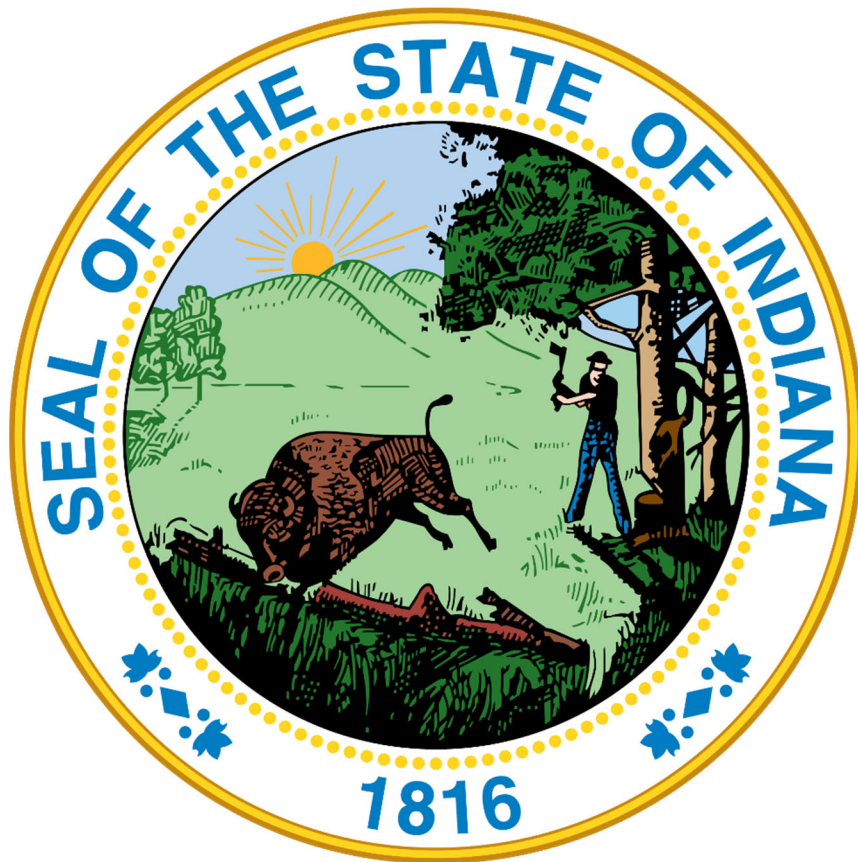


REQUIRED SUPPLEMENTARY INFORMATION



Schedule of Contributions
Employee Retirement Systems and Plans
State Police Retirement Fund
 (amounts expressed in thousands)

	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009
Actuarially determined contribution	\$ 25,957	\$ 20,556	\$ 19,455	\$ 17,119	\$ 17,271	\$ 18,058	\$ 18,210	\$ 16,046	\$ 18,110	\$ 14,318
Contributions in relation to the actuarially determined contribution	25,002	20,556	18,073	13,451	14,005	47,588	16,059	13,240	13,352	13,429
Contribution deficiency (excess)	855	-	1,382	3,668	3,266	(29,530)	2,151	2,806	4,758	889
Covered payroll	87,972	75,731	68,786	68,219	68,490	63,347	66,083	64,948	66,603	68,283
Contributions as a percentage of covered payroll	28.4%	27.1%	26.3%	19.7%	20.4%	75.1%	24.3%	20.4%	20.0%	19.7%

Notes to Schedule:

Valuation date
 June 30, 2018
Actuarial cost method
 Entry age normal cost
Amortization method
 Level percentage of payroll, closed
Remaining amortization period
 23 years
Asset valuation method
 4-year smoothed value
Inflation
 2.25%
Salary increases
 3.5% for the pre-1987 plan; For the 1987 plan, 9% at ages 26 and younger, annual increase reduced 0.5% per year reaching 4% at age 36, annual increases of 4% at ages 36 and older. New salary matrix effective July 1, 2018 is reflected.
Investment rate of return
 6.75%, net of pension plan investment expense, including inflation
Retirement age
Pre-1987 Plan - Retirement rates are based on age with 10% assumed to retire at ages 42-45, 7.5% at ages 46-54, 10% at 55, 12.5% at 56, 15% at 57, 20% at 58, 40% at ages 59 and older, except 100% at 65 (with at least 20 years of service). Based on experience study through June 30, 2010.

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, 2010.

Mortality
 RP-2014 Blue Collar Mortality Tables adjusted to 2006 with MP-2017 Mortality Improvement Scale.

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.
 Actuarially determined contribution includes the statutory pension contribution and the statutory supplemental contribution

Schedule of Contributions
Employee Retirement Systems and Plans
State Police Supplemental Trust
 (amounts expressed in thousands)

	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009
Actuarially determined contribution	\$ 5,049	\$ 5,308	\$ 4,904	\$ 5,195	\$ 4,029	\$ 4,525	\$ 4,167	\$ 4,343	\$ 4,451	\$ 4,193
Contributions in relation to the actuarially determined contribution	4,343	4,259	4,677	4,342	4,545	3,746	4,199	3,573	3,555	3,591
Contribution deficiency (excess)	706	1,049	227	853	(516)	779	(32)	770	896	602
Covered payroll	87,972	75,731	68,786	68,219	68,490	63,347	66,083	64,948	66,603	68,283
Contributions as a percentage of covered payroll	4.9%	5.6%	6.8%	6.4%	6.6%	5.9%	6.4%	5.5%	5.3%	5.3%

Notes to Schedule:

Valuation date
 June 30, 2018

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, 2018 the amortization period is 11.841 years.

Asset valuation method
 Not applicable

Inflation
 2.25%

Salary increases
 3.5% for the pre-1987 plan; For the 1987 plan, 9% at ages 26 and younger, annual increase reduced 0.5% per year reaching 4% at age 36, annual increases of 4% at ages 36 and older. New salary matrix effective July 1, 2018 is reflected.

Investment rate of return
 2.96% net of pension plan investment expense, including inflation. 3.13% as of June 30, 2017. 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, 2010.

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, 2010.

Mortality
 RP-2014 Blue Collar Mortality Tables adjusted to 2006 with MP-2017 Mortality Improvement Scale.

Other information
 Actuarially determined contribution rates are calculated as of July 1, one year prior to the end of the fiscal year in which contributions are reported.

Schedule of Contributions
Employee Retirement Systems and Plans
State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan (EG&C Plan)
 (amounts expressed in thousands)

	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarially determined contribution	\$ 4,393	\$ 4,033	\$ 4,078	\$ 4,820	\$ 5,341	\$ 4,794
Contributions in relation to the actuarially determined contribution	6,175	5,691	5,297	5,215	5,359	19,740
Contribution deficiency (excess)	(1,782)	(1,658)	(1,219)	(395)	(18)	(14,946)
Covered payroll	29,387	27,428	25,526	25,133	25,825	24,675
Contributions as a percentage of covered payroll	21.0%	20.7%	20.8%	20.7%	20.8%	80.0%

Notes to Schedule:

Valuation date

Actuarially determined contribution rates are calculated as of June 30, with an effective date of January 1.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Remaining amortization period

20 years, closed

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.25%

Salary increases

2.5%

Investment rate of return

6.75%

Mortality

RP-2014 Blue Collar Mortality and RP-2014 Disability Tables, with Social Security Administration generational improvement scale from 2006.

Other information

The actuarially determined contribution amounts are based on the average of the actuarially determined contribution rates developed in the actuarial valuations completed one year and two years prior to the beginning of the fiscal year, multiplied by actual payroll during the fiscal year. Member census data as of the prior year end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project the liabilities computed as of prior year end to the current year measurement date.

The effort and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Contributions
Employee Retirement Systems and Plans
Prosecuting Attorneys' Retirement Fund
 (amounts expressed in thousands)

	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarially determined contribution	\$ 2,533	\$ 2,148	\$ 1,381	\$ 1,419	\$ 2,345	\$ 2,542
Contributions in relation to the actuarially determined contribution	3,014	1,486	1,440	1,063	1,174	19,443
Contribution deficiency (excess)	(481)	662	(59)	356	1,171	(16,901)
Covered payroll	21,578	22,635	21,372	21,145	20,608	18,805
Contributions as a percentage of covered payroll	14.0%	6.6%	6.7%	5.0%	5.7%	103.4%

Notes to Schedule:

Valuation date

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Remaining amortization period

20 years, closed

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.25%

Salary increases

4.0%

Investment rate of return

6.75%

Mortality

RP-2014 White Collar and RP-2014 Disability Mortality Tables, with Social Security Administration generational improvement scale from 2006.

Other information

The actuarially determined contribution amounts are developed in the actuarial valuations completed one year prior to the beginning of the fiscal year. Member census data as of the prior year end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project the liabilities computed as of prior year end to the current year measurement date.

The effort and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Contributions
Employee Retirement Systems and Plans
Legislators' Defined Benefit Plan
(amounts expressed in thousands)

	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarially determined contribution	\$ 237	\$ 170	\$ 138	\$ 119	\$ 138	\$ 140
Contributions in relation to the actuarially determined contribution	237	135	138	131	138	150
Contribution deficiency (excess)	-	35	-	(12)	-	(10)
Covered payroll	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

Notes to Schedule:

Valuation date

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Actuarial cost method

Entry age normal (Level Percent of Payroll) for accounting and Traditional Unit Credit for funding

Amortization method

Level dollar

Remaining amortization period

5 years, closed

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.25%

Salary increases

2.25%

Investment rate of return

6.75%

Retirement age

Mortality

RP-2014 White Collar and RP-2014 Disability Mortality Tables, with Social Security Administration generational improvement scale from 2006.

Other information

Based on the actuarial assumptions and methods, an actuarially determined contribution amount is computed. The INPRS Board of Trustees considers this information when requesting appropriations from the State. Member census data as of the prior end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project liabilities computed as of prior year end to the current year measurement date. N/A is not applicable as this is a closed plan with no payroll.

The effort and costs to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Contributions
Employee Retirement Systems and Plans
Judges' Retirement System
 (amounts expressed in thousands)

	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarially determined contribution	\$ 14,853	\$ 14,335	\$ 17,485	\$ 18,865	\$ 27,648	\$ 25,458
Contributions in relation to the actuarially determined contribution	15,117	16,824	16,946	21,020	20,895	111,419
Contribution deficiency (excess)	(264)	(2,489)	539	(2,155)	6,753	(85,961)
Covered payroll	53,350	54,755	51,382	48,582	46,041	47,595
Contributions as a percentage of covered payroll	28.3%	30.7%	33.0%	43.3%	45.4%	234.1%

Notes to Schedule:

Valuation date

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Remaining amortization period

20 years, closed

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.25%

Salary increases

2.5%

Investment rate of return

6.75%

Mortality

RP-2014 White Collar and RP-2014 Disability Mortality Tables, with Social Security Administration generational improvement scale from 2006

Other information

The actuarially determined contribution amounts are developed in the actuarial valuations completed one year prior to the beginning of the fiscal year. Member census data as of the prior year end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project the liabilities computed as of prior year end to the current year measurement date.

The effort and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Contributions
Employee Retirement Systems and Plans
Public Employees' Retirement Fund
(amounts expressed in thousands)

	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarially determined contribution	\$ 148,871	\$ 140,631	\$ 143,499	\$ 133,755	\$ 134,976	\$ 114,353
Contributions in relation to the actuarially determined contribution	148,871	140,631	143,499	133,755	134,976	114,353
Contribution deficiency (excess)	-	-	-	-	-	-
State's covered payroll	1,305,016	1,276,857	1,199,921	1,162,622	1,213,031	1,173,716
Contributions as a percentage of covered payroll	11.4%	11.0%	12.0%	11.5%	11.1%	9.7%

Notes to Schedule:

Valuation date

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Remaining amortization period

20 years, closed

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.25%

Salary increases

2.50% - 4.25%

Investment rate of return

6.75%

Mortality

RP-2014 Total Data Set and RP-2014 Disability Mortality Tables, with Social Security Administration generational improvement scale from 2006.

Other information

The INPRS Board sets, at its discretion, the State's employer contribution rate upon considering the results of the actuarial valuation and other analysis as appropriate. The actuarially determined contribution rate for the State for the fiscal year ended 6/30/14 was 11.17%; however, the INPRS Board approved a State employer contribution rate of 11.20%. The actuarially determined contribution rate for the State for the fiscal year ended 6/30/15 was 10.55%; however, the INPRS Board approved a State employer contribution rate of 11.20%. The actuarially determined contribution rate for the State for the fiscal year ended 6/30/16 was 9.80%; however, the INPRS Board approved a State employer contribution rate of 11.20%. The actuarially determined contribution rate for the State for the fiscal year ended 6/30/17 was 10.11%; however, the INPRS Board approved a State employer contribution rate of 11.20%. The actuarially determined contribution rate for the State for the fiscal year ended 6/30/18 was 9.89%; however, the INPRS Board approved a State employer contribution rate of 11.20%. The actual dollar amount of the State's contributions depends on the actual payroll for the fiscal year.

Member census data as of the prior year end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project the liabilities computed as of prior year end to the current year measurement date.

The effort and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Contributions
Employee Retirement Systems and Plans
Teachers' Retirement Fund Pre-1996 Account
(amounts expressed in thousands)

	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Statutorily determined contribution	\$ 918,021	\$ 871,141	\$ 887,643	\$ 845,774	\$ 825,617	\$ 1,003,847
Contributions in relation to the statutorily required contribution	918,021	871,141	887,643	845,774	825,617	1,003,847
Contribution deficiency (excess)	-	-	-	-	-	-

Notes to Schedule:

Valuation date

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Remaining amortization period

5 years, closed

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.25%

Salary increases

2.5% - 12.5%

Investment rate of return

6.75%

Mortality

RP-2014 White Collar and RP-2014 Disability Mortality Tables, with Social Security Administration generational improvement scale from 2006.

Other information

Member census data as of the prior year end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project the liabilities computed as of prior year end to the current year measurement date.

The effort and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Contributions
Employee Retirement Systems and Plans
Teachers' Retirement Fund 1996 Account
(amounts expressed in thousands)

	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarially determined contribution	\$ 814	\$ 879	\$ 758	\$ 772	\$ 735	\$ 761
Contributions in relation to the actuarially determined contribution	814	879	758	772	735	761
Contribution deficiency (excess)	-	-	-	-	-	-
State's covered payroll	11,016	11,722	10,108	10,288	10,380	10,150
Contributions as a percentage of covered payroll	7.4%	7.5%	7.5%	7.5%	7.1%	7.5%

Notes to Schedule:

Valuation date

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Actuarial cost method

Entry age normal (Level Percent of Payroll)

Amortization method

Level dollar

Remaining amortization period

20 years, closed

Asset valuation method

5 year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.

Inflation

2.25%

Salary increases

2.5% - 12.5%

Investment rate of return

6.75%

Mortality

RP-2014 White Collar and RP-2014 Disability Mortality Tables, with Social Security Administration generational improvement scale from 2006.

Other information

Member census data as of the prior year end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project the liabilities computed as of prior year end to the current year measurement date.

The effort and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Contributions
Other Postemployment Benefit Plans
State Personnel Healthcare Plan
 (amounts expressed in thousands)

	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009
Actuarially determined contribution	\$ 3,042	\$ 3,060	\$ 1,538	\$ 1,839	\$ 1,010	\$ 941	\$ 2,964	\$ 4,664	\$ 6,292	\$ 7,716
Contributions in relation to the actuarially determined contribution	3,384	4,802	2,977	3,667	3,200	4,203	33,850	16,922	1,913	1,796
Contribution deficiency (excess)	(342)	(1,742)	(1,439)	(1,728)	(2,190)	(3,262)	(30,866)	(12,258)	4,379	5,920
Covered-employee payroll	1,296,877	1,245,383	1,148,771	1,180,296	1,219,424	1,178,197	1,170,773	1,184,288	1,251,207	1,293,479
Contributions as a percentage of covered-employee payroll	0.3%	0.4%	0.3%	0.3%	0.3%	0.4%	2.9%	1.4%	0.2%	0.1%

Notes to Schedule:

Valuation date
 July 1, 2017 with results actuarially projected on a "no gain / no loss" basis to get to the June 30, 2018 measurement date

Actuarial cost method
 Entry age normal (Level Percent of Payroll)

Amortization method
 Level dollar

Amortization period
 29 years, closed

Asset valuation method
 Market value of assets

Inflation
 2.25%

Healthcare cost trend rates
 8.5% initial, decreasing 0.5% per year to an ultimate rate of 4.5%

Salary increases
 2.25% for general wage inflation plus merit and productivity increases of 2.0% ages 20 and 30; 1.5% age 40; and 1.0% age 50 (sample rates at select ages only)

Investment rate of return
 3.56% as of July 1, 2017 and 3.87% as of June 30, 2018.

Retirement age
 Annual retirement rates follow the PERF, PARF, and Judges' retirement system rates.

Mortality
 Pre and post retirement mortality rates are based on SS-2012 Employee and Annuitant Mortality Table fully generational using SSA scale

Other information
 Census data as of June 30, 2017 was used in the valuation.

Schedule of Contributions
Other Postemployment Benefit Plans
Indiana State Police Healthcare Plan
(amounts expressed in thousands)

	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009
Actuarially determined contribution	\$ 35,042	\$ 34,980	\$ 30,630	\$ 29,064	\$ 26,030	\$ 27,419	\$ 27,794	\$ 30,155	\$ 42,106	\$ 35,271
Contributions in relation to the actuarially determined contribution	25,814	26,871	34,862	25,320	24,835	11,684	18,627	13,787	9,009	7,910
Contribution deficiency (excess)	9,228	8,109	(4,232)	3,744	1,195	15,735	9,167	16,368	33,097	27,361
Covered-employee payroll	107,914	98,693	91,753	92,130	93,630	93,680	92,494	92,845	N/A	N/A
Contributions as a percentage of covered-employee payroll	23.9%	27.2%	38.0%	27.5%	26.5%	12.5%	20.1%	14.8%	N/A	N/A

Notes to Schedule:

Valuation date
 July 1, 2017 with results actuarially projected on a "no gain / no loss" basis to get to the June 30, 2018 measurement date.
 Actuarial cost method
 Entry age normal (Level Percent of Payroll)
 Amortization method
 Level dollar
 Amortization period
 29 years, closed
 Asset valuation method
 Market value of assets
 Inflation
 2.25%
 Healthcare cost trend rates
 8.5% initial, decreasing 0.5% per year to an ultimate rate of 4.5%
 Salary increases
 2.25% for general wage inflation plus 0.25% for merit and productivity increases for all ages
 Investment rate of return
 3.56% as of July 1, 2017 and 3.87% as of June 30, 2018
 Retirement age
 Annual retirement rates are based on ISP's 2011 experience study
 Mortality
 SS-2012 Total Dataset Mortality Table with blue collar adjustment fully generational using SSA scale
 Other information
 Census data as of June 30, 2017 was used in the valuation.
 N/A is not available.

Schedule of Contributions
Other Postemployment Benefit Plans
Conservation and Excise Police Healthcare Plan
 (amounts expressed in thousands)

	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009
Actuarially determined contribution	\$ 3,831	\$ 3,349	\$ 3,313	\$ 3,124	\$ 2,822	\$ 3,053	\$ 3,675	\$ 4,423	\$ 5,373	\$ 4,178
Contributions in relation to the actuarially determined contribution	6,241	3,718	3,575	2,437	2,482	2,893	6,889	1,336	1,303	982
Contribution deficiency (excess)	(2,410)	(369)	(262)	687	340	160	(3,214)	3,067	4,070	3,196
Covered-employee payroll	16,981	15,602	14,497	15,106	15,969	16,038	15,541	16,263	N/A	N/A
Contributions as a percentage of covered-employee payroll	36.8%	23.8%	24.7%	16.1%	15.5%	18.0%	44.3%	8.2%	N/A	N/A

Notes to Schedule:

Valuation date
 July 1, 2017 with results actuarially projected on a "no gain / no loss" basis to get to the June 30, 2018 measurement date

Actuarial cost method
 Entry age normal (Level Percent of Payroll)

Amortization method
 Level dollar

Amortization period
 29 years, closed

Asset valuation method
 Market value of assets

Initiation
 2.25%

Healthcare cost trend rates
 8.5% initial, decreasing 0.5% per year to an ultimate rate of 4.5%

Salary increases
 2.25% for general wage inflation plus 0.25% for merit and productivity increases

Investment rate of return
 3.56% as of July 1, 2017 and 3.87% as of June 30, 2018

Retirement age
 Age 45 = 3%; ages 46-49 = 2%; age 50 = 3%; ages 51-59 = 15%; ages 60-64 = 40%; and age 65+ = 100%

Mortality
 SS-2012 Total Dataset Mortality Table with blue collar adjustment fully generational using SSA scale

Other information
 Census data as of June 30, 2017 was used in the valuation.
 N/A is not available.

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
State Police Retirement Fund
(amounts expressed in thousands)

	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Total pension liability					
Service cost	\$ 14,409	\$ 14,537	\$ 14,356	\$ 13,747	\$ 13,576
Interest	39,358	37,930	35,912	34,935	33,758
Changes of benefit terms	-	-	275	269	147
Differences between expected and actual experience	42,319	(562)	4,765	778	1,112
Changes of assumptions	(6,232)	(5)	9,230	775	533
Benefit payments, including refunds of employee contributions	(34,228)	(33,677)	(34,955)	(32,923)	(30,724)
Net change in total pension liability	55,626	18,223	29,583	17,581	18,402
Total pension liability, beginning	588,603	570,380	540,797	523,216	504,814
Total pension liability, ending	\$ 644,229	\$ 588,603	\$ 570,380	\$ 540,797	\$ 523,216
Plan fiduciary net position					
Contributions, employer	\$ 20,556	\$ 18,073	\$ 13,451	\$ 14,005	\$ 47,588
Contributions, employee	3,997	4,043	3,967	3,763	3,786
Net investment income	41,977	(10,454)	(990)	44,883	29,787
Benefit payments, including refunds of employee contributions	(34,228)	(33,677)	(34,955)	(32,923)	(30,724)
Administrative expense	(388)	(306)	(300)	(307)	(261)
Other	1	1	-	(11)	2
Net change in plan fiduciary net position	31,915	(22,320)	(18,827)	29,410	50,178
Plan fiduciary net position, beginning	426,851	449,171	467,998	438,588	388,410
Plan fiduciary net position, ending	\$ 458,766	\$ 426,851	\$ 449,171	\$ 467,998	\$ 438,588
Net pension liability	\$ 185,463	\$ 161,752	\$ 121,209	\$ 72,799	\$ 84,628
Plan fiduciary net position as a percentage of the total pension liability	71.2%	72.5%	78.7%	86.5%	83.8%
Covered payroll	75,731	68,786	68,219	68,490	63,347
Net pension liability as a percentage of covered payroll	244.9%	235.2%	177.7%	106.3%	133.6%

Notes to Schedule:

Measurement date: Actuarial valuation reports from the prior fiscal year.

Benefit changes. There were no changes in benefit terms during the fiscal year.

Changes of assumptions. 6/30/2017 Mortality Assumption: The mortality improvement scale was changed to the MP-2016 Scale. 6/30/2016 Mortality Assumption: Mortality rates for healthy members were based on the RP-2014 Blue Collar Mortality Tables adjusted to 2006 with MP-2015 Mortality Improvement Scale. Mortality rates for disabled members were based on the RP-2014 Mortality tables for disabled members adjusted to 2006 with MP-2015 Mortality Improvement Scale. 6/30/2015 Mortality Assumption: Mortality rates for healthy members were based on the RP-2014 Blue Collar Mortality Tables adjusted to 2006 with MP-2015 Mortality Improvement Scale. Mortality rates for disabled members were based on the RP-2014 Mortality tables for disabled members adjusted to 2006 with MP-2015 Mortality Improvement Scale. 6/30/2014 Mortality Assumption: Mortality rates for healthy members were based on the 2014 separate non-annuitant and annuitant mortality tables (separate male and female tables) as published by the IRS. Mortality rates for disabled members were based on the same tables increased by 115% for disabled retirements and disabled terminations with deferred benefits. 6/30/2013 Mortality Assumption: Mortality rates for healthy members were based on the 2013 separate non-annuitant and annuitant mortality tables (separate male and female tables) as published by the IRS. Mortality rates for disabled members were based on the same tables increased by 115% for disabled retirements and disabled terminations with deferred benefits.

The effort and cost to recreate financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
State Police Supplemental Trust
(amounts expressed in thousands)

	<u>6/30/2017</u>	<u>6/30/2016</u>
Total pension liability		
Service cost	\$ 4,422	\$ 3,776
Interest	582	1,143
Differences between expected and actual experience	(59)	(476)
Changes of assumptions	(645)	4,125
Benefit payments, including refunds of employee contributions, and administrative and other expenses	<u>(4,259)</u>	<u>(4,677)</u>
Net change in total pension liability	41	3,891
Total pension liability, beginning	17,043	13,152
Total pension liability, ending	<u>\$ 17,084</u>	<u>\$ 17,043</u>
Plan fiduciary net position as a percentage of the total pension liability	0.0%	0.0%
Covered payroll	75,731	68,786
Net pension liability as a percentage of covered payroll	22.6%	24.8%

Notes to Schedule:

Benefit changes. There were no changes in benefit terms during the fiscal year.

Measurement date: Actuarial valuation report from the prior fiscal year.

Changes of assumptions. Mortality rates for healthy members were based on the RP-2014 Blue Collar Mortality Tables adjusted from 2006 using MP-2016 Mortality Improvement Scale. Mortality rates for disabled members were based on the RP-2014 Mortality tables for disabled members adjusted from 2006 using MP-2016 Mortality Improvement Scale.

3.13% discount rate, net of pension plan investment expense, including inflation at June 30, 2017. Discount rate of 2.71% at June 30, 2016. Rate is S&P Municipal Bond 20 year high grade rate index. Rate prior to June 30, 2016 was 6.75%.

Actuarially determined contribution rates are calculated as of July 1, one year prior to the end of the fiscal year in which contributions are reported. For the July 1, 2016 actuarial valuation, the inflation assumption was reduced from 3.50% to 2.25%. For the July 1, 2017 actuarial valuation the inflation assumption rate remained at 2.25%.

The effort and cost to recreate financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2016 for GASB-S73 purposes.

Schedule of Changes in Net Pension Liability and Related Ratios

Employee Retirement Systems and Plans

State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan

(amounts expressed in thousands)

	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Total pension liability					
Service cost	\$ 3,550	\$ 3,011	\$ 3,905	\$ 3,841	\$ 3,811
Interest	9,389	8,955	8,384	8,031	7,740
Differences between expected and actual experience	120	470	845	(430)	(1,845)
Changes of assumptions	(2,578)	-	2,669	-	(40)
Benefit payments, including refunds of employee contributions	(6,826)	(6,267)	(6,608)	(5,938)	(4,836)
Member reassignments	(26)	-	-	-	(15)
Other	9	-	-	-	-
Net change in total pension liability	3,638	6,169	9,195	5,504	4,815
Total pension liability, beginning	138,965	132,796	123,601	118,097	113,282
Total pension liability, ending	\$ 142,603	\$ 138,965	\$ 132,796	\$ 123,601	\$ 118,097
Plan fiduciary net position					
Contributions, employer	\$ 5,691	\$ 5,367	\$ 5,215	\$ 5,359	\$ 19,740
Contributions, employee	1,102	1,016	1,004	1,019	1,006
Net investment income	8,869	1,313	(71)	13,339	4,702
Benefit payments, including refunds of employee contributions	(6,825)	(6,245)	(6,609)	(5,938)	(4,836)
Administrative expense	(124)	(139)	(158)	(141)	(121)
Member reassignments	(26)	(21)	-	-	(15)
Net change in plan fiduciary net position	8,687	1,291	(619)	13,638	20,476
Plan fiduciary net position, beginning	111,329	110,038	110,657	97,019	76,543
Plan fiduciary net position, ending	\$ 120,016	\$ 111,329	\$ 110,038	\$ 110,657	\$ 97,019
Net pension liability	\$ 22,587	\$ 27,636	\$ 22,758	\$ 12,944	\$ 21,078
Plan fiduciary net position as a percentage of the total pension liability	84.2%	80.1%	82.9%	89.5%	82.2%
Covered payroll	27,428	25,526	25,133	25,825	24,675
Net pension liability as a percentage of covered payroll	82.4%	108.3%	90.6%	50.1%	85.4%

Notes to Schedule:

Measurement date: Actuarial valuation reports from the prior fiscal year.

Benefit changes. There were no changes to the plan that impacted the pension benefits during the fiscal year.

Changes of assumptions. An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) The inflation assumption changed from 3.0% per year to 2.25% per year; 2) the future salary increases assumption changed from 3.25% to 2.5% per year; 3) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 (with MP-2014 improvement removed) Blue Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report; 4) the retirement assumption changed to reflect higher likelihood of retirement at certain ages; 5) the termination assumption changed from an age-based table to a service-based table; and 6) the dependent assumption was adjusted to reflect recent experience.

For disabled members, in 2017 the RP-2014 (with MP-2014 improvement removed) Disability Mortality Table was assumed instead of the RP-2014 (with MP-2014 improvement removed) Healthy Annuitant Mortality Tables with collar adjustments.

The effort and cost to recreate financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
Prosecuting Attorneys' Retirement Fund
(amounts expressed in thousands)

	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Total pension liability					
Service cost	\$ 1,650	\$ 1,626	\$ 1,603	\$ 1,587	\$ 1,568
Interest	5,714	5,239	4,409	4,207	3,816
Changes of benefit terms	6,547	-	-	-	1,346
Differences between expected and actual experience	1,996	4,058	4,551	-	1,474
Changes of assumptions	(216)	-	5,216	-	(109)
Benefit payments, including refunds of employee contributions	(4,069)	(3,747)	(3,254)	(2,398)	(2,235)
Other	-	(3)	-	-	-
Net change in total pension liability	11,622	7,173	12,525	3,396	5,860
Total pension liability, beginning	85,033	77,861	65,336	61,940	56,080
Total pension liability, ending	<u>\$ 96,655</u>	<u>\$ 85,034</u>	<u>\$ 77,861</u>	<u>\$ 65,336</u>	<u>\$ 61,940</u>
Plan fiduciary net position					
Contributions, employer	\$ 1,486	\$ 1,440	\$ 1,063	\$ 1,174	\$ 19,443
Contributions, employee	1,358	1,279	1,269	1,334	1,271
Net investment income	4,167	589	(34)	6,581	1,897
Benefit payments, including refunds of employee contributions	(4,071)	(3,747)	(3,254)	(2,398)	(2,235)
Administrative expense	(157)	(193)	(127)	(108)	(145)
Other	-	-	-	4	-
Net change in plan fiduciary net position	2,783	(632)	(1,083)	6,587	20,231
Plan fiduciary net position, beginning	52,792	53,424	54,507	47,920	27,689
Plan fiduciary net position, ending	<u>\$ 55,575</u>	<u>\$ 52,792</u>	<u>\$ 53,424</u>	<u>\$ 54,507</u>	<u>\$ 47,920</u>
Net pension liability	<u>\$ 41,080</u>	<u>\$ 32,242</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	57.5%	62.1%	68.6%	83.4%	77.4%
Covered payroll	22,635	21,372	21,145	20,608	18,805
Net pension liability as a percentage of covered payroll	181.5%	150.9%	115.6%	52.5%	74.6%

Notes to Schedule:

Measurement date: Actuarial valuation reports from the prior fiscal year.

Benefit changes. Per 2016 Senate Enrolled Act No. 265, the PERF offset reflected in the PARF benefit formula was changed to be the actual PERF benefit amount the member is receiving for 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. In 2013, HB 1057 changed the benefits in the Prosecuting Attorneys' Retirement Fund to be comparable to the Judges' Retirement Fund.

Changes of assumptions. In 2013, the interest crediting rate on member contributions was changed to 3.5% from 5.5%. An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) The inflation assumption changed from 3.0% per year to 2.25% per year 2) The mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 (with MP-2014 improvement removed) White Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report; and 3) the retirement assumption changed from an age and points-based table to an age and service-based table, reflecting higher rates of retirement after 22 years of service. In 2017, for disabled members, the mortality assumption was updated from the RP-2014 (with MP-2014 improvement removed) White collar Mortality tables to the RP-2014 (with MP-2014 improvement removed) Disability Mortality tables.

The effort and cost to recreate financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
Legislators' Defined Benefit Plan
(amounts expressed in thousands)

	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Total pension liability					
Service cost	\$ 1	\$ 2	\$ 3	\$ 3	\$ 2
Interest	259	280	269	277	291
Differences between expected and actual experience	(113)	(233)	(68)	(36)	(140)
Changes of assumptions	-	-	325	-	-
Benefit payments, including refunds of employee contributions	(358)	(359)	(370)	(363)	(365)
Net change in total pension liability	(211)	(310)	159	(119)	(212)
Total pension liability, beginning	4,015	4,325	4,166	4,285	4,497
Total pension liability, ending	<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	\$ 135	\$ 138	\$ 131	\$ 138	\$ 150
Net investment income	221	27	(5)	439	201
Benefit payments, including refunds of employee contributions	(356)	(359)	(370)	(363)	(365)
Administrative expense	(53)	(61)	(71)	(62)	(34)
Net change in plan fiduciary net position	(53)	(255)	(315)	152	(48)
Plan fiduciary net position, beginning	2,918	3,174	3,489	3,337	3,385
Plan fiduciary net position, ending	<u>\$ 2,865</u>	<u>\$ 2,919</u>	<u>\$ 3,174</u>	<u>\$ 3,489</u>	<u>\$ 3,337</u>
Net pension liability	<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	75.3%	72.7%	73.4%	83.7%	77.9%
Covered payroll	N/A	N/A	N/A	N/A	N/A
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:

Measurement date: Actuarial valuation reports from the prior fiscal year.

Benefit changes: There were no changes to the plan that impacted the pension benefits during the fiscal year.

Changes of assumptions: An assumption study was performed in April of 2015 resulting in an update to the following 'assumptions: 1) The inflation assumption changed from 3.0% per year to 2.25% per year; and 2) The mortality 'assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 (with MP-2014 improvement removed) White Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report. For disabled members, in 2017, the RP-2014 (with MP-2014 improvement removed) Disability Mortality Table was assumed instead of the RP-2014 (with MP-2014 improvement removed) Healthy Annuitant Mortality Tables with collar adjustments.

N/A is not applicable as this is a closed plan with no payroll.

The effort and cost to recreate financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Changes in Net Pension Liability and Related Ratios
Employee Retirement Systems and Plans
Judges' Retirement System
(amounts expressed in thousands)

	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Total pension liability					
Service cost	\$ 14,762	\$ 13,870	\$ 15,283	\$ 15,302	\$ 16,084
Interest	34,083	31,889	31,753	30,992	30,047
Differences between expected and actual experience	(3,107)	7,182	8,411	(16,026)	(13,603)
Changes of assumptions	(1,213)	-	(31,926)	-	186
Benefit payments, including refunds of employee contributions	(22,099)	(20,922)	(19,432)	(18,527)	(17,579)
Member reassignments	-	-	-	4	121
Other	183	162	-	-	-
Net change in total pension liability	22,609	32,181	4,089	11,745	15,256
Total pension liability, beginning	501,126	468,945	464,855	453,110	437,854
Total pension liability, ending	\$ 523,735	\$ 501,126	\$ 468,944	\$ 464,855	\$ 453,110
Plan fiduciary net position					
Contributions, employer	\$ 16,824	\$ 16,946	\$ 21,020	\$ 20,895	\$ 111,419
Contributions, employee	3,468	3,239	3,292	2,856	2,631
Net investment income	35,197	5,323	(102)	51,890	16,955
Benefit payments, including refunds of employee contributions	(22,100)	(20,922)	(19,432)	(18,527)	(17,579)
Administrative expense	(124)	(148)	(165)	(146)	(126)
Member reassignments	-	-	-	4	121
Other	-	-	9	6	5
Net change in plan fiduciary net position	33,265	4,438	4,622	56,978	113,426
Plan fiduciary net position, beginning	441,790	437,352	432,730	375,752	262,326
Plan fiduciary net position, ending	\$ 475,055	\$ 441,790	\$ 437,352	\$ 432,730	\$ 375,752
Net pension liability	\$ 48,680	\$ 59,336	\$ 31,592	\$ 32,125	\$ 77,358
Plan fiduciary net position as a percentage of the total pension liability	90.7%	88.2%	93.3%	93.1%	82.9%
Covered payroll	54,755	51,382	48,582	46,041	47,595
Net pension liability as a percentage of covered payroll	88.9%	115.5%	65.0%	69.8%	162.5%

Notes to Schedule:

Measurement date: Actuarial valuation reports from the prior fiscal year.

Benefit changes. There were no changes to the plan that impacted the pension benefits during the fiscal year.

Changes of assumptions. An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) The inflation assumption changed from 3.0% per year to 2.25% per year; 2) the future salary increases assumption changed from 4.0% to 2.5% per year; 3) the cost-of-living assumption decreased from 4.0% to 2.5% per year; 4) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 (with MP-2014 improvement removed) White Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report; 5) the retirement assumption changed from an age-based table to an age and service based table, reflecting higher rates of retirement after 22 years of service; 6) the termination assumption changed from an age-based table to 3% for all members; and 7) the dependent assumption was adjusted to reflect recent experience. For disabled members, in 2017 the RP-2014 (with MP-2014 improvement removed) Disability Mortality Table was assumed instead of the RP-2014 (with MP-2014 improvement removed) Healthy Annuitant Mortality Tables with collar adjustments.

The effort and cost to recreate financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

**Schedule of the State's Proportionate Share of the Net Pension Liability
Employee Retirement Systems and Plans
Public Employees' Retirement Fund
(amounts expressed in thousands)**

	<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>
	25.74%	25.04%	24.27%	24.85%	24.45%
State's proportion of the net pension liability (asset)					
State's proportionate share of the net pension liability (asset)	\$ 1,148,261	\$ 1,136,293	\$ 988,605	\$ 652,920	\$ 837,311
State's covered payroll	1,276,857	1,199,921	1,162,622	1,213,031	1,173,716
State's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	89.9%	94.7%	85.0%	53.8%	71.3%
Plan fiduciary net position as a percentage of the total pension liability	76.6%	75.3%	77.3%	84.3%	78.8%

Notes to Schedule:

Measurement date: Actuarial valuation reports from the prior fiscal year.
Benefit changes. There were no changes to the plan that impacted pension benefits during the fiscal year.
Plan amendments. In 2014, HB 1075 impacted the PERF by reducing the Annuity Savings Account (ASA) interest crediting rate on annuities from 7.5% to 5.75% effective October 1, 2014. Effective October 1, 2015 the rate becomes the greater of 4.5% or market rate. On January 1, 2017, the ASA annuities are allowed to be outsourced to a third party provider. Beginning January 1, 2018 ASA annuitizations were accommodated through a third party provider.
Changes of assumptions. An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) the inflation assumption changed from 3.00% to 2.25% per year; 2) the future salary increase assumption changed from an age-based table ranging from 3.25% to 4.5% to an age-based table ranging from 2.50% to 4.25%; 3) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 (with MP-2014 improvement removed) Total Data Set Mortality Table projected on a fully generationally basis using the future mortality improvement scale inherent in the mortality projection included in the Social Security Administration's 2014 Trustee report; 4) the retirement assumption was updated based on recent experience. Additionally, for actives who are eligible for early retirement (reduced benefit), 33% are assumed to commence benefits immediate and 67% are assumed to commence benefits at unreduced retirement eligibility. If eligible for an unreduced retirement benefit upon termination from employment, 100% commence immediately; 5) the termination assumption was updated based on recent experience. For members earning less than \$20,000, the tables were updated from a select and ultimate table to just an ultimate table as there is little correlation with service. For members earning more than \$20,000, the table were updated from using a 5-year select period to a 10-year select period to correspond with the vesting schedule; 6) the disability assumption was updated based on recent experience; and 7) the ASA annuitization assumptions was updated from 50% of members assumed to annuitize their ASA balance to 60% of members assumed to annuitize their ASA balance prior to January 1, 2018. For disabled members, in 2017, the RP-2014 (with MP-2014 improvement removed) Disability Mortality Table was assumed instead of the RP-2014 (with MP-2014 improvement removed) Healthy Annuitant Mortality Tables with collar adjustments.

The effort and cost to recreate financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

**Schedule of the State's Proportionate Share of the Net Pension Liability
Employee Retirement Systems and Plans
Teachers' Retirement Fund Pre-1996 Account
(amounts expressed in thousands)**

	6/30/2017 100.00%	6/30/2016 100.00%	6/30/2015 100.00%	6/30/2014 100.00%	6/30/2013 100.00%
State's proportion of the net pension liability (asset)	\$ 11,919,139	\$ 12,052,671	\$ 11,917,837	\$ 10,853,349	\$ 11,248,396
State's proportionate share of the net pension liability (asset)	28.8%	28.4%	30.0%	33.6%	31.7%
Plan fiduciary net position as a percentage of the total pension liability					

Notes to Schedule:

Measurement date: Actuarial valuation reports from the prior fiscal year.

Benefit changes: Beginning July 1, 2017, the minimum pension benefit paid to a regularly retired member receiving an unreduced pension benefit is \$185 per month.

Plan amendments: In 2014, HB 1075 impacted the TRF Pre-1996 Account by reducing the Annuity Savings Account (ASA) interest crediting rate on annuities from 7.5% to 5.75% effective October 1, 2014. Effective October 1, 2015 the rate becomes the greater of 4.5% or market rate.

Changes of assumptions: An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) the inflation assumption changed from 3.00% to 2.25% per year; 2) the future salary increase assumption changed from a table ranging from 3.00% to 12.50% to a table ranging from 2.50% to 12.50%; 3) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 White Collar Mortality Table with Social Security Administration generational projection scale from 2006; 4) the retirement assumption was updated based on recent experience; and 5) the termination assumption was updated based on recent experience. For disabled members, in 2017 the mortality assumption was changed to the RP-2014 Disabled Mortality Table with generational improvements from 2006 based on the 2014 Social Security Administration Trustee's Report.

The effort and cost to recreate financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of the State's Proportionate Share of the Net Pension Liability
Employee Retirement Systems and Plans
Teachers' Retirement Fund 1996 Account
(amounts expressed in thousands)

	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
	0.39%	0.35%	0.38%	0.40%	0.42%
State's proportion of the net pension liability (asset)	\$ 2,571	\$ 2,739	\$ 1,977	\$ 191	\$ 1,310
State's proportionate share of the net pension liability (asset)	11,722	10,108	10,288	10,380	10,150
State's covered payroll	21.9%	27.1%	19.2%	1.8%	12.9%
State's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	90.4%	87.8%	91.1%	99.1%	93.4%
Plan fiduciary net position as a percentage of the total pension liability					

Notes to Schedule:

Measurement date: Actuarial valuation reports from the prior fiscal year.

Benefit changes: Beginning July 1, 2017, the minimum pension benefit paid to a regularly retired member receiving an unreduced pension benefit is \$185/month. Plan amendments. In 2014, HB 1075 impacted the PERF by reducing the Annuity Savings Account (ASA) interest crediting rate on annuities from 7.5% to 5.75% effective October 1, 2014. Effective October 1, 2015 the rate becomes the greater of 4.5% or market rate.

Beginning January 1, 2018 ASA annuitizations were accommodated through a third party provider.

Changes of assumptions: An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) The inflation assumption changed from 3.00% to 2.25% per year; 2) the future salary increases assumption changed from a table ranging from 3.00% to 12.50% to a table ranging from 2.50% to 12.50%; 3) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to 'the RP-2014 White Collar Mortality Table with Social Security Administration generational projection scale from 2006; 4) the retirement assumption was updated based on recent experience; and 5) the termination assumption was updated based on recent experience. For disabled members, in 2017 the mortality assumption was changed to the RP-2014 Disabled Mortality Table with generational improvements from 2006 based on the 2014 Social Security Administration Trustee's Report.

The effort and cost to recreate financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2013 for GASB-S68 purposes.

Schedule of Changes in the Net OPEB Liability and Related Ratios
Other Postemployment Benefit Plans
State Personnel Healthcare Plan
(amounts expressed in thousands)

	<u>6/30/2018</u>	<u>6/30/2017</u>
Total OPEB liability		
Service cost	\$ 2,113	\$ 2,334
Interest	1,910	1,536
Differences between expected and actual experience	(5,332)	(121)
Changes of assumptions	(1,164)	(1,081)
Benefit payments	(3,042)	(4,404)
Net change in total OPEB liability	<u>(5,515)</u>	<u>(1,736)</u>
Total OPEB liability, beginning	53,040	54,776
Total OPEB liability, ending	<u>\$ 47,525</u>	<u>\$ 53,040</u>
Plan fiduciary net position		
Contributions, employer	\$ 3,384	\$ 4,802
Net investment income	547	292
Benefit payments	(3,042)	(4,404)
Administrative expense	(398)	(418)
Net change in plan fiduciary net position	<u>491</u>	<u>272</u>
Plan fiduciary net position, beginning	44,998	44,726
Plan fiduciary net position, ending	<u>\$ 45,489</u>	<u>\$ 44,998</u>
Net OPEB liability	<u>\$ 2,036</u>	<u>\$ 8,042</u>
Plan fiduciary net position as a percentage of the total OPEB liability	95.7%	84.8%
Covered-employee payroll	1,296,877	1,245,383
Net OPEB liability as a percentage of covered-employee payroll	0.2%	0.6%

Notes to Schedule:*Changes of assumptions:*

1. Trend rates for medical and prescription drug benefits have an initial rate of 8.50% decreasing by 0.50% annually to an ultimate rate of 4.5%.
2. Discount rate was updated from 3.56% as of July 1, 2017 to 3.87% as of June 30, 2018 to reflect the yield for 20-year tax-exempt general obligation municipal bonds as of June 30, 2018.

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>6/30/2018</u>	<u>6/30/2017</u>
Total OPEB liability		
Service cost	\$ 17,811	\$ 24,701
Interest	19,726	16,987
Changes of benefit terms	-	(34,808)
Differences between expected and actual experience	(21,242)	3,921
Changes of assumptions	(27,946)	(48,451)
Benefit payments	(6,994)	(8,656)
Net change in total OPEB liability	<u>(18,645)</u>	<u>(46,306)</u>
Total OPEB liability, beginning	539,736	586,042
Total OPEB liability, ending	<u>\$ 521,091</u>	<u>\$ 539,736</u>
Plan fiduciary net position		
Contributions, employer	\$ 25,814	\$ 26,871
Contributions, employee	404	473
Net investment income	1,422	508
Benefit payments	(6,994)	(8,656)
Administrative expense	(606)	(589)
Net change in plan fiduciary net position	<u>20,040</u>	<u>18,607</u>
Plan fiduciary net position, beginning	97,323	78,716
Plan fiduciary net position, ending	<u>\$ 117,363</u>	<u>\$ 97,323</u>
Net OPEB liability	<u>\$ 403,728</u>	<u>\$ 442,413</u>
Plan fiduciary net position as a percentage of the total OPEB liability	22.5%	18.0%
Covered-employee payroll	107,914	98,693
Net OPEB liability as a percentage of covered-employee payroll	374.1%	448.3%

Notes to Schedule:*Changes of assumptions:*

1. Trend rates for medical and prescription drug benefits have an initial rate of 8.50% decreasing by 0.50% annually to an ultimate rate of 4.5%.
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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>6/30/2018</u>	<u>6/30/2017</u>
Total OPEB liability		
Service cost	\$ 1,795	\$ 2,327
Interest	2,035	1,956
Changes of benefit terms	-	(7,023)
Differences between expected and actual experience	5,739	(1,654)
Changes of assumptions	(3,387)	(5,925)
Benefit payments	(1,303)	(1,305)
Net change in total OPEB liability	<u>4,879</u>	<u>(11,624)</u>
Total OPEB liability, beginning	<u>56,024</u>	<u>67,648</u>
Total OPEB liability, ending	<u>\$ 60,903</u>	<u>\$ 56,024</u>
Plan fiduciary net position		
Contributions, employer	\$ 6,241	\$ 3,718
Net investment income	213	79
Benefit payments	(1,303)	(1,305)
Administrative expense	(91)	(82)
Net change in plan fiduciary net position	<u>5,060</u>	<u>2,410</u>
Plan fiduciary net position, beginning	<u>15,176</u>	<u>12,766</u>
Plan fiduciary net position, ending	<u>\$ 20,236</u>	<u>\$ 15,176</u>
Net OPEB liability	<u>\$ 40,667</u>	<u>\$ 40,848</u>
Plan fiduciary net position as a percentage of the total OPEB liability	33.2%	27.1%
Covered-employee payroll	16,981	15,602
Net OPEB liability as a percentage of covered-employee payroll	239.5%	261.8%

Notes to Schedule:*Changes of assumptions:*

1. Trend rates for medical and prescription drug benefits have an initial rate of 8.50% decreasing by 0.50% annually to an ultimate rate of 4.5%.
2. Discount rate was updated from 3.56% as of July 1, 2017 to 3.87% as of June 30, 2018 to reflect the yield for 20-year tax-exempt general obligation municipal bonds as of June 30, 2018.

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>6/30/2018</u>	<u>6/30/2017</u>
Total OPEB liability		
Service cost	\$ 120	\$ 165
Interest	420	338
Differences between expected and actual experience	(1,527)	864
Changes of assumptions	(385)	(681)
Benefit payments	(620)	(555)
Net change in total OPEB liability	<u>(1,992)</u>	<u>131</u>
Total OPEB liability, beginning	11,987	11,856
Total OPEB liability, ending	<u>\$ 9,995</u>	<u>\$ 11,987</u>
Covered-employee payroll	5,443	5,540
Total OPEB liability as a percentage of covered-employee payroll	183.6%	216.4%

Notes to Schedule:*Changes of assumptions:*

1. Trend rates for medical and prescription drug benefits have an initial rate of 8.50% decreasing by 0.50% annually to an ultimate rate of 4.5%.
2. Discount rate was updated from 3.56% as of July 1, 2017 to 3.87% as of June 30, 2018 to reflect the yield for 20-year tax-exempt general obligation municipal bonds as of June 30, 2018.

The effort and cost to recreate financial statement information for 10 years was not practical.

**Schedule of Investment Returns
Annual Money-Weighted Rate of Return, Net of Investment Expense
Other Postemployment Benefit Plans**

	<u>6/30/2018</u>	<u>6/30/2017</u>
Single-employer defined benefit other postemployment benefit plan:		
State Personnel Healthcare Plan (SPP)	1.2%	0.7%
Indiana State Police Healthcare Plan (ISPP)	1.3%	0.6%
Conservation and Excise Police Healthcare Plan (CEPP)	1.2%	0.6%

Note:

The effort and cost to recreate financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2017 for GASB-S74 purposes.

Budgetary Information

The Governor submits a budget biennially to be adopted by the General Assembly for the ensuing two-year period. The budget covers the general fund and most special revenue funds. The General Assembly enacts the budget through passage of specific appropriations.

The budget bill is enacted as the Appropriations Act that the Governor may veto, subject to legislative override. Except as specifically provided by statute, appropriations or any part thereof remaining unexpended and unencumbered at the close of any fiscal year will lapse and be returned to the fund from which it was appropriated.

The final budget is composed of budgeted amounts as adopted and as amended by supplemental appropriations or appropriation transfers that were necessary during the current year. The State Board of Finance, which consists of the Governor, Auditor of State and Treasurer of State, is empowered to transfer appropriations from one appropriation, fund, or agency of the State to another, with the exception of trust funds. The State Budget Agency may transfer, assign, and reassign almost any appropriation, except those restricted by law, but only when: (1) the uses and purposes to which the funds are transferred are uses and purposes which the agency is permitted or required to perform; and (2) and the transfers are within the same agency of the state to which the appropriation was originally made. Capital appropriations are initially posted to general government. As projects are approved by the State Budget Committee the appropriations are transferred to the function of government from which they are disbursed. In addition, expenditures under many federal grants are required to be spent before they are reimbursed by the federal government. These actions are considered supplemental appropriations; therefore, expenditures do not exceed appropriations for individual funds.

The legal level of budgetary control (the level on which expenditures may not legally exceed appropriations) is maintained at the fund level by the State Budget Agency. When budgets are submitted for each fund, certain recurring expenditures are not budgeted (such as tort claims) according to instructions from the State Budget Agency to the various agencies. The Budget Agency monitors all funds regularly in addition to monitoring excess general fund revenue that will be available at the end of the fiscal year to cover the non-budgeted, recurring expenditures.

State of Indiana
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
(Budgetary Basis)
For the Year Ended June 30, 2018
(amounts expressed in thousands)

	General Fund			Variance to Final Budget
	Budget		Actual	
	Original	Final		
Revenues:				
Taxes:				
Income	\$ 6,610,180	\$ 6,610,180	\$ 6,408,852	\$ (201,328)
Sales	7,630,180	7,630,180	7,725,846	95,666
Fuels	-	-	1,915	1,915
Gaming	418,500	418,500	48,831	(369,669)
Alcohol and tobacco	259,400	259,400	259,900	500
Insurance	240,740	240,740	231,533	(9,207)
Other	279,503	279,503	337,730	58,227
Total taxes	15,438,503	15,438,503	15,014,607	(423,896)
Current service charges	300,598	300,598	214,410	(86,188)
Investment income	23,781	23,781	67,211	43,430
Sales/rents	418	418	124	(294)
Grants	-	-	5,568	5,568
Other	22,600	22,600	40,892	18,292
Total revenues	<u>15,785,900</u>	<u>15,785,900</u>	<u>15,342,812</u>	<u>(443,088)</u>
Expenditures:				
Current:				
General government	893,587	2,545,941	1,007,696	1,538,245
Public safety	1,706,846	1,167,108	1,140,325	26,783
Health	52,073	46,665	45,615	1,050
Welfare	4,019,659	1,437,724	1,201,906	235,818
Conservation, culture and development	212,700	128,914	91,418	37,496
Education	10,353,956	10,598,877	10,216,083	382,794
Transportation	78,794	174,894	168,061	6,833
Debt service:				
Capital lease principal	-	-	3,031	(3,031)
Capital lease interest	-	-	526	(526)
Total expenditures	<u>17,317,615</u>	<u>16,100,123</u>	<u>13,874,661</u>	<u>2,225,462</u>
Excess of revenues over (under) expenditures	(1,531,715)	(314,223)	1,468,151	(1,782,374)
Other financing sources (uses):				
Total other financing sources (uses)	<u>(1,546,395)</u>	<u>(1,546,395)</u>	<u>(1,546,395)</u>	<u>-</u>
Net change in fund balances	<u>\$ (3,078,110)</u>	<u>\$ (1,860,618)</u>	<u>(78,244)</u>	<u>\$ 1,782,374</u>
Fund balances July 1, as restated			<u>2,803,301</u>	
Fund balances June 30			<u>\$ 2,725,057</u>	

Public Welfare-Medicaid Assistance				Department of Health and Human Services			
Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
863,230	863,230	1,000,106	136,876	1,191	1,191	815	(376)
-	-	-	-	-	-	-	-
8,492,676	8,492,676	8,455,494	(37,182)	1,346,294	1,346,294	1,605,681	259,387
-	-	4	4	1,918	1,918	100	(1,818)
9,355,906	9,355,906	9,455,604	99,698	1,349,403	1,349,403	1,606,596	257,193
-	-	-	-	1,958	29,147	21,041	8,106
-	-	-	-	4,032	18,601	10,039	8,562
-	-	-	-	85,232	252,273	135,291	116,982
11,448	17,930,017	11,475,302	6,454,715	622,204	2,399,075	1,372,153	1,026,922
-	-	-	-	1,672	9,225	7,387	1,838
-	-	-	-	257	87,158	86,742	416
-	-	-	-	-	6	-	6
-	-	-	-	-	-	61	(61)
-	-	-	-	-	-	2	(2)
11,448	17,930,017	11,475,302	6,454,715	715,355	2,795,485	1,632,716	1,162,769
9,344,458	(8,574,111)	(2,019,698)	(6,554,413)	634,048	(1,446,082)	(26,120)	(1,419,962)
2,226,256	2,226,256	2,226,256	-	262,728	262,728	262,728	-
\$ 11,570,714	\$ (6,347,855)	206,558	\$ 6,554,413	\$ 896,776	\$ (1,183,354)	236,608	\$ 1,419,962
		456,898				(529,852)	
		\$ 663,456				\$ (293,244)	

Budget/GAAP Reconciliation Major Funds

The cash basis of accounting (budgetary basis) is applied to each budget. The budgetary basis differs from GAAP. The major differences between budgetary (non-GAAP) basis and GAAP basis are:

(amounts expressed in thousands)	GENERAL FUND	PUBLIC WELFARE- MEDICAID ASSISTANCE	US DEPARTMENT OF HEALTH & HUMAN SERVICES	Total
Net change in fund balances (budgetary basis)	\$ (78,245)	\$ 206,558	\$ 236,608	\$ 364,920
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)	45,291	(98,479)	(266,909)	(320,096)
Expenditures are recorded when the liability is incurred (GAAP) as opposed to when payment is made (budgetary)	69,592	90,431	(37,892)	122,131
Net change in fund balances (GAAP basis)	\$ 36,638	\$ 198,510	\$ (68,193)	\$ 166,955

Infrastructure - Modified Reporting
Condition Rating of the State's Highways and Bridges

Roads	Average International Roughness Index (IRI), Right Wheel Path (RWP)		
	2018	2017	2016
Interstate Roads (excluding Rest Areas and Weigh Stations)	74.9	77.6	80.0
NHS Roads - Non-Interstate (excluding Rest Areas and Weigh Stations)	95.6	95.1	95.6
Non-NHS Roads	105.2	105.4	105.4

The condition of road pavement is based on the International Roughness Index (IRI), which is a measure of the roughness of the pavement in terms of inches per mile, and applies both to Portland cement concrete (PCC) and hot mix asphalt (HMA) pavements. IRI's range from zero for a pavement that is perfectly smooth to ratings above 170 for a pavement that warrants replacement. The condition index is used to classify roads in excellent condition (0-79), good condition (80-114), satisfactory condition (115-149), fair condition (150-169), and poor condition (170 and above). It is the State's policy to maintain a network average of no more than 101 IRI (RWP). Condition assessments are determined on an annual basis for all roads maintained by INDOT. The ratings provided are based on data gathered during the summer (May to October) for each fiscal year. The data is evaluated and compared to standard criteria by the end of the fiscal year.

Bridges	Average Sufficiency Rating		
	2018	2017	2016
Interstate Bridges	91.5%	90.9%	90.8%
NHS Bridges - Non-Interstate	91.6%	91.7%	91.5%
Non-NHS Bridges	90.4%	90.5%	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.

Infrastructure - Modified Reporting
Comparison of Planned-to-Actual Maintenance/Preservation
(amounts expressed in thousands)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Roads					
Interstate Roads (including Rest Areas and Weigh Stations):					
Planned	\$ 72,028	\$ 246,165	\$ 126,191	\$ 89,148	\$ 161,222
Actual	20,210	171,413	125,283	104,327	160,064
NHS and Non-NHS Roads - Non-Interstate (including Rest Areas and Weigh Stations)					
Planned	408,266	393,319	277,605	146,134	260,501
Actual	338,622	344,826	220,215	167,298	245,864
Roads at State Institutions and Properties					
Planned	3,934	-	260	-	868
Actual	-	453	241	-	322
Total					
Planned	484,228	639,484	404,056	235,282	422,591
Actual	358,832	516,692	345,739	271,625	406,250
Bridges					
Interstate Bridges					
Planned	\$ 132,093	\$ 106,125	\$ 57,794	\$ 59,637	\$ 40,755
Actual	104,728	141,487	82,044	44,736	28,728
NHS Bridges - Non-Interstate					
Planned	74,995	46,003	31,892	46,121	37,982
Actual	46,264	42,633	33,116	38,240	32,121
Non-NHS Bridges					
Planned	193,724	93,649	82,601	79,775	63,939
Actual	186,513	102,920	77,573	67,345	49,030
Bridges at State Institutions and Properties					
Planned	-	-	-	-	-
Actual	-	-	-	-	-
Total					
Planned	400,812	245,777	172,287	185,533	142,676
Actual	337,505	287,040	192,733	150,321	109,879

Source: Indiana Department of Transportation