.4%
Subscription-based IT arrangements	26.1	-	-	-	26.1	-	100.0%
Financed purchases	571.2	644.5	-	-	571.2	644.5	-11.4%
Claims payable	-	-	22.3	22.7	22.3	22.7	-1.8%
Net pension liability	10,097.4	9,781.7	-	-	10,097.4	9,781.7	3.2%
Net OPEB liability	59.2	46.7	-	-	59.2	46.7	26.8%
OPEB DC liability	9.7	23.4	-	-	9.7	23.4	-58.5%
Asset retirement obligations	10.9	10.9	-	-	10.9	10.9	0.0%
Pollution remediation	27.3	31.9	-	-	27.3	31.9	-14.4%
Total	\$ 11,258.8	\$ 10,947.8	\$ 23.3	\$ 23.5	\$ 11,282.1	\$ 10,971.3	2.8%

Total long-term liabilities increased by 2.8% or \$310.8 million. The largest increase was for the net pension liability of \$315.7 million.

Net pension liabilities increased due to the net difference between projected and actual earnings on pension plan investments.

The liability for the other post-employment benefits continues to decrease as it has for the last few fiscal years as the state continues to pay down its liability related to the Retirement Medical Benefits defined contribution plan under IC 5-10-8.5-16.

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

Infrastructure

As required by GASB Statement No. 34, the state has capitalized its infrastructure. This amounts to \$13.0 billion in roads and bridges using the modified approach, \$2.2 billion in land and \$35.4 million in property (septic, sewer, and water systems; and streets/sidewalks/curbs) and dams being depreciated. In order to utilize the modified approach, the state is required to:

- Maintain an asset management system that includes an up-to-date inventory of eligible infrastructure assets.
- Perform condition assessments of eligible assets and summarize the results using a measurement scale.
- Estimate each year the annual amount to maintain and preserve the assets at the condition level established and disclosed by the state.
- Document that the assets are being preserved approximately at or above the established condition level.

Under the modified approach, the state expenses certain maintenance and preservation costs and does not report depreciation expense. Assets accounted for under the modified approach include approximately 11,110 centerline road miles of pavement along 240 routes and approximately 5,821 bridges that the state is responsible to maintain.

The state has consistently maintained the assessed conditions of roads over the past three years. It is the state's policy to maintain a network average International Roughness Index based on the right wheel path (IRI RWP) of no more than 101 for Interstate Roads, NHS Non-Interstate, and Non-NHS Roads (a good rating is in the range of 80–114). The most recent condition assessment, completed for FY 2023, indicated that the average IRI RWP for roads was in an acceptable range.

The state has maintained the assessed conditions of bridges at levels which are above the established benchmarks. It is the state's policy to maintain Interstate bridges at an average sufficiency rating of 87%, NHS Non-Interstate bridges at an average sufficiency rating of 85%, and Non-NHS bridges at an average sufficiency rating of 83% (a good rating is 80% - 90%). The most recent condition assessment, completed in FY 2023, indicated that the average sufficiency rating for bridges exceeded the minimum acceptable standard.

Total actual maintenance and preservation costs for Interstate Bridges, NHS Bridges, and Non-NHS Bridges were higher than planned during fiscal 2023. Various factors contributed to this including letting additional projects, scope changes, and competitive biddings.

The total actual maintenance and preservation costs for all road classifications were lower than planned during FY 2023. Various factors contributed to these costs being less than planned including bids that came in under the original estimates, work volumes, and redefining the repairs needed and the methods used.

The average IRI RWP for Interstate, NHS roads, and non NHS roads were in the good condition rating range. The state's standard of having less than 12.5% of all roads rated in poor condition was met. The average sufficiency rating for the maintenance of bridges in all road classes was excellent

Economic Factors

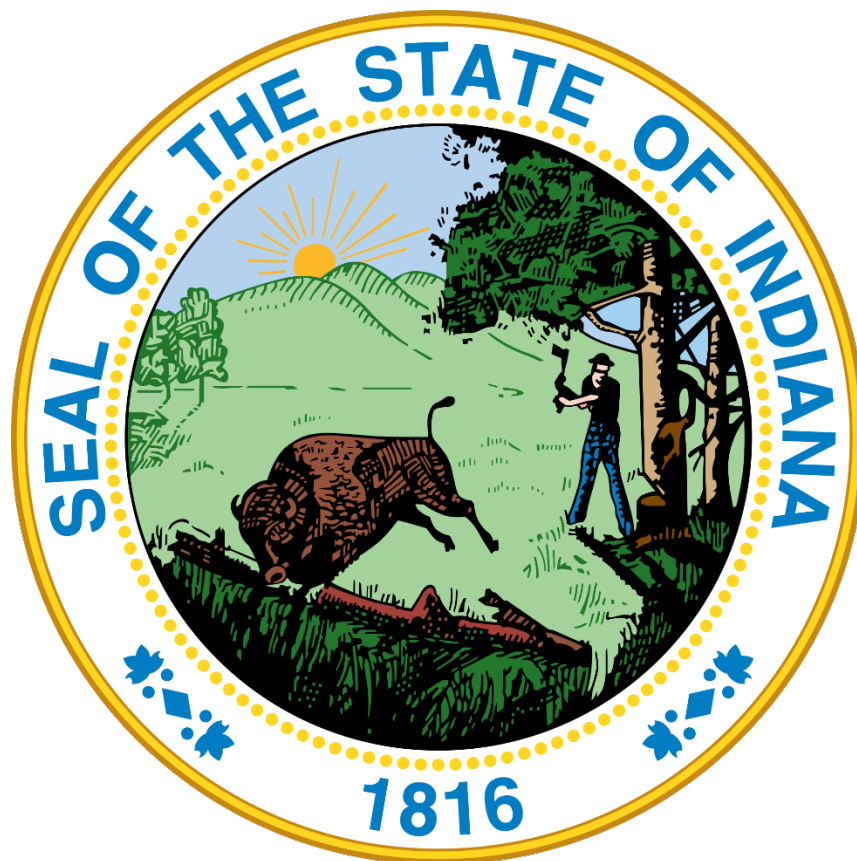
Indiana employment and personal income indicators continue to grow (3.0% and 4.4% respectively in FY 2023) and trend above pre-pandemic levels. In addition to higher payroll, Indiana's unemployment rate is near 3.12% in FY 2023 compared to 3.14% in FY 2022 and 5.37% in FY 2021. Indiana's Gross State Product (GSP) in FY 2023 grew 0.7% in real value compared to 3.4% in FY 2022. This deceleration in real GSP follows the national trend as the economy transitions away from pandemic-related idiosyncratic factors (including monetary and fiscal policy, and more). Real Indiana Gross State Product growth from Q2 2022 to Q2 2023 was 1.1%.

In comparison to other states, Indiana's economy ranked 19th largest in the U.S. in terms of value of goods and services in calendar year 2022. Indiana's largest contributor to real GSP has been and continues to be the manufacturing sector. The manufacturing sector accounts for over 500,000 jobs and 16.5% of the non-farm jobs in Indiana. Canada and Mexico are Indiana's leading merchandise export markets with chemicals, transportation equipment, and machinery accounting for nearly two-thirds of total export categories in 2022.

Contacting the State Comptroller

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

BASIC FINANCIAL STATEMENTS



GOVERNMENT-WIDE FINANCIAL STATEMENTS

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State of Indiana Statement of Net Position June 30, 2023 (amounts expressed in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash, cash equivalents, and investments - unrestricted	\$ 10,525,467	\$ 83,435	\$ 10,608,902	\$ 11,911,233
Cash, cash equivalents, and investments - restricted	4,734,782	1,406,637	6,141,419	7,522,587
Securities lending collateral	4,677,476	-	4,677,476	23,214
Receivables (net)	3,543,964	278,181	3,822,145	1,371,204
Due from component unit	20,687	-	20,687	-
Inventory	5,254	761	6,015	3,759
Prepaid expenses	130,880	13	130,893	106,779
Long-term receivables	464,253	-	464,253	4,118,596
Investment in direct financing lease	-	-	-	1,661,287
Net pension and OPEB assets	282	-	282	162,711
Other assets	22,688	31	22,719	325,930
Capital assets:				
Capital assets not being depreciated/amortized	17,859,052	-	17,859,052	2,742,037
Capital assets being depreciated/amortized	5,193,951	1,110	5,195,061	18,158,649
Less accumulated depreciation/amortization	(3,195,845)	(843)	(3,196,688)	(8,694,609)
Total capital assets, net of depreciation/amortization	19,857,158	267	19,857,425	12,206,077
Total assets	43,982,891	1,769,325	45,752,216	39,413,377
Deferred outflows of resources				
Accumulated decrease in fair value of hedging derivatives	-	-	-	48
Swap termination	-	-	-	40,416
Related to pensions	5,100,779	905	5,101,684	109,952
Related to OPEB	102,065	-	102,065	191,232
Related to asset retirement obligations	3,564	-	3,564	2,663
Debt refunding loss	-	-	-	44,175
Total deferred outflows of resources	5,206,408	905	5,207,313	388,486
Liabilities				
Accounts payable	2,194,644	82,991	2,277,635	709,448
Interest payable	51	-	51	93,916
Securities lending collateral	4,677,476	-	4,677,476	23,214
Tax refunds payable	2,996	-	2,996	-
Payables to other governments	129,188	113,822	243,010	-
Due to primary government	-	-	-	20,687
Unearned revenue	1,675,003	5,781	1,680,784	955,507
Advances from federal government	-	-	-	81,459
Other liabilities	22,705	296	23,001	21,779
Long-term liabilities:				
Due within 1 year	240,365	1,312	241,677	980,110
Due in more than 1 year	11,018,425	21,979	11,040,404	9,759,742
Total liabilities	19,960,853	226,181	20,187,034	12,645,862
Deferred inflows of resources				
Accumulated increase in fair value of hedging derivatives	-	-	-	2,570
Related to leases	-	-	-	88,451
Related to PPP arrangements	-	-	-	4,058,185
Related to pensions	98,637	-	98,637	40,593
Related to OPEB	158,281	-	158,281	266,142
Debt refunding gain	-	-	-	3,835
Related to irrevocable split interest agreements	274	-	274	32,997
Total deferred inflows of resources	257,192	-	257,192	4,492,773
Net position				
Net investment in capital assets	19,028,565	267	19,028,832	7,707,709
Restricted - nonexpendable:				
Grants/constitutional restrictions	-	-	-	3,355
Permanent funds	502,835	-	502,835	94,091
Future debt service	-	-	-	81,058
Instruction and research	-	-	-	1,572,083
Student aid	-	-	-	1,570,827
Capital projects	130,879	-	130,879	29,292
Clinical/health programs	-	-	-	60,263
Other purposes	150	-	150	2,343,952
Restricted - expendable:				
Grants/constitutional restrictions	1,857,545	-	1,857,545	941,339
Future debt service	-	-	-	76,469
Instruction and research	-	-	-	945,307
Student aid	-	-	-	1,402,056
Endowments	-	-	-	28,434
Capital projects	-	-	-	566,564
Clinical/health programs	-	-	-	57,924
Unemployment compensation	-	1,488,503	1,488,503	-
Other purposes	145,119	-	145,119	2,019,525
Unrestricted	7,306,161	55,279	7,361,440	3,162,980
Total net position	\$ 28,971,254	\$ 1,544,049	\$ 30,515,303	\$ 22,663,228

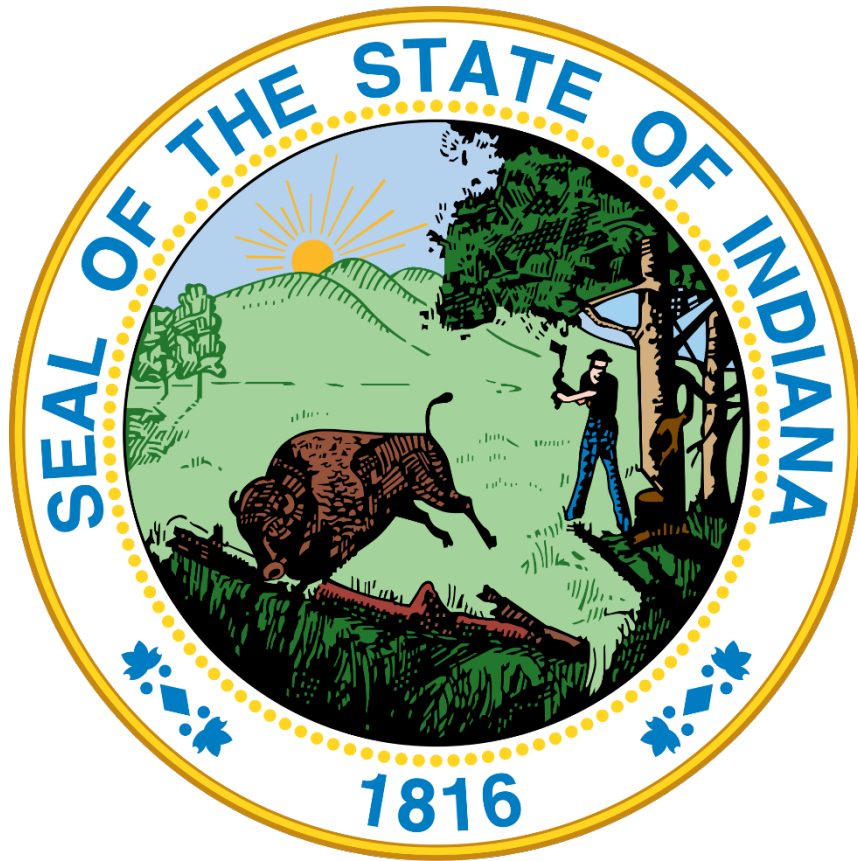
The notes to the financial statements are an integral part of this statement.

State of Indiana
Statement of Activities
For the Year Ended June 30, 2023
(amounts expressed in thousands)

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 4,975,136	\$ 847,823	\$ 147,415	\$ 1,906	\$ (3,977,992)	\$ -	\$ (3,977,992)	\$ -
Public safety	1,978,943	598,566	269,513	14,502	(1,096,362)	-	(1,096,362)	-
Health	573,862	760,548	536,215	-	722,901	-	722,901	-
Welfare	22,954,146	1,577,860	17,288,562	-	(4,087,724)	-	(4,087,724)	-
Conservation, culture and development	1,734,762	221,446	258,538	252	(1,254,526)	-	(1,254,526)	-
Education	10,995,214	3,227	2,416,147	-	(8,575,840)	-	(8,575,840)	-
Transportation	3,681,278	206,671	529,350	964,409	(1,980,848)	-	(1,980,848)	-
Interest expense	29,852	-	-	-	(29,852)	-	(29,852)	-
Total governmental activities	<u>46,923,193</u>	<u>4,216,141</u>	<u>21,445,740</u>	<u>981,069</u>	<u>(20,280,243)</u>	<u>-</u>	<u>(20,280,243)</u>	<u>-</u>
Business-type activities								
Unemployment Compensation Fund	642,856	401,672	-	-	-	(241,184)	(241,184)	-
Malpractice Insurance Authority	1,281	885	-	-	-	(396)	(396)	-
Indiana State Park Inns Authority	31,584	29,290	-	-	-	(2,294)	(2,294)	-
Total business-type activities	<u>675,721</u>	<u>431,847</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(243,874)</u>	<u>(243,874)</u>	<u>-</u>
Total primary government	<u>\$ 47,598,914</u>	<u>\$ 4,647,988</u>	<u>\$ 21,445,740</u>	<u>\$ 981,069</u>	<u>(20,280,243)</u>	<u>(243,874)</u>	<u>(20,524,117)</u>	<u>-</u>
Component units:								
Governmental	294,574	1,751	2,605	-	-	-	-	(290,218)
Proprietary	3,127,638	2,197,122	742,156	383,501	-	-	-	195,141
Colleges and universities	8,749,891	4,162,123	2,544,925	74,120	-	-	-	(1,968,723)
Total component units	<u>\$ 12,172,103</u>	<u>\$ 6,360,996</u>	<u>\$ 3,289,686</u>	<u>\$ 457,621</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,063,800)</u>
General Revenues:					8,833,671	-	8,833,671	-
Income tax					10,978,785	-	10,978,785	-
Sales tax					1,655,925	-	1,655,925	-
Fuels tax					722,155	-	722,155	714
Gaming tax					396,822	-	396,822	-
Alcohol & Tobacco tax					268,116	-	268,116	-
Insurance tax					180,649	-	180,649	-
Financial Institutions tax					454,615	-	454,615	-
Other tax					23,490,738	-	23,490,738	714
Total taxes					-	-	-	-
Revenue not restricted to specific programs:					466,834	23,637	490,471	629,245
Investment earnings					719,330	-	719,330	311,471
Multipurpose grants and contributions					-	-	-	2,452,413
Payments from State of Indiana					221,699	78,350	300,049	75,189
Other					-	-	-	-
Total general revenues					<u>24,898,601</u>	<u>101,987</u>	<u>25,000,588</u>	<u>3,469,032</u>
Change in net position					4,618,358	(141,887)	4,476,471	1,405,232
Net position - beginning, as restated					24,352,896	1,685,936	26,038,832	21,257,996
Net position - ending					<u>\$ 28,971,254</u>	<u>\$ 1,544,049</u>	<u>\$ 30,515,303</u>	<u>\$ 22,663,228</u>

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

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FUND FINANCIAL STATEMENTS

**State of Indiana
Balance Sheet
Governmental Funds
June 30, 2023**
(amounts expressed in thousands)

	General Fund	Public Welfare- Medicaid Assistance Fund	US Department of Health and Human Services
Assets			
Cash, cash equivalents, and investments-unrestricted	\$ 6,143,874	\$ -	\$ -
Cash, cash equivalents, and investments-restricted	995,089	557,994	-
Securities lending collateral	4,677,476	-	-
Receivables:			
Taxes (net of allowance for uncollectible accounts)	1,824,454	-	-
Accounts	3,868	237,421	-
Grants	-	74,672	200,173
Interest	53,409	-	-
Interfund loans	648,875	-	-
Due from component unit	20,687	-	-
Prepaid expenditures	122,437	-	-
Long term receivables	-	-	-
Other	21,730	-	-
Total assets	\$ 14,511,899	\$ 870,087	\$ 200,173
Liabilities			
Accounts payable	\$ 170,566	\$ 414,947	\$ 75,807
Salaries and benefits payable	95,720	81	10,849
Securities lending collateral	4,677,476	-	-
Interfund loans	-	-	554,241
Interfund services used	8,252	3	1,192
Intergovernmental payable	44,539	-	-
Tax refunds payable	-	-	-
Unearned revenue	-	-	-
Other payables	21,730	-	-
Total liabilities	5,018,283	415,031	642,089
Deferred inflows of resources			
Unavailable revenue	337,292	-	105,437
Total deferred inflow of resources	337,292	-	105,437
Fund balance			
Nonspendable:	122,437	-	-
Restricted:	996,749	455,056	-
Committed:	48,893	-	-
Assigned:	6,286,641	-	-
Unassigned	1,701,604	-	(547,353)
Total fund balance	9,156,324	455,056	(547,353)
Total liabilities, deferred inflow of resources, and fund balance	\$ 14,511,899	\$ 870,087	\$ 200,173

Continued on next page

State of Indiana
Balance Sheet
Governmental Funds
June 30, 2023
(amounts expressed in thousands)

	ARPA - Economic Stimulus Fund	Non-Major Governmental Funds	Total
Assets			
Cash, cash equivalents, and investments-unrestricted	\$ -	\$ 4,215,516	\$ 10,359,390
Cash, cash equivalents, and investments-restricted	1,729,442	1,452,258	4,734,783
Securities lending collateral	-	-	4,677,476
Receivables:			
Taxes (net of allowance for uncollectible accounts)	-	250,860	2,075,314
Accounts	-	105,130	346,419
Grants	10,835	591,452	877,132
Interest	-	7,417	60,826
Interfund loans	-	7,445	656,320
Due from component unit	-	-	20,687
Prepaid expenditures	-	8,442	130,879
Long term receivables	-	464,253	464,253
Other	-	958	22,688
Total assets	\$ 1,740,277	\$ 7,103,731	\$ 24,426,167
Liabilities			
Accounts payable	\$ 54,305	\$ 858,196	\$ 1,573,821
Salaries and benefits payable	77	52,654	159,381
Securities lending collateral	-	-	4,677,476
Interfund loans	-	102,079	656,320
Interfund services used	114	3,594	13,155
Intergovernmental payable	-	84,649	129,188
Tax refunds payable	-	2,996	2,996
Unearned revenue	1,674,946	-	1,674,946
Other payables	-	963	22,693
Total liabilities	1,729,442	1,105,131	8,909,976
Deferred inflows of resources			
Unavailable revenue	1,769	631,924	1,076,422
Total deferred inflow of resources	1,769	631,924	1,076,422
Fund balance			
Nonspendable:	-	511,277	633,714
Restricted:	9,066	1,064,137	2,525,008
Committed:	-	4,005,993	4,054,886
Assigned:	-	110,123	6,396,764
Unassigned	-	(324,854)	829,397
Total fund balance	9,066	5,366,676	14,439,769
Total liabilities, deferred inflow of resources, and fund balance	\$ 1,740,277	\$ 7,103,731	\$ 24,426,167

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

State of Indiana
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2023
(amounts expressed in thousands)

Total fund balances-governmental funds **\$ 14,439,769**

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 19,790,366

The State's pension funds have net pension assets not reported as assets in the funds. 282

Some of the state's receivables will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.

Taxes receivable	355,612	
Accounts receivable	678,985	
Opioid settlement receivable	185,620	
Total receivables	1,220,217	1,220,217

Some liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as expenditures in the funds.

Accounts payable	(360,574)	
Litigation liabilities	(37,146)	
Pollution remediation	(13,655)	
Total liabilities	(411,375)	(411,375)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. 188,333

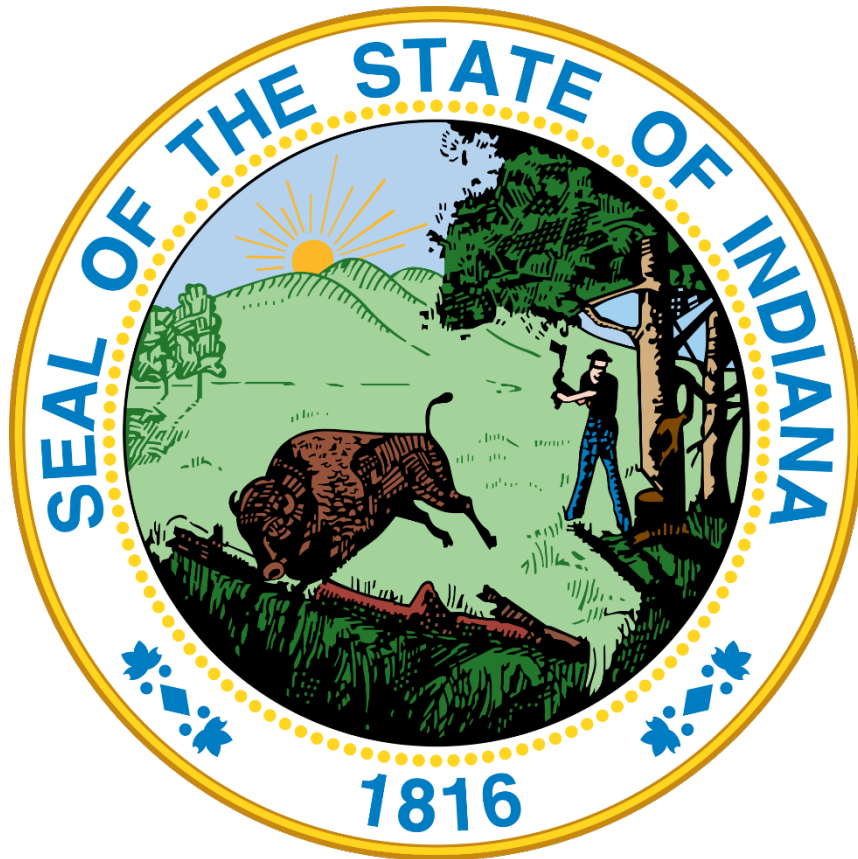
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Accrued liability for compensated absences	(217,270)	
Other postemployment benefits and related deferrals	(124,868)	
Lease obligations	(231,268)	
Subscription based information technology arrangements	(21,864)	
Financed purchases	(571,239)	
Net pension liability and related deferrals	(5,082,519)	
Asset retirement obligations	(7,310)	
Total long-term liabilities	(6,256,338)	(6,256,338)

Net position of governmental activities **\$ 28,971,254**

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

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State of Indiana
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023
(amounts expressed in thousands)

	<u>General Fund</u>	<u>Public Welfare- Medicaid Assistance Fund</u>	<u>US Department of Health and Human Services Fund</u>
Revenues			
Taxes:			
Income	\$ 8,791,319	\$ -	\$ -
Sales	10,498,790	-	-
Fuels	-	-	-
Gaming	232,653	-	-
Alcohol and tobacco	245,078	-	-
Insurance	261,846	-	-
Financial institutions	-	-	-
Other	434,280	-	-
Total taxes	20,463,966	-	-
Current service charges	700,984	1,503,399	181
Investment income (loss)	466,834	-	-
Sales/rents	1,189	-	-
Grants	9,690	14,028,930	1,569,875
Other	220,434	-	41
Total revenues	<u>21,863,097</u>	<u>15,532,329</u>	<u>1,570,097</u>
Expenditures			
Current:			
General government	4,359,839	-	24,253
Public safety	1,352,731	-	9,074
Health	104,895	-	192,772
Welfare	1,125,560	17,707,315	1,815,314
Conservation, culture and development	991,071	-	-
Education	12,286,161	-	14,865
Transportation	26,364	-	-
Debt service:			
Principal	19,463	-	10,809
Interest	3,138	-	1,201
Capital outlay	29,365	-	14,185
Total expenditures	<u>20,298,587</u>	<u>17,707,315</u>	<u>2,082,473</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,564,510</u>	<u>(2,174,986)</u>	<u>(512,376)</u>
Other financing sources (uses)			
Transfers in	1,729,418	3,716,340	473,327
Transfers (out)	(3,878,167)	(1,203,012)	(38,237)
Issuance of subscription-based IT arrangements	2,013	-	584
Issuance of leases	27,352	-	13,601
Total other financing sources (uses)	<u>(2,119,384)</u>	<u>2,513,328</u>	<u>449,275</u>
Net change in fund balances	(554,874)	338,342	(63,101)
Fund Balance July 1, as restated	9,711,198	116,714	(484,252)
Fund Balance June 30	<u>\$ 9,156,324</u>	<u>\$ 455,056</u>	<u>\$ (547,353)</u>

continued on next page

State of Indiana
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023
(amounts expressed in thousands)

	ARPA-Economic Stimulus Fund	Non-Major Governmental Funds	Total
Revenues			
Taxes:			
Income	\$ -	\$ -	\$ 8,791,319
Sales	-	502,979	11,001,769
Fuels	-	1,653,501	1,653,501
Gaming	-	489,503	722,156
Alcohol and tobacco	-	158,228	403,306
Insurance	-	6,270	268,116
Financial institutions	-	178,487	178,487
Other	-	19,233	453,513
Total taxes	-	3,008,201	23,472,167
Current service charges	-	2,058,535	4,263,099
Investment income (loss)	-	49,790	516,624
Sales/rents	-	26,288	27,477
Grants	728,138	6,533,964	22,870,597
Other	-	152,884	373,359
Total revenues	728,138	11,829,662	51,523,323
Expenditures			
Current:			
General government	128,814	431,845	4,944,751
Public safety	14,464	676,912	2,053,181
Health	11,710	257,678	567,055
Welfare	86,892	2,044,696	22,779,777
Conservation, culture and development	133,632	617,486	1,742,189
Education	31,897	2,330,914	14,663,837
Transportation	315,776	3,931,630	4,273,770
Debt service:			
Principal	1,527	85,262	117,061
Interest	116	25,398	29,853
Capital outlay	-	37,473	81,023
Total expenditures	724,828	10,439,294	51,252,497
Excess (deficiency) of revenues over (under) expenditures	3,310	1,390,368	270,826
Other financing sources (uses)			
Transfers in	-	1,945,155	7,864,240
Transfers (out)	-	(2,745,299)	(7,864,715)
Issuance of subscription-based IT arrangements	-	6,138	8,735
Issuance of leases	-	10,278	51,231
Total other financing sources (uses)	-	(783,728)	59,491
Net change in fund balances	3,310	606,640	330,317
Fund Balance July 1, as restated	5,756	4,760,036	14,109,452
Fund Balance June 30	\$ 9,066	\$ 5,366,676	\$ 14,439,769

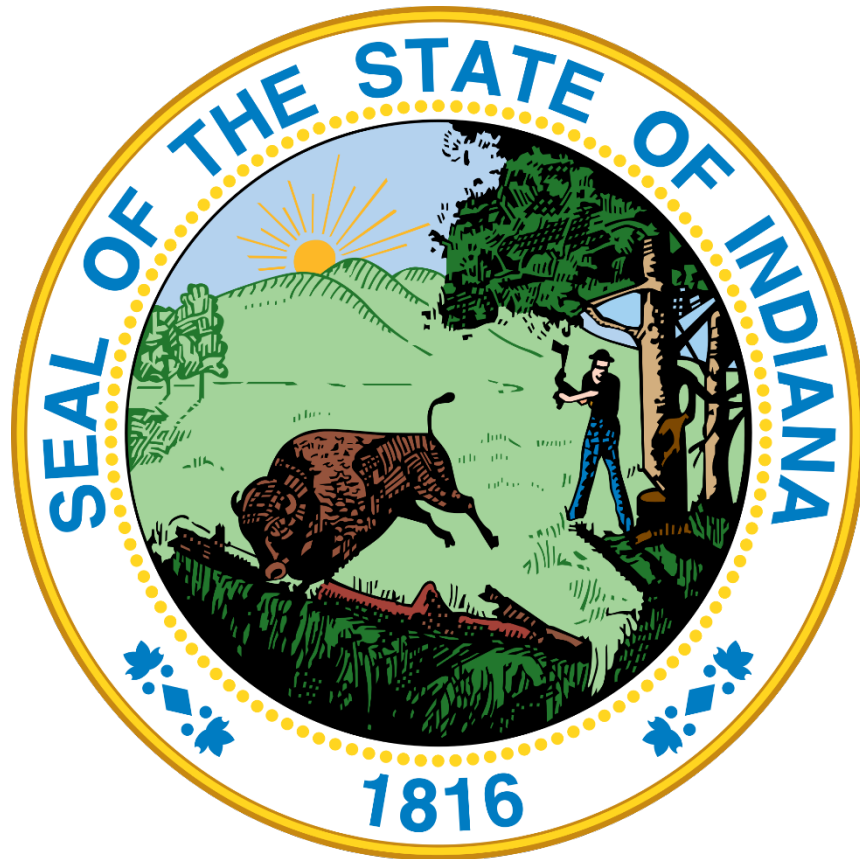
The notes to the financial statements are an integral part of this statement.

State of Indiana
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2023
 (amounts expressed in thousands)

Net change in fund balances-total governmental funds	\$ 330,317
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report net capital outlays for infrastructure as expenditures. However in the statement of activities these outlays are capitalized and under the modified approach not depreciated. This is the amount of the net capital outlays for infrastructure under the modified approach in the current period.	559,840
Governmental funds report net capital outlays as expenditures. However in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which net depreciation (\$322,735) exceeds net capital outlays (\$222,369) in the current period.	(100,366)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Tax revenue	18,793
Non-tax revenue	(17,129)
Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the funds.	
Operating expenses	(928)
Pollution remediation expenses	4,529
Asset retirement expenses	(865)
Financed purchases	73,242
The change in net pension liability does not provide or require the use of current financial resources.	3,738,035
The change in other postemployment benefits liability does not provide or require the use of current financial resources.	51,677
Internal service funds are used by management to charge the costs of certain activities, such as insurance, data processing, telecommunications, fleet management, and printing, to individual funds. The net revenue (expense) of internal service funds is reported with governmental activities.	<u>(38,787)</u>
Change in net position of governmental activities.	<u>\$ 4,618,358</u>

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

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State of Indiana
Statement of Fund Net Position
Proprietary Funds
June 30, 2023
(amounts expressed in thousands)

	Unemployment Compensation Fund	Non-Major Enterprise Funds	Total	Internal Service Funds
Assets				
Current assets:				
Cash, cash equivalents, and investments - unrestricted	\$ -	\$ 83,435	\$ 83,435	\$ 165,805
Cash, cash equivalents, and investments - restricted	1,406,637	-	1,406,637	-
Receivables:				
Accounts	154,945	638	155,583	26,795
Interest	7,168	273	7,441	-
Interfund services provided	-	-	-	13,155
Inventory	-	761	761	5,254
Prepaid expenses	-	13	13	1
Other assets	-	31	31	-
Total current assets	1,568,750	85,151	1,653,901	211,010
Noncurrent assets:				
Accounts receivable	115,157	-	115,157	-
Capital assets:				
Capital assets being depreciated/amortized	-	1,110	1,110	162,271
Less accumulated depreciation/amortization	-	(843)	(843)	(95,479)
Total capital assets, net of depreciation/amortization	-	267	267	66,792
Total noncurrent assets	115,157	267	115,424	66,792
Total assets	1,683,907	85,418	1,769,325	277,802
Deferred outflows of resources				
Related to pensions	-	905	905	12,253
Related to OPEB	-	-	-	701
Total deferred outflows of resources	-	905	905	12,954
Liabilities				
Current liabilities:				
Accounts payable	81,582	954	82,536	58,617
Interest payable	-	-	-	51
Salaries and benefits payable	-	455	455	5,105
Unearned revenue	-	5,781	5,781	57
Due to federal government (net)	113,822	-	113,822	-
Claims payable	-	1,012	1,012	-
Accrued liability for compensated absences	-	300	300	4,352
Subscription-based IT arrangements	-	-	-	3,451
Other liabilities	-	296	296	12
Total current liabilities	195,404	8,798	204,202	71,645
Noncurrent liabilities:				
Claims payable	-	21,312	21,312	-
Accrued liability for compensated absences	-	667	667	4,030
Subscription-based IT arrangements	-	-	-	771
Net pension liability	-	-	-	23,648
Net OPEB liability	-	-	-	783
Total noncurrent liabilities	-	21,979	21,979	29,232
Total liabilities	195,404	30,777	226,181	100,877
Deferred inflows of resources				
Related to pensions	-	-	-	1,366
Related to OPEB	-	-	-	180
Total deferred inflows of resources	-	-	-	1,546
Net position				
Net investment in capital assets	-	267	267	62,570
Restricted-expendable:				
Unemployment compensation	1,488,503	-	1,488,503	-
Unrestricted	-	55,279	55,279	125,763
Total net position	\$ 1,488,503	\$ 55,546	\$ 1,544,049	\$ 188,333

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

State of Indiana
Statement of Revenues, Expenses and
Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2023
(amounts expressed in thousands)

	Unemployment Compensation Fund	Non-Major Enterprise Funds	Total	Internal Service Funds
Operating revenues:				
Sales/rents/premiums	\$ -	\$ 30,175	\$ 30,175	\$ 222,982
Employer contributions	401,672	-	401,672	-
Charges for services	-	-	-	13,188
Insurance premiums	-	-	-	461,764
Other	-	189	189	2,928
	<u>401,672</u>	<u>30,364</u>	<u>432,036</u>	<u>700,862</u>
Total operating revenues				
Operating expenses:				
General and administrative expense	12	25,546	25,558	235,825
Cost of sales and services	-	6,457	6,457	26,097
Claims expense	-	705	705	-
Health / disability benefit payments	-	-	-	468,834
Unemployment compensation benefits	246,780	-	246,780	-
Allowance for excess of claimant recoveries	282,242	-	282,242	-
Depreciation and amortization	-	86	86	15,407
Contributions to other postemployment benefits	-	-	-	10,986
Other	-	26	26	-
	<u>529,034</u>	<u>32,820</u>	<u>561,854</u>	<u>757,149</u>
Total operating expenses				
Operating income (loss)	<u>(127,362)</u>	<u>(2,456)</u>	<u>(129,818)</u>	<u>(56,287)</u>
Nonoperating revenues (expenses):				
Interest and other investment income (loss)	23,971	(334)	23,637	-
Interest and other investment expense	-	-	-	(70)
Gain (Loss) on disposition of assets	-	(45)	(45)	(2,777)
Federal financial assistance	78,161	-	78,161	-
Payback to federal government	(113,822)	-	(113,822)	-
Other	-	-	-	18
	<u>(11,690)</u>	<u>(379)</u>	<u>(12,069)</u>	<u>(2,829)</u>
Total nonoperating revenues (expenses)				
Income before contributions and transfers	<u>(139,052)</u>	<u>(2,835)</u>	<u>(141,887)</u>	<u>(59,116)</u>
Capital contributions	-	-	-	19,854
Transfers in	-	-	-	6,350
Transfers (out)	-	-	-	(5,875)
	<u>(139,052)</u>	<u>(2,835)</u>	<u>(141,887)</u>	<u>(38,787)</u>
Change in net position				
Net position, July 1	<u>1,627,555</u>	<u>58,381</u>	<u>1,685,936</u>	<u>227,120</u>
Net position, June 30	<u>\$ 1,488,503</u>	<u>\$ 55,546</u>	<u>\$ 1,544,049</u>	<u>\$ 188,333</u>

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

State of Indiana
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2023
(amounts expressed in thousands)

	Unemployment Compensation Fund	Non-Major Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities:				
Cash received from customers	\$ 459,145	\$ 30,305	\$ 489,450	\$ 531,748
Cash received from interfund services provided	-	-	-	163,623
Cash paid for general and administrative	(11)	(13,373)	(13,384)	(234,201)
Cash paid for salary/health/disability benefit payments	(251,444)	(12,892)	(264,336)	(460,917)
Contributions to OPEB plans	-	-	-	(10,986)
Cash paid to suppliers	-	(6,404)	(6,404)	(27,277)
Cash paid for claims expense	-	(1,021)	(1,021)	-
Other operating income	-	-	-	2,941
Net cash provided (used) by operating activities	<u>207,690</u>	<u>(3,385)</u>	<u>204,305</u>	<u>(35,069)</u>
Cash flows from noncapital financing activities:				
Transfers in	-	-	-	6,350
Transfers out	-	-	-	(5,875)
Federal financial assistance	78,161	-	78,161	-
Net cash provided (used) by noncapital financing activities	<u>78,161</u>	<u>-</u>	<u>78,161</u>	<u>475</u>
Cash flows from capital and related financing activities:				
Acquisition/construction of capital assets	-	(59)	(59)	(24,714)
Proceeds from sale of assets	-	-	-	1,051
Principal payments -- leases and SBITAs	-	-	-	(5,360)
Capital contributions	-	-	-	19,854
Interest paid	-	-	-	(19)
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>(59)</u>	<u>(59)</u>	<u>(9,188)</u>
Cash flows from investing activities:				
Proceeds from sales of investments	-	6,272	6,272	-
Purchase of investments	-	(6,827)	(6,827)	-
Interest income (expense) on investments	21,464	1,158	22,622	-
Net cash provided (used) by investing activities	<u>21,464</u>	<u>603</u>	<u>22,067</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	307,315	(2,841)	304,474	(43,782)
Cash and cash equivalents, July 1	1,099,322	21,633	1,120,955	209,587
Cash and cash equivalents, June 30	\$ 1,406,637	\$ 18,792	\$ 1,425,429	\$ 165,805
Reconciliation of cash, cash equivalents, and investments:				
Cash and cash equivalents unrestricted at end of year	\$ -	\$ 18,792	\$ 18,792	\$ 165,805
Cash and cash equivalents restricted at end of year	1,406,637	-	1,406,637	-
Investments unrestricted	-	64,643	64,643	-
Cash, cash equivalents, and investments per balance sheet	\$ 1,406,637	\$ 83,435	\$ 1,490,072	\$ 165,805
Noncash investing, capital and financing activities:				
Increase (Decrease) in fair value of investments	\$ -	\$ (1,130)	\$ (1,130)	\$ -

continued on next page

State of Indiana
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2023
(amounts expressed in thousands)

	<u>Unemployment Compensation Fund</u>	<u>Non-Major Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Funds</u>
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (127,362)	\$ (2,456)	(129,818)	\$ (56,287)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization expense	-	86	86	15,407
Other provisions	-	-	-	18
(Increase) decrease in receivables	339,716	(107)	339,609	(1,068)
(Increase) decrease in interfund services provided	-	-	-	(1,558)
(Increase) decrease in inventory	-	54	54	(754)
(Increase) decrease in prepaid expenses	-	2	2	4
(Increase) decrease in deferred outflows	-	(905)	(905)	(2,393)
(Increase) decrease in claims payable	-	(315)	(315)	-
Increase (decrease) in accounts payable	(4,664)	428	(4,236)	7,165
Increase (decrease) in unearned revenue	-	50	50	57
Increase (decrease) in salaries payable	-	(308)	(308)	1,605
Increase (decrease) in compensated absences	-	142	142	866
Increase (decrease) in net pension liabilities	-	-	-	14,413
Increase (decrease) in net OPEB liabilities	-	-	-	362
Increase (decrease) in deferred inflows	-	-	-	(12,908)
Increase (decrease) in other payables	-	(56)	(56)	2
Net cash provided (used) by operating activities	<u>\$ 207,690</u>	<u>\$ (3,385)</u>	<u>\$ 204,305</u>	<u>\$ (35,069)</u>

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

State of Indiana
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2023
(amounts expressed in thousands)

	Pension and Other Employee Benefit Trust Funds	Private-Purpose Trust Funds	Custodial Funds	
			External Investment Pool	Other
Assets				
Cash, cash equivalents, and non-pension investments	\$ 39,125	\$ 83,036	\$ 2,653,280	\$ 1,438,812
Securities lending collateral	159,237	-	-	-
Receivables:				
Taxes for other governments	-	-	-	22,534
Contributions	48,150	-	-	-
Interest	136,029	20	1,961	2,083
Member loans	58	-	-	-
Accounts	-	-	-	805
From investment sales	7,330,012	-	810	-
Total receivables	7,514,249	20	2,771	25,422
Pension and other employee benefit investments at fair value:				
Short term investments	3,753,523	-	-	-
Equity Securities	9,267,177	-	-	-
Debt Securities	13,937,487	-	-	-
Mutual Funds and Collective Trust Funds	1,365,558	-	-	-
Equity in internal investment pool	750,954	-	-	-
Other	21,253,677	-	-	-
Total investments at fair value	50,328,376	-	-	-
Other assets	324	-	-	-
Long-term receivables	-	-	-	194,853
Property, plant and equipment net of accumulated depreciation	3,943	760	-	-
Total assets	58,045,254	83,816	2,656,051	1,659,087
Liabilities				
Accounts payable	12,349	110	218	22,232
Salaries and benefits payable	-	120	-	-
Benefits payable	6,976	-	-	-
Investment purchases payable	8,414,968	-	-	-
Due to other governments	-	-	-	1,614,968
Securities purchased payable	241,677	-	-	-
Securities lending collateral	159,237	-	-	-
Other	-	-	341	-
Long-term liabilities:				
Due within 1 year	-	292	-	-
Due in more than 1 year	-	565	-	-
Total liabilities	8,835,207	1,087	559	1,637,200
Net Position				
Restricted for:				
Employees' pension and deferred compensation benefits	48,517,199	-	-	-
Other employee benefits	683,533	-	-	-
Future death benefits	9,315	-	-	-
Trust beneficiaries	-	82,729	-	-
Investment pool participants	-	-	2,655,492	-
Individuals, organizations, and other governments	-	-	-	21,887
Total net position	\$ 49,210,047	\$ 82,729	\$ 2,655,492	\$ 21,887

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

State of Indiana
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2023
(amounts expressed in thousands)

	<u>Custodial Funds</u>			
	<u>Pension and Other Employee Benefit Trust Funds</u>	<u>Private-Purpose Trust Funds</u>	<u>External Investment Pool</u>	<u>Other</u>
Additions:				
Contributions:				
Member contributions	\$ 542,624	\$ 479	\$ 2,627,748	\$ -
Employer contributions	1,251,519	-	-	-
Contributions from the State of Indiana	4,442,174	-	-	-
Total contributions	<u>6,236,317</u>	<u>479</u>	<u>2,627,748</u>	<u>-</u>
Investment income:				
Total investment income (loss)	1,654,406	164	85,709	38,931
Less investment expense	(236,872)	-	-	-
Net investment income	<u>1,417,534</u>	<u>164</u>	<u>85,709</u>	<u>38,931</u>
Current service charges	-	11,183	-	-
Donations/escheats	-	143,436	-	-
Transfers from other retirement funds	16,755	-	-	-
Reinvestment of distributions	-	-	84,033	-
Revenue collections for other governments	-	-	-	4,969,896
Loan repayment collections	-	-	-	26,785
Child support collections	-	-	-	744,246
Receipts of individuals in state care	-	-	-	77,350
Other	175	-	-	-
Total additions	<u>7,670,781</u>	<u>155,262</u>	<u>2,797,490</u>	<u>5,857,208</u>
Deductions:				
Benefits to participants or beneficiaries	2,897,196	-	-	-
Retiree health forfeitures	12,835	-	-	-
Payments to participants/beneficiaries	-	189,815	84,106	852,426
Refunds of contributions and interest	419,284	-	1,975,168	-
Administrative	53,611	4,817	-	-
Pension relief distributions	205,531	-	-	-
Distributions to other governments	-	-	-	5,008,827
Other	150	-	-	-
Total deductions	<u>3,588,607</u>	<u>194,632</u>	<u>2,059,274</u>	<u>5,861,253</u>
Net increase (decrease) in net position	4,082,174	(39,370)	738,216	(4,045)
Net position restricted, July 1, as restated	<u>45,127,873</u>	<u>122,099</u>	<u>1,917,276</u>	<u>25,932</u>
Net position restricted, June 30	<u>\$ 49,210,047</u>	<u>\$ 82,729</u>	<u>\$ 2,655,492</u>	<u>\$ 21,887</u>

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

State of Indiana
Combining Statement of Net Position
Discretely Presented Component Units
June 30, 2023
(amounts expressed in thousands)

	Governmental	Proprietary	Colleges and Universities	Total
Assets				
Current assets:				
Cash, cash equivalents, and investments - unrestricted	\$ 23,120	\$ 657,250	\$ 1,532,128	\$ 2,212,498
Cash, cash equivalents, and investments - restricted	841,767	1,121,518	566,498	2,529,783
Securities lending collateral	-	-	23,214	23,214
Receivables (net)	1,321	266,712	610,249	878,282
Inventory	-	274	3,485	3,759
Prepaid expenses	-	4,481	13,361	17,842
Long-term receivables	-	174,008	881	174,889
Investment in direct financing lease	-	97,147	-	97,147
Other assets	-	13	78,834	78,847
Total current assets	866,208	2,321,403	2,828,650	6,016,261
Noncurrent assets:				
Cash, cash equivalents and investments - unrestricted	-	370,382	9,328,353	9,698,735
Cash, cash equivalents and investments - restricted	-	900,002	4,092,802	4,992,804
Receivables (net)	8,098	4,498	480,326	492,922
Long-term receivables	116,428	3,816,157	11,122	3,943,707
Investment in direct financing lease	-	1,564,140	-	1,564,140
Net pension and OPEB assets	-	155	162,556	162,711
Other assets	138,544	91,046	106,430	336,020
Capital assets:				
Capital assets not being depreciated/amortized	-	1,814,152	927,885	2,742,037
Capital assets being depreciated/amortized	536	607,893	17,550,220	18,158,649
Less accumulated depreciation/amortization	(464)	(297,261)	(8,396,884)	(8,694,609)
Total capital assets, net of depreciation/amortization	72	2,124,784	10,081,221	12,206,077
Total noncurrent assets	263,142	8,871,164	24,262,810	33,397,116
Total assets	1,129,350	11,192,567	27,091,460	39,413,377
Deferred outflows of resources				
Accumulated decrease in fair value of hedging derivatives	-	-	48	48
Swap termination	-	40,416	-	40,416
Related to pensions	2,813	8,691	98,448	109,952
Related to OPEB	-	-	191,232	191,232
Related to asset retirement obligations	-	-	2,663	2,663
Debt refunding loss	-	22,849	21,326	44,175
Total deferred outflows of resources	2,813	71,956	313,717	388,486
Liabilities				
Current liabilities:				
Accounts payable	40,658	73,035	595,755	709,448
Interest payable	-	75,624	18,292	93,916
Securities lending collateral	-	-	23,214	23,214
Due to primary government	-	20,687	-	20,687
Unearned revenue	172,976	376,455	297,380	846,811
Advances from federal government	-	461	-	461
Other liabilities	-	1,641	19,303	20,944
Current portion of long-term liabilities	268	462,957	516,885	980,110
Total current liabilities	213,902	1,010,860	1,470,829	2,695,591

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State of Indiana
Combining Statement of Net Position
Discretely Presented Component Units
June 30, 2023
(amounts expressed in thousands)

	Governmental	Proprietary	Colleges and Universities	Total
Noncurrent liabilities:				
Unearned revenue	-	103,334	5,362	108,696
Advances from federal government	-	31,448	49,550	80,998
Accrued liability for compensated absences	784	147	92,458	93,389
Derivative instrument liability	-	-	48	48
Subscription-based IT arrangements	-	-	57,561	57,561
Leases	776	9,504	181,746	192,026
Funds held in trust for others	-	-	82,181	82,181
Revenue bonds/notes payable	-	5,513,549	3,254,597	8,768,146
Accrued prize liabilities	-	63,531	-	63,531
Net pension and OPEB liabilities	4,575	15,830	396,961	417,366
Other noncurrent liabilities	-	835	85,494	86,329
Total noncurrent liabilities	6,135	5,738,178	4,205,958	9,950,271
Total liabilities	220,037	6,749,038	5,676,787	12,645,862
Deferred inflows of resources				
Accumulated increase in fair value of hedging derivatives	-	2,570	-	2,570
Related to leases	-	62,431	26,020	88,451
Related to PPP arrangements	-	4,057,027	1,158	4,058,185
Related to pensions	311	1,458	38,824	40,593
Related to OPEB	-	-	266,142	266,142
Debt refunding gain	-	-	3,835	3,835
Related to irrevocable split interest agreements	-	97	32,900	32,997
Total deferred inflows of resources	311	4,123,583	368,879	4,492,773
Net position				
Net investment in capital assets	72	1,136,946	6,570,691	7,707,709
Restricted - nonexpendable:				
Grants/constitutional restrictions	-	-	3,355	3,355
Permanent funds	-	957	93,134	94,091
Future debt service	-	81,058	-	81,058
Instruction and research	-	-	1,572,083	1,572,083
Student aid	-	-	1,570,827	1,570,827
Capital projects	-	19,542	9,750	29,292
Clinical/health programs	-	-	60,263	60,263
Other purposes	-	1,742,178	601,774	2,343,952
Restricted - expendable:				
Grants/constitutional restrictions	765,750	156,660	18,929	941,339
Future debt service	-	56,099	20,370	76,469
Instruction and research	-	-	945,307	945,307
Student aid	-	-	1,402,056	1,402,056
Endowments	-	1,853	26,581	28,434
Capital projects	-	8,707	557,857	566,564
Clinical/health programs	-	-	57,924	57,924
Other purposes	-	20,245	1,999,280	2,019,525
Unrestricted	145,993	(2,832,343)	5,849,330	3,162,980
Total net position	\$ 911,815	\$ 391,902	\$ 21,359,511	\$ 22,663,228

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

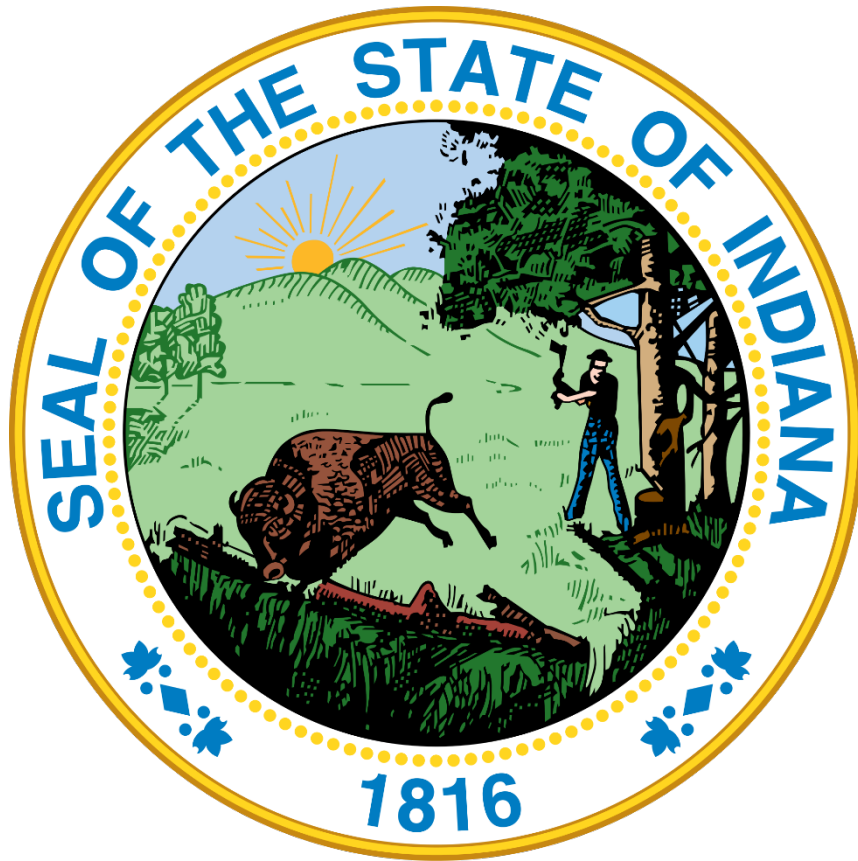
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State of Indiana
Combining Statement of Activities
Discretely Presented Component Units
For the Fiscal Year Ended June 30, 2023
(amounts expressed in thousands)

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental	Proprietary	Colleges and Universities	Net (Expense) Revenue
Governmental	\$ 294,574	\$ 1,751	\$ 2,605	\$ -	\$ (290,218)	\$ -	\$ -	\$ (290,218)
Proprietary	3,127,638	2,197,122	742,156	383,501	-	195,141	-	195,141
Colleges and universities	8,749,891	4,162,123	2,544,925	74,120	-	-	(1,968,723)	(1,968,723)
Total component units	\$ 12,172,103	\$ 6,360,996	\$ 3,289,686	\$ 457,621	(290,218)	195,141	(1,968,723)	(2,063,800)
General Revenues:								
					714	-	-	714
					714	-	-	714
Revenue not restricted to specific programs:								
					9,800	(19,157)	638,602	629,245
					-	-	311,471	311,471
					643,201	23,941	1,785,271	2,452,413
					-	2,542	72,647	75,189
Total general revenues					653,715	7,326	2,807,991	3,469,032
Change in net position					363,497	202,467	839,268	1,405,232
Net position - beginning, as restated					548,318	189,435	20,520,243	21,257,996
Net position - ending					\$ 911,815	\$ 391,902	\$ 21,359,511	\$ 22,663,228

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

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State of Indiana
Combining Statement of Net Position
Discretely Presented Component Units -
Proprietary Funds
June 30, 2023
(amounts expressed in thousands)

	Indiana Finance Authority	State Lottery Commission	Non-Major	IFA & ISCBA/IMC Elimination	Total Component Units
Assets					
Current assets:					
Cash, cash equivalents, and investments - unrestricted	\$ 117,376	\$ 71,477	\$ 468,397	\$ -	\$ 657,250
Cash, cash equivalents, and investments - restricted	719,284	-	402,234	-	1,121,518
Receivables (net)	78,371	168,612	39,209	(19,480)	266,712
Inventory	-	-	274	-	274
Prepaid expenses	3,001	193	1,287	-	4,481
Long-term receivables	178,885	-	14,203	(19,080)	174,008
Investment in direct financing lease	78,067	-	19,080	-	97,147
Other assets	-	-	13	-	13
Total current assets	1,174,984	240,282	944,697	(38,560)	2,321,403
Noncurrent assets:					
Cash, cash equivalents and investments - unrestricted	-	60,555	309,827	-	370,382
Cash, cash equivalents and investments - restricted	16,980	8,297	874,725	-	900,002
Receivables (net)	-	-	4,498	-	4,498
Long-term receivables	4,546,766	-	302,886	(1,033,495)	3,816,157
Investment in direct financing lease	557,083	-	1,007,057	-	1,564,140
Net pension and OPEB assets	-	155	-	-	155
Other assets	90,706	-	340	-	91,046
Capital assets:					
Capital assets not being depreciated/amortized	1,670,986	-	143,166	-	1,814,152
Capital assets being depreciated/amortized	122,995	4,244	480,654	-	607,893
Less accumulated depreciation/amortization	(42,174)	(3,196)	(251,891)	-	(297,261)
Total capital assets, net of depreciation/amortization	1,751,807	1,048	371,929	-	2,124,784
Total noncurrent assets	6,963,342	70,055	2,871,262	(1,033,495)	8,871,164
Total assets	8,138,326	310,337	3,815,959	(1,072,055)	11,192,567
Deferred outflows of resources					
Swap termination	40,416	-	40,416	(40,416)	40,416
Related to pensions	1,203	1,017	6,471	-	8,691
Debt refunding loss	5,052	-	16,380	1,417	22,849
Total deferred outflows of resources	46,671	1,017	63,267	(38,999)	71,956
Liabilities					
Current liabilities:					
Accounts payable	9,922	36,259	26,854	-	73,035
Interest payable	62,872	-	32,232	(19,480)	75,624
Due to primary government	-	20,687	-	-	20,687
Unearned revenue	138,023	1,232	237,200	-	376,455
Advances from federal government	-	-	461	-	461
Other liabilities	736	903	2	-	1,641
Current portion of long-term liabilities	248,007	185,393	48,637	(19,080)	462,957
Total current liabilities	459,560	244,474	345,386	(38,560)	1,010,860

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State of Indiana
Combining Statement of Net Position
Discretely Presented Component Units -
Proprietary Funds
June 30, 2023
(amounts expressed in thousands)

	Indiana Finance Authority	State Lottery Commission	Non-Major	IFA & ISCBA/IMC Elimination	Total Component Units
Noncurrent liabilities:					
Unearned revenue	103,334	-	-	-	103,334
Advances from federal government	-	-	31,448	-	31,448
Accrued liability for compensated absences	-	-	147	-	147
Leases	1,622	-	7,882	-	9,504
Revenue bonds/notes payable	4,582,822	-	2,003,221	(1,072,494)	5,513,549
Accrued prize liabilities	-	63,531	-	-	63,531
Net pension and OPEB liabilities	2,009	1,625	12,196	-	15,830
Other noncurrent liabilities	-	-	835	-	835
Total noncurrent liabilities	4,689,787	65,156	2,055,729	(1,072,494)	5,738,178
Total liabilities	5,149,347	309,630	2,401,115	(1,111,054)	6,749,038
Deferred inflows of resources					
Accumulated increase in fair value of hedging derivatives	-	-	2,570	-	2,570
Related to leases	-	-	62,431	-	62,431
Related to PPP arrangements	4,045,541	-	11,486	-	4,057,027
Related to pensions	129	117	1,212	-	1,458
Related to irrevocable split interest agreements	-	-	97	-	97
Total deferred inflows of resources	4,045,670	117	77,796	-	4,123,583
Net position					
Net investment in capital assets	780,705	1,048	355,193	-	1,136,946
Restricted - nonexpendable:					
Permanent funds	-	-	957	-	957
Future debt service	81,058	-	-	-	81,058
Capital projects	-	-	19,542	-	19,542
Other purposes	1,740,528	-	1,650	-	1,742,178
Restricted - expendable:					
Grants/constitutional restrictions	-	-	156,660	-	156,660
Future debt service	-	-	56,099	-	56,099
Endowments	-	-	1,853	-	1,853
Capital projects	-	-	8,707	-	8,707
Other purposes	-	8,452	11,793	-	20,245
Unrestricted	(3,612,311)	(7,893)	787,861	-	(2,832,343)
Total net position	\$ (1,010,020)	\$ 1,607	\$ 1,400,315	\$ -	\$ 391,902

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

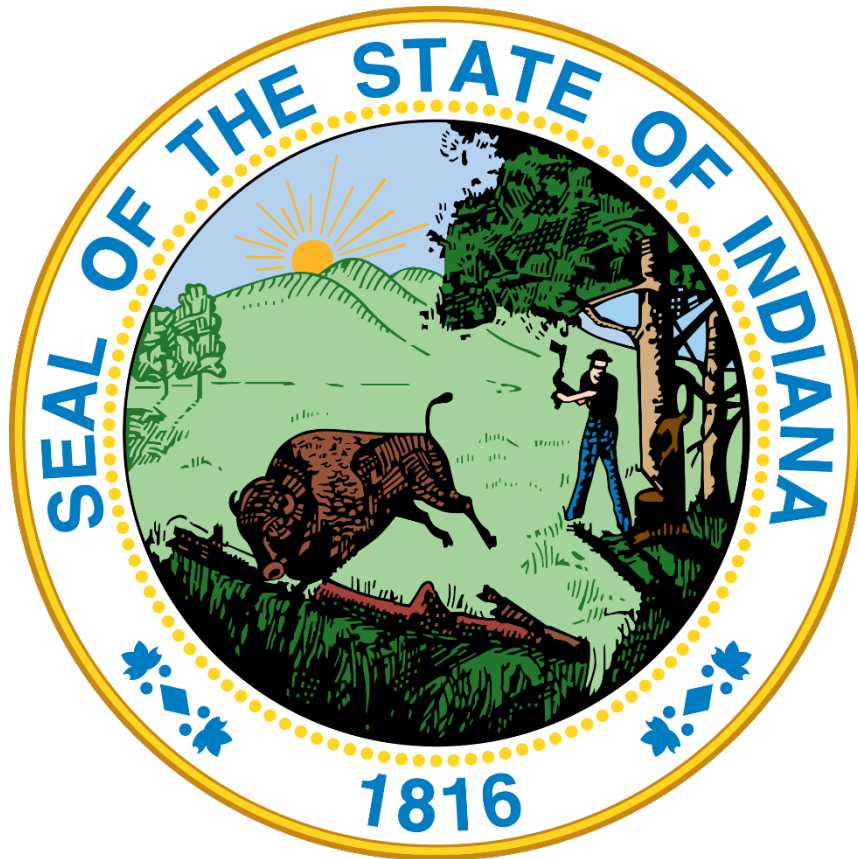
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State of Indiana
 Combining Statement of Activities
 Discretely Presented Component Units -
 Proprietary Funds
 For the Fiscal Year Ended June 30, 2023
 (amounts expressed in thousands)

	Program Revenues				Net (Expense) Revenue and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Indiana Finance Authority	State Lottery Commission	Non-Major	IFA & ISCBA Interfund Eliminations	Net (Expense) Revenue
Indiana Finance Authority (IFA)	\$ 536,364	\$ 365,024	\$ -	\$ 375,250	\$ 203,910	\$ -	\$ -	\$ -	\$ 203,910
State Lottery Commission	1,747,897	1,746,297	-	-	-	(1,600)	-	-	(1,600)
Non-Major Proprietary	888,177	126,431	746,326	8,251	-	-	(7,169)	-	(7,169)
IFA & ISCBA/IMC Interfund Eliminations	(44,800)	(40,630)	(4,170)	-	-	-	-	-	-
Total component units	\$ 3,127,638	\$ 2,197,122	\$ 742,156	\$ 383,501	203,910	(1,600)	(7,169)	-	195,141
General revenues:									
Revenue not restricted to specific programs:									
Investment earnings (losses)					30,149	(3,072)	(46,234)	-	(19,157)
Payments from State of Indiana					-	-	23,941	-	23,941
Other					-	170	2,372	-	2,542
Total general revenues					30,149	(2,902)	(19,921)	-	7,326
Change in net position					234,059	(4,502)	(27,090)	-	202,467
Net position - beginning, as restated					(1,244,079)	6,109	1,427,405	-	189,435
Net position - ending					\$ (1,010,020)	\$ 1,607	\$ 1,400,315	\$ -	\$ 391,902

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

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State of Indiana
Combining Statement of Net Position
Discretely Presented Component Units -
Colleges and Universities
June 30, 2023
(amounts expressed in thousands)

	Indiana University	Purdue University	Non-Major Colleges and Universities	Totals
Assets				
Current assets:				
Cash, cash equivalents, and investments - unrestricted	\$ 591,113	\$ 409,489	\$ 531,526	\$ 1,532,128
Cash, cash equivalents, and investments - restricted	-	474,999	91,499	566,498
Securities lending collateral	23,214	-	-	23,214
Receivables (net)	235,702	224,148	150,399	610,249
Inventory	-	-	3,485	3,485
Prepaid expenses	418	-	12,943	13,361
Long-term receivables	-	-	881	881
Other assets	44,519	33,052	1,263	78,834
Total current assets	894,966	1,141,688	791,996	2,828,650
Noncurrent assets:				
Cash, cash equivalents and investments - unrestricted	6,456,552	1,842,975	1,028,826	9,328,353
Cash, cash equivalents and investments - restricted	11,222	3,397,559	684,021	4,092,802
Receivables (net)	286,616	165,173	28,537	480,326
Long-term receivables	-	-	11,122	11,122
Net pension and OPEB assets	-	-	162,556	162,556
Other assets	39,851	48,073	18,506	106,430
Capital assets:				
Capital assets not being depreciated/amortized	320,180	367,668	240,037	927,885
Capital assets being depreciated/amortized	6,732,609	6,329,892	4,487,719	17,550,220
Less accumulated depreciation/amortization	(3,160,245)	(3,243,714)	(1,992,925)	(8,396,884)
Total capital assets, net of depreciation/amortization	3,892,544	3,453,846	2,734,831	10,081,221
Total noncurrent assets	10,686,785	8,907,626	4,668,399	24,262,810
Total assets	11,581,751	10,049,314	5,460,395	27,091,460
Deferred outflows of resources				
Accumulated decrease in fair value of hedging derivatives	-	-	48	48
Related to pensions	23,167	38,933	36,348	98,448
Related to OPEB	47,909	9,608	133,715	191,232
Related to asset retirement obligations	-	2,663	-	2,663
Debt refunding loss	5,944	14,026	1,356	21,326
Total deferred outflows of resources	77,020	65,230	171,467	313,717
Liabilities				
Current liabilities:				
Accounts payable	213,760	295,291	86,704	595,755
Interest payable	7,140	-	11,152	18,292
Securities lending collateral	23,214	-	-	23,214
Unearned revenue	79,078	186,314	31,988	297,380
Other liabilities	-	-	19,303	19,303
Current portion of long-term liabilities	208,547	189,880	118,458	516,885
Total current liabilities	531,739	671,485	267,605	1,470,829

continued on next page

State of Indiana
Combining Statement of Net Position
Discretely Presented Component Units -
Colleges and Universities
June 30, 2023
(amounts expressed in thousands)

	Indiana University	Purdue University	Non-Major Colleges and Universities	Totals
Noncurrent liabilities:				
Unearned revenue	5,362	-	-	5,362
Advances from federal government	47,659	-	1,891	49,550
Accrued liability for compensated absences	33,388	44,606	14,464	92,458
Derivative instrument liability	-	-	48	48
Subscription-based IT arrangements	5,692	19,706	32,163	57,561
Leases	110,529	30,916	40,301	181,746
Funds held in trust for others	41,853	40,328	-	82,181
Revenue bonds/notes payable	1,081,914	1,247,227	925,456	3,254,597
Net pension and OPEB liabilities	222,029	83,447	91,485	396,961
Other noncurrent liabilities	41,985	37,637	5,872	85,494
Total noncurrent liabilities	1,590,411	1,503,867	1,111,680	4,205,958
Total liabilities	2,122,150	2,175,352	1,379,285	5,676,787
Deferred inflows of resources				
Related to leases	14,821	7,728	3,471	26,020
Related to PPP arrangements	-	-	1,158	1,158
Related to pensions	8,044	15,594	15,186	38,824
Related to OPEB	54,324	11,744	200,074	266,142
Debt refunding gain	-	3,276	559	3,835
Related to irrevocable split interest agreements	-	32,900	-	32,900
Total deferred inflows of resources	77,189	71,242	220,448	368,879
Net position				
Net investment in capital assets	2,728,661	2,130,913	1,711,117	6,570,691
Restricted - nonexpendable:				
Grants/constitutional restrictions	-	-	3,355	3,355
Permanent funds	46,267	-	46,867	93,134
Instruction and research	965,359	593,393	13,331	1,572,083
Student aid	847,280	556,652	166,895	1,570,827
Capital projects	9,750	-	-	9,750
Clinical/health programs	60,263	-	-	60,263
Other purposes	494,505	55,786	51,483	601,774
Restricted - expendable:				
Grants/constitutional restrictions	-	-	18,929	18,929
Future debt service	16,998	-	3,372	20,370
Instruction and research	298,176	603,243	43,888	945,307
Student aid	726,708	504,789	170,559	1,402,056
Endowments	-	-	26,581	26,581
Capital projects	379,752	129,002	49,103	557,857
Clinical/health programs	57,924	-	-	57,924
Other purposes	577,508	1,023,662	398,110	1,999,280
Unrestricted	2,250,281	2,270,510	1,328,539	5,849,330
Total net position	\$ 9,459,432	\$ 7,867,950	\$ 4,032,129	\$ 21,359,511

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

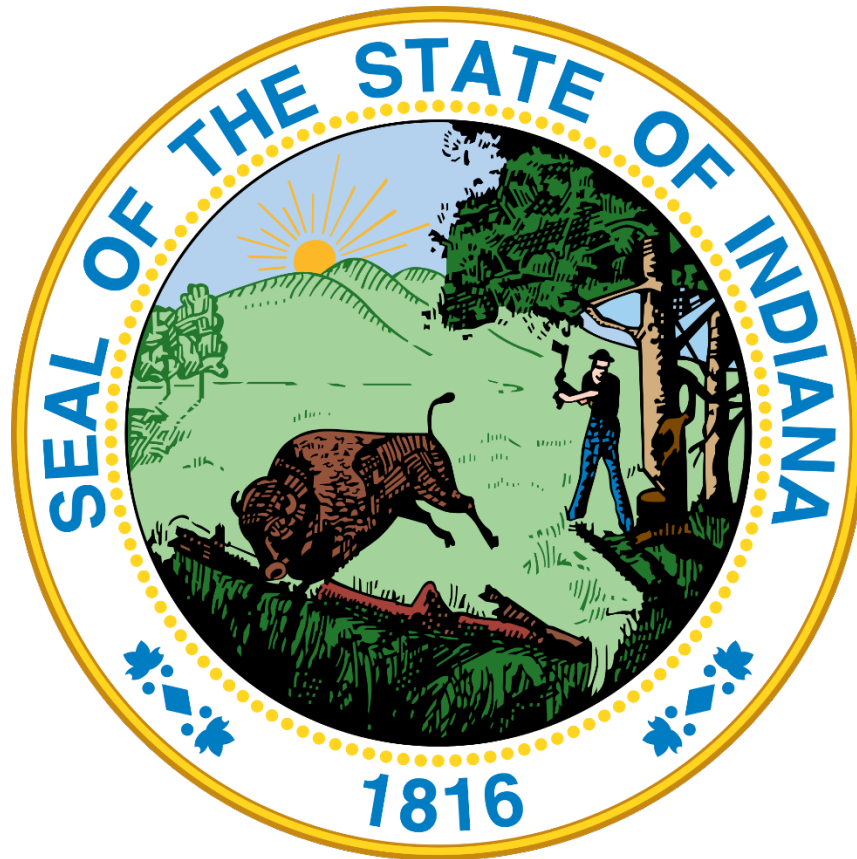
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State of Indiana
Combining Statement of Activities
Discretely Presented Component Units -
Colleges and Universities
For the Year Ended June 30, 2023
(amounts expressed in thousands)

	<u>Program Revenues</u>				<u>Net (Expense) Revenue and Changes in Net Position</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Indiana University</u>	<u>Purdue University</u>	<u>Non-Major Colleges and Universities</u>	<u>Net (Expense) Revenue</u>
Indiana University	\$ 3,789,429	\$ 1,748,873	\$ 1,288,139	\$ 23,924	\$ (728,493)	\$ -	\$ -	\$ (728,493)
Purdue University	3,222,440	1,887,582	979,585	38,867	-	(316,406)	-	(316,406)
Non-Major Colleges and Universities	1,738,022	525,668	277,201	11,329	-	-	(923,824)	(923,824)
Total component units	\$ 8,749,891	\$ 4,162,123	\$ 2,544,925	\$ 74,120	(728,493)	(316,406)	(923,824)	(1,968,723)
General revenues:								
Revenue not restricted to specific programs:								
Investment earnings (losses)					370,744	179,894	87,964	638,602
Multipurpose grants and contributions					118,492	-	192,979	311,471
Payments from State of Indiana					605,938	421,574	757,759	1,785,271
Other					35,237	-	37,410	72,647
Total general revenues					1,130,411	601,468	1,076,112	2,807,991
Change in net position					401,918	285,062	152,288	839,268
Net position - beginning, as restated					9,057,514	7,582,888	3,879,841	20,520,243
Net position - ending					\$ 9,459,432	\$ 7,867,950	\$ 4,032,129	\$ 21,359,511

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

NOTES TO THE FINANCIAL STATEMENTS



STATE OF INDIANA

Notes to the Financial Statements
June 30, 2023

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STATE OF INDIANA
Notes to the Financial Statements
June 30, 2023
(schedule amounts are expressed in thousands)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

As required by generally accepted accounting principles, these financial statements present the government (State of Indiana) and its component units. Blended component units, although legally separate entities, are in substance part of the government's operations; data from these units are combined with data of the primary government. Discretely presented component units are reported in one column in the government-wide financial statements. This column contains the governmental fund types, proprietary fund types, and colleges and universities. This is to emphasize that, as well as being legally separate from the government; they also provide services to and benefit local governments and/or the citizens of the State of Indiana (State). Of the component units, the Indiana War Memorials Foundation, Indiana Housing and Community Development Authority, Ports of Indiana, Indiana State Fair Commission, Indiana Comprehensive Health Insurance Association, the Indiana Political Subdivision Risk Management Commission, and the Hoosier START Deferred Compensation Matching Plan have a December 31, 2022, fiscal year-end.

Blended Component Units

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

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

The BMVC consists of five individuals and includes

the commissioner of the BMV who serves as the chairperson. The other four members are appointed by the governor. No more than two of the governor's appointees may be members of the same political party. The BMVC is reported as a non-major governmental fund.

The Indiana Homeland Security Foundation was established per Indiana Code 10-15-2-1 to assist the Indiana Department of Homeland Security (IDHS) in developing projects that benefit public safety in local communities. The foundation administers the Indiana Homeland Security fund which funds these IDHS projects. The foundation has significant interrelated operations with the IDHS. Foundation funds are aligned with the Indiana Strategy for Homeland Security of the IDHS. The Indiana Homeland Security Foundation is reported as a non-major governmental fund. Effective July 1, 2023, this foundation has been repealed per PL 201-2023.

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

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

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

The Indiana State Library Foundation was established per Indiana Code 4-23-7.1-42 to support the programs of the State Library and libraries in the

state. The Indiana State Library Foundation is reported as a non-major governmental fund.

The Indiana State Park Inns Authority was established per Indiana Code 14-19-11 for the purpose of managing, operating, and administering inns, lodging and other facilities on property owned or operated by the Indiana Department of Natural Resources (IDNR) and activities associated with hospitality and recreations as considered necessary by IDNR. The Indiana State Park Inns Authority is reported as a non-major enterprise fund.

Discretely Presented Component Units

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

The Indiana Economic Development Corporation (IEDC) was created per Indiana Code 5-28-3 to improve the quality of life for the citizens of Indiana by encouraging the diversification of Indiana's economy and the orderly economic development and growth of Indiana, the creation of new jobs, the retention of existing jobs, the growth and modernization of existing industry, and the promotion of Indiana. The IEDC leads the State's economic development efforts, helping businesses launch, grow, and locate in the state. The IEDC manages many initiatives, including performance-based tax credits, workforce training grants, innovation and entrepreneurship resources, public

infrastructure assistance, and talent attraction and retention efforts. The IEDC Board of Directors is composed of twelve members, consisting of the governor and eleven individuals appointed by the governor. The governor may appoint up to another three members to the board. At least five members of the board must belong to the same political party as the Governor, and at least three members must belong to another major political party, but none may be members of the general assembly. The IEDC is reported as a non-major discretely presented governmental component unit. The separately issued audited financial statements may be obtained by writing the Indiana Economic Development Corporation, One North Capital Avenue, Suite 700, Indianapolis, IN 46204.

The Indiana Destination Development Corporation (IDDC) was created per Indiana Code 5-33 to assist in the development and promotion of Indiana's tourist resources, facilities, attractions, and activities. The IDDC Board of Directors is composed of eight members, consisting of the governor, the secretary of commerce, five members appointed by the governor that are from the private sector tourism industry, and one member appointed by the governor from the Indiana Tourism Association. None of the members may be from the general assembly. The IDDC is reported as a non-major discretely presented governmental component unit. The IDDC does not issue their own separately audited financial statements.

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

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

The IFA's revenue bonds and notes are special and limited obligations of the IFA, payable from lease rental revenue, bond or note proceeds and investment income. The IFA's revenue bonds are not

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

The State Lottery Commission of Indiana, created per Indiana Code 4-30-3, is composed of five members appointed by the governor. Net proceeds from the Lottery are distributed to the State to be used to supplement teachers' retirement, local police and firefighters' pensions, and the Lottery Surplus Fund. A portion of the Lottery Surplus Fund is then used to supplement the Motor Vehicle Excise Tax Replacement Fund. The Commission is reported as a major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the State Lottery Commission of Indiana, 1302 North Meridian Street, Suite 100, Indianapolis, IN 46202.

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

The Indiana Bond Bank, created per Indiana Code 5-1.5-2, is controlled by a board composed of the Treasurer of State, Director of Public Finance and five appointees of the governor. The Bond Bank issues debt obligations and invests the proceeds in various projects of State and local governments. The Bond Bank is reported as a non-major discretely presented proprietary component unit. The

separately issued audited financial statements may be obtained by writing the Indiana Bond Bank, 10 West Market Street, Suite 2410, Indianapolis, IN 46204.

The Indiana Housing and Community Development Authority was created per Indiana Code 5-20-1-3 for the purpose of financing residential housing for persons and families of low and moderate incomes. The Authority's board consists of the lieutenant governor, the treasurer of state, the director of public finance, and four persons appointed by the governor. The Authority is reported as a non-major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Indiana Housing and Community Development Authority, 30 South Meridian Street, Suite 900, Indianapolis, IN 46204.

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

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

The White River State Park Development Commission created per Indiana Code 14-13-1-5 has the responsibility to design and implement a plan for the establishment and development of park, exposition, educational, athletic, and recreational

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

The Ports of Indiana is a body both corporate and politic created per Indiana Code 8-10-1-3 to construct, maintain, and operate public ports with terminal facilities and traffic exchange points for all forms of transportation on Lake Michigan and the Ohio and Wabash Rivers. The Ports of Indiana Commission consists of seven members appointed by the governor. The Commission is reported as a non-major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Ports of Indiana, 150 West Market Street, Suite 450, Indianapolis, IN 46204.

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

The Indiana Comprehensive Health Insurance Association was created per Indiana Code 27-8-10-2.1 to assure that health insurance is made available throughout the year to each eligible Indiana resident applying to the Association for coverage. The board of directors of the Association consists of nine members whose principal residence is in Indiana. Four members are appointed by the insurance commissioner from the members of the Association,

one of which must be a representative of a health maintenance organization. Two members are appointed by the commissioner and shall be consumers representing policyholders. Other members are the state budget director or designee and the commissioner of the department of insurance or designee. One member appointed by the commissioner must be a representative of health care providers. The Association is reported as a non-major discretely presented proprietary component unit. The Association was dissolved effective December 31, 2022. All remaining funds of the Association were transferred to the state general fund. The separately issued audited financial statements may be obtained by writing the Indiana Comprehensive Health Insurance Association, 9465 Counselors Row, Suite 200, Indianapolis, IN 46240.

The Indiana Political Subdivision Risk Management Commission was created per Indiana Code 27-1-29 to administer the Political Subdivision Risk Management Fund (Basic fund) and the Political Subdivision Catastrophic Liability Fund (Catastrophic fund). These funds aid political subdivisions in protecting themselves against liabilities. The Commission consists of the insurance commissioner and nine other members appointed by the governor. The Commission is reported as a non-major discretely presented proprietary component unit. The Commission is in the process of being dissolved and expects to be closed in calendar year 2024. The separately issued audited financial statements may be obtained by writing the Indiana Political Subdivision Risk Management Commission, c/o Indiana Department of Insurance, 311 West Washington Street, Suite 103, Indianapolis, IN 46204.

The Indiana State Museum and Historic Sites Corporation was created per Indiana Code 4-37-2 and is responsible for operating and administering the Indiana State Museum and eleven Historic Sites across the State. The eleven Historic Sites include Angel Mounds, Corydon Capitol, Culbertson Mansion, J.F.D. Lanier Mansion, Levi Coffin, Limberlost, New Harmony, T.C. Steele, Gene Stratton-Porter, Vincennes, and the Whitewater Canal. The Corporation is governed by a thirty-two member board of trustees of which twenty-seven are voting members and five are non-voting members. Of the twenty-seven voting members, fourteen persons are appointed by the governor and thirteen are appointed by the board. The five non-voting members include the chief executive officer of the Corporation, the governor or governor's designee, one member of the House of Representatives, one member of the Senate, and the director of the Department of Natural Resources or the director's designee. The Corporation is reported as a non-

major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Indiana State Museum and Historic Sites Corporation, 650 West Washington Street, Indianapolis, IN 46204.

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

Each of the seven colleges and universities included in this report was established by individual legislation to provide higher education opportunities to the citizens of Indiana. The authority to administer the operations of each institution is granted to a separate board of trustees for each of the seven institutions. The number and makeup of the board of trustees of each college and university is prescribed by legislation specific for that institution. Four universities have nine member boards; two have ten member boards; and Ivy Tech Community College has a fifteen-member board of trustees. Appointments to the boards of trustees are made by the governor and by election of the alumni of the respective universities. Indiana University and Purdue University are reported as major discretely presented component units. The separately issued audited financial statements for the colleges and universities may be obtained by writing to: Indiana University, BL143 P Music Practice, 1024 E. 3rd St., Bloomington, IN 47405; Purdue University, 2550 Northwestern Ave., Suite 1100, West Lafayette, IN 47906-4182; Ball State University, Administration Bldg., 301, 2000 West University Avenue, Muncie, IN 47306; Indiana State University, Office of the Controller, 200 N. 7th Street, Terre Haute, IN 47809-1902; Ivy Tech Community College, Attn: AVP, Controller, 50 West Fall Creek Parkway, North Drive, Indianapolis, IN 46208-5752; University of Southern Indiana, 8600 University Boulevard, Evansville, IN 47712; and Vincennes University, 1002 North 1st Street, Vincennes, IN 47591.

Fiduciary in Nature Component Unit

The Indiana Public Retirement System (INPRS) was established per Indiana Code 5-10.5-2-1 as an independent body corporate and politic. INPRS is not a department or agency for the State, but is an independent instrumentality exercising essential government functions. The INPRS board is composed of nine trustees appointed by the governor which includes the director of the Office of Management and Budget or the director's designee as an ex officio voting member of the board. The board of trustees administers the following plans: Public Employees' Defined Benefit Account (PERF DB); Teachers' Pre-1996 Defined Benefit Account (TRF Pre-'96 DB); Teachers' 1996 Defined Benefit Account (TRF '96 DB); 1977 Police Officers' and Firefighters' Retirement Fund ('77 Fund); Judges' Retirement System (JRS); Excise, Gaming and Conservation Officers' Retirement Fund (EG&C); Prosecuting Attorneys' Retirement Fund (PARF); Legislators' Defined Benefit Fund (LE DB); Public Employees' Defined Contribution Account (PERF DC); My Choice: Retirement Savings Plan for Public Employees (PERF MC DC); Teachers' Defined Contribution Account (TRF DC); My Choice: Retirement Savings Plan for Teachers (TRF MC DC); Legislators' Defined Contribution Fund (LE DC); Special Death Benefit Fund (SDBF); Retirement Medical Benefits Account Plan (RMBA); and Local Public Safety Pension Relief Fund (LPSPR). For more information on the plans see Note V(E) Employee Retirement Systems and Plans. All of these funds have been aggregated for presentation from INPRS' financial statements. INPRS is included as a component unit because the primary government appoints a voting majority of its governing body and has financial accountability. The Indiana Public Retirement System was determined to be significant for note disclosure purposes involving the fiduciary in nature component units. The separately issued audited financial statements may be obtained by writing the Indiana Public Retirement System, One North Capitol Avenue, Suite 001, Indianapolis, IN 46204.

The Hoosier START Deferred Compensation Matching plan is an IRS section 401(a) plan. It is one of the plans administered as part of the State of Indiana Public Employee Deferred Compensation Plan (the Plan), doing business as (d/b/a) Hoosier START. It is a defined contribution multiple-employer pension plan for all State Employees as well as the employees of participating local political subdivisions. The Plan is governed by the Deferred Compensation Committee which was created through I.C. 5-10-1.1-4 and consists of five members appointed by the State Board of Finance. The Committee serves as the Trustee of the Plan and is

responsible for prudent administration of the Plan which includes design of the Plans' investment platform, establishing investment policy objectives and guidelines, prudent selection of investment managers, and ongoing monitoring. The Indiana State Comptroller serves as administrator of the Plan and is responsible for all services involved in the administration of the Plan and providing oversight of the Plan. The Plan uses a third-party plan administrator to provide recordkeeping and administrative services to the Plan. For more information on the plans see Note V(E) Hoosier START Deferred Compensation Matching Plan – 401(a). The separately issued audited financial statements may be obtained by writing the Indiana State Comptroller, 200 W. Washington St., 240 State House, Indianapolis, IN 46204 or from <https://www.in.gov/comptroller/hoosierstart/deferred-compensation-committee/>.

Related Organizations

The primary government appoints a voting majority of the board of the Indiana Education Savings Authority (IESA) created per Indiana Code 21-9. The IESA serves as the governing board of Indiana's tax-advantaged CollegeChoice 529 Savings Plans which are CollegeChoice Direct, CollegeChoice Advisor, and CollegeChoice CD. The primary government's accountability for IESA does not extend beyond making the appointments to the board. The primary government is not able to impose its will on IESA nor is it financially accountable for IESA. The State had no related party transactions with IESA during fiscal year 2023.

The primary government appoints a voting majority of the board of the Achieving a Better Life Experience Authority (ABLE) created per Indiana Code 12-11-14-9. The authority serves as the governing board of Indiana's tax-advantaged ABLE Savings Plan, INvestABLE Indiana. The primary government's accountability for ABLE does not extend beyond making the appointments to the board. The primary government is not able to impose its will on ABLE nor is it financially accountable for ABLE. ABLE expended \$317.2 thousand of state appropriations for operating expenses during fiscal year 2023.

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

B. Government-Wide and Fund Financial Statements

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

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

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

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

Measurement Focus and Basis of Accounting

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

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

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

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

Financial Statement Presentation

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

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

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

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

The following special revenue funds are presented as major.

- The *Public Welfare-Medicaid Assistance Fund* receives federal grants and State appropriations which are used to administer the Medicaid program. Federal grant revenues, hospital assessment fees, quality assessment fees, Intermediate Care Facility for Individuals with Disabilities fees, and other resources disclosed under interfund transfers in Note IV(B) are reported in this fund.
- The *U.S. Department of Health and Human Services Fund* receives federal grants that are used to carry out health and human services programs. Federal grant revenues, vital record fees, child support annual fees, and other resources disclosed under interfund transfers in Note IV(B) are reported in this fund.
- The *ARPA-Economic Stimulus Fund* contains the federal grant dollars received through the American Rescue Plan Act of 2021, a coronavirus rescue package designed to facilitate the State of Indiana's recovery from the economic and health effects of the COVID-19 pandemic.

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

The *permanent funds* are used to account for resources that are legally restricted to the extent that only earnings and not principal may be used for the

benefit of the government or its citizens. There are no major permanent funds.

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

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

The State reports the following major enterprise fund:

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

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

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

Pension and other employee benefit trust funds are used to report resources held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution pension plans, other postemployment benefit plans, and other employee benefit plans. Pension and other employee benefits trust funds include the Indiana

Public Retirement System, State Police Retirement Fund, State Police Supplemental Trust, State Police Death and Disability Fund, Hoosier START Deferred Compensation Plan, Hoosier START Deferred Compensation Matching Plan, State Employee Retiree Health Benefit Trust Fund – DB, and the State Employee Retiree Health Benefit Trust Fund – DC.

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

Custodial funds are used to report all fiduciary activities that are not held in one of the three other types of fiduciary funds. They are also used to report the external portion of a pool that is not held in a trust fund. The Treasurer of State, local units of government, and quasi-governmental units in Indiana have the opportunity to invest in a common pool of investments that preserves the principal of the public's funds, remains highly-liquid, and maximizes the return on the investment of public funds known as TrustIndiana. This fund is operated by the state treasurer. Custodial funds include Local Distributions, Child Support, patient and inmate accounts, and the external portion of TrustIndiana, which is presented in a separate column in the fiduciary fund statements.

D. Eliminating Internal Activity

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

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

so would misstate both the expenses of the purchasing function and the program revenues of the selling function.

E. Assets, Liabilities, and Equity

1. Deposits, Investments, and Securities Lending

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

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

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

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

The Treasurer of State is authorized by statute to accept as collateral safekeeping receipts for securities from: (1) a duly designated depository or (2) a financial institution located either in or out of Indiana, having physical custody of securities, with a combined capital and surplus of at least \$10 million,

according to the last statement of condition filed by the financial institution with its governmental supervisory body. The Treasurer may not deposit aggregate funds in deposit accounts in any one designated depository in an amount aggregating at any one time more than 50% of the combined capital, surplus and undivided profits of that depository as determined by the last published statement.

The Indiana Public Retirement System (INPRS) Board of Trustees administers sixteen funds including eight Defined Benefit retirement plans and five Defined Contribution retirement plans, two other postemployment benefit funds, and one custodial fund. Indiana law requires the Board to establish investment guidelines and limits on all types of investments and take other actions necessary to fulfill its duty as fiduciary for all assets under its control. The INPRS Board of Trustees is required to diversify investments in accordance with the prudent investor standards. At June 30, 2023, cash and investments of the funds were held by banks or trust companies under custodial agreements with INPRS. The INPRS Board of Trustees contracts with investment counsel, trust companies or banks to assist INPRS in its investment program. The Investment Policy Statement adopted by the INPRS Board of Trustees and the asset allocation approved by the Board of Trustees contains target allocations and allowable ranges that are expected to meet target rates of return over a long period of time while minimizing risk. The investments of INPRS are subject to the provisions of IC 5-10.3-5-3(a) and IC 5-10.4-3-10(a). See Note IV(A) for more information.

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

2. Receivables

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

- Individual income tax – Individual withholding tax is due from employers by the 20th day after the end of the month collected. Estimated payments are due from individuals by the 15th of the month

immediately following each quarter or the calendar year.

- Corporate income tax - Due quarterly on the 20th day of April, June, September, and December with the last payment due on April 15th for a calendar year taxpayer.
- Sales tax – Due by the 20th day after the end of the month collected.
- Fuel tax – Gasoline tax is due the 20th day after the end of the month collected. Special fuel tax, depending on the status of the taxpayer, is due by the 15th day after the end of the month collected or the 15th day after the end of the quarter collected. Motor carrier surtax is due at the end of the month following the end of the quarter.
- Financial institutions tax – same laws as corporate income taxes (see above) for making payments.
- Alcohol and tobacco taxes – Cigarette distributors must purchase tax stamps within 6 days after they accept delivery of the cigarettes. Cigarette tax is due within 30 days of the issuance of the tax stamp. Alcoholic beverage tax is due by the 20th day after the end of the month collected.

In the governmental fund financial statements, revenue is recognized on the flow of current financial resources. Material receivables are subject to accrual for receipts collected in the month of July. Governmental funds also include long term receivables for loans made to other governmental entities and for money due the state under the National Opioid Settlement.

The State of Indiana does not collect property tax, which is collected by local units of government.

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

3. *Interfund Transactions and Balances*

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

- Interfund services provided and used (reciprocal interfund activity) – Charges for

goods or services rendered by one fund to another are treated as revenues of the recipient fund and expenditures/expenses of the disbursing fund.

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

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

- Interfund loans – These are balances arising from the short-term and long-term portion of interfund transactions.
- Interfund services provided/used – These are balances arising in connection with reciprocal interfund activity or reimbursements. Balances relating to discretely presented component units are presented as ‘Due from/to component units’.
- Interfund services provided and interfund loans are eliminated in the government-wide statements because they are provided by one governmental activity on behalf of another or by one business-type activity on behalf of another.

4. *Inventories and Prepaid Items*

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

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

5. *Restricted Net Position*

Certain net positions are classified as restricted net position because their use is completely restricted by bond indentures, contracts, grantors, contributors, laws or regulations of other governments, or through constitutional provisions or enabling legislation. Net position restricted for governmental activities totals \$2.6 billion, of which \$0.5 billion is permanent funds principal, \$1.0 billion is for the Economic Stabilization

Fund as discussed in Note V (D), \$0.1 billion restricted portion of the Opioid Settlement receivable, \$0.8 billion in federal grants, \$0.1 billion in other purposes and \$0.1 billion is prepaid expenses.

6. Capital Assets

Capital outlays are reported as expenditures in the governmental funds and as assets in the government-wide statements to the extent that the State’s \$20,000 capitalization threshold for external financial reporting is met, or \$300,000 in the case of subscription-based IT arrangements.

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

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

- A network average International Roughness Index based on the right wheel path (IRI RWP) of no more than 101 and no more than 12.5% of all pavements in the unacceptable range for Interstates, National Highway System (NHS) Non-Interstate roads, and Non-NHS roads,
- An average sufficiency rating of 87% for interstate bridges,
- An average sufficiency rating of 85% for NHS Non-Interstate bridges, and
- An average sufficiency rating of 83% for Non-NHS bridges.

The Bridge Asset Management Division and Road Inventory Division of INDOT are responsible for determining the appropriate condition level of the infrastructure assets.

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

INDOT projects are capitalized based on capitalization and preservation percentages assigned to two hundred thirty-eight (238) work types. For example, the cost for constructing a new bridge would likely be 100% capitalized; whereas, the cost for adding travel lanes to a road would likely be assigned a work type code resulting in capitalization at 50% and preservation at 50%.

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

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

Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their acquisition value at the date of donation.

Capital assets are depreciated in the proprietary and similar trust funds using the straight-line method on both the fund basis and the government-wide basis. Both the government-wide statements and proprietary and similar trust funds use the following estimated useful lives:

Assets	Months
Buildings and other structures including improvements to buildings and other structures	240-480
Computer software and subscription-based IT arrangements	13-84
Infrastructure (not using modified approach)	240-720
Furniture, machinery, and equipment	12-168
Motor pool vehicles	96-168

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

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

The State’s major collections are:

- The Commission on Public Records, State Archives Collection consists of historical and legal documents that are generated on: paper or paper substitutes; photographic or chemically based media; magnetic or machine-readable media; or any other materials, regardless of form or characteristics.
- The State Library has two collections, the Manuscript Collection and the Indiana History Collection. These collections include historical documents and works of art, most of it of Indiana origin.

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

7. Compensated Absences

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

Personal leave days are earned at the rate of one day every four months; any personal leave accumulated in excess of three days automatically becomes part of the sick leave balance. Upon separation of service, in good standing, employees will be paid for a maximum of thirty (30) unused vacation leave days. In addition, qualifying retiring employees are paid an additional payment up to a maximum of \$5,000, which is made up of unused vacation leave over 30 days, unused personal leave, and unused sick leave. In 2022, 22.5 hours of personal leave was authorized for newly-hired employees to address recruitment concerns due to the regulatory requirement that vacation leave cannot be used until a newly-hired employee has been employed for six months. At the four-months' of employment mark, the earning rules stated above apply.

The legislative and judicial branches, and the separately elected offices may elect to participate in a leave conversion program which allows their employees to convert a portion of accrued but unused vacation and sick leave into the Hoosier START Deferred Compensation Plan. An employee must have at least 300 hours of vacation or sick

leave accrued in order to participate in this plan. There is a sliding scale which determines how many hours are converted from those hours the employee has accrued. The hours converted are deposited into the Hoosier START Deferred Compensation Plan at 60% of the employee's hourly rate. The legislative and judicial branches, the offices of the attorney general, state comptroller, secretary of state, and lieutenant governor participated in this program for calendar year 2023 for their employees.

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

8. Long-Term Obligations

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

9. Fund Balance

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

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

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

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

Assigned – represents amounts that are constrained by the government's intent to be used for specific

purposes as expressed by the governing body itself or the official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. The State Budget Agency has the authority per the biennial budget bill to make assignments of fund balances for specific purposes except for those restricted by law. The State Board of Finance comprised of the governor, state comptroller, and treasurer of state is empowered to make assignments of funds except for trust funds per I.C. 4-9.1-1-7.

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

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

F. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of

resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The allowance for doubtful accounts for taxes receivable and for Unemployment Compensation fund receivables, the estimate of claims payable for the Medicaid fund, the estimate of additions for the Local Distributions fund, the estimate of overpayment receivables related to unemployment compensation benefits and the estimated useful lives of capital assets are among the most sensitive accounting estimates affecting the financial statements.

The allowance for doubtful accounts for Unemployment Compensation fund receivables for employer receivables is the Department of Workforce Development's (DWD) current estimate of amounts that may not be fully collected. The allowance for doubtful accounts for claimant receivables reflects DWD's estimate for benefits overpayments that will not be collected due to waivers, detected fraud, and the likeliness of normal collection efforts based on historical collection rates.

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

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

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

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

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

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

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

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

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Equity

At June 30, 2023, various funds had a deficit fund balance. One major fund, the US Department of Health & Human Services special revenue fund, had a deficit fund balance caused by overdrafts from pooled cash and investments. This overdraft will be repaid as grant revenues are collected. Non-major fund deficits are as follows.

Fund	Deficit Fund Balance
Governmental Funds	
US Department of Labor	\$ (6,847)
US Department of Education	(96,201)
US Department of Homeland Security	(11,534)
Federal COVID-19	(210,272)

These deficits resulted from overdrafts in pooled cash and investments or expenses exceeding grant revenues. The deficits will be recovered as grant revenues are collected or transfers in occur.

B. Fund Balance

The State of Indiana reports its fund balances for governmental funds as nonspendable, restricted, committed, assigned, and unassigned. The detail of the fund balance classifications at June 30, 2023 is as follows:

	General Fund	Public Welfare - Medicaid Assistance Fund	US Department of Health and Human Services	ARPA - Economic Stimulus Fund	Non-Major Funds
Fund balance					
Nonspendable					
Permanent fund principal	-	-	-	-	502,835
Prepaid expense	122,437	-	-	-	8,442
Restricted					
Administration	996,749	-	-	-	4,057
Corrections	-	-	-	32	-
Police & Protection	-	-	-	197	73,050
Mental Health	-	-	-	828	-
Public Health	-	455,056	-	514	48,664
Child Services	-	-	-	1,688	13
Disability & Aging	-	-	-	5	-
Economic Development	-	-	-	1,068	-
Environmental	-	-	-	3	-
Natural Resources	-	-	-	397	3,280
Secondary Education	-	-	-	1,577	17,100
Roads & Bridges	-	-	-	2,757	845,534
Other Purposes	-	-	-	-	72,439
Committed					
Administration	17,475	-	-	-	223,145
Corrections	-	-	-	-	16,120
Police & Protection	18,298	-	-	-	316,583
Mental Health	-	-	-	-	21,149
Public Health	161	-	-	-	599,967
Child Services	-	-	-	-	71,628
Disability & Aging	-	-	-	-	17,269
Economic Development	4,958	-	-	-	128,946
Environmental	-	-	-	-	165,536
Natural Resources	-	-	-	-	278,456
Higher Education	-	-	-	-	8,044
Secondary Education	-	-	-	-	680,302
Roads & Bridges	8,001	-	-	-	1,338,948
Capital Outlay	-	-	-	-	31,623
Other Purposes	-	-	-	-	108,277
Assigned					
Administration	194,556	-	-	-	-
Corrections	72,645	-	-	-	-
Police & Protection	39,591	-	-	-	-
Mental Health	59,459	-	-	-	-
Public Health	184,108	-	-	-	-
Child Services	1,227,650	-	-	-	-
Disability & Aging	21,887	-	-	-	-
Economic Development	7,712	-	-	-	-
Environmental	6,671	-	-	-	-
Natural Resources	4,623	-	-	-	-
Higher Education	220,866	-	-	-	-
Secondary Education	715,147	-	-	-	-
Capital Outlay	3,077,122	-	-	-	110,123
Other Purposes	454,604	-	-	-	-
Unassigned	1,701,604	-	(547,353)	-	(324,854)
Total	\$ 9,156,324	\$ 455,056	\$ (547,353)	\$ 9,066	\$ 5,366,676

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits, Investments, and Securities Lending

Primary Government

Other than Major Moves Construction Fund, Next Level/Generation Trust Fund, Investment Trust Funds, and Pension and Other Employee Benefit Trust Funds

Investment Policy

Indiana Code, Title 5, Article 13, Chapters 9, 10, and 10.5, establishes the investment powers and guidelines regarding the State of Indiana investments. However, the Major Moves Construction Fund and the Next Level/Generation Trust Fund have separate investment authority as established under Indiana Code 8-14-14 and Indiana Code 8-14-15, respectively. The Treasurer of State shall invest these funds in the same manner as the public employees' retirement fund under Indiana Code 5-10.3-5 with the exception that monies may not be invested in equity securities. For more information, please see the INPRS policy in note IV(A) INPRS. There are no formal deposit investment policies for the investment of these funds other than compliance to State statute. State statute does not establish any parameters or guidelines related to the concentration of investment risk, investment credit risk, nor interest rate risk.

Indiana Code 5-13-9 and Indiana Code 5-13-10.5 authorizes the Treasurer to invest in deposit accounts issued or offered by a designated

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

Interest Rate Risk

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

The following is a summary of the Interest Rate Risk Disclosure as of June 30, 2023:

Investment Type	Fair Value Totals	Investment Maturities (in Years)		
		Less than 1	1 - 5	6 - 10
U.S. Treasuries	\$ 5,029,012	\$ 4,230,639	\$ 798,373	\$ -
U.S. Agencies	5,497,409	3,109,881	2,387,528	-
Supranationals	599,222	599,222	-	-
Municipal Bonds	158,300	83,834	44,719	29,747
Commercial Paper	631,736	631,736	-	-
Local Govt Investment Pool	369,074	369,074	-	-
Non-U.S. Fixed Income	62,500	20,000	42,500	-
Certificate of Deposits	356,409	356,409	-	-
Money Market Mutual Funds	1,632,000	1,632,000	-	-
Total	<u>\$ 14,335,662</u>	<u>\$ 11,032,795</u>	<u>\$ 3,273,120</u>	<u>\$ 29,747</u>

Custodial Credit Risk

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

At June 30, 2023, the balance of the State of Indiana's deposits was covered in full by federal depository insurance or by the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

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

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Indiana Code 5-13-9, IC 5-13-10, and IC 5-13-10.5 authorizes the State Treasurer to invest or reinvest in securities fully guaranteed and issued by (1) the United States Treasury, (2) a federal agency, (3) a federal instrumentality, or (4) a federal government sponsored enterprise, as well as, other securities that are AAA rated or insured through the Public Deposit Insurance Fund or the FDIC. The

allowable investments are noted above under the Investment Policy Statement section in more detail. The State Treasurer recognizes credit (quality) risk as a market and strategic risk factor in all investments

The following table provides information on the credit quality ratings for investments in debt securities as well as investments in external investment pools, and money market funds, as of June 30, 2023. Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality. The table reflects the greatest risk rating (the credit rating reflecting the greatest degree of risk) as set by three nationally recognized rating organizations (S&P, Moody, and Fitch) for each type of investment, not exempt from disclosure:

Investment Type	Greatest Risk	
	Rating	Fair Value
U.S. Agencies	A-1	\$ 19,907
	AA	5,030,470
	A	132,945
	BBB	177,467
	BB	32,693
	B	103,927
Supranationals	AAA	599,222
Commercial Paper	A-1	631,736
Certificate of Deposits	NR	356,409
Municipal Bonds	NR	158,300
Non-US Fixed Income Bonds	A	62,500
Local Govt Investment Pool	NR	369,074
Money Market Mutual Funds	AAA	1,632,000
Total		\$ 9,306,650

Concentration of Credit Risk

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

At June 30, 2023, investments in any one issuer, not exempt from disclosure, that represent 5% or more of the total investments were:

FHLB 20.06% \$3,283,825
 FHLMC 6.67% \$1,092,417

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. As of June 30, 2023, there were no deposits or investments denominated in foreign currencies, thus there was no foreign currency risk.

Securities Lending

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

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

Cash collateral received is invested by the custodian banks. Cash collateral is generally invested in securities of a longer term with the mismatch of maturities generally 0-35 days. The weighted average maturity gap at June 30, 2023, was 4.88 days.

At year end, the State had no credit risk exposure to any borrowers because the amount the State owes the borrowers exceeds the amounts the borrowers owe the State. The contracts with the State's custodian require them to indemnify the funds if the borrowers fail to return the securities (and if the

collateral is inadequate to replace the securities lent) or fail to pay the funds for income distributions by the securities' issuers while the securities are on loan.

As of June 30, 2023, the fair values of the underlying securities on loan were:

Security Type	Fair Value
U.S. Treasuries	\$ 4,057,782
U.S. Agencies	829,664
Total	\$ 4,887,446

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

Security Type	Fair Value
U.S. Treasuries	\$ 4,101,270
U.S. Agencies	834,008
Total	\$ 4,935,278

The percentage of collateral received for underlying securities on loan was 100.98%.

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

Collateral Type	Fair Value
Non-cash collateral	\$ 257,803
Cash collateral (liability to borrowers)	4,677,475
Total	\$ 4,935,278

Events of the market crisis of late 2008, negatively impacted the value of the State's securities lending cash collateral reinvestment pool. Since that time, the State, with the agreement of its' custodial bank, has been injecting capital into the pool using securities lending revenues to restore the value of the cash collateral reinvestment pool. As of June 30, 2023, the fair value of the cash collateral reinvestment pool was 99.70% of the fair value of the cash collateral received from the borrowers.

Fair Value of reinvested cash collateral by type:

Collateral Type	Fair Value
Floating rate notes	\$ 4,270,799
Repurchase agreements	143,140
Asset backed securities	128,858
Certificates of deposit	55,266
Commercial Paper	51,354
Receivable/(Payable)	14,027
Total	\$ 4,663,444

The quality rating of the reinvested cash collateral investments as described by Standard and Poor's at June 30, 2023, is as follows:

S&P Rating	Fair Value of Cash Collateral	% of Portfolio
AAA	105,601	2.3
AA	1,256,377	26.9
A	2,933,848	62.9
CC	1,994	0.1
NR	365,624	7.8
Total	\$ 4,663,444	100.0

Fair Value Measurement – Primary Government

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

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

Level 2 Significant other observable inputs, which may include, quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in non-active markets;

and inputs other than quoted prices that are observable for the assets or liabilities, either directly or indirectly.

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

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

The following table summarizes the valuation of the investments by the fair value hierarchy levels as of June 30, 2023:

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)
U.S. Treasuries	\$ 5,029,012	\$ 5,029,012	\$ -	\$ -
U.S. Agencies	5,497,409	-	5,497,409	-
Supranationals	599,222	-	599,222	-
Commercial Paper	631,736	-	631,736	-
Municipal Bonds	158,300	-	-	158,300
Non-US Govt Bonds	62,500	-	-	62,500
Certificate of Deposits	356,409	-	356,409	-
Local Government Investment Pool	369,074	-	369,074	-
Money Market Mutual Funds	1,632,000	1,632,000	-	-
Total Fixed Income Securities	\$ 14,335,662	\$ 6,661,012	\$ 7,453,850	\$ 220,800

Major Moves Construction Fund and Next Level/Generation Trust Fund

Investment Policy

Indiana Code, Title 5, Article 13, Chapters 9, 10, and 10.5, establishes the investment powers and guidelines regarding the State of Indiana investments. However, the Major Moves Construction Fund, Next Generation Trust Fund, and the Next Level Indiana Trust Fund have separate investment authority as established under Indiana Code 8-14-14, Indiana Code 8-14-15.2, and Indiana Code 8-14-15.1, respectively. The Next Generation Trust Fund and the Next Level Indiana Trust Fund are included in the Next Level/Generation Trust Fund non-major permanent fund. The Treasurer of State shall invest the funds in the Major Moves Construction Fund and the Next Generation Trust Fund in the same manner as the public employees' retirement fund under Indiana Code 5-10.3-5, except the funds may not be invested in equity securities. The Next Level Indiana Trust Fund allows for investment of not more than 50% of the money in the trust, \$250,000,000, to be invested in investments that: (a) maximize risk appropriate returns, which may include the purchase of equity or debt securities; and (b) make significant investments in Indiana funds and companies. At least 50% of the money in the trust, \$250,000,000 or greater, may be invested by the Treasurer of State in the same manner as the public employees' retirement fund, excluding investment in equity securities. An Investment Policy Statement for the Next Generation Trust Fund and the fixed income portion of the Next Level Indiana Trust Fund has been adopted by the

Treasurer of State for the investment of these funds. An Investment Policy Statement for the equity portion of the Next Level Indiana Trust Fund has been adopted by the Next Level Indiana Trust Fund Investment Board. The Investment Policy Statements are written in conformity with the applicable investment statutes and in accordance with prudent investor standards. There is no formal deposit policy other than compliance to State Statute. State statute does not establish any parameters or guidelines related to the concentration of investment risk, investment credit risk, nor interest rate risk. The Investment Policy Statements establish asset allocations and investment structures for both Funds. These asset allocations and investment structures were established with consideration given to each Fund's objectives, time horizons, risk tolerances, performance expectations, and liquidity requirements.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investments. The Fund's policy for controlling its exposure to interest rate fluctuations should be viewed with the appropriate perspective. The fund manager's long-term strategy was employed to achieve the Funds' objectives, but there was consideration given to the short-term liquidity needs to meet disbursements required by the Funds. The asset allocation and investment manager structure was designed to tolerate some interim fluctuations in fair value while maintaining a long-term return objective of 4.56%.

The following table provides the interest rate risk disclosure for the Major Moves Construction Fund and Next Level/Generation Trust Fund as of June 30, 2023:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 - 5	6 - 10	More than 10
U.S Treasuries	\$ 168,844	\$ 119,481	\$ 36,998	\$ 2,101	\$ 10,264
U.S. Agencies	71,199	67,710	3,489	-	-
Commercial Paper	112,930	112,930	-	-	-
Government Asset and Mortgage Backed Collateralized Mortgage Obligations	42,903	16,065	1,570	973	24,295
Government CMOs	4,369	1,353	443	225	2,348
Corp CMOs	4,575	3,359	-	-	1,216
Corporate Bonds	86,861	5,707	56,022	15,524	9,608
Corporate Asset Backed	19,961	8,022	6,614	114	5,211
Private Placements	53,405	21,975	15,852	3,646	11,932
Municipal Bonds	6,879	520	5,614	541	204
Repurchase Agreements	15,700	15,700	-	-	-
Non US Government/Corp Bonds	12,568	4,454	3,315	973	3,826
Mutual Funds/Commingled Funds	66,556	66,556	-	-	-
Total Fixed Income Securities	\$ 666,750	\$ 443,832	\$ 129,917	\$ 24,097	\$ 68,904

Custodial Credit Risk

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

At June 30, 2023, the balance of the State of Indiana's deposits was covered in full by federal depository insurance or by the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

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

Credit Risk

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

The Investment Policy Statement outlines specific credit quality ratings, which must be followed, for each of the fixed income managers: Defensive, Core Plus and Hybrid/Constrained Fixed Income. The investment managers shall rely upon the rating agencies Moody's, Standards & Poor's, and/or Fitch's for rating the holdings in the portfolio to determine credit quality.

The following table provides information on the credit quality ratings for investments in debt securities, short-term money market funds, bond mutual funds and bond commingled funds, municipal securities,

asset-backed, and mortgage-backed securities as of June 30, 2023. The following table below reflects the "greatest risk" rating (the credit rating reflecting the greatest degree of risk) as set by three nationally recognized rating organizations (S&P, Moody, and Fitch) for each type of investment, not exempt from disclosure, in the Major Moves Construction Fund and Next Level/Generation Trust Fund.

Investment Type	Greatest Risk	
	Ratings	Fair Value
U.S. Agencies	AA	71,199
Government Asset And Mortgage Backed	AAA	86
	AA	25,881
	NR	16,936
Commercial Paper	A-1	112,930
Collateralized Mortgage Obligations		
Government CMO's	AAA	121
	AA	4,248
Corporate CMO's	A	122
	BBB	352
	BB	29
	CCC & Below	2,907
	NR	1,165
Non US Govt/Corp Bonds	BBB	3,744
	BB	2,606
	B	393
	CCC & Below	344
	NR	5,481
Corporate Bonds	AAA	540
	AA	1,482
	A	24,661
	BBB	49,736
	BB	8,221
	B	1,944
	CCC & Below	216
	NR	61
Corporate Asset and Mortgage Backed	AAA	8,896
	AA	1,894
	A	1,266
	BBB	608
	BB	311
	B	1,408
	CCC & Below	5,575
	NR	3
Private Placements	AAA	26,760
	AA	2,887
	A	5,960
	BBB	8,666
	BB	3,826
	B	2,309
	CCC & Below	848
	NR	2,149
Repurchase Agreements	NR	15,700
Municipal Bonds	AAA	222
	AA	3,840
	A	2,166
	BBB	547
	CCC & Below	104
Mutual/Commingled Funds	NR	66,556
Total		\$ 497,906

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer representing 5% or more of the total investments. The only exemptions from disclosures are US Government Debt, US

Government Guaranteed Investments, Mutual Funds, or External Investment Pools.

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

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

As of June 30, 2023, investments in any one issuer, not exempt from disclosure, that represent 5% or more of the total investments were:

FHLMC	5.55%	\$44,517
Mackinac Funding Co LLC	9.12%	\$73,084

Foreign Currency Risk

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

Currency	Fair Value	% of Total Fair Value
Argentina Peso	\$ 84	0.01%
Australian Dollar	967	0.12%
Brazil Real	842	0.11%
Canadian Dollar	1,654	0.21%
Chilean Peso	2	0.00%
Chinese R Yuan HK	(800)	-0.10%
Chinese Yuan Renminbi	20	0.00%
Euro Currency	(1,664)	-0.21%
Hungarian Forint	958	0.12%
Indian Rupee	640	0.08%
Indonesian Rupiah	932	0.12%
Japanese Yen	2,911	0.36%
Mexican Peso	2,937	0.37%
New Zealand Dollar	(46)	-0.01%
Norwegian Krone	382	0.05%
Peruvian Sol	(98)	-0.01%
Polish Zloty	(1,439)	-0.18%
Pound Sterling	81	0.01%
Russian Ruble	426	0.05%
Singapore Dollar	(429)	-0.05%
South African Rand	149	0.02%
South Korean Won	(17)	0.00%
Subtotal	8,492	1.06%
U.S. Dollar	793,184	98.94%
Total Fair Value	\$ 801,676	100.00%

Securities Lending

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

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

Fair Value Measurement

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

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

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

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

U.S. Treasury securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. The U.S. agency securities, municipal bonds, corporate bonds, repurchase agreements and other debt securities classified in Level 2 of the fair value hierarchy are valued using other observable inputs other than quoted prices in an active market. The local government investment pool is valued using the fair value valuation methodology and is marked to fair value daily using the most recent fair value bid price as obtained from one or more market makers and is

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thus classified in Level 2 of the fair value hierarchy. Those money market mutual funds that are valued at the daily closing price as reported by the funds and are deemed to be actively traded and are classified in Level 1 of the fair value hierarchy. The

international commingled mutual fund was not priced in an active market and had no observable inputs thus was classified in Level 3.

The following table summarizes the valuation of the investments by the fair value hierarchy levels as of June 30, 2023:

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)
Fixed Income Securities				
U.S. Treasuries	\$ 168,844	\$ 168,844	\$ -	\$ -
U.S. Agencies	71,199	-	71,199	-
Commercial Paper	112,930	-	112,930	-
Govt Asset and Mortgage Backed	42,903	-	42,903	-
Collateralized Mortgage Obligations				
Govt CMO's	4,369	-	4,369	-
Corporate CMO's	4,575	-	4,575	-
Corporate Bonds	86,861	-	85,196	1,665
Corporate Asset Backed	19,961	-	19,961	-
Private Placements	53,405	-	53,405	-
Repurchase Agreements	15,700	-	15,700	-
Non US Govt/Corp Bonds	12,568	-	12,568	-
Municipal Bonds	6,879	-	6,879	-
Mutual/Commingled Funds	66,556	1,203	623	64,730
Total Fixed Income Securities by Fair Value Level	\$ 666,750	\$ 170,047	\$ 430,308	\$ 66,395
Investments Measured at the Net Asset Value (NAV)				
Private Equity	\$ 128,832			
Total Investments Measured at NAV	\$ 128,832			
Total Investments Measured by Fair Value	\$ 795,582			

Investments measured at the NAV per share (or its equivalent) are as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Private Equity	\$ 128,832	\$ 108,350	N/A	N/A

Private equity - The funds in this category invest in the following types of investments in venture capital firms with specific ties to the State: venture capital, mezzanine, private equity, private credit, venture debt, buyout or growth equity. Private Equity investments are illiquid and long-term in nature. They are typically carried at cost and returns have not been realized. These investments cannot be redeemed during the life of the partnership; however, they may be able to be transferred to another eligible investor. Distributions will be received as the underlying investments of the funds are liquidated over time. There are unfunded commitments of \$108 million in this category. The fair value of this

investment has been estimated using the NAV per share (or its equivalent) provided by the fund manager.

TrustIndiana, Local Government Investment Pool (Custodial Fund)

Investment Policy

Indiana Code, Title 5, Article 13, Chapter 9, Section 11 established the local government investment pool (TrustIndiana) within the office and custody of the Treasurer of State. The Treasurer of State shall invest the funds in TrustIndiana in the same manner,

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

Valuation of Investments

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

The following is a summary of the Interest Rate Risk Disclosure as of June 30, 2023:

Investment Type	Fair Value	Investment Maturities	
		Less than 1	
Fixed Income Securities			
Commercial Paper	\$ 903,688	\$	903,688
Repurchase Agreements	9,071		9,071
Money Market Mutual Funds	225,569		225,569
Total	\$ 1,138,328	\$	1,138,328

Custodial Credit Risk

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

At June 30, 2023, the balance of all bank deposits were covered in full by federal depository insurance or by the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

Investment Custodial Credit Risk – The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Investments are

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

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates, TrustIndiana is generally limited to investing in commercial paper with a stated maturity of not more than 270 days and other securities with a stated maturity of not more than two years after the date of purchase or entry into a repurchase agreement, as defined by TrustIndiana's investment policy and Indiana Code. TrustIndiana is permitted to invest in securities with a stated maturity of more than two years but no more than five years, provided such investments in this group comprise no more than 25% of the total portfolio available for investment.

exposed to custodial credit risk if the securities are uninsured and unregistered and are either held by the counterparty's trust department or agent, but not in the name of the State of Indiana. None of the State's investments are exposed to custodial credit risk because they are held in the name of the TrustIndiana. Additionally, the Treasurer of State requires all custodians to indemnify the State against all out-of-pocket expenses or losses incurred as a result of (i) the custodian's operational failure, (ii) custodians' failure to carry out the credit analysis, (iii) custodian's failure to maintain proper collateral for each loan, or (iv) failure of an approved counterparty to comply with its obligations under the applicable securities lending agreement.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its

obligations. TrustIndiana limits its investments in any one issuer to the highest rating category issued by one nationally recognized statistical rating organizations.

The following table provides information on the credit quality ratings for investments in TrustIndiana as of June 30, 2023. Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality. The following table reflects the greatest risk rating (the credit rating reflecting the greatest degree of risk) as set by three nationally recognized rating organizations for each type of investment, not exempt from disclosure, in TrustIndiana.

Investment Type	Greatest Risk	
	Ratings	Fair Value
Repurchase Agreements	A1	\$ 9,071
Commercial Paper	A1	903,688
Money Market Mutual Funds	AAA	225,569
Total		\$ 1,138,328

Concentration of Credit Risk

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

At June 30, 2023, there were no investments in any one issuer, not exempt from disclosure that represents 5% or more of the total investments.

Foreign Currency Risk

Foreign currency risk is the risk that changes in the exchange rates will adversely affect the fair value of an investment or a deposit. TrustIndiana's investment policy prohibits investment in foreign investments, thus there was no foreign currency risk.

Securities Lending

The Treasurer of State is authorized by Indiana Code 5-13-10.5-13 to lend securities. Securities may be lent

under an agreement which requires the loaned securities to be collateralized in the form of (1) cash or (2) interest bearing obligations that are issued by, fully insured by, or guaranteed by the United States, an agency of the United States, a federal instrumentality, or a federal government sponsored enterprise, in an amount at least equal to 102% of the current fair value of the loaned securities. The net income earned through securities lending is recorded as additional income to the Pool. As of June 30, 2023, there were no securities on loan and therefore, no credit risk exposure

Fair Value Measurement

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

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

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

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

The money market mutual funds are valued at the daily closing price as reported by the funds and are deemed to be actively traded, thus classified as Level 1 of the fair value hierarchy. The commercial paper and repurchase agreements classified in Level 2 of the fair value hierarchy are valued using other observable inputs other than quoted prices in an active market. TrustIndiana did not invest in any level 3 securities during the year ended June 30, 2023.

The following table summarizes the valuation of the TrustIndiana's investments by the fair value hierarchy levels as of June 30, 2023:

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)
Fixed Income Securities			
Commercial Paper	\$ 903,688	\$ -	\$ 903,688
Repurchase Agreements	9,071	-	9,071
Money Market Mutual Funds	225,569	225,569	-
Total	\$ 1,138,328	\$ 225,569	\$ 912,759

Pension and Other Employee Benefit Trust Funds

State Police Pension Fund

Investments of the State Police Pension Trust are combined in a co-invested internal investment pool known as the Group Trust Fund and held by the Treasurer of the State of Indiana. The State Police Retirement Fund (SPRF) via the Indiana State Police Pension Trust owns approximately 75.39% of the fair value of the assets in the Pool as of June 30, 2023. The remaining assets are owned by the trusts that make up the State Police Retiree Health Benefit Trust Fund which is reported as part of the State Employee Retiree Health Benefit Trust Fund (see note IV(A) State Employee Retiree Health Benefit Trust Fund-DB). The following table summarizes the allocation of the internal investment pool as of June 30, 2023:

Fund	Allocation %	Fair Value
State Police Retirement Fund	75.39%	\$ 566,164
State Police Plan - RHBT	24.61%	184,790
Total Internal Investment Pool		<u>\$ 750,954</u>

A summary of the investment holdings reported by the Group Trust Fund at fair value by asset type is as follows on June 30, 2023:

Asset Type	Fair Value
Cash and cash equivalents	26,122
Corporate bonds	32,940
Collateralized mortgage obligations	91
Private placements	243
Municipal bonds	4,006
U.S. government mortgage backed	221
U.S. treasuries	7,045
U.S. Agencies	84
Domestic equity	94,535
International equity	18,142
Mutual funds	103,279
Commingled fixed income/equity funds	277,394
Hedge funds	72,793
Private equity	114,059
Total internal investment pool	<u>\$ 750,954</u>

The net assets of the Pool are reported on the Statement of Fiduciary Net Position as follows on June 30, 2023:

Investment in internal investment pool	\$ 566,164
Interest receivable	378
Total State Police Retirement Fund	<u>\$ 566,542</u>

The disclosures that follow for investments are reported with respect to the State Police Pension Trust's position in the internal investment pool.

Investment Policy

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

Subject to the provisions of IC 10-12-2, the Trustee, with the approval of the Indiana State Police Department and the Pension Advisory Board, shall invest the Group Trust Fund assets with the same care, skill, prudence, and diligence, that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims. The Trustee shall also diversify such investments in accordance with prudent investment standards. There is no formal deposit policy other than compliance to State statute. The Trustee shall maintain a written investment policy governing the investment and reinvestment of the Group Trust Fund.

The following was the Group Trust's adopted asset allocation policy as of June 30, 2023:

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

Credit Risk

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

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

Investment Type	Greatest Risk	
	Ratings	Fair Value
U.S. Government Mortgage Backed	AA	\$ 166
U.S. Agency Collateralized Mortgage Obligations	AA	63
Corporate Bonds	NR	68
	AA	135
	A	2,377
	BBB	8,365
	BB	1,439
	B	809
	CCC	193
	NR	11,517
Private Placements	AA	48
	BBB	135
Municipal Bonds	AAA	140
	AA	1,730
	A	1,075
	BBB	76
Commingled Fixed Income	NR	41,909
Total		\$ 70,245

Custodial Credit Risk

Deposits – The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover

collateral securities that are in the possession of an outside party.

At June 30, 2023, the balance of the State Police Pension Trust deposits was covered in full by federal depository insurance or by the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

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

Method Used to Value Investments

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

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's

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

At June 30, 2023, investments in one mutual fund and five commingled fixed income / commingled equity funds each represented 5 percent or more of the total investments.

The following table provides the interest rate risk disclosure for the Indiana State Police Pension Trust's position in the Pool:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 - 5	6 - 10	More than 10
U.S. Treasuries	\$ 5,312	\$ 560	\$ 3,797	\$ 955	\$ -
U.S. Agencies	63	-	63	-	-
U.S. Government Mortgage Backed Collateralized Mortgage Obligations	166	-	6	149	11
Corporate Bonds	24,835	11,858	7,847	4,460	670
Private Placements	183	-	135	48	-
Municipal Bonds	3,021	247	2,332	442	-
Commingled Fixed Income Funds	41,909	41,909	-	-	-
Total	\$ 75,557	\$ 54,574	\$ 14,180	\$ 6,122	\$ 681

Rate of Return

For the year ended June 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was a gain of 5.67%. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amount actually invested.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The Group Trust's foreign currency exposure is focused primarily in international and global equity holdings. As of June 30, 2023, the Trust did not have any investments held in foreign currencies, as such no exposure to foreign currency risk.

Securities Lending

The Treasurer of State is authorized by Indiana Code 5-13-10.5-13 to lend securities. Securities may be lent only if the agreement under which the securities

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investments. The Group Trust's policy for controlling its exposure to interest rate fluctuations should be viewed with the appropriate perspective. A long-term strategy was employed to achieve the Trust's objectives, but there was consideration given to the short-term liquidity needs to meet disbursements required by the Fund. The asset allocation and investment manager structure was designed to tolerate some interim fluctuations in fair value while maintaining a long-term return objective to exceed the actuarial assumed interest rate of 6.25%.

are lent is collateralized by (1) cash or (2) non-cash collateral if the State is indemnified by the custodian holding the non-cash collateral, in excess of the total fair value of the loaned securities. The fair value of the required collateral must be in an amount at least equal to 102% of the current fair value of the loaned securities.

As of June 30, 2023, the Group Trust did not have any securities on loan and therefore, no credit risk exposure.

Fair Value Measurement

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

level) of the fair value hierarchy are defined as follows:

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

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

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

If the fair value is measured using inputs from different levels in the fair value hierarchy, the measurement should be categorized based on the lowest priority level input that is significant to the valuation. The Trust's assessment of significance of a particular input to the fair value measurement in its entirety required judgment and considers factors specific to the investment. Investments measured at

fair value using net asset value per share (or equivalent) as a practical expedient to fair value are not classified in the fair value hierarchy; however, separate disclosures for these investments are required.

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

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

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

The following table summarizes the valuation of the State Police Pension Trust's proportion of investments in the Pool by the fair value hierarchy levels as of June 30, 2023:

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)
Fixed Income Investments			
U.S. Treasuries	\$ 5,312	\$ 5,312	\$ -
U.S. Agencies	63		\$ 63
U.S. Government Mortgage Backed	166	-	166
Collateralized Mortgage Obligations	68	-	68
Corporate Bonds	24,835	11,517	13,318
Private Placements	183	-	183
Municipal Bonds	3,021	-	3,021
Total Fixed Income Investments	33,648	16,829	16,819
Equity Investments			
Domestic Equity	71,272	71,272	-
International Equity	13,678	13,678	-
Mutual Funds	77,865	77,865	-
Total Equity Investments	162,815	162,815	-
Total Investments by Fair Value	\$ 196,463	\$ 179,644	\$ 16,819
Investment measured at the Net Asset Value (NAV)			
Commingled Fixed Income / Equity Funds	209,134		
Multi-Strategy Hedge Funds	54,881		
Private Equity	85,992		
Total Investments measured at NAV	350,007		
Total Investments measured by Fair Value	\$ 546,470		

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

	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Commingled fixed income / equity funds	\$ 209,134	\$ -	Daily	1 day
Private equity	85,992	7,799	N/A	N/A
Multi-strategy hedge funds	54,881	3,524	Semi-Annually	95 days
Total investments measured at the NAV	\$ 350,007	\$ 11,323		

Commingled Fixed Income/Commingled Equity – There are 5 fixed income or equity funds which are considered to be commingled in nature. Each are valued at the net asset value of the units held at the end of the period based upon fair value of the underlying securities.

Private Equity - Consisting of 14 private equity funds, this strategy invests across a range of strategies, geographies, and industries. These underlying portfolio company investments cannot be redeemed with the funds, but rather the funds will make distributions of capital to the Trust as the funds sell the underlying portfolio company investments.

Multi-Strategy Hedge Funds – This type invests in 9 hedge funds that are comprised of investments across hedge fund strategies. Four broad categories are, equity hedge, event driven, macro, and relative value. “Multi” references the multiple underlying sub-strategies within each category.

State Employee Retiree Health Benefit Trust Fund-DB

Investment Policy

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

The State Police Retiree Health Benefit Trust Fund consists of a section 401(h) trust and a section 115 trust, both established pursuant to the Internal Revenue Service and are separate accounts established for the purpose of paying benefits for sickness, accident, hospitalization, and medical expenses. The assets in this fund may be co-invested for investment purposes only with the other accounts of the Indiana State Police Pension Fund. The investment authority for these funds, is established under Indiana Code IC 5-10-8-6 and 10-12-2-2.

IC 10-12-2-2 reads as follows:

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

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

Notwithstanding IC 5-13, the treasurer of state shall invest the money in these trust funds not currently needed to meet the obligations of the trust fund in the same manner as money may be invested by the Indiana State Police Pension Trust under IC 10-12-2-2. The trustee shall also comply with the prudent investor rule set forth in IC 30-4-3.5.

Investments of the State Police Retiree Health Benefit Trust Fund are combined in a co-invested internal investment pool known as the Group Trust Fund and held by the Treasurer of the State of Indiana. The State Police Retiree Health Benefit Trust Fund owns approximately 24.61%. The remaining assets belong to the State Police Pension Trust. The following chart summarizes the allocation of the internal investment pool as of June 30, 2023:

Fund	Allocation %	Fair Value
State Police Retirement Fund	75.39%	\$ 566,164
State Police Plan - RHBT	24.61%	184,790
Total Internal Investment Pool		<u>\$ 750,954</u>

A summary of investment holdings reported by the Group Trust Fund at fair value by asset type is as follows on June 30, 2023

Asset Type	Fair Value
Cash and cash equivalents	26,122
Corporate bonds	32,940
Collateralized mortgage obligations	91
Private placements	243
Municipal bonds	4,006
U.S. government mortgage backed	221
U.S. treasuries	7,045
U.S. Agencies	84
Domestic equity	94,535
International equity	18,142
Mutual funds	103,279
Commingled fixed income/equity funds	277,394
Hedge funds	72,793
Private equity	114,059
Total internal investment pool	<u>\$ 750,954</u>

The disclosures that follow for investments are reported with respect to the State Police Retiree Health Benefit Trust Fund's position in the Group Trust Fund's internal investment pool.

An investment Policy Statement for the State Police Retiree Health Benefit Trust Fund has been adopted by the Treasurer of State, the State Police Department, and the State Police Pension Board. The Investment Policy Statements are written in conformity with the applicable investment statutes and in accordance with prudent investment standards. There is no formal deposit policy other than compliance to State statute. State statute does not establish any parameters or guidelines related to the concentration of investment risk, investment credit risk, nor interest rate risk. The Investment Policy Statement establishes target asset allocations and investment structures based on the Fund's objectives with consideration given to risk tolerances, performance expectations, and liquidity requirements

The State Personnel Plan Trust Fund and the Conservation and Excise Police Trust Fund were established pursuant to HEA 1123 of the 2012 Indiana General Assembly. These trust funds were created to provide for the prefunding of annual required contributions and for covering the OPEB liability of covered individuals.

The SPP Trust Fund is administered by the State Personnel Department. The investment authority for the SPP Trust Fund is established under IC 5-10-8-7(i)(2).

IC 5-10-8-7(i) reads as follows:

Notwithstanding IC 5-13, the treasurer of state shall invest the money in the trust fund not currently

needed to meet obligations of the trust funds in the same manner as money may be invested by the public employees' retirement fund under IC 5-10.3-5. However, the trustee may not invest the money in the trust in equity securities. The trustee shall also comply with the prudent investor rule set forth in IC 30-4-3.5.

An Investment Policy Statement for the SPP Trust Funds has been adopted by the Treasurer of State. The Investment Policy Statements are written in conformity with the applicable investment statutes and in accordance with prudent investment standards. There is no formal deposit policy other than compliance to State statute. State statute does not establish any parameters or guidelines related to the concentration of investment risk, investment credit risk, nor interest rate risk. The Investment Policy Statement establishes target asset allocations and investment structures based on the Fund's objectives with consideration given to risk tolerances, performance expectations, and liquidity requirements.

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

The Conservation and Excise Police Trust Funds are administered by the Department of Natural Resources and the Alcohol and Tobacco Commission. The investment authority for the CEP Trust Funds is established under IC 5-10-8-6(d), as defined above. An Investment Policy Statement for the Conservation and Excise Police Trust Funds has been adopted by the Treasurer of State. The Investment Policy Statements are written in conformity with the applicable investment statutes and in accordance with prudent investment standards. There is no formal deposit policy other than compliance to State statute. State statute does not establish any parameters or guidelines related to the concentration of investment risk, investment credit risk, nor interest rate risk. The Investment Policy Statement establishes target asset allocations and investment structures based on the Fund's objectives with consideration given to risk tolerances, performance expectations, and liquidity requirements.

Interest Rate Risk

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

The following is a combined summary of the Interest Rate Risk Disclosure for all State Retiree Health Benefit Trust Funds-DB as of June 30, 2023:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 - 5	6 - 10	More than 10
U.S. Treasuries	\$ 9,917	\$ 2,680	\$ 1,240	\$ 2,592	\$ 3,405
U.S. Agencies	21	-	21	-	-
Government Asset & Mortgaged Backed Securities	5,675	-	2,651	2,853	171
Corporate Asset & Mortgage Backed Securities	6,010	29	4,863	969	149
Collateralized Mortgage Obligations	22	-	-	22	-
Corporate Bonds	24,670	4,940	9,049	3,109	7,572
Municipal Bonds	2,403	81	1,287	579	456
Mutual Funds	11,166	11,166	-	-	-
Private Placements	60	-	44	16	-
Commingled Fixed Income Funds	13,679	13,679	-	-	-
Exchange-Traded Funds (EFT)	6,634	6,634	-	-	-
Money Market Mutual Funds	4,081	4,081	-	-	-
Total Fixed Income Securities	\$ 84,338	\$ 43,290	\$ 19,155	\$ 10,140	\$ 11,753

*State Police Retiree Health Benefit Trust Funds are reported based on their position in the internal investment pool

Custodial Credit Risk

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

At June 30, 2023, the balance of any bank deposits was covered in full by federal depository insurance or by the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

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

Credit Risk

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

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

Investment Type	Greatest Risk	
	Ratings	Fair Value
US Agencies	AA	\$ 21
Gov Asset & Mortgage Backed	AA	5,675
Corp Asset & Mortgage Backed	AAA	5,832
	A	178
Collateralized Mortgage Obligations	NR	22
Corporate Bonds	AAA	1,077
	AA	1,554
	A	6,830
	BBB	10,653
	BB	470
	B	264
	CCC	63
	NR	3,759
Municipal Bonds	AAA	936
	AA	1,091
	A	351
	BBB	25
Mutual Funds Fixed	NR	11,166
Private Placements	AA	16
	BBB	44
Commingled Fixed Income	NR	13,679
Exchange-Traded Funds	BBB	3,358
	BB	3,276
Money Market Mutual Funds	NR	4,081
Total		\$ 74,421

*State Police Retiree Health Benefit Trust Funds are reported based on their position in the internal investment pool

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer representing 5% or more of the total investments. The only exemptions from disclosures are US Government Debt, US Government Guaranteed Investments, Mutual Funds, or External Investment Pools. Each of the three funds (ISP, SPP and CEP) have retained investment managers to implement a specific investment style and strategy to adhere to the specific limitations on holdings outlined in their Investment Policy Statements.

At June 30, 2023, investments in one mutual fund and five commingled fixed income/commingled equity funds each represented 5% or more of the total investments or fiduciary net position of the combined State Retiree Health Benefit Trust Fund - DB.

Rate of Return

For the year ended June 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, for the three OPEB plans administered through trusts was: SPP 2.5%, ISPP 6.7%, and CEPP 7.3%.

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

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit.

As of June 30, 2023, there were no deposits or investments denominated in foreign currencies, thus there was no foreign currency risk.

Securities Lending

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

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

Fair Value Measurement

The State Retiree Health Benefit Trust – DB funds

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

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

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

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

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

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

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

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

Disclosures that follow include State Police Retiree Health Benefit Trust investments, which are held in the Group Trust internal investment pool. These investments are reported with respect to their position in the Pool.

The following table summarizes the valuation of the State Retiree Health Benefit Trust – DB investments by the fair value hierarchy levels as of June 30, 2023:

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)
Fixed Income Securities				
U.S. Treasuries	\$ 9,917	\$ 1,734	\$ 8,183.00	\$ -
U.S. Agencies	21	-	21.00	-
Government Asset & Mortgage Backed	5,675	-	5,675	-
Corporate Asset & Mortgage Backed	6,010	-	6,010	-
Collateralized Mortgage Obligations	22	-	22	-
Corporate Bonds	24,670	3,759	20,911	-
Municipal Bonds	2,403	-	2,403	-
Mutual Funds	11,166	-	11,166	-
Private Placements	60	-	60	-
Exchange-Traded Funds	6,634	-	6,634	-
Money Market Mutual Funds	4,081	700	3,381	-
Total Fixed Income Securities	70,659	6,193	64,466	-
Equity Investments				
Domestic Equity	23,263	23,263	-	-
International Equity	4,464	4,464	-	-
Mutual Funds	43,526	25,414	18,112	-
Other Equity Investments	2,893	-	-	2,893
Total Equity Investments	74,146	53,141	18,112	2,893
Total Investments by Fair Value Level	144,805	\$ 59,334	\$ 82,578	\$ 2,893
Investments Measured at Net Asset Value (NAV)				
Commingled Fixed Income	68,260			
Hedge Funds	17,912			
Private Equity	28,067			
Total Investments Measured at NAV	114,239			
Total Investments by Fair Value	\$ 259,044			

*State Police Retiree Health Benefit Trust Funds are reported based on their position in the internal investment pool

The valuation methods for the State Police Retiree Health Benefit Trust's portion of pooled investments measured at the NAV per share (or its equivalent) are described below:

	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Commingled Fixed Income / Equity Funds	\$ 68,260	\$ -	Daily	1 day
Private Equity	28,067	2,546	N/A	N/A
Multi-Strategy Hedge Funds	17,912	1,150	Semi-Annually	95 days
Total investments measured at the NAV	\$ 114,239	\$ 3,696		

Commingled Fixed Income/Commingled Equity – There are 5 fixed income or equity funds in the Pool which are considered to be commingled in nature. Each are valued at the net asset value of the units

held at the end of the period based upon fair value of the underlying securities.

Private Equity – Consisting of 14 private equity funds

in the Pool, this strategy invests across a range of strategies, geographies, and industries. These underlying portfolio company investments cannot be redeemed with the funds, but rather the funds will make distributions of capital to the Pool as the funds sell underlying portfolio company investments.

Multi-Strategy Hedge Funds – This type invests in 9 hedge funds that are comprised of investments across hedge fund strategies. Four broad categories are equity hedge, event driven, macro, and relative value. “Multi” references the multiple underlying sub-strategies with each category.

Hoosier START Deferred Compensation Plan and Deferred Compensation Matching Plan

The State of Indiana Public Employee Deferred Compensation Plan (the Plan), doing business as (d/b/a) Hoosier START is a defined contribution multiple-employer pension plan for all state employees as well as the employees of participating local political subdivisions. The Plan is comprised of two legally separate retirement plans - the Deferred Compensation Plan (the “457 Plan”) for state employees and local political subdivisions and the Deferred Compensation Matching Plan (the “401a Plan”) for state employees and local political subdivisions. Each plan is reported as a separate fiduciary activity in the fiduciary financial statements. Below is a summary of the investments in each plan:

Fund	Fair Value
Deferred Compensation Plan	\$ 1,434,393
Deferred Compensation Matching Plan	194,671
	<u>\$ 1,629,064</u>

Investment Policy

The purpose of this Investment Policy Statement (IPS) is to reflect the overall investment objectives of the Plans, the methodology for choosing and overseeing the investments, and the evaluation measures used to evaluate the Plans’ investments. The Plans’ investment program is defined in the various sections of the IPS by:

- Stating in a written document the Indiana Deferred Compensation Committee’s (hereafter the “Committee”) objectives, and guidelines in the investment of all Plans’ assets. The five-member Committee is established under the Indiana Code 5-10-1.1-4.
- Encouraging effective communications between the Committee, the Investment Consultant, the Investment Managers, and the participants.

- Setting forth an investment structure for managing all Plans’ assets. This structure includes various asset classes and investment management styles. The Plans intend to provide an appropriate range of investment options that will span the risk/return spectrum.
- Establishing the criteria and procedures for selecting investment options and Investment Managers.
- Establishing formalized criteria to monitor, evaluate and compare the performance results achieved by the Investment Managers on a regular basis.
- Demonstrate that the Committee is fulfilling its fiduciary responsibilities in the management of the investments of the Plans solely in the interests of participants and beneficiaries of the Plans.
- Conform to best practices of peers and as indicated in leading policy standards recommended by the Uniform Management of Public Employee Retirement Systems Act, the Uniform Prudent Investor Act, and the Public Pension Systems Statements of Key Investment Risks and Common Practices to Address Those Risks.

The Committee, with the assistance of the Investment Consultant, has chosen to adopt a structure that provides:

- Target Date Options - offer a diversified and professionally managed option designed around a specific time horizon.
- Core Investment Options - include the basic building blocks (broad asset classes) participants need to create a diversified portfolio.
- Specialty/Legacy Options - allow participants to invest in options beyond the selected Core Investment Options.

Credit Risk

The investment policy statement documents the Stable Value Fund Credit Quality Minimums and Other Credit Quality information as follows:

Credit Quality Minimum:

- Agency MBS (AAA)
- Non-Agency MBS (AAA)
- CMBS (AAA)
- Corporates (BBB-)
- ABS (AAA)
- 20% Minimum in Cash and Government debt

Other Credit Quality:

- Portfolio Credit Quality Minimum AA-
- A minimum of 2 credit rating agencies (Moody's, S&P, and Fitch) must rate all securities.
- In the event of 2 split rated securities, the lower rating will be used. In the event of 3 split ratings, the middle rating will be used.

Custodial Credit Risk

Custodial credit risk for investments is a risk if the securities are uninsured, are not registered in the name of the Plan, and are held by either the counterparty or the counterparty's trust department or agent, but not in the name of Plan. Investment managers are not allowed, under any circumstances, to take possession, custody, title, or ownership of any managed assets.

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. Following is a listing of each of the four Plan's investments with single issuers in excess of 5 percent of fiduciary net position and 5 percent of total investments in each plan as of December 31, 2022:

For the overall plan assets, the following issuers represented over 5% of total plan asset holdings:

<u>Issuer</u>	<u>Amount</u>
State Street	\$560,246
Indiana Stable Value Fund	337,329
Vanguard	175,816
T. Rowe Price	103,478
Bank of New York	131,790
Fidelity	93,571
American Funds	82,964

Interest Rate Risk

From the Investment Policy Statement, the following limits include all quality and duration guidelines and serve as the foundation for account management for the Stable Value Fund:

- Duration - Total Portfolio Duration of less than 4 years
- 144a Securities - 144a Securities must have Reg Rights and 144a max 20%
- Maximum Sector Allocations
 - FNMA agency debt 5%
 - FHLMC agency debt 5%
 - Foreign government debt 10%,

Corporate debt not issued in the US
10%

- Other agency debt (non-FNMA, FHLMC 5%)
- TIPS 20%
- US government guaranteed bank debt 20%
- Commercial Paper 25%
 - Asset-backed CP 10%
 - Corporate CP 25%
- Agency MBS 50%
- Non-Agency MBS 10% (Alt-A max 5% and prime max 10%)
- CMBS 20% (20% super senior max, 5% mezzanine max)
- Corporates 40%
 - Industrials 20%
 - Utilities 20%
 - Financials 20%
- Corporates rated BBB+ and below 25%
- ABS 30%
- Maximum combination of Non-Agency MBS, Corporates, CMBS, & ABS 50%
- Max allocation to a single issue 2%
- Max allocation to a single issuer 3%

Security Restrictions

- No Home Equity Loans
- No Non-Agency Sub Prime or Option ARM Debt
- No US Government Agency Subordinated Debt
- All debt must be denominated in USD
- Securities have a maximum maturity of 31 years
- WAL of any CMBS security cannot exceed 10 years

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The Plan invests in multiple equity funds which hold underlying investments in mostly large issuers in developed countries with liquid markets.

Fair Value Measurement

Investment oversight and policy oversight of plan assets is the fiduciary responsibility of the Deferred Compensation Committee (Committee). Accordingly, the Committee 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 and limits on all types of investments and take other actions necessary to fulfill its duty as a fiduciary for all assets under its control. The Plan has adopted an investment option structure that provides target date options, core investment options, and specialty/legacy options.

Fair value is defined as the price that would be received by the Plan for an asset or paid by the Plan to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date in the Plan's principal or most advantageous market for the asset or liability. There has been established a fair value hierarchy which requires the Plan to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The hierarchy places the highest priority on unadjusted quoted market prices in active markets for identical assets or liabilities (Level 1 measurements) and gives the lowest priority to unobservable inputs (Level 3 measurements). The three levels of inputs within the fair value hierarchy are defined as follows:

Level 1 Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Plan has the ability to access as of the measurement date.

Level 2 Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 Significant unobservable inputs that reflect the Plan's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In some cases, a valuation technique used to measure fair value may include inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

The following descriptions of the valuation methods and assumptions used by the Plan to estimate the fair value of investments apply to investments held directly by the Plan:

Mutual funds: The fair values of mutual fund investments are determined by obtaining quoted

prices on nationally recognized securities exchanges (Level 1 inputs). Mutual funds include U.S. equity funds, U.S. fixed income funds, and international equity funds.

For other investments for which there is no active market, the Plan uses the net asset value (NAV) as such investments have significant unobservable valuation inputs and are excluded from the valuation hierarchy. These investments include:

Collective trust funds: This investment type includes multiple funds. Share prices/NAV reported on plan summary reports are generally obtained directly from the fund house or other investment provider. The collective trust funds include a variety of investment choices that are diversified across a range of risk levels, assets classes, and investment strategies in order to accommodate the varying levels of needs and risk tolerance of plan participants in constructing portfolios to meet their financial goals.

Stable value fund: The Stable Value Fund holds guaranteed investment contracts (GICs) with insurance companies at contract value and wrapped managed fixed income portfolios. 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. Share prices reported on plan summary reports are generally obtained directly from the fund house or other investment provider. As of December 31, 2022, the Stable Value Fund portfolio consists of a money market fund, a managed income fund, and a stable value wrap with a fair value of \$318.2 million, which was \$16.9 million less than the fair value protected by the wrap contract.

The Stable Value Fund utilizes two fully benefit-responsive synthetic guaranteed investment contracts (GICs). A guaranteed investment contract (GIC) is a contract between an insurance company and an investor, typically a pension fund or an employer-sponsored retirement plan. The investor agrees to deposit a sum of money with the insurer for a specified period of time, and the insurer promises to pay the investor an agreed-upon interest rate, as well as to return its principal.

There were no unfunded commitments or redemption notice periods for investments measured at net asset value. There were no changes in 2022 to Plan investment options.

The following table summarizes the valuation of the Hoosier Start's investments by the fair value hierarchy levels as of December 31, 2022.

<u>Investment Type</u>	<u>December 31, 2022</u>	<u>Fair Value Measurements Using</u>
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>
Equity Investments		
Mutual Funds	\$ 496,221	\$ 496,221
Total Investments by Fair Value	496,221	\$ 496,221
Investment Measured at the Net Asset Value (NAV)		
Collective trust funds	795,514	
Investments Not Subject to Fair Value		
GICs at contract value	337,329	
Total Investments	\$ 1,629,064	

Indiana Public Retirement System (INPRS)

Investment Guidelines and Limitations

Oversight of INPRS assets is the fiduciary responsibility of the INPRS Board. As stated in IC 5-10.3-5-3 (a) and IC 5-10.4-3-10 (a) "The Board shall invest its assets with the care, skill, prudence, and diligence that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims." Accordingly, the INPRS Board must sufficiently 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 the contribution rates.

Indiana law permits the INPRS 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 INPRS Board, includes target asset allocations and allowable ranges that are expected to meet rates of return over a period while minimizing risk.

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

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 the 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%.

Global Asset Classes	Target Allocation - %	Target Range - %
Public Equity	20	17.0-23.0
Private Markets	15	10.0-20.0
Fixed Income - Ex Inflation - Linked	20	17.0-23.0
Fixed Income - Inflation - Linked	15	12.0-18.0
Commodities	10	7.0-13.0
Real Estate	10	5.0-15.0
Absolute Return	5	0.0-10.0
Risk Parity	20	15.0-25.0

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

The 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.

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 on defined benefit pension trust fund investments are as follows:

Defined Benefit Pension Trust Funds	Annual Money Weighted Rate of Return
Public Employees' Defined Benefit Account	2.5%
Teachers' Pre-1996 Defined Benefit Account	4.0%
Teachers' 1996 Defined Benefit Account	2.5%
1977 Police Officers' and Firefighters' Retirement Fund	2.5%
Judges' Retirement System	2.5%
Excise, Gaming and Conservation Officers' Retirement Fund	2.5%
Prosecuting Attorneys' Retirement Fund	2.5%
Legislators' Defined Benefit Fund	2.4%

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, \$466.6 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.

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.

Method Used to Value Investments

Public Equity investments are comprised of domestic and international stocks as well as commingled equity instruments. Equity securities traded on a national or international exchange are valued at the official closing price or last reported sales price of the instrument. International equities are then adjusted to reflect the exchange rate as of June 30, 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.

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:

Debt Security Type	Fair Vale	% of All Debt Securities	Portfolio Weighted Average Effective Duration (Years)
Short Term Investments			
Short Term Investments Fund	\$ 2,721,881	18.1	0.08
Commercial Paper	3,285	-	0.24
U.S. Treasury Obligations	544,265	3.6	0.13
Non-U.S. Government Short Term	25,374	0.2	0.08
Total Short-Term Investments	3,294,805	21.9	
Fixed Income Investments			
U.S. Governments	5,759,378	38.4	12.16
U.S. Agencies	128,964	0.9	6.29
Non-U.S. Government 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
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	

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.

Credit Rating	Short-Term Investments	Fixed Income Securities	Total	Percentage 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

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 INPRS assets in actively managed portfolios.
- No investment manager shall manage more than 20% of INPRS assets in passively managed portfolios.
- No investment manager will manage more

than 25% of the INPRS assets in a combination of actively and passively managed portfolios.

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.

Investment 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
Romania 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	-
Total	\$ 72,846	\$ 2,926,274	\$ 2,677,102	\$ (1,813,238)	\$ 3,862,984	7.9 %

Securities Lending

The INPRS Board has authorized the custodian to enter into a securities lending program agreement under which securities held by the custodian on behalf of INPRS may be loaned. The purpose of such a program is to provide additional revenue. The policy requires 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.

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

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 triparty 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 fair value 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.

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

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.

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 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.

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. Governments	22,214	-	22,214	-
Commercial Paper	3,285	-	3,285	-
Corporate Bonds	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 Estate	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 (less Securities Lending Collateral)	\$ 48,030,879			

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

	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Commingled Short Term Funds (1)	\$ 173,466	\$ -	Daily	1 day
Commingled Fixed Income Funds (1)	995,340	-	Daily	1 day
Commingled Equity Funds (1)	2,586,176	-	Daily	1 day
Private Markets (2)	6,912,375	3,830,886	Not Eligible	N/A
Real Estate Funds (3)	3,233,819	1,518,807	Quarterly	30-90 days
Absolute Return (4)	3,479,522	331,630	Monthly, Quarterly, Semi-Annually	30-120 days
Risk Parity (5)	7,300,950	-	Daily, Weekly, Monthly	3-5 days
Total	\$ 24,681,648	\$ 5,681,323		

(1) *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.

(2) *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.

(3) *Real Estate Funds* - There are 87 funds invested primarily in U.S. commercial real estate, of which 78 funds are classified as illiquid, or approximately 64% of the value of the real estate fund investments. These funds have underlying portfolio investments that cannot be redeemed with the funds, but rather these funds will make distributions of capital as the funds liquidate their underlying portfolio investments over the average 10-year life of the funds. There are nine real estate 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.

(4) *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.

(5) *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).

Derivative Financial Instruments - Activity

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

Futures

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

Options

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

Swaps

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

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

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	<u>(20,933)</u>	<u>(20,933)</u>	<u>7,920,707</u>
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	<u>(1,046)</u>	<u>14,572</u>	<u>(43,982)</u>
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	<u>(4,157)</u>	<u>(6,851)</u>	<u>2,181,430</u>
Total Derivatives	<u>\$ (26,136)</u>	<u>\$ (13,212)</u>	<u>\$ 10,058,155</u>

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

Swap Type	Swap Maturity Profile at June 30, 2023					
	< 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	<u>\$ -</u>	<u>\$ (7,228)</u>	<u>\$ (419)</u>	<u>\$ (1,966)</u>	<u>\$ 2,762</u>	<u>\$ (6,851)</u>

Derivative Instruments – Risk Management

INPRS's Investment Policy Statement allows derivatives transactions by investment managers who possess recognized expertise in derivative overlay strategies to offset, or hedge, unintended market exposures in underlying funds that remain in

a lock-up period. Direct purchases of physical commodities is prohibited; however, swaps and instruments that constitute a security or authorized derivatives are permitted.

INPRS effectively manages credit risk relating to derivative instruments by following these guidelines:

- To avoid counterparty risk, derivative transactions are executed through the use of listed options and futures traded on registered exchanges, whenever possible. Non-exchange traded options, forwards, or swaps are executed only if the counterparty is rated "A" or better by at least one of the Nationally Recognized Statistical Rating Organizations ("NSRSOs").
- 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:

Swaps Counterparty	S&P Rating	Fair Value			Collateral	
		Receivable (Unrealized Gain)	Payable (Unrealized Loss)	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 loss 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).

Derivative instruments as of June 30, 2023, subject to interest rate risk are:

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
Total			\$ 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 KWDCD 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	3.5% 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
Total			\$ (13,127)	\$ 842,017

B. Interfund Transaction

Interfund Loans

As explained in Note III(A), temporary cash overdrafts in various funds are reported as interfund loans from the General Fund. As of June 30, 2023, the following funds had temporary cash overdrafts covered by loans from the General Fund: U.S.

Department of Health and Human Services Fund, \$554.2 million, U.S. Department of Labor, \$8.4 million, US Department of Homeland Security, \$8.9 million, and Federal COVID-19 Fund, \$77.4 million. Also, reported is an interfund loan from the Fund 6000 Programs Fund to Other Special Revenue Funds for \$5.8 million and a \$1.7 million interfund loan between funds within Other Special Revenue Funds for license fees.

The following is a summary of the Interfund Loans as of June 30, 2023:

	Loans To Governmental Funds	Loans From Governmental Funds
Governmental Funds		
General Fund	\$ 648,875	\$ -
US Department of Health and Human Services	-	554,241
Nonmajor Governmental Funds	7,445	102,079
Total Governmental Funds	<u>656,320</u>	<u>656,320</u>
Total	\$ 656,320	\$ 656,320

Interfund Services Provided/Used

Interfund Services Provided of \$13.2 million represents amounts owed by various governmental

funds to the Institutional Industries Fund and the Administrative Services Revolving Funds, both internal service funds, for goods and services rendered.

The following is a schedule of Interfund Services Provided/Used as of June 30, 2023:

	Interfund Services Provided To Governmental Funds	Interfund Services Used By Governmental Funds
Governmental Funds		
General Fund	\$ -	\$ 8,252
Public Welfare - Medicaid Assistance	-	3
U.S. Department of Health & Human Services	-	1,192
ARPA - Economic Stimulus Fund	-	114
Nonmajor Governmental Funds	-	3,594
Total Governmental Funds	-	13,155
Proprietary Funds		
Internal Service Funds	13,155	-
Total Proprietary Funds	13,155	-
Total	\$ 13,155	\$ 13,155

Due From/Due To Component Units

The interfund balance of \$20.7 million represents the accrued distribution amount from the State Lottery Commission to the Lottery Surplus Fund.

The following is the schedule of Due From/Due To component units, as of June 30, 2023:

	Due From Component Units	Due To Primary Government
Governmental Funds		
General Fund	\$ 20,687	\$ -
Component Units		
State Lottery Commission	-	20,687
Total	\$ 20,687	\$ 20,687

Interfund Transfers

Major Governmental Funds

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

General Fund – \$1.2 billion was transferred in from the Public Welfare Medicaid Assistance Fund. \$385.5 million relates to revenue share, primarily related to the hospital assessment fee. The remaining amount was for return of state match and program reclassifications transferred back to the

Public Welfare Medicaid Assistance Fund. \$360.4 million was transferred in from the State Gaming Fund which was wagering taxes. \$105.3 million was received from the Fund 6000 Programs Fund for General Fund portion of financial institutions tax.

The General Fund transferred money to multiple funds: the Public Welfare Medicaid Assistance Fund received \$3.1 billion in transfers to support the Medicaid program and for program reclassifications transferred back to the Public Welfare Medicaid Assistance Fund. \$451.5 million was transferred to the U.S. Department of Health and Human Services Fund from the General Fund largely for state match related to federal grants.

Public Welfare Medicaid Assistance Fund – The Public Welfare Medicaid Assistance Fund received transfers of \$3.1 billion from the General Fund to support the state Medicaid program which included program reclassifications transferred back to the Public Welfare Medicaid Assistance Fund. \$601.4

million was transferred in from the Indiana Check-Up Plan fund to support the state Medicaid program.

\$1.2 billion was transferred out to the General Fund. \$385.5 million relates to revenue share, primarily related to the hospital assessment fee. The remaining amount was for return of state match and

program reclassifications transferred back to the Public Welfare Medicaid Assistance Fund.

U.S. Department of Health and Human Services Fund – \$451.5 million was transferred to the U.S. Department of Health and Human Services Fund from the General Fund largely for state match related to federal grants.

A summary of interfund transfers for the year ended June 30, 2023 is as follows:

	Transfers in	Transfers out	Net transfers
Governmental Funds			
General Fund	\$ 1,729,418	\$ (3,878,167)	\$ (2,148,749)
Public Welfare-Medicaid Assistance Fund	3,716,340	(1,203,012)	2,513,328
US Department of Health and Human Services Fund	473,327	(38,237)	435,090
Nonmajor Governmental Funds	1,945,155	(2,745,299)	(800,144)
Proprietary Funds			
Internal Service Funds	6,350	(5,875)	475
Total	\$ 7,870,590	\$ (7,870,590)	\$ -

C. Receivables

Primary Government – Governmental Activities

Taxes Receivable/Tax Refunds Payable and long-term receivables as of June 30, 2023, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities			Total Primary Government
	General Fund	Special Revenue Funds	Capital Projects Funds	
Income taxes	\$ 1,567,067	\$ -	-	\$ 1,567,067
Sales taxes	1,197,147	54,691	-	1,251,838
Fuel taxes	-	205,318	-	205,318
Gaming taxes	4,708	17,559	-	22,267
Alcohol and tobacco taxes	40,375	25,983	2,032	68,390
Insurance	472	-	-	472
Financial institutions taxes	-	10,444	-	10,444
Other taxes	8,629	4,119	-	12,748
Total taxes receivable	2,818,398	318,114	2,032	3,138,544
Less allowance for uncollectible accounts	(993,944)	(69,285)	(1)	(1,063,230)
Net taxes receivable	\$ 1,824,454	\$ 248,829	\$ 2,031	\$ 2,075,314
Tax refunds payable	\$ -	\$ 2,996	\$ -	\$ 2,996
Loans receivable	\$ -	269,400	-	\$ 269,400
Opioid settlement receivable	-	194,853	-	194,853
Total long-term receivable	\$ -	\$ 464,253	\$ -	\$ 464,253
Amount not expected to be collected within one year	-	405,384	-	405,384

Primary Government – Business-Type Activities

The accounts receivable amount reported on the financial statements of the Unemployment Compensation fund is comprised of taxes due from Indiana employers (employer receivables) and from benefit overpayments made to Unemployment Insurance recipients (claimant receivables). The Allowance for Doubtful Accounts for employer receivables reflects management's current estimate of amounts that may not be fully collected. The Allowance for Doubtful Accounts for claimant receivables reflects management's estimates for benefits overpayments that will not be collected due to waivers, detected fraud, and the likeliness of normal collection efforts based on historical collection rates. \$115.2 million of net receivables are not expected to be collected within the next year.

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Accounts receivable as of June 30, 2023 is as follows:

Business - Type Activities			
	Total Receivables	Allowance for Doubtful Accounts	Net Receivables
Employer	\$ 325,813	\$ (291,109)	\$ 34,704
Claimant	930,615	(695,217)	235,398
Total receivable	\$ 1,256,428	\$ (986,326)	\$ 270,102

D. Capital Assets

Capital asset activity for the year ended June 30, 2023, was as follows.

Primary Government – Governmental Activities

	Balance, July 1, As restated	Increases	Decreases	Balance, June 30
Governmental Activities:				
Capital assets, not being depreciated/amortized:				
Land	\$ 2,706,613	\$ 72,796	\$ (2,647)	\$ 2,776,762
Right-to-use leased land	36,801	-	-	36,801
Infrastructure	13,153,975	23,166	(13,229)	13,163,912
Development in progress	45,462	31,888	(32,320)	45,030
Construction in progress	1,333,961	638,548	(135,962)	1,836,547
Total capital assets, not being depreciated/amortized	17,276,812	766,398	(184,158)	17,859,052
Capital assets, being depreciated/amortized:				
Buildings and improvements	3,084,762	64,574	(14,459)	3,134,877
Right-to-use leased buildings and improvements	202,518	51,180	(2,446)	251,252
Furniture, machinery, and equipment	720,744	66,884	(39,898)	747,730
Right-to-use leased furniture, machinery, and equipment	450	51	(21)	480
Computer software	946,269	29,486	(9,516)	966,239
Right-to-use subscription-based IT arrangements	38,274	19,695	-	57,969
Infrastructure	35,220	229	(45)	35,404
Total capital assets, being depreciated/amortized	5,028,237	232,099	(66,385)	5,193,951
Less accumulated depreciation/amortization for:				
Buildings and improvements	(1,920,474)	(65,968)	11,740	(1,974,702)
Right-to-use leased buildings and improvements	(24,256)	(31,353)	2,072	(53,537)
Furniture, machinery, and equipment	(490,774)	(46,484)	34,825	(502,433)
Right-to-use leased furniture, machinery, and equipment	(64)	(264)	21	(307)
Computer software	(450,385)	(175,429)	9,111	(616,703)
Right-to-use subscription-based IT arrangements	-	(18,323)	-	(18,323)
Infrastructure	(29,543)	(322)	25	(29,840)
Total accumulated depreciation/amortization	(2,915,496)	(338,143)	57,794	(3,195,845)
Total capital assets being depreciated/amortized, net	2,112,741	(106,044)	(8,591)	1,998,106
Governmental activities capital assets, net	\$ 19,389,553	\$ 660,354	\$ (192,749)	\$ 19,857,158

Primary Government – Business-Type Activities

	Balance, July 1	Increases	Decreases	Balance, June 30
Business-Type Activities:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 606	\$ 38	\$ -	\$ 644
Furniture, machinery, and equipment	543	22	(99)	466
Total capital assets, being depreciated	<u>1,149</u>	<u>60</u>	<u>(99)</u>	<u>1,110</u>
Less accumulated depreciation for:				
Buildings and improvements	(375)	(57)	-	(432)
Furniture, machinery, and equipment	(436)	(29)	54	(411)
Total accumulated depreciation	<u>(811)</u>	<u>(86)</u>	<u>54</u>	<u>(843)</u>
Total capital assets being depreciated, net	<u>338</u>	<u>(26)</u>	<u>(45)</u>	<u>267</u>
Business-type activities capital assets, net	<u>\$ 338</u>	<u>\$ (26)</u>	<u>\$ (45)</u>	<u>\$ 267</u>

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

Governmental activities:	
General government	\$ 41,638
Public safety	56,350
Health	4,819
Welfare	171,798
Conservation, culture and development	24,289
Education	7,915
Transportation	<u>31,334</u>
Total depreciation/amortization expense - governmental activities	<u>\$ 338,143</u>
Business-type activities:	
Indiana State Park Inns Authority	<u>86</u>
Total depreciation expense - business-type activities	<u>\$ 86</u>

E. Accounts Payable

Accounts Payable as of June 30, 2023 are as follows:

	Vendors payable	Medicaid payable	Salaries and benefits payable	Claims and settlements	Total Accounts Payable
Governmental Activities					
General Fund	\$ 170,566	\$ -	\$ 95,720	\$ -	\$ 266,286
Public Welfare- Medicaid Assistance Fund	322	414,625	81	-	415,028
US Department of Health and Human Services	75,536	271	10,849	-	86,656
ARPA - Economic Stimulus Fund	54,305		77	-	54,382
Non-Major Governmental Funds	858,196		52,654	-	910,850
Total Governmental Funds	<u>1,158,925</u>	<u>414,896</u>	<u>159,381</u>	<u>-</u>	<u>1,733,202</u>
Internal Service Funds	58,617	-	5,105	-	63,722
Adjustment to government -wide	249,469	111,105	-	37,146	397,720
Total	<u>\$ 1,467,011</u>	<u>\$ 526,001</u>	<u>\$ 164,486</u>	<u>\$ 37,146</u>	<u>\$ 2,194,644</u>

F. Leases

The future minimum lease obligations, the net present value of these minimum lease payments as of June 30, 2023 and the assets acquired through leases are as follows:

Future minimum lease payments			
Year ending June 30,	Leases		
	Governmental Activities		
	Principal	Interest	Future Minimum Lease Payments
2024	\$ 31,823	\$ 3,631	\$ 35,454
2025	31,036	3,097	34,133
2026	29,029	2,594	31,623
2027	27,401	2,119	29,520
2028	23,906	1,687	25,593
2029-2033	59,175	4,754	63,929
2034-2038	19,197	1,943	21,140
2039-2043	5,776	862	6,638
2044-2048	3,925	862	4,787
Total minimum lease payments	\$ 231,268	\$ 21,549	\$ 252,817
Assets acquired through leases			
Land	\$ 36,801		
Building	251,252		
Machinery and equipment	480		
less accumulated amortization	(53,844)		
	\$ 234,689		

The State has entered into various lease agreements with aggregate payments of \$20,000 or more to finance the acquisition of buildings, land and equipment. These lease agreements qualify as

leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date in the government-wide statements.

G. Financed Purchases

The state entered into various finance purchase lease agreements to finance IT equipment, vehicles, and construction projects. The underlying assets are used as collateral for the purchase. The future minimum payments under the finance purchase agreements as of June 30, 2023, is as follows:

Future minimum payments			
Year ending June 30,	Financed Purchases		
	Governmental Activities		
	Principal	Interest	Future Minimum Payments
2024	\$ 74,749	\$ 24,540	\$ 99,289
2025	77,626	20,901	98,527
2026	81,432	17,069	98,501
2027	83,504	14,999	98,503
2028	87,481	11,013	98,494
2029-2033	125,305	14,891	140,196
2034-2038	41,142	2,911	44,053
Total minimum payments	\$ 571,239	\$ 106,324	\$ 677,563

No new financed purchase arrangements were entered into in fiscal year 2023.

H. Subscription Based Information Technology Arrangements

The future minimum subscription based IT arrangement (SBITA) obligations, the net present value of these minimum payments as of June 30, 2023 and the assets acquired through SBITAs are as follows:

Future minimum SBITA payments			
Year ending June 30,	SBITAs		
	Governmental Activities		Future Minimum SBITA Payments
	Principal	Interest	
2024	\$ 12,920	\$ 477	\$ 13,397
2025	8,170	319	8,489
2026	4,614	118	4,732
2027	284	6	290
2028	98	1	99
Total minimum SBITA payments	\$ 26,086	\$ 921	\$ 27,007
Assets acquired through SBITAs			
Right-to-use subscription-based IT arrangements	57,969		
less accumulated amortization	(18,323)		
	\$ 39,646		

The state has entered into various SBITAs with aggregate non-variable payments of \$300,000 or more to secure a nonperpetual legal right to one or more software licenses for a period greater than 12 months. These SBITA contracts qualify as SBITAs

for accounting purposes and, therefore, have been recorded at the net present value of the future minimum payments as of the commencement date in the government-wide statements.

I. Long-Term Obligations

Changes in long-term obligations for the primary government for the year ended June 30, 2023 were as follows:

Changes in Long-Term Obligations	Balance, July 1, as Restated			Balance, June 30	Amounts Due Within One Year	Amounts Due Thereafter
	Increases	Decreases				
Governmental activities:						
Compensated absences	\$ 208,234	\$ 155,281	\$ (137,863)	\$ 225,652	\$ 117,153	\$ 108,499
Net pension liability	9,781,677	2,210,488	(1,894,743)	10,097,422	-	10,097,422
Net OPEB liability	46,732	60,850	(48,353)	59,229	-	59,229
Pollution remediation	31,893	1,350	(5,908)	27,335	3,070	24,265
OPEB DC liability	23,401	-	(13,716)	9,685	-	9,685
Financed purchases	644,482	-	(73,243)	571,239	74,749	496,490
Asset retirement obligations	10,874	-	-	10,874	650	10,224
Subscription-based IT arrangements	35,199	11,391	(20,504)	26,086	12,920	13,166
Leases	208,973	51,231	(28,936)	231,268	31,823	199,445
	\$ 10,991,465	\$ 2,490,591	\$ (2,223,266)	\$ 11,258,790	\$ 240,365	\$ 11,018,425
Business-type activities:						
Compensated absences	\$ 826	\$ 422	\$ (281)	\$ 967	\$ 300	\$ 667
Claims liability	22,640	706	(1,022)	22,324	1,012	21,312
	\$ 23,466	\$ 1,128	\$ (1,303)	\$ 23,291	\$ 1,312	\$ 21,979

Long term obligations of governmental activities include lease obligations of governmental funds as presented in Note IV(F), financed purchases liabilities as presented in Note IV(G), Subscription based IT arrangements as presented in Note IV (H), net pension liabilities as presented in Note V(E) (employee retirement systems and plan), other

postemployment benefits as presented in Note V(F), pollution remediation as presented in Note V(G), asset retirement obligations as presented in Note V(H), and compensated absence obligations. The General Fund typically has been used to liquidate any other long-term liabilities.

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

J. Prior Period Adjustments and Reclassification

For the fiscal year ended June 30, 2023, certain changes have been made to the financial statements to more appropriately reflect financial activity of the State of Indiana. These prior period adjustments and restatements are reflected in the beginning net position in the government-wide statement of activities.

In the fund financial statements for the General Fund, there was an increase in fund balance of \$159.5 million and a corresponding decrease in fund balance in the Special Revenue funds due to the reclassification of certain funds.

In the fund statements for the Special Revenue funds and the government-wide statements, net position decreased \$16.4 million due to errors in prior year calculations.

The following schedule reconciles June 30, 2022 net position as previously reported, to beginning net position, as restated:

For the government-wide statements, there is an increase of \$66.3 million in net position for capital assets. This was the result of not capitalizing capital assets by June 30, 2022 that were acquired prior to this date and for corrections to acquisition cost by state agencies. Net position increased \$4.7 million for software projects that were incorrectly reported in the prior year.

Net position in the government-wide statements decreased \$78.6 million due to the implementation of GASB 96 relating to subscription-based information technology arrangements.

In the fiduciary funds, Pension and Other Employee Trust Fund's net position increased \$0.2 million due to the addition of the State Police Death and Disability Fund.

For the discrete component units, net position decreased \$0.5 million due to the implementation of GASB 96 by the State's colleges and universities and GASB 91 by the Indiana Bond Bank.

	<u>Governmental Activities</u>	<u>Internal Service Funds</u>	<u>Fiduciary Funds</u>	<u>Discretely Presented Component Units</u>
June 30, 2022, fund balance/net position as reported	\$ 24,375,964	\$ 225,950	\$ 47,193,001	\$ 21,258,531
Change in accounting principle	(78,586)		-	(535)
Correction of errors	55,518	1,170	179	-
Balance July 1, 2022 as restated	\$ 24,352,896	\$ 227,120	\$ 47,193,180	\$ 21,257,996

V. OTHER INFORMATION

A. Risk Management

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

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

The State does have risk financing activity for state employees' disability, certain state employees' health benefits, conservation and excise officers' health benefits, and certain health, disability and

death benefits for state police officers. These are reported in four individual Internal Service Funds.

The State employees' disability program is financed partially by state employees through payroll withholdings and by the funds from which employees are paid. The employees' health benefits, the conservation and excise health benefits, and the state police traditional health plan are funded by the employees who have selected certain health care benefit packages and the funds from which those employees are paid. An insurance carrier provides claims administration services for the health insurance programs.

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

	State Police Health Insurance Fund	State Employee Disability Fund	State Employees' Health Insurance Fund	Conservation and Excise Officers Health Insurance Fund	Total
2023					
Unpaid Claims, July 1	\$ 3,963	\$ 3,739	\$ 39,543	\$ 737	\$ 47,982
Incurred Claims and Changes in Estimate	27,486	13,507	424,779	3,063	468,835
Claims Paid	(28,128)	(14,293)	(415,354)	(3,142)	(460,917)
Unpaid Claims, June 30	\$ 3,321	\$ 2,953	\$ 48,968	\$ 658	\$ 55,900
2022					
Unpaid Claims, July 1	\$ 3,503	\$ 3,581	\$ 38,613	\$ 799	\$ 46,496
Incurred Claims and Changes in Estimate	26,927	18,033	395,336	3,437	443,733
Claims Paid	(26,467)	(17,875)	(394,406)	(3,499)	(442,247)
Unpaid Claims, June 30	\$ 3,963	\$ 3,739	\$ 39,543	\$ 737	\$ 47,982

B. Contingencies and Commitments

Litigation

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

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

For fiscal year ending June 30, 2023, the State paid \$12.9 million for settlements, judgments, claims and litigation expenses from the Tort Claim Fund. For fiscal year 2024, the Indiana Attorney General's office estimates a total payment for liabilities and litigation expenses of \$6 million to be made from the Tort Claim Fund.

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

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

In 2017, Plaintiff filed a complaint against the Indiana Department of Environmental Management, the Indiana State Department of Health, and the State of Indiana. There are over 100 individual plaintiffs alleging negligence and negligent infliction of emotional distress against the State Defendants and the City of East Chicago, the East Chicago Housing Authority, and the East Chicago Department of Public and Environmental Health, seeking damages for alleged physical and emotional harms caused by their alleged exposure to lead, arsenic, and other contamination while residents at the West Calumet Housing Complex and/or while students at Carrie Gosch Elementary School in East Chicago, Indiana since the late 1990's. The State Defendants filed their answer along with a motion to dismiss. This motion was later found to be moot. State Defendants filed a motion staying discovery pending the outcome of a motion for judgment on the pleadings. That motion was granted. The Motion for Judgment on the Pleadings was filed July 9, 2018. Following further briefing and a hearing, the Motion for Judgment on the Pleadings was denied November 9, 2018. The Order denying the Motion to Dismiss required additional discovery. Initial discovery deadlines were set. The State's Motion to Certify for Interlocutory Appeal was filed on December 10, 2018. A Notice of Appeal was filed April 25, 2019. The parties completed briefing of the matter on appeal. On June 10, 2020, the Indiana Court of Appeals upheld the Trial Court's denial of the Defendants' Motion for Judgment on the Pleadings and remanded the matter for continued proceedings. A case management plan was entered on February 9, 2021. On October 1, 2021, the case was consolidated with a second, substantially similar case for purposes of discovery and pretrial proceedings. Mediation was attempted on May 24, 2023, but was unsuccessful.

Plaintiffs filed for summary judgment on November 8, 2023, seeking to have the Court interpret the meaning of "occurrence" as set forth in the Indiana Tort Claims Act. Defendants filed their response December 8, 2023. A second mediation is set for January 24, 2024. Discovery continues. A pretrial conference is set for May 15, 2025. All party depositions shall be completed by February 5, 2025. Dispositive motions shall be filed by April 15, 2025.

In 2021, Plaintiffs filed a complaint against Department of Child Services employees and a doctor who performed an abuse/neglect assessment on Plaintiffs' minor children. Plaintiffs allege their children were unconstitutionally removed from their home and evidence was misrepresented leading to the removal. On July 14, 2023, DCS Defendants moved for summary judgment on all claims. A final pre-trial conference is set for February 22, 2024. A jury trial is set for March 11, 2024.

In 2022, Plaintiffs filed a class action lawsuit against the Attorney General, Treasurer, and others, alleging that the defendants have wrongfully withheld interest earnings on unclaimed property in state custody and not compensating the owners. The State Defendants filed a motion for judgment on the pleadings arguing that the case is moot. The motion was granted on March 29, 2023. The appeal is pending before the United States Court of Appeals for the Seventh Circuit.

In 2022, Plaintiff filed a complaint against a county prosecutor and their office alleging the prosecutor's participation in a custodial interrogation of Plaintiff was in violation of his Fourth, Fifth, and Fourteenth Amendment rights and that the prosecutor was part of a conspiracy to deprive Plaintiff of his constitutional rights. Plaintiff was convicted of murder and incarcerated for more than sixteen years before being exonerated in 2021. Discovery is ongoing and closes January 31, 2024. Dispositive motions are due July 15, 2024.

Other Loss Contingencies

The U.S. Office of Inspector General (USOIG) has issued multiple audit reports on Indiana's Medicaid Assistance Program. The State has worked with the Centers for Medicare and Medicaid Services (CMS) to resolve the findings. As of June 30, 2023, there were \$37.1 million in findings which the Family and Social Services Administration (FSSA) believes to be probable for having to be repaid and therefore, has been accrued as an expense and payable in the government-wide financial statements. An additional \$22.3 million is reasonably possible to need to be repaid. FSSA management is continuing to work with CMS on a settlement of these findings.

Construction Commitments

As of June 30, 2023, the Indiana Department of Transportation had unliquidated construction commitments totaling \$2.91 billion for road and bridge projects. It is anticipated that these projects will be financed with approximately 20.5% traditional state funds, 4.8% local funds, 44.1% traditional federal funds, 23.4% American Recovery Plan Act funds, 1.5% Federal COVID-19 funds, and 5.7% toll road lease amendment proceeds funds

The Indiana Department of Administration, Public Works Division, had remaining construction commitments totaling \$379.9 million for building and improvement projects of the State’s agencies as of June 30, 2023. These projects are to be funded through state appropriations, the State Highway Department fund, capital projects funds, and federal funds.

The State had \$166.3 million in total commitments for software in development as of June 30, 2023. These commitments are to be funded through the General fund, federal funds, and state dedicated funds.

Encumbrances

Significant encumbrances by major funds and non-major funds in the aggregate as of June 30, 2023 were as follows:

Governmental Funds	Encumbrances
General Fund	\$ 2,089,599
Public Welfare - Medicaid Assistance	9,226
US Department of Health & Human Services	1,058,376
ARPA - Economic Stimulus Fund	1,137,266
Non-Major Governmental Funds	4,659,824
Total	\$ 8,954,291

C. Other Revenue

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

D. Economic Stabilization Fund

Indiana Code (IC) 4-10-18 establishes the Counter-Cyclical Revenue and Economic Stabilization Fund ("Rainy Day Fund") within the state’s general fund to assist in stabilizing revenue during periods of economic recession. The fund

receives funding through calculated transfers as prescribed by Indiana Code.

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

In fiscal year 2023, the API growth rate triggered a transfer into the Rainy Day fund. Also, the Rainy Day Fund did not exceed 7% of total General Fund revenues for fiscal year 2023.

Loans can be made from the Rainy Day fund to local units of government for specific purposes. The Rainy Day Fund cash and investment balance at the end of fiscal year 2023 was \$995.1 million. There were no outstanding loans as of fiscal year end.

E. Employee Retirement Systems and Plans

The State of Indiana sponsors pension plans that are included in the State’s financial statements. They are reported and administered as described in Note I (A).

Summary of Significant Accounting Policies (Pensions)

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

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

State Police Retirement Fund (Presented as a pension and other employee benefit trust fund)

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

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

Retirement benefits provided.

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

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

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

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

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

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

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

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

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

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

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

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

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

Employees covered by benefit terms. As of June 30, 2023, the following employees were covered by the benefit terms of the SPRF:

	Pre-1987 Plan	1987 Plan
Inactive members and their beneficiaries currently receiving benefits	669	964
Inactive members entitled to but not yet receiving benefits	1	187
Active members	7	1,083
Total	677	2,234

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

Periodic employer contributions to the pension plan are determined on an actuarial basis using the entry age normal cost actuarial method. Normal cost is funded on a current basis. The unfunded actuarial accrued liability is being funded over a thirty-year closed period which commenced July 1, 2010.

Periodic contributions for both normal cost and the amortization of the unfunded actuarial accrued liability are based on the level dollar of payroll method. The funding policy for normal cost and unfunded actuarial accrued liability should provide sufficient resources to pay employee pension benefits on a timely basis. For the year ended June 30, 2023, the State's contribution rate was 27.4 percent of expected payroll resulting in total contributions from the State of \$29.9 million.

Deferred Retirement Option Program: The Deferred Retirement Option (DROP) for the State Police Retirement Fund was established in 2001 pursuant to the Pension Trust Agreement and is governed by the Department of the State Police and the Treasurer of the State of Indiana (Trustee). Members of the Pre-1987 and 1987 plans that are eligible to retire may elect to accumulate a DROP benefit while continuing to work. At the time of their election, the member executes an irrevocable election to retire on a DROP retirement date and remain in active service, but the member does not contribute to the fund during the DROP period. For the Pre-1987 Plan, when an employee has completed 20 years of service or more, he/she may irrevocably elect to enter the DROP for a period ending the earlier of (1) 60 consecutive months, (2) completion of 34 years of service, or (3) attainment of age 65. An employee on disability cannot enter the DROP. From the date the employee enters the DROP, he/she will not be credited with any additional years of service. The employees DROP accrual will be equal to the basic monthly retirement benefit. At the end of the DROP period, the employee must separate from employment and retire. Upon separation, the employee will receive their accumulated DROP benefit in the form of a lump sum payment, a rollover to another retirement program, or a combination of both. For the 1987 Plan, all DROP requirements are the same as the Pre-1987 plan, except that the employee must have completed 25 years of service or more. The DROP and future retirement monthly benefit is calculated as of the member's DROP entry date. At the time of retirement, the member 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 plan pursuant to the DROP is \$3.2 million.

Net Pension Liability

The SPRF’s net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The components of the net pension liability of the SPRF at June 30, 2022 were as follows:

Total pension liability	\$ 758,234
Plan fiduciary net position	(548,977)
SPRF’s net pension liability	\$ 209,257
Plan fiduciary net position as a percentage of the total pension liability	72.4%

Actuarial assumptions. The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Pre-1987	
	Plan	1987 Plan
Interest rate/investment return	6.25%	6.25%
Interest on member balances	3.00%	3.00%
Future salary increases, which includes inflation and cost of living increases	3.50%	9% age 26 & younger; reduced 0.5% through age 35; 4% age 36 and older

Mortality rates for employees were based on the SOA Pub-2010 Safety Employees Mortality Tables with 3 year set forward for males and no set forward for females. Mortality rates for healthy retirees were based on the SOA Pub-2010 Safety Retirees Mortality Tables with 3 year set forward for males and not set forward for females. Mortality rates for beneficiaries were based on the SOA Pub-2010 General Contingent Survivor Mortality Tables with no set forward for males and 2 year set forward for females. Mortality rates for disabled retirees were based on the SOA Pub-2010 Disabled Retirees Mortality tables with no set forward for males or females. All mortality used MP-2021 Mortality Improvement Scale (with annual updates).

The most recent comprehensive experience study was completed in 2019 and was based on member experience through June 30, 2019. The demographic assumptions were updated as needed for the June 30, 2020 actuarial valuation based on the results of the study.

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

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Broad domestic equity	31.0	6.6
Global ex U.S. equity	11.0	6.8
Core U.S. fixed	22.0	1.8
Defensive fixed	4.0	1.5
Cash equivalents	2.0	1.2
Alternatives	25.0	4.1
Core real estate	5.0	5.8
Total	100.0	

Discount rate. The discount rate used to measure the total pension liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that State contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/21	\$ 734,254	\$ 620,855	\$ 113,399
Changes for the year:			
Service cost	20,634	-	20,634
Interest	45,584	-	45,584
Differences between expected and actual experience	(143)	-	(143)
Changes of assumptions or other inputs	1,156	-	1,156
Contributions - employer	-	29,863	(29,863)
Contributions - employee	-	5,084	(5,084)
Net investment income	-	(63,172)	63,172
Benefit payments, including refunds of employee contributions	(43,251)	(43,251)	-
Administrative expense	-	(402)	402
Net changes	23,980	(71,878)	95,858
Balances at 6/30/22	\$ 758,234	\$ 548,977	\$ 209,257

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the SPRF, calculated using the discount rate of 6.25%, as well as what the SPRF's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	1% Decrease (5.25%)	Current Rate (6.25%)	1% Increase (7.25%)
Net pension liability	300,547	209,257	132,513

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone financial report of the State Police Retirement Fund. This report may be obtained by writing the State Police Retirement Fund, c/o Treasurer of State, 200 W. Washington Street, Room 242 State House, Indianapolis, IN 46204.

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

For the year ended June 30, 2023, the State recognized pension expense of \$37.8 million for the SPRF. At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 15,523
Changes of assumptions or other inputs	25,784	11,494
Net difference between projected and actual earnings on pension plan investments	42,983	-
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	29,893	-
Total	\$ 98,660	\$ 27,017

Deferred outflows of resources in the amount of \$29.9 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/ (Deferred Inflows of Resources)
2024	8,302
2025	5,953
2026	4,156
2027	23,263
2028	76

State Police Supplemental Trust Fund (Presented as a pension and other employee benefit trust fund)

Plan description. The State Police Supplemental Trust (SPST) is a defined benefit, single-employer pension plan and is administered by the Treasurer of the State of Indiana as Trustee under a Pension Trust Agreement with the Indiana Department of State Police. Indiana Code 10-12-2-4 and 10-12-2-5 grant authority to the Department of the State Police to establish and operate a fund for death and disability benefits. The State Police Supplemental Trust Fund issues a publicly available financial report that can be obtained by writing the State Police Retirement Fund, c/o Treasurer of State, 200 W. Washington Street, Room 242 State House, Indianapolis, IN 46204.

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

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

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

Retirement benefits provided.

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

For the 1987 plan, the benefit valued was 50 percent of the average of the highest 36 consecutive months of salary. Dependent children are paid 30 percent of the beneficiary's benefit until they reach age 18 or 23 if enrolled in school full time.

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

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

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

Employees covered by benefit terms. As of June 30, 2023, the following employees were covered by the benefit terms of the SPST:

	Pre-1987 Plan	1987 Plan
Inactive members and their beneficiaries currently receiving benefits	10	45
Active members	7	1,053
Total	17	1,098

Contributions. The SPST is one hundred percent funded by the State of Indiana using annual appropriations on a pay-as-you-go basis to cover current period expenses. The plan is not pre-funded. The amount paid for pensions as the benefits came due during fiscal year 2023 was \$4.5 million.

Total Pension Liability

The SPST Plan’s total pension liability was measured as of June 30, 2022.

Actuarial assumptions. The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Pre-1987 Plan	1987 Plan
Interest rate/ investment return	4.09%	4.09%
Future salary increases, which includes inflation and cost of living increases	3.50%	9% age 26 & younger; reduced 0.5% through age 35; 4% age 36 and older
Inflation	2.25%	2.25%

There are no Disability incidence rates assumed for participants in the Pre-1987 plan. Disability

incidence rates for participants in the 1987 plan are assumed to be 150% of the 1964 OASDI table. 2% of disabilities are assumed to be catastrophic.

Mortality rates for active and terminated vested participants were based on the SOA PubS-2010 Safety Employees Mortality Tables with 3 year set forward for males and no set forward for females. Mortality rates for retirees were based on the SOA PubS-2010 Safety Retirees with 3 year set forward for males and no set forward for females. Mortality rates for beneficiaries were based on SOA PubS-2010 General Contingent Survivors with no set forward for males and 2 year set forward for females. Mortality rates for retirements due to disability were based on SOA PubS-2010 General Disabled Retirees with no set forward for males and no set forward for females. All mortality tables are using MP-2021 Mortality Improvement Scale.

The most recent comprehensive experience study was completed in 2019 and was based on member experience through June 30, 2019. The demographic assumptions were updated as needed for the June 30, 2020 actuarial valuation based on the results of the study and continued in the 2021 and 2022 reports.

Discount rate. The discount rate used to measure the total pension liability was 4.09%. This rate was chosen in accordance with GASB #67 and #68, which requires that the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The 4.09% is the June 30, 2022 value of the S&P Municipal Bond 20 Year High Grade Rate Index.

New assumptions were needed beginning in 2020 to properly value the medical insurance premiums for active participant disabilities that occurred in the line of duty. Disabled participants are assumed to remain disabled until they reach eligibility for the disabled retirement benefit, age 55 in most instances. The assumed claims cost is based on the average premium reimbursement per covered life in the past two years. This amount, \$978/month, was then age-graded 1% for each year above or below age 40. Finally, the claims cost is trended forward for future expected premiums using the post-retirement medical trend assumption of 8% at 2022, graded down 0.5% per year until reaching the ultimate rate of 4.5% at 2029.

Changes in the Total Pension Liability

	<u>Increase (Decrease)</u>	
	<u>Total Pension Liability (a)</u>	
Balances at 6/30/21	\$	26,212
Changes for the year:		
Service cost		5,255
Interest		634
Differences between expected and actual experience		(1,457)
Changes of assumptions or other inputs		(3,474)
Benefit payments		(4,442)
Net changes		<u>(3,484)</u>
Balances at 6/30/22	\$	<u>22,728</u>

Sensitivity of the total pension liability to changes in the discount rate. The following presents the total pension liability of the SPST, calculated using the discount rate of 4.09%, as well as what the SPST's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.09%) or 1-percentage-point higher (5.09%) than the current rate:

	<u>1% Decrease (3.09%)</u>	<u>Current Rate (4.09%)</u>	<u>1% Increase (5.09%)</u>
Total pension liability	24,539	22,728	21,204

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone financial report of the State Police Supplemental Trust Fund. This report may be obtained by writing the State Police Retirement Fund, c/o Treasurer of State, 200 W. Washington Street, Room 242 State House, Indianapolis, IN 46204.

Deferred outflows of resources in the amount of \$4.5 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

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

For the year ended June 30, 2023, the State recognized pension expense of \$6.1 million for the SPST. At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Fiscal year ended June 30:</u>	<u>Deferred Outflows of Resources/(Deferred Inflows of Resources)</u>
2024	258
2025	258
2026	258
2027	258
2028	258
Thereafter	(483)

Excise, Gaming and Conservation Officers' Retirement Fund (Presented as part of INPRS – a fiduciary in nature component unit)

Plan description. The Excise, Gaming and Conservation Officers' Retirement Fund (EG&C) is a single-employer (the State of Indiana) defined benefit plan established to provide retirement, disability, and survivor benefits to certain employees of the (1) Indiana Department of Natural Resources, (2) Indiana Alcohol and Tobacco Commission and (3) any Indiana State excise police officer, Indiana State conservation enforcement officer, gaming agent or any gaming control officer who is engaged exclusively in the performance of law enforcement duties. The EG&C is administered by the INPRS

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 5,587	\$ 3,245
Changes of assumptions or other inputs	2,700	4,235
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	4,487	-
Total	<u>\$ 12,774</u>	<u>\$ 7,480</u>

Board of Trustees in accordance with IC 5-10-5.5, 35 IAC 4, and other Indiana pension law.

Retirement benefits provided. A member is eligible for full retirement benefits if the member is: 1) age 65 if employed by age 50 with 15 years of creditable service, 2) 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, 3) age 55 if age and creditable service total at least 85 (“Rule of 85”), or 4) age 50 with 25 years of service. Participants are eligible for early retirement benefit at age 45 if the participant has 15 years of creditable service but the benefit is reduced by .25 percent for each month the participant is younger than age 60. The annual benefit is equal to 25 percent times the average annual salary. The average annual salary equals the average annual salary of the five highest years in the 10 years immediately preceding an officer’s retirement 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 INPRS board. For the year ended June 30, 2023, postretirement benefits of \$76 thousand were issued to members as a COLA.

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

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

Deferred Retirement Option Plan. In accordance with IC 5-10-5.5-22, members eligible to retire with an unreduced benefit may elect to earn a DROP benefit while continuing to work. Members execute an irrevocable election to retire on a DROP retirement date and remain in active service while contributing

to the fund until that date. The DROP retirement date must be not less than 12 months and not more than 36 months after their DROP entry date and cannot be after the member reaches mandatory retirement age. The DROP and future retirement monthly benefit are calculated as of the members’ DROP entry date. At retirement, members must choose among the available options for distribution of the accumulated benefit under the DROP. As of June 30, 2023, the amount held by the fund under the DROP is \$1.7 million.

Employees covered by benefit terms. As of June 30, 2023, EG&C membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	275
Inactive vested members entitled to but not yet receiving benefits	7
Inactive non-vested members entitled to a distribution of contributions	148
Active members: vested and non-vested	431
Total	861

Based on census data as of June 30, 2022 used for the June 30, 2023 actuarial valuation.

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

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

Net Pension Liability

The EG&C’s net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.25%
Interest on member balances	3.30%
Future salary increases	2.65% to 4.90%, based on service
Inflation	2.00%
Cost of living increases	Beginning Jan. 1, 2024 - 0.40%
	Beginning Jan. 1, 2034 - 0.50%
	Beginning Jan. 1, 2039 - 0.60%

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables (amount-weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

The most recent comprehensive experience study was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. The demographic assumptions were updated as needed for the June 30, 2020 actuarial valuation. Economic assumptions were updated and approved by the Board in May 2021 following the completion of an Asset-Liability study and first used in the June 30, 2021 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return. This range, 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. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	20.0	3.6
Private markets	15.0	7.7
Fixed income - ex inflation - linked	20.0	1.4
Fixed income - inflation - linked	15.0	(0.3)
Commodities	10.0	0.9
Real estate	10.0	3.7
Absolute return	5.0	2.1
Risk parity	20.0	3.8
Leverage offset	(15.0)	(1.7)
Total	100.0	

Discount rate. Total pension liability was calculated using the discount rate of 6.25 percent. 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 INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the 6.25% long-term assumed investment rate of return. Based on these assumptions, the EG&C's defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at 6/30/21	\$ 180,848	\$ 184,314	\$ (3,466)
Changes for the year:			
Service cost	4,631	-	4,631
Interest	11,346	-	11,346
Differences between expected and actual experience	(1,431)	-	(1,431)
Contributions - employer	-	6,714	(6,714)
Contributions - employee	58	1,352	(1,294)
Net investment income	-	(12,210)	12,210
Benefit payments, including refunds of employee contributions	(7,947)	(7,947)	-
Administrative expense	-	(102)	102
Net changes	<u>6,657</u>	<u>(12,193)</u>	<u>18,850</u>
Balances at 6/30/22	<u>\$ 187,505</u>	<u>\$ 172,121</u>	<u>\$ 15,384</u>

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the EG&C, calculated using the discount rate of 6.25%, as well as what the EG&C's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	1% Decrease (5.25%)	Current Rate (6.25%)	1% Increase (7.25%)
Net pension liability (Asset)	40,981	15,384	(5,695)

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

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

For the year ended June 30, 2023, the State recognized pension expense of \$4.2 million for the EG&C. At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to pensions for the EG&C from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,896	\$ 1,975
Changes of assumptions or other inputs	6,803	2,345
Net difference between projected and actual earnings on pension plan investments	4,714	-
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	7,177	-
Total	<u>\$ 23,590</u>	<u>\$ 4,320</u>

Deferred outflows of resources in the amount of \$7.2 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2024	1,954
2025	3,346
2026	1,152
2027	5,734
2028	(93)

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

Plan description. The Prosecuting Attorneys’ Retirement Fund (PARF) is a single-employer (the State of Indiana) defined benefit plan established to provide retirement, disability, and survivor benefits to prosecuting attorneys. Members serve as a: (1) prosecuting attorney or a chief deputy prosecuting attorney; or (2) deputy prosecuting attorney, (3) executive director, or (4) assistant executive director of the Indiana Prosecuting Attorneys Council. The PARF is administered by the INPRS Board of Trustees 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 the PARF are reduced by any benefits payable from the PERF DB.

Retirement benefits provided. A participant is entitled to a full retirement benefit if the participant is: (1) age 65 with at least 8 years of creditable service; or (2) age 55 if age and creditable service total at least 85. A participant is eligible for early retirement benefits at age 62 and 8 years of creditable service with a reduction in the full benefit by 0.25% for each month less than age 65. Annual benefit equals highest 12 consecutive months of salary (state-paid portion only) before separation from services times percentage for years of service. 24% 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. There is no postretirement benefit adjustment provided under this plan.

Disability and survivor benefits provided. 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%.

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 the age the day before death. If death occurs while the participant is 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.

Employees covered by benefit terms. As of June 30, 2023, PARF membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	203
Inactive vested members entitled to but not yet receiving benefits	75
Inactive non-vested members entitled to a distribution of contributions	140
Active members: vested and non-vested	210
Total	628

Based on census data as of June 30, 2022 used for the June 30, 2023 actuarial valuation.

Contributions. Employer contributions are determined by the INPRS Board based on an actuarial valuation and appropriations are received from the state’s general fund. For fiscal year 2023, the appropriation from the state’s general fund totaled \$4.2 million and the Actuarially Determined Contribution (ADC) was \$4.3 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.

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

Net Pension Liability

The PARF’s net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial

assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.25%
Interest on member balances	3.30%
Future salary increases	2.65%
Inflation	2.00%
Cost of living increases	None

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables (amount weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

The most recent comprehensive experience study was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. The demographic assumptions were updated as needed for the June 30, 2020 actuarial valuation. Economic assumptions were updated and approved by the INPRS board in May 2021 following the completion of an Asset-Liability study and first used in the June 30, 2021 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return. This range, 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. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	20.0	3.6
Private markets	15.0	7.7
Fixed income - ex inflation - linked	20.0	1.4
Fixed income - inflation - linked		(0.3)
Commodities	10.0	0.9
Real estate	10.0	3.7
Absolute return	5.0	2.1
Risk parity	20.0	3.8
Leverage offset	(15.0)	(1.7)
Total	100.0	

Discount rate. Total pension liability was calculated using the discount rate of 6.25 percent. 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 INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the 6.25% long-term assumed investment rate of return. Based on these assumptions, the PARF defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/21	\$ 117,023	\$ 85,869	\$ 31,154
Changes for the year:			
Service cost	2,196	-	2,196
Interest	7,273	-	7,273
Differences between expected and actual experience	1,683	-	1,683
Contributions - employer	-	4,044	(4,044)
Contributions - employee	-	1,474	(1,474)
Net investment income	-	(5,582)	5,582
Benefit payments, including refunds of employee contributions	(5,699)	(5,699)	-
Administrative expense	-	(69)	69
Other changes	(2)	(2)	-
Net changes	<u>5,451</u>	<u>(5,834)</u>	<u>11,285</u>
Balances at 6/30/22	<u>\$ 122,474</u>	<u>\$ 80,035</u>	<u>\$ 42,439</u>

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the PARF, calculated using the discount rate of 6.25%, as well as what the PARF's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	1% Decrease (5.25%)	Current Rate (6.25%)	1% Increase (7.25%)
Net pension liability	57,880	42,439	29,725

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

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

For the year ended June 30, 2023, the State recognized pension expense of \$5.9 million for the PARF. At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to pensions for the PARF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 850	\$ 9
Changes of assumptions or other inputs	181	-
Net difference between projected and actual earnings on pension plan investments	2,028	-
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	4,155	-
Total	<u>\$ 7,214</u>	<u>\$ 9</u>

Deferred outflows of resources in the amount of \$4.2 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2024	1,083
2025	169
2026	(390)
2027	2,188

Legislators’ Retirement System - Legislators’ Defined Benefit Fund (Presented as part of INPRS – a fiduciary in nature component unit)

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

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

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

Postretirement adjustments are granted by the Indiana General Assembly on an ad hoc basis pursuant to IC 5-10.2-12-4, IC 2-3.5-4-13 and administered by the INPRS Board. For the year ended June 30, 2023, postretirement benefits of \$3.2 thousand were issued to members as a COLA.

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

Employees covered by benefit terms. As of June 30, 2023, LE DB membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	74
Inactive vested members entitled to but not yet receiving benefits	6
Active members: vested and non-vested	3
Total	83

Based on census data as of June 30, 2022 used for the June 30, 2023 actuarial valuation.

Contributions. Employer contributions are actuarially determined and derive from the state’s General Fund, a portion of which will be allocated to fund a supplemental reserve account for postretirement benefits administered by the INPRS Board. For the year ended June 30, 2023, the State of Indiana appropriated \$183 thousand for employer contributions. The Actuarially Determined Contribution (ADC) for the LE DB was \$28 thousand.

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

Net Pension Liability

The LE DB’s net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.25%
Future salary increases	2.65%
Inflation	2.00%
Cost of living increases	Beginning Jan. 1, 2024 - 0.40%
	Beginning Jan. 1, 2034 - 0.50%
	Beginning Jan. 1, 2039 - 0.60%

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables (amount weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

The most recent comprehensive experience study was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. The demographic assumptions were updated as needed for the June 30, 2020 actuarial valuation. Economic assumptions were updated and approved by the Board in May 2021 following the completion of an Asset-Liability study and first used in the June 30, 2021 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return. This range, 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. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	20.0	3.6
Private markets	15.0	7.7
Fixed income - ex inflation - linked	20.0	1.4
Fixed income - inflation - linked	15.0	(0.3)
Commodities	10.0	0.9
Real estate	10.0	3.7
Absolute return	5.0	2.1
Risk parity	20.0	3.8
Leverage offset	(15.0)	(1.7)
Total	100.0	

Discount rate. Total pension liability was calculated using the discount rate of 6.25 percent. 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 INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the 6.25% long-term assumed investment rate of return. Based on these assumptions, the LE DB defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at 6/30/21	\$ 3,033	\$ 3,515	\$ (482)
Changes for the year:			
Interest	179	-	179
Differences between expected and actual experience	(43)	-	(43)
Contributions - employer	-	183	(183)
Net investment income	-	(217)	217
Benefit payments, including refunds of employee contributions	(335)	(335)	-
Administrative expense	-	(30)	30
Net changes	<u>(199)</u>	<u>(399)</u>	<u>200</u>
Balances at 6/30/22	<u>\$ 2,834</u>	<u>\$ 3,116</u>	<u>\$ (282)</u>

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the LE DB, calculated using the discount rate of 6.25%, as well as what the LE DB's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	1% Decrease (5.25%)	Current Rate (6.25%)	1% Increase (7.25%)
Net pension liability (asset)	(97)	(282)	(445)

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

Deferred outflows of resources in the amount of \$183 thousand related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

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

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2024	-
2025	3
2026	(21)
2027	86

For the year ended June 30, 2023, the LE DB recognized pension income of \$63.4 thousand. At June 30, 2023, the LE DB reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 68	-
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	183	-
Total	<u>\$ 251</u>	<u>\$ -</u>

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

accordance with IC 33-38 and other Indiana pension law. The JRS is governed through the INPRS Board of Trustees.

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

The annual retirement benefit equals individual salary, or salary of office at retirement multiplied by percentage for years of service: 24% 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 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.

Disability and survivor benefits provided. A qualified member with 22+ years of creditable services receives an unreduced disability 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 with the benefit to be no lower than 50%. If death occurs 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.

Employees covered by benefit terms. As of June 30, 2023, the Judges' Retirement System membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	426
Inactive vested members entitled to but not yet receiving benefits	30
Inactive non-vested members entitled to a distribution of contributions	38
Active members: vested and non-vested	480
Total	974

Based on census data as of June 30, 2022 used for the June 30, 2023 actuarial valuation.

Contributions. Employer contributions are determined by the INPRS Board based on an actuarial valuation and are received from the state general fund and certain court and docket fees. For the year ended June 30, 2023, the fund received \$18.0 million in employer contributions, with appropriations of \$10.9 million and \$7.2 million in

docket and court fees. The Actuarially Determined Contribution (ADC) was \$19.9 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.

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

Net Pension Liability

The JRS' net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.25%
Interest on member balances	3.30%
Future salary increases	2.65%
Inflation	2.00%
Cost of living increases	2.65%

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables (amount weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

The most recent comprehensive experience study was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. The demographic assumptions were updated as needed for the June 30, 2020 actuarial valuation. Economic assumptions were updated and approved by the Board in May 2021 following the completion of an Asset-Liability study and first used in the June 30, 2021 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to

determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return. This range, 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. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	20.0	3.6
Private markets	15.0	7.7
Fixed income - ex inflation - linked	20.0	1.4
Fixed income - inflation - linked	15.0	(0.3)
Commodities	10.0	0.9
Real estate	10.0	3.7
Absolute return	5.0	2.1
Risk parity	20.0	3.8
Leverage offset	(15.0)	(1.7)
Total	100.0	

Discount rate. Total pension liability was calculated using the discount rate of 6.25 percent. 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 INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the 6.25% long-term assumed investment rate of return. Based on these assumptions, the JRS defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at 6/30/21	\$ 642,172	\$ 687,993	\$ (45,821)
Changes for the year:			
Service cost	20,837	-	20,837
Interest	40,497	-	40,497
Differences between expected and actual experience	3,481	-	3,481
Contributions - employer	-	17,564	(17,564)
Contributions - employee	723	4,632	(3,909)
Net investment income	-	(44,387)	44,387
Benefit payments, including refunds of employee contributions	(30,977)	(30,977)	-
Administrative expense	-	(104)	104
Other changes	126	142	(16)
Net changes	34,687	(53,130)	87,817
Balances at 6/30/22	\$ 676,859	\$ 634,863	\$ 41,996

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the JRS, calculated using the discount rate of 6.25%, as well as what the JRS' net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	1% Decrease (5.25%)	Current Rate (6.25%)	1% Increase (7.25%)
Net pension liability (asset)	122,116	41,996	(25,204)

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

For the year ended June 30, 2023, the JRS recognized pension expense of \$13.3 million. At June 30, 2023, the JRS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,675	\$ 3,821
Changes of assumptions or other inputs	13,643	7,380
Net difference between projected and actual earnings on pension plan investments	16,336	-
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	18,047	-
Total	\$ 50,701	\$ 11,201

Deferred outflows of resources in the amount of \$18.0 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2024	91
2025	5,246
2026	(1,564)
2027	17,680

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

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

Plan description. Public Employees' Defined Benefit Account (PERF DB) is a cost-sharing, multiple-

employer defined benefit fund providing retirement, disability, and survivor benefits to full-time employees of the State of Indiana not covered by another plan and those political subdivisions (counties, cities, townships, and other governmental units) that elect to participate in the retirement fund. Administration of the fund is generally in accordance with IC 5-10.2, IC 5-10.3, IC 5-10.5, 35 IAC 1.2, and other Indiana pension law. The 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 My Choice: Retirement Savings Plan for Public Employees (PERF MC DC). A new hire that is an existing member of PERF Hybrid and was not given the option for the PERF MC DC plan is given the option to elect PERF MC DC or remain in PERF Hybrid.

Members who have service in both the PERF DB and either the Teachers' 1996 Defined Benefit Account or the Teachers' Pre-1996 Defined Benefit Account, have the option of choosing from which of these funds they would like to retire.

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

The lifetime annual benefit equals years of creditable service multiplied by the average highest five-year annual salary multiplied by 1.1% (minimum of \$180

per month). Average annual compensation is outlined in IC 5-10.2-4-3 and includes compensation of not more than \$2,000 received from the employer in severance.

Postretirement benefit increases are granted on an ad hoc basis pursuant to IC 5-10.2-12-4 and administered by the INPRS Board. For the year ended June 30, 2023, postretirement benefits of \$8.0 million were issued to members as a COLA.

Disability and survivor benefits provided. An active member qualifying for Social Security disability with five years of creditable service may receive an unreduced retirement benefit for the duration of their disability (minimum of \$180 per month). If a member dies after June 30, 2018, a spouse or dependent beneficiary of a member with a minimum of 10 years of creditable service receives a benefit as if the member retired the later of age 50 or the age the day before the member's death. If a member dies while receiving a benefit, a beneficiary receives the benefit associated with the member's selected form of payment: Five Year Certain & Life, Joint with 100 percent Survivor Benefits, Joint with Two-Thirds Survivor Benefits, or Joint with One-Half Survivor Benefits.

Employees covered by benefit terms. As of June 30, 2023, there were 1,243 participating political subdivisions in addition to the State. As of June 30, 2022, PERF DB membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	99,635
Inactive vested members entitled to but not yet receiving benefits	35,174
Active members: vested and non-vested	119,398
Total	254,207

Based on census data as of June 30, 2022 used for the June 30, 2023 actuarial valuation.

Contributions. Contributions are determined by the INPRS 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.

Financial report. INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained

by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Actuarial assumptions. The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.25%
Future salary increases	2.65% - 8.65%, based on service
Inflation	2.00%
Cost of living increases	Beginning Jan. 1, 2024 - 0.40%
	Beginning Jan. 1, 2034 - 0.50%
	Beginning Jan. 1, 2039 - 0.60%

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables (amount weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

The most recent comprehensive experience study was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. The demographic assumptions were updated as needed for the June 30, 2020 actuarial valuation. Economic assumptions were updated and approved by the INPRS board in May 2021 following the completion of an Asset-Liability study and first used in the June 30, 2021 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return. This range, 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. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	20.0	3.6
Private markets	15.0	7.7
Fixed income - ex inflation - linked	20.0	1.4
Fixed income - inflation - linked	15.0	(0.3)
Commodities	10.0	0.9
Real estate	10.0	3.7
Absolute return	5.0	2.1
Risk parity	20.0	3.8
Leverage offset	(15.0)	(1.7)
Total	100.0	

Discount rate. Total pension liability was calculated using the discount rate of 6.25 percent. 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 INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the 6.25% long-term assumed investment rate of return. Based on these assumptions, the PERF DB defined benefit pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

Sensitivity of the State’s proportionate share of the net pension liability to changes in the discount rate. The following presents the State’s proportionate share of the net pension liability calculated using the discount rate of 6.25%, as well as what the State’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	1% Decrease (5.25%)	Current Rate (6.25%)	1% Increase (7.25%)
State’s proportionate share of the net pension liability (asset)	1,381,366	817,683	347,531

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

June 30, 2022, the State’s proportion was 25.94 percent, which was a decrease of 0.48 percentage points from its proportion measured as of June 30, 2021. An estimate of the proportion related to the Indiana Destination Development Corporation (IDDC) was excluded from the State’s proportion as IDDC PERF benefits were submitted as part of the State. The proportion related to IDDC was approximately .07 percent.

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

At June 30, 2023, the State reported a liability of \$817.7 million for its proportionate share of the net pension liability. The PERF DB net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The State’s proportion of the net pension liability was based on a projection of the State’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At

For the year ended June 30, 2023, the State recognized pension expense of \$114.4 million. At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 17,633	\$ 3,110
Changes of assumptions or other inputs	110,751	34,983
Net difference between projected and actual earnings on pension plan investments	100,910	-
Changes in the employer proportion and differences between the employer's contributions and the employer's proportionate share of contributions	15,931	9,187
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	179,361	-
Total	\$ 424,586	\$ 47,280

Deferred outflows of resources in the amount of \$179.4 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2024	41,599
2025	68,177
2026	(18,575)
2027	106,744

Teachers' 1996 Defined Benefit Account (Presented as part of INPRS – a fiduciary in nature component unit)

Plan description. Teachers' 1996 Defined Benefit Account (TRF '96 DB) is a cost-sharing, multiple-employer defined benefit fund providing retirement, disability, and survivor benefits. Membership in the 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 the 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. The TRF '96 DB is a component of the Teachers' Hybrid Plan. The Teachers Hybrid Plan consists of three components: TRF Pre-'96 DB and TRF '96 DB, the monthly employer-funded defined benefit component, along with TRF DC, a member-funded account.

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

The lifetime annual benefit equals the years of creditable service multiplied by the average highest five-year annual salary multiplied by 1.1% (minimum of \$185 per month). Average annual compensation is outlined in IC 5-10.2-4-3 and includes compensation of not more than \$2,000 received from the employer in severance.

Postretirement benefit increases are granted on an ad hoc basis pursuant to IC 5-10.2-12-4 and administered by the INPRS Board. For the year ended June 30, 2023, postretirement benefits of \$1.5 million were issued to members as a COLA.

Disability and survivor benefits provided. An active member qualifying for Social Security disability with five years of creditable service may receive an unreduced retirement benefit for the duration of their disability (minimum of \$185 per month). Under certain conditions, active TRF '96 DB members may qualify for a classroom disability benefit of at least \$125 per month. If a member dies after June 30, 2018, a spouse or dependent beneficiary of a member with a minimum of 10 years of creditable service receives a benefit as if the member retired the later of age 50 or the age the day before the member's death. If a member dies while receiving a benefit, a beneficiary receives the benefit associated with the member's selected form of payment: Five

Year Certain & Life, Joint with 100% Survivor Benefits, Joint with Two-Thirds Survivor Benefits, or Joint with One-Half Survivor Benefits.

Employees covered by benefit terms. As of June 30, 2023, the number of participating employers was 383 in addition to the State. As of June 30, 2023, TRF '96 DB membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	10,127
Inactive vested members entitled to but not yet receiving benefits	8,029
Active members: vested and non-vested	60,057
Total	78,213

Based on census data as of June 30, 2022 used for the June 30, 2023 actuarial valuation.

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

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

Actuarial assumptions. The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.25%
Future salary increases	2.65% - 11.90%, based on service
Inflation	2.00%
Cost of living increases	Beginning Jan. 1, 2024 - 0.40%
	Beginning Jan. 1, 2034 - 0.50%
	Beginning Jan. 1, 2039 - 0.60%

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables (amount weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

The most recent comprehensive experience study was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. The demographic assumptions were

updated as needed for the June 30, 2020 actuarial valuation. Economic assumptions were updated and approved by the Board in May 2021 following the completion of an Asset-Liability study and first used in the June 30, 2021 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return. This range, 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. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	20.0	3.6
Private markets	15.0	7.7
Fixed income - ex inflation - linked	20.0	1.4
Fixed income - inflation - linked	15.0	(0.3)
Commodities	10.0	0.9
Real estate	10.0	3.7
Absolute return	5.0	2.1
Risk parity	20.0	3.8
Leverage offset	(15.0)	(1.7)
Total	100.0	

Discount rate. Total pension liability was calculated using the discount rate of 6.25 percent. 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 INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings

were calculated using the 6.25% long-term assumed investment rate of return. Based on these assumptions, the TRF '96 DB defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit

payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

Sensitivity of the State's proportionate share of the net pension liability to changes in the discount rate. The following presents the State's proportionate share of the net pension liability calculated using the discount rate of 6.25%, as well as what the State's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	<u>1% Decrease (5.25%)</u>	<u>Current Rate (6.25%)</u>	<u>1% Increase (7.25%)</u>
State's proportionate share of the net pension liability (asset)	6,158	1,934	(1,476)

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

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

At June 30, 2023, the State reported a liability of \$1.9 million for its proportionate share of the net pension liability. The TRF '96 DB net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The State's proportion of the net pension liability was based on a projection of the State's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the State's proportion was 0.29 percent, which was a decrease of 0.02 percentage points from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the State recognized pension expense of \$14.2 million. At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 596	\$ 394
Changes of assumptions or other inputs	1,606	667
Net difference between projected and actual earnings on pension plan investments	615	-
Changes in the employer proportion and differences between the employer's contributions and the employer's proportionate share of contributions	95,539	269
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	820	-
Total	\$ 99,176	\$ 1,330

Deferred outflows of resources in the amount of \$0.8 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal year ended June 30:</u>	<u>Deferred Outflows of Resources/(Deferred Inflows of Resources)</u>
2024	13,630
2025	13,650
2026	13,499
2027	14,197
2028	13,597
Thereafter	28,453

The State is a non-employer contributing entity in a special funding situation for the following pension plan:

Teachers' Pre-1996 Defined Benefit Account (Presented as part of INPRS – a fiduciary in nature component unit)

Plan description. Teachers' Pre-1996 Defined Benefit Account (TRF Pre-'96 DB) is a pay-as-you-go cost-sharing, multiple-employer defined benefit plan providing retirement, disability, and survivor benefits for teachers, administrators, and certain INPRS personnel hired before July 1, 1996. Membership in TRF Pre-'96 DB is closed to new entrants. Administration of the fund is generally in accordance with IC 5-10.2, IC 5-10.4, 35 IAC 14, and other Indiana pension law. TRF Pre-'96 DB is a component of the Teachers' Hybrid Plan. The Teachers' Hybrid Plan consists of three components: TRF Pre-'96 DB and TRF '96 DB, the monthly employer-funded defined benefit component, along with TRF DC, a member-funded account.

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

The lifetime annual benefit equals the years of creditable service multiplied by the average highest five-year annual salary multiplied by 1.1% (minimum of \$185 per month). The average annual compensation is outlined in IC 5-10.2-4-3 and includes compensation of not more than \$2,000 received from the employer in severance.

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

Disability and survivor benefits provided. An active member qualifying for Social Security disability with five years of creditable service may receive an unreduced retirement benefit for the duration of their disability (minimum of \$185 per month). Under certain conditions, active TRF members may qualify for a classroom disability benefit of at least \$125 per

month. If a member dies after June 30, 2018, a spouse or dependent beneficiary of a member with a minimum of 10 years of creditable service receives a benefit as if the member retired the later of age 50 or the age the day before the member's death. If death occurs while receiving a benefit, a beneficiary receives the benefit associated with the member's selected form of payment: Five Year Certain & Life, Joint with 100% Survivor Benefits, Joint with Two-Thirds Survivor Benefits, or Joint with One-Half Survivor Benefits.

Employees covered by benefit terms. As of June 30, 2023, the number of participating employers was 333 in addition to the State. The State of Indiana makes contributions as the sole non-employer contributing entity. As of June 30, 2023, TRF Pre-'96 DB membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	53,282
Inactive vested members entitled to but not yet receiving benefits	1,502
Active members: vested and non-vested	6,287
Total	<u>61,071</u>
Based on census data as of June 30, 2022 used for the June 30, 2023 actuarial valuation.	

Contributions. According to statute, the TRF Pre-'96 DB is funded primarily by appropriations from the state general fund and lottery proceeds. The Actuarially Determined Contribution (ADC) for the TRF Pre-'96 DB was \$4.2 billion. This includes a base appropriation of \$1.0 billion and \$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 a special appropriation 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.

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

Actuarial assumptions. The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial

assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.25%
Future salary increases	2.65% - 11.90%, based on service
Inflation	2.00%
Cost of living increases	Beginning Jan. 1, 2024 - 0.40%
	Beginning Jan. 1, 2034 - 0.50%
	Beginning Jan. 1, 2039 - 0.60%

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables (amount weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

The most recent comprehensive experience study was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. The demographic assumptions were updated as needed for the June 30, 2020 actuarial valuation. Economic assumptions were updated and approved by the Board in May 2021 following the completion of an Asset-Liability study and first used in the June 30, 2021 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return. This range, 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. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	20.0	3.6
Private markets	15.0	7.7
Fixed income - ex inflation - linked	20.0	1.4
Fixed income - inflation - linked	15.0	(0.3)
Commodities	10.0	0.9
Real estate	10.0	3.7
Absolute return	5.0	2.1
Risk parity	20.0	3.8
Leverage offset	(15.0)	(1.7)
Total	100.0	

Discount rate. Total pension liability was calculated using the discount rate of 6.25 percent. 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 INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the 6.25% long-term assumed investment rate of return. Based on these assumptions, the TRF Pre-'96 DB defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan

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

At June 30, 2023, the State reported a liability of \$8,946.0 million for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The State's proportion of the net pension liability was based on a projection of the State's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the State's proportion was 100.00 percent, which was the same as its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the State recognized pension expense of \$546.0 million. At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 149,632	\$ -
Contributions to the pension plan subsequent to the measurement date of the net pension liability	4,235,100	-
Total	\$ 4,384,732	\$ -

\$4.2 billion reported as deferred outflows of resources resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2024	10,641
2025	15,833
2026	(11,978)
2027	135,136

Sensitivity of the State's proportionate share of the net pension liability to changes in the discount rate. The following presents the State's proportionate share of the net pension liability calculated using the discount rate of 6.25%, as well as what the State's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	1% Decrease (5.25%)	Current Rate (6.25%)	1% Increase (7.25%)
State's proportionate share of the net pension liability	10,212,768	8,946,001	7,853,525

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone financial report of the Indiana Public Retirement System. This report may be obtained by

writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Pension Amounts Summary – Defined Benefit Plans

A summary of the pension amounts disclosed in the notes for the defined benefit plans is provided in the following table.

Plan	Total Pension Liability	Fiduciary Net Position	Net Pension Liability	Net Pension Asset	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
SPRF	\$ 758,234	\$ 548,977	\$ 209,257	\$ -	\$ 98,660	\$ 27,017	\$ 37,822
SPST	22,728	-	22,728	-	12,774	7,480	6,147
EG&C	187,505	172,121	15,384	-	23,590	4,320	4,225
PARF	122,474	80,035	42,439	-	7,214	9	5,902
LE DB	2,834	3,116	-	282	251	-	(63)
JRS	676,859	634,863	41,996	-	50,701	11,201	13,348
PERF DB	4,667,367	3,849,684	817,683	-	424,586	47,280	114,353
TRF '96 DB	23,959	22,024	1,934	-	99,176	1,330	14,185
TRF Pre-'96 DB	14,059,122	5,113,121	8,946,001	-	4,384,732	-	546,006
Total	\$ 20,521,082	\$ 10,423,941	\$ 10,097,422	\$ 282	\$ 5,101,684	\$ 98,637	\$ 741,925

The State contributes to the following defined contribution plans:

My Choice: Retirement Savings Plan for Public Employees – State Employees' Defined Contribution Plan (Presented as part of INPRS – a fiduciary in nature component unit)

My Choice: Retirement Savings Plan for Public Employees (PERF MC DC) is a multiple employer

defined contribution fund providing retirement benefits to full-time employees of the State of Indiana not covered by another plan and those political subdivisions (counties, cities, townships, and other governmental units) that elected to participate in the retirement fund. PERF MC DC is a primary defined contribution benefit plan for members making this election. Administration of the account is generally in accordance with other Indiana pension law.

First time new employees hired by the State of Indiana or a political subdivision who offer a choice have a one-time election to join either PERF Hybrid or PERF 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.

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 INPRS 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.

The state contributed an additional 3.7% to PERF MC DC members' accounts during the fiscal year ended June 30, 2023. PERF MC DC members totaled 9,626 as of June 30, 2023.

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 PERF MC 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.

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

The survivor benefit is that the beneficiary is entitled to the sum total of vested contributions plus earnings. The amount may be paid in a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity. 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.

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

The Legislators' Defined Contribution Fund (LE DC) is a single-employer (State of Indiana) defined contribution fund that provides retirement benefits to members of the General Assembly. Administration of the fund is generally in accordance with IC 2-3.5 and other Indiana pension law.

Members are entitled to the total of vested contributions plus earnings. Effective January 1, 2021, a member at least 59 1/2 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.

If a participant dies their beneficiary is entitled to the total of contributions plus earnings. The amount can be paid in a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity.

Contributions are determined by statute and the INPRS 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.

Deferred Compensation Matching Plan - 401(a) (Presented as a pension and other employee benefit trust fund)

The State of Indiana contributes to the State of Indiana Deferred Compensation Matching Plan (401(a)), doing business as Hoosier START, a defined contribution pension plan, for its eligible employees. Generally, these are employees eligible to participate in the INPRS pension plans. The 401(a) plan is governed by the Deferred Compensation Committee and is administered by the Indiana State Comptroller in accordance with IC 5-10-1.1.

Benefit terms other than the contribution rate for the 401(a) plan are established and may be amended by the Deferred Compensation Committee and the Indiana State Comptroller. The contribution rate is determined and may be amended by the State Budget Agency. Benefits are paid following a participant's separation from service, death,

disability, or an unforeseeable emergency as outlined in the plan documents. Upon separation from service or a disability, a participant may elect to have benefits commence on a date no later than age 72. Upon death, the value of the participant's account will be paid to the beneficiary. The plan permits payout options in the form of lump sums, periodic payments of a fixed amount or duration, or life contingent annuities. For each plan year, the State Budget Agency determines the amount available for matching contributions, which may be adjusted throughout the plan year. This may be set for each participant as a percentage of their contribution or a stated dollar amount per payroll period. For the year ended June 30, 2023, which includes periods from both plan year 2022 and 2023, the State contributed \$15 per paycheck to each eligible participant's account. For the year ended June 30, 2023, the State recognized pension expense of \$10.2 million in matching contributions. The State may also make contributions for unused excess accrued leave as permitted under IC 5-10-1.1-7.5 and the plan document. This provides for certain amounts of excess vacation or sick leave balances to be converted to an employer contribution to the 401(a) plan at 60% wage value. For the year ended June 30, 2023, the State recognized pension expense of \$0.9 million in leave conversion contributions. Other than rollovers, employees are not permitted to contribute to the 401(a) plan. Participants are immediately vested in their accounts and rollover accounts.

As of December 31, 2022, 35 employers in addition to the state participated in the deferred compensation matching plan. As of December 31, 2022, membership in the plan consisted of:

Inactive employees or beneficiaries currently receiving benefit payments	32,426
Active employees	29,277
Total	61,703

F. Other Postemployment Benefits

Defined Benefit Plans

Plan Descriptions. The State of Indiana sponsors and contributes to four single-employer defined benefit healthcare plans: State Personnel Plan (SPP); Legislature Plan (LP); Indiana State Police Plan (ISPP); and the Conservation and Excise Police Plan (CEPP). The SPP and LP are administered by the State Personnel Department. The Indiana State Police administers the ISPP. The CEPP is administered by the Indiana State Excise Police and Indiana Conservation Officers Health Insurance Committee. The SPP, ISPP, and CEPP are administered through trusts that meet the criteria in

GASB 74. The LP is not administered through a trust that meets the requirements of GASB 74 and is not accumulating assets.

Benefits Provided. All four plans provide medical plan health care benefits to eligible State employee retirees and beneficiaries. The medical benefits provided to retirees are the same benefit options afforded active employees. Benefit provisions for each plan are established and may be amended by Indiana Code 5-10-8 et seq. Separate financial reports are not issued for these plans.

Employees covered by benefit terms. As of June 30, 2022, and June 30, 2023, membership in the plans consisted of:

<u>June 30, 2023</u>	<u>SPP</u>	<u>ISPP</u>	<u>CEPP</u>	<u>LP</u>
Inactive employees or beneficiaries currently receiving benefit payments	312	1,083	208	33
Active employees	30,505	1,618	260	150
Total	30,817	2,701	468	183

<u>June 30, 2022</u>	<u>SPP</u>	<u>ISPP</u>	<u>CEPP</u>	<u>LP</u>
Inactive employees or beneficiaries currently receiving benefit payments	411	1,058	212	38
Active employees	25,318	1,662	241	115
Total	25,729	2,720	453	153

Based on census data used for the June 30, 2021 actuarial valuation

Contributions. Actuarially determined contributions (ADC) are determined for these plans by the actuary. The state determines the contributions to make for these plans after considering its other needs and the OPEB participants' needs. The state is not required by law or contractual agreement to provide funding for the OPEB other than the pay-as-you-go amounts necessary to provide current benefits to retiree participants

The SPP is funded on a pay-as-you-go basis by contributions from the State Employee Health Insurance Fund (internal service fund) that cover retiree claims exceeding retiree premiums.

The ISPP has established a section 401(h) trust and a section 115 trust for the purpose of funding retiree OPEB. Contributions to the trusts are made from the following sources: 1) Medicare Part D retiree drug subsidy reimbursement; 2) excess long-term disability fund; 3) retiree premiums 4) state contributions for ISP active employees in accordance with the OPEB DC plan (501 plan); and 5) discretionary contributions from the ISP

healthcare fund up to \$1 million. Additionally, active ISP employees contribute \$20 per paycheck towards the 401(h) trust account. This ISP funding policy is expected to continue for the foreseeable future.

The annual cost of the CEPP is funded on a pay-as-you-go basis from state subsidies, active/retiree

contributions, and a discretionary contribution from the CEPP reserve fund.

Retiree participants pay the full premium rate as determined by the administrators of these plans.

Financial Statements: As separately issued financial statements are not available for the State Employee Retiree Health Benefit Trust Fund-DB, summarized financial statements are as follows:

State of Indiana				
Combining Statement of Fiduciary Net Position				
Pension and Other Employee Benefit Trust Funds				
June 30, 2023				
	<u>SPP</u>	<u>ISPP</u>	<u>CEPP</u>	<u>Total</u>
Assets				
Cash, cash equivalents, and non-pension investments	\$ 3,268	\$ 3,173	\$ 4,317	\$ 10,758
Receivables:				
Interest	276	-	3	279
Total receivables	<u>276</u>	<u>-</u>	<u>3</u>	<u>279</u>
Pension and other employee benefit investments at fair value:				
Mutual Funds and Collective Trust Funds	44,544	-	29,278	73,822
Equity in internal investment pool	-	184,790	-	184,790
Other	-	-	2,893	2,893
Total investments at fair value	<u>44,544</u>	<u>184,790</u>	<u>32,171</u>	<u>261,505</u>
Total assets	<u>48,088</u>	<u>187,963</u>	<u>36,491</u>	<u>272,542</u>
Liabilities				
Accounts/escrows payable	-	30	-	30
Benefits payable	518	437	103	1,058
Total liabilities	<u>518</u>	<u>467</u>	<u>103</u>	<u>1,088</u>
Net Position				
Restricted for:				
Other employee benefits	47,570	187,496	36,388	271,454
Total net position	<u>\$ 47,570</u>	<u>\$ 187,496</u>	<u>\$ 36,388</u>	<u>\$ 271,454</u>

State of Indiana
Combining Statement of Changes in Fiduciary Net Position
Pension and Other Employee Benefit Trust Funds
For the Year Ended June 30, 2023

	<u>SPP</u>	<u>ISPP</u>	<u>CEPP</u>	<u>Total</u>
Additions:				
Contributions:				
Member contributions	\$ -	\$ 742	\$ -	\$ 742
Employer contributions	1,949	13,374	6,476	21,799
Total contributions	<u>1,949</u>	<u>14,116</u>	<u>6,476</u>	<u>22,541</u>
Investment income:				
Total investment income (loss)	1,135	11,467	2,432	15,034
Less investment expense	-	-	-	-
Net investment income	<u>1,135</u>	<u>11,467</u>	<u>2,432</u>	<u>15,034</u>
Other	-	150	-	150
Total additions	<u>3,084</u>	<u>25,733</u>	<u>8,908</u>	<u>37,725</u>
Deductions:				
Benefits to participants or beneficiaries	1,766	4,139	2,860	8,765
Administrative	244	368	95	707
Total deductions	<u>2,010</u>	<u>4,507</u>	<u>2,955</u>	<u>9,472</u>
Net increase (decrease) in net position	1,074	21,226	5,953	28,253
Net position restricted for other post employment benefits, July 1:	<u>46,496</u>	<u>166,270</u>	<u>30,435</u>	<u>243,201</u>
Net position restricted for pension and other employee benefits, June 30	<u>\$ 47,570</u>	<u>\$ 187,496</u>	<u>\$ 36,388</u>	<u>\$ 271,454</u>

Net OPEB Liability

The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2021 projected to July 1, 2022 on a "no loss / no gain" basis. The components of the net OPEB liability of the three plans administered through trusts at June 30, 2022 were as follows:

	<u>SPP</u>	<u>ISPP</u>	<u>CEPP</u>
Total OPEB liability	\$ 73,633	\$ 172,737	\$ 48,748
Plan fiduciary net position	46,496	166,270	30,435
Net OPEB liability	<u>\$ 27,137</u>	<u>\$ 6,467</u>	<u>\$ 18,313</u>
Plan fiduciary net position as a percentage of the total OPEB liability	63.1%	96.3%	62.4%

The components of the net OPEB liability for the three OPEB plans administered through trusts at June 30, 2023 was:

	<u>SPP</u>	<u>ISPP</u>	<u>CEPP</u>
Total OPEB liability	\$ 92,037	\$ 208,028	\$ 51,099
Plan fiduciary net position	47,570	187,496	36,388
Net OPEB liability	<u>\$ 44,467</u>	<u>\$ 20,532</u>	<u>\$ 14,711</u>
Plan fiduciary net position as a percentage of the total OPEB liability	51.7%	90.1%	71.2%

Actuarial assumptions. The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Description	SPP	ISPP	CEPP	LP
Inflation	2.00%	2.00%	2.00%	2.00%
Salary increases	2.65% for general wage inflation plus merit and productivity increases based on the assumptions approved from the INPRS 2020 Experience Study.	Pre-1987 Plan, 3.5%. 1987 Plan as follows: Age 26, 9.0%; age 31, 6.5%, and age 36+, 4.0%	2.65% for general wage inflation plus merit and productivity increases based on the assumptions approved from the INPRS 2020 Experience Study.	2.00% for general wage inflation plus 0.65% for merit and productivity increases
Investment rate of return	3.00%	6.20%	6.20%	4.09%
Healthcare cost trend rates	7.5% decreasing 0.5% per year to an ultimate rate of 4.5%	7.5% decreasing 0.5% per year to an ultimate rate of 4.5%	7.5% decreasing 0.5% per year to an ultimate rate of 4.5%	7.5% decreasing 0.5% per year to an ultimate rate of 4.5%

For SPP, mortality rates were based on the following: For Healthy Judges/PARF employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 1-year setback for males and a 1-year setback for females. For all other healthy employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 3-year set forward for males and a 1 year set forward for females. For disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 140% load. For surviving spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2020 with no set forward for males and a 2-year set forward for females. For LP, mortality rates were based on the following: For Healthy employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 1-year setback for males and a 1-year setback for females. For disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 140% load. For surviving spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2020 with no set forward for males and a 2-year set forward for females. For ISPP and CEPP, mortality rates were based on the following: For Healthy employees and retirees: SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 3-year set forward for males no set forward for females. For disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2020. For surviving spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2020 with no set

forward for males and a 2-year set forward for females.

For SPP and CEPP, the most recent comprehensive experience study was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. For ISPP, the most recent comprehensive experience study was completed in July 2020 and was based on member experience between June 30, 2011 through June 30, 2019. For LP, the most recent comprehensive experience study was based on professional judgement and limited experience through 2008.

Discount Rate. For SPP for the June 30, 2022 valuation, the long-term expected rate of return on OPEB plan investment is 3.00%. This was determined using a building block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are then combined to produce the long-term expected rate of return by weighting them based on the target asset allocation percentage and adding in expected inflation (2.00%). The best estimates of arithmetic real rates of return for each major asset class included in the SPP OPEB Plan's target asset allocation as of June 30, 2022 are summarized in the following table:

State Personnel Plan		
Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
U.S. Bond	100.0	1.0

The discount rate used to measure the total OPEB liability for SPP was 3.04% as of June 30, 2022 and applied to all periods of projected benefit payments to determine the total OPEB liability. The change in the discount rate from the 2021 to the 2022 actuarial valuations was .08%, increasing the rate to 3.04%.

The projection of cash flows used to determine the discount rate assumed that the State’s contributions to this plan will be made at a rate equal to the actuarially determined rate. The discount rate of 3.04% was used in calculating the actuarially determined contribution for this plan.

For ISPP for the June 30, 2022 valuation, the long-term expected rate of return on OPEB plan investments is 6.20%. This was developed in consultation with the group’s asset advisor using a building-block approach in which expected future rates of return are developed for each major asset class. The expected future nominal rates of return are shown below. Inflation is expected to be 2.00% the best estimate of arithmetic real rates of return for each major asset class included in the ISPP OPEB Plan’s target asset allocation as of June 30, 2022 are summarized in the following table.

State Police Plan		
Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Broad US Equity	31.0	6.6
Global ex-US Equity	11.0	6.8
Domestic Fixed	22.0	1.8
High Yield		
Short Duration	4.0	1.5
Cash Equivalents	2.0	1.2
Hedge Funds	25.0	4.1
Real Estate	5.0	5.8
Total	100.0	

The discount rate used to measure the total OPEB liability for ISPP was 6.20 percent as of June 30, 2022 and applied to all periods of projected benefit payments to determine the total OPEB liability. There was no change in the discount rate from the 2021 to the 2022 actuarial valuations. The projection of cash flows used to determine the discount rate assumed that the State will continue to make contributions equal to the benefit payments each year plus additional prefunding contributions of \$16.1 million per year (based on actual pre-funding contributions over the past four years) until the trust is sufficient to pay all future benefits. The discount rate of 6.20 was used in calculating the actuarially determined contribution for this plan.

For CEPP for the June 30, 2022 valuation, the long-term expected rate of return on OPEB plan investment is 6.20%. This was developed in consultation with the group’s asset advisor using a building-block approach in which expected future rates of returned are developed for each major asset class. The expected future nominal rates of return as provided by the entity’s investment advisor are shown below. Inflation is expected to be 2.00%. The best estimates of arithmetic real rates of return for each major asset class included in the OPEB Plan’s target asset allocation as of June 30, 2022 are summarized in the following table:

Conservation & Excise Officers Plan		
Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Broad US Equity	45.0	6.6
Global ex-US Equity	15.0	6.8
Domestic Fixed	23.0	1.8
High Yield		
Short Duration	5.0	1.5
Cash Equivalents	2.0	1.2
Hedge Funds	10.0	4.1
		5.8
Total	100.0	

The discount rate used to measure the total OPEB liability for CEPP was 6.20 percent as of June 30, 2022 and applied to all periods of projected benefit payments to determine the total OPEB liability. There was no change in the discount rate from the 2021 to the 2022 actuarial valuations. The projection of cash flows used to determine the discount rate assumed that the State will continue to make contributions equal to the benefit payments each year plus additional pre-funding contributions of \$3.4 million per year (based on actual pre-funding contributions over the past five years). The discount rate of 6.20% was used in calculating the actuarially determined contribution for this plan.

For LP for the June 30, 2022 valuation, the discount rate used to measure the total OPEB liability was 4.09% and applied to all periods of projected benefit payments to determine the total OPEB liability. The change in the discount rate from the 2021 to the 2022 actuarial valuations was 1.90%, increasing the rate to 4.09%.

Actuarial assumptions. The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Description	SPP	ISPP	CEPP	LP
Inflation	2.00%	2.00%	2.00%	2.00%
Salary increases	2.65% for general wage inflation plus merit and productivity increases based on the assumptions approved from the INPRS 2020 Experience Study.	Pre-1987 Plan, 3.5%. 1987 Plan as follows: Age 26, 9.0%; age 31, 6.5%, and age 36+, 4.0%	2.65% for general wage inflation plus merit and productivity increases based on the assumptions approved from the INPRS 2020 Experience Study.	2.00% for general wage inflation plus 0.65% for merit and productivity increases
Investment rate of return	3.00%	6.20%	6.20%	4.13%
Healthcare cost trend rates	7.5% decreasing 0.5% per year to an ultimate rate of 4.5%	7.5% decreasing 0.5% per year to an ultimate rate of 4.5%	7.5% decreasing 0.5% per year to an ultimate rate of 4.5%	7.5% decreasing 0.5% per year to an ultimate rate of 4.5%

For SPP, mortality rates were based on the following: For healthy judges/PARF employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021 with a 1-year setback for males and a 1-year setback for females. For all other healthy employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021 with a 3-year set forward for males and a 1 year set forward for females. For disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2021 with a 140% load. For surviving spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021 with no set forward for males and a 2-year set forward for females. For LP, mortality rates were based on the following: For healthy employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021 with a 1-year setback for males and a 1-year setback for females. For disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2021 with a 140% load. For surviving spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021 with no set forward for males and a 2-year set forward for females. For ISPP and CEPP, mortality rates were based on the following: For healthy employees and retirees: SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2021 with a 3-year set forward for males no set forward for females. For disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2021. For surviving spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021 with no set

forward for males and a 2-year set forward for females.

For SPP and CEPP, the most recent comprehensive experience study was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. For ISPP, the most recent comprehensive experience study was completed in July 2020 and was based on member experience between June 30, 2011 through June 30, 2019. For LP, the most recent comprehensive experience study was based on professional judgement and limited experience through 2008.

Discount Rate. For SPP for the June 30, 2023 valuation, the long-term expected rate of return on OPEB plan investment is 3.00%. This was determined using a building block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are then combined to produce the long-term expected rate of return by weighting them based on the target asset allocation percentage and adding in expected inflation (2.00%). The best estimates of arithmetic real rates of return for each major asset class included in the SPP OPEB Plan's target asset allocation as of June 30, 2023 are summarized in the following table:

State Personnel Plan		
Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
U.S. Bond	100.0	1.0

The discount rate used to measure the total OPEB liability for SPP was 3.0% as of June 30, 2023 and applied to all periods of projected benefit payments to determine the total OPEB liability. The change in the discount rate from the 2022 to the 2023 actuarial valuations was .04%, decreasing the rate to 3.0%.

The projection of cash flows used to determine the discount rate assumed that the State’s contributions to this plan will be made at a rate equal to the benefit payments each year. The discount rate of 3.0% was used in calculating the actuarially determined contribution for this plan

For ISPP for the June 30, 2023 valuation, the long-term expected rate of return on OPEB plan investments is 6.20%. This was developed in consultation with the group’s asset advisor using a building-block approach in which expected future rates of return are developed for each major asset class. The expected future nominal rates of return are shown below. Inflation is expected to be 2.00%. The best estimate of arithmetic real rates of return for each major asset class included in the ISPP OPEB Plan’s target asset allocation as of June 30, 2023 are summarized in the following table.

State Police Plan		
Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Broad US Equity	31.0	7.4
Global ex-US Equity	11.0	7.5
Domestic Fixed	22.0	4.3
Alternatives	25.0	8.5
Defensive	4.0	4.0
Cash Equivalents	2.0	2.8
Real Estate	5.0	5.8
Total	100.0	

The discount rate used to measure the total OPEB liability for ISPP was 6.20 percent as of June 30, 2023 and applied to all periods of projected benefit payments to determine the total OPEB liability. There was no change in the discount rate from the 2022 to the 2023 actuarial valuations. The projection of cash flows used to determine the discount rate assumed that the State will continue to contribute at least the Actuarially Determined Contribution each year. The discount rate of 6.20 was used in calculating the actuarially determined contribution for this plan.

For CEPP for the June 30, 2023 valuation, the long-term expected rate of return on OPEB plan investment is 6.20%. This was developed in consultation with the group’s asset advisor using a building-block approach in which expected future rates of returned are developed for each major asset class. The expected future nominal rates of return as provided by the entity’s investment advisor are shown below. Inflation is expected to be 2.00%. The best estimates of arithmetic real rates of return for each major asset class included in the OPEB Plan’s target asset allocation as of June 30, 2023 are summarized in the following table:

Conservation & Excise Officers Plan		
Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Broad US Equity	45.0	7.4
Global ex-US Equity	15.0	7.5
Domestic Fixed	23.0	4.3
High Yield		
Short Duration	5.0	3.8
Cash Equivalents	2.0	2.8
Hedge Funds	10.0	5.6
Total	100.0	

The discount rate used to measure the total OPEB liability for CEPP was 6.20 percent as of June 30, 2023 and applied to all periods of projected benefit payments to determine the total OPEB liability. There was no change in the discount rate from the 2022 to the 2023 actuarial valuations. The projection of cash flows used to determine the discount rate assumed that the State will continue to contribute at least the Actuarially Determined Contribution each year. The discount rate of 6.20% was used in calculating the actuarially determined contribution for this plan.

For LP for the June 30, 2023 valuation, the discount rate used to measure the total OPEB liability was 4.13% and applied to all periods of projected benefit payments to determine the total OPEB liability. The change in the discount rate from the 2022 to the 2023 actuarial valuations was .04%, increasing the rate to 4.13%.

Changes in the Net/Total OPEB Liability

<u>State Personnel Plan</u>	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 6/30/21	\$ 62,697	\$ 46,837	\$ 15,860
Changes for the year:			
Service cost	3,304	-	3,304
Interest	1,921	-	1,921
Differences between expected and actual experience	8,448	-	8,448
Changes of assumptions or other inputs	(528)	-	(528)
Contributions - employer	-	1,776	(1,776)
Net investment income	-	92	(92)
Benefit payments, including refunds of employee contributions	(2,209)	(2,209)	-
Net changes	<u>10,936</u>	<u>(341)</u>	<u>11,277</u>
Balances at 6/30/22	<u>\$ 73,633</u>	<u>\$ 46,496</u>	<u>\$ 27,137</u>

<u>Indiana State Police</u>	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
Balances at 6/30/21	\$ 168,917	\$ 178,207	\$ (9,290)
Changes for the year:			
Service cost	5,184	-	5,184
Interest	10,651	-	10,651
Differences between expected and actual experience	(7,337)	-	(7,337)
Contributions - employer	-	13,592	(13,592)
Contributions - employee	-	799	(799)
Net investment income	-	(21,354)	21,354
Benefit payments, including refunds of employee contributions	(4,678)	(4,678)	-
Administrative expense	-	(296)	296
Net changes	<u>3,820</u>	<u>(11,937)</u>	<u>15,757</u>
Balances at 6/30/22	<u>\$ 172,737</u>	<u>\$ 166,270</u>	<u>\$ 6,467</u>

<u>Conservation & Excise Police Plan</u>	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 6/30/21	\$ 52,984	\$ 32,138	\$ 20,846
Changes for the year:			
Service cost	1,185	-	1,185
Interest	3,310	-	3,310
Differences between expected and actual experience	(7,150)	-	(7,150)
Contributions - employer	-	4,825	(4,825)
Net investment income	-	(4,815)	4,815
Benefit payments, including refunds of employee contributions	(1,581)	(1,581)	-
Administrative expense	-	(132)	132
Net changes	<u>(4,236)</u>	<u>(1,703)</u>	<u>(2,533)</u>
Balances at 6/30/22	<u>\$ 48,748</u>	<u>\$ 30,435</u>	<u>\$ 18,313</u>

<u>Legislature Plan</u>	<u>Increase (Decrease)</u> <u>Total OPEB Liability</u> <u>(a)</u>
Balances at 6/30/21	\$ 10,026
Changes for the year:	
Service cost	35
Interest	215
Differences between expected and actual experience	(684)
Changes of assumptions or other inputs	(1,753)
Benefit payments, including refunds of employee contributions	(527)
Net changes	<u>(2,714)</u>
Balances at 6/30/22	<u>\$ 7,312</u>

Changes since last year's valuation, which was for the fiscal year ending June 30, 2021 are as follows:

For SPP, the discount rate assumption was updated to be based on a blended rate using the expected rate of return on assets (3.00%) for years when investments are expected to be sufficient to pay the projected benefit payments and the yield 20-year tax-exempt general obligation municipal bonds (4.09% as of June 30, 2022) for years when investments are insufficient to cover future benefit payments. The discount rate is 2.96% as of July 1, 2021 and 3.04% as of June 30, 2022. This change resulted in a decrease in liabilities. In addition, interim year valuation results have been projected from the prior year's valuation with adjustments for actual medical/Rx claims and enrollment experience for the 24 months ending May 2022 (with 60% weight on the most recent 12 months) and premium rate changes from 2022 to 2023. This change resulted in a significant increase in liabilities.

For ISP, interim year valuation results have been projected from the prior year's valuation with adjustments for actual medical/Rx claims and enrollment experience for the 24 months ending May 2022 (with 70% weight on the most recent 12 months) and premium rate changes from 2022 to 2023. This change resulted in a decrease in liabilities.

For CEPP, interim year valuation results have been projected from the prior year's valuation with adjustments for actual medical/Rx claims and enrollment experience for the 24 months ending May 2022 (with 70% weight on the most recent 12 months) and premium rate changes from 2022 to 2023. The medical premium for the post-65 Medicare Advantage plan was \$372.47 effective January 1, 2022 and \$375.64 effective January 1, 2023. This change resulted in a decrease in liabilities.

For LP, the discount rate assumption was updated to be based on the yield for 20-year-tax-exempt general

obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale) as of June 30, 2022 (measurement date). The discount rate is 2.19% as of July 1, 2021 and 4.09% as of June 30, 2022. This change resulted in a significant decrease in liabilities. In addition, interim year valuation results have been projected from the prior year's valuation with adjustments for actual medical/Rx claims and enrollment experience for the 24 months ending May 2022 (with 70% weight on the most recent 12 months) and premium rate changes from 2022 to 2023. This change resulted in a decrease in liabilities.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate. The following presents the net OPEB liability for the three OPEB plans administered through trusts calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

June 30, 2022 valuation:

<u>State Personnel Plan</u>		
<u>Net OPEB Liability</u>		
<u>1% Decrease</u> <u>(2.04%)</u>	<u>Current Rate</u> <u>(3.04%)</u>	<u>1% Increase</u> <u>(4.04%)</u>
34,023	27,137	20,865

<u>State Police Plan</u>		
<u>Net OPEB Liability (Asset)</u>		
<u>1% Decrease</u> <u>(5.20%)</u>	<u>Current Rate</u> <u>(6.20%)</u>	<u>1% Increase</u> <u>(7.2%)</u>
24,488	6,467	(9,257)

<u>Conservation & Excise Officers Plan</u>		
<u>Net OPEB Liability</u>		
<u>1% Decrease</u> <u>(5.20%)</u>	<u>Current Rate</u> <u>(6.20%)</u>	<u>1% Increase</u> <u>(7.20%)</u>
25,479	18,313	12,468

June 30, 2023 valuation:

State Personnel Plan		
Net OPEB Liability		
1% Decrease (2.00%)	Current Rate (3.00%)	1% Increase (4.00%)
53,514	44,467	36,237

State Police Plan		
Net OPEB Liability (Asset)		
1% Decrease (5.20%)	Current Rate (6.20%)	1% Increase (7.2%)
41,940	20,532	1,852

Conservation & Excise Officers Plan		
Net OPEB Liability		
1% Decrease (5.20%)	Current Rate (6.20%)	1% Increase (7.20%)
22,041	14,711	8,698

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability for the LP OPEB plan that is not administered through a trust calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

Legislature Plan		
Total OPEB Liability		
1% Decrease: 6.5% decreasing to 3.5%	Current Rate: 7.5% decreasing to 4.5%	1% Increase: 8.5% decreasing to 5.5%
6,564	7,312	8,194

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

State Personnel Plan - For the year ended June 30, 2023 the State recognized OPEB expense of \$6.9 million. At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability for the LP OPEB plan that is not administered through a trust calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

Legislature Plan		
Total OPEB Liability		
1% Decrease (3.09%)	Current Rate (4.09%)	1% Increase (5.09%)
8,154	7,312	6,608

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 13,471	\$ 1,523
Changes of assumptions or other inputs	6,508	4,691
Net difference between projected and actual earnings on OPEB plan investments	2,306	-
Employer's contributions to the OPEB plan subsequent to the measurement date of the net OPEB liability	1,949	-
Total	\$ 24,234	\$ 6,214

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the net OPEB liability for the three OPEB plans administered through trusts calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

Net OPEB Liability (Asset)			
	1% Decrease: 6.5% decreasing to 3.5%	Current Rate: 7.5% decreasing to 4.5%	1% Increase: 8.5% decreasing to 5.5%
SPP	18,575	27,137	37,382
ISP	(12,176)	6,467	28,536
CEPP	11,454	18,313	26,958

Deferred outflows of resources in the amount of \$1.9 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

June 30, 2022 valuation:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2024	2,889
2025	2,796
2026	3,581
2027	1,946
2028	2,429
Thereafter	2,430

June 30, 2023 valuation:

Net OPEB Liability (Asset)			
	1% Decrease: 6.5% decreasing to 3.5%	Current Rate: 7.5% decreasing to 4.5%	1% Increase: 8.5% decreasing to 5.5%
SPP	33,871	44,467	57,144
ISP	265	20,532	44,245
CEPP	8,061	14,711	23,027

Indiana State Police Plan - For the year ended June 30, 2023 the State recognized OPEB income of \$21.9 million. At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 77,824
Changes of assumptions or other inputs	5,021	45,300
Net difference between projected and actual earnings on OPEB plan investments	35,881	-
Employer's contributions to the OPEB plan subsequent to the measurement date of the net OPEB liability	13,524	-
Total	\$ 54,426	\$ 123,124

Deferred outflows of resources in the amount of \$13.5 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal year ended June 30:</u>	<u>Deferred Outflows of Resources/(Deferred Inflows of Resources)</u>
2024	(26,352)
2025	(26,753)
2026	(21,300)
2027	(2,670)
2028	(4,100)
Thereafter	(1,047)

Conservation & Excise Police Plan - For the year ended June 30, 2023 the State recognized OPEB expense of \$97 thousand. At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,329	\$ 11,817
Changes of assumptions or other inputs	4,859	14,842
Net difference between projected and actual earnings on OPEB plan investments	5,708	-
Employer's contributions to the OPEB plan subsequent to the measurement date of the net OPEB liability	6,476	-
Total	\$ 21,372	\$ 26,659

Deferred outflows of resources in the amount of \$6.5 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal year ended June 30:</u>	<u>Deferred Outflows of Resources/(Deferred Inflows of Resources)</u>
2024	(2,514)
2025	(2,557)
2026	(2,651)
2027	(2,930)
2028	(1,111)

Legislature Plan - For the year ended June 30, 2023 the State recognized OPEB income of \$0.3 million. At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 785	\$ 882
Changes of assumptions or other inputs	754	1,402
Employer's contributions to the OPEB plan subsequent to the measurement date of the total OPEB liability	494	-
Total	\$ 2,033	\$ 2,284

Deferred outflows of resources in the amount of \$0.5 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension

liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2024	(180)
2025	(20)
2026	(59)
2027	(486)

Defined Contribution Plan

Plan Description. The State of Indiana sponsors one single employer defined contribution OPEB plan, the Retirement Medical Benefits Account Plan (RMBA). The plan is administered in accordance with IC 5-10-8.5. RMBA allows for certain medical care expense premiums to be reimbursed from individual accounts established for retired participants under IC 5-10-8.5-9. RMBA became effective for participants who retired on or after July 1, 2007. The plan is administered by the INPRS Board of Trustees.

Retired participants include: (a) participants who are eligible for a normal, unreduced or disability retirement benefit. (b) participants who have completed at least ten years of service as an elected or appointed officer on their last day of service. (c) participants who are a member of the PERF My Choice plan who are 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 recovered by an annual charge per employee determined each year. The annual charge for FY 2023 was \$1,026, which was 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.

The amount of reimbursed retiree medical expenses during the fiscal year ending June 30, 2023 was \$15.6 million. As of June 30, 2023, the state owes contributions of \$9.7 million to the plan to fulfill its obligation towards additional contributions per IC 5-10-8.5-16. Forfeitures of retiree medical benefits for the fiscal year ending June 30, 2023 totaled \$12.8 million.

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

Inactive employees or beneficiaries currently receiving benefit payments	8,617
Active employees	28,240
Total	36,857

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

A summary of the OPEB amounts disclosed in the notes is provided in the following table.

Plan	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
OPEB DB						
SPP	\$ 73,633	\$ 46,496	\$ 27,137	\$ 24,234	\$ 6,214	\$ 6,899
ISP	172,737	166,270	6,467	54,426	123,124	(21,949)
CEPP	48,748	30,435	18,313	21,372	26,659	97
LP	7,312	-	7,312	2,033	2,284	(313)
Total OPEB DB	\$ 302,430	\$ 243,201	\$ 59,229	\$ 102,065	\$ 158,281	\$ (15,266)
RMBA-DC	9,685	-	9,685	-	-	(13,716)
Total OPEB	\$ 312,115	\$ 243,201	\$ 68,914	\$ 102,065	\$ 158,281	\$ (28,982)

G. Pollution Remediation Obligations

Nature and source of pollution remediation obligations:

Five state agencies have identified themselves as responsible or potentially responsible parties to remediate forty-four pollution sites. Obligating events for the cleanup of these sites include being compelled to take action because the pollution creates an imminent danger to public health or welfare or the environment, being named by a regulator to remediate hazardous wastes and contamination, and voluntarily assuming responsibility because of imminent threats to human health and the environment.

Amount of the estimated liability, methods and assumptions used for the estimate, and the potential for changes:

The State's total estimated liability is \$27.3 million of which \$3.0 million is estimated to be payable within one year. State agencies calculated their estimated liabilities using various approaches including existing agreements, contractor bids/surveys, records of decisions from regulators, matching requirements under the Superfund law, previous actual costs to cleanup similar sites, investigation activities, well known and recognized estimation methods, and through the sampling and knowing the size and volume of existing contamination at a site. Superfund site estimated liabilities also applied a rolling thirty-year liability as this was the number of years determined to be reasonably estimable. The estimated liabilities of state agencies are subject to annual review and adjustment for changes in agreements, laws, regulations, court decisions, price increases or decreases for goods and services used in cleanup, and other relevant changes that come to light.

Estimated recoveries reducing the liability:

The estimated recoveries total \$13.8 million. Of this total, \$0.1 million is unrealizable or has not yet been realized and has been applied to reduce the State's total estimated liability. Estimated recoveries include the proceeds from the sale of stock, bankruptcy court settlements, coverage of allowable costs by the State's Excess Liability Trust Fund (ELTF), credits received for work performed on Superfund sites, and federal funds. The ELTF state law states that if insufficient funds exist to pay claims neither the State nor the Fund are liable for unpaid claims. The State recognized \$3.8 million of program revenue for three sites whose realized recoveries exceeded the pollution remediation liability.

H. Asset Retirement Obligations

GASB Statement No. 83, Certain Asset Retirement Obligations (GASB 83), establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. In accordance with the statement, the State has recognized asset retirement obligations of \$10.9 million as of June 30, 2023, related to decommissioning costs for various wastewater treatment plants. This obligation was recognized using the best estimate of the current value of outlays expected to be incurred based on vendor quotes and engineering estimates. Additionally, the Indiana Department of Environmental Management approves plans for each decommissioning. The corresponding deferred outflow of resources is amortized over the estimated remaining useful life of the associated tangible capital assets. These assets have remaining estimated lives ranging from zero to twelve years. No restricted assets are set aside for payment of the asset retirement obligations.

I. Tax Abatements

The State provides tax abatements through nine programs which are the (1) Coal Gasification Technology Investment Credit, (2) Community Revitalization Enhancement District Credit (3) Economic Development for a Growing Economy (EDGE) Credit, (4) Hoosier Business Investment Credit, (5) Industrial Recovery Credit, (6) Redevelopment Tax Credit, (7) Research Expense Credit, (8) Venture Capital Investment Credit, and (9) Neighborhood Assistance Program Credit. The Indiana Economic Development Corporation (IEDC) approves the tax credits for programs (1) through (8). The Indiana Housing and Community Development Authority (IHCDA) approves the tax credits for the Neighborhood Assistance Program Credit. The following is a summary of these programs where the taxes abated exceeded \$1 million individually or in the aggregate.

Coal Gasification Technology Investment Credit

The Coal Gasification Technology Investment Credit is created by IC 6-3.1-29. This program was created to foster job creation and higher wages, reduce air pollution as a result of the generation of electricity through fossil fuels, and promote investment in integrated coal gasification power plants and fluidized bed combustion technology. This program provides a credit against a taxpayer's adjusted gross income tax, financial institutions tax, insurance premiums tax liability, or utility receipts tax. The credit must be claimed on the taxpayer's annual state income tax return or returns filed with the Indiana Department of Revenue. The credit is administered by the Indiana Economic Development Corporation (IEDC) and is for a qualified investment in an integrated coal gasification power plant equal to the sum of 10% of the taxpayer's qualified investment for the first \$500 million invested; 5% of the taxpayer's qualified investment that exceeds \$500 million, only if the facility is dedicated primarily to serving Indiana retail electric or gas utility consumers. For qualified investment in fluidized bed combustion technology, the credit is equal to the sum of 7% of the taxpayer's qualified investment for the first \$500 million invested; 3% of the taxpayer's qualified investment that exceeds \$500 million. Qualified investment is defined as a taxpayer's expenditures for all real and tangible personal property incorporated in and used as part of an integrated coal gasification power plant or a fluidized bed combustion technology and transmission equipment and other real and personal property located at the site of an integrated coal gasification power plant or a fluidized bed combustion technology that is employed specifically to serve the integrated coal gasification power plant or fluidized

bed combustion technology. In order to award a tax credit under this program, the IEDC must determine the taxpayer's proposed investment satisfies the requirements of IC 6-3.1-29. The tax credit will be recaptured if the IEDC determines the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-29. The State has made no other commitments other than to reduce the applicable taxes as part of this program.

Community Revitalization Enhancement District Credit

The Community Revitalization Enhancement District Tax Credit is created by IC 6-3.1-19. The program was created to provide an incentive for investment in the redevelopment or rehabilitation of property located within a revitalization district. This program provides a credit against a taxpayer's adjusted gross income tax, financial institutions tax, or insurance premiums tax liability. The credit must be claimed on the taxpayer's annual state income tax return filed with the Indiana Department of Revenue. The credit is administered by the Indiana Economic Development Corporation (IEDC) and is 25% of the company's qualified investment. The tax credit is assignable pursuant to IC 6-3.1-19-3. Qualified investment is defined as the amount of the taxpayer's expenditures for the redevelopment or rehabilitation of real property located within a community revitalization enhancement district designated under IC 36-7-13. In order to be eligible, a business must propose to make qualified investments for the redevelopment or rehabilitation of property located within a revitalization district and the IEDC expects the project to have a positive return on investment. The tax credit will be recaptured if the IEDC determined the taxpayer substantially reduces or ceases its operations in Indiana in order to relocate them within the district. The State has made no other commitments other than to reduce the applicable taxes as part of this program. In order to receive a tax credit, the taxpayer must commit to new capital investment in Indiana within the statutory parameters.

Economic Development for a Growing Economy (EDGE) Credit

The Economic Development for a Growing Economy Credit is created by IC 6-3.1-13. This program was created to foster job creation in Indiana, job retention in Indiana, and to foster employment in Indiana of students who participate in a course of study that includes a cooperative arrangement between an educational institution and an employer for the training of students in high wage, high demand jobs that require an industry certification. This program provides a credit against a taxpayer's adjusted gross

income tax, financial institutions tax, or insurance premiums tax liability. The credit must be claimed on the taxpayer's annual state income tax return filed with the Indiana Department of Revenue. The credit is administered by the Indiana Economic Development Corporation (IEDC). The amount and duration of this tax credit shall be determined by the IEDC. The credit may be stated as a percentage of the incremental income tax withholdings attributable to the applicant's project and may include a fixed dollar limitation. In the case of a credit awarded for a project to create new jobs in Indiana, the credit amount may not exceed the incremental income tax withholdings. However, the credit amount claimed for a taxable year may exceed the taxpayer's state tax liability for the taxable year, in which the excess may, at the discretion of the IEDC, be refunded to the taxpayer. The tax credit will be recaptured if the IEDC determines the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-13. The State has made no other commitments other than to reduce the applicable taxes as part of this program. In order to receive a tax credit, the taxpayer must commit to the creation or retention of full-time, permanent jobs for Indiana residents at the project location and new capital investment in Indiana.

Hoosier Business Investment Credit

The Hoosier Business Investment Credit is created by IC 6-3.1-26. This program was created to foster job creation and create higher wages in Indiana. This program provides a credit against a taxpayer's adjusted gross income tax, financial institutions tax, or insurance premiums tax liability. The credit must be claimed on the taxpayer's annual state income tax return filed with the Indiana Department of Revenue. The credit is administered by the Indiana Economic Development Corporation (IEDC) and may not exceed 10% of the taxpayer's qualified investment in a taxable year for qualified investment that is not a logistics investment and 25% of the qualified investment made in a taxable year if the qualified investment is a logistics investment. Qualified investment is defined as the amount of the taxpayer's expenditures in Indiana for the purchase of new telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, finishing, distribution, transportation, or logistical distribution equipment; the purchase of new computers and related equipment; costs associated with the modernization of existing telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, finishing, distribution, transportation, or logistical distribution facilities; onsite infrastructure improvements; the construction of new telecommunications, production,

manufacturing, fabrication, assembly, extraction, mining, processing, refining, finishing, distribution, transportation, or logistical distribution facilities; costs associated with retooling existing machinery and equipment; costs associated with the construction of special purpose building and foundations for use in the computer, software, biological sciences, or telecommunications industry; costs associated with the purchase of machinery, equipment or special purpose buildings used to make motion pictures or audio productions; and a logistics investment as further described in IC 6-3.1-26-8.5 that are certified by the IEDC under this chapter as being eligible for the credit. The term does not include property that can be readily moved outside Indiana. In order to award a tax credit under this program, the IEDC must determine the following conditions exist, the applicant's project will raise the total earnings of employees of the applicant in Indiana or substantially enhance the logistics industry by creating new jobs, preserving existing jobs that otherwise would be lost, increasing wages in Indiana, or improving the overall Indiana economy, in the case of a logistics investment being claimed by the applicant; the applicant's project is economically sound and will benefit the people of Indiana by increasing opportunities for employment and strengthening the economy of Indiana; receiving the tax credit is a major factor in the applicant's decision to go forward with the project and not receiving the tax credit will result in the applicant not raising the total earnings of the applicant's employees in Indiana, or other employees in Indiana in the case of a logistics investment being claimed by the applicant; awarding the tax credit will result in an overall positive fiscal impact to the state, as certified by the budget agency using the best available data; the credit is not prohibited by the relocation of jobs from one location in Indiana to another location in Indiana; in the case of a qualified investment that is not being claimed as a logistics investment by the applicant, the average wage that will be paid by the taxpayer to its employees (excluding highly compensated employees) at the location after the credit is given will be at least equal to one hundred fifty percent (150%) of the hourly minimum wage under IC 22-2-2-4 or its equivalent. The tax credit will be recaptured if the IEDC determines the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-26. The State has made no other commitments other than to reduce the applicable taxes as part of this program. In order to receive a tax credit, the taxpayer must commit to the creation or retention of full-time, permanent jobs for Indiana residents at the project location and new capital investment in Indiana.

Industrial Recovery Credit

The Industrial Recovery Credit is created by IC 6-3.1-11. This program was created to foster the rehabilitation of property located within an industrial recovery site. This program provides a credit against a taxpayer's adjusted gross income tax, financial institutions tax, or insurance premiums tax liability. The credit must be claimed on the taxpayer's annual state income tax return filed with the Indiana Department of Revenue. The credit is administered by the Indiana Economic Development Corporation (IEDC) and may not exceed 15% for a plant that was in service at least fifteen years ago but less than thirty years ago, 20% for a plant that was placed in service at least thirty years ago but less than forty years ago, and 25% if a plant was placed in service at least forty years ago. Qualified investment is defined as the amount of the taxpayer's expenditures for rehabilitation of property located within an industrial recovery site. Rehabilitation is defined as the remodeling repair, or betterment of real property in any manner or enlargement or extension of real property. Plant is defined as a building or complex of buildings used, or designed and constructed for use, in production, manufacturing, fabrication, assembly, processing, refining, finishing, or warehousing of tangible personal property, whether the tangible personal property is or was for sale to third parties or for use by the owner in the owner's business. In order to award a tax credit under this program, the IEDC must consider the following factors; the level of distress in the surrounding community caused by the loss of jobs at the vacant industrial facility; evidence of support for the designation by residents, businesses, and private organizations in the surrounding community; evidence of a commitment by private or governmental entities to assist in the financing of improvements or redevelopment activities benefiting the vacant industrial facility; whether the industrial recovery site is within an economic revitalization area designated under IC 6-1.1-12.1. The tax credit will be recaptured if the IEDC determines the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-11. The State has made no other commitments other than to reduce the applicable taxes as part of this program. In order to receive a tax credit, the taxpayer must commit to new capital investment in Indiana within the statutory parameters.

Redevelopment Tax Credit

The Redevelopment Tax Credit is created by IC 6-3.1-34. The program was created to provide an incentive for investment in the redevelopment of vacant and underutilized land and buildings. This program provides a credit against a taxpayer's

adjusted gross income tax, financial institutions tax, or insurance premiums tax liability. The credit must be claimed on the taxpayer's annual state income tax return filed with the Indiana Department of Revenue. The credit is administered by the Indiana Economic Development Corporation (IEDC) and may not exceed 30% of the amount of qualified investment (an additional 5% may be awarded if the project qualified for New Markets Tax Credits or is located in an opportunity zone). The tax credit can be assigned pursuant to IC 6-3.1-34-14 and shall be subject to repayment based on the amount of the award pursuant to IC 6-3.1-34-18. Qualified Investment is defined as the amount of the taxpayer's expenditures for the redevelopment or rehabilitation of real property located within a qualified redevelopment site. Rehabilitation is defined as the betterment of real property in any way. In order to award a tax credit under this program, the IEDC must consider the following factors; evidence the project aligns with the community's development plans; economic development potential for the project for which the taxpayer proposes to make the qualified investment; evidence of barriers preventing the development or redevelopment of the qualified redevelopment site in which the qualified investment is made, the level of commitment by the public sector and local government to assist in the financing of improvements or redevelopment activities benefiting the qualified redevelopment site in which the qualified investment is made, evidence of support by residents, businesses, and private organizations in the surrounding community for the project for which the taxpayer proposes to make the qualified investment; the level of economic distress in the surrounding community and the extent to which the project for which the taxpayer proposes to make the qualified investment mitigates the economic distress; the extent to which the project is estimated to enhance the economic opportunity, health, safety, aesthetics, or amenities of the community; and any other factors as determined by the IEDC. The tax credit will be recaptured if the IEDC determined the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-34. The State has made no other commitments other than to reduce the applicable taxes as part of this program. In order to receive a tax credit, the taxpayer must commit to new capital investment in Indiana within the statutory parameters.

Research Expense Credit

The Research Expense Credit is created by IC 6-3.1-4. The program was created to incentivize research investment in Indiana. This program provides a credit against a taxpayer's adjusted gross income tax liability. The credit must be claimed on the taxpayer's annual state income tax return filed with the Indiana

Department of Revenue. The program is administered by the Indiana Department of Revenue (DOR), with the exception of the aerospace technology portion which is administered by the Indiana Economic Development Corporation (IEDC). The credit may be calculated one of two ways, listed below, as elected by the taxpayer. For Indiana qualified research expense incurred after December 31, 2007, the credit is equal to 15% of the Indiana qualified research expense less the taxpayer's base amount of Indiana qualified research expense, up to \$1 million. For qualified research expense in excess of \$1 million, the credit amount is equal to 10%. For Indiana qualified research expense incurred after December 31, 2009, the taxpayer's research expense tax credit is equal to 10% of the part of the taxpayer's Indiana qualified research expense for the taxable year that exceeds 50% of the taxpayer's average Indiana qualified research expense for the 3 taxable years preceding the taxable year for which the credit is being determined. If the taxpayer did not have Indiana qualified research expense in any 1 of the 3 taxable years preceding the taxable year for which the credit is being determined, the amount of the research expense tax credit is equal to 5% of the taxpayer's Indiana qualified research expense for the taxable year. Indiana qualified research expense is defined as qualified research expense that is incurred for research conducted in Indiana. Qualified research expense means qualified research expense as defined in Section 41(b) of the Internal Revenue Code. The tax credit will be recaptured if the DOR determines the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-4. The State has made no other commitments other than to reduce the applicable taxes as part of this program.

Venture Capital Investment Credit

The Venture Capital Investment Credit is created by IC 6-3.1-24. This credit was created to improve access to capital for fast growing Indiana companies by providing individual and corporate investors an incentive to invest in early-stage firms. This program provides a credit against a taxpayer's adjusted gross income tax, financial institutions tax, insurance premiums tax, or state gross retail and use tax liability. The credit must be claimed on the taxpayer's state income tax return or returns filed with the Indiana Department of Revenue. The credit is administered by the Indiana Economic Development Corporation (IEDC) and is equal to 20% of the taxpayer's qualified investment capital provided to the qualified Indiana business or \$1.0 million, whichever is less. Starting on January 1, 2022, the credit is equal to 25% of the taxpayer's qualified investment capital, up to \$1.0 million for qualified Indiana businesses, or 30% up to \$1.5 million for

qualified Indiana businesses that are women- or minority-owned. Qualified Indiana business is defined as an independently owned and operated business that is certified as a qualified Indiana business by the IEDC. Qualified investment capital is defined as debt or equity capital that is provided to a qualified Indiana business. However, the term does not include debt that is provided by a financial institution (as defined in IC 5-13-4-10) after May 15, 2005 and is secured by a valid mortgage, security agreement, or other agreement or document that establishes a collateral or security position for the financial institution that is senior to all collateral or security interests of other taxpayers that provide debt or equity capital to the qualified Indiana business. In order to award a tax credit under this program, the IEDC must certify the taxpayer's proposed investment plan. The proposed investment plan must include the name and address of the taxpayer, the name and address of each proposed recipient of the taxpayer's proposed investment; the amount of the proposed investment; a copy of the certification issued by the IEDC stating the business being invested in is a qualified Indiana business, and any other information required by the IEDC. The IEDC must determine that the proposed investment would qualify for the taxpayer credit under this program, and the amount of proposed investment would not result in the total amount of tax credits certified for the calendar year exceeding \$12.5 million. The total amount of credits that may be approved by the IEDC for a calendar year may not exceed \$12.5 million. Starting on January 1, 2022, the total amount of credits that may be approved by the IEDC for a calendar year may not exceed \$20.0 million, with not more than \$7.5 million set aside for a taxpayer's investment in a qualified Indiana investment fund. A qualified Indiana investment fund is certified by the IEDC and must have a substantial presence in Indiana. The credit is equal to 20% of the taxpayer's qualified investment capital, up to \$5 million. The tax credit will be recaptured if the IEDC determines the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-24. The State has made no other commitments other than to reduce the applicable taxes as part of this program.

Neighborhood Assistance Program Credit

The Neighborhood Assistance Program (NAP) Credit is created by IC 6-3.1-9. The IHCD distributes state tax credits to eligible non-profit organizations through an application approval process that they use to raise funds for their activities of community services, crime prevention, education, job training, and neighborhood assistance in economically disadvantaged areas or households. Each fiscal year, NAP State tax credits are capped

at \$2.5 million and the maximum credit per donor is \$25,000. NAP tax credits are distributed to donors at 50% of the contribution amount and are subtracted from a donor's adjusted gross income or financial institutions tax liability on their annual state income

tax returns. Unused portions of the credit may not be carried forward or carried back and the credit is nonrefundable. The State has made no other commitments other than to reduce the applicable taxes as part of this program.

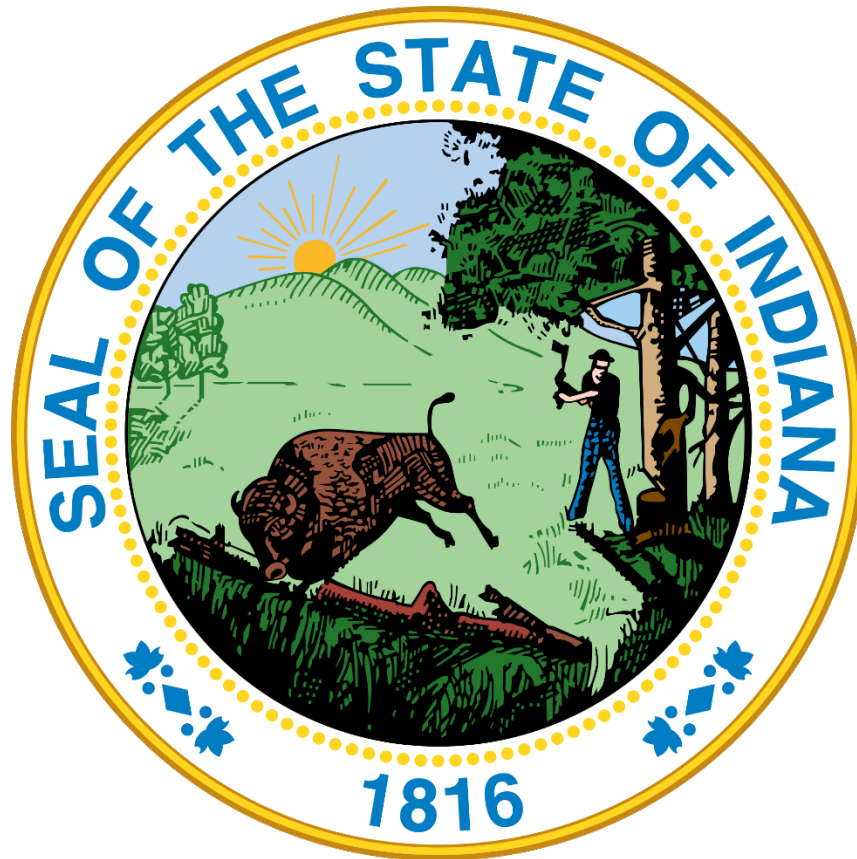
The state tax abatements for the fiscal year ended June 30, 2023 are:

Tax Abatement Program	Amount of Taxes Abated	
Coal Gasification Technology Investment Credit		
Corporate Income Tax	\$	15,000
Community Revitalization Enhancement District Credit		
Individual Income Tax		9,104
Corporate Income Tax		(D)
Economic Development for a Growing Economy (EDGE) Credit		
Individual Income Tax		9,421
Corporate Income Tax		81,118
Hoosier Business Investment Credit		
Individual Income Tax		2,389
Corporate Income Tax		5,098
Industrial Recovery Credit		
Individual Income Tax		2,319
Corporate Income Tax		17,595
Redevelopment Credit		
Individual Income Tax		3,572
Corporate Income Tax		(D)
Research Expense Credit		
Individual Income Tax		21,321
Corporate Income Tax		96,319
Venture Capital Investment Credit		
Individual Income Tax		6,001
Corporate Income Tax		251
Neighborhood Assistance Credit		
Individual Income Tax		1,866
Corporate Income Tax		6
<i>(D) - Non-disclosable per Indiana Code 6-8.1-7-2.</i>		

J. Subsequent Events

The Indiana Homeland Security Foundation was dissolved by the Indiana General Assembly under House Enrolled Act 1001 effective July 1, 2023. Funds previously held by the foundation will be moved to the Indiana Department of Homeland Security's Regional Public Safety Training Fund, a special revenue fund within the primary government. Funds in the Regional Public Safety Fund will be used to provide regional and advanced training for public safety service providers, support development of firefighter training facilities, provide scholarships for students enrolled in post-secondary coursework in public safety and purchase equipment to enhance emergency preparedness and response capabilities of public safety agencies or emergency medical service provider managed by the Indiana Department of Homeland Security.

REQUIRED SUPPLEMENTARY INFORMATION



**Schedule of Employer Contributions
Employee Retirement Systems and Plans
State Police Retirement Fund
(amounts expressed in thousands)**

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>
Actuarially determined contribution	\$ 27,696	\$ 25,255	\$ 23,152	\$ 26,166	\$ 25,841	\$ 22,203	\$ 17,536	\$ 16,185	\$ 13,886	\$ 13,869
Contributions in relation to the actuarially determined contribution	<u>29,893</u>	<u>29,863</u>	<u>36,748</u>	<u>34,095</u>	<u>29,901</u>	<u>25,002</u>	<u>20,556</u>	<u>18,073</u>	<u>13,451</u>	<u>14,005</u>
Contribution deficiency (excess)	(2,197)	(4,608)	(13,596)	(7,929)	(4,060)	(2,799)	(3,020)	(1,888)	435	(136)
Covered payroll	109,266	84,695	87,364	88,652	88,103	87,972	75,731	68,786	68,219	68,490
Contributions as a percentage of covered payroll	27.4%	35.3%	42.1%	38.5%	33.9%	28.4%	27.1%	26.3%	19.7%	20.4%

Notes to Schedule:*Valuation date*

June 30, 2023

Actuarial cost method

Entry age normal cost

Amortization method

Level percentage of payroll, closed

Remaining amortization period

18 years when the Actuarially Determined Contribution for plan year ending June 30, 2023 was determined

Asset valuation method

4 year smoothed value

Inflation

2.25%

Salary increases

3.5% for the pre-1987 plan; For the 1987 plan, 9% at ages 26 and younger, annual increase reduced 0.5% per year reaching 4% at age 36, annual increases of 4% at ages 36 and older. Salary matrix effective July 1, 2023 is reflected.

Investment rate of return

6.25% net of pension plan investment expense, including inflation.

Retirement age

Pre-1987 Plan - Retirement rates are based on age with 10% assumed to retire at ages 42-45, 7.5% at ages 46-54, 10% at 55, 12.5% at 56, 15% at 57, 20% at 58, 40% at ages 59 and older, except 100% at 65 (with at least 20 years of service). Based on experience study through June 30, 2019.

1987 Plan - Retirement rates are based on years of service with 15% assumed to retire at 25 years of service, 12.5% at 26 years, 10% at 27 years, 7.5% at years 28 and 29, 10% at 30 years, 12.5% at 31 years, 15% at 32 years, 40% at 33 years, and 27.5% at 34 or more years, except 100% at age 65 (with at least 25 years of service). Based on experience study through June 30, 2019.

Mortality

Employees - SOA Pub-2010 Safety Employees with 3 year set forward for males and no set forward for females with mortality improvement scale MP-2021 (with annual updates)

Retirees - SOA Pub-2010 Safety Retirees with 3 year set forward for males and no set forward for females with mortality improvement scale MP-2021 (with annual updates)

Beneficiaries - SOA Pub-2010 General Contingent Survivors with no set forward for males and 2 year set forward for females with mortality improvement scale

MP-2021 (with annual updates)

Disabled - SOA Pub-2010 General Disabled Retirees with no set forward for males and no set forward for females with mortality improvement scale MP-2021 (with annual updates)

Other information

Actuarially determined contribution rates are calculated as of July 1, one year prior to the end of the fiscal year in which contributions are reported.

Fiscal year actuarially determined contributions (ADC) were updated for all fiscal years to exclude statutory contributions that are in excess of ADC.

**Schedule of Employer Contributions
Employee Retirement Systems and Plans
State Police Supplemental Trust
(amounts expressed in thousands)**

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>
Actuarially determined contribution	\$ 6,310	\$ 6,499	\$ 6,398	\$ 5,085	\$ 5,383	\$ 5,049	\$ 5,308	\$ 4,904	\$ 5,195	\$ 4,029
Contributions in relation to the actuarially determined contribution	4,487	4,442	4,199	3,997	3,983	4,343	4,259	4,677	4,342	4,545
Contribution deficiency (excess)	1,823	2,057	2,199	1,088	1,400	706	1,049	227	853	(516)
Covered payroll	109,713	84,695	87,364	88,652	88,103	87,972	75,731	68,786	68,219	68,490
Contributions as a percentage of covered payroll	4.1%	5.2%	4.8%	4.5%	4.5%	4.9%	5.6%	6.8%	6.4%	6.6%

Notes to Schedule:*Valuation date*

June 30, 2023

Actuarial cost method

Entry age normal cost

Amortization method

Over the average remaining service of all plan participants

Remaining amortization period

As of June 30, 2023 the amortization period is 11.408 years

Asset valuation method

Not applicable

Inflation

2.25%

Salary increases

3.5% for the pre-1987 plan; For the 1987 plan, 9% at ages 26 and younger, annual increase reduced 0.5% per year reaching 4% at age 36, annual increases of 4% at ages 36 and older. New salary matrix effective July 1, 2023 is reflected.

Investment rate of return

4.13% net of pension plan investment expense, including inflation. 4.09% as of June 30, 2022. Rate is S&P Municipal Bond 20 year high grade rate index.

Retirement age

Pre-1987 Plan - Retirement rates are based on age with 10% assumed to retire at ages 42-45, 7.5% at ages 46-54, 10% at 55, 12.5% at 56, 15% at 57, 20% at 58, 40% at ages 59 and older, except 100% at 65 (with at least 20 years of service). Based on experience study through June 30, 2019.

1987 Plan - Retirement rates are based on years of service with 15% assumed to retire at 25 years of service, 12.5% at 26 years, 10% at 27 years, 7.5% at years 28 and 29, 10% at 30 years, 12.5% at 31 years, 15% at 32 years, 40% at 33 years, and 27.5% at 34 or more years, except 100% at age 65 (with at least 25 years of service). Based on experience study through June 30, 2019.

Mortality

Employees - SOA Pub-2010 Safety Employees with 3 year set forward for males and no set forward for females with mortality improvement scale MP-2021 (with annual updates)

Retirees - SOA Pub-2010 Safety Retirees with 3 year set forward for males and no set forward for females with mortality improvement scale MP-2021 (with annual updates)

Beneficiaries - SOA Pub-2010 General Contingent Survivors with no set forward for males and 2 year set forward for females with mortality improvement scale

MP-2021 (with annual updates)

Disabled - SOA Pub-2010 General Disabled Retirees with no set forward for males and no set forward for females with mortality improvement scale MP-2021 (with annual updates)

Other information

Actuarially determined contribution rates are calculated as of July 1, one year prior to the end of the fiscal year in which contributions are reported.

**Schedule of Employer Contributions
Employee Retirement Systems and Plans
Excise, Gaming and Conservation Officers' Retirement Fund (EG&C)
(amounts expressed in thousands)**

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>
Actuarially determined contribution	\$ 3,923	\$ 3,200	\$ 2,924	\$ 2,862	\$ 4,874	\$ 4,393	\$ 4,033	\$ 4,078	\$ 4,820	\$ 5,341
Contributions in relation to the actuarially determined contribution	<u>7,177</u>	<u>6,714</u>	<u>7,083</u>	<u>6,742</u>	<u>6,982</u>	<u>6,175</u>	<u>5,691</u>	<u>5,297</u>	<u>5,215</u>	<u>5,359</u>
Contribution deficiency (excess)	(3,254)	(3,514)	(4,159)	(3,880)	(2,108)	(1,782)	(1,658)	(1,219)	(395)	(18)
Covered payroll	34,597	32,356	33,194	32,491	33,272	29,387	27,428	25,526	25,133	25,825
Contributions as a percentage of covered payroll	20.7%	20.8%	21.3%	20.8%	21.0%	21.0%	20.7%	20.8%	20.7%	20.8%

Notes to Schedule:*Valuation date*

The pension liability as of June 30, 2023 was determined based on an actuarial valuation prepared as of June 30, 2022 rolled forward one year to June 30, 2023, using the following key actuarial assumptions and other inputs, such as benefit accruals and actual benefit payments during that time period.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Remaining amortization period

20 years, closed

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.00%

Salary increases

2.65% to 4.90%, based on service

Investment rate of return

6.25%

Mortality

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

Other information

The actuarially determined contribution amounts are based on the average of the actuarially determined contribution rates developed in the actuarial valuations completed one year and two years prior to the beginning of the fiscal year, multiplied by actual payroll during the fiscal year. Member census data as of the prior year end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project the liabilities computed as of prior year end to the current year measurement date.

**Schedule of Employer Contributions
Employee Retirement Systems and Plans
Prosecuting Attorneys' Retirement Fund (PARF)
(amounts expressed in thousands)**

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>
Actuarially determined contribution	\$ 4,344	\$ 4,044	\$ 4,750	\$ 4,232	\$ 3,909	\$ 2,714	\$ 2,200	\$ 1,440	\$ 1,575	\$ 2,569
Contributions in relation to the actuarially determined contribution	<u>4,155</u>	<u>4,044</u>	<u>4,402</u>	<u>4,232</u>	<u>3,216</u>	<u>3,014</u>	<u>1,486</u>	<u>1,440</u>	<u>1,063</u>	<u>1,174</u>
Contribution deficiency (excess)	189	-	348	-	693	(300)	714	-	512	1,395
Covered payroll	25,515	24,577	24,323	23,989	21,791	21,578	22,635	21,372	21,145	20,608
Contributions as a percentage of covered payroll	16.3%	16.5%	18.1%	17.6%	14.8%	14.0%	6.6%	6.7%	5.0%	5.7%

Notes to Schedule:

Valuation date

The pension liability as of June 30, 2023 was determined based on an actuarial valuation prepared as of June 30, 2022 rolled forward one year to June 30, 2023, using the following key actuarial assumptions and other inputs, such as benefit accruals and actual benefit payments during that time period.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Remaining amortization period

20 years, closed

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.00%

Salary increases

2.65%

Investment rate of return

6.25%

Mortality

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

Other information

The actuarially determined contribution amounts are developed in the actuarial valuations completed one year prior to the beginning of the fiscal year. Member census data as of the prior year end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project the liabilities computed as of prior year end to the current year measurement date.

**Schedule of Employer Contributions
Employee Retirement Systems and Plans
Legislators' Defined Benefit Fund (LRS DB)
(amounts expressed in thousands)**

	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Actuarially determined contribution	\$ 28	\$ 202	\$ 203	\$ 216	\$ 240	\$ 237	\$ 170	\$ 138	\$ 119	\$ 138
Contributions in relation to the actuarially determined contribution	183	183	238	208	269	237	135	138	131	138
Contribution deficiency (excess)	(155)	19	(35)	8	(29)	-	35	-	(12)	-
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:*Valuation date*

The pension liability as of June 30, 2023 was determined based on an actuarial valuation prepared as of June 30, 2022 rolled forward one year to June 30, 2023, using the following key actuarial assumptions and other inputs, such as benefit accruals and actual benefit payments during that time period.

Actuarial cost method

Entry age normal (Level Percent of Payroll) for accounting and Traditional Unit Credit for funding

Amortization method

Level dollar

Remaining amortization period

5 years, closed

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.00%

Salary increases

2.65%

Investment rate of return

6.25%

Mortality

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

Other information

Based on the actuarial assumptions and methods, an actuarially determined contribution amount is computed. The INPRS Board of Trustees considers this information when requesting appropriations from the State. Member census data as of the prior end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project liabilities computed as of prior year end to the current year measurement date.

N/A is not applicable as this is a closed plan with no payroll.

**Schedule of Employer Contributions
Employee Retirement Systems and Plans
Judges' Retirement System (JRS)
(amounts expressed in thousands)**

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>
Actuarially determined contribution	\$ 19,931	\$ 17,564	\$ 20,133	\$ 18,166	\$ 14,671	\$ 15,117	\$ 13,363	\$ 16,946	\$ 18,957	\$ 28,190
Contributions in relation to the actuarially determined contribution	<u>18,047</u>	<u>17,564</u>	<u>18,621</u>	<u>18,166</u>	<u>16,031</u>	<u>15,117</u>	<u>16,824</u>	<u>16,946</u>	<u>21,020</u>	<u>20,895</u>
Contribution deficiency (excess)	1,884	-	1,512	-	(1,360)	-	(3,461)	-	(2,063)	7,295
Covered payroll	67,466	65,159	61,215	58,189	56,380	53,350	54,755	51,382	48,582	46,041
Contributions as a percentage of covered payroll	26.7%	27.0%	30.4%	31.2%	28.4%	28.3%	30.7%	33.0%	43.3%	45.4%

Notes to Schedule:

Valuation date

The pension liability as of June 30, 2023 was determined based on an actuarial valuation prepared as of June 30, 2022 rolled forward one year to June 30, 2023, using the following key actuarial assumptions and other inputs, such as benefit accruals and actual benefit payments during that time period.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Remaining amortization period

20 years, closed

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.00%

Salary increases

2.65%

Investment rate of return

6.25%

Mortality

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

Other information

The actuarially determined contribution amounts are developed in the actuarial valuations completed one year prior to the beginning of the fiscal year. Member census data as of the prior year end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project the liabilities computed as of prior year end to the current year measurement date.

**Schedule of Employer Contributions
Employee Retirement Systems and Plans
Public Employees' Defined Benefit Account (PERF DB)
(amounts expressed in thousands)**

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>
Actuarially determined contribution	\$ 132,196	\$ 110,194	\$ 123,390	\$ 116,257	\$ 138,248	\$ 129,066	\$ 129,090	\$ 117,592	\$ 122,657	\$ 135,496
Contributions in relation to the actuarially determined contribution	<u>178,456</u>	<u>162,485</u>	<u>181,730</u>	<u>158,862</u>	<u>152,307</u>	<u>148,871</u>	<u>140,631</u>	<u>143,499</u>	<u>133,755</u>	<u>134,976</u>
Contribution deficiency (excess)	(46,260)	(52,291)	(58,340)	(42,605)	(14,059)	(19,805)	(11,541)	(25,907)	(11,098)	520
State's covered payroll	1,651,417	1,492,128	1,455,930	1,406,618	1,349,423	1,305,016	1,276,857	1,199,921	1,162,622	1,213,031
Contributions as a percentage of covered payroll	10.8%	10.9%	12.5%	11.3%	11.3%	11.4%	11.0%	12.0%	11.5%	11.1%

Notes to Schedule:*Valuation date*

The pension liability as of June 30, 2023 was determined based on an actuarial valuation prepared as of June 30, 2022 rolled forward one year to June 30, 2023, using the following key actuarial assumptions and other inputs, such as benefit accruals and actual benefit payments during that time period.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Remaining amortization period

20 years, closed

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.00%

Salary increases

2.65% - 8.65% based on service

Investment rate of return

6.25%

Mortality

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

Other information

The INPRS Board sets, at its discretion, the State's employer contribution rate upon considering the results of the actuarial valuation and other analysis as appropriate. The employer contribution rate for the year ended June 30, 2023 was 11.20%.

Member census data as of the prior year end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project the liabilities computed as of prior year end to the current year measurement date.

**Schedule of Employer Contributions
Employee Retirement Systems and Plans
Teachers' 1996 Defined Benefit Account (TRF '96 DB)
(amounts expressed in thousands)**

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>
Actuarially determined contribution	\$ 828	\$ 518	\$ 497	\$ 579	\$ 787	\$ 741	\$ 770	\$ 633	\$ 669	\$ 710
Contributions in relation to the actuarially determined contribution	<u>820</u>	<u>622</u>	<u>5,604</u>	<u>605</u>	<u>150,833</u>	<u>814</u>	<u>879</u>	<u>758</u>	<u>772</u>	<u>735</u>
Contribution deficiency (excess)	8	(104)	(5,107)	(26)	(150,046)	(73)	(109)	(125)	(103)	(25)
State's covered payroll	13,995	11,528	11,200	11,150	11,224	11,016	11,722	10,108	10,288	10,380
Contributions as a percentage of covered payroll	5.9%	5.4%	50.0%	5.4%	1343.8%	7.4%	7.5%	7.5%	7.5%	7.1%

Notes to Schedule:

Valuation date

The pension liability as of June 30, 2023 was determined based on an actuarial valuation prepared as of June 30, 2022 rolled forward one year to June 30, 2023, using the following key actuarial assumptions and other inputs, such as benefit accruals and actual benefit payments during that time period.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Remaining amortization period

20 years, closed

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.00%

Salary increases

2.65% - 11.90% based on years of service

Investment rate of return

6.25%

Mortality

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

Other information

Member census data as of the prior year end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project the liabilities computed as of prior year end to the current year measurement date.

Schedule of Non-Employer Contributions
Employee Retirement Systems and Plans
Teachers' Pre-1996 Defined Benefit Account (TRF Pre-'96 DB)
(amounts expressed in thousands)

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>
Statutorily determined contribution	\$ 4,235,000	\$ 1,550,410	\$ 1,598,375	\$ 971,132	\$ 943,900	\$ 917,900	\$ 871,000	\$ 887,500	\$ 845,616	\$ 825,616
Contributions in relation to the statutorily required contribution	<u>4,235,100</u>	<u>1,550,495</u>	<u>1,598,457</u>	<u>971,219</u>	<u>944,027</u>	<u>918,021</u>	<u>871,141</u>	<u>887,643</u>	<u>845,774</u>	<u>825,814</u>
Contribution deficiency (excess)	(100)	(85)	(82)	(87)	(127)	(121)	(141)	(143)	(158)	(198)

Notes to Schedule:*Valuation date*

The pension liability as of June 30, 2023 was determined based on an actuarial valuation prepared as of June 30, 2022 rolled forward one year to June 30, 2023, using the following key actuarial assumptions and other inputs, such as benefit accruals and actual benefit payments during that time period.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.00%

Salary increases

2.65% - 11.90% based on service

Investment rate of return

6.25%

Mortality

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

Other information

Member census data as of the prior year end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project the liabilities computed as of prior year end to the current year measurement date.

**Schedule of Employer Contributions
Other Postemployment Benefit Plans
State Personnel Healthcare Plan
(amounts expressed in thousands)**

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>
Actuarially determined contribution	\$ 5,516	\$ 4,273	\$ 4,917	\$ 4,752	\$ 3,276	\$ 3,042	\$ 3,060	\$ 1,538	\$ 1,839	\$ 1,010
Contributions in relation to the actuarially determined contribution	1,949	1,776	4,559	5,031	3,337	3,384	4,802	2,977	3,567	3,200
Contribution deficiency (excess)	3,567	2,497	358	(279)	(61)	(342)	(1,742)	(1,439)	(1,728)	(2,190)
Covered-employee payroll	1,625,969	1,482,190	1,444,707	1,397,835	1,346,186	1,296,877	1,245,383	1,148,771	1,180,296	1,219,424
Contributions as a percentage of covered-employee payroll	0.1%	0.1%	0.3%	0.4%	0.2%	0.3%	0.4%	0.3%	0.3%	0.3%

Notes to Schedule:

Valuation date

July 1, 2023 with no adjustments to get to the June 30, 2023 measurement date.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Amortization period

24 years

Inflation

2.00%

Healthcare cost trend rates

7.5% initial, decreasing 0.5% per year to an ultimate rate of 4.5%

Salary increases

2.65% for general wage inflation (includes 2.00% inflation and 0.65% real wage growth) plus the following merit and productivity increases which are based on the assumptions approved from the Indiana Public Retirement System (INPRS) 2020 Experience Study: YOS 0, 6.00%; YOS 5, 2.00%; YOS 10, 0.75%; YOS 13+, 0.00%.

Investment rate of return

3.00%

Retirement age

Annual retirement rates are based on the INPRS 2020 experience study.

Mortality

Healthy Judges and PARF employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021 with a 1 year setback for males and a 1 year setback for females

All other healthy employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021 with a 3 year set forward for males and a 1 year set forward for females

Disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2021 with a 140% load

Surviving Spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021 with no set forward for males and a 2 year set forward for females

Other information

Census data as of June 30, 2023 was used in the valuation.

**Schedule of Employer Contributions
Other Postemployment Benefit Plans
Indiana State Police Healthcare Plan
(amounts expressed in thousands)**

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>
Actuarially determined contribution	\$ 4,139	\$ 4,613	\$ 5,897	\$ 9,116	\$ 18,356	\$ 35,042	\$ 34,980	\$ 30,630	\$ 29,604	\$ 26,030
Contributions in relation to the actuarially determined contribution	<u>13,524</u>	<u>13,592</u>	<u>22,322</u>	<u>21,727</u>	<u>23,937</u>	<u>25,814</u>	<u>26,871</u>	<u>34,862</u>	<u>25,320</u>	<u>24,835</u>
Contribution deficiency (excess)	(9,385)	(8,979)	(16,425)	(12,611)	(5,581)	9,228	8,109	(4,232)	4,284	1,195
Covered-employee payroll	116,213	118,742	119,889	120,255	120,447	107,914	98,693	91,753	92,130	93,630
Contributions as a percentage of covered-employee payroll	11.6%	11.4%	18.6%	18.1%	19.9%	23.9%	27.2%	38.0%	27.5%	26.5%

Notes to Schedule:*Valuation date*

July 1, 2023 with no adjustments to get to the June 30, 2023 measurement date.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Amortization period

24 years

Inflation

2.00%

Healthcare cost trend rates

7.5% initial, decreasing 0.5% per year to an ultimate rate of 4.5%

Salary increases

Payroll growth rates are based on the tables used in the Indiana State Police actuarial pension valuation as of July 1, 2020 as follows: Age 26, 3.5% (Pre-1987), 9.00% (1987);

Age 31, 3.50% (Pre-1987), 6.50% (1987); Age 36+, 3.50% (Pre-1987), 4.00% (1987)

Investment rate of return

6.20%

Retirement age

Annual retirement rates are based on ISP's 2011 experience study.

Mortality

Healthy employees and retirees: SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2021 with a 3 year set forward for males no set forward for females

Disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2021

Surviving Spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021 with no set forward for males and a 2 year set forward for females

Other information

Census data as of June 30, 2023 was used in the valuation.

**Schedule of Employer Contributions
Other Postemployment Benefit Plans
Conservation and Excise Police Healthcare Plan
(amounts expressed in thousands)**

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>
Actuarially determined contribution	\$ 2,611	\$ 2,920	\$ 2,934	\$ 5,600	\$ 3,774	\$ 3,831	\$ 3,349	\$ 3,313	\$ 3,124	\$ 2,822
Contributions in relation to the actuarially determined contribution	6,476	4,825	4,301	4,167	4,021	6,241	3,718	3,575	2,437	2,482
Contribution deficiency (excess)	(3,865)	(1,905)	(1,367)	1,433	(247)	(2,410)	(369)	(262)	687	340
Covered-employee payroll	19,421	18,832	18,550	18,453	18,883	16,981	15,602	14,497	15,106	15,969
Contributions as a percentage of covered-employee payroll	33.3%	25.6%	23.2%	22.6%	21.3%	36.8%	23.8%	24.7%	16.1%	15.5%

Notes to Schedule:

Valuation date

July 1, 2023 with no adjustments to get to the June 30, 2023 measurement date.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Amortization period

24 years

Inflation

2.00%

Healthcare cost trend rates

7.5% initial, decreasing 0.5% per year to an ultimate rate of 4.5%

Salary increases

2.65% for general wage inflation plus the following merit and productivity increases which are based on the assumptions approved from the Indiana Public Retirement System (INPRS) 2020

Experience Study: YOS 0, 2.25%; YOS 5, 1.00%; YOS 9+, 0.00%

Investment rate of return

6.20%

Retirement age

Annual retirement rates are based on the INPRS 2020 experience study.

Mortality

Healthy employees and retirees: SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2021 with a 3 year set forward for males no set forward for females

Disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2021

Surviving Spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021 with no set forward for males and a 2 year set forward for females

Other information

Census data as of June 30, 2023 was used in the valuation.

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
State Police Retirement Fund
(amounts expressed in thousands)

	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Total pension liability										
Service cost	\$ 20,634	\$ 19,104	\$ 19,641	\$ 19,824	\$ 15,926	\$ 14,409	\$ 14,537	\$ 14,356	\$ 13,747	\$ 13,576
Interest	45,584	45,437	46,071	45,018	43,156	39,358	37,930	35,912	34,935	33,758
Changes of benefit terms	-	3,408	-	-	-	-	-	275	269	147
Differences between expected and actual experience	(143)	(9,392)	(12,530)	(9,072)	(5,963)	42,319	(562)	4,765	778	1,112
Changes of assumptions	1,156	37,122	(23,483)	(1,513)	8,070	(6,232)	(5)	9,230	775	533
Benefit payments, including refunds of employee contributions	(43,251)	(38,614)	(38,734)	(38,391)	(35,060)	(34,228)	(33,677)	(34,955)	(32,923)	(30,724)
Net change in total pension liability	23,980	57,065	(9,035)	15,866	26,129	55,626	18,223	29,583	17,581	18,402
Total pension liability, beginning	734,254	677,189	686,224	670,358	644,229	588,603	570,380	540,797	523,216	504,814
Total pension liability, ending	<u>\$ 758,234</u>	<u>\$ 734,254</u>	<u>\$ 677,189</u>	<u>\$ 686,224</u>	<u>\$ 670,358</u>	<u>\$ 644,229</u>	<u>\$ 588,603</u>	<u>\$ 570,380</u>	<u>\$ 540,797</u>	<u>\$ 523,216</u>
Plan fiduciary net position										
Contributions, employer	\$ 29,863	\$ 36,748	\$ 34,095	\$ 29,901	\$ 25,002	\$ 20,556	\$ 18,073	\$ 13,451	\$ 14,005	\$ 47,588
Contributions, employee	5,084	5,339	5,338	5,289	4,683	3,997	4,043	3,967	3,763	3,786
Net investment income	(63,174)	119,479	7,110	18,794	23,078	41,977	(10,454)	(990)	44,883	29,787
Benefit payments, including refunds of employee contributions	(43,251)	(38,614)	(38,734)	(38,391)	(35,060)	(34,228)	(33,677)	(34,955)	(32,923)	(30,724)
Administrative expense	(402)	(807)	(392)	(389)	(381)	(388)	(306)	(300)	(307)	(261)
Other	2	-	-	-	1	1	1	-	(11)	2
Net change in plan fiduciary net position	(71,878)	122,145	7,417	15,204	17,323	31,915	(22,320)	(18,827)	29,410	50,178
Plan fiduciary net position, beginning	620,855	498,710	491,293	476,089	458,766	426,851	449,171	467,998	438,588	388,410
Plan fiduciary net position, ending	<u>\$ 548,977</u>	<u>\$ 620,855</u>	<u>\$ 498,710</u>	<u>\$ 491,293</u>	<u>\$ 476,089</u>	<u>\$ 458,766</u>	<u>\$ 426,851</u>	<u>\$ 449,171</u>	<u>\$ 467,998</u>	<u>\$ 438,588</u>
Net pension liability	<u>\$ 209,257</u>	<u>\$ 113,399</u>	<u>\$ 178,479</u>	<u>\$ 194,931</u>	<u>\$ 194,269</u>	<u>\$ 185,463</u>	<u>\$ 161,752</u>	<u>\$ 121,209</u>	<u>\$ 72,799</u>	<u>\$ 84,628</u>
Plan fiduciary net position as a percentage of the total pension liability	72.4%	84.6%	73.6%	71.6%	71.0%	71.2%	72.5%	78.7%	86.5%	83.8%
Covered payroll	84,695	87,364	88,652	88,103	87,972	75,035	68,139	67,628	68,490	68,490
Net pension liability as a percentage of covered payroll	247.1%	129.8%	201.3%	221.3%	220.8%	247.2%	237.4%	179.2%	106.3%	123.6%

Notes to Schedule:

Measurement date: The total pension liability as of June 30, 2022 was determined using a June 30, 2022 actuarial valuation and was measured then as well.
Benefit changes. There were no changes in benefit terms during the fiscal year.

Changes of assumptions:

June 30, 2022. Changes in mortality improvements for updated improvement scales

For 2020, the mortality table was changed to the SOA Pub-2010 Mortality Table with variants for different subpopulations. The most recent comprehensive experience study was completed in 2019 and was based on member experience through June 30, 2019. Demographic assumptions were updated as needed based on the results of the study

June 30, 2018 Mortality Assumption: Mortality rates for healthy members were based on the RP-2014 Total Dataset Mortality Tables adjusted to 2006 with MP-2017 Mortality Improvement Scale. Mortality rates for disabled members were based on the RP-2014 Mortality tables for disabled members adjusted to 2006 with MP-2017 Mortality Improvement Scale. The mortality improvement scale was changed to the MP-2017 Scale.

June 30, 2017 Mortality Assumption: The mortality improvement scale was changed to the MP-2016 Scale.

June 30, 2015 Mortality Assumption: Mortality rates for healthy members were based on the RP-2014 Blue Collar Mortality Tables adjusted to 2006 with MP-2015 Mortality Improvement Scale. Mortality rates for disabled members were based on the RP-2014 Mortality tables for disabled members adjusted to 2006 with MP-2015 Mortality Improvement Scale.

June 30, 2014 Mortality Assumption: Mortality rates for healthy members were based on the 2014 separate non-annuitant and annuitant mortality tables (separate male and female tables) as published by the IRS.

Mortality rates for disabled members were based on the same tables increased by 115% for disabled retirements and disabled terminations with deferred benefits.

The discount rate was 6.25% as of June 30, 2022 and June 30, 2021. Prior to this it was 6.75%.

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
State Police Supplemental Trust
(amounts expressed in thousands)

	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016
Total pension liability							
Service cost	\$ 5,255	\$ 5,194	\$ 4,230	\$ 4,485	\$ 4,112	\$ 4,422	\$ 3,776
Interest	634	704	511	628	663	582	1,143
Differences between expected and actual experience	(1,457)	(40)	7,530	(1,753)	(880)	(59)	(476)
Changes of assumptions	(3,474)	989	(956)	297	(63)	(645)	4,125
Benefit payments, including refunds of employee contributions, and administrative and other expenses	(4,442)	(4,200)	(3,997)	(3,983)	(4,343)	(4,259)	(4,677)
Net change in total pension liability	(3,484)	2,647	7,318	(326)	(511)	41	3,891
Total pension liability, beginning	26,212	23,565	16,247	16,573	17,084	17,043	13,152
Total pension liability, ending	\$ 22,728	\$ 26,212	\$ 23,565	\$ 16,247	\$ 16,573	\$ 17,084	\$ 17,043
Plan fiduciary net position as a percentage of the total pension liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Covered payroll	84,695	87,364	88,652	88,103	87,972	75,731	68,786
Net pension liability as a percentage of covered payroll	26.8%	30.0%	26.6%	18.4%	18.8%	22.6%	24.8%

Notes to Schedule:

Measurement date: The total pension liability as of June 30, 2022 was determined using a June 30, 2022 actuarial valuation and was measured then as well.

Benefit changes: There were no changes in benefit terms during the fiscal year.

Changes of assumptions:

June 30, 2022, Changes in mortality improvements for annual updates to mortality improvement scales

June 30, 2021, Changes in mortality improvements for annual updates to mortality improvement scales

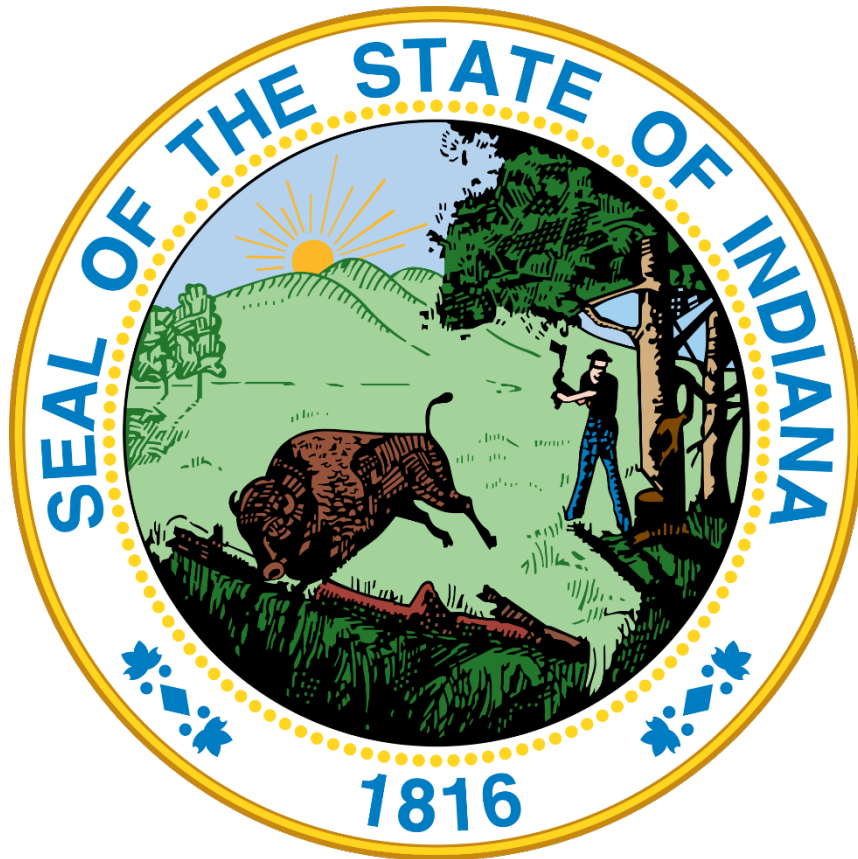
In 2020, the mortality rate table was changed to the SOA PubS-2010 Mortality Tables with variants for different subpopulations. Demographic assumptions were updated as needed based on results of the most recent experience study. New assumptions were needed to value medical insurance premiums for active participant disabilities that occurred in the line of duty. Mortality rates for healthy members were based on the RP-2014 Total Dataset Mortality Tables adjusted from 2006 using MP-2018 Mortality Improvement Scale. Mortality rates for disabled members were based on the RP-2014 Mortality tables for disabled members adjusted from 2006 using MP-2018 Mortality Improvement Scale.

For the July 1, 2016 actuarial valuation, the inflation assumption was reduced from 3.50% to 2.25%.

The discount rate was 4.09% as of June 30, 2022, 2.18% as of June 30, 2021, 2.66% as of June 30, 2020, 2.79% as of June 30, 2019, 2.98% as of June 30, 2018, and 3.13% as of June 30, 2017

The effort and cost to recreate financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2016 for GASB-S73 purposes.

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**Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
Excise, Gaming and Conservation Officers' Retirement Fund (EG&C)
(amounts expressed in thousands)**

	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Total pension liability										
Service cost	\$ 4,631	\$ 4,049	\$ 3,983	\$ 3,552	\$ 3,369	\$ 3,550	\$ 3,011	\$ 3,905	\$ 3,841	\$ 3,811
Interest	11,346	11,081	10,294	9,448	9,619	9,389	8,955	8,384	8,031	7,740
Changes of benefit terms	-	159	814	-	-	-	-	-	-	-
Differences between expected and actual experience	(1,431)	(1,099)	6,031	6,427	(587)	120	470	845	(430)	(1,845)
Changes of assumptions	-	10,403	(1,984)	-	(8,015)	(2,578)	-	2,669	-	(40)
Benefit payments, including refunds of employee contributions	(7,947)	(7,735)	(7,367)	(7,325)	(6,935)	(6,826)	(6,245)	(6,608)	(5,938)	(4,836)
Member reassignments	-	-	-	-	-	(26)	(21)	-	-	(15)
Other	58	12	-	50	1	9	(1)	-	-	-
Net change in total pension liability	6,657	16,870	11,771	12,152	(2,548)	3,638	6,169	9,195	5,504	4,815
Total pension liability, beginning	180,848	163,978	152,207	140,055	142,603	138,965	132,796	123,601	118,097	113,282
Total pension liability, ending	<u>\$ 187,505</u>	<u>\$ 180,848</u>	<u>\$ 163,978</u>	<u>\$ 152,207</u>	<u>\$ 140,055</u>	<u>\$ 142,603</u>	<u>\$ 138,965</u>	<u>\$ 132,796</u>	<u>\$ 123,601</u>	<u>\$ 118,097</u>
Plan fiduciary net position										
Contributions, employer	\$ 6,714	\$ 7,083	\$ 6,742	\$ 6,982	\$ 6,175	\$ 5,691	\$ 5,367	\$ 5,215	\$ 5,359	\$ 19,740
Contributions, employee	1,352	1,333	1,299	1,368	1,172	1,102	1,016	1,004	1,019	1,006
Net investment income	(12,210)	37,369	3,677	9,711	11,189	8,869	1,313	(71)	13,339	4,702
Benefit payments, including refunds of employee contributions	(7,947)	(7,735)	(7,367)	(7,325)	(6,935)	(6,825)	(6,245)	(6,609)	(5,938)	(4,836)
Administrative expense	(102)	(95)	(107)	(112)	(136)	(124)	(139)	(158)	(141)	(121)
Member reassignments	-	-	-	-	-	(26)	(21)	-	-	(15)
Other	-	-	-	-	10	-	-	-	-	-
Net change in plan fiduciary net position	(12,193)	37,955	4,244	10,624	11,475	8,687	1,291	(619)	13,638	20,476
Plan fiduciary net position, beginning	184,314	146,359	142,115	131,491	120,016	111,329	110,038	110,657	97,019	76,543
Plan fiduciary net position, ending	<u>\$ 172,121</u>	<u>\$ 184,314</u>	<u>\$ 146,359</u>	<u>\$ 142,115</u>	<u>\$ 131,491</u>	<u>\$ 120,016</u>	<u>\$ 111,329</u>	<u>\$ 110,038</u>	<u>\$ 110,657</u>	<u>\$ 97,019</u>
Net pension liability (asset)	<u>\$ 15,384</u>	<u>\$ (3,466)</u>	<u>\$ 17,619</u>	<u>\$ 10,092</u>	<u>\$ 8,564</u>	<u>\$ 22,587</u>	<u>\$ 27,636</u>	<u>\$ 22,758</u>	<u>\$ 12,944</u>	<u>\$ 21,078</u>
Plan fiduciary net position as a percentage of the total pension liability	91.8%	101.9%	89.3%	93.4%	93.9%	84.2%	80.1%	82.9%	89.5%	82.2%
Covered payroll	32,356	33,194	32,491	33,272	29,387	27,428	25,526	25,133	25,825	25,825
Net pension liability (asset) as a percentage of covered payroll	47.5%	-10.4%	54.2%	30.3%	29.1%	82.4%	108.3%	90.6%	50.1%	81.6%

see notes to schedule on next page

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
Excise, Gaming and Conservation Officers' Retirement Fund (EG&C)
(amounts expressed in thousands)

Notes to Schedule:

Measurement date: The total pension liability as of June 30, 2022 was measured at that date using a June 30, 2021 actuarial valuation rolled forward one year.

Benefit changes:

For 2020 the eligibility condition for active death member death benefits changed from 15 years of service to no service requirement. Death benefits were set to be a minimum of the benefit due as if the member had 25 years of service and was age 50. 100% of the death benefit is payable to an eligible spouse if the death occurs in the line of duty and 50% of the death benefit is payable to an eligible spouse if the death occurs other than in the line of duty.

Changes of assumptions:

In 2021, price inflation was lowered to 2.00%, general wage inflation was lowered to 2.65%, and interest on member balances was lowered to 3.30%.

In 2020, the future salary increase assumption changed from a constant 2.50 percent per year to a service-based table ranging from 2.75 percent to 5.0 percent. The mortality assumption changed from the RP-2014 Blue Collar mortality tables to the Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scal MP-2019. The retirement assumption was updated based on recent experience. The line of duty death assumption was added based on recent experience. 20 percent of active deaths are assumed to be in the line of duty. Previously this assumption was not set.

An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) The inflation assumption changed from 3.0% per year to 2.25% per year; 2) the future salary increases assumption changed from 3.25% to 2.5% per year; 3) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 Blue Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report; 4) the retirement assumption changed to reflect higher likelihood of retirement at certain ages; 5) the termination assumption changed from an age-based table to a service-based table; and 6) the dependent assumption was adjusted to reflect recent experience. For disabled members, in 2017 the RP-2014 (with MP-2014 improvement removed) Disability Mortality Table was assumed instead of the RP-2014 (with MP-2014 improvement removed) Healthy Annuitant Mortality Tables with collar adjustments. As of June 30, 2019, in lieu of a COLA on January 1, 2020 and January 1, 2010, members in pay were provided a 13th check on October 1, 2019. Thereafter, the following COLAs, compounded annually, were assumed: 0.4% beginning on in 2022, 0.5% beginning in 2034, and 0.6% beginning in 2039. The discount rate was 6.25% as of June 30, 2022 and June 30, 2021. Prior to this it was 6.75%.

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
Prosecuting Attorneys' Retirement Fund (PARF)
(amounts expressed in thousands)

	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Total pension liability										
Service cost	\$ 2,196	\$ 2,165	\$ 2,067	\$ 2,031	\$ 1,947	\$ 1,650	\$ 1,626	\$ 1,603	\$ 1,587	\$ 1,568
Interest	7,273	7,193	7,402	6,959	6,521	5,714	5,239	4,409	4,207	3,816
Changes of benefit terms	-	-	-	-	-	6,547	-	-	-	1,346
Differences between expected and actual experience	1,683	(298)	(2,515)	2,240	2,156	1,996	4,058	4,551	-	1,474
Changes of assumptions	-	6,203	(5,012)	-	-	(216)	-	5,216	-	(109)
Benefit payments, including refunds of employee contributions	(5,699)	(5,289)	(4,974)	(4,433)	(3,995)	(4,069)	(3,747)	(3,254)	(2,398)	(2,235)
Member reassignments	(2)	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	(2)	-	-	-
Net change in total pension liability	5,451	9,974	(3,032)	6,797	6,629	11,622	7,174	12,525	3,396	5,860
Total pension liability, beginning	117,023	107,049	110,081	103,284	96,655	85,033	77,861	65,336	61,940	56,080
Total pension liability, ending	<u>\$ 122,474</u>	<u>\$ 117,023</u>	<u>\$ 107,049</u>	<u>\$ 110,081</u>	<u>\$ 103,284</u>	<u>\$ 96,655</u>	<u>\$ 85,035</u>	<u>\$ 77,861</u>	<u>\$ 65,336</u>	<u>\$ 61,940</u>
Plan fiduciary net position										
Contributions, employer	\$ 4,044	\$ 4,402	\$ 4,232	\$ 3,216	\$ 3,014	\$ 1,486	\$ 1,440	\$ 1,063	\$ 1,174	\$ 19,443
Contributions, employee	1,474	1,459	1,439	1,307	1,295	1,357	1,279	1,269	1,334	1,271
Net investment income	(5,582)	17,492	1,730	4,489	5,218	4,167	589	(34)	6,581	1,897
Benefit payments, including refunds of employee contributions	(5,699)	(5,289)	(4,974)	(4,433)	(3,995)	(4,069)	(3,747)	(3,254)	(2,398)	(2,235)
Administrative expense	(69)	(71)	(74)	(75)	(88)	(158)	(193)	(127)	(108)	(145)
Member reassignments	(2)	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	4	-
Net change in plan fiduciary net position	(5,834)	17,993	2,353	4,504	5,444	2,783	(632)	(1,083)	6,587	20,231
Plan fiduciary net position, beginning	85,869	67,876	65,523	61,019	55,575	52,792	53,424	54,507	47,920	27,689
Plan fiduciary net position, ending	<u>\$ 80,035</u>	<u>\$ 85,869</u>	<u>\$ 67,876</u>	<u>\$ 65,523</u>	<u>\$ 61,019</u>	<u>\$ 55,575</u>	<u>\$ 52,792</u>	<u>\$ 53,424</u>	<u>\$ 54,507</u>	<u>\$ 47,920</u>
Net pension liability	<u>\$ 42,439</u>	<u>\$ 31,154</u>	<u>\$ 39,173</u>	<u>\$ 44,558</u>	<u>\$ 42,265</u>	<u>\$ 41,080</u>	<u>\$ 32,243</u>	<u>\$ 24,437</u>	<u>\$ 10,829</u>	<u>\$ 14,020</u>
Plan fiduciary net position as a percentage of the total pension liability	65.3%	73.4%	63.4%	59.5%	59.1%	57.5%	62.1%	68.6%	83.4%	77.4%
Covered payroll	24,577	24,323	23,989	21,791	21,578	22,635	21,372	21,145	20,608	18,805
Net pension liability as a percentage of covered payroll	172.7%	128.1%	163.3%	204.5%	195.9%	181.5%	150.9%	115.6%	52.5%	74.6%

see notes to schedule on next page

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
Prosecuting Attorneys' Retirement Fund (PARF)
(amounts expressed in thousands)

Notes to Schedule:

Measurement date: The total pension liability as of June 30, 2022 was measured at that date using a June 30, 2021 actuarial valuation rolled forward one year.

Benefit changes:

In 2013, HB 1057 changed the benefits in the Prosecuting Attorneys' Retirement Fund to be comparable to the Judges' Retirement Fund. Per 2016 Senate Enrolled Act No. 265, the PERF offset reflected in the PARF benefit formula was changed to be the actual PERF benefit amount the member is receiving for members who commence their PERF benefit before their PARF benefit. As a result of this change, for current active and inactive vested members, the PERF benefit commencement timing assumption was updated to 75% assumed to commence their PERF benefit at the earliest PERF eligibility and 25% assumed to commence their PERF benefit at PARF commencement.

Changes of assumptions:

In 2021, price inflation was lowered to 2.00%, general wage inflation was lowered to 2.65%, and interest on member balances was lowered to 3.30%.

In 2020, the future salary increases assumption decreased from 4% to 2.75% per year. The mortality assumption changed from the RP-2014 White Collar mortality table to the Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019. The retirement assumption changed from an age- and service-based table to an age-based table split by eligibility for reduced or unreduced benefits.

In 2013, the interest crediting rate on member contributions was changed to 3.5% from 5.5%. An assumption study was performed in April 2015 resulting in an update to the following assumptions: 1) The inflation assumption changed from 3.0% per year to 2.25% per year 2) The mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 (with MP-2014 improvement removed) White Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report; and 3) the retirement assumption changed from an age and points-based table to an age and service-based table, reflecting higher rates of retirement after 22 years of service. In 2017, for disabled members, the mortality assumption was updated from the RP-2014 (with MP-2014 improvement removed) White collar Mortality tables to the RP-2014 (with MP-2014 improvement removed) Disability Mortality tables.

The discount rate was 6.25% as of June 30, 2022 and June 30, 2021. Prior to this it was 6.75%.

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
Legislators' Defined Benefit Fund (LRS DB)
(amounts expressed in thousands)

	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Total pension liability										
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ 2	\$ 3	\$ 3	\$ 2
Interest	179	199	215	224	245	259	280	269	277	291
Changes of benefit terms	-	7	-	-	-	-	-	-	-	-
Differences between expected and actual experience	(43)	(49)	(14)	10	(85)	(113)	(233)	(68)	(36)	(140)
Changes of assumptions	-	90	(87)	-	(121)	-	-	325	-	-
Benefit payments, including refunds of employee contributions	(335)	(341)	(349)	(356)	(359)	(358)	(359)	(370)	(363)	(365)
Net change in total pension liability	(199)	(94)	(235)	(122)	(320)	(211)	(310)	159	(119)	(212)
Total pension liability, beginning	3,033	3,127	3,362	3,484	3,804	4,015	4,325	4,166	4,285	4,497
Total pension liability, ending	<u>\$ 2,834</u>	<u>\$ 3,033</u>	<u>\$ 3,127</u>	<u>\$ 3,362</u>	<u>\$ 3,484</u>	<u>\$ 3,804</u>	<u>\$ 4,015</u>	<u>\$ 4,325</u>	<u>\$ 4,166</u>	<u>\$ 4,285</u>
Plan fiduciary net position										
Contributions, employer	\$ 183	\$ 208	\$ 208	\$ 269	\$ 237	\$ 135	\$ 138	\$ 131	\$ 138	\$ 150
Contributions - nonemployer contributing entities	-	30	-	-	-	-	-	-	-	-
Net investment income	(217)	730	77	209	263	221	27	(5)	439	201
Benefit payments, including refunds of employee contributions	(335)	(341)	(349)	(356)	(359)	(356)	(359)	(370)	(363)	(365)
Administrative expense	(30)	(36)	(38)	(38)	(64)	(53)	(61)	(71)	(62)	(34)
Net change in plan fiduciary net position	(399)	591	(102)	84	77	(53)	(255)	(315)	152	(48)
Plan fiduciary net position, beginning	3,515	2,924	3,026	2,942	2,865	2,918	3,174	3,489	3,337	3,385
Plan fiduciary net position, ending	<u>\$ 3,116</u>	<u>\$ 3,515</u>	<u>\$ 2,924</u>	<u>\$ 3,026</u>	<u>\$ 2,942</u>	<u>\$ 2,865</u>	<u>\$ 2,919</u>	<u>\$ 3,174</u>	<u>\$ 3,489</u>	<u>\$ 3,337</u>
Net pension liability (asset)	<u>\$ (282)</u>	<u>\$ (482)</u>	<u>\$ 203</u>	<u>\$ 336</u>	<u>\$ 542</u>	<u>\$ 939</u>	<u>\$ 1,096</u>	<u>\$ 1,151</u>	<u>\$ 677</u>	<u>\$ 948</u>
Plan fiduciary net position as a percentage of the total pension liability	110.0%	115.9%	93.5%	90.0%	84.4%	75.3%	72.7%	73.4%	83.7%	77.9%
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

see notes to schedule on next page

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
Legislators' Defined Benefit Fund (LRS DB)
(amounts expressed in thousands)

Notes to Schedule:

Measurement date: The total pension liability as of June 30, 2022 was measured at that date using a June 30, 2021 actuarial valuation rolled forward one year.

Benefit changes:

There were no significant changes to the plan that impacted the pension benefits during the fiscal year.

Changes of assumptions:

In 2021, price inflation was lowered to 2.00% and general wage inflation was lowered to 2.65%.

In 2020, the future salary increase assumption changed from 2.25% to 2.75% per year. The mortality assumption changed from the RP-2014 White Collar mortality tables to the Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019. The disability and termination assumptions were removed.

An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) The inflation assumption changed from 3.0% per year to 2.25% per year; and 2) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 (with MP-2014 improvement removed) White Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report. For disabled members, in 2017, the RP-2014 (with MP-2014 improvement removed) Disability Mortality Table was assumed instead of the RP-2014 (with MP-2014 improvement removed) Healthy Annuitant Mortality Tables with collar adjustments.

As of June 30, 2019, in lieu of a COLA on January 1, 2020 and January 1, 2010, members in pay were provided a 13th check on October 1, 2019. Thereafter, the following COLAs, compounded annually, were assumed: 0.4% beginning on January 1, 2022, 0.5% beginning on January 1, 2034, and 0.6% beginning on January 1, 2039.

The discount rate was 6.25% as of June 30, 2022 and June 30, 2021. Prior to this it was 6.75%.

N/A is not applicable as this is a closed plan with no payroll.

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
Judges' Retirement System (JRS)
(amounts expressed in thousands)

	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Total pension liability										
Service cost	\$ 20,837	\$ 17,970	\$ 19,567	\$ 18,230	\$ 14,886	\$ 14,762	\$ 13,870	\$ 15,283	\$ 15,302	\$ 16,084
Interest	40,497	40,244	40,006	37,346	35,565	34,083	31,889	31,753	30,992	30,047
Differences between expected and actual experience	3,481	(6,219)	(1,968)	8,527	(3,090)	(3,107)	7,182	8,411	(16,026)	(13,603)
Changes of assumptions	-	26,217	(24,814)	-	-	(1,213)	-	(31,926)	-	186
Benefit payments, including refunds of employee contributions	(30,977)	(28,916)	(26,836)	(25,391)	(23,621)	(22,099)	(20,922)	(19,432)	(18,527)	(17,579)
Member reassignments	126	-	-	-	-	-	-	-	4	121
Other	723	366	56	93	219	183	162	-	-	-
Net change in total pension liability	34,687	49,662	6,011	38,805	23,959	22,609	32,181	4,089	11,745	15,256
Total pension liability, beginning	642,172	592,510	586,499	547,694	523,735	501,126	468,945	464,855	453,110	437,854
Total pension liability, ending	\$ 676,859	\$ 642,172	\$ 592,510	\$ 586,499	\$ 547,694	\$ 523,735	\$ 501,126	\$ 468,944	\$ 464,855	\$ 453,110
Plan fiduciary net position										
Contributions, employer	\$ 17,564	\$ 18,621	\$ 18,166	\$ 16,031	\$ 15,117	\$ 16,824	\$ 16,946	\$ 21,020	\$ 20,895	\$ 111,419
Contributions, employee	4,632	4,041	3,549	3,476	3,418	3,468	3,239	3,292	2,856	2,631
Net investment income	(44,387)	140,228	14,020	37,371	44,104	35,196	5,323	(102)	51,890	16,955
Benefit payments, including refunds of employee contributions	(30,977)	(28,916)	(26,836)	(25,391)	(23,623)	(22,101)	(20,922)	(19,432)	(18,527)	(17,579)
Administrative expense	(104)	(102)	(109)	(108)	(119)	(124)	(148)	(165)	(146)	(126)
Member reassignments	126	-	-	-	-	-	-	-	4	121
Other	16	-	-	-	-	-	-	9	6	5
Net change in plan fiduciary net position	(53,130)	133,872	8,790	31,379	38,897	33,263	4,438	4,622	56,978	113,426
Plan fiduciary net position, beginning	687,993	554,121	545,331	513,952	475,055	441,790	437,352	432,730	375,752	262,326
Plan fiduciary net position, ending	\$ 634,863	\$ 687,993	\$ 554,121	\$ 545,331	\$ 513,952	\$ 475,053	\$ 441,790	\$ 437,352	\$ 432,730	\$ 375,752
Net pension liability (asset)	\$ 41,996	\$ (45,821)	\$ 38,389	\$ 41,168	\$ 33,742	\$ 48,682	\$ 59,336	\$ 31,592	\$ 32,125	\$ 77,358
Plan fiduciary net position as a percentage of the total pension liability	93.8%	107.1%	93.5%	93.0%	93.8%	90.7%	88.2%	93.3%	93.1%	82.9%
Covered payroll	65,159	61,215	58,189	56,380	53,350	54,755	51,382	48,582	46,041	47,595
Net pension liability (asset) as a percentage of covered payroll	64.5%	-74.9%	66.0%	73.0%	63.2%	88.9%	115.5%	65.0%	69.8%	162.5%

see notes to schedule on next page

**Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
Judges' Retirement System (JRS)
(amounts expressed in thousands)**

Notes to Schedule:

Measurement date: The total pension liability as of June 30, 2022 was measured at that date using a June 30, 2021 actuarial valuation rolled forward one year.

Benefit changes:

There were no significant changes to the plan that impacted the pension benefits during the fiscal year.

Changes of assumptions:

In 2021, price inflation was lowered to 2.00%, general wage inflation was lowered to 2.65%, and interest on member balances was lowered to 3.30%.

In 2020 the future salary increase and the cost of living increase assumptions both increased from 2.5% to 2.75%. The mortality assumption changed from the RP-2014 White Collar mortality tables to the Pub-2010 Public Retirement Plans Mortality Tables with a gully generational projection of mortality improvements using SOA Scale MP-2019. The retirement assumption changed from an age-and service-based table to an age-based table split by eligibility for reduced or unreduced benefits. The disability assumption was updated based on recent experience.

An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) The inflation assumption changed from 3.0% per year to 2.25% per year; 2) the future salary increases assumption changed from 4.0% to 2.5% per year; 3) the cost-of-living assumption decreased from 4.0% to 2.5% per year; 4) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 (with MP-2014 improvement removed) White Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report; 5) the retirement assumption changed from an age-based table to an age and service based table, reflecting higher rates of retirement after 22 years of service; 6) the termination assumption changed from an age-based table to 3% for all members; and 7) the dependent assumption was adjusted to reflect recent experience. For disabled members, in 2017 the RP-2014 (with MP-2014 improvement removed) Disability Mortality Table was assumed instead of the RP-2014 (with MP-2014 improvement removed) Healthy Annuitant Mortality Tables with collar adjustments.

The discount rate was 6.25% as of June 30, 2022 and June 30, 2021. Prior to this it was 6.75%.

**Schedule of the State's Proportionate Share of the Net Pension Liability
Employee Retirement Systems and Plans
Public Employees' Defined Benefit Account (PERF DB)
(amounts expressed in thousands)**

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>	<u>6/30/2013</u>
State's proportion of the net pension liability	25.93%	26.41%	26.06%	25.90%	25.58%	25.74%	25.04%	24.27%	24.85%	24.45%
State's proportionate share of the net pension liability	\$ 817,683	\$ 347,475	\$ 786,971	\$ 856,020	\$ 868,814	\$ 1,148,261	\$ 1,136,293	\$ 988,605	\$ 652,920	\$ 837,311
State's covered payroll	1,492,128	1,455,930	1,406,618	1,349,423	1,305,016	1,276,857	1,199,921	1,162,622	1,213,031	1,173,716
State's proportionate share of the net pension liability as a percentage of its covered payroll	54.8%	23.9%	55.9%	63.4%	66.6%	89.9%	94.7%	85.0%	53.8%	71.3%
Plan fiduciary net position as a percentage of the total pension liability	82.5%	92.5%	81.4%	80.1%	78.9%	76.6%	75.3%	77.3%	84.3%	78.8%

see notes to schedule on next page

**Schedule of the State's Proportionate Share of the Net Pension Liability
Employee Retirement Systems and Plans
Public Employees' Defined Benefit Account (PERF DB)
(amounts expressed in thousands)**

Notes to Schedule:

Measurement date: The total pension liability as of June 30, 2022 was measured at that date using a June 30, 2021 actuarial valuation rolled forward one year.

Benefit changes:

In 2014, HB 1075 impacted the PERF by reducing the Annuity Savings Account (ASA) interest crediting rate on annuities from 7.5% to 5.75% effective October 1, 2014. Effective October 1, 2015 the rate becomes the greater of 4.5% or market rate. On January 1, 2017, the ASA annuities are allowed to be outsourced to a third party provider. Beginning January 1, 2018 ASA annuitizations were accommodated through a third party provider. During FYE 2018, the Annuity Savings Accounts were completely separated from the defined benefit plan, and so are no longer relevant to the valuation process. In 2019, HB 1059 expanded the current pre-retirement death benefit eligibility to members with at least 10 years of service.

Changes of assumptions:

In 2021, price inflation was lowered to 2.00% and general wage inflation was lowered to 2.65%.

In 2020, the future salary increase assumption changed from an age-based table ranging from 2.5% to 4.25% to a service-based table ranging from 2.75% to 8.75%. The mortality assumption changed from the RP-2014 Total Data Set Mortality Tables to the Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019. The retirement assumption was updated from an age- and service-based table to an age-based table dependent on eligibility for a reduced benefit or unreduced benefit. Additionally, for actives who are eligible for early retirement (reduced benefit), 30% are now assumed to commence benefits immediately and 70% are assumed to commence benefits at unreduced retirement eligibility. Previously 33% of actives were assumed to commence benefits with early retirement while 67% were assumed to wait for unreduced retirement eligibility. The termination assumption was updated. For state members the tables were combined from being split by salary and sex to being one unisex service-based table. The disability assumption was updated based on recent experience. The marital assumption was updated to 80% of male members and 65% of female members are assumed to be married or to have a dependent beneficiary. Previous amounts were 75% and 60%, respectively. The load placed on the final average earnings to account for additional wages received upon termination, such as severance pay or unused sick leave, decreased from \$400 to \$200.

An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) the inflation assumption changed from 3% to 2.25% per year; 2) the future salary increase assumption changed from an age-based table ranging from 3.25% to 4.5% to an age-based table ranging from 2.5% to 4.25%; 3) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 (with MP-2014 improvement removed) Total Data Set Mortality Table projected on a fully generationally basis using the future mortality improvement scale inherent in the mortality projection included in the Social Security Administration's 2014 Trustee report; 4) the retirement assumption was updated based on recent experience. Additionally, for actives who are eligible for early retirement (reduced benefit), 33% are assumed to commence benefits immediate and 67% are assumed to commence benefits at unreduced retirement eligibility. If eligible for an unreduced retirement benefit upon termination from employment, 100% commence immediately; 5) the termination assumption was updated based on recent experience. For members earning less than \$20,000, the tables were updated from a select and ultimate table to just an ultimate table as there is little correlation with service. For members earning more than \$20,000, the table were updated from using a 5-year select period to a 10-year select period to correspond with the vesting schedule; 6) the disability assumption was updated based on recent experience; and 7) the ASA annuitization assumptions was updated from 50% of members assumed to annuitize their ASA balance to 60% of members assumed to annuitize their ASA balance prior to January 1, 2018. For disabled members, in 2017, the RP-2014 (with MP-2014 improvement removed) Disability Mortality Table was assumed instead of the RP-2014 (with MP-2014 improvement removed) Healthy Annuitant Mortality Tables with collar adjustments. As of June 30, 2018, in lieu of a COLA on January 1, 2019, members in pay were provided a 13th check on October 1, 2018. It is assumed a 13th check would continue for the 2020 and 2021 fiscal years. Thereafter, the following COLAs, compounded annually, were assumed: 0.4% beginning on January 1, 2022, 0.5% beginning on January 1, 2034, and 0.6% beginning on January 1, 2039. The discount rate was 6.25% as of June 30, 2022 and June 30, 2021. Prior to this it was 6.75%.

**Schedule of the State's Proportionate Share of the Net Pension Liability
Employee Retirement Systems and Plans
Teachers' 1996 Defined Benefit Account (TRF '96 DB)
(amounts expressed in thousands)**

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>	<u>6/30/2013</u>
State's proportion of the net pension liability (asset)	0.29%	0.31%	0.32%	0.34%	0.35%	0.39%	0.35%	0.38%	0.40%	0.42%
State's proportionate share of the net pension liability (asset)	\$ 1,934	\$ (1,444)	\$ 252	\$ (494)	\$ 389	\$ 2,571	\$ 2,739	\$ 1,977	\$ 191	\$ 1,310
State's covered payroll	11,528	11,200	11,150	11,224	11,016	11,722	10,108	10,288	10,380	10,150
State's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	16.8%	-12.9%	2.3%	-4.4%	3.5%	21.9%	27.1%	19.2%	1.8%	12.9%
Plan fiduciary net position as a percentage of the total pension liability	91.9%	106.2%	98.8%	102.4%	98.0%	90.4%	87.8%	91.1%	99.1%	93.4%

see notes to schedule on next page

**Schedule of the State's Proportionate Share of the Net Pension Liability
Employee Retirement Systems and Plans
Teachers' 1996 Defined Benefit Account (TRF '96 DB)
(amounts expressed in thousands)**

Notes to Schedule:

Measurement date: The total pension liability as of June 30, 2022 was measured at that date using a June 30, 2021 actuarial valuation rolled forward one year.

Benefit changes:

In 2014, HB 1075 impacted PERF by reducing the Annuity Savings Account (ASA) interest crediting rate on annuities from 7.5% to 5.75%. Effective October 1, 2015 the rate becomes the greater of 4.5% or market rate. Beginning July 1, 2017, the minimum pension benefit paid to a regularly retired member receiving an unreduced pension benefit is \$185/month. Beginning January 1, 2018 ASA annuitizations were accommodated through a third party provider. In 2019, HB 1059 expanded the current pre-retirement death benefit eligibility to members with at least 10 years of service.

Changes of assumptions:

In 2021, price inflation was lowered to 2.00% and general wage inflation was lowered to 2.65%.

In 2020, the future salary increase assumption changed from a table ranging from 2.5% to 12.5% to a table ranging from 2.75% to 12%. The mortality assumption changed from the RP-2014 White Collar Mortality Table to the Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019. The retirement assumption was updated from an age-based table split by regular retirement, rule of 85 retirement, and early retirement to an age-based table dependent on eligibility for a reduced benefit or unreduced benefit. Additionally, for actives who are eligible for early retirement (reduced benefit), 30% are now assumed to commence benefits immediately and 70% are assumed to commence benefits at unreduced retirement eligibility. Previously, all active members were assumed to commence benefits immediately. The termination assumption was updated. The age- and service-based tables were replaced by one service-based table. The disability assumption was updated based on recent experience. The marital assumption was updated to 80% of male members and 75% of female members assumed to be married or to have a dependent beneficiary. Previously 100% of members were assumed to be married or to have a dependent beneficiary. Additionally, for female members, the assumption for their spouses's age changed from 2 years older to 3 years older. The load placed on the final average earnings to account for additional wages received upon termination, such as severance pay or unused sick leave, decreased from \$400 to \$200.

An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) The inflation assumption changed from 3.00% to 2.25% per year; 2) the future salary increases assumption changed from a table ranging from 3.00% to 12.50% to a table ranging from 2.50% to 12.50%; 3) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 White Collar Mortality Table with Social Security Administration generational projection scale from 2006; 4) the retirement assumption was updated based on recent experience; and 5) the termination assumption was updated based on recent experience. For disabled members, in 2017 the mortality assumption was changed to the RP-2014 Disabled Mortality Table with generational improvements from 2006 based on the 2014 Social Security Administration Trustee's Report. As of June 30, 2018, in lieu of a COLA on January 1, 2019, members in pay were provided a 13th check on October 1, 2018. It is assumed a 13th check would continue for the 2020 and 2021 fiscal years. Thereafter, the following COLAs, compounded annually, were assumed: 0.4% beginning on January 1, 2022, 0.5% beginning on January 1, 2034, and 0.6% beginning on January 1, 2039.

The discount rate was 6.25% as of June 30, 2022 and June 30, 2021. Prior to this it was 6.75%.

**Schedule of the State's Proportionate Share of the Net Pension Liability
Employee Retirement Systems and Plans
Teachers' Pre-1996 Defined Benefit Account (TRF Pre-'96 DB)
(amounts expressed in thousands)**

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>	<u>6/30/2013</u>
State's proportion of the net pension liability	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
State's proportionate share of the net pension liability	\$ 8,946,001	\$ 9,263,437	\$ 10,307,552	\$ 10,630,019	\$ 10,871,842	\$ 11,919,139	\$ 12,052,671	\$ 11,917,837	\$ 10,853,349	\$ 11,248,396
Plan fiduciary net position as a percentage of the total pension liability	36.4%	35.4%	26.2%	26.1%	25.4%	28.8%	28.4%	30.0%	33.6%	31.7%

see notes to schedule on next page

**Schedule of the State's Proportionate Share of the Net Pension Liability
Employee Retirement Systems and Plans
Teachers' Pre-1996 Defined Benefit Account (TRF Pre-'96 DB)
(amounts expressed in thousands)**

Notes to Schedule:

Measurement date: The total pension liability as of June 30, 2022 was measured at that date using a June 30, 2021 actuarial valuation rolled forward one year.

Benefit changes:

In 2014, HB 1075 impacted the TRF Pre-1996 Account by reducing the Annuity Savings Account (ASA) interest crediting rate on annuities from 7.5% to 5.75% effective October 1, 2014. Effective October 1, 2015 the rate becomes the greater of 4.5% or market rate. Beginning July 1, 2017, the minimum pension benefit paid to a regularly retired member receiving an unreduced pension benefit is \$185 per month. Beginning January 1, 2018 ASA annuitizations were accommodated through a third party provider. In 2019, HB 1059 expanded the current pre-retirement death benefit eligibility to members with at least 10 years of service.

Changes of assumptions:

In 2021, price inflation was lowered to 2.00% and general wage inflation was lowered to 2.65%.

In 2020, the future salary increase assumption changed from a table ranging from 2.5% to 12.5% to a table ranging from 2.75% to 12%. The mortality assumption changed from the RP-2014 White Collar Mortality Table to the Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019. The retirement assumption was updated from an age-based table split by regular retirement, rule of 85 retirement, and early retirement to an age-based table dependent on eligibility for a reduced benefit or unreduced benefit. Additionally, for actives who are eligible for early retirement (reduced benefit), 30% are now assumed to commence benefits immediately and 70% are assumed to commence benefits at unreduced retirement eligibility. Previously, all active members were assumed to commence benefits immediately. The termination assumption was updated. The age- and service-based tables were replaced by one service-based table. The disability assumption was updated based on recent experience. The marital assumption was updated to 80% of male members and 75% of female members assumed to be married or to have a dependent beneficiary. Previously 100% of members were assumed to be married or to have a dependent beneficiary. Additionally, for female members, the assumption for their spouses's age changed from 2 years older to 3 years older. The load placed on the final average earnings to account for additional wages received upon termination, such as severance pay or unused sick leave, decreased from \$400 to \$200.

An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) the inflation assumption changed from 3.00% to 2.25% per year; 2) the future salary increase assumption changed from a table ranging from 3.00% to 12.50% to a table ranging from 2.50% to 12.50%; 3) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 White Collar Mortality Table with Social Security Administration generational projection scale from 2006; 4) the retirement assumption was updated based on recent experience; and 5) the termination assumption was updated based on recent experience. For disabled members, in 2017 the mortality assumption was changed to the RP-2014 Disabled Mortality Table with generational improvements from 2006 based on the 2014 Social Security Administration Trustee's Report. As of June 30, 2018, in lieu of a COLA on January 1, 2019, members in pay were provided a 13th check on October 1, 2018. It is assumed a 13th check would continue for the 2020 and 2021 fiscal years. Thereafter, the following COLAs, compounded annually, were assumed: 0.4% beginning on January 1, 2022, 0.5% beginning on January 1, 2034, and 0.6% beginning on January 1, 2039. The discount rate was 6.25% as of June 30, 2022 and June 30, 2021. Prior to this it was 6.75%.

Schedule of Changes in the Net OPEB Liability and Related Ratios
Other Postemployment Benefit Plans
State Personnel Healthcare Plan
(amounts expressed in thousands)

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>
Total OPEB liability							
Service cost	\$ 3,753	\$ 3,305	\$ 3,207	\$ 2,960	\$ 1,934	\$ 2,113	\$ 2,334
Interest	2,326	1,920	1,714	1,892	1,851	1,910	1,536
Differences between expected and actual experience	11,584	8,448	3,307	1,622	6,587	(5,332)	(121)
Changes of assumptions	2,507	(528)	7,075	(6,835)	2,803	(1,164)	(1,081)
Benefit payments	(1,766)	(2,209)	(4,917)	(4,752)	(3,276)	(3,042)	(4,404)
Net change in total OPEB liability	<u>18,404</u>	<u>10,936</u>	<u>10,386</u>	<u>(5,113)</u>	<u>9,899</u>	<u>(5,515)</u>	<u>(1,736)</u>
Total OPEB liability, beginning	<u>73,633</u>	<u>62,697</u>	<u>52,311</u>	<u>57,424</u>	<u>47,525</u>	<u>53,040</u>	<u>54,776</u>
Total OPEB liability, ending	<u>\$ 92,037</u>	<u>\$ 73,633</u>	<u>\$ 62,697</u>	<u>\$ 52,311</u>	<u>\$ 57,424</u>	<u>\$ 47,525</u>	<u>\$ 53,040</u>
Plan fiduciary net position							
Contributions, employer	\$ 1,949	\$ 1,776	\$ 4,559	\$ 5,031	\$ 3,337	\$ 3,384	\$ 4,802
Net investment income	1,135	92	58	789	1,007	547	292
Benefit payments	(1,766)	(2,209)	(4,917)	(4,752)	(3,276)	(3,042)	(4,404)
Administrative expense	(244)	-	-	(134)	(354)	(398)	(418)
Net change in plan fiduciary net position	<u>1,074</u>	<u>(341)</u>	<u>(300)</u>	<u>934</u>	<u>714</u>	<u>491</u>	<u>272</u>
Plan fiduciary net position, beginning	<u>46,496</u>	<u>46,837</u>	<u>47,137</u>	<u>46,203</u>	<u>45,489</u>	<u>44,998</u>	<u>44,726</u>
Plan fiduciary net position, ending	<u>\$ 47,570</u>	<u>\$ 46,496</u>	<u>\$ 46,837</u>	<u>\$ 47,137</u>	<u>\$ 46,203</u>	<u>\$ 45,489</u>	<u>\$ 44,998</u>
Net OPEB liability	<u>\$ 44,467</u>	<u>\$ 27,137</u>	<u>\$ 15,860</u>	<u>\$ 5,174</u>	<u>\$ 11,221</u>	<u>\$ 2,036</u>	<u>\$ 8,042</u>
Plan fiduciary net position as a percentage of the total OPEB liability	51.7%	63.1%	74.7%	90.1%	80.5%	95.7%	84.8%
Covered-employee payroll	1,625,969	1,482,190	1,444,707	1,397,835	1,346,186	1,296,877	1,245,383
Net OPEB liability as a percentage of covered-employee payroll	2.7%	1.8%	1.1%	0.4%	0.8%	0.2%	0.6%

see notes to schedule on next page

Notes to Schedule:*Changes of assumptions:*

For 2023, the mortality assumption has been updated from using the MP-2020 improvement scale to use the MP-2021 improvement scale. The base mortality tables are unchanged. This change led to a slight increase in liabilities. Medical/rx trend rates have been updated to an initial rate of 7.50%/6.50% decreasing by 0.50%/0.25% per year to an ultimate rate of 4.50% for pre-65/post-65 benefits. This change caused a slight increase in liabilities.

For 2021, The mortality assumption has been updated from using the MP-2019 improvement scale to use the MP-2020 improvement scale. The baseline payroll growth rate was updated from 2.75% to 2.65% based on the assumptions used in the 2021 INPRS actuarial valuation. The turnover rate for State employees was updated to follow the State employee turnover rate table from the 2021 INPRS actuarial valuation.

For 2020, the mortality, termination, retirement rate, and payroll growth assumptions were updated based on the revised tables presented in the INPRS 2020 Experience Study. The health care coverage election rate was updated from 40% to 35% for employees that are eligible for a normal, unreduced or disability pension under PERF and from 15% to 10% for employees with health coverage that are not eligible for a normal, unreduced or disability pension under PERF. The spousal coverage election rate was updated from 70% for male employees and 55% for female employees to 20% for male employees and 15% for female employees. Trend rates for medical and prescription drug benefits have an initial rate of 7.5% decreasing by 0.50% annually to an ultimate rate of 4.5%. The termination assumption for those earning less than \$20,000 per year was updated to follow the PERF termination rates as of June 30, 2020 for this group.

The discount rate was updated to 3.00% as of June 30, 2023 for accounting disclosure purposes. The rate was 3.04% as of June 30, 2022, 2.96% as of June 30, 2021, 3.22% as of July 1, 2020, 3.26% as of July 1, 2019, 3.87% as of July 1, 2018, and 3.56% as of July 1, 2017.

The effort and cost to recreate financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2017 for GASB-S74 purposes.

Schedule of Changes in the Net OPEB Liability and Related Ratios
Other Postemployment Benefit Plans
Indiana State Police Healthcare Plan
(amounts expressed in thousands)

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>
Total OPEB liability							
Service cost	\$ 5,371	\$ 5,184	\$ 4,993	\$ 5,033	\$ 8,531	\$ 17,811	\$ 24,701
Interest	10,916	10,651	11,209	12,530	12,778	19,726	16,987
Changes of benefit terms	-	-	-	-	3,254	(196,574)	(34,808)
Differences between expected and actual experience	18,802	(7,337)	(28,391)	(20,071)	(78,676)	(21,242)	3,921
Changes of assumptions	4,341	-	7,029	(15,687)	(66,154)	(27,946)	(48,451)
Benefit payments	(4,139)	(4,678)	(3,371)	(2,802)	(5,805)	(6,994)	(8,656)
Net change in total OPEB liability	<u>35,291</u>	<u>3,820</u>	<u>(8,531)</u>	<u>(20,997)</u>	<u>(126,072)</u>	<u>(215,219)</u>	<u>(46,306)</u>
Total OPEB liability, beginning	<u>172,737</u>	<u>168,917</u>	<u>177,448</u>	<u>198,445</u>	<u>324,517</u>	<u>539,736</u>	<u>586,042</u>
Total OPEB liability, ending	<u>\$ 208,028</u>	<u>\$ 172,737</u>	<u>\$ 168,917</u>	<u>\$ 177,448</u>	<u>\$ 198,445</u>	<u>\$ 324,517</u>	<u>\$ 539,736</u>
Plan fiduciary net position							
Contributions, employer	\$ 13,524	\$ 13,592	\$ 22,322	\$ 21,727	\$ 23,937	\$ 25,814	\$ 26,871
Contributions, employee	742	799	828	846	857	404	473
Net investment income	11,467	(21,354)	131	1,276	2,109	1,422	508
Benefit payments	(4,139)	(4,678)	(3,371)	(2,802)	(5,805)	(6,994)	(8,656)
Administrative expense	(368)	(296)	(360)	(359)	(492)	(606)	(589)
Net change in plan fiduciary net position	<u>21,226</u>	<u>(11,937)</u>	<u>19,550</u>	<u>20,688</u>	<u>20,606</u>	<u>20,040</u>	<u>18,607</u>
Plan fiduciary net position, beginning	<u>166,270</u>	<u>178,207</u>	<u>158,657</u>	<u>137,969</u>	<u>117,363</u>	<u>97,323</u>	<u>78,716</u>
Plan fiduciary net position, ending	<u>\$ 187,496</u>	<u>\$ 166,270</u>	<u>\$ 178,207</u>	<u>\$ 158,657</u>	<u>\$ 137,969</u>	<u>\$ 117,363</u>	<u>\$ 97,323</u>
Net OPEB liability	<u>\$ 20,532</u>	<u>\$ 6,467</u>	<u>\$ (9,290)</u>	<u>\$ 18,791</u>	<u>\$ 60,476</u>	<u>\$ 207,154</u>	<u>\$ 442,413</u>
Plan fiduciary net position as a percentage of the total OPEB liability	90.1%	96.3%	105.5%	89.4%	69.5%	36.2%	18.0%
Covered-employee payroll	116,213	118,742	119,889	120,255	120,447	107,914	98,693
Net OPEB liability as a percentage of covered-employee payroll	17.7%	5.4%	-7.7%	15.6%	50.2%	192.0%	448.3%

see notes to schedule on next page

Notes to Schedule:

Changes in benefit terms:

Effective on January 1, 2019, all post-65 Medicare eligible retirees were removed from the ISP's traditional health plan. They will be covered under a Medicare Advantage Plan through Anthem and a Medicare Part D plan with premiums paid fully by the retiree. Also, the life insurance benefit for retirees was modified such that all retirees (regardless of date of retirement) will receive a \$20,000 benefit.

Changes of assumptions:

For 2023, the mortality assumption has been updated from using the MP-2020 improvement scale to use the MP-2021 improvement scale. The base mortality tables are unchanged. This change led to a slight increase in liabilities. Medical/rx trend rates have been updated to an initial rate of 7.50%/6.50% decreasing by 0.50%/0.25% per year to an ultimate rate of 4.50% for pre-65/post-65 benefits. This change caused a slight increase in liabilities.

For 2021, the mortality assumption was updated from using the MP-2019 improvement scale to use the MP-2020 improvement scale.

For 2020, the disability assumption was updated to follow the table presented for the Conservation and Excise Police in the INPRS 2020 Experience Study. The mortality assumption was updated to follow the table presented for the '77 Fund in the INPRS 2020 Experience Study. The payroll growth assumption was updated to follow the table used in the July 1, 2020 pension valuation for the Indiana State Police. Trend rates for medical and prescription drug benefits have an initial rate of 7.5% decreasing by 0.50% annually to an ultimate rate of 4.5%.

Discount rate was 6.20% as of June 30, 2023, 2022, 2021, 2020, and 2019 for accounting disclosure purposes. The rate was 3.87% as of July 1, 2018, and 3.56 as of July 1, 2017.

The effort and cost to recreate financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2017 for GASB-S74 purposes.

Schedule of Changes in the Net OPEB Liability and Related Ratios
Other Postemployment Benefit Plans
Conservation and Excise Police Healthcare Plan
(amounts expressed in thousands)

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>
Total OPEB liability							
Service cost	\$ 1,060	\$ 1,185	\$ 1,131	\$ 2,368	\$ 1,840	\$ 1,795	\$ 2,327
Interest	3,001	3,310	3,092	2,647	2,410	2,035	1,956
Changes of benefit terms	-	-	-	-	2,113	-	(7,023)
Differences between expected and actual experience	(405)	(7,150)	(1,883)	(7,900)	4,353	5,739	(1,654)
Changes of assumptions	1,555	-	2,447	(23,751)	6,223	(3,387)	(5,925)
Benefit payments	(2,860)	(1,581)	(1,078)	(988)	(943)	(1,303)	(1,305)
Net change in total OPEB liability	<u>2,351</u>	<u>(4,236)</u>	<u>3,709</u>	<u>(27,624)</u>	<u>15,996</u>	<u>4,879</u>	<u>(11,624)</u>
Total OPEB liability, beginning	<u>48,748</u>	<u>52,984</u>	<u>49,275</u>	<u>76,899</u>	<u>60,903</u>	<u>56,024</u>	<u>67,648</u>
Total OPEB liability, ending	<u>\$ 51,099</u>	<u>\$ 48,748</u>	<u>\$ 52,984</u>	<u>\$ 49,275</u>	<u>\$ 76,899</u>	<u>\$ 60,903</u>	<u>\$ 56,024</u>
Plan fiduciary net position							
Contributions, employer	\$ 6,476	\$ 4,825	\$ 4,301	\$ 4,167	\$ 4,021	\$ 6,241	\$ 3,718
Net investment income	2,432	(4,815)	1,856	347	493	213	79
Benefit payments	(2,860)	(1,581)	(1,078)	(988)	(943)	(1,303)	(1,305)
Administrative expense	(95)	(132)	(113)	(77)	(84)	(91)	(82)
Net change in plan fiduciary net position	<u>5,953</u>	<u>(1,703)</u>	<u>4,966</u>	<u>3,449</u>	<u>3,487</u>	<u>5,060</u>	<u>2,410</u>
Plan fiduciary net position, beginning	<u>30,435</u>	<u>32,138</u>	<u>27,172</u>	<u>23,723</u>	<u>20,236</u>	<u>15,176</u>	<u>12,766</u>
Plan fiduciary net position, ending	<u>\$ 36,388</u>	<u>\$ 30,435</u>	<u>\$ 32,138</u>	<u>\$ 27,172</u>	<u>\$ 23,723</u>	<u>\$ 20,236</u>	<u>\$ 15,176</u>
Net OPEB liability	<u>\$ 14,711</u>	<u>\$ 18,313</u>	<u>\$ 20,846</u>	<u>\$ 22,103</u>	<u>\$ 53,176</u>	<u>\$ 40,667</u>	<u>\$ 40,848</u>
Plan fiduciary net position as a percentage of the total OPEB liability	71.2%	62.4%	60.7%	55.1%	30.8%	33.2%	27.1%
Covered-employee payroll	19,421	18,832	18,550	18,453	18,883	16,981	15,602
Net OPEB liability as a percentage of covered-employee payroll	75.7%	97.2%	112.4%	119.8%	281.6%	239.5%	261.8%

see notes to schedule on next page

Notes to Schedule:

Change in benefit terms:

Effective on January 1, 2020, all post-65 Medicare eligible retirees will be removed from the CEP's traditional health plan. They will be covered under a Medicare Advantage Plan through Anthem and a Medicare Part D plan with premiums assumed to be paid fully by the retiree. Since the premiums charged to retirees are lower than the full cost of coverage, there is still a GASB liability for this benefit.

Changes of assumptions:

For 2023, the mortality assumption has been updated from using the MP-2020 improvement scale to use the MP-2021 improvement scale. The base mortality tables are unchanged. This change led to a slight increase in liabilities. Medical/rx trend rates have been updated to an initial rate of 7.50%/6.50% decreasing by 0.50%/0.25% per year to an ultimate rate of 4.50% for pre-65/post-65 benefits. This change caused a slight increase in liabilities.

For 2021, the mortality assumption has been updated from using the MP-2019 improvement scale to use the MP-2020 improvement scale. The baseline payroll growth rate was updated from 2.75% to 2.65% based on the assumptions used in the 2021 INPRS actuarial valuation.

For 2020, the mortality, retirement rate, disability, and payroll growth assumptions was updated based on the revised tables presented in the INPRS 2020 Experience Study. The spousal coverage election rate was updated from 85% for males employees and 25% for female employees to 85% for male employees and 15% for female employees. Trend rates for medical and prescription drug benefits have an initial rate of 7.5% decreasing by 0.50% annually to an ultimate rate of 4.5%.

The discount rate was 6.20% as of June 30, 2023, 2022, 2021, and 2020 for accounting disclosure purposes. The rate was 3.36% as of July 1, 2019, 3.87% as of July 1, 2018, and 3.56% as of July 1, 2017.

The effort and cost to recreate financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2017 for GASB-S74 purposes.

Schedule of Changes in the Total OPEB Liability and Related Ratios
Other Postemployment Benefit Plans
Legislators Retiree Healthcare Plan
 (amounts expressed in thousands)

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>
Total OPEB liability							
Service cost	\$ 26	\$ 35	\$ 39	\$ 43	\$ 114	\$ 120	\$ 165
Interest	290	215	211	277	381	420	338
Changes of benefit terms	-	-	-	-	(1,063)	-	-
Differences between expected and actual experience	(1,916)	(684)	1,308	(270)	(1,137)	(1,527)	864
Changes of assumptions	50	(1,753)	835	464	335	(385)	(681)
Benefit payments	(494)	(527)	(477)	(494)	(535)	(620)	(555)
Net change in total OPEB liability	<u>(2,044)</u>	<u>(2,714)</u>	<u>1,916</u>	<u>20</u>	<u>(1,905)</u>	<u>(1,992)</u>	<u>131</u>
Total OPEB liability, beginning	<u>7,312</u>	<u>10,026</u>	<u>8,110</u>	<u>8,090</u>	<u>9,995</u>	<u>11,987</u>	<u>11,856</u>
Total OPEB liability, ending	<u>\$ 5,268</u>	<u>\$ 7,312</u>	<u>\$ 10,026</u>	<u>\$ 8,110</u>	<u>\$ 8,090</u>	<u>\$ 9,995</u>	<u>\$ 11,987</u>
Covered-employee payroll	9,714	6,994	6,703	6,241	6,184	5,443	5,540
Total OPEB liability as a percentage of covered-employee payroll	54.2%	104.5%	149.6%	129.9%	130.8%	183.6%	216.4%

see notes to schedule on next page

Notes to Schedule:

There are no assets accumulated in a trust that meets the criteria of GASB codification P52 to pay related benefits for the OPEB plan.

Changes in benefit terms:

Effective on January 1, 2019, all post-65 Medicare eligible retirees were removed from the traditional health plan. They will be covered under a Medicare Advantage Plan through Anthem and a Medicare Part D plan with premiums paid fully by the retiree. This change is reflected for Legislature actives and retirees covered under the plan.

Changes of assumptions:

For 2023, the mortality assumption has been updated from using the MP-2020 improvement scale to use the MP-2021 improvement scale. The base mortality tables are unchanged. This change led to a slight increase in liabilities. Medical/rx trend rates have been updated to an initial rate of 7.50%/6.50% decreasing by 0.50%/0.25% per year to an ultimate rate of 4.50% for pre-65/post-65 benefits. This change caused a slight increase in liabilities.

For 2021, the mortality assumption was updated from using the MP-2019 improvement scale to use the MP-2020 improvement scale. The baseline payroll growth rate was updated from 2.75% to 2.65% based on the assumptions used in the 2021 INPRS actuarial valuation.

For 2020, the mortality and payroll growth assumptions have been updated based on the revised tables presented in the INPRS 2020 Experience Study. The health care coverage election was updated from 40% to 35% for employees that are eligible for a normal, unreduced or disability pension under PERF and from 15% to 10% for employees with health coverage that are not eligible for a normal, unreduced or disability pension under PERF. The spousal coverage election rate was updated from 100% for all employees to 95% for male employees and 50% for female employees. Trend rates for medical and prescription drug benefits have an initial rate of 7.5% decreasing by 0.50% annually to an ultimate rate of 4.5%

The discount rate was updated to 4.13% as of June 30, 2023 for accounting disclosure purposes. The rate was 4.09% as of June 30, 2022, 2.19% as of June 30, 2021, 2.66% as of July 1, 2020, 3.51% as of July 1, 2019, 3.87% as of July 1, 2018, and 3.56% as of July 1, 2017.

The effort and cost to recreate financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2017 for GASB-S74 purposes.

**Schedule of Investment Returns
Annual Money-Weighted Rate of Return, Net of Investment Expense
Other Postemployment Benefit Plans**

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>
Single-employer defined benefit other postemployment benefit plan:							
State Personnel Healthcare Plan (SPP)	2.5%	0.2%	0.1%	1.7%	2.2%	1.2%	0.7%
Indiana State Police Healthcare Plan (ISPP)	6.7%	-11.7%	0.1%	1.4%	2.4%	1.3%	0.6%
Conservation and Excise Police Healthcare Plan (CEPP)	7.3%	-14.1%	6.5%	1.3%	2.3%	1.2%	0.6%

Note:

The effort and cost to recreate financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2017 for GASB-S74 purposes.

Budgetary Information

The Governor submits a budget biennially to be adopted by the General Assembly for the ensuing two-year period. The budget covers the general fund and most special revenue funds. The General Assembly enacts the budget through passage of specific appropriations.

The budget bill is enacted as the Appropriations Act that the Governor may veto, subject to legislative override. Except as specifically provided by statute, appropriations or any part thereof remaining unexpended and unencumbered at the close of any fiscal year will lapse and be returned to the fund from which it was appropriated.

The final budget is composed of budgeted amounts as adopted and as amended by supplemental appropriations or appropriation transfers that were necessary during the current year. The State Board of Finance, which consists of the Governor, Auditor of State and Treasurer of State, is empowered to transfer appropriations from one appropriation, fund, or agency of the State to another, with the exception of trust funds. The State Budget Agency may transfer, assign, and reassign almost any appropriation, except those restricted by law, but only when: (1) the uses and purposes to which the funds are transferred are uses and purposes which the agency is permitted or required to perform; and (2) the transfers are within the same agency of the state to which the appropriation was originally made. Capital appropriations are initially posted to general government. As projects are approved by the State Budget Committee the appropriations are transferred to the function of government from which they are disbursed. In addition, expenditures under many federal grants are required to be spent before they are reimbursed by the federal government. These actions are considered supplemental appropriations; therefore, expenditures do not exceed appropriations for individual funds.

The legal level of budgetary control (the level on which expenditures may not legally exceed appropriations) is maintained at the fund level by the State Budget Agency. When budgets are submitted for each fund, certain recurring expenditures are not budgeted (such as tort claims) according to instructions from the State Budget Agency to the various agencies. The Budget Agency monitors all funds regularly in addition to monitoring excess general fund revenue that will be available at the end of the fiscal year to cover the non-budgeted, recurring expenditures.

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State of Indiana
 Combining Schedule of Revenues, Expenditures and
 Changes in Fund Balances - Budget and Actual
 (Budgetary Basis)
 For the Year Ended June 30, 2023
 (amounts expressed in thousands)

	General Fund				Public Welfare-Medicaid Assistance			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
Revenues								
Taxes:								
Income	\$ 8,025,226	\$ 8,025,226	\$ 8,415,422	\$ 390,196	\$ -	\$ -	\$ -	\$ -
Sales	9,366,229	9,366,229	10,521,676	1,155,447	-	-	-	-
Gaming	450,601	450,601	232,515	(218,086)	-	-	-	-
Alcohol and tobacco	250,300	250,300	242,605	(7,695)	-	-	-	-
Insurance	250,149	250,149	261,844	11,695	-	-	-	-
Other	357,423	357,423	435,781	78,358	-	-	-	-
Total taxes	18,699,928	18,699,928	20,109,843	1,409,915	-	-	-	-
Current service charges	80,891	80,891	684,191	603,300	711,396	711,396	1,376,087	664,691
Investment income (loss)	28,500	28,500	317,983	289,483	-	-	-	-
Sales/rents	270	270	1,189	919	-	-	-	-
Grants	-	-	7,445	7,445	12,640,300	12,640,300	14,482,686	1,842,386
Other	287,488	287,488	220,194	(67,294)	-	-	-	-
Total revenues	19,097,077	19,097,077	21,340,845	2,243,768	13,351,696	13,351,696	15,858,773	2,507,077
Expenditures								
Current:								
General government	4,540,113	7,029,550	4,294,431	2,735,119	-	-	-	-
Public safety	2,172,607	1,766,452	1,374,319	392,133	-	-	-	-
Health	195,978	136,818	103,226	33,592	-	-	-	-
Welfare	5,406,820	2,361,509	1,126,510	1,234,999	9,226	26,554,518	17,674,455	8,880,063
Conservation, culture and development	220,418	156,479	988,174	(831,695)	-	-	-	-
Education	11,791,586	12,706,571	12,284,191	422,380	-	-	-	-
Transportation	63,422	50,278	58,330	(8,052)	-	-	-	-
Debt service:								
Principal	-	-	19,463	(19,463)	-	-	-	-
Interest	-	-	3,138	(3,138)	-	-	-	-
Total expenditures	24,390,944	24,207,657	20,251,782	3,955,875	9,226	26,554,518	17,674,455	8,880,063
Excess (deficiency) of revenues over (under) expenditures	(5,293,867)	(5,110,580)	1,089,063	(6,199,643)	13,342,470	(13,202,822)	(1,815,682)	(11,387,140)
Other financing sources (uses)								
Transfers in	1,729,415	1,729,415	1,729,415	-	3,716,340	3,716,340	3,716,340	-
Transfers (out)	(3,878,167)	(3,878,167)	(3,878,167)	-	(1,203,012)	(1,203,012)	(1,203,012)	-
Total other financing sources (uses)	(2,148,752)	(2,148,752)	(2,148,752)	-	2,513,328	2,513,328	2,513,328	-
Net change in fund balances	\$ (7,442,619)	\$ (7,259,332)	(1,059,689)	\$ 6,199,643	\$ 15,855,798	\$ (10,689,494)	697,646	\$ 11,387,140
Fund Balance July 1, as restated			8,506,854				(34,129)	
Fund Balance June 30			\$ 7,447,165				\$ 663,517	

continued on next page

State of Indiana
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
(Budgetary Basis)
For the Year Ended June 30, 2023
(amounts expressed in thousands)

	Department of Health and Human Services				ARPA - Economic Stimulus Fund			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
Revenues								
Taxes:								
Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-	-	-	-	-
Gaming	-	-	-	-	-	-	-	-
Alcohol and tobacco	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total taxes	-	-	-	-	-	-	-	-
Current service charges	60	60	181	121	-	-	-	-
Investment income (loss)	-	-	-	-	-	-	-	-
Sales/rents	-	-	-	-	-	-	-	-
Grants	1,351,524	1,351,524	1,663,705	312,181	2,328,350	2,328,350	264,954	(2,063,396)
Other	129	129	47	(82)	1,374	1,374	-	(1,374)
Total revenues	1,351,713	1,351,713	1,663,933	312,220	2,329,724	2,329,724	264,954	(2,064,770)
Expenditures								
Current:								
General government	3,140	54,775	25,011	29,764	174,626	885,913	129,355	756,558
Public safety	2,753	28,517	9,084	19,433	29,549	27,354	11,692	15,662
Health	105,903	305,395	190,949	114,446	38,700	60,640	10,041	50,599
Welfare	942,860	3,415,024	1,812,407	1,602,617	111,627	471,437	84,692	386,745
Conservation, culture and development	-	1,212	-	1,212	55,129	163,375	133,333	30,042
Education	3,720	21,911	14,353	7,558	-	137,749	30,023	107,726
Transportation	-	4	-	4	727,635	207,185	278,920	(71,735)
Debt service:								
Principal	-	-	10,809	(10,809)	-	-	1,527	(1,527)
Interest	-	-	1,201	(1,201)	-	-	116	(116)
Total expenditures	1,058,376	3,826,838	2,063,814	1,763,024	1,137,266	1,953,653	679,699	1,273,954
Excess (deficiency) of revenues over (under) expenditures	293,337	(2,475,125)	(399,881)	(2,075,244)	1,192,458	376,071	(414,745)	790,816
Other financing sources (uses)								
Transfers in	473,327	473,327	473,327	-	-	-	-	-
Transfers (out)	(38,237)	(38,237)	(38,237)	-	-	-	-	-
Total other financing sources (uses)	435,090	435,090	435,090	-	-	-	-	-
Net change in fund balances	\$ 728,427	\$ (2,040,035)	35,209	\$ 2,075,244	\$ 1,192,458	\$ 376,071	(414,745)	\$ (790,816)
Fund Balance July 1, as restated			(367,819)				2,155,021	
Fund Balance June 30			\$ (332,610)				\$ 1,740,276	

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State of Indiana
 Combining Schedule of Revenues, Expenditures and
 Changes in Fund Balances - Budget and Actual
 (Budgetary Basis)
 For the Year Ended June 30, 2023
 (amounts expressed in thousands)

	Totals			Variance to Final Budget
	Budget		Actual	
	Original	Final		
Revenues				
Taxes:				
Income	\$ 8,025,226	\$ 8,025,226	\$ 8,415,422	\$ 390,196
Sales	9,366,229	9,366,229	10,521,676	1,155,447
Gaming	450,601	450,601	232,515	(218,086)
Alcohol and tobacco	250,300	250,300	242,605	(7,695)
Insurance	250,149	250,149	261,844	11,695
Other	357,423	357,423	435,781	78,358
Total taxes	<u>18,699,928</u>	<u>18,699,928</u>	<u>20,109,843</u>	<u>1,409,915</u>
Current service charges	792,347	792,347	2,060,459	1,268,112
Investment income (loss)	28,500	28,500	317,983	289,483
Sales/rents	270	270	1,189	919
Grants	16,320,174	16,320,174	16,418,790	98,616
Other	288,991	288,991	220,241	(68,750)
	<u>36,130,210</u>	<u>36,130,210</u>	<u>39,128,505</u>	<u>2,998,295</u>
Expenditures				
Current:				
General government	4,717,879	7,970,238	4,448,797	3,521,441
Public safety	2,204,909	1,822,323	1,395,095	427,228
Health	340,581	502,853	304,216	198,637
Welfare	6,470,533	32,802,488	20,698,064	12,104,424
Conservation, culture and development	275,547	321,066	1,121,507	(800,441)
Education	11,795,306	12,866,231	12,328,567	537,664
Transportation	791,057	257,467	337,250	(79,783)
Debt service:				
Principal	-	-	31,799	(31,799)
Interest	-	-	4,455	(4,455)
	<u>26,595,812</u>	<u>56,542,666</u>	<u>40,669,750</u>	<u>15,872,916</u>
Excess (deficiency) of revenues over (under) expenditures	9,534,398	(20,412,456)	(1,541,245)	(18,871,211)
Other financing sources (uses)				
Transfers in	5,919,082	5,919,082	5,919,082	-
Transfers (out)	(5,119,416)	(5,119,416)	(5,119,416)	-
	<u>799,666</u>	<u>799,666</u>	<u>799,666</u>	<u>-</u>
Net change in fund balances	<u>\$ 10,334,064</u>	<u>\$ (19,612,790)</u>	<u>(741,579)</u>	<u>\$ 18,871,211</u>
Fund Balance July 1, as restated			10,259,927	
Fund Balance June 30			<u>\$ 9,518,348</u>	

Budget/GAAP Reconciliation Major Funds

(amounts expressed in thousands)

	GENERAL FUND	PUBLIC WELFARE- MEDICAID ASSISTANCE	US DEPARTMENT OF HEALTH & HUMAN SERVICES	ARPA-ECONOMIC STIMULUS FUND	Total
Net change in fund balances (budgetary basis)	\$ (1,059,689)	\$ 697,646	\$ 35,209	\$ (414,745)	\$ (741,579)
Adjustments necessary to convert the results of operations on a budgetary basis to a GAAP basis are:					
Revenues are recorded when earned (GAAP) as opposed to when cash is received (budgetary)	\$ 522,252	\$ (326,444)	\$ (93,836)	\$ 463,184	565,156
Expenditures are recorded when the liability is incurred (GAAP) as opposed to when payment is made (budgetary)	\$ (17,437)	\$ (32,860)	\$ (4,474)	\$ (45,129)	(99,900)
Net change in fund balances (GAAP basis)	\$ (554,874)	\$ 338,342	\$ (63,101)	\$ 3,310	\$ (276,323)

**Infrastructure - Modified Reporting
Condition Rating of the State's Highways and Bridges**

Roads

Interstate Roads (excluding Rest Areas and Weigh Stations)
 NHS Roads - Non-Interstate (excluding Rest Areas and Weigh Stations)
 Non-NHS Roads

Average International Roughness Index (IRI), Right Wheel Path (RWP)		
2023	2022	2021
68	74	72
75	78	80
98	98	102

The condition of road pavement is based on the International Roughness Index (IRI), which is a measure of the roughness of the pavement in terms of inches per mile, and applies both to Portland cement concrete (PCC) and hot mix asphalt (HMA) pavements. IRI's range from zero for a pavement that is perfectly smooth to ratings above 170 for a pavement that warrants replacement. The condition index is used to classify roads in good condition (0-114), fair condition (115-169), and poor condition (170 and above). It is the State's policy to maintain a network average of no more than 101 IRI (RWP). Condition assessments are determined on an annual basis for all roads maintained by INDOT. The ratings provided are based on data gathered during the summer (May to October) for each fiscal year. The data is evaluated and compared to standard criteria by the end of the fiscal year.

Bridges

Interstate Bridges
 NHS Bridges - Non-Interstate
 Non-NHS Bridges

Average Sufficiency Rating		
2023	2022	2021
90.3%	90.2%	91.2%
92.6%	92.4%	93.0%
89.9%	89.8%	90.5%

The condition of the State's bridges is measured based on a sufficiency rating, which is based on a weighted average of four factors indicative of a bridge's sufficiency to remain in service. The sufficiency rating uses a measurement scale that ranges from zero for an entirely insufficient or deficient bridge to 100 for an entirely sufficient bridge. The sufficiency rating is used to classify bridges in excellent condition (90-100), good condition (80-89), fair condition (70-79), marginal condition (60-69), and poor condition (below 60). It is the State's policy to maintain Interstate bridges at a minimum sufficiency rating of 87%, NHS Non-Interstate bridges at 85%, and Non-NHS bridges at 83%. Sufficiency ratings are determined at least on a biennial basis for all bridges. Sufficiency ratings are determined more frequently for certain bridges depending on their design.

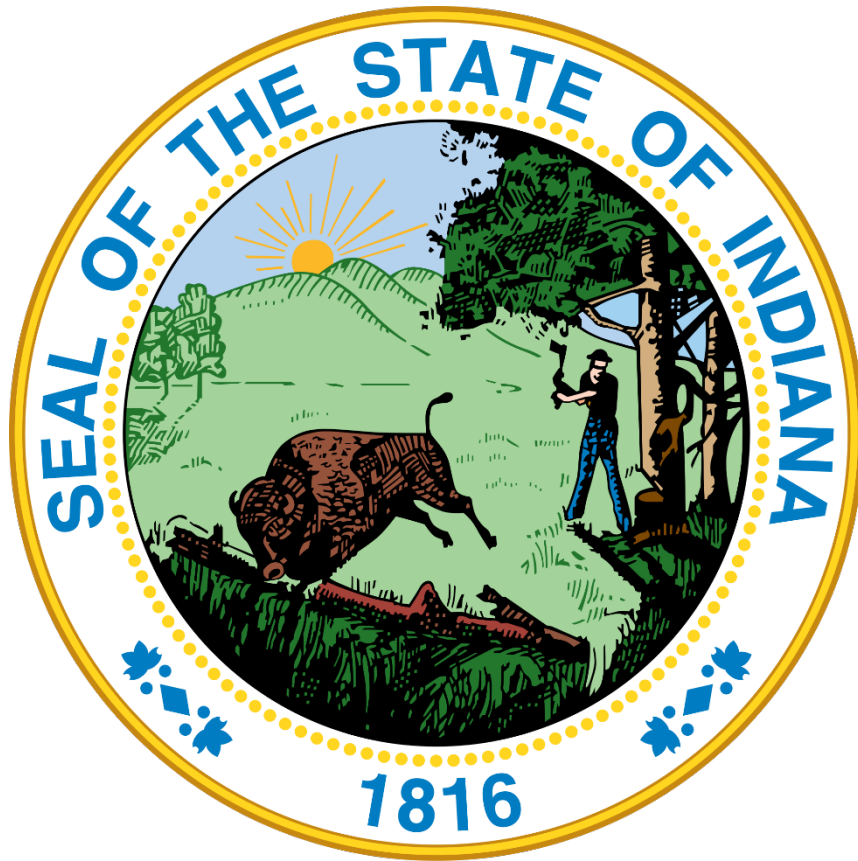
Source: Indiana Department of Transportation

Infrastructure - Modified Reporting
Comparison of Planned-to-Actual Maintenance/Preservation
(amounts expressed in thousands)

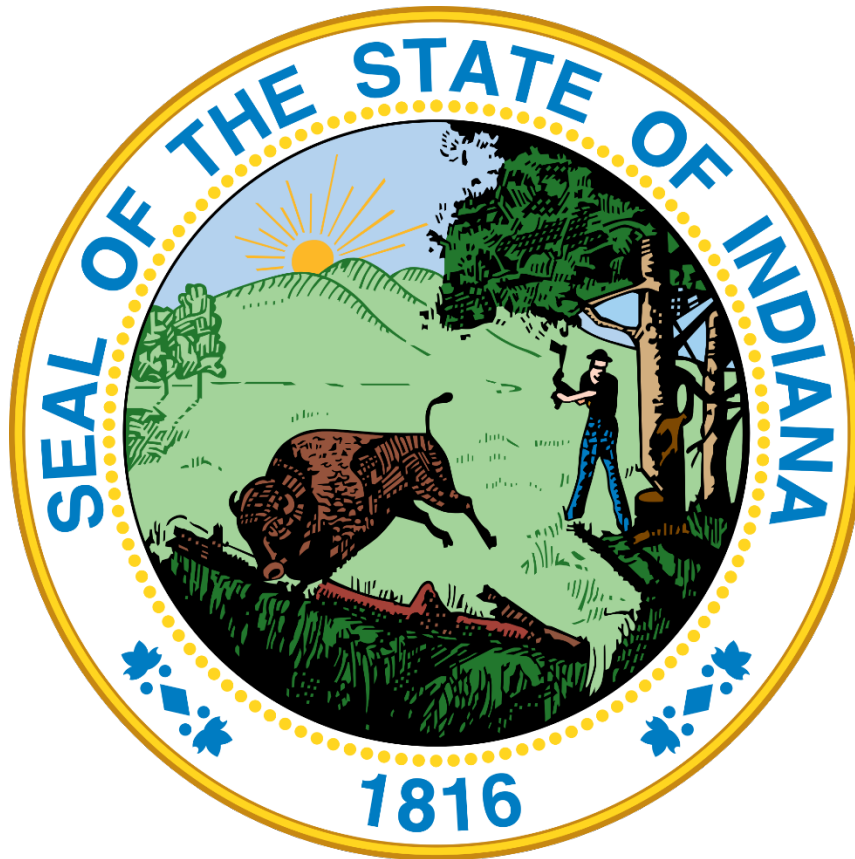
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Roads						
Interstate Roads (including Rest Areas and Weigh Stations):						
Planned	\$ 352,119	\$ 193,820	\$ 325,653	\$ 186,413	\$ 252,209	\$ 72,028
Actual	337,867	269,410	357,057	272,602	219,806	20,210
NHS and Non-NHS Roads - Non-Interstate (including Rest Areas and Weigh Stations)						
Planned	752,451	412,668	557,176	499,422	418,752	408,266
Actual	572,395	415,031	511,799	446,217	391,955	338,622
Roads at State Institutions and Properties						
Planned	-	-	-	-	-	3,934
Actual	-	-	-	-	-	-
Total						
Planned	1,104,570	606,488	882,829	685,835	670,961	484,228
Actual	910,262	684,441	868,856	718,819	611,761	358,832
Bridges						
Interstate Bridges						
Planned	\$ 91,862	\$ 179,233	\$ 203,341	\$ 119,927	\$ 135,011	\$ 132,093
Actual	133,424	107,698	137,118	83,250	99,363	104,728
NHS Bridges - Non-Interstate						
Planned	124,047	104,187	110,493	88,658	47,383	74,995
Actual	131,266	194,543	122,125	64,541	43,850	46,264
Non-NHS Bridges						
Planned	163,111	107,816	111,272	87,446	73,802	193,724
Actual	197,991	108,076	67,955	92,653	64,696	186,513
Bridges at State Institutions and Properties						
Planned	450	-	-	-	-	-
Actual	1,127	-	-	-	-	-
Total						
Planned	379,470	391,236	425,106	296,031	256,196	400,812
Actual	463,808	410,317	327,198	240,444	207,909	337,505

Source: Indiana Department of Transportation

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OTHER SUPPLEMENTARY INFORMATION



NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. Funds of material significance are presented separately in these combining statements. All other funds are included under the description "Other Non-Major Special Revenue Funds."

The following funds are used to account for transportation and motor vehicle related programs:

Major Moves Construction Fund
Transportation Programs Fund which includes:

- Motor Vehicle Highway
- State Highway
- Road & Street, Primary Highway

Motor Vehicle Commission
Local Road and Bridge

The following funds are used to account for health and environmental programs:

Indiana Check-Up Plan
Patients Compensation Fund
Opioid Settlement Fund

The following fund is used to receive and distribute certain revenues to the proper sources:

State Gaming Fund

The following fund is used to account for federal and non-federal programs:

Fund 6000 Programs

The following fund is used to provide low interest construction and technology loans for qualifying schools:

Common School Fund

The following funds are used to account for federal grant programs:

U.S. Department of Agriculture
U.S. Department of Labor
U.S. Department of Transportation
U.S. Department of Education
U.S. Department of Homeland Security
Federal COVID-19 Fund

CAPITAL PROJECTS FUNDS

Capital project funds account for financial resources to be used by the State for the acquisition or construction of major capital facilities (other than those financed by proprietary and trust funds). Funds of material significance are presented separately in these combining statements. All other funds are included under the description "Other Non-Major Capital Projects Funds."

Post War Construction – This fund accounts for new construction, rehabilitation and preventative maintenance of penal, benevolent and charitable institutions of the state.

State Construction Fund – This fund accounts for excise taxes deposited to the fund to be used for the construction, rehabilitation, repair, purchase, rental, and sale of state properties and institutions (excluding state educational institutions)

PERMANENT FUNDS

Permanent Funds account for resources of the State that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support State programs. Funds of material significance are presented separately in these combining statements. All other funds are included under the description "Other Non-Major Permanent Funds."

Next Level/Generation Trust Fund – This fund is created per IC 8-14-15.1-5 and holds title to proceeds transferred to the trust under IC 8-14-15-5 (before its repeal), including those held in the Next Generation Trust Fund under IC 8-14-15.2-5 and holds title to proceeds transferred to the trust under IC 8-14-15.1-5.5, to be used exclusively for the provision of highways, roads, and bridges for the benefit of the people of Indiana and the users of those facilities.

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State of Indiana
Balance Sheet
Non-Major Governmental Funds
June 30, 2023
(amounts expressed in thousands)

	Non-Major Special Revenue Funds	Non-Major Capital Projects Funds	Non-Major Permanent Funds	Total
Assets				
Cash, cash equivalents, and investments-unrestricted	\$ 3,594,543	\$ 110,726	\$ 510,247	\$ 4,215,516
Cash, cash equivalents, and investments-restricted	1,450,548	-	1,710	1,452,258
Receivables:				
Taxes (net of allowance for uncollectible accounts)	248,829	2,031	-	250,860
Accounts	105,005	125	-	105,130
Grants	591,452	-	-	591,452
Interest	7,412	-	5	7,417
Interfund loans	7,445	-	-	7,445
Prepaid expenditures	46	8,396	-	8,442
Long term receivables	464,253	-	-	464,253
Other	957	-	1	958
Total assets	\$ 6,470,490	\$ 121,278	\$ 511,963	\$ 7,103,731
Liabilities				
Accounts payable	\$ 855,659	\$ 2,537	\$ -	\$ 858,196
Salaries and benefits payable	52,446	208	-	52,654
Interfund loans	102,079	-	-	102,079
Interfund services used	3,580	14	-	3,594
Intergovernmental payable	84,649	-	-	84,649
Tax refunds payable	2,996	-	-	2,996
Other payables	962	-	1	963
Total liabilities	1,102,371	2,759	1	1,105,131
Deferred inflows of resources				
Unavailable revenue	631,924	-	-	631,924
Total deferred inflow of resources	631,924	-	-	631,924
Fund balance				
Nonspendable:	46	8,396	502,835	511,277
Restricted:	1,064,137	-	-	1,064,137
Committed:	3,996,866	-	9,127	4,005,993
Assigned:	-	110,123	-	110,123
Unassigned	(324,854)	-	-	(324,854)
Total fund balance	4,736,195	118,519	511,962	5,366,676
Total liabilities, deferred inflow of resources, and fund balance	\$ 6,470,490	\$ 121,278	\$ 511,963	\$ 7,103,731

State of Indiana
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2023
(amounts expressed in thousands)

	Non-Major Special Revenue Funds	Non-Major Capital Projects Funds	Non-Major Permanent Funds	Total
Revenues				
Taxes:				
Sales	\$ 502,979	\$ -	\$ -	\$ 502,979
Fuels	1,653,501	-	-	1,653,501
Gaming	489,503	-	-	489,503
Alcohol and tobacco	134,634	23,594	-	158,228
Insurance	6,270	-	-	6,270
Financial institutions	178,487	-	-	178,487
Other	19,233	-	-	19,233
Total taxes	2,984,607	23,594	-	3,008,201
Current service charges	2,053,425	5,110	-	2,058,535
Investment income (loss)	40,075	-	9,715	49,790
Sales/rents	26,278	10	-	26,288
Grants	6,531,154	2,810	-	6,533,964
Other	152,565	319	-	152,884
Total revenues	11,788,104	31,843	9,715	11,829,662
Expenditures				
Current:				
General government	431,819	-	26	431,845
Public safety	676,912	-	-	676,912
Health	257,678	-	-	257,678
Welfare	2,044,696	-	-	2,044,696
Conservation, culture and development	617,367	-	119	617,486
Education	2,330,914	-	-	2,330,914
Transportation	3,929,468	-	2,162	3,931,630
Debt service:				
Principal	85,262	-	-	85,262
Interest	25,398	-	-	25,398
Capital outlay	16,416	21,057	-	37,473
Total expenditures	10,415,930	21,057	2,307	10,439,294
Excess (deficiency) of revenues over (under) expenditures	1,372,174	10,786	7,408	1,390,368
Other financing sources (uses)				
Transfers in	1,942,831	2,324	-	1,945,155
Transfers (out)	(2,743,229)	(2,070)	-	(2,745,299)
Issuance of subscription-based IT arrangements	6,138	-	-	6,138
Issuance of leases	10,278	-	-	10,278
Total other financing sources (uses)	(783,982)	254	-	(783,728)
Net change in fund balances	588,192	11,040	7,408	606,640
Fund Balance July 1, as restated	4,148,003	107,479	504,554	4,760,036
Fund Balance June 30	\$ 4,736,195	\$ 118,519	\$ 511,962	\$ 5,366,676

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State of Indiana
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2023
(amounts expressed in thousands)

	STATE GAMING FUND	TRANSPORTATION PROGRAMS	LOCAL ROAD AND BRIDGE	MOTOR VEHICLE COMMISSION
Assets				
Cash, cash equivalents, and investments-unrestricted	\$ 48,778	\$ 890,891	\$ 264,606	\$ 9
Cash, cash equivalents, and investments-restricted	-	-	-	77,699
Receivables:				
Taxes (net of allowance for uncollectible accounts)	15,317	121,745	11,301	-
Accounts	212	11,003	354	1,280
Grants	-	-	-	-
Interest	-	17	-	-
Interfund loans	-	-	-	-
Prepaid expenditures	-	-	-	-
Long term receivables	-	3,019	-	-
Other	-	-	-	-
Total assets	\$ 64,307	\$ 1,026,675	\$ 276,261	\$ 78,988
Liabilities				
Accounts payable	\$ 12	\$ 24,079	\$ 46,454	\$ 2,882
Salaries and benefits payable	223	18,550	-	4,134
Interfund loans	-	-	-	-
Interfund services used	47	1,138	-	302
Intergovernmental payable	17,699	64,998	-	-
Tax refunds payable	-	-	-	-
Other payables	-	-	-	-
Total liabilities	17,981	108,765	46,454	7,318
Deferred inflows of resources				
Unavailable revenue	-	6,257	20	-
Total deferred inflow of resources	-	6,257	20	-
Fund balance				
Nonspendable:	-	-	-	-
Restricted:	-	-	-	71,670
Committed:	46,326	911,653	229,787	-
Unassigned	-	-	-	-
Total fund balance	46,326	911,653	229,787	71,670
Total liabilities, deferred inflow of resources, and fund balance	\$ 64,307	\$ 1,026,675	\$ 276,261	\$ 78,988

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State of Indiana
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2023
(amounts expressed in thousands)

	MAJOR MOVES CONSTRUCTION FUND	INDIANA CHECK- UP PLAN	OPIOID SETTLEMENT FUND	FUND 6000 PROGRAMS
Assets				
Cash, cash equivalents, and investments-unrestricted	\$ 363,704	\$ 394,100	\$ 12,077	\$ 409,527
Cash, cash equivalents, and investments-restricted	-	-	39,653	-
Receivables:				
Taxes (net of allowance for uncollectible accounts)	-	13,255	-	8,188
Accounts	-	-	-	3,204
Grants	-	-	-	7
Interest	3,909	-	2,083	185
Interfund loans	-	-	-	5,774
Prepaid expenditures	-	-	-	-
Long term receivables	-	-	194,853	-
Other	50	-	-	1
Total assets	\$ 367,663	\$ 407,355	\$ 248,666	\$ 426,886
Liabilities				
Accounts payable	\$ 10,155	\$ 469	\$ 1	\$ 99,919
Salaries and benefits payable	31	-	3	1,986
Interfund loans	-	-	-	-
Interfund services used	-	-	-	92
Intergovernmental payable	-	-	-	262
Tax refunds payable	-	-	-	-
Other payables	50	-	-	1
Total liabilities	10,236	469	4	102,260
Deferred inflows of resources				
Unavailable revenue	-	5,219	185,620	5,676
Total deferred inflow of resources	-	5,219	185,620	5,676
Fund balance				
Nonspendable:	-	-	-	-
Restricted:	-	-	47,571	-
Committed:	357,427	401,667	15,471	318,950
Unassigned	-	-	-	-
Total fund balance	357,427	401,667	63,042	318,950
Total liabilities, deferred inflow of resources, and fund balance	\$ 367,663	\$ 407,355	\$ 248,666	\$ 426,886

continued on next page

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State of Indiana
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2023
(amounts expressed in thousands)

	<u>PATIENTS COMPENSATION FUND</u>	<u>COMMON SCHOOL FUND</u>	<u>US DEPARTMENT OF AGRICULTURE</u>	<u>US DEPARTMENT OF LABOR</u>
Assets				
Cash, cash equivalents, and investments-unrestricted	\$ 274,021	\$ 325,711	\$ -	\$ -
Cash, cash equivalents, and investments-restricted	-	-	6,992	-
Receivables:				
Taxes (net of allowance for uncollectible accounts)	-	-	-	-
Accounts	502	-	-	-
Grants	-	-	170,938	8,298
Interest	457	-	-	-
Interfund loans	-	-	-	-
Prepaid expenditures	-	-	-	-
Long term receivables	-	265,376	-	-
Other	136	671	-	-
Total assets	<u><u>\$ 275,116</u></u>	<u><u>\$ 591,758</u></u>	<u><u>\$ 177,930</u></u>	<u><u>\$ 8,298</u></u>
Liabilities				
Accounts payable	\$ 6,789	\$ -	\$ 36,221	\$ 1,912
Salaries and benefits payable	38	-	694	4,277
Interfund loans	-	-	-	8,359
Interfund services used	6	-	42	597
Intergovernmental payable	-	-	-	-
Tax refunds payable	-	-	-	-
Other payables	136	671	-	-
Total liabilities	<u>6,969</u>	<u>671</u>	<u>36,957</u>	<u>15,145</u>
Deferred inflows of resources				
Unavailable revenue	-	-	123,873	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>123,873</u>	<u>-</u>
Fund balance				
Nonspendable:	-	-	-	-
Restricted:	-	-	17,100	-
Committed:	268,147	591,087	-	-
Unassigned	-	-	-	(6,847)
Total fund balance	<u>268,147</u>	<u>591,087</u>	<u>17,100</u>	<u>(6,847)</u>
Total liabilities, deferred inflow of resources, and fund balance	<u><u>\$ 275,116</u></u>	<u><u>\$ 591,758</u></u>	<u><u>\$ 177,930</u></u>	<u><u>\$ 8,298</u></u>

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State of Indiana
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2023
(amounts expressed in thousands)

	US DEPARTMENT OF TRANSPORTATION	US DEPARTMENT OF EDUCATION	US DEPARTMENT OF HOMELAND SECURITY	FEDERAL COVID-19
Assets				
Cash, cash equivalents, and investments-unrestricted	\$ -	\$ -	\$ -	\$ -
Cash, cash equivalents, and investments-restricted	966,166	5,224	-	-
Receivables:				
Taxes (net of allowance for uncollectible accounts)	-	-	-	-
Accounts	5,217	-	-	-
Grants	87,123	9,748	15,054	79,621
Interest	-	-	-	-
Interfund loans	-	-	-	-
Prepaid expenditures	46	-	-	-
Long term receivables	-	-	-	-
Other	-	-	-	-
Total assets	\$ 1,058,552	\$ 14,972	\$ 15,054	\$ 79,621
Liabilities				
Accounts payable	\$ 119,767	\$ 101,958	\$ 2,275	\$ 145,370
Salaries and benefits payable	592	2,340	394	948
Interfund loans	-	-	8,863	77,412
Interfund services used	67	92	2	52
Intergovernmental payable	-	-	-	-
Tax refunds payable	-	-	-	-
Other payables	-	-	-	-
Total liabilities	120,426	104,390	11,534	223,782
Deferred inflows of resources				
Unavailable revenue	10,284	6,783	15,054	66,111
Total deferred inflow of resources	10,284	6,783	15,054	66,111
Fund balance				
Nonspendable:	46	-	-	-
Restricted:	927,796	-	-	-
Committed:	-	-	-	-
Unassigned	-	(96,201)	(11,534)	(210,272)
Total fund balance	927,842	(96,201)	(11,534)	(210,272)
Total liabilities, deferred inflow of resources, and fund balance	\$ 1,058,552	\$ 14,972	\$ 15,054	\$ 79,621

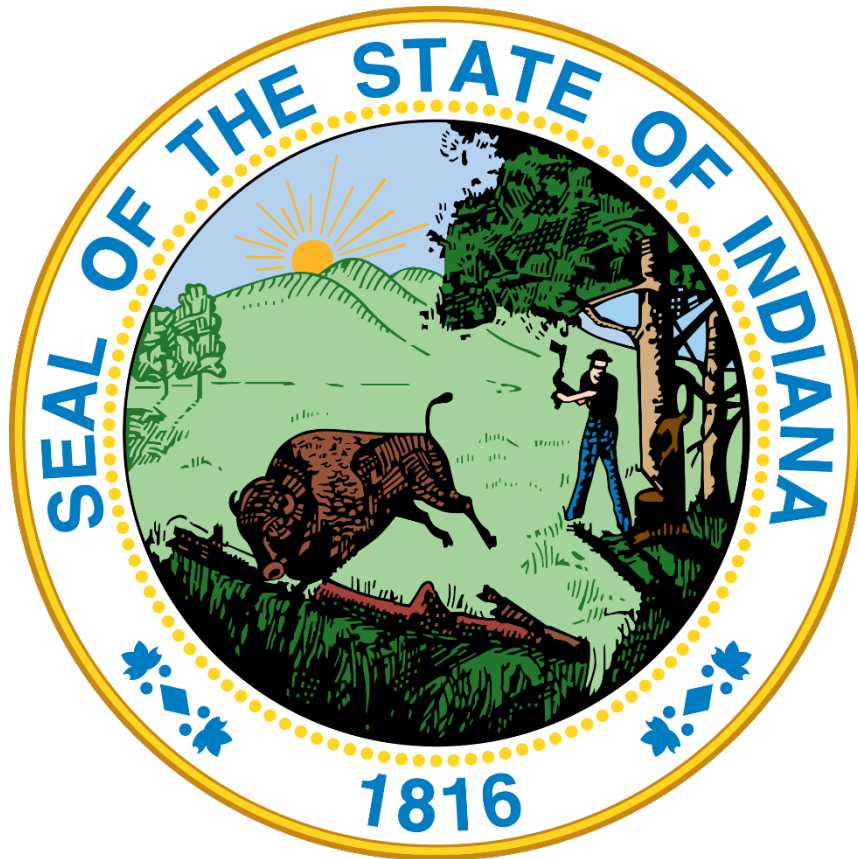
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State of Indiana
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2023
(amounts expressed in thousands)

	OTHER SPECIAL REVENUE FUNDS	TOTAL
Assets		
Cash, cash equivalents, and investments-unrestricted	\$ 611,119	\$ 3,594,543
Cash, cash equivalents, and investments-restricted	354,814	1,450,548
Receivables:		
Taxes (net of allowance for uncollectible accounts)	79,023	248,829
Accounts	83,233	105,005
Grants	220,663	591,452
Interest	761	7,412
Interfund loans	1,671	7,445
Prepaid expenditures	-	46
Long term receivables	1,005	464,253
Other	99	957
Total assets	\$ 1,352,388	\$ 6,470,490
Liabilities		
Accounts payable	\$ 257,396	\$ 855,659
Salaries and benefits payable	18,236	52,446
Interfund loans	7,445	102,079
Interfund services used	1,143	3,580
Intergovernmental payable	1,690	84,649
Tax refunds payable	2,996	2,996
Other payables	104	962
Total liabilities	289,010	1,102,371
Deferred inflows of resources		
Unavailable revenue	207,027	631,924
Total deferred inflow of resources	207,027	631,924
Fund balance		
Nonspendable:	-	46
Restricted:	-	1,064,137
Committed:	856,351	3,996,866
Unassigned	-	(324,854)
Total fund balance	856,351	4,736,195
Total liabilities, deferred inflow of resources, and fund balance	\$ 1,352,388	\$ 6,470,490

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State of Indiana
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended June 30, 2023
(amounts expressed in thousands)

	STATE GAMING FUND	TRANSPORTATION PROGRAMS	LOCAL ROAD AND BRIDGE	MOTOR VEHICLE COMMISSION
Revenues				
Taxes:				
Sales	\$ -	\$ 332,417	\$ 153,734	\$ -
Fuels	-	1,569,289	-	-
Gaming	453,441	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Financial institutions	-	-	-	-
Other	-	-	-	-
Total taxes	453,441	1,901,706	153,734	-
Current service charges	3,421	380,223	108,829	132,333
Investment income (loss)	-	663	-	-
Sales/rents	-	2,348	-	6
Grants	-	-	-	-
Other	-	143,550	-	-
Total revenues	456,862	2,428,490	262,563	132,339
Expenditures				
Current:				
General government	125,940	-	-	-
Public safety	-	45	-	114,260
Health	-	-	-	-
Welfare	-	-	-	-
Conservation, culture and development	-	51	-	-
Education	-	-	-	-
Transportation	-	1,404,956	235,050	-
Debt service:				
Principal	579	23	-	6,731
Interest	43	-	-	590
Capital outlay	-	-	-	7,755
Total expenditures	126,562	1,405,075	235,050	129,336
Excess (deficiency) of revenues over (under) expenditures	330,300	1,023,415	27,513	3,003
Other financing sources (uses)				
Transfers in	1,651	295,436	-	5,018
Transfers (out)	(348,938)	(1,356,186)	-	-
Issuance of subscription-based IT arrangements	-	-	-	-
Issuance of leases	-	-	-	7,755
Total other financing sources (uses)	(347,287)	(1,060,750)	-	12,773
Net change in fund balances	(16,987)	(37,335)	27,513	15,776
Fund Balance July 1, as restated	63,313	948,988	202,274	55,894
Fund Balance June 30	\$ 46,326	\$ 911,653	\$ 229,787	\$ 71,670

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State of Indiana
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended June 30, 2023
(amounts expressed in thousands)

	MAJOR MOVES CONSTRUCTION FUND	INDIANA CHECK- UP PLAN	OPIOID SETTLEMENT FUND	FUND 6000 PROGRAMS
Revenues				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ 3,220
Fuels	-	-	-	-
Gaming	-	-	-	127
Alcohol and tobacco	-	97,783	-	-
Insurance	-	-	-	-
Financial institutions	-	-	-	178,487
Other	-	-	-	1,011
Total taxes	-	97,783	-	182,845
Current service charges	-	691,889	56,089	114,931
Investment income (loss)	14,547	-	2,202	1,662
Sales/rents	-	-	-	6,953
Grants	-	-	-	50,735
Other	-	-	-	6,125
Total revenues	14,547	789,672	58,291	363,251
Expenditures				
Current:				
General government	29,406	-	-	129,619
Public safety	-	-	-	45,211
Health	-	4,823	3	4,378
Welfare	-	-	-	1,249
Conservation, culture and development	17,921	-	-	9,535
Education	-	-	-	6,803
Transportation	267,514	-	-	1,559
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	5,612
Total expenditures	314,841	4,823	3	203,966
Excess (deficiency) of revenues over (under) expenditures	(300,294)	784,849	58,288	159,285
Other financing sources (uses)				
Transfers in	204,970	-	-	38,559
Transfers (out)	-	(605,235)	(4,031)	(135,123)
Issuance of subscription-based IT arrangements	-	-	-	5,612
Issuance of leases	-	-	-	-
Total other financing sources (uses)	204,970	(605,235)	(4,031)	(90,952)
Net change in fund balances	(95,324)	179,614	54,257	68,333
Fund Balance July 1, as restated	452,751	222,053	8,785	250,617
Fund Balance June 30	\$ 357,427	\$ 401,667	\$ 63,042	\$ 318,950

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State of Indiana
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended June 30, 2023
(amounts expressed in thousands)

	PATIENTS COMPENSATION FUND	COMMON SCHOOL FUND	US DEPARTMENT OF AGRICULTURE	US DEPARTMENT OF LABOR
Revenues				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Fuels	-	-	-	-
Gaming	-	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Financial institutions	-	-	-	-
Other	-	-	-	-
Total taxes	-	-	-	-
Current service charges	149,880	2,266	-	-
Investment income (loss)	6,188	7,055	-	-
Sales/rents	-	-	2	-
Grants	-	-	2,665,423	145,723
Other	-	10	-	-
Total revenues	156,068	9,331	2,665,425	145,723
Expenditures				
Current:				
General government	-	4,411	704	-
Public safety	124,840	-	5,470	7,592
Health	-	-	164,679	29
Welfare	-	-	1,814,393	18
Conservation, culture and development	-	-	3,467	135,372
Education	-	-	611,150	-
Transportation	-	-	-	-
Debt service:				
Principal	-	-	-	2,350
Interest	-	-	-	115
Capital outlay	-	-	-	2,523
Total expenditures	124,840	4,411	2,599,863	147,999
Excess (deficiency) of revenues over (under) expenditures	31,228	4,920	65,562	(2,276)
Other financing sources (uses)				
Transfers in	-	-	103,114	3,053
Transfers (out)	-	-	(875)	(1,136)
Issuance of subscription-based IT arrangements	-	-	-	-
Issuance of leases	-	-	-	2,523
Total other financing sources (uses)	-	-	102,239	4,440
Net change in fund balances	31,228	4,920	167,801	2,164
Fund Balance July 1, as restated	236,919	586,167	(150,701)	(9,011)
Fund Balance June 30	\$ 268,147	\$ 591,087	\$ 17,100	\$ (6,847)

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State of Indiana
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended June 30, 2023
(amounts expressed in thousands)

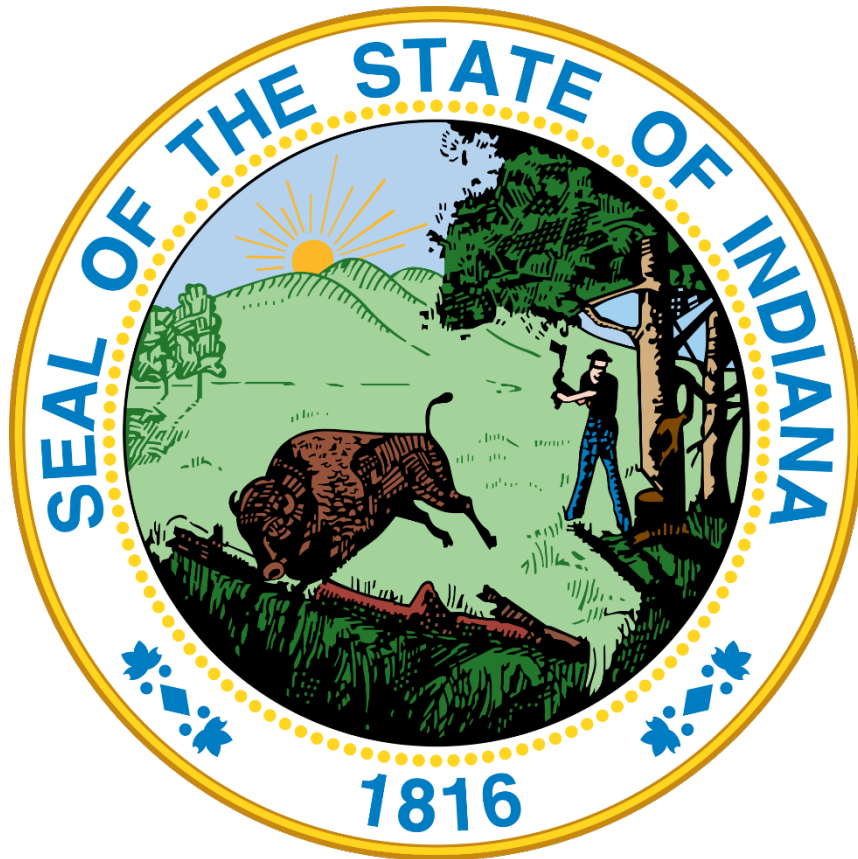
	US DEPARTMENT OF TRANSPORTATION	US DEPARTMENT OF EDUCATION	US DEPARTMENT OF HOMELAND SECURITY	FEDERAL COVID-19
Revenues				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Fuels	-	-	-	-
Gaming	-	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Financial institutions	-	-	-	-
Other	-	-	-	-
Total taxes	-	-	-	-
Current service charges	-	-	-	-
Investment income (loss)	-	-	-	-
Sales/rents	-	-	-	-
Grants	1,241,762	774,933	12,141	1,389,450
Other	1,333	-	-	-
Total revenues	1,243,095	774,933	12,141	1,389,450
Expenditures				
Current:				
General government	486	957	-	22,319
Public safety	21,261	1,526	18,369	34,910
Health	109	-	18	76,533
Welfare	-	90,540	-	71,162
Conservation, culture and development	662	25,737	3,982	115,358
Education	-	705,975	-	997,507
Transportation	1,886,272	-	-	101,661
Debt service:				
Principal	-	2,692	-	4,510
Interest	-	102	-	74
Capital outlay	-	-	-	526
Total expenditures	1,908,790	827,529	22,369	1,424,560
Excess (deficiency) of revenues over (under) expenditures	(665,695)	(52,596)	(10,228)	(35,110)
Other financing sources (uses)				
Transfers in	1,149,033	30,117	1,290	268
Transfers (out)	(217,853)	(2,128)	-	(399)
Issuance of subscription-based IT arrangements	-	-	-	526
Issuance of leases	-	-	-	-
Total other financing sources (uses)	931,180	27,989	1,290	395
Net change in fund balances	265,485	(24,607)	(8,938)	(34,715)
Fund Balance July 1, as restated	662,357	(71,594)	(2,596)	(175,557)
Fund Balance June 30	\$ 927,842	\$ (96,201)	\$ (11,534)	\$ (210,272)

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State of Indiana
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended June 30, 2023
(amounts expressed in thousands)

	OTHER SPECIAL REVENUE FUNDS	Total
Revenues		
Taxes:		
Sales	\$ 13,608	\$ 502,979
Fuels	84,212	1,653,501
Gaming	35,935	489,503
Alcohol and tobacco	36,851	134,634
Insurance	6,270	6,270
Financial institutions	-	178,487
Other	18,222	19,233
Total taxes	195,098	2,984,607
Current service charges	413,564	2,053,425
Investment income (loss)	7,758	40,075
Sales/rents	16,969	26,278
Grants	250,987	6,531,154
Other	1,547	152,565
Total revenues	885,923	11,788,104
Expenditures		
Current:		
General government	117,977	431,819
Public safety	303,428	676,912
Health	7,106	257,678
Welfare	67,334	2,044,696
Conservation, culture and development	305,282	617,367
Education	9,479	2,330,914
Transportation	32,456	3,929,468
Debt service:		
Principal	68,377	85,262
Interest	24,474	25,398
Capital outlay	-	16,416
Total expenditures	935,913	10,415,930
Excess (deficiency) of revenues over (under) expenditures	(49,990)	1,372,174
Other financing sources (uses)		
Transfers in	110,322	1,942,831
Transfers (out)	(71,325)	(2,743,229)
Issuance of subscription-based IT arrangements	-	6,138
Issuance of leases	-	10,278
Total other financing sources (uses)	38,997	(783,982)
Net change in fund balances	(10,993)	588,192
Fund Balance July 1, as restated	867,344	4,148,003
Fund Balance June 30	<u>\$ 856,351</u>	<u>\$ 4,736,195</u>

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State of Indiana
 Combining Balance Sheet
 Transportation Non-Major Special Revenue Funds
 June 30, 2023
 (amounts expressed in thousands)

	MOTOR VEHICLE HIGHWAY	STATE HIGHWAY FUND	ROAD & STREET, PRIMARY HIGHWAY	ELIMINATIONS	TOTAL
Assets					
Cash, cash equivalents, and investments-unrestricted	\$ 142,579	\$ 718,085	\$ 30,227	\$ -	\$ 890,891
Receivables:					
Taxes (net of allowance for uncollectible accounts)	61,623	41,145	18,977	-	121,745
Accounts	5,678	5,318	7	-	11,003
Interest	17	-	-	-	17
Interfund loans	8,000	-	-	(8,000)	-
Long term receivables	-	3,019	-	-	3,019
Total assets	\$ 217,897	\$ 767,567	\$ 49,211	\$ (8,000)	\$ 1,026,675
Liabilities					
Accounts payable	\$ 21	\$ 24,058	\$ -	\$ -	\$ 24,079
Salaries and benefits payable	-	18,550	-	-	18,550
Interfund loans	-	8,000	-	(8,000)	-
Interfund services used	57	1,081	-	-	1,138
Intergovernmental payable	51,347	-	13,651	-	64,998
Total liabilities	51,425	51,689	13,651	(8,000)	108,765
Deferred inflows of resources					
Unavailable revenue	-	6,257	-	-	6,257
Total deferred inflow of resources	-	6,257	-	-	6,257
Fund balance					
Committed:	166,472	709,621	35,560	-	911,653
Total fund balance	166,472	709,621	35,560	-	911,653
Total liabilities, deferred inflow of resources, and fund balance	\$ 217,897	\$ 767,567	\$ 49,211	\$ (8,000)	\$ 1,026,675

State of Indiana
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Transportation Non-Major Special Revenue Funds
For the Year Ended June 30, 2023
(amounts expressed in thousands)

	MOTOR VEHICLE HIGHWAY	STATE HIGHWAY FUND	ROAD & STREET, PRIMARY HIGHWAY	ELIMINATIONS	TOTAL
Revenues					
Taxes:					
Sales	\$ 93,150	\$ 239,267	\$ -	\$ -	\$ 332,417
Fuels	1,111,319	64,160	393,810	-	1,569,289
Total taxes	1,204,469	303,427	393,810	-	1,901,706
Current service charges	317,290	42,228	20,705	-	380,223
Investment income (loss)	513	150	-	-	663
Sales/rents	-	2,348	-	-	2,348
Other	-	143,550	-	-	143,550
Total revenues	1,522,272	491,703	414,515	-	2,428,490
Expenditures					
Current:					
Public safety	45	-	-	-	45
Conservation, culture and development	-	51	-	-	51
Transportation	573,507	678,447	153,002	-	1,404,956
Debt service:					
Principal	-	23	-	-	23
Total expenditures	573,552	678,521	153,002	-	1,405,075
Excess (deficiency) of revenues over (under) expenditures	948,720	(186,818)	261,513	-	1,023,415
Other financing sources (uses)					
Transfers in	-	1,503,161	-	(1,207,725)	295,436
Transfers (out)	(950,690)	(1,352,286)	(260,935)	1,207,725	(1,356,186)
Total other financing sources (uses)	(950,690)	150,875	(260,935)	-	(1,060,750)
Net change in fund balances	(1,970)	(35,943)	578	-	(37,335)
Fund Balance July 1, as restated	168,442	745,564	34,982	-	948,988
Fund Balance June 30	\$ 166,472	\$ 709,621	\$ 35,560	\$ -	\$ 911,653

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State of Indiana
Combining Balance Sheet
Non-Major Capital Project Funds
June 30, 2023
(amounts expressed in thousands)

	<u>Post War Construction</u>	<u>State Construction</u>	<u>Other Non-Major Capital Projects Funds</u>	<u>Total</u>
Assets				
Cash, cash equivalents, and investments-unrestricted	\$ 11,698	\$ 88,465	\$ 10,563	\$ 110,726
Receivables:				
Taxes (net of allowance for uncollectible accounts)	-	2,031	-	2,031
Accounts	-	125	-	125
Prepaid expenditures	8,396	-	-	8,396
Total assets	<u>\$ 20,094</u>	<u>\$ 90,621</u>	<u>\$ 10,563</u>	<u>\$ 121,278</u>
Liabilities				
Accounts payable	\$ 84	\$ 1,825	\$ 628	\$ 2,537
Salaries and benefits payable	-	-	208	208
Interfund services used	-	-	14	14
Total liabilities	<u>84</u>	<u>1,825</u>	<u>850</u>	<u>2,759</u>
Fund balance				
Nonspendable:	8,396	-	-	8,396
Assigned:	11,614	88,796	9,713	110,123
Total fund balance	<u>20,010</u>	<u>88,796</u>	<u>9,713</u>	<u>118,519</u>
Total liabilities, deferred inflow of resources, and fund balance	<u>\$ 20,094</u>	<u>\$ 90,621</u>	<u>\$ 10,563</u>	<u>\$ 121,278</u>

State of Indiana
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Non-Major Capital Projects Funds
For the Year Ended June 30, 2023
(amounts expressed in thousands)

	Post War Construction	State Construction	Other Non-Major Capital Projects Funds	Total
Revenues				
Taxes:				
Alcohol and tobacco	\$ -	\$ 23,594	\$ -	\$ 23,594
Total taxes	-	23,594	-	23,594
Current service charges	-	2,043	3,067	5,110
Sales/rents	-	-	10	10
Grants	-	904	1,906	2,810
Other	-	252	67	319
Total revenues	-	26,793	5,050	31,843
Expenditures				
Capital outlay	1,117	11,268	8,672	21,057
Total expenditures	1,117	11,268	8,672	21,057
Excess (deficiency) of revenues over (under) expenditures	(1,117)	15,525	(3,622)	10,786
Other financing sources (uses)				
Transfers in	-	62	2,262	2,324
Transfers (out)	(111)	(1,959)	-	(2,070)
Total other financing sources (uses)	(111)	(1,897)	2,262	254
Net change in fund balances	(1,228)	13,628	(1,360)	11,040
Fund Balance July 1, as restated	21,238	75,168	11,073	107,479
Fund Balance June 30	\$ 20,010	\$ 88,796	\$ 9,713	\$ 118,519

State of Indiana
Combining Balance Sheet
Non-Major Permanent Funds
June 30, 2023
(amounts expressed in thousands)

	Next Level/Generation Trust Fund	Other Non-Major Permanent Funds	Total
Assets			
Cash, cash equivalents, and investments-unrestricted	\$ 508,694	\$ 1,553	\$ 510,247
Cash, cash equivalents, and investments-restricted	-	1,710	1,710
Receivables:			
Interest	-	5	5
Other	1	-	1
Total assets	<u>\$ 508,695</u>	<u>\$ 3,268</u>	<u>\$ 511,963</u>
Liabilities			
Other payables	1	-	1
Total liabilities	<u>1</u>	<u>-</u>	<u>1</u>
Nonspendable:			
Committed:	500,000	2,835	502,835
	8,694	433	9,127
Total fund balance	<u>508,694</u>	<u>3,268</u>	<u>511,962</u>
Total liabilities, deferred inflow of resources, and fund balance	<u>\$ 508,695</u>	<u>\$ 3,268</u>	<u>\$ 511,963</u>

State of Indiana
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Non-Major Permanent Funds
For the Year Ended June 30, 2023
(amounts expressed in thousands)

	Next Level/Generation Trust Fund	Other Non-Major Permanent Funds	Total
Revenues			
Investment income (loss)	\$ 9,481	\$ 234	\$ 9,715
Total revenues	<u>9,481</u>	<u>234</u>	<u>9,715</u>
Expenditures			
Current:			
General government	-	26	26
Conservation, culture and development	-	119	119
Transportation	2,162	-	2,162
Total expenditures	<u>2,162</u>	<u>145</u>	<u>2,307</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,319</u>	<u>89</u>	<u>7,408</u>
Net change in fund balances	7,319	89	7,408
Fund Balance July 1, as restated	<u>501,375</u>	<u>3,179</u>	<u>504,554</u>
Fund Balance June 30	<u><u>\$ 508,694</u></u>	<u><u>\$ 3,268</u></u>	<u><u>\$ 511,962</u></u>

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State of Indiana
 Combining Schedule of Revenues, Expenditures and
 Changes in Fund Balances - Budget and Actual
 (Budgetary Basis)
 For the Year Ended June 30, 2023
 (amounts expressed in thousands)

	State Gaming Fund				Motor Vehicle Highway Fund			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
Revenues								
Taxes:								
Sales	\$ -	\$ -	\$ -	\$ -	\$ 80,438	\$ 80,438	\$ 94,968	\$ 14,530
Fuels	-	-	-	-	1,121,520	1,121,520	1,108,208	(13,312)
Gaming	466,519	466,519	453,438	(13,081)	-	-	-	-
Alcohol and tobacco	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Financial institutions	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total taxes	466,519	466,519	453,438	(13,081)	1,201,958	1,201,958	1,203,176	1,218
Current service charges	3,084	3,084	3,386	302	313,689	313,689	317,727	4,038
Investment income (loss)	-	-	-	-	569	569	512	(57)
Sales/rents	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Other	14	14	-	(14)	-	-	-	-
Total revenues	469,617	469,617	456,824	(12,793)	1,516,216	1,516,216	1,521,415	5,199
Expenditures								
Current:								
General government	2,879	541,630	112,076	429,554	-	3,900	-	3,900
Public safety	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Welfare	-	-	-	-	-	-	-	-
Conservation, culture and development	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	2,266	1,523,370	575,449	947,921
Debt service:								
Principal	-	-	579	(579)	-	-	-	-
Interest	-	-	43	(43)	-	-	-	-
Total expenditures	2,879	541,630	112,698	428,932	2,266	1,527,270	575,449	951,821
Excess (deficiency) of revenues over (under) expenditures	466,738	(72,013)	344,126	(416,139)	1,513,950	(11,054)	945,966	(957,020)
Other financing sources (uses)								
Transfers in	1,651	1,651	1,651	-	-	-	-	-
Transfers (out)	(348,938)	(348,938)	(348,938)	-	(950,690)	(950,690)	(950,690)	-
Total other financing sources (uses)	(347,287)	(347,287)	(347,287)	-	(950,690)	(950,690)	(950,690)	-
Net change in fund balances	\$ 119,451	\$ (419,300)	(3,161)	\$ 416,139	\$ 563,260	\$ (961,744)	(4,724)	\$ 957,020
Fund Balance July 1, as restated			51,939				149,380	
Fund Balance June 30			\$ 48,778				\$ 144,656	

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State of Indiana
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
(Budgetary Basis)
For the Year Ended June 30, 2023
 (amounts expressed in thousands)

	Local Road and Bridge				Motor Vehicle Commission			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
Revenues								
Taxes:								
Sales	\$ 120,657	\$ 120,657	\$ 142,452	\$ 21,795	\$ -	\$ -	\$ -	\$ -
Fuels	-	-	-	-	-	-	-	-
Gaming	-	-	-	-	-	-	-	-
Alcohol and tobacco	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Financial institutions	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total taxes	120,657	120,657	142,452	21,795	-	-	-	-
Current service charges	100,302	100,302	103,672	3,370	120,650	120,650	131,635	10,985
Investment income (loss)	-	-	-	-	-	-	-	-
Sales/rents	-	-	-	-	-	-	6	6
Grants	-	-	-	-	-	-	-	-
Other	-	-	-	-	1,814	1,814	-	(1,814)
Total revenues	220,959	220,959	246,124	25,165	122,464	122,464	131,641	9,177
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	230,455	113,832	112,288	1,544
Health	-	-	-	-	-	-	-	-
Welfare	-	-	-	-	-	-	-	-
Conservation, culture and development	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Transportation	2,861	443,202	188,597	254,605	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	6,731	(6,731)
Interest	-	-	-	-	-	-	590	(590)
Total expenditures	2,861	443,202	188,597	254,605	230,455	113,832	119,609	(5,777)
Excess (deficiency) of revenues over (under) expenditures	218,098	(222,243)	57,527	(279,770)	(107,991)	8,632	12,032	(3,400)
Other financing sources (uses)								
Transfers in	-	-	-	-	5,018	5,018	5,018	-
Transfers (out)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	5,018	5,018	5,018	-
Net change in fund balances	\$ 218,098	\$ (222,243)	57,527	\$ 279,770	\$ (102,973)	\$ 13,650	17,050	\$ 3,400
Fund Balance July 1, as restated			202,274				54,416	
Fund Balance June 30			\$ 259,801				\$ 71,466	

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State of Indiana
 Combining Schedule of Revenues, Expenditures and
 Changes in Fund Balances - Budget and Actual
 (Budgetary Basis)
 For the Year Ended June 30, 2023
 (amounts expressed in thousands)

	State Highway Fund				Major Moves Construction Fund			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
Revenues								
Taxes:								
Sales	\$ 108,546	\$ 108,546	\$ 227,828	\$ 119,282	\$ -	\$ -	\$ -	\$ -
Fuels	65,968	65,968	65,416	(552)	-	-	-	-
Gaming	-	-	-	-	-	-	-	-
Alcohol and tobacco	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Financial institutions	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total taxes	174,514	174,514	293,244	118,730	-	-	-	-
Current service charges	32,204	32,204	41,852	9,648	-	-	-	-
Investment income (loss)	41	41	150	109	518	518	7,600	7,082
Sales/rents	3,247	3,247	4,541	1,294	-	-	-	-
Grants	5	5	-	(5)	-	-	-	-
Other	79,716	79,716	141,398	61,682	-	-	-	-
Total revenues	289,727	289,727	481,185	191,458	518	518	7,600	7,082
Expenditures								
Current:								
General government	-	365	-	365	17,335	13,071	28,227	(15,156)
Public safety	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Welfare	-	-	-	-	-	-	-	-
Conservation, culture and development	490	36	286	(250)	40,792	5,630	18,229	(12,599)
Education	-	-	-	-	-	-	-	-
Transportation	1,674,339	668,715	675,272	(6,557)	651,550	318,645	265,729	52,916
Debt service:								
Principal	-	-	23	(23)	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	1,674,829	669,116	675,581	(6,465)	709,677	337,346	312,185	25,161
Excess (deficiency) of revenues over (under) expenditures	(1,385,102)	(379,389)	(194,396)	(184,993)	(709,159)	(336,828)	(304,585)	(32,243)
Other financing sources (uses)								
Transfers in	1,503,161	1,503,161	1,503,161	-	204,970	204,970	204,970	-
Transfers (out)	(1,352,286)	(1,352,286)	(1,352,286)	-	-	-	-	-
Total other financing sources (uses)	150,875	150,875	150,875	-	204,970	204,970	204,970	-
Net change in fund balances	\$ (1,234,227)	\$ (228,514)	(43,521)	\$ 184,993	\$ (504,189)	\$ (131,858)	(99,615)	\$ 32,243
Fund Balance July 1, as restated			759,197				462,714	
Fund Balance June 30			\$ 715,676				\$ 363,099	

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State of Indiana
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
(Budgetary Basis)
For the Year Ended June 30, 2023
 (amounts expressed in thousands)

	Indiana Check-Up Plan				State Opioid Settlement			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
Revenues								
Taxes:								
Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuels	-	-	-	-	-	-	-	-
Gaming	-	-	-	-	-	-	-	-
Alcohol and tobacco	102,024	102,024	96,895	(5,129)	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Financial institutions	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total taxes	102,024	102,024	96,895	(5,129)	-	-	-	-
Current service charges	361,309	361,309	691,889	330,580	-	-	55,760	55,760
Investment income (loss)	-	-	-	-	-	-	-	-
Sales/rents	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total revenues	463,333	463,333	788,784	325,451	-	-	55,760	55,760
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Health	114,703	268,278	4,776	263,502	-	37,845	-	37,845
Welfare	-	-	-	-	-	-	-	-
Conservation, culture and development	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	114,703	268,278	4,776	263,502	-	37,845	-	37,845
Excess (deficiency) of revenues over (under) expenditures	348,630	195,055	784,008	(588,953)	-	(37,845)	55,760	(93,605)
Other financing sources (uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers (out)	(605,235)	(605,235)	(605,235)	-	(4,031)	(4,031)	(4,031)	-
Total other financing sources (uses)	(605,235)	(605,235)	(605,235)	-	(4,031)	(4,031)	(4,031)	-
Net change in fund balances	\$ (256,605)	\$ (410,180)	178,773	\$ 588,953	\$ (4,031)	\$ (41,876)	51,729	\$ 93,605
Fund Balance July 1, as restated			215,205				-	
Fund Balance June 30			\$ 393,978				\$ 51,729	

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State of Indiana
 Combining Schedule of Revenues, Expenditures and
 Changes in Fund Balances - Budget and Actual
 (Budgetary Basis)
 For the Year Ended June 30, 2023
 (amounts expressed in thousands)

	Fund 6000 Programs				Patients Compensation Fund			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
Revenues								
Taxes:								
Sales	\$ 3,049	\$ 3,049	\$ 3,211	\$ 162	\$ -	\$ -	\$ -	\$ -
Fuels	-	-	-	-	-	-	-	-
Gaming	151	151	127	(24)	-	-	-	-
Alcohol and tobacco	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Financial institutions	179,143	179,143	176,975	(2,168)	-	-	-	-
Other	950	950	943	(7)	-	-	-	-
Total taxes	183,293	183,293	181,256	(2,037)	-	-	-	-
Current service charges	122,145	122,145	123,284	1,139	149,553	149,553	150,606	1,053
Investment income (loss)	628	628	766	138	598	598	2,476	1,878
Sales/rents	6,176	6,176	6,702	526	-	-	-	-
Grants	848	848	50,735	49,887	-	-	-	-
Other	4,918	4,918	5,930	1,012	1	1	-	(1)
Total revenues	318,008	318,008	368,673	50,665	150,152	150,152	153,082	2,930
Expenditures								
Current:								
General government	4,210	340,119	140,230	199,889	-	-	-	-
Public safety	11,302	76,592	46,789	29,803	4,531	409,023	129,637	279,386
Health	1,530	10,518	4,097	6,421	-	-	-	-
Welfare	2,344	6,367	1,168	5,199	-	-	-	-
Conservation, culture and development	6,405	28,519	9,448	19,071	-	-	-	-
Education	45,131	38,305	6,738	31,567	-	-	-	-
Transportation	5,305	3,508	1,999	1,509	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	76,227	503,928	210,469	293,459	4,531	409,023	129,637	279,386
Excess (deficiency) of revenues over (under) expenditures	241,781	(185,920)	158,204	(344,124)	145,621	(258,871)	23,445	(282,316)
Other financing sources (uses)								
Transfers in	38,559	38,559	38,559	-	-	-	-	-
Transfers (out)	(135,123)	(135,123)	(135,123)	-	-	-	-	-
Total other financing sources (uses)	(96,564)	(96,564)	(96,564)	-	-	-	-	-
Net change in fund balances	\$ 145,217	\$ (282,484)	61,640	\$ 344,124	\$ 145,621	\$ (258,871)	23,445	\$ 282,316
Fund Balance July 1, as restated			259,190				254,352	
Fund Balance June 30			\$ 320,830				\$ 277,797	

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State of Indiana
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
(Budgetary Basis)
For the Year Ended June 30, 2023
(amounts expressed in thousands)

	Road and Street, Primary Highway				Common School Fund			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
Revenues								
Taxes:								
Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuels	387,030	387,030	393,014	5,984	-	-	-	-
Gaming	-	-	-	-	-	-	-	-
Alcohol and tobacco	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Financial institutions	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total taxes	387,030	387,030	393,014	5,984	-	-	-	-
Current service charges	20,345	20,345	20,754	409	2,905	2,905	2,266	(639)
Investment income (loss)	-	-	-	-	-	-	-	-
Sales/rents	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Other	-	-	-	-	2	2	10	8
Total revenues	407,375	407,375	413,768	6,393	2,907	2,907	2,276	(631)
Expenditures								
Current:								
General government	-	-	-	-	-	680	-	680
Public safety	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Welfare	-	-	-	-	-	-	-	-
Conservation, culture and development	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Transportation	-	596,367	153,103	443,264	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	-	596,367	153,103	443,264	-	680	-	680
Excess (deficiency) of revenues over (under) expenditures	407,375	(188,992)	260,665	(449,657)	2,907	2,227	2,276	(49)
Other financing sources (uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers (out)	(260,935)	(260,935)	(260,935)	-	-	-	-	-
Total other financing sources (uses)	(260,935)	(260,935)	(260,935)	-	-	-	-	-
Net change in fund balances	\$ 146,440	\$ (449,927)	(270)	\$ 449,657	\$ 2,907	\$ 2,227	2,276	\$ 49
Fund Balance July 1, as restated			29,497				594,052	
Fund Balance June 30			\$ 29,227				\$ 596,328	

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State of Indiana
 Combining Schedule of Revenues, Expenditures and
 Changes in Fund Balances - Budget and Actual
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 (amounts expressed in thousands)

	U.S. Department of Agriculture				U.S. Department of Labor			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
Revenues								
Taxes:								
Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuels	-	-	-	-	-	-	-	-
Gaming	-	-	-	-	-	-	-	-
Alcohol and tobacco	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Financial institutions	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total taxes	-	-	-	-	-	-	-	-
Current service charges	-	-	-	-	-	-	-	-
Investment income (loss)	-	-	-	-	-	-	-	-
Sales/rents	-	-	2	2	-	-	-	-
Grants	3,015,586	3,015,586	2,654,380	(361,206)	142,809	142,809	145,802	2,993
Other	-	-	-	-	-	-	-	-
Total revenues	3,015,586	3,015,586	2,654,382	(361,204)	142,809	142,809	145,802	2,993
Expenditures								
Current:								
General government	1,448	10,588	744	9,844	-	-	-	-
Public safety	-	6,585	5,391	1,194	244	13,182	7,434	5,748
Health	25,826	364,690	164,155	200,535	-	50	29	21
Welfare	13,881	3,247,669	1,814,749	1,432,920	-	3,969	18	3,951
Conservation, culture and development	1,177	10,595	3,435	7,160	40,011	254,615	136,031	118,584
Education	2,093	936,063	675,048	261,015	-	525	-	525
Transportation	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	2,350	(2,350)
Interest	-	-	-	-	-	-	115	(115)
Total expenditures	44,425	4,576,190	2,663,522	1,912,668	40,255	272,341	145,977	126,364
Excess (deficiency) of revenues over (under) expenditures	2,971,161	(1,560,604)	(9,140)	(1,551,464)	102,554	(129,532)	(175)	(129,357)
Other financing sources (uses)								
Transfers in	103,114	103,114	103,114	-	3,053	3,053	3,053	-
Transfers (out)	(875)	(875)	(875)	-	(1,136)	(1,136)	(1,136)	-
Total other financing sources (uses)	102,239	102,239	102,239	-	1,917	1,917	1,917	-
Net change in fund balances	\$ 3,073,400	\$ (1,458,365)	93,099	\$ 1,551,464	\$ 104,471	\$ (127,615)	1,742	\$ 129,357
Fund Balance July 1, as restated			84,820				(2,083)	
Fund Balance June 30			\$ 177,919				\$ (341)	

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State of Indiana
Combining Schedule of Revenues, Expenditures and
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	U.S. Department of Transportation				U.S. Department of Education			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
Revenues								
Taxes:								
Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuels	-	-	-	-	-	-	-	-
Gaming	-	-	-	-	-	-	-	-
Alcohol and tobacco	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Financial institutions	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total taxes	-	-	-	-	-	-	-	-
Current service charges	-	-	-	-	-	-	-	-
Investment income (loss)	-	-	-	-	-	-	-	-
Sales/rents	-	-	-	-	-	-	-	-
Grants	1,205,366	1,205,366	1,237,056	31,690	731,467	731,467	781,048	49,581
Other	87	87	1,333	1,246	-	-	-	-
Total revenues	1,205,453	1,205,453	1,238,389	32,936	731,467	731,467	781,048	49,581
Expenditures								
Current:								
General government	-	4,188	601	3,587	2	1,743	984	759
Public safety	11,169	86,401	20,862	65,539	655	3,386	1,691	1,695
Health	1	1,387	101	1,286	-	-	-	-
Welfare	-	13	-	13	30,608	322,851	89,490	233,361
Conservation, culture and development	976	3,280	1,007	2,273	6,376	37,033	25,779	11,254
Education	-	-	-	-	107,354	1,102,900	697,333	405,567
Transportation	2,787,365	2,290,798	1,873,144	417,654	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	2,692	(2,692)
Interest	-	-	-	-	-	-	102	(102)
Total expenditures	2,799,511	2,386,067	1,895,715	490,352	144,995	1,467,913	818,071	649,842
Excess (deficiency) of revenues over (under) expenditures	(1,594,058)	(1,180,614)	(657,326)	(523,288)	586,472	(736,446)	(37,023)	(699,423)
Other financing sources (uses)								
Transfers in	1,149,033	1,149,033	1,149,033	-	30,117	30,117	30,117	-
Transfers (out)	(217,853)	(217,853)	(217,853)	-	(2,128)	(2,128)	(2,128)	-
Total other financing sources (uses)	931,180	931,180	931,180	-	27,989	27,989	27,989	-
Net change in fund balances	\$ (662,878)	\$ (249,434)	273,854	\$ 523,288	\$ 614,461	\$ (708,457)	(9,034)	\$ 699,423
Fund Balance July 1, as restated			770,934				23,986	
Fund Balance June 30			\$ 1,044,788				\$ 14,952	

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State of Indiana
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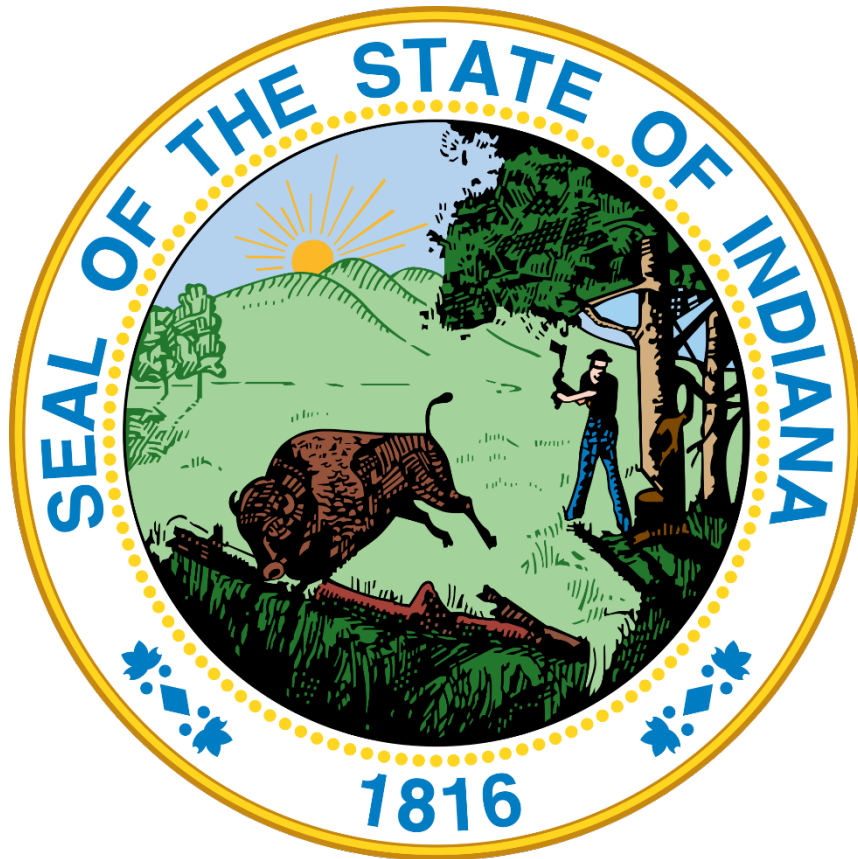
	U.S. Department of Homeland Security				Federal COVID-19			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
Revenues								
Taxes:								
Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuels	-	-	-	-	-	-	-	-
Gaming	-	-	-	-	-	-	-	-
Alcohol and tobacco	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Financial institutions	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total taxes	-	-	-	-	-	-	-	-
Current service charges	-	-	-	-	-	-	-	-
Investment income (loss)	-	-	-	-	2	2	-	(2)
Sales/rents	-	-	-	-	5	5	-	(5)
Grants	22,260	22,260	22,600	340	1,300,602	1,300,602	1,360,967	60,365
Other	-	-	-	-	1,374	1,374	-	(1,374)
Total revenues	22,260	22,260	22,600	340	1,301,983	1,301,983	1,360,967	58,984
Expenditures								
Current:								
General government	-	993	-	993	773	(111,432)	22,287	(133,719)
Public safety	25,423	117,355	20,264	97,091	796	139,685	38,683	101,002
Health	-	863	19	844	133,586	610,232	81,098	529,134
Welfare	-	58	-	58	12,968	86,831	72,955	13,876
Conservation, culture and development	1,208	12,974	4,052	8,922	1,947	130,248	116,035	14,213
Education	-	36	-	36	233,997	2,058,057	978,989	1,079,068
Transportation	-	38	-	38	50,294	11,587	101,897	(90,310)
Debt service:								
Principal	-	-	-	-	-	-	4,510	(4,510)
Interest	-	-	-	-	-	-	74	(74)
Total expenditures	26,631	132,317	24,335	107,982	434,361	2,925,208	1,416,528	1,508,680
Excess (deficiency) of revenues over (under) expenditures	(4,371)	(110,057)	(1,735)	(108,322)	867,622	(1,623,225)	(55,561)	(1,567,664)
Other financing sources (uses)								
Transfers in	1,290	1,290	1,290	-	268	268	268	-
Transfers (out)	-	-	-	-	(399)	(399)	(399)	-
Total other financing sources (uses)	1,290	1,290	1,290	-	(131)	(131)	(131)	-
Net change in fund balances	\$ (3,081)	\$ (108,767)	(445)	\$ 108,322	\$ 867,491	\$ (1,623,356)	(55,692)	\$ 1,567,664
Fund Balance July 1, as restated			6,636				57,605	
Fund Balance June 30			\$ 6,191				\$ 1,913	

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State of Indiana
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
(Budgetary Basis)
For the Year Ended June 30, 2023
(amounts expressed in thousands)

	Other Non-Major Special Revenue Funds				Totals			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
Revenues								
Taxes:								
Sales	\$ 12,886	\$ 12,886	\$ 13,569	\$ 683	\$ 325,576	\$ 325,576	\$ 482,028	\$ 156,452
Fuels	84,136	84,136	84,397	261	1,658,654	1,658,654	1,651,035	(7,619)
Gaming	35,853	35,853	35,908	55	502,523	502,523	489,473	(13,050)
Alcohol and tobacco	35,776	35,776	36,600	824	137,800	137,800	133,495	(4,305)
Insurance	5,671	5,671	6,270	599	5,671	5,671	6,270	599
Financial institutions	-	-	-	-	179,143	179,143	176,975	(2,168)
Other	18,317	18,317	18,142	(175)	19,267	19,267	19,085	(182)
Total taxes	192,639	192,639	194,886	2,247	2,828,634	2,828,634	2,958,361	129,727
Current service charges	730,032	730,032	423,904	(306,128)	1,956,218	1,956,218	2,066,735	110,517
Investment income (loss)	63	63	3,271	3,208	2,419	2,419	14,775	12,356
Sales/rents	26,202	26,202	11,145	(15,057)	35,630	35,630	22,396	(13,234)
Grants	281,055	281,055	316,569	35,514	6,699,998	6,699,998	6,569,157	(130,841)
Other	1,423	1,423	1,363	(60)	89,349	89,349	150,034	60,685
Total revenues	1,231,414	1,231,414	951,138	(280,276)	11,612,248	11,612,248	11,781,458	169,210
Expenditures								
Current:								
General government	110,312	393,428	116,907	276,521	136,959	1,199,273	422,056	(777,217)
Public safety	359,886	562,653	300,357	262,296	644,461	1,528,694	683,396	(845,298)
Health	8,920	23,390	7,123	16,267	284,566	1,317,253	261,398	(1,055,855)
Welfare	34,023	852,585	67,062	785,523	93,824	4,520,343	2,045,442	(2,474,901)
Conservation, culture and development	245,500	636,302	293,402	342,900	344,882	1,119,232	607,704	(511,528)
Education	6,745	29,741	8,653	21,088	395,320	4,165,627	2,366,761	(1,798,866)
Transportation	115,670	177,023	39,429	137,594	5,289,650	6,033,253	3,874,619	(2,158,634)
Debt service:								
Principal	-	-	68,377	(68,377)	-	-	85,262	85,262
Interest	-	-	24,474	(24,474)	-	-	25,398	25,398
Total expenditures	881,056	2,675,122	925,784	1,749,338	7,189,662	19,883,675	10,372,036	9,511,639
Excess (deficiency) of revenues over (under) expenditures	350,358	(1,443,708)	25,354	(1,469,062)	4,422,586	(8,271,427)	1,409,422	(9,680,849)
Other financing sources (uses)								
Transfers in	110,322	110,322	110,322	-	3,150,556	3,150,556	3,150,556	-
Transfers (out)	(71,325)	(71,325)	(71,325)	-	(3,950,954)	(3,950,954)	(3,950,954)	-
Total other financing sources (uses)	38,997	38,997	38,997	-	(800,398)	(800,398)	(800,398)	-
Net change in fund balances	\$ 389,355	\$ (1,404,711)	64,351	\$ 1,469,062	\$ 3,622,188	\$ (9,071,825)	609,024	\$ 9,680,849
Fund Balance July 1, as restated			866,441				4,840,555	
Fund Balance June 30			\$ 930,792				\$ 5,449,579	

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NON-MAJOR PROPRIETARY FUNDS

ENTERPRISE FUNDS

Enterprise Funds account for operations established to provide services to the general public in a manner similar to private business enterprises. Cost of providing the goods or services are financed or recovered primarily through fees and user charges. The non-major enterprise funds are as follows:

Residual Malpractice Insurance Authority – IC 34-18-17 created the Residual Malpractice Insurance Authority to make malpractice liability insurance available to those who cannot obtain this coverage through other insurers. The Indiana Department of Insurance is the designated residual malpractice insurance authority per State law. Revenues are from the premiums collected.

Indiana State Park Inns Authority – IC 14-19-11-4 created the Indiana State Park Inn Authority. This fund accounts for the operations of various State Park Inns which provide lodging throughout the year for park tourists and for the restaurant and golf course at Fort Benjamin Harrison.

State of Indiana
Combining Statement of Fund Net Position
Non-Major Enterprise Funds
June 30, 2023
(amounts expressed in thousands)

	Residual Malpractice Insurance Authority	Indiana State Park Inns Authority	Total
Assets			
Current assets:			
Cash, cash equivalents, and investments - unrestricted	\$ 65,498	\$ 17,937	\$ 83,435
Receivables:			
Accounts	99	539	638
Interest	273	-	273
Inventory	-	761	761
Prepaid expenses	-	13	13
Other assets	31	-	31
Total current assets	<u>65,901</u>	<u>19,250</u>	<u>85,151</u>
Noncurrent assets:			
Capital assets:			
Capital assets being depreciated/amortized	-	1,110	1,110
Less accumulated depreciation/amortization	-	(843)	(843)
Total capital assets, net of depreciation/amortization	<u>-</u>	<u>267</u>	<u>267</u>
Total noncurrent assets	<u>-</u>	<u>267</u>	<u>267</u>
Total assets	<u>65,901</u>	<u>19,517</u>	<u>85,418</u>
Deferred outflows of resources			
Related to pensions	-	905	905
Total deferred outflows of resources	<u>-</u>	<u>905</u>	<u>905</u>
Liabilities			
Current liabilities:			
Accounts payable	-	954	954
Salaries and benefits payable	-	455	455
Unearned revenue	513	5,268	5,781
Claims payable	1,012	-	1,012
Accrued liability for compensated absences	-	300	300
Other liabilities	33	263	296
Total current liabilities	<u>1,558</u>	<u>7,240</u>	<u>8,798</u>
Noncurrent liabilities:			
Claims payable	21,312	-	21,312
Accrued liability for compensated absences	-	667	667
Total noncurrent liabilities	<u>21,312</u>	<u>667</u>	<u>21,979</u>
Total liabilities	<u>22,870</u>	<u>7,907</u>	<u>30,777</u>
Net position			
Net investment in capital assets	-	267	267
Unrestricted	43,031	12,248	55,279
Total net position	<u>\$ 43,031</u>	<u>\$ 12,515</u>	<u>\$ 55,546</u>

State of Indiana
Combining Statement of Revenues, Expenses
and Changes in Fund Net Position
Non-Major Enterprise Funds
For the Fiscal Year Ended June 30, 2023
(amounts expressed in thousands)

	<u>Residual Malpractice Insurance Authority</u>	<u>Indiana State Park Inns Authority</u>	<u>Total</u>
Operating revenues:			
Sales/rents/premiums	\$ 885	\$ 29,290	\$ 30,175
Other	-	189	189
Total operating revenues	<u>885</u>	<u>29,479</u>	<u>30,364</u>
Operating expenses:			
General and administrative expense	576	24,970	25,546
Cost of sales and services	-	6,457	6,457
Claims expense	705	-	705
Depreciation and amortization	-	86	86
Other	-	26	26
Total operating expenses	<u>1,281</u>	<u>31,539</u>	<u>32,820</u>
Operating income (loss)	<u>(396)</u>	<u>(2,060)</u>	<u>(2,456)</u>
Nonoperating revenues (expenses):			
Interest and other investment income (loss)	(530)	196	(334)
Gain (Loss) on disposition of assets	-	(45)	(45)
Total nonoperating revenues (expenses)	<u>(530)</u>	<u>151</u>	<u>(379)</u>
Change in net position	<u>(926)</u>	<u>(1,909)</u>	<u>(2,835)</u>
Net position, July 1	<u>43,957</u>	<u>14,424</u>	<u>58,381</u>
Net position, June 30	<u>\$ 43,031</u>	<u>\$ 12,515</u>	<u>\$ 55,546</u>

State of Indiana
Combining Statement of Cash Flows
Non-Major Enterprise Funds
For the Fiscal Year Ended June 30, 2023
(amounts expressed in thousands)

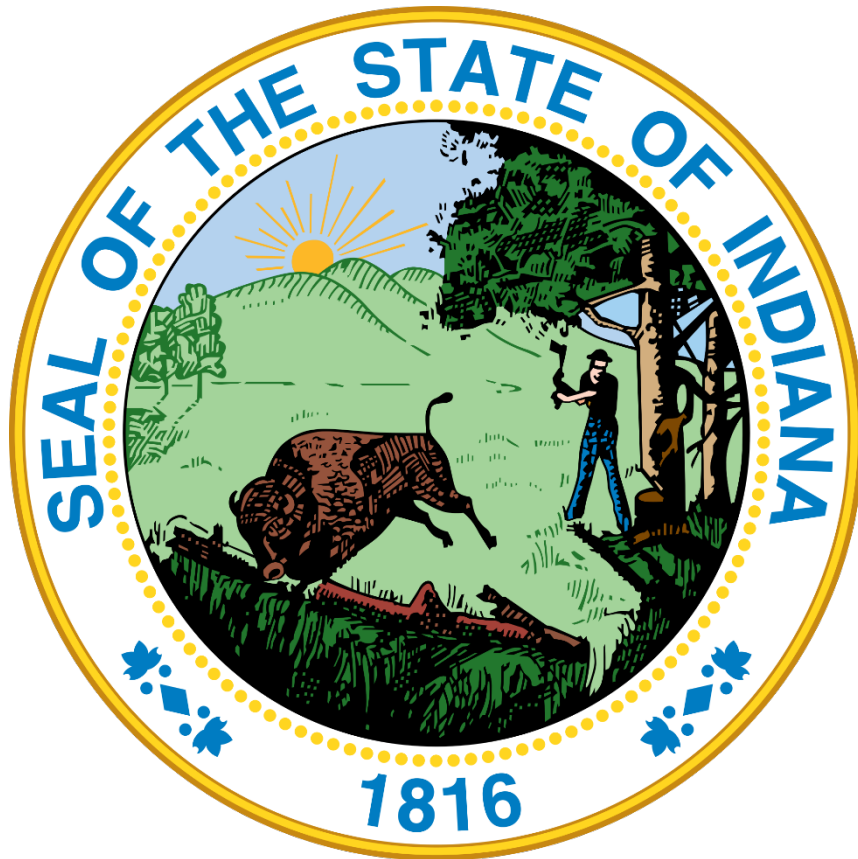
	Residual Malpractice Insurance Authority	Indiana State Park Inns Authority	Total
Cash flows from operating activities:			
Cash received from customers	\$ 768	\$ 29,537	\$ 30,305
Cash paid for general and administrative	(579)	(12,794)	(13,373)
Cash paid for salary/health/disability benefit payments	-	(12,892)	(12,892)
Cash paid to suppliers	-	(6,404)	(6,404)
Cash paid for claims expense	(1,021)	-	(1,021)
Net cash provided (used) by operating activities	<u>(832)</u>	<u>(2,553)</u>	<u>(3,385)</u>
Cash flows from capital and related financing activities:			
Acquisition/construction of capital assets	-	(59)	(59)
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>(59)</u>	<u>(59)</u>
Cash flows from investing activities:			
Proceeds from sales of investments	6,272	-	6,272
Purchase of investments	(6,819)	(8)	(6,827)
Interest income (expense) on investments	962	196	1,158
Net cash provided (used) by investing activities	<u>415</u>	<u>188</u>	<u>603</u>
Net increase (decrease) in cash and cash equivalents	(417)	(2,424)	(2,841)
Cash and cash equivalents, July 1	1,615	20,018	21,633
Cash and cash equivalents, June 30	<u>\$ 1,198</u>	<u>\$ 17,594</u>	<u>\$ 18,792</u>
Reconciliation of cash, cash equivalents, and investments:			
Cash and cash equivalents unrestricted at end of year	\$ 1,198	\$ 17,594	\$ 18,792
Investments unrestricted	64,300	343	64,643
Cash, cash equivalents, and investments per balance sheet	<u>\$ 65,498</u>	<u>\$ 17,937</u>	<u>\$ 83,435</u>
Noncash investing, capital and financing activities:			
Increase (Decrease) in fair value of investments	\$ (1,130)	\$ -	\$ (1,130)

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State of Indiana
Combining Statement of Cash Flows
Non-Major Enterprise Funds
For the Fiscal Year Ended June 30, 2023
(amounts expressed in thousands)

	<u>Residual Malpractice Insurance Authority</u>	<u>Indiana State Park Inns Authority</u>	<u>Total</u>
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (396)	\$ (2,060)	\$ (2,456)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation/amortization expense	-	86	86
(Increase) decrease in receivables	(69)	(38)	(107)
(Increase) decrease in inventory	-	54	54
(Increase) decrease in prepaid expenses	-	2	2
(Increase) decrease in deferred outflows	-	(905)	(905)
(Increase) decrease in claims payable	(315)	-	(315)
Increase (decrease) in accounts payable	-	428	428
Increase (decrease) in unearned revenue	(45)	95	50
Increase (decrease) in salaries payable	-	(308)	(308)
Increase (decrease) in compensated absences	-	142	142
Increase (decrease) in other payables	(7)	(49)	(56)
Net cash provided (used) by operating activities	<u>\$ (832)</u>	<u>\$ (2,553)</u>	<u>\$ (3,385)</u>

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INTERNAL SERVICE FUNDS

Internal Service Funds account for the operations of State agencies that supply goods or services to other agencies of governmental units on a cost-reimbursement basis.

Institutional Industries – This fund accounts for revenues and expenses incurred from the operation of inmate employment programs. Goods produced or manufactured as a result of such programs are sold to state agencies and political subdivisions of the State as well as to the general public.

Information Technology Services provides telecommunications and data processing services to State agencies. Revenues consist of charges to user agencies.

Aviation Rotary Fund accounts for the operation and maintenance of state aircraft. Revenues consist of charges to user agencies.

Department of Administration Revolving – This fund is used to account for the following rotary funds.

Motor Pool Rotary Fund accounts for the operation and maintenance of State garages including the servicing and repair of all automotive equipment owned or controlled by the State. Revenues consist of charges to user agencies.

General & Printing Rotary Fund accounts for the operation of the state print shop and postal service charges to agencies, which provides services to other State agencies. Revenues consist of charges to user agencies.

State Police Health Insurance Fund – This fund administers health insurance for state police personnel.

State Employee Disability Fund – This fund administers certain disability benefits for state employees.

State Employee Health Insurance Fund – This fund administers health insurance for state employees as well as certain school corporations.

Conservation and Excise Officers Health Insurance Fund – This fund administers health insurance for conservation and excise police officers.

State Personnel Department – This fund accounts for revenues and expenses incurred by the Indiana State Personnel Department for providing human resource services to the executive branch of the government.

Accounting Centralization – This fund accounts for revenues and expenses incurred by the Indiana State Budget Agency for providing centralized accounting services to some smaller state agencies.

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State of Indiana
Combining Statement of Net Position
Internal Service Funds
June 30, 2023
(amounts expressed in thousands)

	Institutional Industries	Information Technology Services	Aviation Rotary Fund	Department of Administration Revolving	Conservation and Excise Officers Health Insurance Fund
Assets					
Current assets:					
Cash, cash equivalents, and investments - unrestricted	\$ 2,691	\$ 6,191	\$ 19	\$ 27,406	\$ 2,318
Receivables:					
Accounts	4,735	1,917	-	3	384
Interfund services provided	478	12,564	-	113	-
Inventory	5,132	69	-	53	-
Prepaid expenses	-	-	-	1	-
Total current assets	13,036	20,741	19	27,576	2,702
Noncurrent assets:					
Capital assets:					
Capital assets being depreciated/amortized	12,793	51,298	1,974	94,926	-
Less accumulated depreciation/amortization	(10,285)	(41,475)	(1,603)	(41,759)	-
Total capital assets, net of depreciation/amortization	2,508	9,823	371	53,167	-
Total noncurrent assets	2,508	9,823	371	53,167	-
Total assets	15,544	30,564	390	80,743	2,702
Deferred outflows of resources					
Related to pensions	2,162	-	-	7,844	-
Related to OPEB	124	-	-	448	-
Total deferred outflows of resources	2,286	-	-	8,292	-
Liabilities					
Current liabilities:					
Accounts payable	2,445	15	-	-	658
Interest payable	-	51	-	-	-
Salaries and benefits payable	709	3,166	-	65	-
Unearned revenue	57	-	-	-	-
Accrued liability for compensated absences	305	3,271	-	41	-
Subscription-based IT arrangements	-	3,451	-	-	-
Other liabilities	12	-	-	-	-
Total current liabilities	3,528	9,954	-	106	658
Noncurrent liabilities:					
Accrued liability for compensated absences	283	3,030	-	38	-
Subscription-based IT arrangements	-	771	-	-	-
Net pension liability	4,173	-	-	15,138	-
Net OPEB liability	138	-	-	502	-
Total noncurrent liabilities	4,594	3,801	-	15,678	-
Total liabilities	8,122	13,755	-	15,784	658
Deferred inflows of resources					
Related to pensions	241	-	-	875	-
Related to OPEB	32	-	-	115	-
Total deferred inflows of resources	273	-	-	990	-
Net position					
Net investment in capital assets	2,508	5,601	371	53,167	-
Unrestricted	6,927	11,208	19	19,094	2,044
Total net position	\$ 9,435	\$ 16,809	\$ 390	\$ 72,261	\$ 2,044

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State of Indiana
Combining Statement of Net Position
Internal Service Funds
June 30, 2023
(amounts expressed in thousands)

	State Police Health Insurance Fund	State Employee Disability Fund	State Employee Health Insurance Fund	State Personnel Department Fund	Accounting Centralization	Total
Assets						
Current assets:						
Cash, cash equivalents, and investments - unrestricted	\$ 25,593	\$ 12,790	\$ 88,263	\$ 533	\$ 1	\$ 165,805
Receivables:						
Accounts	1,902	1,934	15,920	-	-	26,795
Interfund services provided	-	-	-	-	-	13,155
Inventory	-	-	-	-	-	5,254
Prepaid expenses	-	-	-	-	-	1
Total current assets	27,495	14,724	104,183	533	1	211,010
Noncurrent assets:						
Capital assets:						
Capital assets being depreciated/amortized	-	-	1,280	-	-	162,271
Less accumulated depreciation/amortization	-	-	(357)	-	-	(95,479)
Total capital assets, net of depreciation/amortization	-	-	923	-	-	66,792
Total noncurrent assets	-	-	923	-	-	66,792
Total assets	27,495	14,724	105,106	533	1	277,802
Deferred outflows of resources						
Related to pensions	-	-	-	2,162	85	12,253
Related to OPEB	-	-	-	124	5	701
Total deferred outflows of resources	-	-	-	2,286	90	12,954
Liabilities						
Current liabilities:						
Accounts payable	3,321	2,953	49,150	75	-	58,617
Interest payable	-	-	-	-	-	51
Salaries and benefits payable	-	-	131	1,000	34	5,105
Unearned revenue	-	-	-	-	-	57
Accrued liability for compensated absences	-	-	77	631	27	4,352
Subscription-based IT arrangements	-	-	-	-	-	3,451
Other liabilities	-	-	-	-	-	12
Total current liabilities	3,321	2,953	49,358	1,706	61	71,645
Noncurrent liabilities:						
Accrued liability for compensated absences	-	-	71	584	24	4,030
Subscription-based IT arrangements	-	-	-	-	-	771
Net pension liability	-	-	-	4,173	164	23,648
Net OPEB liability	-	-	-	138	5	783
Total noncurrent liabilities	-	-	71	4,895	193	29,232
Total liabilities	3,321	2,953	49,429	6,601	254	100,877
Deferred inflows of resources						
Related to pensions	-	-	-	241	9	1,366
Related to OPEB	-	-	-	32	1	180
Total deferred inflows of resources	-	-	-	273	10	1,546
Net position						
Net investment in capital assets	-	-	923	-	-	62,570
Unrestricted	24,174	11,771	54,754	(4,055)	(173)	125,763
Total net position	\$ 24,174	\$ 11,771	\$ 55,677	\$ (4,055)	\$ (173)	\$ 188,333

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State of Indiana
Combining Statement of Revenues, Expenses
and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2023
(amounts expressed in thousands)

	Institutional Industries	Information Technology Services	Aviation Rotary Fund	Department of Administration Revolving	Conservation and Excise Officers Health Insurance Fund
Operating revenues:					
Sales/rents/premiums	\$ 45,323	\$ 176,468	\$ -	\$ 1,191	\$ -
Charges for services	-	-	73	-	-
Insurance premiums	-	-	-	-	6,262
Other	6	-	-	-	-
Total operating revenues	45,329	176,468	73	1,191	6,262
Operating expenses:					
General and administrative expense	19,621	174,148	73	1,227	372
Cost of sales and services	21,105	4,074	-	918	-
Health / disability benefit payments	-	-	-	-	3,063
Depreciation and amortization	364	6,569	115	8,329	-
Contributions to other postemployment benefits	-	-	-	-	3,090
Total operating expenses	41,090	184,791	188	10,474	6,525
Operating income (loss)	4,239	(8,323)	(115)	(9,283)	(263)
Nonoperating revenues (expenses):					
Interest and other investment expense	-	(70)	-	-	-
Gain (Loss) on disposition of assets	-	(3,123)	-	346	-
Other	-	-	-	18	-
Total nonoperating revenues (expenses)	-	(3,193)	-	364	-
Income before contributions and transfers	4,239	(11,516)	(115)	(8,919)	(263)
Capital contributions	-	-	-	19,854	-
Transfers in	1,994	1,600	-	-	-
Transfers (out)	(5,713)	-	-	(162)	-
Change in net position	520	(9,916)	(115)	10,773	(263)
Net position, July 1	8,915	26,725	505	61,488	2,307
Net position, June 30	\$ 9,435	\$ 16,809	\$ 390	\$ 72,261	\$ 2,044

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State of Indiana
Combining Statement of Revenues, Expenses
and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2023
(amounts expressed in thousands)

	State Police Health Insurance Fund	State Employee Disability Fund	State Employee Health Insurance Fund	State Personnel Department Fund	Accounting Centralization	Total
Operating revenues:						
Sales/rents/premiums	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 222,982
Charges for services	-	-	-	12,568	547	13,188
Insurance premiums	37,040	19,499	398,963	-	-	461,764
Other	-	685	2,237	-	-	2,928
Total operating revenues	37,040	20,184	401,200	12,568	547	700,862
Operating expenses:						
General and administrative expense	1,898	812	20,582	16,488	604	235,825
Cost of sales and services	-	-	-	-	-	26,097
Health / disability benefit payments	27,487	13,507	424,777	-	-	468,834
Depreciation and amortization	-	-	30	-	-	15,407
Contributions to other postemployment benefits	5,712	239	1,945	-	-	10,986
Total operating expenses	35,097	14,558	447,334	16,488	604	757,149
Operating income (loss)	1,943	5,626	(46,134)	(3,920)	(57)	(56,287)
Nonoperating revenues (expenses):						
Interest and other investment expense	-	-	-	-	-	(70)
Gain (Loss) on disposition of assets	-	-	-	-	-	(2,777)
Other	-	-	-	-	-	18
Total nonoperating revenues (expenses)	-	-	-	-	-	(2,829)
Income before contributions and transfers	1,943	5,626	(46,134)	(3,920)	(57)	(59,116)
Capital contributions	-	-	-	-	-	19,854
Transfers in	-	-	-	2,756	-	6,350
Transfers (out)	-	-	-	-	-	(5,875)
Change in net position	1,943	5,626	(46,134)	(1,164)	(57)	(38,787)
Net position, July 1	22,231	6,145	101,811	(2,891)	(116)	227,120
Net position, June 30	\$ 24,174	\$ 11,771	\$ 55,677	\$ (4,055)	\$ (173)	\$ 188,333

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State of Indiana
 Combining Statement of Cash Flows
 Internal Service Funds
 For the Fiscal Year Ended June 30, 2023
 (amounts expressed in thousands)

	Institutional Industries	Information Technology Services	Aviation Rotary Fund	Department of Administration Revolving	State Police Health Insurance Fund	State Employee Disability Fund
Cash flows from operating activities:						
Cash received from customers	\$ 40,099	\$ 17,736	\$ 73	\$ 29	\$ 36,916	\$ 19,247
Cash received from interfund services provided	5,562	156,895	-	1,166	-	-
Cash paid for general and administrative	(19,778)	(172,460)	(73)	(1,690)	(1,898)	(812)
Cash paid for salary/health/disability benefit payments	-	-	-	-	(28,128)	(14,293)
Contributions to OPEB plans	-	-	-	-	(5,712)	(239)
Cash paid to suppliers	(22,250)	(4,112)	-	(915)	-	-
Other operating income	-	-	-	18	-	685
Net cash provided (used) by operating activities	<u>3,633</u>	<u>(1,941)</u>	<u>-</u>	<u>(1,392)</u>	<u>1,178</u>	<u>4,588</u>
Cash flows from noncapital financing activities:						
Transfers in	1,994	1,600	-	-	-	-
Transfers out	(5,713)	-	-	(162)	-	-
Net cash provided (used) by noncapital financing activities	<u>(3,719)</u>	<u>1,600</u>	<u>-</u>	<u>(162)</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:						
Acquisition/construction of capital assets	(116)	(2,166)	-	(22,432)	-	-
Proceeds from sale of assets	-	-	-	1,051	-	-
Principal payments -- leases and SBITAs	-	(5,360)	-	-	-	-
Capital contributions	-	-	-	19,854	-	-
Interest paid	-	(19)	-	-	-	-
Net cash provided (used) by capital and related financing activities	<u>(116)</u>	<u>(7,545)</u>	<u>-</u>	<u>(1,527)</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(202)	(7,886)	-	(3,081)	1,178	4,588
Cash and cash equivalents, July 1	2,893	14,077	19	30,487	24,415	8,202
Cash and cash equivalents, June 30	\$ 2,691	\$ 6,191	\$ 19	\$ 27,406	\$ 25,593	\$ 12,790
Reconciliation of cash, cash equivalents, and investments:						
Cash and cash equivalents unrestricted at end of year	\$ 2,691	\$ 6,191	\$ 19	\$ 27,406	\$ 25,593	\$ 12,790
Cash, cash equivalents, and investments per balance sheet	\$ 2,691	\$ 6,191	\$ 19	\$ 27,406	\$ 25,593	\$ 12,790

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State of Indiana
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2023
(amounts expressed in thousands)

	State Employee Health Insurance Fund	Conservation and Excise Officers Health Insurance Fund	State Personnel Department Fund	Accounting Centralization	Total
Cash flows from operating activities:					
Cash received from customers	\$ 398,338	\$ 6,186	\$ 12,577	\$ 547	\$ 531,748
Cash received from interfund services provided	-	-	-	-	163,623
Cash paid for general and administrative	(20,885)	(372)	(15,658)	(575)	(234,201)
Cash paid for salary/health/disability benefit payments	(415,354)	(3,142)	-	-	(460,917)
Contributions to OPEB plans	(1,945)	(3,090)	-	-	(10,986)
Cash paid to suppliers	-	-	-	-	(27,277)
Other operating income	2,238	-	-	-	2,941
Net cash provided (used) by operating activities	<u>(37,608)</u>	<u>(418)</u>	<u>(3,081)</u>	<u>(28)</u>	<u>(35,069)</u>
Cash flows from noncapital financing activities:					
Transfers in	-	-	2,756	-	6,350
Transfers out	-	-	-	-	(5,875)
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>-</u>	<u>2,756</u>	<u>-</u>	<u>475</u>
Cash flows from capital and related financing activities:					
Acquisition/construction of capital assets	-	-	-	-	(24,714)
Proceeds from sale of assets	-	-	-	-	1,051
Principal payments -- leases and SBITAs	-	-	-	-	(5,360)
Capital contributions	-	-	-	-	19,854
Interest paid	-	-	-	-	(19)
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,188)</u>
Net increase (decrease) in cash and cash equivalents	(37,608)	(418)	(325)	(28)	(43,782)
Cash and cash equivalents, July 1	125,871	2,736	858	29	209,587
Cash and cash equivalents, June 30	<u>\$ 88,263</u>	<u>\$ 2,318</u>	<u>\$ 533</u>	<u>\$ 1</u>	<u>\$ 165,805</u>
Reconciliation of cash, cash equivalents, and investments:					
Cash and cash equivalents unrestricted at end of year	<u>\$ 88,263</u>	<u>\$ 2,318</u>	<u>\$ 533</u>	<u>\$ 1</u>	<u>\$ 165,805</u>
Cash, cash equivalents, and investments per balance sheet	<u>\$ 88,263</u>	<u>\$ 2,318</u>	<u>\$ 533</u>	<u>\$ 1</u>	<u>\$ 165,805</u>

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State of Indiana
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2023
(amounts expressed in thousands)

	Institutional Industries	Information Technology Services	Aviation Rotary Fund	Department of Administration Revolving	State Police Health Insurance Fund	State Employee Disability Fund
Reconciliation of operating income to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 4,239	\$ (8,323)	\$ (115)	\$ (9,283)	\$ 1,943	\$ 5,626
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation/amortization expense	364	6,569	115	8,329	-	-
Other provisions	-	-	-	18	-	-
(Increase) decrease in receivables	322	(322)	-	-	(124)	(252)
(Increase) decrease in interfund services provided	(47)	(1,515)	-	4	-	-
(Increase) decrease in inventory	(719)	(38)	-	3	-	-
(Increase) decrease in prepaid expenses	-	3	-	1	-	-
(Increase) decrease in deferred outflows	(229)	-	-	(1,440)	-	-
Increase (decrease) in accounts payable	(426)	-	-	-	(641)	(786)
Increase (decrease) in unearned revenue	57	-	-	-	-	-
Increase (decrease) in salaries payable	177	958	-	20	-	-
Increase (decrease) in compensated absences	6	727	-	(33)	-	-
Increase (decrease) in net pension liabilities	2,374	-	-	9,147	-	-
Increase (decrease) in net OPEB liabilities	56	-	-	229	-	-
Increase (decrease) in deferred inflows	(2,543)	-	-	(8,387)	-	-
Increase (decrease) in other payables	2	-	-	-	-	-
Net cash provided (used) by operating activities	<u>\$ 3,633</u>	<u>\$ (1,941)</u>	<u>\$ -</u>	<u>\$ (1,392)</u>	<u>\$ 1,178</u>	<u>\$ 4,588</u>

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State of Indiana
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2023
(amounts expressed in thousands)

	State Employee Health Insurance Fund	Conservation and Excise Officers Health Insurance Fund	State Personnel Department Fund	Accounting Centralization	Total
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (46,134)	\$ (263)	\$ (3,920)	\$ (57)	\$ (56,287)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation/amortization expense	30	-	-	-	15,407
Other provisions	-	-	-	-	18
(Increase) decrease in receivables	(625)	(76)	9	-	(1,068)
(Increase) decrease in interfund services provided	-	-	-	-	(1,558)
(Increase) decrease in inventory	-	-	-	-	(754)
(Increase) decrease in prepaid expenses	-	-	-	-	4
(Increase) decrease in deferred outflows	-	-	(699)	(25)	(2,393)
Increase (decrease) in accounts payable	9,022	(79)	75	-	7,165
Increase (decrease) in unearned revenue	-	-	-	-	57
Increase (decrease) in salaries payable	59	-	378	13	1,605
Increase (decrease) in compensated absences	40	-	115	11	866
Increase (decrease) in net pension liabilities	-	-	2,785	107	14,413
Increase (decrease) in net OPEB liabilities	-	-	75	2	362
Increase (decrease) in deferred inflows	-	-	(1,899)	(79)	(12,908)
Increase (decrease) in other payables	-	-	-	-	2
Net cash provided (used) by operating activities	<u>\$ (37,608)</u>	<u>\$ (418)</u>	<u>\$ (3,081)</u>	<u>\$ (28)</u>	<u>\$ (35,069)</u>

FIDUCIARY FUNDS

Fiduciary funds account for assets held by the state where it acts in a trustee or custodial capacity.

PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS

Pension and other employee benefit trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, and other post-employment benefit plans.

State Police Retirement Fund – This fund is used to account for assets held for a defined benefit, single-employer public employee retirement system administered by the Indiana State Police.

State Police Supplemental Trust – This fund is used to account for a defined benefit, single-employer public employee retirement system that provides additional benefits under the supplemental pension trust agreement administered by the Treasurer of the State of Indiana with the Indiana State Police.

State Police Death and Disability Fund – This fund is used to account for an employee benefit fund that provides life insurance and disability benefits under the supplemental pension trust agreement administered by the Treasurer of the State of Indiana with the Indiana State Police.

State Employee Retiree Health Benefit Trust Fund-DB – This fund is used to account for assets held for the State's defined benefit, single-employer OPEB plans: the State Personnel Plan (SPP) administered by the State Personnel Department; Indiana State Police Plan (ISPP) administered by the Indiana State Police; and the Conservation and Excise Police Plan (CEPP) administered by the Indiana State Excise Police and Indiana Conservation Officers Health Insurance Committee.

Indiana Public Retirement System – INPRS administers sixteen funds consisting of eight defined benefit funds and five defined contribution funds, two other postemployment benefit funds, and one custodial fund.

Hoosier START Deferred Compensation Matching Plan – The Indiana Auditor of State administers this multi-employer defined contribution pension plan under a trust agreement for participating employers including the state to contribute on behalf of their employees.

Hoosier START Deferred Compensation Plan – The Indiana Auditor of State administers this multi-employer deferred compensation fiduciary activity under a trust agreement for participating employers including the state so employees can save for retirement.

PRIVATE-PURPOSE TRUST FUNDS

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

Abandoned Property Fund – This fund is used to administer abandoned property of individuals, private organizations and other governments held by the State.

Private-Purpose Trust Fund – This fund is used to account for a group of fund centers under which principal and interest benefit individuals, private organizations, or other governments.

CUSTODIAL FUNDS

Custodial funds are used to report fiduciary activities that are not required to be reported in pension and other employee benefit trust funds, investment trust funds, or private-purpose trust funds. They are amounts held by the State of Indiana on behalf of individuals, organizations, and other governments.

Local Distributions Fund – This fund is composed of accounts used to distribute revenue collections to local units of government based upon statutory formulas.

Child Support Fund – This fund is used for the collection and distribution of child support payments.

Other Custodial Funds – This fund comprises various revenue collections for which the State acts in a fiduciary capacity until proper disposition of the assets can be made.

State of Indiana
Combining Statement of Fiduciary Net Position
Pension and Other Employee Benefit Trust Funds
June 30, 2023
(amounts expressed in thousands)

	Primary Government				
	State Police Retirement Fund	State Police Supplemental Trust	State Police Death and Disability Fund	State Employee Retiree Health Benefit Trust Fund - DB	Hoosier START Deferred Compensation Plan
Assets					
Cash, cash equivalents, and non-pension investments	\$ 2,006	\$ -	\$ 156	\$ 10,758	\$ 199
Securities lending collateral	-	-	-	-	-
Receivables:					
Contributions	302	32	66	-	4,010
Interest	378	-	-	279	-
Member loans	58	-	-	-	-
From investment sales	-	-	-	-	-
Total receivables	<u>738</u>	<u>32</u>	<u>66</u>	<u>279</u>	<u>4,010</u>
Pension and other employee benefit investments at fair value:					
Short term investments	-	-	-	-	-
Equity Securities	-	-	-	-	-
Debt Securities	-	-	-	-	-
Mutual Funds and Collective Trust Funds	-	-	-	73,822	1,130,080
Equity in internal investment pool	566,164	-	-	184,790	-
Other	-	-	-	2,893	304,314
Total investments at fair value	<u>566,164</u>	<u>-</u>	<u>-</u>	<u>261,505</u>	<u>1,434,394</u>
Other assets	-	-	-	-	-
Property, plant and equipment net of accumulated depreciation	-	-	-	-	-
Total assets	<u>568,908</u>	<u>32</u>	<u>222</u>	<u>272,542</u>	<u>1,438,603</u>
Liabilities					
Accounts payable	200	-	45	30	64
Benefits payable	-	32	-	1,058	-
Investment purchases payable	-	-	-	-	-
Securities purchased payable	-	-	-	-	-
Securities lending collateral	-	-	-	-	-
Total liabilities	<u>200</u>	<u>32</u>	<u>45</u>	<u>1,088</u>	<u>64</u>
Net Position					
Restricted for:					
Employees' pension and deferred compensation benefits	568,708	-	-	-	1,438,539
Other employee benefits	-	-	177	271,454	-
Future death benefits	-	-	-	-	-
Total net position	<u>\$ 568,708</u>	<u>\$ -</u>	<u>\$ 177</u>	<u>\$ 271,454</u>	<u>\$ 1,438,539</u>

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State of Indiana
Combining Statement of Fiduciary Net Position
Pension and Other Employee Benefit Trust Funds
June 30, 2023
(amounts expressed in thousands)

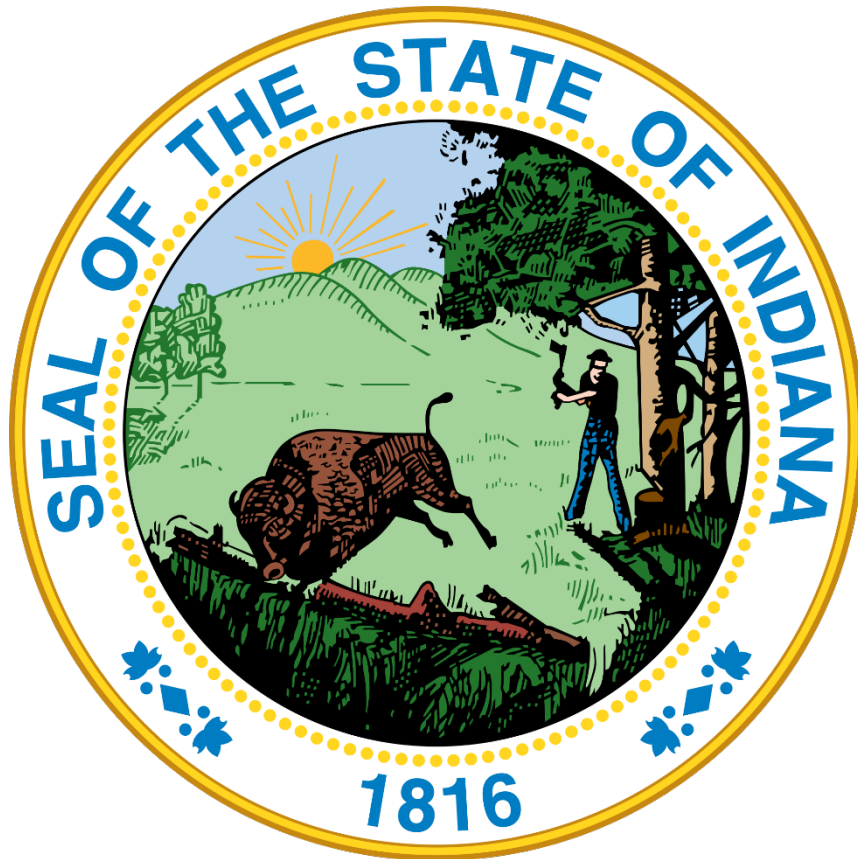
	<u>Fiduciary in Nature Component Units</u>		<u>Total</u>
	<u>Indiana Public Retirement System</u>	<u>Hoosier START Deferred Compensation Matching Plan</u>	
Assets			
Cash, cash equivalents, and non-pension investments	\$ 26,006	\$ -	\$ 39,125
Securities lending collateral	159,237	-	159,237
Receivables:			
Contributions	43,259	481	48,150
Interest	135,372	-	136,029
Member loans	-	-	58
From investment sales	7,330,012	-	7,330,012
Total receivables	<u>7,508,643</u>	<u>481</u>	<u>7,514,249</u>
Pension and other employee benefit investments at fair value:			
Short term investments	3,753,523	-	3,753,523
Equity Securities	9,267,177	-	9,267,177
Debt Securities	13,937,487	-	13,937,487
Mutual Funds and Collective Trust Funds	-	161,656	1,365,558
Equity in internal investment pool	-	-	750,954
Other	20,913,455	33,015	21,253,677
Total investments at fair value	<u>47,871,642</u>	<u>194,671</u>	<u>50,328,376</u>
Other assets	324	-	324
Property, plant and equipment net of accumulated depreciation	3,943	-	3,943
Total assets	<u>55,569,795</u>	<u>195,152</u>	<u>58,045,254</u>
Liabilities			
Accounts payable	12,010	-	12,349
Benefits payable	5,886	-	6,976
Investment purchases payable	8,414,968	-	8,414,968
Securities purchased payable	241,677	-	241,677
Securities lending collateral	159,237	-	159,237
Total liabilities	<u>8,833,778</u>	<u>-</u>	<u>8,835,207</u>
Net Position			
Restricted for:			
Employees' pension and deferred compensation benefits	46,314,800	195,152	48,517,199
Other employee benefits	411,902	-	683,533
Future death benefits	9,315	-	9,315
Total net position	<u>\$ 46,736,017</u>	<u>\$ 195,152</u>	<u>\$ 49,210,047</u>

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State of Indiana
Combining Statement of Changes in Fiduciary Net Position
Pension and Other Employee Benefit Trust Funds
For the Year Ended June 30, 2023
(amounts expressed in thousands)

	Primary Government					Fiduciary in Nature Component Units		Total
	State Police Retirement Fund	State Police Supplemental Trust	State Police Death and Disability Fund	State Employee Retiree Health Benefit Trust Fund - DB	Hoosier START Deferred Compensation Plan	Indiana Public Retirement System	Hoosier START Deferred Compensation Matching Plan	
Additions:								
Contributions:								
Member contributions	\$ 5,218	\$ -	\$ 1,099	\$ 742	\$ 92,869	\$ 442,696	\$ -	\$ 542,624
Employer contributions	29,892	4,487	-	21,799	-	1,182,680	12,661	1,251,519
Contributions from the State of Indiana	-	-	-	-	-	4,442,174	-	4,442,174
Total contributions	<u>35,110</u>	<u>4,487</u>	<u>1,099</u>	<u>22,541</u>	<u>92,869</u>	<u>6,067,550</u>	<u>12,661</u>	<u>6,236,317</u>
Investment income:								
Total investment income (loss)	31,935	-	-	15,034	(242,245)	1,886,044	(36,362)	1,654,406
Less investment expense	(1,839)	-	-	-	(1,583)	(233,223)	(227)	(236,872)
Net investment income	<u>30,096</u>	<u>-</u>	<u>-</u>	<u>15,034</u>	<u>(243,828)</u>	<u>1,652,821</u>	<u>(36,589)</u>	<u>1,417,534</u>
Transfers from other retirement funds	-	-	-	-	15,280	-	1,475	16,755
Other	1	-	-	150	-	24	-	175
Total additions	<u>65,207</u>	<u>4,487</u>	<u>1,099</u>	<u>37,725</u>	<u>(135,679)</u>	<u>7,720,395</u>	<u>(22,453)</u>	<u>7,670,781</u>
Deductions:								
Benefits to participants or beneficiaries	44,964	4,370	951	8,765	114,212	2,709,554	14,380	2,897,196
Retiree health forfeitures	-	-	-	-	-	12,835	-	12,835
Refunds of contributions and interest	60	-	-	-	-	419,224	-	419,284
Administrative	452	117	-	707	2,874	49,149	312	53,611
Pension relief distributions	-	-	-	-	-	205,531	-	205,531
Other	-	-	150	-	-	-	-	150
Total deductions	<u>45,476</u>	<u>4,487</u>	<u>1,101</u>	<u>9,472</u>	<u>117,086</u>	<u>3,396,293</u>	<u>14,692</u>	<u>3,588,607</u>
Net increase (decrease) in net position	19,731	-	(2)	28,253	(252,765)	4,324,102	(37,145)	4,082,174
Net position restricted for pension and other employee benefits, July 1, as restated:	548,977	-	179	243,201	1,691,304	42,411,915	232,297	45,127,873
Net position restricted for pension and other employee benefits, June 30, as restated	<u>\$ 568,708</u>	<u>\$ -</u>	<u>\$ 177</u>	<u>\$ 271,454</u>	<u>\$ 1,438,539</u>	<u>\$ 46,736,017</u>	<u>\$ 195,152</u>	<u>\$ 49,210,047</u>

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State of Indiana
Combining Statement of Fiduciary Net Position
Private-Purpose Trust Funds
June 30, 2023
(amounts expressed in thousands)

	<u>Abandoned Property Fund</u>	<u>Private Purpose Trust Fund</u>	<u>Total</u>
Assets			
Cash, cash equivalents, and non-pension investments	\$ 79,579	\$ 3,457	\$ 83,036
Receivables:			
Interest	14	6	20
Total receivables	<u>14</u>	<u>6</u>	<u>20</u>
Right-to-use lease property, plant and equipment net of accumulated amortization	<u>760</u>	<u>-</u>	<u>760</u>
Total assets	<u>80,353</u>	<u>3,463</u>	<u>83,816</u>
Liabilities			
Accounts payable	110	-	110
Salaries and benefits payable	120	-	120
Long-term liabilities:			
Due within 1 year	292	-	292
Due in more than 1 year	<u>565</u>	<u>-</u>	<u>565</u>
Total liabilities	<u>1,087</u>	<u>-</u>	<u>1,087</u>
Net Position			
Restricted for:			
Trust beneficiaries	<u>79,266</u>	<u>3,463</u>	<u>82,729</u>
Total net position	<u>\$ 79,266</u>	<u>\$ 3,463</u>	<u>\$ 82,729</u>

State of Indiana
Combining Statement of Changes in Fiduciary Net Position
Private-Purpose Trust Funds
For the Fiscal Year Ended June 30, 2023
(amounts expressed in thousands)

	<u>Abandoned Property Fund</u>	<u>Private-Purpose Trust Funds</u>	<u>Total</u>
Additions:			
Member contributions	\$ -	\$ 479	\$ 479
Investment income	127	37	164
Current service charges	-	11,183	11,183
Donations/escheats	143,436	-	143,436
	<u>143,563</u>	<u>11,699</u>	<u>155,262</u>
Total additions			
Deductions:			
Benefits to participants or beneficiaries	178,644	11,171	189,815
Administrative	4,817	-	4,817
	<u>183,461</u>	<u>11,171</u>	<u>194,632</u>
Total deductions			
Net increase (decrease) in net position	(39,898)	528	(39,370)
Net position restricted, July 1, as restated	<u>119,164</u>	<u>2,935</u>	<u>122,099</u>
Net position restricted, June 30	<u>\$ 79,266</u>	<u>\$ 3,463</u>	<u>\$ 82,729</u>

State of Indiana
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2023
(amounts expressed in thousands)

	Local Distributions	Child Support	Other Custodial Funds	Total
Assets				
Cash, cash equivalents, and non-pension investments	\$ 1,395,498	\$ 18,006	\$ 25,308	\$ 1,438,812
Receivables:				
Taxes for other governments	22,534	-	-	22,534
Interest	2,083	-	-	2,083
Accounts	-	805	-	805
Total receivables	<u>24,617</u>	<u>805</u>	<u>-</u>	<u>25,422</u>
Long-term receivables	<u>194,853</u>	<u>-</u>	<u>-</u>	<u>194,853</u>
Total assets	<u>1,614,968</u>	<u>18,811</u>	<u>25,308</u>	<u>1,659,087</u>
Liabilities				
Accounts payable	-	18,811	3,421	22,232
Due to other governments	<u>1,614,968</u>	<u>-</u>	<u>-</u>	<u>1,614,968</u>
Total liabilities	<u>1,614,968</u>	<u>18,811</u>	<u>3,421</u>	<u>1,637,200</u>
Net Position				
Restricted for:				
Individuals, organizations, and other governments	<u>-</u>	<u>-</u>	<u>21,887</u>	<u>21,887</u>
Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,887</u>	<u>\$ 21,887</u>

State of Indiana
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Fiscal Year Ended June 30, 2023
(amounts expressed in thousands)

	Local Distributions	Child Support	Other Custodial Funds	Total
Additions:				
Total investment income (loss)	\$ 38,931	\$ -	\$ -	\$ 38,931
Revenue collections for other governments	4,969,896	-	-	4,969,896
Loan repayment collections	-	-	26,785	26,785
Child support collections	-	744,246	-	744,246
Receipts of individuals in state care	-	-	77,350	77,350
	<hr/>	<hr/>	<hr/>	<hr/>
Total additions	5,008,827	744,246	104,135	5,857,208
	<hr/>	<hr/>	<hr/>	<hr/>
Deductions:				
Payments to participants/beneficiaries	-	744,246	108,180	852,426
Distributions to other governments	5,008,827	-	-	5,008,827
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Total deductions	5,008,827	744,246	108,180	5,861,253
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Net increase (decrease) in net position	-	-	(4,045)	(4,045)
Net position restricted, July 1, as restated	-	-	25,932	25,932
	<hr/>	<hr/>	<hr/>	<hr/>
Net position restricted, June 30	\$ -	\$ -	\$ 21,887	\$ 21,887

NON-MAJOR DISCRETELY PRESENTED COMPONENT UNITS

GOVERNMENTAL FUNDS

Governmental component units represent funds that are legally separate from the State of Indiana but provide valuable and beneficial services to the State and its citizens. The non-major discretely presented component unit consists of the following governmental funds:

Indiana Economic Development Corporation – The responsibility of this corporation is to improve the quality of life for the citizens of Indiana by encouraging the diversification of Indiana’s economy, by the orderly economic development and growth of Indiana, the creation of new jobs, the growth and modernization of existing industry, and the promotion of Indiana.

Indiana Destination Development Corporation – The responsibility of this corporation is to assist in the development and promotion of Indiana’s tourist resources, facilities, attractions, and activities.

PROPRIETARY FUNDS

Proprietary component units represent funds that are legally separate from the State of Indiana but provide valuable and beneficial services to the State and its citizens. The non-major discretely presented component units consist of the following proprietary funds:

Indiana Stadium and Convention Building Authority – The authority’s responsibility is to finance, design, construct and own the new Indiana Stadium in Indianapolis and the expansion of the adjacent Indiana Convention Center.

Indiana Bond Bank – The Bond Bank issues debt obligations and invests the proceeds in various projects of State and local governments.

Indiana Housing and Community Development Authority – The authority’s purpose is to finance residential housing for persons and families of low and moderate incomes.

Indiana Board for Depositories – The board is responsible to ensure the safekeeping and prompt payment of all public funds deposited in Indiana banks. It provides insurance on public funds in excess of the Federal Deposit Insurance Corporation limit.

Indiana Secondary Market for Education Loans Inc. – The company is responsible for purchasing education loans in the secondary market.

White River State Park Development Commission – The responsibility of this commission is to design and implement a plan for the establishment and development of park, exposition, educational, athletic, and recreational projects to be located within one mile from the banks of the Indiana White River in a consolidated first-class city and county.

Ports of Indiana – The responsibility of this commission is to construct, maintain, and operate public ports with terminal facilities and traffic exchange points for all forms of transportation on Lake Michigan and the Ohio and Wabash Rivers.

State Fair Commission – This commission is responsible for holding the annual Indiana State Fair and for operating and maintaining the State Fairgrounds and other properties it owns.

Indiana Comprehensive Health Insurance Association – The responsibility of this Association is to assure that health insurance is made available throughout the year to each eligible Indiana resident applying to the Association for coverage.

Indiana Political Subdivision Risk Management Commission – This commission is responsible for administering the Basic and Catastrophic funds that aid political subdivisions in protecting themselves against liabilities.

Indiana State Museum and Historic Sites Corporation – The responsibility of this corporation is to operate and administer the state historic sites including the Indiana State Museum which collects, conserves, and exhibits artifacts and materials reflecting the cultural and natural history of Indiana.

Indiana Motorsports Commission – The commission is responsible for financing and leasing real and personal property improvements for the benefit of an owner of a qualified motorsports facility within a motorsports investment district.

COLLEGES AND UNIVERSITIES

College and university funds are used to account for the operations of state-supported colleges and universities. The non-major discretely presented component units consist of the following institutions:

Ball State University
Indiana State University
Ivy Tech Community College of Indiana
University of Southern Indiana
Vincennes University

State of Indiana
Combining Statement of Net Position
Non-Major Discretely Presented Component Units -
Governmental Funds
June 30, 2023
(amounts expressed in thousands)

	Indiana Economic Development Corporation	Indiana Destination Development Corporation	Totals
Assets			
Current assets:			
Cash, cash equivalents, and investments - unrestricted	\$ 19,300	\$ 3,820	\$ 23,120
Cash, cash equivalents, and investments - restricted	841,767	-	841,767
Receivables (net)	963	358	1,321
Total current assets	862,030	4,178	866,208
Noncurrent assets:			
Receivables (net)	8,098	-	8,098
Long-term receivables	116,428	-	116,428
Other assets	138,544	-	138,544
Capital assets:			
Capital assets being depreciated/amortized	536	-	536
Less accumulated depreciation/amortization	(464)	-	(464)
Total capital assets, net of depreciation/amortization	72	-	72
Total noncurrent assets	263,142	-	263,142
Total assets	1,125,172	4,178	1,129,350
Deferred outflows of resources			
Related to pensions	2,516	297	2,813
Total deferred outflows of resources	2,516	297	2,813
Liabilities			
Current liabilities:			
Accounts payable	39,983	675	40,658
Unearned revenue	172,976	-	172,976
Current portion of long-term liabilities	215	53	268
Total current liabilities	213,174	728	213,902
Noncurrent liabilities:			
Accrued liability for compensated absences	735	49	784
Leases	776	-	776
Net pension and OPEB liabilities	4,002	573	4,575
Total noncurrent liabilities	5,513	622	6,135
Total liabilities	218,687	1,350	220,037
Deferred inflows of resources			
Related to pensions	278	33	311
Total deferred inflows of resources	278	33	311
Net position			
Net investment in capital assets	72	-	72
Restricted - expendable:			
Grants/constitutional restrictions	765,422	328	765,750
Unrestricted	143,229	2,764	145,993
Total net position	\$ 908,723	\$ 3,092	\$ 911,815

State of Indiana
Combining Statement of Activities
Non-Major Discretely Presented Component Units -
Governmental Funds
For the Fiscal Year Ended June 30, 2023
(amounts expressed in thousands)

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Indiana Economic Development Corporation	Indiana Destination Development Corporation	Total
Indiana Economic Development Corporation	\$ 280,950	\$ 1,254	\$ 2,605	\$ (277,091)	\$ -	\$ (277,091)
Indiana Destination Development Corporation	13,624	497	-	-	(13,127)	(13,127)
Total component units	<u>\$ 294,574</u>	<u>\$ 1,751</u>	<u>\$ 2,605</u>	<u>(277,091)</u>	<u>(13,127)</u>	<u>(290,218)</u>
General Revenues:						
Gaming tax				714	-	714
Total taxes				714	-	714
Revenue not restricted to specific programs						
Investment earnings				9,800	-	9,800
Payments from State of Indiana				636,131	7,070	643,201
Total general revenues				646,645	7,070	653,715
Changes in net position				369,554	(6,057)	363,497
Net position - beginning				539,169	9,149	548,318
Net position - ending				<u>\$ 908,723</u>	<u>\$ 3,092</u>	<u>\$ 911,815</u>

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State of Indiana
Combining Statement of Net Position
Non-Major Discretely Presented Component Units -
Proprietary Funds
June 30, 2023
(amounts expressed in thousands)

	Indiana Stadium and Convention Building Authority	Indiana Bond Bank	Indiana Housing and Community Development Authority	Indiana Board for Depositories
Assets				
Current assets:				
Cash, cash equivalents, and investments - unrestricted	\$ -	\$ 7,723	\$ 110,171	\$ 183,374
Cash, cash equivalents, and investments - restricted	20,411	-	358,140	-
Receivables (net)	-	180	16,535	2,275
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
Long-term receivables	-	-	1,921	-
Investment in direct financing lease	15,040	-	-	-
Other assets	-	1	-	12
Total current assets	35,451	7,904	486,767	185,661
Noncurrent assets:				
Cash, cash equivalents and investments - unrestricted	-	6,988	127,632	132,836
Cash, cash equivalents and investments - restricted	-	-	851,501	-
Receivables (net)	-	-	-	-
Long-term receivables	-	-	144,339	-
Investment in direct financing lease	943,292	-	-	-
Other assets	-	226	-	-
Capital assets:				
Capital assets not being depreciated/amortized	-	-	-	-
Capital assets being depreciated/amortized	-	-	19,718	686
Less accumulated depreciation/amortization	-	-	(11,281)	(640)
Total capital assets, net of depreciation/amortization	-	-	8,437	46
Total noncurrent assets	943,292	7,214	1,131,909	132,882
Total assets	978,743	15,118	1,618,676	318,543
Deferred outflows of resources				
Swap termination	40,416	-	-	-
Related to pensions	-	118	2,545	19
Debt refunding loss	15,472	-	908	-
Total deferred outflows of resources	55,888	118	3,453	19
Liabilities				
Current liabilities:				
Accounts payable	43	22	18,548	671
Interest payable	18,120	-	12,635	-
Unearned revenue	-	-	229,048	-
Advances from federal government	-	-	461	-
Other liabilities	-	-	-	-
Current portion of long-term liabilities	15,040	74	15,990	-
Total current liabilities	33,203	96	276,682	671
Noncurrent liabilities:				
Advances from federal government	-	-	31,448	-
Accrued liability for compensated absences	-	-	-	-
Leases	-	155	7,279	-
Revenue bonds/notes payable	1,009,429	-	870,475	-
Net pension and OPEB liabilities	-	210	4,426	36
Other noncurrent liabilities	835	-	-	-
Total noncurrent liabilities	1,010,264	365	913,628	36
Total liabilities	1,043,467	461	1,190,310	707
Deferred inflows of resources				
Accumulated increase in fair value of hedging derivatives	-	-	2,570	-
Related to leases	-	-	-	-
Related to PPP arrangements	-	-	-	-
Related to pensions	-	10	211	5
Related to irrevocable split interest agreements	-	-	-	-
Total deferred inflows of resources	-	10	2,781	5
Net position				
Net investment in capital assets	-	-	438	46
Restricted - nonexpendable:				
Permanent funds	-	-	-	-
Capital projects	-	-	-	-
Other purposes	-	-	-	-
Restricted - expendable:				
Grants/constitutional restrictions	-	-	145,221	-
Future debt service	-	-	56,099	-
Endowments	-	-	-	-
Capital projects	-	-	-	-
Other purposes	-	-	-	-
Unrestricted	(8,836)	14,765	227,280	317,804
Total net position	\$ (8,836)	\$ 14,765	\$ 429,038	\$ 317,850

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State of Indiana
Combining Statement of Net Position
Non-Major Discretely Presented Component Units -
Proprietary Funds
June 30, 2023
(amounts expressed in thousands)

	Indiana Secondary Market for Education Loans Inc.	White River State Park Development Commission	Ports of Indiana	Indiana State Fair Commission
Assets				
Current assets:				
Cash, cash equivalents, and investments - unrestricted	\$ 97,677	\$ 7,133	\$ 33,252	\$16,595
Cash, cash equivalents, and investments - restricted	10,530	284	-	2,274
Receivables (net)	4,846	231	12,590	2,335
Inventory	-	42	-	-
Prepaid expenses	605	36	524	34
Long-term receivables	9,297	-	-	2,985
Investment in direct financing lease	-	-	-	-
Other assets	-	-	-	-
Total current assets	122,955	7,726	46,366	24,223
Noncurrent assets:				
Cash, cash equivalents and investments - unrestricted	17,653	-	22,000	-
Cash, cash equivalents and investments - restricted	-	-	-	19,542
Receivables (net)	4,498	-	-	-
Long-term receivables	107,803	-	43,227	7,517
Investment in direct financing lease	-	-	-	-
Other assets	114	-	-	-
Capital assets:				
Capital assets not being depreciated/amortized	-	58,727	41,675	42,764
Capital assets being depreciated/amortized	464	106,310	179,575	172,105
Less accumulated depreciation/amortization	(404)	(32,461)	(96,696)	(108,664)
Total capital assets, net of depreciation/amortization	60	132,576	124,554	106,205
Total noncurrent assets	130,128	132,576	189,781	133,264
Total assets	253,083	140,302	236,147	157,487
Deferred outflows of resources				
Swap termination	-	-	-	-
Related to pensions	-	189	674	1,329
Debt refunding loss	-	-	-	-
Total deferred outflows of resources	-	189	674	1,329
Liabilities				
Current liabilities:				
Accounts payable	541	312	2,980	3,521
Interest payable	144	-	-	-
Unearned revenue	7,009	-	-	999
Advances from federal government	-	-	-	-
Other liabilities	-	-	-	-
Current portion of long-term liabilities	13,021	90	94	288
Total current liabilities	20,715	402	3,074	4,808
Noncurrent liabilities:				
Advances from federal government	-	-	-	-
Accrued liability for compensated absences	-	-	-	147
Leases	20	58	370	-
Revenue bonds/notes payable	60,160	92	-	-
Net pension and OPEB liabilities	-	356	1,453	2,784
Other noncurrent liabilities	-	-	-	-
Total noncurrent liabilities	60,180	506	1,823	2,931
Total liabilities	80,895	908	4,897	7,739
Deferred inflows of resources				
Accumulated increase in fair value of hedging derivatives	-	-	-	-
Related to leases	-	-	52,168	10,263
Related to PPP arrangements	-	7,407	4,079	-
Related to pensions	-	41	152	360
Related to irrevocable split interest agreements	-	-	-	-
Total deferred inflows of resources	-	7,448	56,399	10,623
Net position				
Net investment in capital assets	60	124,928	124,553	105,117
Restricted - nonexpendable:				
Permanent funds	-	-	-	-
Capital projects	-	-	-	19,542
Other purposes	-	1,650	-	-
Restricted - expendable:				
Grants/constitutional restrictions	-	-	-	1,534
Future debt service	-	-	-	-
Endowments	-	-	-	-
Capital projects	-	-	-	-
Other purposes	5,496	5,557	-	740
Unrestricted	166,632	-	50,972	13,521
Total net position	\$ 172,188	\$ 132,135	\$ 175,525	\$ 140,454

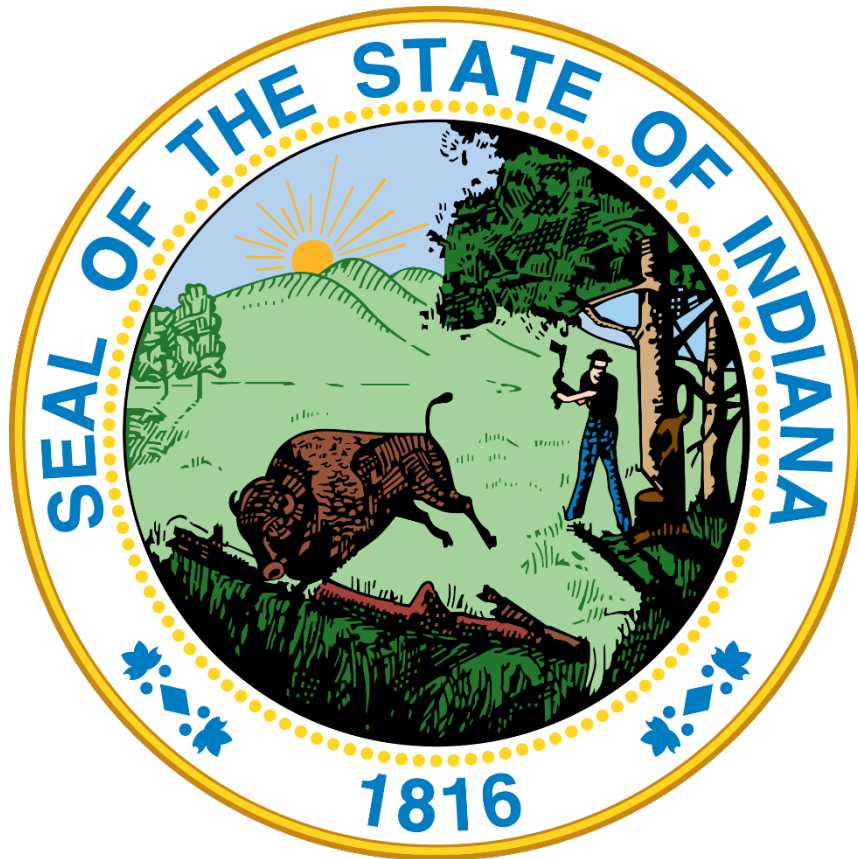
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State of Indiana
Combining Statement of Net Position
Non-Major Discretely Presented Component Units -
Proprietary Funds
June 30, 2023
(amounts expressed in thousands)

	Indiana Comprehensive Health Insurance Association	Indiana Political Subdivision Risk Management Commission	Indiana State Museum and Historic Sites Corporation	Indiana Motorsports Commission	Totals
Assets					
Current assets:					
Cash, cash equivalents, and investments - unrestricted	\$ -	\$ 416	\$ 12,056	\$ -	\$ 468,397
Cash, cash equivalents, and investments - restricted	-	4,265	-	6,330	402,234
Receivables (net)	-	9	182	26	39,209
Inventory	-	-	232	-	274
Prepaid expenses	-	20	68	-	1,287
Long-term receivables	-	-	-	-	14,203
Investment in direct financing lease	-	-	-	4,040	19,080
Other assets	-	-	-	-	13
Total current assets	-	4,710	12,538	10,396	944,697
Noncurrent assets:					
Cash, cash equivalents and investments - unrestricted	-	-	2,718	-	309,827
Cash, cash equivalents and investments - restricted	-	-	3,682	-	874,725
Receivables (net)	-	-	-	-	4,498
Long-term receivables	-	-	-	-	302,886
Investment in direct financing lease	-	-	-	63,765	1,007,057
Other assets	-	-	-	-	340
Capital assets:					
Capital assets not being depreciated/amortized	-	-	-	-	143,166
Capital assets being depreciated/amortized	-	-	1,796	-	480,654
Less accumulated depreciation/amortization	-	-	(1,745)	-	(251,891)
Total capital assets, net of depreciation/amortization	-	-	51	-	371,929
Total noncurrent assets	-	-	6,451	63,765	2,871,262
Total assets	-	4,710	18,989	74,161	3,815,959
Deferred outflows of resources					
Swap termination	-	-	-	-	40,416
Related to pensions	-	-	1,597	-	6,471
Debt refunding loss	-	-	-	-	16,380
Total deferred outflows of resources	-	-	1,597	-	63,267
Liabilities					
Current liabilities:					
Accounts payable	-	-	216	-	26,854
Interest payable	-	-	-	1,333	32,232
Unearned revenue	-	-	144	-	237,200
Advances from federal government	-	-	-	-	461
Other liabilities	-	2	-	-	2
Current portion of long-term liabilities	-	-	-	4,040	48,637
Total current liabilities	-	2	360	5,373	345,386
Noncurrent liabilities:					
Advances from federal government	-	-	-	-	31,448
Accrued liability for compensated absences	-	-	-	-	147
Leases	-	-	-	-	7,882
Revenue bonds/notes payable	-	-	-	63,065	2,003,221
Net pension and OPEB liabilities	-	-	2,931	-	12,196
Other noncurrent liabilities	-	-	-	-	835
Total noncurrent liabilities	-	-	2,931	63,065	2,055,729
Total liabilities	-	2	3,291	68,438	2,401,115
Deferred inflows of resources					
Accumulated increase in fair value of hedging derivatives	-	-	-	-	2,570
Related to leases	-	-	-	-	62,431
Related to PPP arrangements	-	-	-	-	11,486
Related to pensions	-	-	433	-	1,212
Related to irrevocable split interest agreements	-	-	97	-	97
Total deferred inflows of resources	-	-	530	-	77,796
Net position					
Net investment in capital assets	-	-	51	-	355,193
Restricted - nonexpendable:					
Permanent funds	-	-	957	-	957
Capital projects	-	-	-	-	19,542
Other purposes	-	-	-	-	1,650
Restricted - expendable:					
Grants/constitutional restrictions	-	-	9,905	-	156,660
Future debt service	-	-	-	-	56,099
Endowments	-	-	1,853	-	1,853
Capital projects	-	-	2,984	5,723	8,707
Other purposes	-	-	-	-	11,793
Unrestricted	-	4,708	1,015	-	787,861
Total net position	\$ -	\$ 4,708	\$ 16,765	\$ 5,723	\$ 1,400,315

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State of Indiana
 Combining Statement of Activities
 Non-Major Discretely Presented Component Units -
 Proprietary Funds
 For the Fiscal Year Ended June 30, 2023
 (amounts expressed in thousands)

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Indiana Stadium and Convention Building Authority	Indiana Bond Bank	Indiana Housing and Community Development Authority	Indiana Board for Depositories
Indiana Stadium and Convention Building Authority	\$ 42,233	\$ 36,403	\$ 4,170	\$ -	\$ (1,660)	\$ -	\$ -	\$ -
Indiana Bond Bank	1,072	839	-	-	-	(233)	-	-
Indiana Housing and Community Development Authority	755,137	36,689	731,760	-	-	-	13,312	-
Indiana Board for Depositories	3,442	-	-	-	-	-	-	(3,442)
Indiana Secondary Market for Education Loans Inc.	10,621	-	9,466	-	-	-	-	-
White River State Park Development Commission	6,244	5,482	-	425	-	-	-	-
Ports of Indiana	13,440	18,655	134	593	-	-	-	-
Indiana State Fair Commission	33,931	23,963	479	-	-	-	-	-
Indiana Comprehensive Health Insurance Association	180	-	-	-	-	-	-	-
Indiana Political Subdivision Risk Management Commission	152	-	-	-	-	-	-	-
Indiana State Museum and Historic Sites Corporation	16,753	2,400	317	7,233	-	-	-	-
Indiana Motorsports Commission	4,972	2,000	-	-	-	-	-	-
Total component units	<u>\$ 888,177</u>	<u>\$ 126,431</u>	<u>\$ 746,326</u>	<u>\$ 8,251</u>	<u>(1,660)</u>	<u>(233)</u>	<u>13,312</u>	<u>(3,442)</u>
General revenues:								
Revenue not restricted to specific programs:								
Investment earnings (losses)					869	252	(68,360)	9,362
Payments from State of Indiana					-	-	-	-
Other					-	-	-	-
Total general revenues					<u>869</u>	<u>252</u>	<u>(68,360)</u>	<u>9,362</u>
Change in net position					(791)	19	(55,048)	5,920
Net position - beginning, as restated					(8,045)	14,746	484,086	311,930
Net position - ending					<u>\$ (8,836)</u>	<u>\$ 14,765</u>	<u>\$ 429,038</u>	<u>\$ 317,850</u>

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State of Indiana
Combining Statement of Activities
Non-Major Discretely Presented Component Units -
Proprietary Funds
For the Fiscal Year Ended June 30, 2023
(amounts expressed in thousands)

	Net (Expense) Revenue and Changes in Net Position								
	Indiana Secondary Market for Education Loans Inc.	White River State Park Development Commission	Ports of Indiana	Indiana State Fair Commission	Indiana Comprehensive Health Insurance Association	Indiana Political Subdivision Risk Management Commission	Indiana State Museum and Historic Sites Corporation	Indiana Motorsports Commission	Total
Indiana Stadium and Convention Building Authority	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,660)
Indiana Bond Bank	-	-	-	-	-	-	-	-	(233)
Indiana Housing and Community Development Authority	-	-	-	-	-	-	-	-	13,312
Indiana Board for Depositories	-	-	-	-	-	-	-	-	(3,442)
Indiana Secondary Market for Education Loans Inc.	(1,155)	-	-	-	-	-	-	-	(1,155)
White River State Park Development Commission	-	(337)	-	-	-	-	-	-	(337)
Ports of Indiana	-	-	5,942	-	-	-	-	-	5,942
Indiana State Fair Commission	-	-	-	(9,489)	-	-	-	-	(9,489)
Indiana Comprehensive Health Insurance Association	-	-	-	-	(180)	-	-	-	(180)
Indiana Political Subdivision Risk Management Commission	-	-	-	-	-	(152)	-	-	(152)
Indiana State Museum and Historic Sites Corporation	-	-	-	-	-	-	(6,803)	-	(6,803)
Indiana Motorsports Commission	-	-	-	-	-	-	-	(2,972)	(2,972)
Total component units	(1,155)	(337)	5,942	(9,489)	(180)	(152)	(6,803)	(2,972)	(7,169)
General revenues:									
Investment earnings (losses)	9,829	35	545	427	-	81	527	199	(46,234)
Payments from State of Indiana	-	1,670	-	18,772	(11,205)	-	11,619	3,085	23,941
Other	-	-	2,218	154	-	-	-	-	2,372
Total general revenues	9,829	1,705	2,763	19,353	(11,205)	81	12,146	3,284	(19,921)
Change in net position	8,674	1,368	8,705	9,864	(11,385)	(71)	5,343	312	(27,090)
Net position - beginning, as restated	163,514	130,767	166,820	130,590	11,385	4,779	11,422	5,411	1,427,405
Net position - ending	\$ 172,188	\$ 132,135	\$ 175,525	\$ 140,454	\$ -	\$ 4,708	\$ 16,765	\$ 5,723	\$ 1,400,315

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State of Indiana
Combining Statement of Net Position
Non-Major Discretely Presented Component Units -
Colleges and Universities
June 30, 2023
(amounts expressed in thousands)

	Ball State University	Indiana State University	Ivy Tech Community College	University of Southern Indiana	Vincennes University	Totals
Assets						
Current assets:						
Cash, cash equivalents, and investments - unrestricted	\$87,891	\$19,737	\$295,948	\$ 48,556	\$79,394	\$ 531,526
Cash, cash equivalents, and investments - restricted	65,180	-	24,256	2,063	-	91,499
Receivables (net)	60,019	17,409	59,065	6,160	7,746	150,399
Inventories	1,550	-	8	532	1,395	3,485
Prepaid expenses	3,649	2,460	4,044	2,437	353	12,943
Long-term receivables	-	881	-	-	-	881
Other assets	-	427	-	836	-	1,263
Total current assets	218,289	40,914	383,321	60,584	88,888	791,996
Noncurrent assets:						
Cash, cash equivalents and investments - unrestricted	238,427	115,439	436,546	88,119	150,295	1,028,826
Cash, cash equivalents and investments - restricted	310,127	112,719	162	203,647	57,366	684,021
Receivables (net)	2,282	7,143	14,419	4,432	261	28,537
Long-term receivables	-	680	10,442	-	-	11,122
Net pension and OPEB assets	95,230	37,181	-	6,937	23,208	162,556
Other assets	8,695	2,666	-	7,145	-	18,506
Capital assets:						
Capital assets not being depreciated/amortized	108,375	39,427	47,233	18,618	26,384	240,037
Capital assets being depreciated/amortized	1,495,834	903,499	1,162,074	475,364	450,948	4,487,719
Less accumulated depreciation/amortization	(625,093)	(378,119)	(524,777)	(275,416)	(189,520)	(1,992,925)
Total capital assets, net of depreciation/amortization	979,116	564,807	684,530	218,566	287,812	2,734,831
Total noncurrent assets	1,633,877	840,635	1,146,099	528,846	518,942	4,668,399
Total assets	1,852,166	881,549	1,529,420	589,430	607,830	5,460,395
Deferred outflows of resources						
Accumulated decrease in fair value of hedging derivatives	-	-	-	48	-	48
Related to pensions	28,098	4,050	2,318	1,770	112	36,348
Related to OPEB	114,858	8,168	-	3,674	7,015	133,715
Debt refunding loss	-	-	-	1,346	10	1,356
Total deferred outflows of resources	142,956	12,218	2,318	6,838	7,137	171,467
Liabilities						
Current liabilities:						
Accounts payable	34,491	8,192	29,639	10,199	4,183	86,704
Interest payable	8,115	1,992	-	961	84	11,152
Unearned revenue	379	5,620	14,589	8,679	2,721	31,988
Other liabilities	5,880	5,582	-	363	7,478	19,303
Current portion of long-term liabilities	37,560	21,874	38,311	13,902	6,811	118,458
Total current liabilities	86,425	43,260	82,539	34,104	21,277	267,605
Noncurrent liabilities:						
Advances from federal government	-	1,563	-	-	328	1,891
Accrued liability for compensated absences	4,162	42	6,158	2,729	1,373	14,464
Derivative instrument liability	-	-	-	48	-	48
Subscription-based IT arrangements	2,759	-	24,207	3,199	1,998	32,163
Leases	1,118	27,033	6,495	139	5,516	40,301
Revenue bonds/notes payable	392,816	194,590	210,039	103,841	24,170	925,456
Net pension and OPEB liabilities	35,526	8,598	42,918	4,382	61	91,485
Other noncurrent liabilities	5,309	442	-	121	-	5,872
Total noncurrent liabilities	441,690	232,268	289,817	114,459	33,446	1,111,680
Total liabilities	528,115	275,528	372,356	148,563	54,723	1,379,285
Deferred inflows of resources						
Related to leases	-	2,021	1,215	-	235	3,471
Related to PPP arrangements	-	1,158	-	-	-	1,158
Related to pensions	10,676	1,778	1,702	904	126	15,186
Related to OPEB	166,351	1,934	9,135	3,532	19,122	200,074
Debt refunding gain	-	511	-	-	48	559
Total deferred inflows of resources	177,027	7,402	12,052	4,436	19,531	220,448

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State of Indiana
Combining Statement of Net Position
Non-Major Discretely Presented Component Units -
Colleges and Universities
June 30, 2023
(amounts expressed in thousands)

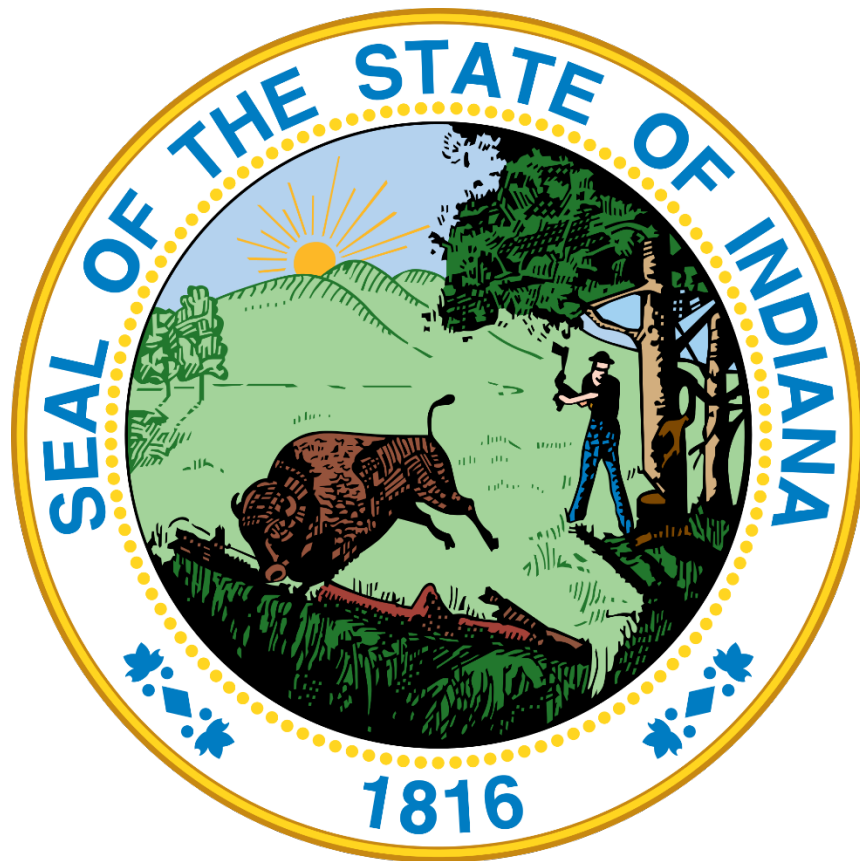
	Ball State University	Indiana State University	Ivy Tech Community College	University of Southern Indiana	Vincennes University	Totals
Net position						
Net investment in capital assets	615,443	328,076	380,986	138,413	248,199	1,711,117
Restricted - nonexpendable:						
Grants/constitutional restrictions	-	3,355	-	-	-	3,355
Permanent funds	-	759	46,108	-	-	46,867
Instruction and research	613	-	-	12,718	-	13,331
Student aid	43,876	59,295	-	38,728	24,996	166,895
Other purposes	34,089	-	-	11,074	6,320	51,483
Restricted - expendable:						
Grants/constitutional restrictions	9,054	2,347	-	-	7,528	18,929
Future debt service	3,322	-	-	50	-	3,372
Instruction and research	17,671	-	-	26,217	-	43,888
Student aid	82,119	21,834	-	54,641	11,965	170,559
Endowments	-	23,802	2,779	-	-	26,581
Capital projects	20,945	4,859	19,917	427	2,955	49,103
Other purposes	237,570	37,181	81,392	15,125	26,842	398,110
Unrestricted	225,278	129,329	616,148	145,876	211,908	1,328,539
Total net position	\$ 1,289,980	\$ 610,837	\$ 1,147,330	\$ 443,269	\$ 540,713	\$ 4,032,129

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State of Indiana
 Combining Statement of Activities
 Non-Major Discretely Presented Component Units -
 Colleges and Universities
 For the Year Ended June 30, 2023
 (amounts expressed in thousands)

	Program Revenues				Net (Expense) Revenue and Changes in Net Position					
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Ball State University	Indiana State University	Ivy Tech Community College	University of Southern Indiana	Vincennes University	Net (Expense) Revenue
Ball State University	\$ 579,999	\$ 210,448	\$ 158,326	\$ 6,241	\$ (204,984)	\$ -	\$ -	\$ -	\$ -	\$ (204,984)
Indiana State University	237,541	79,010	24,623	(20)	-	(133,928)	-	-	-	(133,928)
Ivy Tech Community College	630,833	139,885	39,704	3,671	-	-	(447,573)	-	-	(447,573)
University of Southern Indiana	162,227	64,309	4,366	432	-	-	-	(93,120)	-	(93,120)
Vincennes University	127,422	32,016	50,182	1,005	-	-	-	-	(44,219)	(44,219)
Total component units	\$ 1,738,022	\$ 525,668	\$ 277,201	\$ 11,329	(204,984)	(133,928)	(447,573)	(93,120)	(44,219)	(923,824)
General revenues:										
Revenue not restricted to specific programs:										
Investment earnings (losses)					37,449	10,103	19,700	20,093	619	87,964
Multipurpose grants and contributions					11,996	31,251	128,293	21,439	-	192,979
Payments from State of Indiana					205,496	88,505	340,632	65,500	57,626	757,759
Other					28,023	4,195	4,372	811	9	37,410
Total general revenues					282,964	134,054	492,997	107,843	58,254	1,076,112
Change in net position					77,980	126	45,424	14,723	14,035	152,288
Net position - beginning, as restated					1,212,000	610,711	1,101,906	428,546	526,678	3,879,841
Net position - ending					\$ 1,289,980	\$ 610,837	\$ 1,147,330	\$ 443,269	\$ 540,713	\$ 4,032,129

STATISTICAL SECTION



STATISTICAL SECTION

The statistical section is presented to provide report users a historical perspective and assistance in assessing the current financial status and trends for the State.

Financial Trends

These schedules contain trend information to assist users in understanding and assessing how the State's financial position has changed over time.

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Revenue Capacity

These schedules contain information to assist users in understanding and assessing the factors affecting the State's ability to generate its own-source revenues.

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Personal Income Tax Filers and Liability by Income Level	286
Personal Income by Industry	287
Personal Income Tax Rates	288

Debt Capacity

This schedule is to assist users in understanding and assessing the State's debt burden and its ability to issue debt.

Ratios of Outstanding Debt by Type	289
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Demographic and Economic Information

These schedules are intended to assist users in understanding the socioeconomic environment within which the State operates and to provide information that facilitates comparisons of financial statement information.

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State of Indiana
Net Position by Component
Last Ten Fiscal Years

(accrual basis of accounting, dollars in thousands)

	Fiscal Year Ended June 30									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets	\$ 13,501,419	\$ 14,467,992	\$ 14,934,600	\$ 15,637,070	\$ 15,907,541	\$ 16,400,027	\$ 16,811,778	\$ 17,720,406	\$ 18,507,582	\$ 19,028,565
Restricted	1,000,298	998,609	1,150,867	1,129,787	1,088,602	1,102,619	1,105,470	1,160,825	1,344,799	2,636,528
Unrestricted	(4,327,353)	(4,194,362)	(5,198,962)	(5,691,081)	(5,268,011)	(2,893,685)	(1,927,227)	1,659,583	4,523,583	7,306,161
Total governmental activities net position	<u>\$ 10,174,364</u>	<u>\$ 11,272,239</u>	<u>\$ 10,886,505</u>	<u>\$ 11,075,776</u>	<u>\$ 11,728,132</u>	<u>\$ 14,608,961</u>	<u>\$ 15,990,021</u>	<u>\$ 20,540,814</u>	<u>\$ 24,375,964</u>	<u>\$ 28,971,254</u>
Business-type activities										
Net investment in capital assets	\$ 535	\$ 138	\$ 238	\$ 203	\$ 194	\$ 405	\$ 382	\$ 343	\$ 338	\$ 267
Restricted	-	-	233,046	477,659	732,369	962,476	426,859	531,498	1,627,555	1,488,503
Unrestricted	(801,568)	(23,485)	47,332	47,182	47,618	52,827	58,960	59,617	58,043	55,279
Total business-type activities net position	<u>\$ (801,033)</u>	<u>\$ (23,347)</u>	<u>\$ 280,616</u>	<u>\$ 525,044</u>	<u>\$ 780,181</u>	<u>\$ 1,015,708</u>	<u>\$ 486,201</u>	<u>\$ 591,458</u>	<u>\$ 1,685,936</u>	<u>\$ 1,544,049</u>
Primary government										
Net investment in capital assets	\$ 13,501,954	\$ 14,468,130	\$ 14,934,838	\$ 15,637,273	\$ 15,907,735	\$ 16,400,432	\$ 16,812,160	\$ 17,720,749	\$ 18,507,920	\$ 19,028,832
Restricted	1,000,298	998,609	1,383,913	1,607,446	1,820,971	2,065,095	1,532,329	1,692,323	2,972,354	4,125,031
Unrestricted	(5,128,921)	(4,217,847)	(5,151,630)	(5,643,899)	(5,220,393)	(2,840,858)	(1,868,267)	1,719,200	4,581,626	7,361,440
Total primary government net position	<u>\$ 9,373,331</u>	<u>\$ 11,248,892</u>	<u>\$ 11,167,121</u>	<u>\$ 11,600,820</u>	<u>\$ 12,508,313</u>	<u>\$ 15,624,669</u>	<u>\$ 16,476,222</u>	<u>\$ 21,132,272</u>	<u>\$ 26,061,900</u>	<u>\$ 30,515,303</u>

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State of Indiana Changes in Net Position Last Ten Fiscal Years

(accrual basis of accounting, dollars in thousands)

	Fiscal Year Ended June 30									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
General government	\$ 1,585,751	\$ 1,541,725	\$ 1,463,523	\$ 1,342,700	\$ 1,390,190	\$ 1,574,696	\$ 1,673,949	\$ 2,136,059	\$ 3,062,880	\$ 4,975,136
Public safety	1,393,036	1,269,265	1,567,570	1,644,817	1,573,371	1,510,063	1,820,468	1,799,452	1,903,997	1,978,943
Health	347,353	439,288	374,283	378,157	390,490	402,126	462,265	809,747	682,405	573,862
Welfare	11,755,713	13,142,033	14,270,402	15,051,643	14,923,564	16,157,910	18,360,192	20,264,605	22,235,809	22,954,146
Conservation, culture, and development	515,844	588,540	545,276	432,801	588,214	556,980	549,757	1,508,174	1,397,646	1,734,762
Education	9,379,911	10,527,684	11,671,576	11,036,405	11,312,094	10,558,699	11,535,335	11,649,623	13,049,971	10,995,214
Transportation	2,158,639	1,857,660	2,175,511	1,974,142	2,820,033	2,711,506	3,166,397	3,355,317	3,243,592	3,681,278
Interest expense	-	48,995	45,551	43,672	45,524	45,510	42,254	38,887	11,635	29,852
Total governmental activities expenses	27,136,247	29,415,190	32,113,692	31,904,337	33,043,480	33,517,490	37,610,617	41,561,864	45,587,935	46,923,193
Business-type activities:										
Unemployment compensation fund	674,844	403,533	330,419	305,407	257,338	243,486	4,007,586	5,381,586	1,226,697	642,856
Other	23,351	22,924	23,234	25,411	25,092	24,225	23,519	23,618	27,254	32,865
Total business-type activities expenses	698,195	426,457	353,653	330,818	282,430	267,711	4,031,105	5,405,204	1,253,951	675,721
Total primary government expenses	\$ 27,834,442	\$ 29,841,647	\$ 32,467,345	\$ 32,235,155	\$ 33,325,910	\$ 33,785,201	\$ 41,641,722	\$ 46,967,068	\$ 46,841,886	\$ 47,598,914
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 528,424	\$ 529,676	\$ 615,099	\$ 605,749	\$ 598,903	\$ 685,427	\$ 631,442	\$ 704,589	\$ 748,755	\$ 847,823
Public safety	480,497	490,255	530,775	525,811	573,403	583,372	552,378	603,459	608,556	598,566
Health	101,354	139,909	149,554	199,355	300,035	343,761	401,478	469,132	773,985	760,548
Welfare	1,080,291	818,330	822,463	902,829	988,731	1,077,661	1,036,656	894,080	719,746	1,577,860
Conservation, culture, and development	148,077	161,771	167,467	159,760	166,471	172,107	192,813	229,617	235,614	221,446
Education	3,383	2,851	2,583	2,312	2,310	2,487	2,381	2,807	2,981	3,227
Transportation	77,861	77,558	81,642	35,219	153,759	585,750	481,996	497,785	192,825	206,671
Operating grants and contributions	9,908,931	10,872,352	11,974,446	12,649,237	12,275,610	13,264,192	15,992,066	20,093,246	21,355,055	21,445,740
Capital grants and contributions	1,180,142	1,261,230	1,187,303	978,994	1,067,615	1,132,630	1,249,899	1,326,554	1,540,945	981,069
Total governmental activities program revenues	13,508,960	14,353,932	15,531,332	16,059,266	16,126,837	17,847,387	20,541,109	24,821,269	26,178,462	26,642,950
Business-type activities:										
Charges for services:										
Unemployment compensation fund	950,328	1,175,303	629,899	548,336	501,716	457,703	444,506	633,003	750,079	401,672
Other	26,338	26,001	26,924	27,443	27,560	26,777	23,857	24,362	29,515	30,175
Operating grants and contributions	134,998	4,217	-	-	-	-	3,007,518	-	-	-
Capital grants and contributions	165	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	1,111,829	1,205,521	656,823	575,779	529,276	484,480	3,475,881	657,365	779,594	431,847
Total primary government program revenues	\$ 14,620,789	\$ 15,559,453	\$ 16,188,155	\$ 16,635,045	\$ 16,656,113	\$ 18,331,867	\$ 24,016,990	\$ 25,478,634	\$ 26,958,056	\$ 27,074,797
Net (Expense)/Revenue										
Governmental activities	\$ (13,627,287)	\$ (15,061,258)	\$ (16,582,360)	\$ (15,845,071)	\$ (16,916,643)	\$ (15,670,103)	\$ (17,069,508)	\$ (16,740,595)	\$ (19,409,473)	\$ (20,280,243)
Business-type activities	413,634	779,064	303,170	244,961	246,846	216,769	(555,224)	(4,747,839)	(474,357)	(243,874)
Total primary government net expenses	\$ (13,213,653)	\$ (14,282,194)	\$ (16,299,923)	\$ (15,600,110)	\$ (16,669,797)	\$ (15,453,334)	\$ (17,624,732)	\$ (21,488,434)	\$ (19,883,830)	\$ (20,524,117)

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State of Indiana
Changes in Net Position
Last Ten Fiscal Years

(accrual basis of accounting, dollars in thousands)

	Fiscal Year Ended June 30									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Income tax	\$ 5,811,823	\$ 6,259,262	\$ 6,234,704	\$ 6,452,611	\$ 6,362,876	\$ 6,864,321	\$ 6,788,471	\$ 8,021,502	\$ 9,069,418	\$ 8,833,671
Sales tax	6,995,678	7,266,581	7,336,630	7,577,292	7,804,942	8,085,691	8,320,682	9,400,361	10,445,577	10,978,785
Fuels tax	763,833	793,966	806,895	871,189	1,472,521	1,494,946	1,449,362	1,571,304	1,658,350	1,655,925
Gaming tax	681,383	642,910	629,910	623,460	630,249	619,888	449,713	615,030	728,304	722,155
Unemployment tax	914	-	-	-	-	-	-	-	-	-
Inheritance tax	53,701	-	-	-	-	-	-	-	-	-
Alcohol & Tobacco tax	445,381	445,765	443,214	441,935	418,609	411,291	426,476	427,859	387,508	396,822
Insurance tax	224,711	223,039	235,310	235,022	230,997	256,292	248,414	234,760	257,906	268,116
Financial Institutions tax	72,976	120,900	120,226	103,735	105,001	173,995	149,061	214,143	173,665	180,649
Other tax	325,265	329,780	316,652	326,418	355,862	368,607	418,492	428,206	456,032	454,615
Investment earnings	19,769	22,084	38,318	46,641	89,242	189,909	172,445	24,425	(30,464)	466,834
Multipurpose grants and contributions	-	-	-	-	-	-	-	-	-	719,330
Other	58,912	52,093	32,217	27,814	41,159	42,730	41,272	353,243	125,172	221,699
Transfers within primary government	2,724	2,753	2,550	2,242	2,089	1,986	394	555	-	-
Total governmental activities	15,457,070	16,159,133	16,196,626	16,708,359	17,513,547	18,509,656	18,464,782	21,291,388	23,271,468	24,898,601
Business-type activities:										
Investment earnings	1,051	1,375	3,343	1,709	10,380	20,582	25,883	5,901	9,641	23,637
Other	-	-	-	-	-	162	228	4,847,750	1,559,194	78,350
Transfers within primary government	(2,724)	(2,753)	(2,550)	(2,242)	(2,089)	(1,986)	(394)	(555)	-	-
Total business-type activities	(1,673)	(1,378)	793	(533)	8,291	18,758	25,717	4,853,096	1,568,835	101,987
Total primary government	15,455,397	16,157,755	16,197,419	16,707,826	17,521,838	18,528,414	18,490,499	26,144,484	24,840,303	25,000,588
Changes in Net Position										
Governmental activities	1,829,783	1,097,875	(385,734)	863,288	596,904	2,839,553	1,395,274	4,550,793	3,861,995	4,618,358
Business-type activities	411,961	777,686	303,963	244,428	255,137	235,527	(529,507)	105,257	1,094,478	(141,887)
Total primary government	\$ 2,241,744	\$ 1,875,561	\$ (81,771)	\$ 1,107,716	\$ 852,041	\$ 3,075,080	\$ 865,767	\$ 4,656,050	\$ 4,956,473	\$ 4,476,471

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**State of Indiana
Fund Balances, Governmental Funds
Last Ten Fiscal Years**

(modified accrual basis of accounting, dollars in thousands)

	Fiscal Year Ended June 30									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable:										
Prepaid expense	\$ 99,022	\$ 98,712	\$ 83,105	\$ 77,546	\$ 75,021	\$ 76,400	\$ 73,015	\$ 92,133	\$ 111,753	\$ 122,437
Total Nonspendable	99,022	98,712	83,105	77,546	75,021	76,400	73,015	92,133	111,753	122,437
Restricted:										
Administration	379,568	382,324	547,931	550,460	507,392	523,189	543,348	544,891	531,746	996,749
Total Restricted	379,568	382,324	547,931	550,460	507,392	523,189	543,348	544,891	531,746	996,749
Committed:										
Administration	-	-	-	-	4,241	70	-	-	3	17,475
Police & Protection	-	-	-	-	-	-	-	-	-	18,298
Public Health	-	-	-	-	-	-	-	-	-	161
Economic Development	5,628	5,339	2,551	3,539	4,846	765	920	3,474	14,545	4,958
Roads & Bridges	20	-	-	21,212	46,274	40,889	33,336	36,126	34,451	8,001
Total Committed	5,648	5,339	2,551	24,751	55,361	41,724	34,256	39,600	48,999	48,893
Assigned:										
Administration	65,421	102,189	160,875	210,327	244,724	87,972	95,778	74,696	404,357	194,556
Corrections	12,724	9,150	569,149	730,230	554,263	390,131	209,834	83,105	867,625	72,645
Police & Protection	11,891	14,622	23,237	27,606	23,657	20,701	29,194	39,907	41,350	39,591
Mental Health	-	-	26,491	38,485	36,361	162,847	100,884	95,325	84,075	59,459
Public Health	22	22	28,698	18,732	20,331	13,071	6,926	33,496	52,479	184,108
Child Services	522,388	638,815	902,085	877,890	1,104,493	1,049,106	241,412	530,292	1,153,480	1,227,650
Disability & Aging	4	4	12,960	15,839	46,475	24,989	48,303	44,135	38,722	21,887
Economic Development	1,073	623	12,541	4,028	6,003	5,236	2,418	2,277	12,975	7,712
Environmental	427	364	16,518	18,049	14,144	25,387	23,163	21,808	37,280	6,671
Natural Resources	147	149	1,086	1,151	1,041	462	1,029	627	989	4,623
Higher Education	-	-	10,871	286,226	93,143	45,873	65,291	96,302	149,599	220,866
Secondary Education	158,564	304,236	416,578	412,918	393,572	404,072	409,743	775,385	796,871	715,147
Roads & Bridges	63	33	2	74,702	47,310	130,208	124,190	134,753	198,864	-
Capital Outlay	143,235	175,810	164,923	144,879	261,787	177,352	236,923	368,300	767,375	3,077,122
Other Purposes	158,060	41,559	18,541	90,029	181,888	145,908	250,450	349,435	400,156	454,604
Encumbrances	737,249	931,194	-	-	-	-	-	-	-	-
Total Assigned	1,811,268	2,218,770	2,364,555	2,951,091	3,029,192	2,683,315	1,845,538	2,649,843	5,006,197	6,286,641
Unassigned	1,325,910	1,017,829	835,591	297,223	275,935	1,024,753	2,139,654	3,428,843	3,853,051	1,701,604
Total general fund	\$ 3,621,416	\$ 3,722,974	\$ 3,833,733	\$ 3,901,071	\$ 3,942,901	\$ 4,349,381	\$ 4,635,811	\$ 6,755,310	\$ 9,551,746	\$ 9,156,324

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State of Indiana
Fund Balances, Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting, dollars in thousands)

	Fiscal Year Ended June 30									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
All other Governmental Funds										
Nonspendable:										
Permanent fund principal	\$ 521,028	\$ 501,125	\$ 520,124	\$ 501,125	\$ 501,125	\$ 502,835	\$ 502,835	\$ 502,835	\$ 502,835	\$ 502,835
Prepaid expense	680	496	344	163	43	44	45	16,737	17,071	8,442
Total Nonspendable	<u>521,708</u>	<u>501,621</u>	<u>520,468</u>	<u>501,288</u>	<u>501,168</u>	<u>502,879</u>	<u>502,880</u>	<u>519,572</u>	<u>519,906</u>	<u>511,277</u>
Restricted										
Administration	-	-	-	-	-	-	-	-	-	4,057
Corrections	-	-	-	-	-	-	-	-	-	32
Police & protection	-	-	-	-	-	-	-	-	-	73,247
Mental health	-	-	-	-	-	-	-	-	-	828
Public health	-	-	-	-	-	-	-	-	6,150	504,234
Child services	-	-	-	-	-	-	-	-	-	1,701
Disability & aging	-	-	-	-	-	-	-	-	-	5
Economic development	-	-	-	-	-	-	-	-	-	1,068
Environmental	-	-	-	-	-	-	-	-	-	3
Natural resources	-	-	-	100	150	150	150	150	150	3,677
Secondary education	-	-	-	-	-	-	-	-	-	18,677
Roads & bridges	-	-	-	-	-	-	-	-	-	848,291
Other purposes	-	-	-	-	3,489	3,399	3,364	4,079	3,338	72,439
Total Restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>100</u>	<u>3,639</u>	<u>3,549</u>	<u>3,514</u>	<u>4,229</u>	<u>9,638</u>	<u>1,528,259</u>
Committed										
Administration	8,581	7,682	7,721	8,802	4,200	2,662	2,634	2,497	2,066	223,145
Corrections	-	-	-	-	-	-	-	-	-	16,120
Police & protection	-	-	-	-	-	-	-	-	-	316,583
Mental health	-	-	-	-	-	-	-	-	-	21,149
Public health	353,881	284,504	197,400	188,728	198,756	193,458	232,567	277,520	222,053	599,967
Child services	-	-	-	-	-	-	-	-	-	71,628
Disability & aging	-	-	-	-	-	-	-	-	-	17,269
Economic development	10,313	9,911	7,402	6,464	9,435	8,954	8,678	18,331	61,330	128,946
Environmental	646	537	568	1,412	2,502	355	269	203	129	165,536
Natural resources	144	19,123	-	16,759	18,331	16,146	15,287	14,059	12,519	278,456
Higher education	3	4	5	5	18	29	29	-	-	8,044
Secondary education	569,555	572,843	577,124	580,199	583,646	589,220	591,692	592,644	587,870	680,302
Roads & bridges	175,343	194,812	45,732	37,964	41,738	75,910	100,026	38,027	1,375	1,338,948
Capital outlay	-	-	-	-	-	-	-	-	-	31,623
Other purposes	14,972	14,277	14,067	14,431	15,475	16,878	17,702	20,525	22,342	108,277
Total Committed	<u>1,133,438</u>	<u>1,103,693</u>	<u>850,019</u>	<u>854,764</u>	<u>874,101</u>	<u>903,612</u>	<u>968,884</u>	<u>963,806</u>	<u>909,684</u>	<u>4,005,993</u>

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State of Indiana
Fund Balances, Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting, dollars in thousands)

	Fiscal Year Ended June 30									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Assigned										
Administration	136,070	131,935	133,584	162,538	195,994	214,138	210,378	236,510	281,549	-
Corrections	11,872	13,430	14,193	21,859	18,321	21,191	27,175	31,300	30,748	-
Police & protection	256,484	229,190	287,489	312,432	336,419	386,088	427,474	361,007	372,468	-
Mental health	68,576	51,328	46,995	50,493	46,339	25,600	21,963	24,614	53,961	-
Public health	669,393	734,043	727,099	807,403	893,966	868,375	627,716	750,039	499,584	-
Child services	160,895	183,926	141,464	85,563	62,434	78,798	86,752	147,106	131,602	-
Disability & aging	9,223	8,455	3,445	8,752	5,494	10,860	16,229	10,293	18,547	-
Economic development	47,554	51,685	59,352	15,196	22,071	28,373	36,281	52,901	64,203	-
Environmental	113,320	113,366	113,164	115,774	95,566	99,354	113,897	152,013	171,393	-
Natural resources	127,959	137,433	138,636	147,242	131,918	141,550	208,456	265,779	281,856	-
Higher education	42,080	35,764	69,297	94,518	13,773	16,108	15,582	19,417	17,378	-
Secondary education	9,626	20,612	21,614	21,475	19,403	47,252	72,423	22,494	26,692	-
Roads & bridges	1,118,884	1,094,302	1,165,886	1,310,925	1,431,283	1,894,509	1,906,194	1,862,602	1,791,459	-
Capital outlay	76,883	63,059	93,811	84,245	97,034	93,272	110,850	118,621	136,606	110,123
Other purposes	57,454	72,376	78,425	74,361	86,998	111,373	109,619	211,513	148,615	-
Total Assigned	<u>2,906,273</u>	<u>2,940,904</u>	<u>3,094,454</u>	<u>3,312,776</u>	<u>3,457,013</u>	<u>4,036,841</u>	<u>3,990,989</u>	<u>4,266,209</u>	<u>4,026,661</u>	<u>110,123</u>
Unassigned	(180,202)	(327,955)	(384,701)	(616,955)	(520,785)	(486,455)	(462,431)	(468,546)	(891,798)	(872,207)
Total all other governmental funds	<u>\$ 4,381,217</u>	<u>\$ 4,218,263</u>	<u>\$ 4,080,240</u>	<u>\$ 4,051,973</u>	<u>\$ 4,315,136</u>	<u>\$ 4,960,426</u>	<u>\$ 5,003,836</u>	<u>\$ 5,285,270</u>	<u>\$ 4,574,091</u>	<u>\$ 5,283,445</u>

State of Indiana
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting, dollars in thousands)

	Fiscal Year Ended June 30									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Income taxes	\$ 5,891,093	\$ 6,246,897	\$ 6,300,908	\$ 6,440,729	\$ 6,400,668	\$ 6,850,851	\$ 6,686,004	\$ 7,997,414	\$ 9,130,659	\$ 8,791,319
Sales taxes	7,046,734	7,269,291	7,351,788	7,578,508	7,830,142	8,087,320	8,313,316	9,367,323	10,459,936	11,001,769
Fuels taxes	777,448	795,023	809,692	871,005	1,473,236	1,495,616	1,448,821	1,558,475	1,669,124	1,653,501
Gaming taxes	681,501	642,902	629,941	623,469	630,262	619,887	449,712	615,030	728,304	722,156
Unemployment taxes	914	-	-	-	-	-	-	-	-	-
Inheritance taxes	53,701	-	-	-	-	-	-	-	-	-
Alcohol and tobacco taxes	447,795	439,451	443,192	439,243	427,568	415,179	425,334	423,873	393,272	403,306
Insurance taxes	224,712	223,040	235,310	235,022	230,998	256,293	248,414	234,760	257,906	268,116
Financial institutions taxes	92,862	125,754	119,345	103,504	105,963	173,518	142,687	215,437	179,184	178,487
Other taxes	325,299	329,380	316,982	326,489	355,876	368,434	418,007	428,951	453,895	453,513
Current service charges	2,424,542	2,219,401	2,366,344	2,433,345	2,784,900	3,449,088	3,303,665	3,385,252	3,045,472	4,263,099
Investment income	44,743	49,744	68,260	70,288	107,753	263,236	231,118	59,722	(83,946)	516,624
Sales/rent	21,771	22,181	19,680	22,890	15,933	17,344	18,015	19,571	36,814	27,477
Grants	11,342,554	11,850,748	13,119,923	13,471,561	13,215,502	14,357,983	16,695,812	21,294,773	22,524,819	22,870,597
Other	136,346	135,805	99,510	131,032	138,485	115,516	143,141	163,256	214,622	373,359
Total revenues	29,512,015	30,349,617	31,880,875	32,747,085	33,717,286	36,470,265	38,524,046	45,763,837	49,010,061	51,523,323
Expenditures										
General government	1,505,475	1,654,082	1,545,461	1,346,996	1,343,365	1,586,473	1,674,988	2,173,351	3,106,433	4,944,751
Public safety	1,410,723	1,383,479	1,537,649	1,629,484	1,640,583	1,730,363	1,807,215	1,866,354	1,980,939	2,053,181
Health	352,624	439,529	375,616	377,809	385,661	407,610	447,188	831,214	696,789	567,055
Welfare	12,332,600	12,978,655	14,347,763	15,103,284	15,151,914	16,352,826	18,367,347	20,305,035	22,177,710	22,779,777
Conservation, culture and development	514,655	518,478	546,644	554,436	560,329	569,242	551,355	1,499,421	1,413,225	1,742,189
Education	10,542,087	10,688,255	10,941,014	11,047,001	11,402,921	11,650,849	11,712,741	12,699,707	13,460,423	14,663,837
Transportation	2,436,606	2,625,744	2,499,595	2,949,489	3,079,147	3,028,608	3,489,018	3,871,835	3,853,715	4,273,770
Capital outlay	16,999	26,252	15,715	20,599	16,570	20,842	22,872	14,615	169,452	81,023
Debt service										
Principal	-	58,703	61,765	63,206	58,862	70,812	69,616	67,905	272,735	117,061
Interest	-	48,995	45,551	43,672	45,524	45,510	42,221	38,888	11,635	29,853
Total expenditures	29,111,769	30,422,172	31,916,773	33,135,976	33,684,876	35,463,135	38,184,561	43,368,325	47,143,056	51,252,497
Revenues over (under) expenditures	400,246	(72,555)	(35,898)	(388,891)	32,410	1,007,130	339,485	2,395,512	1,867,005	270,826
Other Financing Sources (Uses)										
Transfers in	6,066,309	6,252,261	6,016,790	6,635,800	6,042,166	6,841,256	6,828,395	7,295,028	7,126,859	7,864,240
Transfers (out)	(6,061,530)	(6,245,727)	(6,014,298)	(6,634,858)	(6,039,746)	(6,840,253)	(6,823,987)	(7,290,450)	(7,125,225)	(7,864,715)
Proceeds from financed purchases	-	-	-	-	-	-	-	-	127,562	-
Issuance of subscription-based IT arrangements	-	-	-	-	-	-	-	-	-	8,735
Issuance of leases	10,645	4,625	6,142	476,505	214,711	5,933	161	843	19,018	51,231
Total other financing sources (uses)	15,424	11,159	8,634	477,447	217,131	6,936	4,569	5,421	148,214	59,491
Net Change in Fund Balances	\$ 415,670	\$ (61,396)	\$ (27,264)	\$ 88,556	\$ 249,541	\$ 1,014,066	\$ 344,054	\$ 2,400,933	\$ 2,015,219	\$ 330,317
Debt Service as a Percentage of Noncapital Expenditures	N/A	0.36%	0.34%	0.32%	0.31%	0.33%	0.29%	0.25%	0.61%	0.29%

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State of Indiana
Taxable Sales by Industry*
Last Ten Fiscal Years
(in thousands of dollars)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Agricultural/forestry, fishing, and other	\$ 119,771	\$ 127,130	\$ 132,385	\$ 137,997	\$ 130,877	\$ 139,034	\$ 163,051	\$ 170,954	\$ 316,175	\$ 336,119
Construction	1,534,212	1,601,737	1,629,514	1,699,838	1,722,690	1,781,276	1,951,687	1,280,408	1,784,256	2,042,421
Finance, insurance, and real estate	1,974,616	2,152,472	2,402,217	2,554,933	2,731,780	2,983,364	3,044,624	3,705,094	3,944,207	4,152,434
Government	1,763,372	1,813,997	1,772,901	2,003,166	2,090,753	2,110,937	1,984,158	555,801	35,871	39,817
Manufacturing	3,362,607	3,507,576	3,715,108	3,976,694	4,189,499	4,406,486	4,455,251	3,720,059	6,546,478	7,260,599
Mining	136,413	144,285	135,309	139,737	159,829	174,687	191,586	412,922	498,588	589,184
Retail trade	45,817,299	46,493,398	48,158,494	49,328,684	50,550,732	52,840,282	56,885,284	62,916,519	68,286,818	69,657,135
Services	19,459,974	20,334,014	20,973,797	21,347,525	21,662,271	21,930,946	21,983,316	23,457,394	26,669,682	27,975,777
Transportation and public utilities	8,668,182	8,672,301	7,907,909	8,523,260	8,999,654	9,185,251	10,066,943	13,755,979	13,937,758	15,478,061
Wholesale trade	5,392,480	5,511,108	5,797,807	6,004,203	6,125,214	6,386,809	6,522,632	7,734,843	8,038,645	8,652,768
Unknown**	3,274,808	3,549,683	3,957,475	4,502,695	4,740,351	5,036,806	5,243,995	4,921,715	4,190,030	4,758,318
Total	\$ 91,503,734	\$ 93,907,701	\$ 96,582,916	\$ 100,218,732	\$ 103,103,650	\$ 106,975,878	\$ 112,492,527	\$ 122,631,688	\$ 134,248,508	\$ 140,942,633
Direct sales tax rate	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%

Source: Indiana Department of Revenue

* Indiana Code 6-8.1-7-1 prevents the disclosure of the top ten sales tax payers in Indiana as required by GASB Statement No. 44. This schedule is presented as a substitute for that requirement.

** Industry category is provided to the Department of Revenue on Sales Tax information submitted by retail merchants on their Business Tax Application. In the past, type of industry field was not required on the form. Thus, businesses started prior to the addition of the industry category field were classified as unknown. The industry category field was added in recent years.

State of Indiana
Sales Tax Revenue Payers by Industry*
Fiscal Years 2014 and 2023
(in thousands of dollars)

	Fiscal Year Ended June 30, 2014				Fiscal Year Ended June 30, 2023			
	Number of Filers	% of Total	Tax Liability	% of Total	Number of Filers	% of Total	Tax Liability	% of Total
Agricultural/forestry, fishing, and other	3,286	1.93%	8,384	0.13%	4,836	2.20%	24,710	0.24%
Construction	7,763	4.55%	107,395	1.68%	11,726	5.32%	219,197	2.11%
Finance, insurance, and real estate	4,337	2.54%	138,223	2.16%	5,882	2.67%	295,901	2.84%
Government	1,090	0.64%	123,436	1.93%	510	0.23%	176,390	1.70%
Manufacturing	15,675	9.20%	243,618	3.80%	25,787	11.71%	636,186	6.12%
Mining	316	0.19%	9,549	0.15%	396	0.18%	44,001	0.42%
Retail trade	52,101	30.57%	3,207,639	50.07%	73,843	33.53%	4,897,360	47.07%
Services	58,269	34.19%	1,361,978	21.26%	72,069	32.72%	2,001,701	19.24%
Transportation and public utilities	4,112	2.41%	606,756	9.47%	4,529	2.06%	1,136,777	10.93%
Wholesale trade	10,420	6.11%	377,007	5.89%	15,477	7.03%	625,631	6.01%
Unknown**	13,079	7.67%	221,492	3.46%	5,180	2.35%	345,532	3.32%
Total	170,448	100.00%	\$ 6,405,477	100.00%	220,235	100.00%	\$ 10,403,386	100.00%

Source: Indiana Department of Revenue

* Indiana Code 6-8.1-7-1 prevents the disclosure of the top ten sales tax payers in Indiana as required by GASB Statement No. 44. This schedule is presented as a substitute for that requirement.

** Industry category is provided to the Department of Revenue on Sales Tax information submitted by retail merchants on their Business Tax Application. In the past, type of industry field was not required on the form. Thus, businesses started prior to the addition of the industry category field were classified as unknown.

State of Indiana
Personal Income Tax Filers and Liability by Income Level
Fiscal Years 2014 and 2023

(in millions of dollars)

Income Level	Fiscal Year 2014				Fiscal Year 2023			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
\$50,000 and under	2,250,433	68.14%	1,823	26.26%	1,998,660	62.18%	1,922	21.19%
\$50,001 - \$100,000	690,681	20.91%	2,028	29.21%	705,468	21.95%	2,406	26.53%
\$100,001 - \$250,000	316,284	9.58%	1,880	27.08%	436,894	13.59%	3,010	33.19%
\$250,001 - \$1,000,000	41,304	1.25%	769	11.08%	68,820	2.14%	1,282	14.14%
\$1,000,001 and over	3,836	0.12%	443	6.38%	4,377	0.14%	449	4.95%
Total	3,302,538	100.00%	6,943	100.00%	3,214,219	100.00%	9,069	100.00%

Source: Indiana Department of Revenue

State of Indiana
Personal Income by Industry
Last Ten Fiscal Years

(in millions of dollars)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Farm earnings	\$ 5,354	\$ 3,060	\$ 1,324	\$ 1,613	\$ 1,555	\$ 1,571	\$ 1,125	\$ 2,627	\$ 3,731	\$ 5,732
Agriculture, forestry, fishing, and hunting	454	520	650	602	567	513	572	(A)	527	566
Mining	666	661	573	514	585	573	552	(A)	467	559
Construction and utilities	13,422	13,378	13,572	14,006	14,988	15,815	16,925	17,498	18,553	20,204
Manufacturing	36,744	39,178	41,104	41,322	43,129	45,177	45,312	43,919	47,421	51,694
Wholesale trade	9,221	9,609	9,947	9,926	10,344	10,873	11,161	11,659	12,373	14,100
Retail trade	10,773	11,224	11,911	12,401	12,411	12,636	12,638	13,184	14,478	15,433
Transportation and warehousing	8,052	8,444	8,912	9,074	9,619	10,295	10,687	11,069	12,219	13,246
Information	2,815	2,950	2,779	2,695	2,679	2,641	2,635	2,480	2,726	2,982
Finance and insurance	7,912	8,355	8,857	9,206	9,638	9,965	10,260	10,821	11,497	12,171
Real estate and rental and leasing	8,721	8,203	8,850	9,559	9,159	10,511	13,706	16,643	17,704	17,386
Services (B)	32,170	34,069	35,604	36,834	38,289	40,459	41,720	41,635	46,339	52,263
Management of companies and enterprises	3,320	3,501	3,732	3,986	4,120	4,225	4,259	4,169	4,664	4,935
Health care and social assistance	22,694	23,400	24,619	26,028	27,208	28,339	29,549	30,910	32,578	36,252
Arts, entertainment, and recreation	1,829	1,944	1,956	1,928	1,964	2,065	2,157	1,811	2,015	2,201
Government and government enterprises	23,256	24,030	24,394	25,153	25,994	27,269	27,763	28,431	29,112	30,053
Total personal income	\$ 187,403	\$ 192,526	\$ 198,784	\$ 204,847	\$ 212,249	\$ 222,927	\$ 231,021	\$ 236,856	\$ 256,404	\$ 279,777

(A) Not shown to avoid disclosure of confidential information

(B) The Services industry includes professional, scientific, and technical services, administrative and waste management services, educational services, accommodation and food services, and other services, except public administration.

Source: U.S. Department of Commerce - Bureau of Economic Analysis, SAINC5N - Personal income by major component and earnings by NAICS industry

**State of Indiana
Personal Income Tax Rates
Last Ten Fiscal Years**

	Fiscal Year									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Personal Income Tax Revenues (in millions)	\$ 4,889	\$ 5,233	\$ 5,266	\$ 5,435	\$ 5,816	\$ 6,057	\$ 5,272	\$ 7,532	\$ 7,926	\$ 7,576
Personal Income (in millions)	259,535	269,159	279,386	287,275	297,991	313,127	326,387	351,107	387,919	398,523
Average Effective Rate ¹	1.9%	1.9%	1.9%	1.9%	2.0%	1.9%	1.6%	2.1%	2.0%	1.9%

	Tax Rates on the Portion of Taxable Income in Ranges ²									
	Tax Year									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Income Range (in thousands)										
\$0-20	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
\$21-40	2.5%	2.5%	2.5%	2.5%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%
\$41-60	2.9%	2.9%	2.8%	2.8%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%
\$61-80	3.0%	3.0%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%
\$81-100	3.1%	3.1%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
\$101-120	3.2%	3.2%	3.1%	3.1%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
\$121+	3.2%	3.2%	3.1%	3.1%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

¹ Average effective rate equals tax collections divided by income.

² This assumes (a) a married couple files jointly with two additional exemptions claimed for eligible dependents and (b) state taxable income equals federal adjusted gross income minus renter's/homeowner's property tax deduction minus exemptions. The State income tax rate was 3.4% from 2013 through 2014, 3.3% for 2015 and 2016, and 3.23% for 2017 through 2022.

Sources: U.S. Department of Commerce - Bureau of Economic Analysis; State Comptroller Financial Records; U.S. Census Bureau; & Indiana Department of Revenue Tax Forms.

State of Indiana
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

(in thousands of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Financed purchases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 644,482	\$ 571,239
Subscription-based IT arrangements	-	-	-	-	-	-	-	-	-	26,086
Leases	1,112,599	1,057,910	1,000,258	822,444	974,346	904,809	832,347	762,395	200,510	231,268
Total Governmental Activities	<u>1,112,599</u>	<u>1,057,910</u>	<u>1,000,258</u>	<u>822,444</u>	<u>974,346</u>	<u>904,809</u>	<u>832,347</u>	<u>762,395</u>	<u>844,992</u>	<u>828,593</u>
Total Primary Government	<u>\$ 1,112,599</u>	<u>\$ 1,057,910</u>	<u>\$ 1,000,258</u>	<u>\$ 822,444</u>	<u>\$ 974,346</u>	<u>\$ 904,809</u>	<u>\$ 832,347</u>	<u>\$ 762,395</u>	<u>\$ 844,992</u>	<u>\$ 828,593</u>
Debt as a Percentage of Personal Income	0.4%	0.4%	0.3%	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%
Amount of Debt per Capita <i>(in whole dollars)</i>	\$ 168	\$ 160	\$ 150	\$ 123	\$ 145	\$ 134	\$ 123	\$ 112	\$ 124	\$ 121

State of Indiana State Facts

AREA	36,410 square miles, which includes 593.4 square miles of water. Longest point 276 miles; widest point, 150 miles. Highest altitude, 1,257 feet in Wayne County lowest altitude, 320 feet in Posey County.
CLIMATE	Four distinct seasons. Record temperature high: 116 degrees at Collegeville in 1936. Record temperature low: 36 below zero at New Whiteland in 1994.
STATE CAPITAL	Indianapolis (combination of Indiana and Greek word "polis" meaning city -- therefore, Indianapolis means "city of Indiana.")
STATE MOTTO	The Crossroads of America. Adopted 1937.
STATE FLOWER	Peony. Adopted 1957.
STATE TREE	Tulip tree (yellow poplar). Adopted 1931.
STATE BIRD	Cardinal. Adopted 1933.
STATE INSECT	Say's Firefly. Adopted 2018.
STATE SONG	"On the Banks of the Wabash, Far Away" by Paul Dresser. Adopted 1913.
STATE POEM	"Indiana", by Arthur Franklin Mapes, Kendallville. Adopted 1963.
STATE STONE	Limestone. Adopted 1971.
STATE SEAL	The seal depicts a pioneer scene: a woodsman felling a tree, a bison fleeing from the sound of the axe and the sun gleaming over a distant hill. In use since 1801, the seal was officially adopted in 1963.
STATE FLAG	The Indiana flag displays 19 gold stars surrounding a gold torch centered on a rectangular field of blue. The torch stands for liberty and enlightenment. Thirteen stars in the outer circle represent the 13 original states; the five in the inner circle represent the five states next admitted to the Union. The star above the torch stands for Indiana, the 19th state. Adopted 1917.
STATE NAME	The name Indiana means "land of the Indians." It was coined in 1800 when Congress carved the new state of Ohio from the Northwest Territory and designated the remaining vast area as the Indiana Territory. The territorial name was retained when Indiana became a state in 1816.
NICKNAME	Residents of Indiana have long been referred to as "Hoosiers," and according to the Indiana Historical Bureau, the term came into general usage in the 1830s as a result of a poem entitled "The Hoosiers Nest" by John Finley of Richmond. On January 8, 1933, John W. Davis offered "Hoosier State" as a toast at the Jackson Dinner. The origins of the actual word have been in debate for well over a century. The earliest written documentation of Hoosier was in 1827 in a diary quoted by Sandford Cox. The oral tradition goes back much earlier.

Sources:

US Census Bureau - [census.gov](https://www.census.gov).
US Geological Society - [usgs.gov](https://www.usgs.gov).
Indiana Department of Administration - [in.gov/idoa](https://www.in.gov/idoa).
National Centers for Environmental Information - [ncdc.noaa.gov](https://www.ncdc.noaa.gov).
Indiana Historical Bureau - [in.gov/history](https://www.in.gov/history).

**State of Indiana
County Facts**

County Name	2023	Area Sq. Miles	2023	2023	2022 County Bridges ²	County Name	2023	Area Sq. Miles	2023	2023	2023 County Bridges ²
	Total Population ¹		County Road Miles	Municipal Street Miles			County Total Population ¹		County Road Miles	Municipal Street Miles	
ADAMS	35,809	345	673.48	105.37	160	MARION	980,664	392	1,934.22	1,616.05	536
ALLEN	385,296	671	1,332.26	1,345.62	390	MARSHALL	46,095	443	910.17	135.03	116
BARTHOLOMEW	81,845	402	687.41	287.56	202	MARTIN	9,812	345	368.92	31.34	45
BENTON	9,069	409	660.10	58.78	118	MIAMI	36,213	377	785.29	87.84	127
BLACKFORD	11,980	167	319.68	60.90	59	MONROE	139,718	386	709.18	275.87	153
BOONE	70,836	427	734.61	317.85	189	MONTGOMERY	37,936	507	821.40	111.75	172
BROWN	15,475	319	381.91	12.06	83	MORGAN	71,780	406	677.47	154.48	140
CARROLL	20,306	347	755.81	44.37	116	NEWTON	13,830	413	659.03	41.82	122
CASS	37,870	415	866.41	124.59	121	NOBLE	46,866	412	812.17	117.55	64
CLARK	121,093	384	518.07	434.07	141	OHIO	5,940	87	135.14	11.96	32
CLAY	26,466	364	663.85	90.08	157	ORANGE	19,867	405	604.82	68.51	106
CLINTON	33,190	407	771.29	100.57	162	OWEN	21,321	390	623.63	24.05	111
CRAWFORD	10,905	312	460.53	36.48	79	PARKE	16,156	445	732.91	45.48	175
DAVISS	33,381	430	787.54	119.63	125	PERRY	19,170	384	484.80	64.84	99
DEARBORN	50,679	306	501.59	89.62	101	PIKE	12,250	335	543.51	30.23	110
DECATUR	26,843	370	635.75	93.53	181	PORTER	173,215	425	787.45	541.86	127
DEKALB	43,390	366	705.75	158.54	102	POSEY	25,222	412	704.63	69.94	149
DELAWARE	112,082	396	785.35	462.55	194	PULASKI	12,514	433	876.29	32.25	73
DUBOIS	43,637	433	650.12	190.04	164	PUTNAM	36,726	490	749.33	90.13	221
ELKHART	207,371	468	1,140.72	492.44	172	RANDOLPH	24,315	457	856.36	87.21	217
FAYETTE	23,326	215	376.73	67.87	86	RIPLEY	30,929	442	704.46	91.76	134
FLOYD	80,484	149	346.37	188.66	87	RUSH	16,824	409	745.34	43.96	194
FOUNTAIN	16,479	397	649.57	77.78	143	SAINT JOSEPH	272,912	396	1,131.95	736.78	101
FRANKLIN	20,851	394	625.28	27.86	118	SCOTT	24,384	466	307.29	64.46	73
FULTON	20,480	368	777.78	54.89	57	SHELLBY	44,493	193	830.68	117.80	186
GIBSON	33,011	498	948.53	141.89	252	SPENCER	19,810	409	738.73	74.26	166
GRANT	66,423	421	798.01	286.19	189	STARKE	23,371	310	672.86	59.08	58
GREENE	30,803	549	870.95	104.49	161	STEBEN	34,310	309	617.33	102.02	49
HAMILTON	347,467	401	548.10	1,525.94	305	SULLIVAN	20,817	457	852.53	90.25	178
HANCOCK	76,587	305	639.77	237.98	157	SWITZERLAND	9,737	221	354.70	11.71	41
HARRISON	39,275	479	857.11	40.53	74	TIPPECANOE	185,901	500	862.76	452.39	208
HENDRICKS	174,764	417	753.61	556.57	240	TIPTON	15,355	261	562.25	46.77	84
HENRY	48,706	400	780.13	151.25	142	UNION	7,087	168	264.55	14.69	42
HOWARD	83,658	293	586.18	342.04	136	VANDERBURGH	180,136	241	562.78	566.00	157
HUNTINGTON	37,161	369	666.52	135.13	114	VERMILLION	15,439	263	398.19	81.89	76
JACKSON	46,428	520	724.12	143.89	183	VIGO	106,153	415	840.22	370.64	188
JASPER	32,918	562	929.73	89.02	126	WABASH	30,976	398	728.32	118.20	156
JAY	20,610	386	733.96	82.58	162	WARREN	8,440	368	543.51	27.25	94
JEFFERSON	33,147	366	529.35	90.01	101	WARRICK	63,898	391	747.51	107.99	114
JENNINGS	27,613	377	684.67	49.44	128	WASHINGTON	28,182	561	766.71	70.09	114
JOHNSON	162,319	315	583.18	480.75	158	WAYNE	66,553	405	686.76	261.25	233
KNOX	36,282	516	869.56	175.55	206	WELLS	27,795	368	711.96	96.91	131
KOSCIUSKO	79,916	540	1,164.52	214.30	108	WHITE	24,688	497	915.18	80.24	165
LAGRANGE	41,037	381	780.87	42.58	57	WHITLEY	34,191	337	629.99	70.63	88
LAKE	498,700	513	519.91	2,091.80	178						
LAPORTE	112,417	607	1,026.22	362.13	119						
LAWRENCE	45,011	459	658.71	135.34	127						
MADISON	130,141	453	869.92	563.37	216						
						Total	6,785,528	36,117	65,284.87	20,479.69	13,071

(1) Represents 2020 decennial census, as adopted by governor executive order.
 (2) Most recent reported per the Association of Indiana Counties 2023 County Fact Book.

Sources: Association of Indiana Counties 2023 County Fact Book, Indiana Department of Transportation, US Department of Commerce - Bureau of

State of Indiana
Demographic and Economic Statistics
Last Ten Calendar Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Population										
State (in thousands)	6,581	6,610	6,629	6,658	6,686	6,726	6,762	6,789	6,814	6,833
Percentage change	0.5%	0.4%	0.3%	0.4%	0.4%	0.6%	0.5%	0.4%	0.4%	0.3%
National (in thousands)	316,735	319,270	321,829	324,368	326,623	328,542	330,233	331,512	332,032	333,288
Percentage change	0.8%	0.8%	0.8%	0.8%	0.7%	0.6%	0.5%	0.4%	0.2%	0.4%
Total Personal Income										
State (in millions)	259,535	269,159	279,386	287,275	297,991	313,127	326,387	351,107	387,919	398,523
Percentage change	1.3%	3.7%	3.8%	2.8%	3.7%	5.1%	4.2%	7.6%	10.5%	2.7%
National (in millions)	14,063,283	14,778,160	15,467,113	15,884,741	16,658,962	17,514,402	18,343,601	19,609,985	21,392,812	21,820,248
Percentage change	1.1%	5.1%	4.7%	2.7%	4.9%	5.1%	4.7%	6.9%	9.1%	2.0%
Per Capita Personal Income										
State	39,436	40,721	42,149	43,145	44,570	46,556	48,270	51,719	56,934	58,323
Percentage change	0.7%	3.3%	3.5%	2.4%	3.3%	4.5%	3.7%	7.1%	10.1%	2.4%
National	44,401	46,287	48,060	48,971	51,004	53,309	55,547	59,153	64,430	65,470
Percentage change	0.4%	4.2%	3.8%	1.9%	4.2%	4.5%	4.2%	6.5%	8.9%	1.6%
Resident Civilian Labor Force and Employment										
Civilian labor force (in thousands)	3,194	3,229	3,266	3,332	3,334	3,393	3,404	3,346	3,356	3,404
Employed (in thousands)	2,954	3,037	3,110	3,186	3,217	3,277	3,292	3,103	3,225	3,303
Unemployed (in thousands)	240	192	157	145	117	116	112	244	131	102
Unemployment rate	7.5%	5.9%	4.8%	4.4%	3.5%	3.4%	3.3%	7.3%	3.9%	3.0%
State and Area Employment										
Goods-producing industries										
Mining and logging	7,100	7,200	6,500	6,000	6,100	6,200	6,000	5,000	5,400	5,900
Construction	121,900	125,000	130,400	135,700	138,900	142,400	146,300	147,400	155,000	161,000
Manufacturing	496,800	514,700	520,400	526,200	538,300	543,800	538,000	517,900	534,300	545,300
Subtotal goods-producing industries	<u>625,800</u>	<u>646,900</u>	<u>657,300</u>	<u>667,900</u>	<u>683,300</u>	<u>692,400</u>	<u>690,300</u>	<u>670,300</u>	<u>694,700</u>	<u>712,200</u>
Service-producing industries										
Wholesale trade	116,300	117,700	117,400	117,300	119,400	122,000	124,000	119,600	125,500	132,700
Retail trade	314,700	315,200	320,100	323,700	322,300	319,600	315,300	312,000	314,200	316,400
Transportation, warehousing, and utilities	141,400	143,700	151,300	154,700	153,400	157,000	165,000	172,500	180,200	187,100
Information	35,900	34,400	33,300	32,500	30,900	28,700	28,500	25,300	26,600	26,700
Financial activities	128,400	129,100	132,900	135,000	138,000	140,700	143,000	143,000	145,700	150,800
Professional and business services	320,000	331,000	334,900	336,200	339,900	341,800	345,900	337,500	359,600	366,700
Education and health services	437,900	439,800	452,800	461,400	468,300	475,400	482,300	464,400	468,000	481,500
Leisure and hospitality	292,400	297,400	303,900	306,500	310,000	311,700	315,000	266,900	296,700	309,600
Other services	125,400	125,800	126,100	125,800	126,000	126,500	127,900	116,600	123,100	129,400
Federal government	36,200	36,500	37,100	38,100	37,700	38,400	39,300	40,000	38,500	38,200
State government	118,000	117,300	118,100	115,400	119,000	116,600	115,100	104,800	106,400	103,100
Local government	274,000	274,500	273,900	272,100	274,200	274,300	273,700	260,200	262,800	268,300
Subtotal service-producing industries	<u>2,340,600</u>	<u>2,362,400</u>	<u>2,401,800</u>	<u>2,418,700</u>	<u>2,439,100</u>	<u>2,452,700</u>	<u>2,475,000</u>	<u>2,362,800</u>	<u>2,447,300</u>	<u>2,510,500</u>
Total Nonfarm Wage and Salary Employment	<u>2,966,400</u>	<u>3,009,300</u>	<u>3,059,100</u>	<u>3,086,600</u>	<u>3,122,400</u>	<u>3,145,100</u>	<u>3,165,300</u>	<u>3,033,100</u>	<u>3,142,000</u>	<u>3,222,700</u>

Sources: U.S. Department of Commerce - Bureau of Economic Analysis (BEA), U.S. Department of Labor - Bureau of Labor Statistics, and U.S. Census Bureau (via BEA data).

State of Indiana
Twenty Largest Indiana Public Companies
 (ranked by 2021 revenue)

Ranking	Company	2021 Revenue (in millions)	City
1	Elevance Health Inc	\$ 138,600	Indianapolis
2	Eli Lilly and Co.	28,300	Indianapolis
3	Cummins Inc.	24,000	Columbus
4	Steel Dynamics Inc.	18,400	Fort Wayne
5	Corteva Inc	15,700	Indianapolis
6	Berry Global Group Inc	13,900	Evansville
7	Thor Industries	12,300	Elkhart
8	Zimmer Biomet Holdings Corp.	7,800	Warsaw
9	Simon Property Group Inc.	5,100	Indianapolis
10	NISource Inc.	4,900	Merrillville
11	Elanco Animal Health Inc.	4,800	Greenfield
12	LCI Industries	4,500	Elkhart
13	CNO Financial Group Inc	4,100	Carmel
13	Patrick Industries Inc.	4,100	Elkhart
15	OneMain Holdings	3,900	Evansville
16	Calumet Specialty Products Partners LP	3,100	Indianapolis
17	Allegion PLC	2,900	Carmel
17	Hillenbrand Inc.	2,900	Batesville
19	Allison Transmission Inc.	2,400	Indianapolis
20	KAR Global	2,300	Carmel

Source: Indianapolis Business Journal, 2023 Book of Lists

State of Indiana
Twenty Largest Indiana Private Companies
(Ranked by 2021 Revenue)

Ranking	Company	2021 Revenue (in millions)	City
1	Do It Best Corp.	\$ 5,200	Fort Wayne
2	OneAmerica Financial Partners, Inc.	3,100	Indianapolis
3	Cook Group Inc.	2,500	Bloomington
4	Steel Warehouse Co. LLC	2,400	South Bend
5	The Rohrman Automotive Group	1,600	Lafayette
6	Co-Alliance Cooperative, Inc	1,400	Avon
6	Sweetwater Sound Inc.	1,400	Fort Wayne
8	CountryMark	1,300	Indianapolis
9	F.A. Wilhelm Construction Co Inc	1,200	Indianapolis
9	LDI Ltd. LLC	1,200	Indianapolis
9	Petroleum Traders Corp	1,200	Fort Wayne
9	USIC, LLC	1,200	Indianapolis
13	Koch Enterprises Inc	1,100	Evansville
13	Ray Skillman Auto Centers	1,100	Indianapolis
13	Republic Airways Holdings Inc.	1,100	Indianapolis
16	Indiana Farm Bureau Insurance-Property/Casualty & Life	975	Indianapolis
17	Atlas World Group Inc.	974	Evansville
18	Elwood Staffing	932	Columbus
19	Rea Magnet Wire Co. Inc.	834	Fort Wayne
20	Jasper Holdings Inc.	824	Jasper

Source: Indianapolis Business Journal, 2023 Book of Lists

**State of Indiana
Principal Employers
Current Year and Nine Years Ago**

	2022			2013		
	Employees	Rank	Percentage of Total State Employment	Employees	Rank	Percentage of Total State Employment
Walmart Inc.	46,006	1	1.41%	35,994	2	1.23%
U.S. Government	38,500	2	1.18%	37,400	1	1.28%
Indiana University Health	32,306	3	0.99%	26,596	4	0.91%
State of Indiana (1)	31,106	4	0.96%	31,134	3	1.06%
Indiana University	24,576	5	0.76%	16,906	6	0.58%
The Kroger Co.	20,401	6	0.63%	13,842	8	0.47%
Thor Industries	18,702	7	0.58%	N/A		
Franciscan Alliance Inc.	16,572	8	0.51%	12,063	9	0.41%
Purdue University	14,758	9	0.45%	14,852	7	0.51%
Ascension St. Vincent	13,220	10	0.41%	17,398	5	0.59%
FedEx Corp.	12,000	11	0.37%	8,000	13	0.27%
Community Health Network	11,735	12	0.36%	10,466	10	0.36%
Eli Lilly and Co.	10,463	13	0.32%	10,141	11	0.35%
Cummins Inc.	10,100	14	0.31%	8,065	12	0.28%
Cleveland-Cliffs	8,667	15	0.27%	N/A		
Toyota Motor Manufacturing Indiana Inc.	7,550	16	0.23%	4,500	20	0.15%
Cook Group Inc.	7,466	17	0.23%	N/A		
Stellantis	7,100	18	0.22%	N/A		
City of Indianapolis/Marion County	7,094	19	0.22%	7,058	14	0.24%
Subaru of Indiana Automotice Inc.	6,500	20	0.20%	N/A		
Ivy Tech Community College				5,877	15	0.20%
University of Notre Dame				5,274	16	0.18%
CVS Caremark				4,864	17	0.17%
Rolls-Royce Corp.				4,650	18	0.16%
UPS				4,528	19	0.15%
Total	344,822		10.60%	279,608		9.54%

(1) Full time State employees paid through the Auditor of State's Office as of June 2023 and June 2014.
N/A = Not available

Sources: Indianapolis Business Journal, 2023 and 2014 Book of Lists; and Auditor of State payroll records.

**State of Indiana
School Enrollment
Last Ten Fiscal Years**

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Public School Enrollment, Grades K-12										
Elementary (KG through Grade 6)	527,903	529,117	528,983	545,200	545,600	548,908	548,157	549,182	550,468	551,803
Secondary (Grades 7 through 12)	483,461	484,583	486,091	483,080	487,867	484,162	481,034	477,886	478,186	479,581
Total, all grades	<u>1,011,364</u>	<u>1,013,700</u>	<u>1,015,074</u>	<u>1,028,280</u>	<u>1,033,467</u>	<u>1,033,070</u>	<u>1,029,191</u>	<u>1,027,068</u>	<u>1,028,654</u>	<u>1,031,384</u>
Public Higher Education Enrollment ¹										
Indiana University	79,945	79,387	79,386	80,763	81,472	81,896	83,141	86,424	85,540	85,373
Purdue University	58,817	57,499	57,358	55,305	55,280	55,131	55,351	56,476	56,645	56,701
Ball State University	15,995	15,846	16,321	18,013	18,268	18,175	19,014	18,771	18,231	18,255
Indiana State University	7,009	7,289	7,913	9,162	9,873	10,758	11,491	11,450	11,574	11,273
Ivy Tech Community College	31,240	29,102	27,708	29,882	35,007	34,992	40,324	42,708	45,065	49,727
University of Southern Indiana	5,848	5,916	6,333	6,904	7,105	7,369	8,182	8,137	7,668	7,822
Vincennes University	3,088	3,057	3,268	3,676	4,988	4,783	9,620	9,551	10,032	10,162
Total, public colleges and universities	<u>201,942</u>	<u>198,096</u>	<u>198,286</u>	<u>203,705</u>	<u>211,993</u>	<u>213,105</u>	<u>227,122</u>	<u>233,516</u>	<u>234,755</u>	<u>239,313</u>

¹ Based on Fall full-time equivalent enrollment. Starting with 2018, census counts are limited to degree-seeking students. Prior years include both degree and non-degree seeking students.

Sources: Indiana Commission for Higher Education (for Public Higher Education Enrollment); and Indiana Department of Education (for Grades K-12)

State of Indiana
Largest Indiana Private Colleges & Universities
 (Ranked by Fall 2022 Full-Time Equivalent Enrollment)

Institution	Fall 2022 FTE Enrollment	Location
University of Notre Dame	12,900	Notre Dame
Trine University	7,120	Angola
Indiana Wesleyan University	7,000	Marion
Butler University	5,123	Indianapolis
WGU Indiana	4,900	Indianapolis
University of Indianapolis	4,467	Indianapolis
Indiana Tech	3,857	Fort Wayne
Marian University	3,144	Indianapolis
Rose-Hulman Institute of Technology	2,879	Terre Haute
Valparaiso University	2,861	Valparaiso
University of Evansville	2,408	Evansville
Taylor University	2,272	Upland
University of Saint Francis	2,152	Fort Wayne
Grace College	1,849	Winona
DePauw University	1,735	Greencastle
Huntington University	1,505	Huntington
Saint Mary's College	1,468	Notre Dame

Source: Indianapolis Business Journal, 2023 Book of Lists

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State of Indiana Operating Indicators by Function of Government Last Ten Fiscal Years

	Fiscal Year Ended June 30										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	
General Government											
Department of Revenue											
Number of Tax Returns Filed Electronically	(A)	N/A	3,218,919	3,182,833	3,096,968	2,988,230	2,903,057	2,820,773	2,767,493	2,734,420	2,721,693
Number of Tax Returns Processed	(A)	N/A	3,596,139	3,546,230	3,516,146	3,312,198	3,368,084	3,258,929	3,257,836	3,328,805	3,353,918
Percent of Tax Returns Filed Electronically	(A)	N/A	89.5%	89.8%	88.1%	90.2%	86.2%	86.6%	84.9%	82.1%	81.1%
Number of Taxpayers Assisted - Walk-in	(B)	59,795	65,583	49,994	44,239	66,636	48,823	64,986	77,184	65,414	102,120
Number of Taxpayers Assisted - Telephone	(B)	613,345	521,673	624,424	791,522	816,212	611,277	821,115	1,116,757	823,387	753,939
Number of Taxpayers Assisted - Online (INTIME) Messages	(B)	84,720	85,125	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of Taxpayers Assisted - Correspondences (Postal Mail)	(B)	73,029	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of Taxpayers Assisted - Total	(B)	830,889	672,381	674,418	835,761	882,848	660,100	886,101	1,193,941	888,801	856,059
Department of Administration											
Construction projects administered		28	26	43	53	49	66	48	50	53	43
Construction value excluding design fee (thousands)		\$ 305,453	\$ 116,033	\$ 31,109	\$ 54,818	\$ 45,056	\$ 42,516	\$ 45,102	\$ 44,200	\$ 36,352	\$ 27,613
Public Safety											
Department of Correction											
Department Active Personnel		5,619	5,742	5,761	5,729	5,870	5,880	5,935	6,121	6,074	6,094
Number of Adult Institutions		18	18	18	18	18	18	19	20	20	20
Incarcerated Offenders	(C)	22,851	23,523	24,086	25,884	27,106	26,628	25,731	25,993	27,693	29,329
Average Cost Per Diem		\$ 80.52	\$ 76.63	\$ 68.85	\$ 59.67	\$ 57.73	\$ 58.36	\$ 57.39	\$ 57.89	\$ 54.43	\$ 55.42
Contract Beds		176	118	107	422	188	198	263	307	301	341
Average Offender Age at Intake		35	34.6	35.1	33.9	33.7	33.3	33.0	33.0	32.9	33.6
Average Offender Age - Current		41	40.5	40.8	39.2	38.9	38.4	38.1	37.9	37.9	36.5
Supervised Offenders	(D)	6,593	6,187	6,104	6,139	6,268	6,763	7,577	8,865	9,596	9,689
State Police											
Active State Troopers		1,091	1,162	1,210	1,223	1,232	1,223	1,251	1,201	1,242	1,241
Number of Traffic Citations Issued		149,546	147,815	146,028	142,831	204,290	217,771	205,525	229,829	207,919	231,683
Number of Firearm Permits Issued	(E)	21,435	90,061	166,558	64,453	58,442	69,264	78,376	117,993	83,603	103,062
Number of Limited Criminal History Searches (fee)		346,653	325,896	282,069	299,914	349,770	373,767	346,657	325,802	324,612	294,152
Number of Limited Criminal History Searches (no fee)		235,548	215,479	198,700	402,356	464,136	490,877	519,751	533,172	442,088	424,537
Health											
Department of Health											
Number of Birth and Death Certificates Issued		39,611	46,886	62,481	31,738	41,250	70,195	76,696	79,076	41,454	34,012
Number of Adoption Records Received		3,926	4,366	4,153	6,818	5,245	4,529	4,363	3,936	3,936	3,904
Number of Marriage Records Received		40,922	40,693	42,079	36,117	39,944	43,452	43,382	49,157	44,143	44,841
Welfare											
FSSA											
Medicaid and Children's Health Insurance Program (CHIP) recipients		2,339,721	2,151,422	1,958,867	1,793,351	1,746,096	1,760,489	1,745,418	1,726,948	1,500,587	1,365,748
Temporary Assistant for Needy Families (TANF) recipients		11,053	8,292	16,442	18,959	11,259	12,938	14,801	16,832	19,290	22,396
Supplemental Nutritional Assistance Program (SNAP) recipients		598,623	616,629	635,385	774,757	588,987	601,062	654,722	720,822	814,959	879,342
Conservation, Culture, and Development											
Department of Natural Resources											
Hunting licenses sold		322,959	381,664	411,146	350,850	315,787	345,846	357,822	311,457	375,061	395,258
Fishing licenses sold		416,172	355,409	430,649	468,460	409,391	413,852	416,420	415,088	459,630	474,361
Trapping licenses sold		3,637	3,889	4,600	4,238	4,061	4,049	4,131	4,929	5,556	5,670

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State of Indiana
Operating Indicators by Function of Government
Last Ten Fiscal Years

	Fiscal Year Ended June 30									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Transportation										
Department of Transportation										
Construction projects administered	501	456	511	516	512	421	455	545	528	487
Construction value excluding design fee (thousands)	\$ 447,924	\$ 303,310	\$ 438,242	\$ 467,273	\$ 294,662	\$ 339,919	\$ 253,384	\$ 299,045	\$ 307,686	\$ 262,629
Construction awarded amount (thousands)	\$ 2,006,847	\$ 1,673,071	\$ 2,549,101	\$ 2,122,305	\$ 1,164,878	\$ 1,225,911	\$ 1,071,018	\$ 1,000,398	\$ 935,990	\$ 954,516
Business-type activities										
Unemployment Insurance										
Number of payments made to claimants (thousands)	974	971	4,389	8,068	820	886	1,071	1,251	1,469	2,032
Percentage of unemployment	3.0%	2.7%	5.3%	5.5%	3.5%	3.4%	3.9%	4.3%	4.9%	5.9%

Notes:

(A) Tax Year (January 1 - December 30)

(B) Fiscal Year (July 1-June 30)

(C) Includes inmates held in county jails and contract beds

(D) Excludes Indiana parolees on parole in other states; includes other states parolees supervised by Indiana

(E) The Indiana General Assembly passed House Enrolled Act 1296 in 2022, which removed the requirement to get a permit to carry a firearm

N/A items are not available

Sources: Various state agencies.

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State of Indiana Capital Assets Statistics by Function of Government Last Ten Fiscal Years

Function	Fiscal Year Ended June 30									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Conservation, Culture and Development										
<i>Department of Natural Resources</i>										
Acres of land (parks, lakes, etc.) owned	413,440	413,019	411,596	410,474	437,442	433,472	435,487	413,835	411,686	414,212
Number of state parks	31	31	29	24	24	24	24	24	24	24
Number of reservoirs	8	8	8	8	8	8	8	8	8	8
Number of state forests	17	17	15	15	15	15	15	15	15	16
Number of fish & wildlife areas	23	23	23	23	23	21	21	25	26	26
Number of dams	130	130	131	131	131	131	132	132	132	133
Number of vehicles	1,018	1,160	1,274	1,690	1,672	1,761	1,877	1,986	1,996	2,041
Number of watercraft, registered	601	601	736	794	645	730	735	746	799	822
Number of watercraft, non-registered	438	408	380	381	363	332	315	319	324	306
Education										
<i>Department of Education</i>										
Number of public schools, K-12	1,933	1,910	1,895	1,916	1,912	1,913	1,925	1,926	1,938	1,923
Number of non-public schools, K-12 (A)	371	356	339	316	304	302	309	308	301	301
<i>Commission for Higher Education</i>										
Number of public postsecondary institutions										
number of institutions	7	7	7	7	7	7	7	7	7	7
number of campuses	38	38	38	38	38	38	36	43	41	43
Number of private not-for-profit postsecondary institutions										
number of institutions	29	29	29	30	30	30	30	31	31	29
number of campuses	29	29	29	30	30	30	30	31	31	29
Number of private for-profit, and private not-for-profit postsecondary BPE authorized institutions (B)										
number of institutions	32	31	30	27	25	27	29	31	29	29
number of campuses	37	36	34	33	31	42	48	59	59	59
General Government										
<i>Department of Administration</i>										
Number of buildings	12	12	12	12	12	12	12	12	10	10
Number of fleet service vehicles (C)	3,917	3,198	3,089	3,053	2,476	1,725	1,211	1,341	235	239
Public Safety										
<i>Department of Correction</i>										
Number of adult facilities	18	18	18	18	18	18	19	20	20	20
Number of juvenile facilities	3	3	3	3	3	3	4	4	4	4
Number of parole facilities	10	10	10	10	10	10	10	10	10	10
Number of vans	261	256	265	270	272	274	280	282	284	289
<i>State Police</i>										
Number of state police posts	14	14	14	14	14	14	14	14	14	14
Number of state police cars	1,866	1,804	1,985	1,999	1,961	1,769	1,797	1,699	1,728	1,937
Number of aircraft	5	5	5	5	5	5	3	3	3	5
Number of trailers	113	109	126	126	125	125	125	118	117	121
Transportation										
<i>Department of Transportation</i>										
Number of interstate miles	1,312	1,287	1,287	1,287	1,285	1,265	1,265	1,265	1,238	1,236
Number of non-interstate miles	9,798	9,756	9,811	9,871	9,917	9,941	9,937	9,944	9,947	9,933
Number of interstate and non-interstate total miles	11,110	11,043	11,098	11,158	11,202	11,206	11,202	11,209	11,185	11,169
Number of interstate bridges	1,468	1,451	1,444	1,451	1,450	1,431	1,433	1,432	1,381	1,392
Number of non-interstate bridges	4,353	4,366	4,367	4,359	4,358	4,361	4,324	4,317	4,308	4,233
Number of interstate and non-interstate total bridges	5,821	5,817	5,811	5,810	5,808	5,792	5,757	5,749	5,689	5,625
Acreeage from excess land	11,238	11,244	11,196	11,119	11,247	11,358	11,339	11,513	7,165	5,974
Acreeage from fixed assets	8,923	8,793	8,832	9,213	2,894	2,385	2,269	2,278	2,262	2,243
Total acres of land owned	20,161	20,037	20,028	20,332	14,141	13,743	13,608	13,791	9,427	8,217
Number of heavy equipment owned	3,313	3,172	3,144	3,238	2,789	3,072	3,457	3,259	3,186	3,101
Welfare										
<i>Family and Social Services Administration</i>										
Number of hospitals owned	6	7	7	7	7	6	6	6	6	6
Health										
<i>Indiana State Department of Health</i>										
Number of pieces of laboratory equipment	774	822	853	827	747	825	720	751	751	749

Notes:

(A) Includes only the accredited and freeway schools.

(B) Institutions authorized through the Board for Proprietary Education, which is administered through ICHE

(C) Increases since 2016 due to policy change requiring vehicle purchases to be made through the Department of Administration

Sources: Various state agencies.

Full Time State Employees Paid Through The State Comptroller's Office

Function of Government	June 2023	June 2022	June 2021	June 2020	June 2019	June 2018	June 2017	June 2016	June 2015	June 2014
General Government	5,001	4,636	4,977	5,088	4,920	4,908	4,821	4,828	4,854	4,872
Public Safety	9,636	10,297	9,894	10,335	10,432	10,416	10,399	10,453	10,478	10,666
Health	875	770	810	815	758	753	745	744	773	783
Welfare	8,041	7,457	8,260	8,844	8,308	7,943	7,867	7,852	7,608	7,392
Conservation, Culture and Development	3,124	3,133	3,279	3,047	2,962	3,035	3,033	3,090	3,192	3,272
Education	651	680	607	602	601	616	606	620	619	641
Transportation	3,490	3,421	3,412	3,549	3,489	3,556	3,417	3,390	3,325	3,346
Totals	30,818	30,394	31,239	32,280	31,470	31,227	30,888	30,977	30,849	30,972
G - Governor's Authority	28,432	27,828	28,803	29,607	28,868	28,634	28,286	28,315	28,157	28,279
J - Judiciary	1,113	1,092	964	950	922	908	894	886	865	845
O - Other Elected Officials	868	831	896	1,147	1,124	1,095	1,062	1,107	1,083	1,065
D - Disability Leave	405	643	576	576	556	590	646	669	744	783
Total	30,818	30,394	31,239	32,280	31,470	31,227	30,888	30,977	30,849	30,972

Notes:

The Indiana Department of Education became a state agency under Governor's Authority in 2021 and was an elected office prior thereto.

In fiscal year 2022, a new payroll system was implemented. As part of this implementation, certain employees were recategorized leading to a difference in classification from years prior.

Employees Other Than Full Time Paid Through The State Comptroller's Office

Function of Government	June 2023	June 2022	June 2021	June 2020	June 2019	June 2018	June 2017	June 2016	June 2015	June 2014
General Government	204	133	190	151	208	188	180	209	185	182
Public Safety	338	288	807	1,368	209	204	159	169	141	410
Health	9	9	7	9	4	1	1	2	1	1
Welfare	57	168	184	162	165	310	298	300	295	319
Conservation, Culture and Development	1,403	1,240	1,343	1,233	1,543	1,513	1,546	1,462	1,433	1,511
Education	58	58	115	138	131	128	155	174	133	127
Transportation	107	80	45	44	115	125	138	110	66	64
Totals	2,176	1,976	2,691	3,105	2,375	2,469	2,477	2,426	2,254	2,614
G - Governor's Authority	2,063	1,904	2,604	3,028	2,286	2,378	2,387	2,312	2,135	2,502
J - Judiciary	22	14	17	12	19	19	19	22	25	25
O - Other Elected Officials	91	58	70	65	70	72	71	92	94	87
Total	2,176	1,976	2,691	3,105	2,375	2,469	2,477	2,426	2,254	2,614

Notes:

In fiscal year 2022, a new payroll system was implemented. As part of this implementation, certain employees were recategorized leading to a difference in classification from years prior.