INDIANA PUBLIC RETIREMENT SYSTEM

TEACHERS' RETIREMENT FUND PRE-1996 ACCOUNT

ACTUARIAL VALUATION

PREPARED AS OF JUNE 30, 2025

CavMac
Actuarial Consulting Services

November 17, 2025

Board of Trustees
Indiana Public Retirement System
1 North Capitol, Suite 001
Indianapolis, IN 46204

Dear Members of the Board:

At your request, we performed an actuarial valuation of the Teachers' Retirement Fund Pre-1996 Account (TRF Pre-'96) as of June 30, 2025, for the purpose of estimating the actuarially determined contribution for the 2027 calendar year. Actuarial valuations are performed annually. The major findings of the valuation are contained in this report, which reflects the benefit and funding provisions in place on June 30, 2025. HEA 1221-2025 was passed, specifying funding the Supplemental Retirement Account at a level that could provide for a combination of inflation-indexed, annual 13th checks for retirements before July 1, 2029 and an annual 1% COLA for retirements thereafter, although such benefits have not been provided. These provisions are reflected in this valuation, along with needed assumptions and funding methods that are consistent with the requirements. Additionally, this report reflects the updated economic and demographic assumptions and actuarial funding methods that were proposed in the 2020-2024 Experience Study and adopted by the Board in June 2025. Please refer to that Study for complete details (available on the INPRS website).

In preparing our report, we relied, without audit, on information (some oral and some in writing) supplied by Indiana Public Retirement System (INPRS) staff. This information includes, but is not limited to, statutory provisions, member data and financial information. We did review the data to ensure that it was reasonably consistent and comparable with data from prior years. The valuation results depend on the integrity of this information. If any of this information is inaccurate or incomplete, our results may be different and our calculations may need to be revised.

We certify that all costs and liabilities for TRF Pre-'96 have been determined on the basis of actuarial assumptions and methods which are individually reasonable (taking into account the experience of the plan and reasonable expectations); and which, in combination, offer the best estimate of anticipated experience affecting the plan. Nevertheless, the emerging costs will vary from those presented in this report to the extent actual experience differs from that projected by the actuarial assumptions.

We believe the actuarial assumptions used herein are reasonable. The Board has the final decision regarding the appropriateness of the assumptions and adopted them as indicated in Appendix C. Specifically, we presented the proposed assumptions for the 2025 valuations to the Board on February 28, 2025, and the Board subsequently adopted their use. These assumptions are applicable to both the funding and Governmental Accounting Standards Board (GASB) Statement Number 67 valuation calculations, unless otherwise noted.

In order to prepare the results in this report, we have utilized actuarial models that were developed to measure liabilities and develop actuarial costs. These models include tools that we have produced and tested, along with commercially available valuation software that we have reviewed to confirm the appropriateness and accuracy of the output. In utilizing these models, we develop and use input parameters and assumptions about future contingent events along with recognized actuarial approaches to develop the needed results. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements.

We prepared a Risk Report for the INPRS Board in July 2024 that contains information which is relevant to TRF Pre-'96 and should be considered part of this valuation report. Although the report was prepared using the data, methods, and assumptions of the June 30, 2023 valuation report, it is our professional opinion that the general results of the risk report are applicable to the June 30, 2025 valuation report as well.

Actuarial computations presented in this report are for purposes of determining the funding rates for the Plan. The calculations in the enclosed report have been made on a basis consistent with our understanding of the Plan's funding requirements and goals as adopted by the Board. Additionally, we have included actuarial computations for use in preparing certain reporting and disclosure requirements under Governmental Accounting Standards Board Statements Number 67 and Number 68. Determinations for purposes other than meeting these funding and disclosure requirements may be significantly different from the results contained in this report and require additional analysis.

The Annual Comprehensive Financial Report (ACFR) for INPRS contains several exhibits that disclose the actuarial position of the System. This annual report, prepared as of June 30, 2025, provides data and tables that we prepared for use in the following sections of the ACFR:

Financial Section:

- Note 1 - Tables of Plan Membership
- Note 8 - Net Pension Liability and Actuarial Information - Defined Benefit Plans
- Schedule of Changes in Net Pension Liability and Plan Fiduciary Net Position
- Schedule of Contributions
- Schedule of Notes to Required Supplementary Information

Actuarial Section:

- Summary of INPRS Funded Status (Included in the Board Summary)
- Historical Summary of Actuarial Valuation Results by Retirement Plan
- Summary of Actuarial Assumptions, Methods and Plan Provisions
- Analysis of Financial Experience (Included in the Unfunded Actuarial Accrued Liability Reconciliation)
- Solvency Test
- Schedule of Active Member Valuation Data
- Schedule of Retirants and Beneficiaries

Statistical Section:

- Membership Data Summary
- Ratio of Active Members to Annuitants
- Schedule of Benefit Recipients by Type of Benefit Option
- Schedule of Average Benefit Payments

The consultants who worked on this assignment are pension actuaries. Cavanaugh Macdonald's advice is not intended to be a substitute for qualified legal or accounting counsel.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and accurate, and the assumptions and methods used for funding purposes meet the guidance provided in the applicable Actuarial Standards of Practice. We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

The calculations were completed in compliance with applicable law and the calculations for GASB disclosure, in our opinion, meet the requirements of GASB 67 and GASB 68. We are available to answer any questions on the material contained in the report, or to provide explanations or further details as may be appropriate.

We respectfully submit the following report and look forward to discussing it with you.

Sincerely,

Brent A. Banister

Brent. A. Banister, PhD, FSA, EA, FCA, MAAA
Chief Actuary

Edward J. Koebel

Edward Koebel, FCA, EA, MAAA
Chief Executive Officer

Virginia Fritz

Virginia Fritz, FSA, EA, FCA, MAAA
Senior Actuary

TABLE OF CONTENTS

SECTION I – BOARD SUMMARY

This report presents the results of the June 30, 2025 actuarial valuation of the Teachers' Retirement Fund Pre-1996 Account (TRF Pre-'96). The primary purposes of performing this actuarial valuation are to:

- Determine the level of contributions for the 2027 calendar year, along with the actuarial surcharge amount for the 2027 calendar year, that will be sufficient to meet the funding policy set out by the Board to comply with Indiana statutes.

- Disclose asset and liability measurements as well as the current funded status of the plan on the valuation date.

- Compare actual and expected experience of the Fund during the plan year ending June 30, 2025.

- Analyze and report on trends in plan contributions, assets and liabilities over the past several years.

VALUATION RESULTS

The 2020-2024 Experience Study was presented to the Board in February 2025 and the recommended assumptions and methods were adopted by the Board at their June meeting. This study made various changes to the economic and demographic assumptions as well as some actuarial methods. In May, the Society of Actuaries issued a new public plan mortality table, Pub-2016, which will be reviewed for possible adoption for the 2026 valuation. The INPRS investment staff is working on an Asset-Liability study, that once completed may lead to proposed revised economic assumptions, particularly if there are significant changes to the investment portfolio.

HEA 1221-2025 was passed, specifying funding the Supplemental Retirement Account (SRA) at a level that could provide for a combination of annual inflation-indexed 13th checks for retirements before July 1, 2029 and an annual 1% COLA for retirements thereafter, although such benefits have not been provided. Previously the date for switching from 13th checks to the COLA was July 1, 2025. The 0.1% capped increase on the surcharge rate, along with not allowing the surcharge rate to decrease, was extended through December 31, 2031 (previously December 31, 2029), although this does not directly affect TRF Pre-'96 since the SRA is funded from specified lottery revenues.

The actuarial valuation results provide a "snapshot" view of the plan's financial condition on June 30, 2025. The plan's UAAL decreased from $4.3 billion last year to $3.1 billion this year and the funded ratio increased from 68.0% to 75.8%. The primary factors behind the increase in the funded ratio were significant contributions, decreases in future Supplemental Retirement Account Liabilities due to changes legislated in HEA 1221, the actuarial gain on the smoothed assets, and a gain on liability experience, which included a gain due to assumption changes made as a result of the experience study.

A summary of the key results from the June 30, 2025 actuarial valuation compared to the June 30, 2024 valuation is shown in the following table.

Valuation Results	June 30, 2024	June 30, 2025
Unfunded Actuarial Accrued Liability	$ 4,290,920,986	$ 3,095,904,420
Funded Ratio (Actuarial Assets)	68.00%	75.78%
Normal Cost	5.33%	5.62%
Actuarially Determined Contribution Rate	272.66%	287.18%
Scheduled Appropriation	$ 1,066,300,000	$ 1,066,300,000
Additional Contribution	$ 0	$ 0

Further detail on the valuation results can be found in the following sections of this Board Summary, including discussion regarding the change in the plan's assets, liabilities, and actuarial determined contribution between June 30, 2024 and June 30, 2025. The Scheduled Appropriation results shown herein reflect the legislation set out in HEA 1001-2025.

ASSETS

As of June 30, 2025, the plan had net assets of $9.931 billion when measured on a market value basis. This was an increase of $0.927 billion from the prior year.

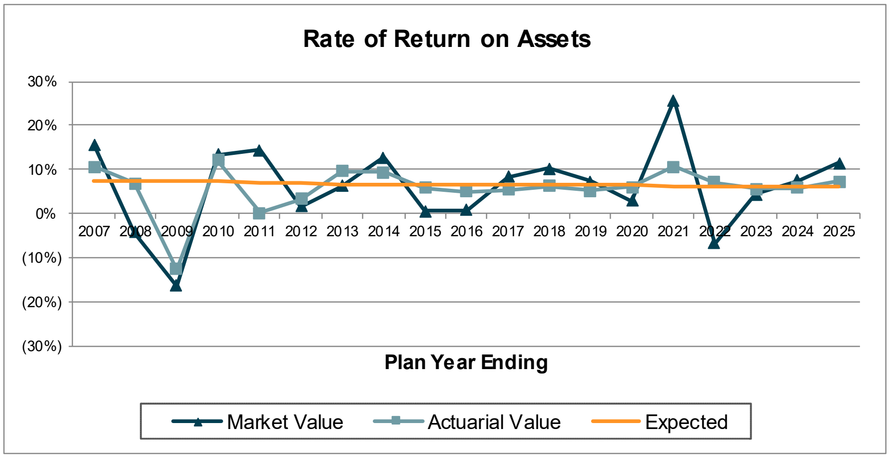
The market value of assets is not used directly in the calculation of the unfunded actuarial accrued liability and the actuarially determined contribution. An asset valuation method, which smoothes the effect of market fluctuations, is applied to determine the value of assets used in the valuation. The resulting amount is called the actuarial value of assets. In this year's valuation, the actuarial value of assets is $9.686 billion, an increase of $0.567 billion from the prior year.

The components of change in the asset values are shown in the following table:

	Market Value	Actuarial Value
Net Assets, June 30, 2024	$ 9,003,590,869	$ 9,119,074,596
- Receipts	+ 1,098,629,446	+ 1,098,629,446
- Expenditures, Net of Administrative Expenses	- 1,190,166,475	- 1,190,166,475
- Net Investment Income	+ 1,019,035,960	+ 658,125,246
Net Assets, June 30, 2025	$ 9,931,089,800	$ 9,685,662,813
Estimated Rate of Return, Net of Expenses	11.4%	7.3%

The estimated rate of return on the actuarial value of assets was 7.3%, which was higher than the 6.25% investment return assumption applicable for the year ended June 30, 2025. As a result, there was an experience gain on assets of $91 million. The FY 2025 return on the market value of assets in excess of the 6.25% assumed return changed the net deferred investment loss from

$115 million in last year's valuation to a deferred investment gain of $245 million in the current valuation. See Tables 1 through 4 of this report for detailed information on the market and actuarial value of assets.



The rate of return of the actuarial value of assets has been less volatile than the market value return, illustrating the benefits of using an asset smoothing method. The smoothed actuarial value of plan assets has led to relatively steady actuarial valuation results over the last few years, even with a large gains and losses.

LIABILITIES

The actuarial accrued liability is that portion of the present value of future benefits that is allocated to past service. The remaining portion will be paid by future normal costs. The difference between this liability and the actuarial value of assets as of the valuation date is called the unfunded actuarial accrued liability (UAAL). The dollar amount of unfunded actuarial accrued liability is reduced if the contributions to the plan exceed the normal cost for the year plus interest on the prior year's UAAL.

The unfunded actuarial accrued liability, including expected future COLAs, on both a market value and actuarial value of assets basis is shown as of June 30, 2025 in the following table:

	Market Value	Actuarial Value
Actuarial Accrued Liability	$ 12,781,567,233	$ 12,781,567,233
Value of Assets	9,931,089,800	9,685,662,813
Unfunded Actuarial Accrued Liability	$ 2,850,477,433	$ 3,095,904,420
Funded Ratio	77.70%	75.78%

See Table 5 of this report for the development of the unfunded actuarial accrued liability.

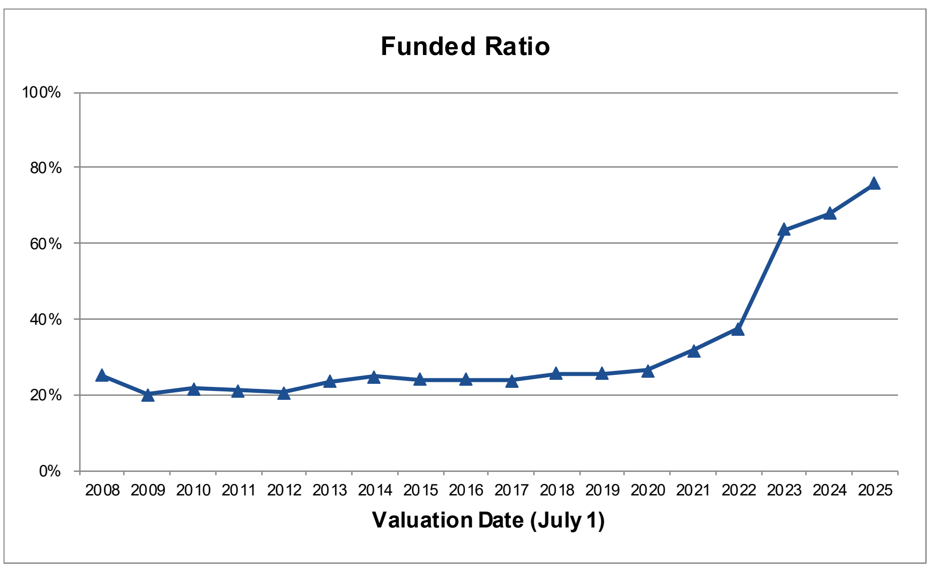
The total plan UAAL (on an actuarial basis) as of June 30, 2025 was $3.096 billion, a $1.195 billion decrease from the $4.291 billion total UAAL last year. Factors in this decrease included the significant annual funding contribution, the actuarial gain on the smoothed assets ($91 million), the gain on future Supplemental Retirement Account Liabilities via HEA 1221 ($103 million), a gain due to assumption changes approved by the Board as a result of the experience study ($54 million), and an actuarial gain on liability experience ($108 million). The components of the change in the base UAAL are quantified in Table 7 of this report. See Table 8 and Table 9 of this report for a breakdown of the components of experience gains/losses for greater detail on the base plan benefits.

An evaluation of the UAAL on a pure dollar basis may not provide a complete analysis since only the difference between the assets and liabilities (which are both large numbers) is reflected. Another way to evaluate the UAAL and the progress made in its funding is to track the funded ratio, the ratio of the actuarial value of assets to the actuarial accrued liability. The funded status information, which is based on the actuarial value of assets, is shown below (in billions).

	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025
Funded Ratio	31.7%	37.5%	63.6%	68.0%	75.8%
UAAL (in billions)	$9.8	$8.8	$5.0	$4.3	$3.1

Note that the funded ratio does not indicate whether or not the plan assets are sufficient to settle benefits earned to date. The funded ratio, by itself, also may not be indicative of future funding requirements. In addition, if the funded ratios were shown using the market value of assets, the results would differ.

The funded ratio over a long period of time is shown in the following graph. While the Pre-1996 Account was initially intended to be funded on a "pay-as-you-go" basis, the plan has received additional contributions in the past few years that have helped to accelerate the funding towards being fully funded.



Note: Funded ratios exclude DC account balances.

ACTUARIALLY DETERMINED CONTRIBUTION AMOUNT

The Plan's actuarially determined contribution (ADC) is based on the approach set out in IC-5.10.4-2-5 that the Indiana Legislature has followed in appropriating funds. The basic contribution is the lesser of 3% above the prior year's basic contribution and the anticipated benefit payments for the year. However, the budget agency with the approval of the governor may change this increase rate. Further, the contributed funds should not result in the assets unreasonably exceeding the liabilities. HEA 1001-2025 appropriated funds for FY 2026 and FY 2027at the same amount as the FY 2025 appropriation.

In addition to the components above that are designed to fund the guaranteed base benefit, the Board is responsible for determining the allocation of lottery proceeds to fund future COLAs and/or 13th checks. Because there are five plans that must, by law, provide the same COLA or 13th check each year, the funding strategy needs to consider the funding needs of the entire System as well as the specific fund. The Legislature provided a 13th check for fiscal year 2026.

As a result of HEA 1004-2024, the SRA benefits outlined in the legislation must now be funded. Specifically, an update to the law provided in HEA 1221-2025 now calls for funding an indexed 13th check for those retiring before July 1, 2029, and a 1% COLA for those retiring after June 30, 2029. Since the method for funding is not prescribed, the Board has decided to use a funding method that parallels the base benefit funding method. The $30 million annual allocation from lottery proceeds provides the needed funds for the next biennium and is expected to allow for a sufficient reserve to provide the accumulations in subsequent biennial periods.

See Table 11 of this report for the detailed development of the contribution amounts which are summarized in the following table:

	June 30, 2024	June 30, 2025
Normal Cost	5.33%	5.62%
Scheduled Appropriation	$ 1,066,300,000	$ 1,066,300,000
Estimated Payroll	$ 391,078,679	$ 371,306,536
Actuarially Determined Contribution Rate	272.66%	287.18%
Semi-Annual Lottery Proceeds for Anticipated COLA	$ 30,000,000	$ 30,000,000

The actuarially determined contribution, based on that granted appropriated in HEA 1001-2025, is expected to remain level with the 2025 fiscal year for the next two fiscal years, resulting in an actuarially determined contribution for FY 2026 of $1,066,300,000. The annual allocation from lottery proceeds is expected to be close to $30 million, which will help fund a reserve for future cost of living increases.

SUMMARY OF PRINCIPAL RESULTS

	June 30, 2023	June 30, 2024	June 30, 2025
MEMBERSHIP			
Active Members	6,287	5,524	4,728
Retired Members and Beneficiaries	53,282	52,855	52,013
Inactive Vested Members	1,502	1,370	1,408
Total Members	61,071	59,749	58,149
Covered Payroll for Fiscal Year Ending	$ 521,285,701	$ 475,645,420	$ 420,250,227
Defined Benefit Payroll	521,285,701	475,645,420	420,250,227
My Choice Payroll	0	0	0
Annual Retirement Payments for Retired Members, Disabled Members and Beneficiaries	$ 1,180,021,736	$ 1,179,510,762	$ 1,173,008,574
ASSETS AND LIABILITIES			
Net Assets			
Market Value of Assets (MVA)	$ 8,472,903,139	$ 9,003,590,869	$ 9,931,089,800
Actuarial Value of Assets (AVA)	8,716,860,098	9,119,074,596	9,685,662,813
Actuarial Accrued Liability (AAL)	13,703,295,417	13,409,995,582	12,781,567,233
Unfunded Actuarial Accrued Liability (UAAL): AAL - AVA	$ 4,986,435,319	$ 4,290,920,986	$ 3,095,904,420
Funded Ratios			
AVA / AAL	63.61%	68.00%	75.78%
MVA / AAL	61.83%	67.14%	77.70%
CONTRIBUTIONS			
Normal Cost	5.40%	5.33%	5.62%
Actuarially Determined Contribution Rate	225.09%	272.66%	287.18%

Note: Liability and funded ratio results include both the base benefits and the supplemental benefits.

SECTION II – SCOPE OF THE REPORT

This report presents the actuarial valuation results of the Teachers' Retirement Fund Pre-1996 Account as of June 30, 2025. This valuation was prepared at the request of the Indiana Public Retirement System.

Please pay particular attention to our actuarial certification letter, where the guidelines employed in the preparation of this report are outlined. We also comment on the sources and reliability of both the data and the actuarial assumptions upon which our findings are based. Those comments are the basis for our certification that this report is complete and accurate to the best of our knowledge and belief.

A summary of the findings which result from this valuation is presented in the previous section. Section 3 describes the assets and investment experience of the plan. Sections 4 and 5 describe how the obligations of the plan are to be met under the actuarial cost method in use. Section 6 provides information required by the Governmental Accounting Standards Board (GASB) for reporting and disclosure under GASB 67 and GASB 68.

This report includes several appendices:

- Appendix A — Schedules of valuation data classified by various categories of members.
- Appendix B — A summary of the current benefit structure, as determined by the provisions of governing law on June 30, 2025.
- Appendix C — A summary of the actuarial methods and assumptions used to estimate liabilities and determine contribution rates.
- Appendix D — A glossary of actuarial terms.

SECTION III – ASSETS

In many respects, an actuarial valuation can be thought of as an inventory process. The inventory is taken as of the actuarial valuation date, which for this valuation is June 30, 2025. On that date, the assets available for the payment of benefits are appraised. The assets are compared with the liabilities of the plan, which are generally in excess of assets. The actuarial process then leads to a method of determining the contributions needed by members and the employer in the future to balance the plan assets and liabilities.

Market Value of Assets

The current market value represents the "snapshot" or "cash-out" value of plan assets as of the valuation date. In addition, the market value of assets provides a basis for measuring investment performance from time to time.

Table 1 summarizes the changes in the market value of assets for the last two years for the base benefits, whereas Table 2 shows the changes for the supplemental benefit reserve account. Table 14 (in the GASB section) provides detail regarding the allocation of investments in the trust.

Actuarial Value of Assets

The market value of assets, representing a "cash-out" value of plan assets, may not be the best measure of the plan's ongoing ability to meet its obligations. To arrive at a suitable value of assets for the actuarial valuation, a technique for determining the actuarial value of assets is used which dampens swings in the market value while still indirectly recognizing market values. Under the asset smoothing methodology, the difference between the actual and assumed investment return on the market value of assets is recognized evenly over a five-year period.

Table 3 shows the development of the actuarial value of assets (AVA) as of the valuation date for the base benefits and Table 4 shows the information for the supplemental benefits.

TABLE 1

DEVELOPMENT OF MARKET VALUE OF ASSETS
(Base Benefits)

	June 30, 2024	June 30, 2025
1. Market Value of Assets, Beginning of Year	$ 8,300,509,753	$ 8,797,342,081
2. Receipts		
a. Member (Includes Purchased Service) [1]	$ 37,323	$ 9,049
b. Employer (Includes Purchased Service) [2]	2,108,392	1,527,460
c. Non-Employer Entity Contributions	1,035,200,000	1,066,300,000
d. Member Reassignment Transfers	609,327	792,937
e. Miscellaneous Income	0	0
f. Total	$ 1,037,955,042	$ 1,068,629,446
3. Expenditures		
a. Benefit Payments	$ 1,159,667,524	$ 1,159,060,757
b. Refund of Contributions	0	0
c. Member Reassignment Transfers	0	0
d. Administrative Expense	5,536,888	6,270,426
e. Miscellaneous Expenditures	0	0
f. Total	$ 1,165,204,412	$ 1,165,331,183
4. Investment Return		
a. Investment Income	$ 623,607,715	$ 1,002,472,423
b. Securities Lending Income	473,983	856,930
c. Total	$ 624,081,698	$ 1,003,329,353
5. Market Value of Assets, End of Year: (1) + (2f) - (3e) + (4c)	$ 8,797,342,081	$ 9,703,969,697
6. Rate of Return on Market Value of Assets, Net of Expenses [3]	7.51%	11.39%

[1] Includes $37,323 of member service purchases during fiscal year 2024 and $9,049 of member service purchases during fiscal year 2025.
[2] Includes $34,888 of member service purchases during fiscal year 2024 and $28,450 of member service purchases during fiscal year 2025.
[3] Based on individual fund experience. Assumes cash flows occur at mid-year.

TABLE 2

DEVELOPMENT OF MARKET VALUE OF ASSETS
(Supplemental Benefits)

	June 30, 2024	June 30, 2025
1. Market Value of Assets, Beginning of Year	$ 172,393,386	$ 206,248,788
2. Receipts		
a. Employer Surcharge	$ 0	$ 0
b. Lottery Allocation	30,000,000	30,000,000
c. Non-Employer Entity Contributions	0	0
d. Miscellaneous	0	0
e. Total	$ 30,000,000	$ 30,000,000
3. Expenditures		
a. Benefit Payments	$ 9,964,467	$ 31,105,718
b. Administrative Expense	0	0
c. Miscellaneous Expenditures	0	0
d. Total	$ 9,964,467	$ 31,105,718
4. Investment Return		
a. Investment Income	$ 13,810,157	$ 21,957,910
b. Securities Lending Income	9,712	19,123
c. Total Investment Return	$ 13,819,869	$ 21,977,033
5. Market Value of Assets, End of Year: (1) + (2e) - (3d) + (4c)	$ 206,248,788	$ 227,120,103
6. Rate of Return on Market Value of Assets, Net of Expenses [1]	7.58%	10.68%

[1] Based on individual fund experience. Assumes cash flows occur at mid-year.

TABLE 3

DEVELOPMENT OF ACTUARIAL VALUE OF ASSETS
(Base Benefits)

		For Plan Year Ending June 30, 2025
1. Market Value, as of June 30, 2024	$	8,797,342,081
2. Receipts [1]	$	1,068,629,446
3. Expenditures, Net of Administrative Expenses [2]	$	(1,159,060,757)
4. Expected Return on Assets [3]	$	547,007,902
5. Expected Market Value as of June 30, 2025: (1) + (2) + (3) + (4)	$	9,253,918,672
6. Actual Market Value as of June 30, 2025	$	9,703,969,697
7. Year end 2025 asset gain/(loss): (6) - (5)	$	450,051,025

8. Deferred Investment Gains and Losses

	Year Ended June 30:		Gain/(Loss)	Factor		Deferred Amount
a.	2022	$	(661,264,450)	20%	$	(132,252,890)
b.	2023		(117,766,418)	40%		(47,106,567)
c.	2024		103,566,465	60%		62,139,879
d.	2025		450,051,025	80%		360,040,820
e.	Total				$	242,821,242

9. Initial Actuarial Value as of June 30, 2025: (6) - (8e)	$	9,461,148,455
10. Constraining Values		
a. 80% of Market Value: (6) x 0.8	$	7,763,175,758
b. 120% of Market Value: (6) x 1.2	$	11,644,763,636
11. Actuarial Value as of June 30, 2025	$	9,461,148,455
12. Actuarial Rate of Return, Net of Expenses [4]		7.28%
13. Actuarial Value of Assets as a Percent of Market Value: (11) / (6)		97.5%
14. Actuarial Value of Assets		
a. Base Benefits	$	9,461,148,455
b. Supplemental Benefits	$	224,514,358
c. Total	$	9,685,662,813

[1] Includes Contributions, Service Purchases, Member Reassignment Transfers, and Miscellaneous Receipts.
[2] Includes DB Benefit Payments.
[3] Assumes cash flows occur at mid-year and a return assumption of 6.25%.
[4] Assumes cash flows occur at mid-year.

TABLE 4

DEVELOPMENT OF ACTUARIAL VALUE OF ASSETS
(Supplemental Benefits)

		For Plan Year Ending June 30, 2025
1. Market Value, as of June 30, 2024	$	206,248,788
2. Receipts	$	30,000,000
3. Expenditures, Net of Administrative Expenses	$	(31,105,718)
4. Expected Return on Assets [1]	$	12,855,996
5. Expected Market Value as of June 30, 2025: (1) + (2) + (3) + (4)	$	217,999,066
6. Actual Market Value as of June 30, 2025	$	227,120,103
7. Year end 2025 asset gain/(loss): (6) - (5)	$	9,121,037

8. Deferred Investment Gains and Losses

	Year Ended June 30:		Gain/(Loss)	Factor		Deferred Amount
a.	2022	$	(19,638,749)	20%	$	(3,927,750)
b.	2023		(5,537,094)	40%		(2,214,838)
c.	2024		2,419,172	60%		1,451,503
d.	2025		9,121,037	80%		7,296,830
e.	Total				$	2,605,745

9. Initial Actuarial Value as of June 30, 2025: (6) - (8e)	$	224,514,358
10. Constraining Values		
a. 80% of Market Value: (6) x 0.8	$	181,696,082
b. 120% of Market Value: (6) x 1.2	$	272,544,124
11. Actuarial Value as of June 30, 2025	$	224,514,358
12. Actuarial Rate of Return, Net of Expenses [2]		6.09%
13. Actuarial Value of Assets as a Percent of Market Value: (11) / (6)		98.9%

[1] Assumes cash flows occur at mid-year and a discount rate of 6.25%.
[2] Assumes cash flows occur at mid-year.

SECTION IV – PLAN LIABILITIES

In the previous section, an actuarial valuation was compared with an inventory process, and an analysis was given of the inventory of assets of the Teachers' Retirement Fund Pre-1996 Account as of the valuation date, June 30, 2025. In this section, the discussion will focus on the commitments (future benefit payments) of the plan, which are referred to as its liabilities.

The liability calculations for the June 30, 2025 Teachers' Retirement Fund Pre-1996 Account valuation are based on census data collected as of June 30, 2024. Standard actuarial techniques are used to adjust these results from June 30, 2024 to June 30, 2025. While these roll-forward techniques are based on the expectation that all actuarial assumptions are met during the intervening year, there will, of course, be many of the assumptions that are not met exactly. In general, this does not materially affect the resulting calculations or conclusions in this report. Should there be a year in which significant events that would affect the results occur, we would make adjustments in the roll-forward methods to compensate.

All liabilities reflect the benefit provisions and actuarial assumptions in place as of June 30, 2025.

Actuarial Accrued Liability

A fundamental principle in financing the liabilities of a retirement program is that the cost of its benefits should be related to the period in which benefits are earned, rather than to the period of benefit distribution. An actuarial cost method is a mathematical technique that allocates the present value of future benefits into annual costs. In order to do this allocation, it is necessary for the funding method to "breakdown" the present value of future benefits into two components:

(1) that which is attributable to the past and

(2) that which is attributable to the future.

Actuarial terminology calls the part attributable to the past the "past service liability" or the "actuarial accrued liability." The portion allocated to the future is known as the present value of future normal costs, with the specific piece of it allocated to the current year being called the "normal cost."

Table 5 contains the calculation of actuarial accrued liability for the Plan under the Entry Age Normal actuarial cost. This amount is split between the base benefit and the supplemental COLA benefit. Granted supplemental benefits are the present value of legislated benefits, whereas future supplemental benefits represent those assumed to occur based on the Plan's COLA assumption.

Low-Default-Risk Obligation Measure

Under the revised Actuarial Standards of Practice (ASOP) No. 4 effective for valuations after February 15, 2023, we are required to include a low-default-risk obligation measure of the System's liability in our funding valuation report. This is an informational disclosure as described below and would not be appropriate for assessing the funding progress or health of the plan. This measure uses the unit credit cost method and reflects all the assumptions and provisions of the funding valuation (including the assumed COLA paid from the SRA), except that the discount rate is derived from considering low-default-risk fixed income securities. We considered the FTSE

SECTION IV – PLAN LIABILITIES

Pension Discount Curve based on market bond rates published by the Society of Actuaries as of June 30, 2025 and with the 30-year spot rate used for all durations beyond 30 because this provides an appropriate set of discount rates for this intended purpose. Using these assumptions, we calculate a liability of approximately $13,616,891,000. This amount approximates the termination liability if the plan (or all covered employment) ended on the valuation date and all of the accrued benefits had to be paid with cash-flow matched bonds. If the plan were funded with the intent of being able to be terminated at any valuation date, contribution requirements may need to increase and would also be more volatile. This assurance of funded status and benefit security is typically more relevant for corporate plans than for governmental plans since governments rarely have the need or option to completely terminate a plan. However, this informational disclosure is required for all plans whether corporate or governmental and care should be taken to ensure the one size fits all metric is not misconstrued.

TABLE 5

ACTUARIAL ACCRUED LIABILITY
(Base and Supplemental Benefits)

As of June 30, 2025	Base Benefits	Supplemental Benefits *Granted*	Supplemental Benefits *Future*	Total
1. Actuarial Accrued Liability				
a. Active & Inactive Members	$ 1,857,054,574	$ 0	$ 80,916,530	$ 1,937,971,104
b. In-pay Members	10,550,945,696	107,610,770	185,039,663	10,843,596,129
c. Total	$ 12,408,000,270	$ 107,610,770	$ 265,956,193	$ 12,781,567,233
2. Actuarial Value of Assets	$ 9,461,148,455	$ 107,610,770	$ 116,903,588	$ 9,685,662,813
3. Unfunded Actuarial Accrued Liability: (1c) - (2)	$ 2,946,851,815	$ 0	$ 149,052,605	$ 3,095,904,420
4. Funded Ratio: (2) / (1c)	76.3%	100.0%	44.0%	75.8%

TABLE 6

SOLVENCY TEST
(Base and Supplemental Benefits)

	Actuarial Accrued Liabilities (AAL)					Portion of AAL Covered by Assets			
Actuarial Valuation as of June 30	Active Member Contributions	Retirees and Beneficiaries	Active Member (Employer Financed Portion)	Total Actuarial Accrued Liabilities	Actuarial Value of Assets	Active Member Contributions	Retirees and Beneficiaries	Active Member (Employer Financed Portion)	Total Actuarial Accrued Liabilities
2025	$0	$10,843,596	$1,937,971	$12,781,567	$9,685,663	N/A	89.3%	0.0%	75.8%
2024	0	11,201,681	2,208,315	13,409,996	9,119,075	N/A	81.4	0.0	68.0
2023	0	11,434,274	2,269,021	13,703,295	8,716,860	N/A	76.2	0.0	63.6
2022	0	11,435,773	2,623,349	14,059,122	5,273,369	N/A	46.1	0.0	37.5
2021	0	11,501,456	2,836,732	14,338,188	4,546,007	N/A	39.5	0.0	31.7
2020	0	11,053,143	2,915,560	13,968,703	3,707,851	N/A	33.5	0.0	26.5
2019	0	11,245,919	3,143,245	14,389,164	3,694,211	N/A	32.8	0.0	25.7
2018	0	11,160,975	3,422,214	14,583,189	3,721,323	N/A	33.3	0.0	25.5
2017	1,242,230	11,653,674	3,840,865	16,736,769	4,951,100	100.0	31.8	0.0	29.6
2016	1,161,803	11,461,481	4,216,916	16,840,200	5,008,989	100.0	33.6	0.0	29.7

Note: Dollar amounts are in thousands of dollars. Amounts before 2018 reflect the inclusion of DC balances in both the active member contributions and the assets.

TABLE 7

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITY
(Base and Supplemental Benefits)

For Year Ending June 30, 2025

	Base	Base and Supplemental
1. Unfunded Actuarial Accrued Liability as of June 30, 2024	$ 3,965,449,035	$ 4,290,920,986
2. Normal Cost	20,844,494	22,956,318
3. Actuarially Determined Contribution	(1,066,300,000)	(1,066,300,000)
4. Interest	182,499,596	202,973,582
5. Expected Unfunded Actuarial Accrued Liability as of June 30, 2025	$ 3,102,493,125	$ 3,450,550,886
6. Actuarial Value of Asset Changes		
a. Investment Experience (Gain)/Loss	$ (91,382,561)	$ (91,043,616)
b. Contributions (Above)/Below the Actuarially Determined Contribution and Other (Gain)/Loss	$ 31,862,090	$ 924,590
7. Actuarial Accrued Liability Changes		
a. Actuarial Accrued Liability Experience (Gain)/Loss	$ (74,859,715)	$ (107,868,274)
b. Additional Liability Due to Benefit Changes	0	(102,891,137)
c. Additional Liability Due to Assumption Changes	(21,261,124)	(53,768,029)
8. Total Experience (Gain)/Loss	$ (155,641,310)	$ (354,646,466)
9. Unfunded Actuarial Accrued Liability as of June 30, 2025: (5) + (8)	$ 2,946,851,815	$ 3,095,904,420

TABLE 8

ACTUARIAL GAIN/(LOSS)
(Base and Supplemental Benefits)

Liabilities	Base	Base and Supplemental
1. Actuarial Accrued Liability as of June 30, 2024	$ 12,871,823,796	$ 13,409,995,582
2. Normal Cost for Plan Year Ending June 30, 2025	20,844,494	22,956,318
3. Benefit Payments During Plan Year[1]	(1,158,977,296)	(1,190,083,014)
4. Service Purchases (employee and employer)	37,499	37,499
5. Member Reassignment Transfers	792,937	792,937
6. Interest at 6.25%	769,599,679	802,395,351
7. Change Due to Benefit Changes	0	(102,891,137)
8. Change Due to Assumption Changes	(21,261,124)	(53,768,029)
9. Expected Actuarial Accrued Liability as of June 30, 2025	$ 12,482,859,985	$ 12,889,435,507
10. Actuarial Accrued Liability as of June 30, 2025	$ 12,408,000,270	$ 12,781,567,233
Assets		
11. Actuarial Value of Assets as of June 30, 2024	$ 8,906,374,761	$ 9,119,074,596
12. Receipts During Plan Year	1,068,629,446	1,098,629,446
13. Expenditures, Excluding Expenses, During Plan Year	(1,159,060,757)	(1,190,166,475)
14. Interest at 6.25%	553,822,444	567,081,630
15. Expected Actuarial Value of Assets as of June 30, 2025	$ 9,369,765,894	$ 9,594,619,197
16. Actuarial Value of Assets as of June 30, 2025	$ 9,461,148,455	$ 9,685,662,813
Experience Gain / (Loss)		
17. Liability Actuarial Experience Gain/(Loss): (9) - (10)	$ 74,859,715	$ 107,868,274
18. Asset Actuarial Experience Gain/(Loss): (16) - (15)	91,382,561	91,043,616
19. Total Actuarial Experience Gain/(Loss): (17) + (18)	$ 166,242,276	$ 198,911,890

[1] Does not include miscellaneous expenses or benefit overpayments.

TABLE 9

EXPERIENCE GAIN/(LOSS) ANALYSIS BY SOURCE
(Base Benefits)

Liability Sources (in thousands)		**Gain/(Loss)***
Retirement	$	(1,914)
Termination		(3,236)
Disability		(128)
Mortality		(6,672)
Salary		(16,480)
New Entrants/Rehires		(2,011)
Miscellaneous/COLA		105,301
Total Liability Experience Gain/(Loss)	$	74,860
as a % of AAL		0.6%
Asset Experience Gain/(Loss)	$	91,383
Net Actuarial Experience Gain/(Loss)	$	166,242

*Numbers may not add due to rounding.

TABLE 10

PROJECTED BENEFIT PAYMENTS
(Base and Supplemental Benefits)

Plan Year Ending June 30	Benefit Amount
2026	$ 1,206,773,288
2027	1,199,582,463
2028	1,187,599,953
2029	1,171,604,564
2030	1,151,861,259
2031	1,129,133,495
2032	1,103,435,101
2033	1,074,425,228
2034	1,042,231,234
2035	1,006,719,913
2036	968,649,547
2037	928,261,708
2038	885,879,155
2039	841,975,306
2040	797,008,509
2041	751,480,060
2042	705,811,471
2043	660,384,430
2044	615,548,121
2045	571,627,224
2046	528,911,708
2047	487,659,836
2048	448,090,024
2049	410,378,717
2050	374,653,112
2051	340,990,289
2052	309,420,668
2053	279,932,829
2054	252,480,691
2055	226,993,872

Note: Payouts reflect nominal payouts for current members, assuming that all future assumptions are met.

Section V – Employer Contributions

The previous two sections were devoted to a discussion of the assets and liabilities of the plan. We now turn to considering how the benefits will be funded. The method used to determine the incidence of the contributions in various years is called the actuarial cost method. Under a typical actuarial cost method, the contributions required to meet the difference between current assets and current liabilities are allocated each year between two elements: (1) the normal cost rate and (2) the unfunded actuarial accrued liability contribution rate.

The term "fully funded" is often applied to a plan in which contributions at the normal cost rate are sufficient to pay for the benefits of existing employees as well as for those of new employees. More often than not, plans are not fully funded, either because of past benefit improvements that have not been completely funded, contribution levels, or because of actuarial deficiencies that have occurred because experience has not been as favorable as anticipated by the actuarial assumptions. Under these circumstances, an unfunded actuarial accrued liability (UAAL) exists. Likewise, when the actuarial value of assets is greater than the actuarial accrued liability, a surplus exists.

Description of Contribution Components

The Entry Age Normal (EAN) actuarial cost method is used for the valuation. Under that method, the normal cost for each year from entry age to assumed exit age is a constant percentage of the member's year by year projected compensation. The portion of the present value of future benefits not provided by the present value of future normal costs is the actuarial accrued liability. The unfunded actuarial accrued liability/(surplus) represents the difference between the actuarial accrued liability and the actuarial value of assets as of the valuation date.

TRF Pre-'96 does not follow a traditional funding model as described above. This is partially because the benefits have been historically provided through a pay-as-you-go strategy with some accumulated assets. As the Fund moves toward pre-funding the remaining benefits, a contribution allocation strategy has been developed. The Fund's actuarially determined contribution is based on the approach set out in IC-5.10.4-2-5 that the Indiana Legislature has followed in actually appropriating funds. The basic contribution is the lesser of 3% above the prior year's basic contribution (remaining level for Fiscal Years 2026 and 2027 based on HEA 1001-2025) and the anticipated base benefit payments for the year. However, the budget agency with the approval of the governor may change this increase rate. Further, the contributed funds should not result in the assets unreasonably exceeding the liabilities.

The methodology of developing the contribution rate is designed to fund the benefits over a reasonable period with a stable contribution pattern. The current UAAL for the base benefits will be funded over the next three to five years if all assumptions are met. The COLA benefits are funded through lottery proceeds that are expected to be about $30 million annually until the COLA benefits are funded.

Contribution Summary

Unlike other Funds in INPRS, the funding policy for TRF Pre-'96 does not require a directly calculated amortization payment related to the unfunded actuarial accrued liability/(surplus). Table 11 develops the actuarially determined contribution for the Plan. The contribution amount shown in this report are based on the actuarial assumptions and cost methods described in

Appendix C. Additionally, in Table 12 the funded status and normal cost under alternative discount rates are provided to illustrate the sensitivity of these items relative to the selection of the investment return assumption.

TABLE 11

ACTUARIALLY DETERMINED CONTRIBUTION
(Base and Supplemental Benefits)

	Base Benefits	Supplemental Benefits	Total
1. Projected Payroll for FYE June 30, 2026	371,306,536		
2. Normal Cost Rate	5.62%	0.31%	5.93%
3. Scheduled Contribution for FYE June 30, 2025	$ 1,066,300,000		
4. Scheduled Contribution for FYE June 30, 2026			
a. Prior year, remaining level for FYE 2026 and FY 2027	$ 1,066,300,000		
b. Expected benefit payments for FYE June 30, 2026	1,206,773,288		
5. Actuarially Determined Contribution Amount: Lesser of (4a) and (4b)	$ 1,066,300,000		
6. Supplemental Benefits Lottery Proceeds		$ 30,000,000	
7. Actuarially Determined Contribution Amount for FYE 2026	$ 1,066,300,000	$ 30,000,000	
8. Estimated Actuarially Determined Contribution Amount for FYE 2027	$ 1,066,300,000	$ TBD	

TABLE 12

INVESTMENT RETURN SENSITIVITY
(Base and Supplemental Benefits)

	1.00% Decrease: (5.25%)	0.75% Decrease: (5.50%)	0.50% Decrease: (5.75%)	0.25% Decrease: (6.00%)	Current Assumption: (6.25%)
Funded Status					
Actuarial Accrued Liability	$13,858,498,882	$13,574,352,255	$13,300,467,170	$13,036,358,158	$12,781,567,233
Actuarial Value of Assets	9,685,662,813	9,685,662,813	9,685,662,813	9,685,662,813	9,685,662,813
Unfunded Actuarial Accrued Liability	$4,172,836,069	$3,888,689,442	$3,614,804,357	$3,350,695,345	$3,095,904,420
Funded Ratio	69.9%	71.4%	72.8%	74.3%	75.8%
Actuarially Determined Contribution Amount					
Normal Cost	$30,038,699	$27,773,729	$25,694,412	$23,763,618	$22,018,478
Amortization over 7 years	691,397,714	648,598,079	606,899,103	566,251,765	526,609,672
Total	$721,436,413	$676,371,808	$632,593,515	$590,015,383	$548,628,150

	0.25% Increase: (6.50%)	0.50% Increase: (6.75%)	0.75% Increase: (7.00%)	1.00% Increase: (7.25%)	1.25% Increase: (7.50%)
Funded Status					
Actuarial Accrued Liability	$12,535,662,103	$12,298,234,518	$12,068,898,725	$11,847,290,050	$11,633,063,569
Actuarial Value of Assets	9,685,662,813	9,685,662,813	9,685,662,813	9,685,662,813	9,685,662,813
Unfunded Actuarial Accrued Liability	$2,849,999,290	$2,612,571,705	$2,383,235,912	$2,161,627,237	$1,947,400,756
Funded Ratio	77.3%	78.8%	80.3%	81.8%	83.3%
Actuarially Determined Contribution Amount					
Normal Cost	$20,384,729	$18,862,372	$17,488,538	$16,226,096	$15,037,915
Amortization over 7 years	487,928,895	450,167,820	413,287,006	377,249,055	342,018,490
Total	$508,313,624	$469,030,192	$430,775,544	$393,475,151	$357,056,405

Note that beginning of year normal cost for FY 2026 is $20,236,206 (Base Benefits) and $21,350,126 (Base and Supplemental Benefits).

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

SECTION VI – GASB INFORMATION

GASB NO. 67 AND GASB NO. 68

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

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

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

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

TABLE 13

STATEMENT OF FIDUCIARY NET POSITION

			June 30, 2025
1. Assets			
a. Cash		$	5,431
b. Receivables			
i.	Contributions and Miscellaneous Receivables	$	2,898,353
ii.	Investments Receivable		202,233,351
iii.	Foreign Exchange Contracts Receivable		2,459,622,515
iv.	Interest and Dividends		29,180,681
v.	Receivables Due From Other Funds		0
vi.	Total Receivables	$	2,693,934,900
c. Investments			
i.	Short-Term Investments	$	0
ii.	Pooled Repurchase Agreements		1,098,492
iii.	Pooled Short-Term Investments		782,155,096
iv.	Pooled Fixed Income		2,792,358,968
v.	Pooled Equity		1,287,525,835
vi.	Pooled Alternative Investments		5,426,900,527
vii.	Pooled Derivatives		41,122,861
viii.	Pooled Investments		0
ix.	Securities Lending Collateral		103,123,228
x.	Total Investments	$	10,434,285,007
d. Net Capital Assets			0
e. Other Assets			0
f. Total Assets: a + b(vi) + c(x) + d + e		$	13,128,225,338
2. Liabilities			
a. Administrative Payable		$	76,531
b. Retirement Benefits Payable			96,818,887
c. Investments Payable			441,093,967
d. Foreign Exchange Contracts Payable			2,476,258,419
e. Securities Lending Obligations			103,123,228
f. Securities Sold Under Agreement to Repurchase			78,678,346
g. Due To Other Funds			1,086,160
h. Due to Other Governments			0
i. Total Liabilities: a + b + c + d + e + f + g + h		$	3,197,135,538
3. Fiduciary Net Position Restricted for Pensions: (1)(f) - (2)(i)		**$**	**9,931,089,800**

TABLE 14

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

			For Fiscal Year Ending June 30, 2025
1. Fiduciary Net Position as of June 30, 2024		**$**	**9,003,590,869**
2. Additions			
a. Contributions			
i.	Member Contributions	$	0
ii.	Employer Contributions		1,499,010
iii.	Service Purchases (Employer and Member) [l]		37,499
iv.	Non-Employer Contributing Entity Contributions		1,096,300,000
v.	Total Contributions	$	1,097,836,509
b. Investment Income/(Loss)			
i.	Net Appreciation/(Depreciation)	$	945,206,218
ii.	Net Interest and Dividend Income		145,522,940
iii.	Securities Lending Income		1,080,060
iv.	Other Net Investment Income		365,215
v.	Investment Management Expenses		(64,266,117)
vi.	Direct Investment Expenses		(2,397,923)
vii.	Securities Lending Expenses		(204,007)
viii.	Total Investment Income/(Loss)	$	1,025,306,386
c. Other Additions			
i.	Member Reassignments		2,677,720
ii.	Miscellaneous Receipts		0
iii.	Total Other Additions	$	2,677,720
d. Total Revenue (Additions): a(v) + b(viii) + c(iii)		$	2,125,820,615
3. Deductions			
a. Pension, Survivor and Disability Benefits		$	1,190,166,475
b. Death and Funeral Benefits			0
c. Distributions of Contributions and Interest			0
d. Administrative Expenses			6,270,426
e. Member Reassignments			1,884,783
f. Miscellaneous Expenses			0
g. Total Expenses (Deductions)		$	1,198,321,684
4. Net Increase (Decrease) in Fiduciary Net Position: (2)(d) - (3)(g)		**$**	**927,498,931**
5. Fiduciary Net Position as of June 30, 2025: (1) + (4)		**$**	**9,931,089,800**

[l] Service purchases paid by employer of $28,450 and employee of $9,049.

TABLE 15

SCHEDULE OF CHANGES IN NET PENSION LIABILITY

For Fiscal Year Ending June 30, 2025

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
1. Balance at June 30, 2024	$ 13,409,995,582	$ 9,003,590,869	$ 4,406,404,713
2. Changes for the Year:			
Service Cost (SC) [1]	22,956,318		22,956,318
Interest Cost	802,392,743		802,392,743
Experience (Gains)/Losses	(107,782,205)		(107,782,205)
Assumption Changes	(53,768,029)		(53,768,029)
Plan Amendments	(102,891,137)		(102,891,137)
Benefit Payments	(1,190,166,475)	(1,190,166,475)	0
Service Purchases			
Employer Contributions	28,450	28,450	0
Employee Contributions	9,049	9,049	0
Member Reassignments [2]	792,937	792,937	0
Employer Contributions		1,499,010	(1,499,010)
Non-employer Contributions		1,096,300,000	(1,096,300,000)
Employee Contributions		0	0
Net Investment Income		1,025,306,386	(1,025,306,386)
Administrative Expenses		(6,270,426)	6,270,426
Other		0	0
Net Changes	$ (628,428,349)	$ 927,498,931	$ (1,555,927,280)
3. Balance at June 30, 2025	$ 12,781,567,233	$ 9,931,089,800	$ 2,850,477,433

[1] Service cost provided as of beginning of year. Interest to end of year is included in the interest cost.

[2] Includes net interfund transfers of employer contributed amounts.

TABLE 16

DEFERRED OUTFLOWS OF RESOURCES

	June 30, 2024	Remaining Period	Recognition	June 30, 2025
1. Liability Experience				
June 30, 2025 Loss	$ 0	1.00	$ 0	$ 0
June 30, 2024 Loss	0	0.00	0	0
June 30, 2023 Loss	0	0.00	0	0
June 30, 2022 Loss	0	0.00	0	0
June 30, 2021 Loss	0	0.00	0	0
2. Assumption Changes				
June 30, 2025 Loss	$ 0	1.00	$ 0	$ 0
June 30, 2024 Loss	0	0.00	0	0
June 30, 2023 Loss	0	0.00	0	0
June 30, 2022 Loss	0	0.00	0	0
June 30, 2021 Loss	0	0.00	0	0
3. Investment Experience				
June 30, 2025 Loss	$ 0	5.00	$ 0	$ 0
June 30, 2024 Loss	0	4.00	0	0
June 30, 2023 Loss	70,417,423	3.00	23,472,475	46,944,948
June 30, 2022 Loss	270,271,106	2.00	135,135,554	135,135,552
June 30, 2021 Loss	0	1.00	0	0
Total Outflows: (1)+(2)+(3)	**$ 340,688,529**		**$ 158,608,029**	**$ 182,080,500**

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

TABLE 17

DEFERRED INFLOWS OF RESOURCES

	June 30, 2024	Remaining Period	Recognition	June 30, 2025
1. Liability Experience				
June 30, 2025 Gain	$ 107,782,205	1.00	$ 107,782,205	$ 0
June 30, 2024 Gain	0	0.00	0	0
June 30, 2023 Gain	0	0.00	0	0
June 30, 2022 Gain	0	0.00	0	0
June 30, 2021 Gain	0	0.00	0	0
2. Assumption Changes				
June 30, 2025 Gain	$ 53,768,029	1.00	$ 53,768,029	$ 0
June 30, 2024 Gain	0	0.00	0	0
June 30, 2023 Gain	0	0.00	0	0
June 30, 2022 Gain	0	0.00	0	0
June 30, 2021 Gain	0	0.00	0	0
3. Investment Experience				
June 30, 2025 Gain	$ 465,638,440	5.00	$ 93,127,688	$ 372,510,752
June 30, 2024 Gain	89,356,442	4.00	22,339,111	67,017,331
June 30, 2023 Gain	0	3.00	0	0
June 30, 2022 Gain	0	2.00	0	0
June 30, 2021 Gain	147,113,068	1.00	147,113,068	0
Total Inflows: (1)+(2)+(3)	**$ 863,658,184**		**$ 424,130,101**	**$ 439,528,083**

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

TABLE 18

DEFERRED INFLOWS / OUTFLOWS TO BE RECOGNIZED IN PENSION EXPENSE

Fiscal Year Ending June 30	**Deferred Outflows**	**Deferred Inflows**	**Net Deferred Outflows/(Inflows)**
Current Year:			
2025	$ 158,608,029	$ 424,130,101	$ (265,522,072)
Future Years:			
2026	$ 158,608,027	$ 115,466,799	$ 43,141,228
2027	23,472,473	115,466,799	(91,994,326)
2028	0	115,466,797	(115,466,797)
2029	0	93,127,688	(93,127,688)
2030	0	0	0
Thereafter	0	0	0

TABLE 19

PENSION EXPENSE UNDER GASB NO. 68

			For Fiscal Year Ending June 30, 2025
1. Service Cost, beginning of year		$	22,956,318
2. Interest Cost, including interest on service cost			802,392,743
3. Member Contributions [1]			0
4. Administrative Expenses			6,270,426
5. Expected Return on Assets [2]			(559,667,946)
6. Plan Amendments			(102,891,137)
7. Recognition of Deferred Inflows / Outflows of Resources Related to:			
a. Liability Experience (Gains) / Losses	(107,782,205)		
b. Assumption Change (Gains) / Losses	(53,768,029)		
c. Investment Experience (Gains) / Losses	(103,971,838)		
d. Total: (7a)+(7b)+(7c)			(265,522,072)
8. Miscellaneous (Income) / Expense			0
9. Total Collective Pension Expense: (1)+(2)+(3)+(4)+(5)+(6)+(7d)+(8)			(96,461,668)
10. Employer Service Purchases [3]			28,450
Pension Expense / (Income): (9) + (10)		**$**	**(96,433,218)**

[1] Excludes member paid service purchases of $9,049.
[2] Cash flows assumed to occur mid-year.
[3] To be expensed by the employers who purchased the service.

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

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

Actuarial Assumptions and Inputs

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

Type of Plan	The Teachers' Retirement Fund Pre-1996 Account is a cost-sharing multiple-employer plan for GASB accounting purposes.
Measurement Date	June 30, 2025
Valuation Date	
Assets:	June 30, 2025
Liabilities:	June 30, 2024 – The TPL as of June 30, 2025 was determined based on an actuarial valuation prepared as of June 30, 2024 rolled forward one year to June 30, 2025, using the following key actuarial assumptions and other inputs, such as benefit accruals and actual benefit payments during that time period.
Inflation	2.00%
Future Salary Increases	2.90% to 12.15%, based on service, for the five-year period ending June 30, 2030, 2.65% to 11.90%, based on service, thereafter.
Cost-of-Living Increases	As of June 30, 2025: A one-time 13th check was granted and payable by October 1 in both 2024 and 2025. Thereafter, it is assumed participants who have commenced benefits prior to July 1, 2029 will receive an annual 13th check indexed with inflation. Participants commencing on or after July 1, 2029 are assumed to receive an annual 1% COLA. As of June 30, 2024: A one-time 13th check was granted and payable by October 1, 2024. Thereafter, it is assumed participants who have commenced benefits prior to July 1, 2025 will receive an annual 13th check indexed with inflation. Participants commencing on or after July 1, 2025 are assumed to receive a 1% COLA.

Mortality Assumption	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. *Healthy Employees* – Teacher Employee table with a 1 year set forward for males and a 1 year set forward for females. *Retirees* – Teacher Retiree table with a 1 year set forward for males and a 1 year set forward for females. *Beneficiaries* – Contingent Survivor table with no set forward for males and a 2 year set forward for females. *Disableds* – General Disabled table with a 140% load.
Experience Study	The most recent comprehensive experience study, based on member experience between June 30, 2020 and June 30, 2024, was completed in February 2025. The demographic and economic assumptions were approved by the Board in June 2025 and are used beginning with the June 30, 2025 actuarial valuation.
Discount Rate	6.25%, net of investment expenses The discount rate is equal to the expected long-term rate of return on plan investments, net of investment expense and including price inflation. There was no change in the discount rate from the prior measurement date. The plan is funded on a pay-as-you-go basis where the INPRS Board of Trustees has established a funding policy of requesting appropriations from the State in an amount equal to the actuarially determined contribution, which is based on the assumptions and methods selected by the Board for the annual actuarial valuations and projected covered member payroll. The June 30, 2025 actuarial valuation assumes a long-term rate of return on assets of 6.25% and a 5-year smoothing method for recognizing investment gains and losses in the actuarial value of assets. The Board has historically followed its funding policy and the State has made the appropriations to the plan. While the expected benefit payments are currently greater than the contributions set by the funding policy, the State is anticipated to maintain or increase their contribution level until they are fully funding the benefit payments, ensuring the plan maintains it path towards full funding based on the Board's funding policy. As a result, it is presumed that the projected plan assets will be sufficient to cover the future benefit payments for current members and a detailed projection of plan assets and cash flows has not been prepared.

Discount Rate Sensitivity

	1% Decrease	Current Rate	1% Increase
	5.25%	6.25%	7.25%
Net Pension Liability	$3,927,409,082	$2,850,477,433	$1,916,200,250

Classes of Plan Members Covered

The June 30, 2025 valuation was performed using census data provided by INPRS as of June 30, 2024. Standard actuarial techniques were used to roll forward the total pension liability computed as of June 30, 2024 to the June 30, 2025 measurement date using actual benefit payments during that period of time.

Number as of June 30, 2024	
1. Currently Receiving Benefits:	
Retired Members, Disabled Members, and Beneficiaries	52,013
2. Inactive Members Entitled To But Not Yet Receiving Benefits	1,408
3. Inactive Non-vested Members Entitled to a Refund of Member Contributions	0
4. Active Members	4,728
Total Covered Plan Members: (1)+(2)+(3)+(4)	58,149

Money-Weighted Rate of Return

The money-weighted rate of return equals investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested. For the fiscal year ending June 30, 2025, the money-weighted return on the plan assets is 10.8%.

Components of Net Pension Liability

As of June 30, 2025	
Total Pension Liability	$ 12,781,567,233
Fiduciary Net Position	9,931,089,800
Net Pension Liability	$ 2,850,477,433
Ratio of Fiduciary Net Position to Total Pension Liability	77.70%

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

Fiscal Year Ending June 30	2021	2022	2023	2024	2025
Total Pension Liability					
Total Pension Liability - beginning	$13,968,702,829	$14,338,188,132	$14,059,122,476	$13,703,295,417	$13,409,995,582
DC Account Balances - beginning [1]	0	0	0	0	0
DB Pension Liability - beginning	$13,968,702,829	$14,338,188,132	$14,059,122,476	$13,703,295,417	$13,409,995,582
Service Cost (SC), beginning-of-year	31,512,568	32,789,246	29,212,061	25,938,494	22,956,318
Interest Cost, including interest on SC	905,231,673	861,851,735	843,965,112	821,547,418	802,392,743
Experience (Gains)/Losses	6,414,475	(11,007,398)	(59,218,745)	67,615,151	(107,782,205)
Assumption Changes	582,473,624	0	0	0	(53,768,029)
Plan Amendments	22,604,566	0	0	(39,450,445)	(102,891,137)
DC Annuitizations	0	0	0	0	0
Actual Benefit Payments	(1,178,739,780)	(1,164,307,089)	(1,170,517,923)	(1,169,631,991)	(1,190,166,475)
Member Reassignments	(34,719)	1,544,256	698,505	609,327	792,937
Service Purchases	22,897	63,594	33,931	72,211	37,499
Net Change in Total Pension Liability	369,485,304	(279,065,656)	(355,827,059)	(293,299,835)	(628,428,349)
DB Pension Liability - ending	$14,338,188,133	$14,059,122,476	$13,703,295,417	$13,409,995,582	$12,781,567,233
DC Account Balances - ending [1]	0	0	0	0	0
(a) Total Pension Liability - ending	$14,338,188,132	$14,059,122,476	$13,703,295,417	$13,409,995,582	$12,781,567,233
Plan Fiduciary Net Position					
Plan Fiduciary Net Position – beginning	$3,661,150,972	$5,074,750,956	$5,113,121,284	$8,472,903,139	$9,003,590,869
DC Account Balances - beginning [1]	0	0	0	0	0
DB Plan Fiduciary Net Position – beginning	$3,661,150,972	$5,074,750,956	$5,113,121,284	$8,472,903,139	$9,003,590,869
Contributions – employer	2,254,282	2,205,029	2,466,503	2,108,392	1,527,460
Contributions – non-employer	1,598,375,000	1,550,410,326	4,235,000,000	1,065,200,000	1,096,300,000
Contributions – member	22,897	63,594	4,103	37,323	9,049
Net investment income	996,761,346	(346,479,283)	297,891,772	637,901,567	1,025,306,386
Actual benefit payments	(1,178,739,780)	(1,164,307,089)	(1,170,517,923)	(1,169,631,991)	(1,190,166,475)
Net member reassignments	(34,719)	1,544,256	698,505	609,327	792,937
DC Annuitizations	0	0	0	0	0
Administrative expense	(5,039,517)	(5,067,084)	(5,761,105)	(5,536,888)	(6,270,426)
Other	475	579	0	0	0
Net change in Plan Fiduciary Net Position	1,413,599,984	38,370,328	3,359,781,855	530,687,730	927,498,931
DB Plan Fiduciary Net Position – ending	$5,074,750,956	$5,113,121,284	$8,472,903,139	$9,003,590,869	$9,931,089,800
DC Account Balances - ending [1]	0	0	0	0	0
(b) Plan Fiduciary Net Position - ending	$5,074,750,956	$5,113,121,284	$8,472,903,139	$9,003,590,869	$9,931,089,800
Net Pension Liability - ending, (a) - (b)	$9,263,437,176	$8,946,001,192	$5,230,392,278	$4,406,404,713	$2,850,477,433

[1] Effective January 1, 2018, DC account balances are handled by a third party annuity provider and are treated as a separate defined contribution plan. Results prior to 2018 were produced by the prior actuary.

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

Fiscal Year Ending June 30	2016	2017	2018	2019	2020
Total Pension Liability					
Total Pension Liability - beginning	$17,017,746,329	$16,840,200,410	$16,736,769,005	$14,583,189,033	$14,389,164,104
DC Account Balances - beginning [1]	1,421,455,452	1,265,128,371	1,242,229,627	0	0
DB Pension Liability - beginning	$15,596,290,877	$15,575,072,039	$15,494,539,378	$14,583,189,033	$14,389,164,104
Service Cost (SC), beginning-of-year	46,787,226	43,204,075	44,602,627	37,234,272	33,749,389
Interest Cost, including interest on SC	1,019,403,246	1,016,915,164	1,010,564,919	947,606,953	933,927,084
Experience (Gains)/Losses	(5,793,718)	22,415,814	(162,413,866)	(15,072,685)	(43,561,639)
Assumption Changes	0	(61,548,006)	(668,484,272)	0	(170,662,718)
Plan Amendments	0	4,212,840	0	(189,903)	0
DC Annuitizations	35,185,531	30,502,555	16,301,373	0	0
Actual Benefit Payments	(1,118,121,746)	(1,135,661,960)	(1,153,373,784)	(1,165,133,828)	(1,174,418,789)
Member Reassignments	1,320,623	(573,143)	1,428,141	1,493,825	484,347
Service Purchases	0	0	24,517	36,437	21,051
Net Change in Total Pension Liability	(21,218,838)	(80,532,661)	(911,350,345)	(194,024,929)	(420,461,275)
DB Pension Liability - ending	$15,575,072,039	$15,494,539,378	$14,583,189,033	$14,389,164,104	$13,968,702,829
DC Account Balances - ending [1]	1,265,128,371	1,242,229,627	0	0	0
(a) Total Pension Liability - ending	$16,840,200,410	$16,736,769,005	$14,583,189,033	$14,389,164,104	$13,968,702,829
Plan Fiduciary Net Position					
Plan Fiduciary Net Position – beginning	$5,099,909,470	$4,787,528,950	$4,817,629,523	$3,711,346,539	$3,759,145,182
DC Account Balances - beginning [1]	1,421,455,452	1,265,128,371	1,242,229,627	0	0
DB Plan Fiduciary Net Position – beginning	$3,678,454,018	$3,522,400,579	$3,575,399,896	$3,711,346,539	$3,759,145,182
Contributions – employer	5,048,222	4,524,443	4,168,409	3,504,801	2,355,930
Contributions – non-employer	887,500,000	871,000,000	917,900,000	943,900,000	971,132,000
Contributions – member	131,562	9,951	155,926	36,437	21,051
Net investment income	40,767,462	288,850,452	354,638,876	269,009,621	107,747,415
Actual benefit payments	(1,118,121,745)	(1,135,661,960)	(1,153,373,784)	(1,165,133,828)	(1,174,418,789)
Net member reassignments	0	0	1,428,141	1,493,825	484,347
DC Annuitizations	35,185,500	30,502,450	16,301,373	0	0
Administrative expense	(6,564,440)	(6,226,019)	(5,385,350)	(5,329,271)	(5,341,285)
Other	0	0	113,052	317,058	25,121
Net change in Plan Fiduciary Net Position	(156,053,439)	52,999,317	135,946,643	47,798,643	(97,994,210)
DB Plan Fiduciary Net Position – ending	$3,522,400,579	$3,575,399,896	$3,711,346,539	$3,759,145,182	$3,661,150,972
DC Account Balances - ending [1]	1,265,128,371	1,242,229,627	0	0	0
(b) Plan Fiduciary Net Position - ending	$4,787,528,950	$4,817,629,523	$3,711,346,539	$3,759,145,182	$3,661,150,972
Net Pension Liability - ending, (a) - (b)	$12,052,671,460	$11,919,139,482	$10,871,842,494	$10,630,018,922	$10,307,551,857

[1] Effective January 1, 2018, DC account balances are handled by a third party annuity provider and are treated as a separate defined contribution plan. Results prior to 2018 were produced by the prior actuary.

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

SCHEDULE OF THE NET PENSION LIABILITY

Fiscal Year Ending June 30	2021	2022	2023	2024	2025
Total Pension Liability	$14,338,188,132	$14,059,122,476	$13,703,295,417	$13,409,995,582	$12,781,567,233
Plan Fiduciary Net Position	5,074,750,956	5,113,121,284	8,472,903,139	9,003,590,869	9,931,089,800
Net Pension Liability	$9,263,437,176	$8,946,001,192	$5,230,392,278	$4,406,404,713	$2,850,477,433
Ratio of Plan Fiduciary Net Position to Total Pension Liability	35.39%	36.37%	61.83%	67.14%	77.70%
Covered payroll [1]	$625,812,197	$575,522,920	$521,285,701	$475,645,420	$420,250,227
Net Pension Liability as a percentage of covered payroll	1,480.23%	1,554.41%	1,003.36%	926.41%	678.28%

Fiscal Year Ending June 30	2016	2017	2018	2019	2020
Total Pension Liability	$16,840,200,410	$16,736,769,005	$14,583,189,033	$14,389,164,104	$13,968,702,829
Plan Fiduciary Net Position	4,787,528,950	4,817,629,523	3,711,346,539	3,759,145,182	3,661,150,972
Net Pension Liability	$12,052,671,460	$11,919,139,482	$10,871,842,494	$10,630,018,922	$10,307,551,857
Ratio of Plan Fiduciary Net Position to Total Pension Liability	28.43%	28.78%	25.45%	26.12%	26.21%
Covered payroll [1]	$989,093,421	$912,684,850	$824,769,947	$753,354,999	$693,965,233
Net Pension Liability as a percentage of covered payroll	1,218.56%	1,305.94%	1,318.17%	1,411.02%	1,485.31%

[1] As provided by INPRS.

Results prior to 2018 were produced by the prior actuary.

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

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ending June 30	2021	2022	2023	2024	2025
Actuarially Determined Contribution [1]	$1,600,629,282	$1,552,615,355	$4,237,436,675	$1,067,273,504	$1,097,799,010
Actual employer contributions [2]	$1,600,629,282	$1,552,615,355	$4,237,436,675	$1,067,273,504	$1,097,799,010
Annual contribution (deficiency) / excess	$0	$0	$0	$0	$0
Covered payroll [3]	$625,812,197	$575,522,920	$521,285,701	$475,645,420	$420,250,227
Actual contributions as a percentage of covered payroll	255.77%	269.77%	812.88%	224.38%	261.23%

Fiscal Year Ending June 30	2016	2017	2018	2019	2020
Actuarially Determined Contribution [1]	$892,548,222	$875,524,443	$922,068,409	$947,404,801	$973,487,930
Actual employer contributions [2]	$892,548,222	$875,524,443	$922,068,409	$947,404,801	$973,487,930
Annual contribution (deficiency) / excess	$0	$0	$0	$0	$0
Covered payroll [3]	$989,093,421	$912,684,850	$824,769,947	$753,354,999	$693,965,233
Actual contributions as a percentage of covered payroll	90.24%	95.93%	111.80%	125.76%	140.28%

[1] The plan is funded on a pay-as-you-go basis, therefore the actuarially determined contribution was set equal to the state appropriation to fund the plan.
[2] Excludes service purchases paid for by the employer of $28,450.
[3] As provided by INPRS.
Results prior to 2018 were produced by the prior actuary.

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

SCHEDULE OF MONEY-WEIGHTED RETURNS

For Fiscal Year Ending June 30	Money-Weighted Return
2025	10.8%
2024	7.1%
2023	4.0%
2022	(5.9%)
2021	25.7%
2020	2.8%
2019	7.6%
2018	9.5%
2017	8.1%
2016	1.0%

Returns provided by INPRS.

Appendix Table of Contents

MEMBER DATA RECONCILIATION
For June 30, 2024 Data used in the June 30, 2025 Valuation

	Active Members	Inactive Vested	Inactive Deceased	Disabled	Retired	Beneficiary	Total
1. As of June 30, 2023	**5,524**	**1,310**	**60**	**101**	**46,843**	**5,911**	**59,749**
2. Data Adjustments							
New Participants	35	0	0	0	0	0	35
Rehires	41	(41)	0	0	0	0	0
Terminations:							
Not Vested	0	0	0	0	0	0	0
Deferred Vested	(238)	238	0	0	0	0	0
Disability	(2)	0	0	2	0	0	0
Retirements	(607)	(138)	(2)	0	745	2	0
Refund / Benefits Ended	(14)	0	0	0	0	(1)	(15)
Transfer	(3)	(12)	0	0	0	0	(15)
Deaths:							
With Beneficiary	(4)	(2)	0	(2)	(453)	461	0
Without Beneficiary	(3)	(2)	0	(2)	(1,005)	(609)	(1,621)
Entitled to Future Pension Benefit	(1)	0	1	0	0	0	0
Data Corrections [1]	0	(4)	0	4	6	10	16
Net Change	(796)	39	(1)	2	(707)	(137)	(1,600)
3. As of June 30, 2024 [2]	**4,728**	**1,349**	**59**	**103**	**46,136**	**5,774**	**58,149**

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

[2] Valuation results as of June 30, 2025 were calculated using June 30, 2024 census data, adjusted for certain activity before the valuation date. Headcounts may include multiple records for individuals, such as members with multiple periods of service.

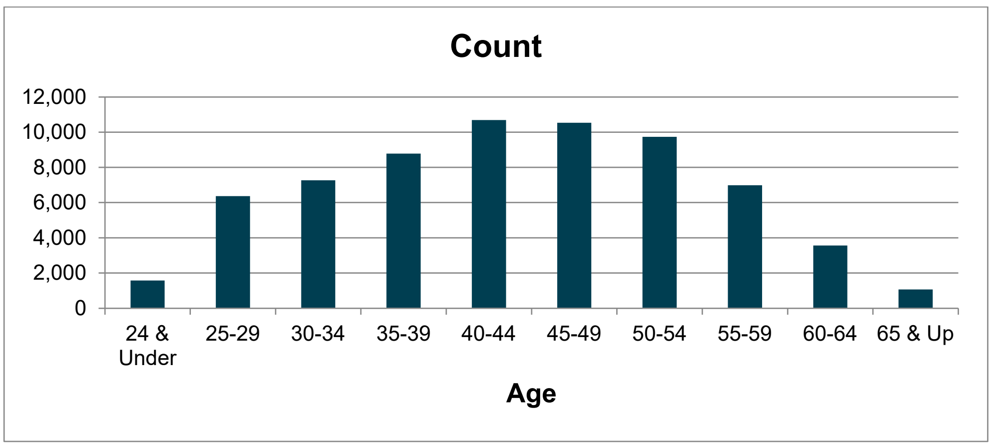
SUMMARY OF MEMBERSHIP DATA

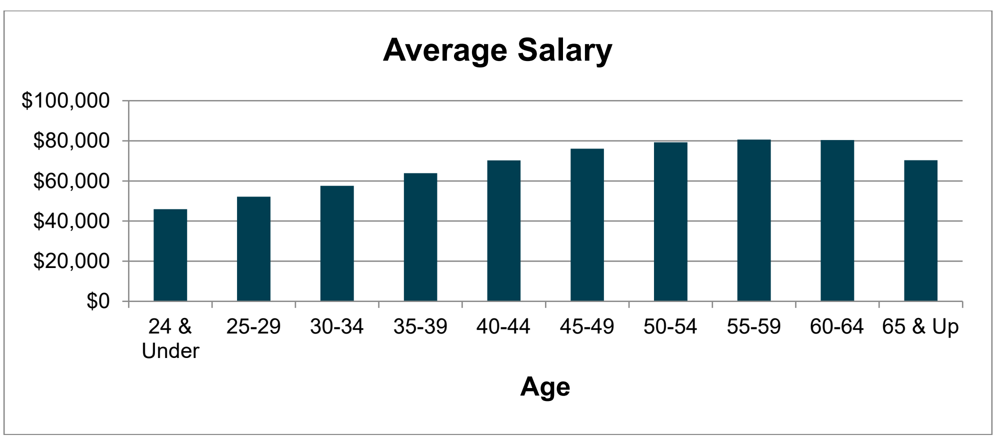
	Combined TRF Plans		Pre-1996 Account
Valuation Date	June 30, 2024	June 30, 2025	June 30, 2025
Date of Membership Data [1]	June 30, 2023	June 30, 2024	June 30, 2024
ACTIVE MEMBERS			
Number of Active Members	66,712	66,578	4,728
Annual Membership Data Salary [2]	$ 4,435,692,927	$ 4,632,954,307	$ 410,078,581
Covered Payroll for Fiscal Year Ending	$ 4,926,057,630	$ 5,026,170,169	$ 420,250,227
Active Member Averages			
Age	43.5	43.7	58.1
Service	13.8	13.9	30.4
Annual Membership Data Salary	$ 66,490	$ 69,587	$ 86,734
INACTIVE MEMBERS			
Number of Inactive Members	9,837	10,627	1,408
Inactive Member Averages			
Age	50.8	51.1	60.8
Service	13.9	14.3	18.0
RETIREES, DISABLEDS, AND BENEFICIARIES			
Number of Members			
Retired	56,940	56,890	46,136
Disabled	292	305	103
Beneficiaries	6,471	6,393	5,774
Total	63,703	63,588	52,013
Annual Benefits			
Retired	$ 1,267,467,343	$ 1,272,435,983	$ 1,073,939,712
Disabled	3,106,576	3,338,272	1,379,118
Beneficiaries	103,306,955	106,457,614	97,689,743
Total	$ 1,373,880,874	$ 1,382,231,869	$ 1,173,008,573
Annual Benefits			
Pension	$ 1,252,615,120	$ 1,265,036,212	$ 1,066,947,317
DC Plan Annuities	121,265,754	117,195,657	106,061,257
Total	$ 1,373,880,874	$ 1,382,231,869	$ 1,173,008,574

[1] The valuation results were calculated using the prior year's census data and were adjusted for certain activity during fiscal year.
[2] The 2024 amounts include 64 records from the 1996 Account with less than a year of service who are missing a salary. Their salaries were defaulted to the average, $64,961. The 2025 amounts include 30 records from the 1996 Account with less than a year of service who are missing a salary. Their salaries were defaulted to the average, $68,276.

ACTIVE MEMBERS[1]
As of June 30, 2024 for the June 30, 2025 Valuation
Combined TRF Plans

	Count of Members			FY 2024 Annual Membership Data Salary		
Age	Male	Female	Total	Male	Female	Total
24 & Under	296	1,283	1,579	$ 13,646,018	$ 58,816,227	$ 72,462,245
25-29	1,321	5,048	6,369	71,267,133	261,011,394	332,278,527
30-34	1,823	5,446	7,269	110,763,113	307,529,185	418,292,298
35-39	2,275	6,508	8,783	156,770,754	404,180,047	560,950,801
40-44	2,691	8,000	10,691	207,906,115	543,381,581	751,287,696
45-49	2,779	7,752	10,531	230,365,464	570,742,444	801,107,908
50-54	2,597	7,139	9,736	226,530,368	544,951,022	771,481,390
55-59	1,844	5,144	6,988	161,584,296	401,935,947	563,520,243
60-64	964	2,600	3,564	83,938,152	202,504,730	286,442,882
65 & Up	312	756	1,068	21,876,455	53,253,862	75,130,317
Total	16,902	49,676	66,578	$ 1,284,647,868	$ 3,348,306,439	$ 4,632,954,307





[1] Includes 30 records from the 1996 Account with less than a year of service who are missing a salary. Their salaries were defaulted to the average, $68,276.

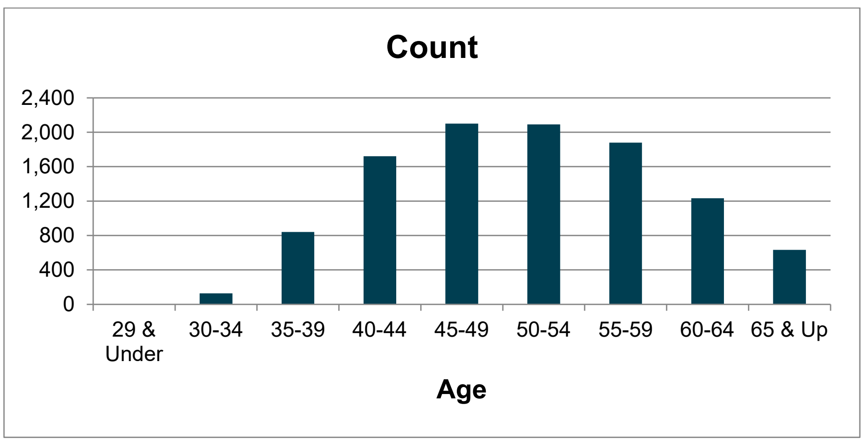
AGE AND SERVICE DISTRIBUTION[1]
As of June 30, 2024 for the June 30, 2025 Valuation
Combined TRF Plans

Age		0-4	5-9	10-14	15-19	20-24	25-29	30-34	Over 34	Total
24 & Under	Number	1,579	0	0	0	0	0	0	0	1,579
	Total Salary	$ 72,462,245	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 72,462,245
	Average Sal.	$ 45,891	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 45,891
25-29	Number	4,757	1,612	0	0	0	0	0	0	6,369
	Total Salary	$ 242,016,999	$ 90,261,528	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 332,278,527
	Average Sal.	$ 50,876	$ 55,994	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 52,171
30-34	Number	1,878	4,074	1,317	0	0	0	0	0	7,269
	Total Salary	$ 96,170,129	$ 238,284,240	$ 83,837,929	$ 0	$ 0	$ 0	$ 0	$ 0	$ 418,292,298
	Average Sal.	$ 51,209	$ 58,489	$ 63,658	$ 0	$ 0	$ 0	$ 0	$ 0	$ 57,545
35-39	Number	1,546	2,134	4,135	968	0	0	0	0	8,783
	Total Salary	$ 81,101,493	$ 128,769,338	$ 278,224,792	$ 72,855,178	$ 0	$ 0	$ 0	$ 0	$ 560,950,801
	Average Sal.	$ 52,459	$ 60,342	$ 67,285	$ 75,264	$ 0	$ 0	$ 0	$ 0	$ 63,868
40-44	Number	1,538	1,656	2,043	4,183	1,270	1	0	0	10,691
	Total Salary	$ 81,360,928	$ 103,008,612	$ 139,338,529	$ 321,579,004	$ 105,942,942	$ 57,681	$ 0	$ 0	$ 751,287,696
	Average Sal.	$ 52,900	$ 62,203	$ 68,203	$ 76,878	$ 83,420	$ 57,681	$ 0	$ 0	$ 70,273
45-49	Number	1,059	1,262	1,363	1,786	3,974	1,085	2	0	10,531
	Total Salary	$ 55,789,419	$ 78,997,797	$ 93,930,504	$ 136,913,198	$ 337,465,823	$ 97,814,801	$ 196,366	$ 0	$ 801,107,908
	Average Sal.	$ 52,681	$ 62,597	$ 68,915	$ 76,659	$ 84,918	$ 90,152	$ 98,183	$ 0	$ 76,071
50-54	Number	705	1,053	1,008	1,187	1,631	3,412	739	1	9,736
	Total Salary	$ 37,800,687	$ 66,537,204	$ 67,628,360	$ 90,128,182	$ 133,258,161	$ 305,859,418	$ 70,149,921	$ 119,457	$ 771,481,390
	Average Sal.	$ 53,618	$ 63,188	$ 67,092	$ 75,929	$ 81,703	$ 89,642	$ 94,925	$ 119,457	$ 79,240
55-59	Number	447	604	662	806	1,015	1,426	1,657	371	6,988
	Total Salary	$ 23,184,029	$ 38,662,942	$ 44,574,035	$ 59,599,589	$ 82,698,370	$ 126,495,981	$ 153,085,554	$ 35,219,743	$ 563,520,243
	Average Sal.	$ 51,866	$ 64,011	$ 67,332	$ 73,945	$ 81,476	$ 88,707	$ 92,387	$ 94,932	$ 80,641
60-64	Number	211	290	312	407	453	483	470	938	3,564
	Total Salary	$ 9,898,531	$ 18,051,049	$ 20,757,436	$ 29,592,478	$ 35,974,573	$ 41,367,785	$ 42,965,714	$ 87,835,316	$ 286,442,882
	Average Sal.	$ 46,912	$ 62,245	$ 66,530	$ 72,709	$ 79,414	$ 85,648	$ 91,416	$ 93,641	$ 80,371
65 & Up	Number	148	165	131	153	98	105	63	205	1,068
	Total Salary	$ 5,253,921	$ 9,295,882	$ 8,202,491	$ 10,823,022	$ 7,778,403	$ 9,148,024	$ 5,665,681	$ 18,962,893	$ 75,130,317
	Average Sal.	$ 35,499	$ 56,339	$ 62,614	$ 70,739	$ 79,371	$ 87,124	$ 89,931	$ 92,502	$ 70,347
Total	Number	13,868	12,850	10,971	9,490	8,441	6,512	2,931	1,515	66,578
	Total Salary	$ 705,038,381	$ 771,868,592	$ 736,494,076	$ 721,490,651	$ 703,118,272	$ 580,743,690	$ 272,063,236	$ 142,137,409	$ 4,632,954,307
	Average Sal.	$ 50,839	$ 60,068	$ 67,131	$ 76,026	$ 83,298	$ 89,181	$ 92,823	$ 93,820	$ 69,587

[1] Includes 30 records from the 1996 Account with less than a year of service who are missing a salary. Their salaries were defaulted to the average, $68,276..

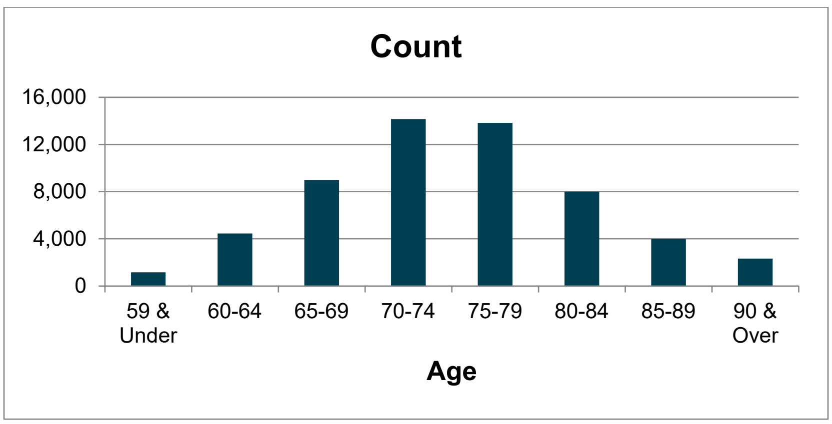
INACTIVE VESTED MEMBERS
As of June 30, 2024 for the June 30, 2025 Valuation
Combined TRF Plans

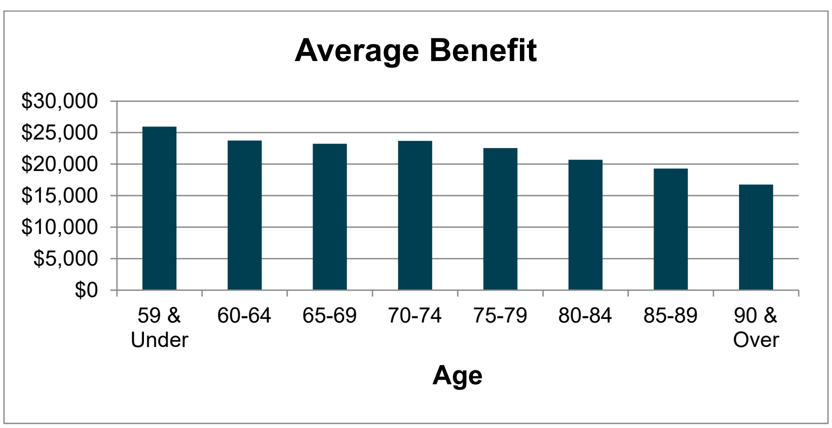
	Count of Members		
Age	Male	Female	Total
29 & Under	0	0	0
30-34	23	104	127
35-39	212	629	841
40-44	464	1,257	1,721
45-49	581	1,520	2,101
50-54	602	1,490	2,092
55-59	493	1,387	1,880
60-64	270	962	1,232
65 & Up	146	487	633
Total	2,791	7,836	10,627



RETIRED MEMBERS
As of June 30, 2024 for the June 30, 2025 Valuation
Combined TRF Plans

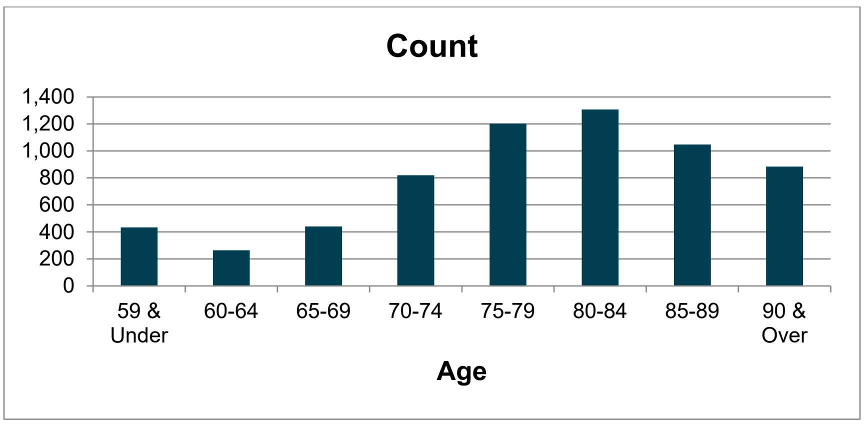
	Count of Members			Annual Benefits		
Age	Male	Female	Total	Male	Female	Total
59 & Under	313	847	1,160	$ 9,018,025	$ 21,081,287	$ 30,099,312
60-64	1,119	3,327	4,446	28,728,492	76,798,990	105,527,482
65-69	2,224	6,767	8,991	58,127,290	150,591,222	208,718,512
70-74	3,640	10,509	14,149	95,751,831	239,170,723	334,922,554
75-79	4,208	9,611	13,819	106,624,647	204,979,526	311,604,173
80-84	2,817	5,182	7,999	66,868,373	98,635,081	165,503,454
85-89	1,443	2,551	3,994	32,654,038	44,333,614	76,987,652
90 & Over	737	1,595	2,332	15,273,100	23,799,744	39,072,844
Total	16,501	40,389	56,890	$ 413,045,796	$ 859,390,187	$ 1,272,435,983

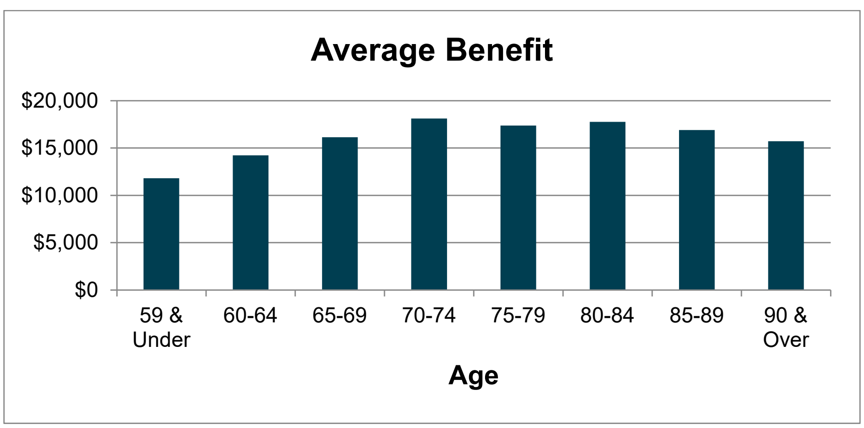




BENEFICIARIES RECEIVING BENEFITS
As of June 30, 2024 for the June 30, 2025 Valuation
Combined TRF Plans

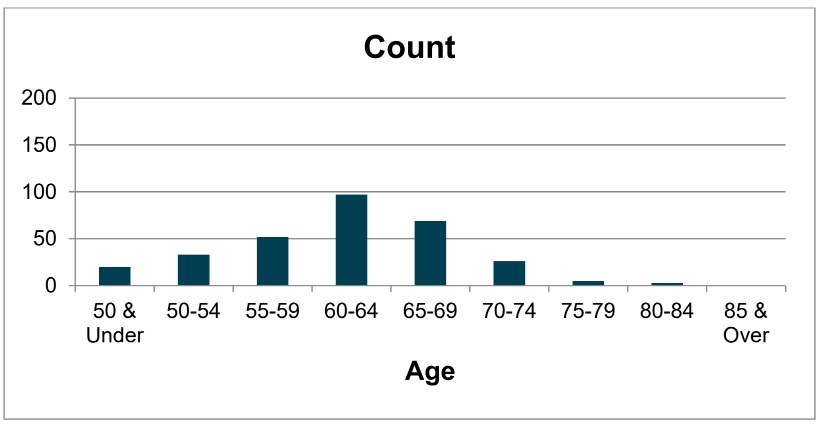
	Count of Members			Annual Benefits		
Age	Male	Female	Total	Male	Female	Total
59 & Under	180	253	433	$ 2,098,031	$ 3,015,544	$ 5,113,575
60-64	103	161	264	1,255,082	2,502,306	3,757,388
65-69	184	256	440	2,645,228	4,454,500	7,099,728
70-74	319	500	819	4,994,236	9,841,001	14,835,237
75-79	416	785	1,201	6,343,443	14,514,953	20,858,396
80-84	344	962	1,306	5,290,575	17,920,033	23,210,608
85-89	209	838	1,047	2,906,594	14,794,684	17,701,278
90 & Over	152	731	883	1,828,464	12,052,940	13,881,404
Total	1,907	4,486	6,393	$ 27,361,653	$ 79,095,961	$ 106,457,614

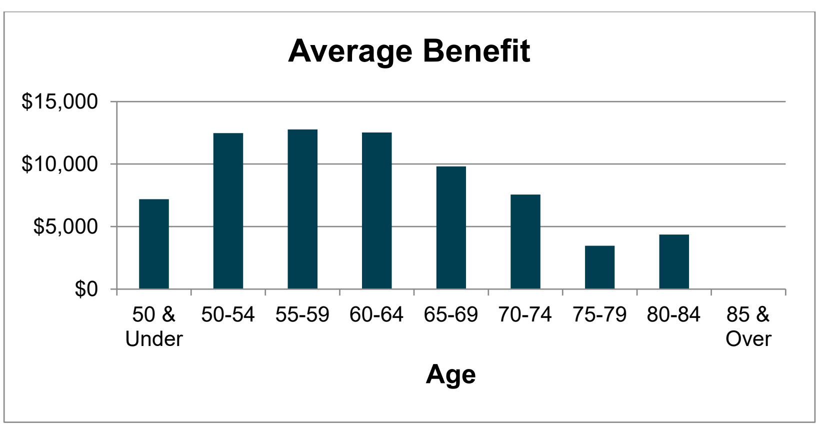




DISABLED MEMBERS
As of June 30, 2024 for the June 30, 2025 Valuation
Combined TRF Plans

	Count of Members			Annual Benefits		
Age	Male	Female	Total	Male	Female	Total
50 & Under	3	17	20	$ 29,462	$ 114,387	$ 143,849
50-54	5	28	33	50,193	361,671	411,864
55-59	17	35	52	251,298	412,895	664,193
60-64	21	76	97	292,894	921,830	1,214,724
65-69	12	57	69	131,808	544,967	676,775
70-74	3	23	26	31,063	165,454	196,517
75-79	2	3	5	6,460	10,831	17,291
80-84	0	3	3	0	13,059	13,059
85 & Over	0	0	0	0	0	0
Total	63	242	305	$ 793,178	$ 2,545,094	$ 3,338,272





MEMBERS AND BENEFICIARIES RECEIVING BENEFITS
As of June 30, 2024 for the June 30, 2025 Valuation
Pre-1996 Account

Schedule of Average Benefit Payments [1,2]

	Years of Credited Service						
For the Year Ended June 30, 2025	< 10	10 - 14	15 - 19	20 - 24	25 - 29	30 +	Total
Average Monthly Defined Benefit	$127	$340	$600	$987	$1,409	$2,038	$1,709
Average Monthly DC Annuity [3]	$21	$228	$239	$322	$426	$679	$541
Average Final Average Salary [4]	$31,956	$28,238	$43,063	$53,325	$59,809	$65,127	$60,889
Number of Benefit Recipients	141	1,391	2,976	4,846	8,090	34,569	52,013

[1] Calculated using the prior year census data, adjusted for certain activity during the fiscal year.
[2] Members with less than 10 years of service are primarily members receiving a disability benefit.
[3] This represents those retirees who elected to receive their DC account as a supplemental monthly payment in addition to the monthly Defined Benefit payment.
[4] Excludes the 105 in-pay members who are missing a final average salary in the data.

MEMBERS AND BENEFICIARIES RECEIVING BENEFITS
As of June 30, 2024 for the June 30, 2025 Valuation
Pre-1996 Account

Schedule of Benefit Recipients by Type of Benefit Option [1,2]

	Number of Recipients by Benefit Option							
Amount of Monthly Benefit (in dollars)	5-Year Certain & Life	Straight Life	Joint with 100% Survivor Benefits	Joint with Two-Thirds Survivor Benefits	Joint with One-Half Survivor Benefits	Survivors	Disability	Total Benefit Recipients
1 - 500	790	529	475	55	107	657	25	2,638
501 - 1,000	1,182	884	926	189	295	1,356	18	4,850
1,001 - 1,500	2,252	1,653	2,078	563	866	1,492	30	8,934
1,501 - 2,000	3,041	2,903	3,479	1,237	1,474	1,138	25	13,297
2,001 - 2,500	2,510	3,062	3,227	1,097	1,514	633	4	12,047
2,501 - 3,000	1,268	1,826	1,346	510	732	243	1	5,926
Over 3,000	850	1,328	937	435	516	255	0	4,321
Total	11,893	12,185	12,468	4,086	5,504	5,774	103	52,013

[1] Calculated using the prior year census data, adjusted for certain activity during the fiscal year.
[2] Members who elected Social Security Integration were included in their selected benefit option of either 5-Year Certain & Life, Straight Life, Modified Cash Refund Plus 5-Year Certain & Life, Joint With 100% Survivor Benefits, Joint With Two-Thirds Survivor Benefits, or Joint With One-Half Survivor Benefits.

MEMBERS AND BENEFICIARIES RECEIVING BENEFITS
As of June 30, 2024 for the June 30, 2025 Valuation
Pre-1996 Account

Schedule of Retirees and Beneficiaries [1]

	Added to Rolls		Removed from Rolls		Rolls - End of Year				
	Number	Annual Benefits[2]	Number	Annual Benefits[2]	Number	Total Annual Benefits[2]	Percent Change In Total Annual Benefits	Average Annual Benefit	Percent Change In Average Annual Benefit
2025 [3]	775	$21,492	1,617	$29,326	52,013	$1,173,009	(0.6%)	$22,552	1.1%
2024 [3]	887	24,490	1,314	23,644	52,855	1,179,511	0.0	22,316	0.0
2023 [3]	1,375	37,851	1,250	21,179	53,282	1,180,022	2.2	22,147	1.9
2022 [3]	1,173	30,221	1,553	25,669	53,157	1,154,855	0.2	21,725	0.9
2021 [3]	1,315	32,981	1,193	19,207	53,537	1,152,667	1.0	21,530	0.8
2020 [3]	1,195	29,710	1,278	20,560	53,415	1,140,771	0.6	21,357	0.8
2019 [3]	1,514	37,102	1,243	19,005	53,498	1,133,528	1.4	21,188	0.9
2018 [3]	1,483	33,330	1,496	20,240	53,227	1,117,463	0.9	20,994	1.0
2017 [3]	1,953	47,305	1,288	18,257	53,240	1,106,961	2.3	20,792	1.0
2016 [3]	3,466	95,994	1,105	14,677	52,575	1,082,306	7.8	20,586	3.0

[1] Dollar amounts are in thousands except for the average annual benefit.
[2] Annual benefits includes members selecting an annuity for their DC account. End of year annual benefits are not equal to prior end of year annual benefits plus additions less removals due to beneficiary benefit changes, data changes, and COLA increases.
[3] The valuation results were calculated using the prior year census data, adjusted for certain activity during the fiscal year.

Definitions

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

Eligibility for Benefits

Deferred vested	Ten years of service. Benefit commences at regular or early retirement eligibility.
Disability retirement	
Regular disability benefit	Five years of service.
Disability retirement benefit	Five years of service and determined to be disabled by the Social Security Administration. Annual verification of Social Security disability is required.
Early retirement	Age 50 with 15 years of service.
Normal retirement	Age 65 with ten years of service, or age 60 with 15 years of service, or if age is at least 55 and the sum of age plus credited service is at least 85.

	Upon age 65 with 20 or more years of service, members become eligible for a Millie Morgan Retirement and can receive their pension benefit while still working. Election is irrevocable.
Pre-retirement death	10 years of service. Spouse to whom member had been married for two or more years is automatically eligible, or a dependent may be designated as beneficiary.

Monthly Benefits Payable

Normal retirement

State pension equal to total service times 1.1% of Average Annual Compensation. Beginning July 1, 2017, the minimum pension benefit is $185 per month.

Early retirement

State pension is computed as regular retirement benefit, but reduced for each month between age at early retirement and attainment of age 65. The age reduction factor is calculated as the sum of the following:

- 1/10 of 1% for each month from age 60 to 65.
- 5/12 of 1% for each month from age at early retirement to 60.

Deferred retirement

Computed as a regular retirement benefit with state pension based on service and Average Annual Compensation at termination.

Disability

Regular disability benefit

$125 per month plus $5 per month for each year of service credit over five years.

Disability retirement benefit

Computed as a regular retirement benefit using creditable service to the date of disability and without reduction for early retirement. The minimum benefit is $180 per month.

Pre-retirement death

The spouse or dependent beneficiary is entitled to receive the monthly life benefit payable immediately under the assumption that the member retired on the later of age 50 or the date before the date of death and elected the joint and full survivor option. If eligible for normal retirement at death, the minimum pension benefit is $185 per month.

Cost-of-Living-Adjustments

The employer-funded monthly pension benefits for members in pay status are increased periodically to preserve purchasing power that is diminished due to inflation. Such increases are not guaranteed by Statute and will only be provided by legislative action.

A "13th check" was paid to each member in pay status during fiscal year 2018, 2019, 2020, 2021 and 2025. The amount of the 13th check varied based on the years of creditable service the member had earned prior to retirement.

Legislation passed in the 2018 legislative session and updated in the 2024 and 2025 sessions creates a funding mechanism to provide for future benefit increases or 13th checks. Prior to the 2024 session, the INPRS Board had the authority to have employers contribute up to 1% of member pay into the fund. Beginning with the 2024 valuation, they may not decrease this rate, but may increase it by up to 0.1% each year (through December 31, 2031 based on HEA 1221-2025). For TRF Pre-'96, funding comes from designated lottery proceeds. The Board is charged with funding an inflation-indexed 13th Check for those commencing benefits before July 1, 2029 and a 1% COLA for those commencing benefits after June 30, 2029, although these benefits have not been granted or promised.

Increases or payments are made upon passed legislation subject to the availability of funds to provide the benefit.

Forms of payment

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

Additional Forms of Payment

Option A-2: Straight Life benefit with no certain period

Option A-3:	Modified Cash Refund Annuity (operates in conjunction with the Defined Contribution Account)
Option B-1:	100% Survivorship
Option B-2:	66 2/3% Survivorship
Option B-3:	50% Survivorship
	State law provides for actuarially-adjusted and re-calculated benefits based on a new optional form election in the event of the death of the member's spouse after retirement.

Changes in Plan Provisions since the Prior Year

A 13th Check to be paid in Fiscal Year 2026 from the SRA was granted. The Supplemental Benefit funding for an inflation-indexed 13th Check for participants who have commenced prior to July 1, 2029 (previously July 1, 2025) and a 1% COLA for commencements thereafter is now required by legislation, although no additional benefits have yet been granted beyond this FY 2026 13th Check. Additionally, the surcharge rate (for plans that have an employer surcharge rate) cannot decrease and any increase in the surcharge rate is capped at 0.1% through December 31, 2031 (previously December 31, 2029).

ACTUARIAL METHODS

1. **Actuarial Cost Method**

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

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

   The Fund's actuarially determined contribution is based on the approach set out in IC-5.10.4-2-5 that the Indiana Legislature has followed in actually appropriating funds. The basic contribution is the lesser of 3% above the prior year's basic contribution and the anticipated base benefit payments for the year. However, the budget agency with the approval of the governor may change this increase rate. The contributed funds should not result in the assets unreasonably exceeding the liabilities.

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

   Member census data as of June 30, 2024 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2024 and June 30, 2025. The valuation results from June 30, 2024 were rolled-forward to June 30, 2025 to reflect benefit accruals during the year less benefits paid.

2. **COLA Funding Amount**

   The Surcharge Rate is based on the same normal cost and amortization method as is being used for the base benefits, effective with the 2024 valuation which is required by HEA 1004-2024 to begin funding for an inflation-indexed 13th Check and 1% COLA. For TRF Pre-'96, these amounts are compared with the expected designated lottery proceeds amounts to ensure that benefit funding adequacy will be met. These benefits have not been granted or promised beyond a 13th Check payable in Fiscal Year 2025 and Fiscal Year 2026.

3. **Asset Valuation Method**

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

4. Anticipated Payroll

The Anticipated Payroll for the calendar year beginning January 1, 2027 is equal to the actual payroll for the combined TRF '96 and TRF Pre-'96 plans during the year ending June 30, 2025, increased with salary scale, less the TRF Pre-'96 Anticipated Payroll based on expected salary increases and decrements between the census date and the contribution year.

Base benefit amortization rates use defined benefit and My Choice payroll, whereas the surcharge amortization rates exclude My Choice payroll because no contributions are made towards the supplemental reserve account for the supplemental benefits.

5. State Appropriations

Based on the assumptions and methods previously described, an actuarially determined contribution amount is computed. The Board considers this information when requesting funds from the State.

Changes in Methods since the Prior Year

As a result of the 2020-2024 Experience Study, the methodology used for the following technical calculations were updated:

- The amortization payment and anticipated payroll were updated to reflect the timing of the contribution payment for both the base benefits and the supplemental benefits.
- The normal cost rate calculation reflects the new middle of year decrement timing and that the payment of the normal cost is throughout the year.

ACTUARIAL ASSUMPTIONS

Valuation Date — June 30, 2025

Economic Assumptions

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

2. Inflation — 2.00% per year

3. Salary increase

Service	Wage Inflation	Merit	Salary Increase
0-1	2.90%/2.65%	9.25%	12.15%/11.90%
2	2.90%/2.65%	4.25%	7.15%/6.90%
3	2.90%/2.65%	2.75%	5.65%/5.40%
4-14	2.90%/2.65%	1.75%	4.65%/4.40%
15	2.90%/2.65%	1.50%	4.40%/4.15%
16	2.90%/2.65%	1.25%	4.15%/3.90%
17	2.90%/2.65%	1.00%	3.90%/3.65%
18	2.90%/2.65%	0.75%	3.65%/3.40%
19	2.90%/2.65%	0.50%	3.40%/3.15%
20	2.90%/2.65%	0.25%	3.15%/2.90%
21+	2.90%/2.65%	0.00%	2.90%/2.65%

*2.90% for five-year period ending June 30, 2030 with an ultimate rate of 2.65% thereafter.

4. Cost-of-Living Adjustment (COLA) — A one-time 13th check was granted and payable by October 1 in both 2024 and 2025. Thereafter, it is assumed participants who have commenced benefits prior to July 1, 2029 will receive an annual 13th check indexed with inflation. Participants commencing on or after July 1, 2029 are assumed to receive a 1% COLA.

Demographic Assumptions

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

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

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

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

Disableds – General Disabled table with a 140% load.

2. Disability

Age	Sample Rates
<=36	0.0040%
40	0.0069%
45	0.0115%
50	0.0274%
55	0.0491%
56-65	0.0550%
66+	0.0000%

3. Retirement

Age	Eligible for **Reduced** Benefit	Eligible for **Unreduced** Benefit
50-53	2.0%	N/A
54	5.0%	N/A
55-56	5.0%	15%
57	6.5%	15%
58	7.0%	15%
59	7.0%	15%
60	N/A	15%
61	N/A	20%
62	N/A	25%
63	N/A	25%
64	N/A	30%
65-74	N/A	40%
75+	N/A	100%

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

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

4. Termination

Service	Unisex
0	15.10%
1	13.50%
2	11.80%
3	10.20%
4	9.10%
5	8.00%
6	6.90%
7	5.80%
8	5.20%
9	4.70%
10	4.30%
11	3.90%
12	3.60%
13	3.30%
14	3.00%
15	2.80%
16+	2.50%

Other Assumptions

1. Form of payment — 100% of members are assumed to elect the normal form of benefit payment (Option A-1), a single life annuity with a five-year certain period.

2. Marital status
   a. Percent married — 80% of male members and 75% of female members are assumed to be married and or to have a dependent beneficiary.

   b. Spouse's age — Male members are assumed to be three (3) years older than their spouses and female members are assumed to be two (2) years younger than their spouses.

3. Decrement timing — Decrements are assumed to occur at the middle of the year.

4. Miscellaneous adjustments — For active members, the Average Annual Compensation was increased by $200 for additional wages received upon termination, such as severance or unused sick leave.

Changes in Assumptions since the Prior Year

As a result of the 2020-2024 Experience Study, there were changes to many assumptions. Please see that Study for complete details (available on the INPRS website). Assumption changes included:

- The COLA assumption was updated to align with HEA 1221-2005.
- Retirement rates were updated.
- Termination rates were updated and moved to a unisex table.
- Disability rates were updated.
- Decrement Timing changed from beginning of year to middle of year.
- Wage inflation was changed from 2.65% to 2.90% for the next five years.

Data Adjustments

Active and retired member data is reported as of June 30. Member census data as of June 30, 2024 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2024 and June 30, 2025. Standard actuarial roll-forward techniques were then used to project the total pension liability computed as of June 30, 2024 to the June 30, 2025 measurement date.

The member census data and the asset information for this valuation were furnished as of June 30, 2024. We did not audit the information provided, but we did review it thoroughly for reasonableness and compared it with the prior year's submission for consistency.

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

Other Technical Valuation Procedures

Salary increases are assumed to apply to annual amounts.

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

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

APPENDIX D – GLOSSARY OF ACTUARIAL TERMS

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

Unfunded Actuarial Accrued Liability	The difference between actuarial liability and the actuarial value of assets. Sometimes referred to as "unfunded accrued liability" or "unfunded liability". Most retirement systems have unfunded actuarial liability. They arise anytime new benefits are added and anytime an actuarial loss is realized.