INDIANA PUBLIC RETIREMENT SYSTEM

JUDGES' RETIREMENT SYSTEM

ACTUARIAL VALUATION

PREPARED AS OF JUNE 30, 2025

CavMac
Actuarial Consulting Services

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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 Judges' Retirement System (JRS) as of June 30, 2025, for the purpose of estimating the actuarially determined contribution for the plan year ending June 30, 2027. 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. 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 the 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 be sure 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 JRS 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 JRS 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, PhD, FSA, EA, FCA, MAAA
Chief Actuary

Edward Koebel, FCA, EA, MAAA
Chief Executive Officer

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

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SECTION I – BOARD SUMMARY

This report presents the results of the June 30, 2025 actuarial valuation of the Judges' Retirement System (JRS). The primary purposes of performing this actuarial valuation are to:

- Determine the contribution amount for the plan year ending June 30, 2027 that will be sufficient to meet the funding policy.
- Disclose asset and liability measurements as well as the plan's funded status on the valuation date.
- Compare actual and expected experience by 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.

The actuarial valuation results provide a "snapshot" view of the plan's financial condition on June 30, 2025. The plan's unfunded actuarial accrued liability (UAAL) decreased from $68.0 million last year to $13.2 million this year and the funded ratio increased from 91.2% to 98.2%. The primary factors behind the increase in the funded ratio were an actuarial gain from adopting the new assumptions and an actuarial gain on liabilities due to salary increases that were smaller than assumed and a gain on retirement experience.

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	$ 68,021,669	$ 13,158,377
Funded Ratio (Actuarial Assets)	91.15%	98.25%
Normal Cost	34.23%	35.18%
UAAL Amortization	9.66%	4.03%
Total Recommended Contribution	43.89%	39.21%
Estimated Member Contributions	(6.00%)	(6.00%)
Actuarially Determined Contribution Amount	37.89%	33.21%

SECTION I – BOARD SUMMARY

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 rate between June 30, 2024 and June 30, 2025.

ASSETS

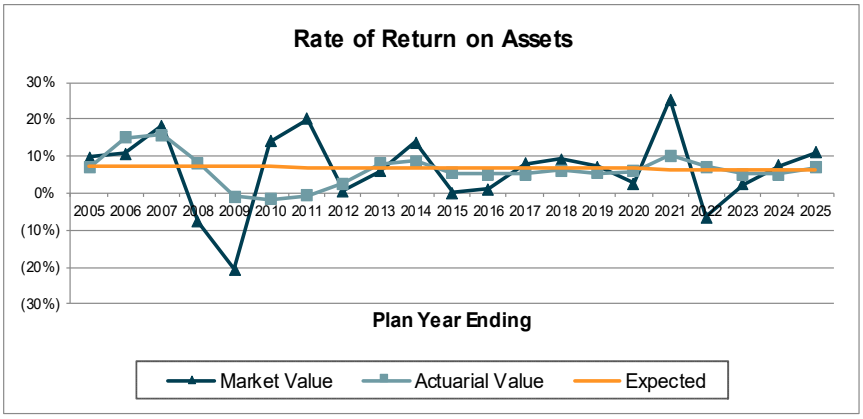
As of June 30, 2025, the plan had net assets of $740 million when measured on a market value basis. This was an increase of $62 million from the prior year.

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 $737 million, an increase of $37 million 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	$	677,642,304	$	700,280,337
- Employer and Member Contributions	+	26,890,058	+	26,890,058
- Benefit Payments and Refunds	-	38,517,957	-	38,517,957
- Net Investment Income	+	74,133,011	+	48,298,158
Net Assets, June 30, 2025	$	740,147,416	$	736,950,596
Estimated Rate of Return, Net of Expenses		11.0%		7.0%

The estimated rate of return on the actuarial value of assets was 7.0%, which was greater 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 $4.9 million. Since the FY 2025 return on the market value of assets exceeded the 6.25% assumption, the net deferred investment experience changed from a deferred loss of $22.6 million in last year's valuation to a deferred gain of $3.2 million in the current valuation. See Table 1 and Table 2 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 time, even with large market 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 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	$ 750,108,973	$ 750,108,973
Value of Assets	740,147,416	736,950,596
Unfunded Actuarial Accrued Liability	$ 9,961,557	$ 13,158,377
Funded Ratio	98.67%	98.25%

See Table 3 of this report for the development of the unfunded actuarial accrued liability.

The UAAL (on an actuarial basis) as of June 30, 2025 was a $13.2 million deficit, a decrease of $54.8 million from the $68.0 million deficit last year. This was primarily driven by an actuarial gain on liabilities of $13.2 million due to the adoption of new assumptions, an actuarial gain on liabilities of $40 million, largely from salary increases less than assumed, and a gain on assets of $4.9 million. The components of the change in the UAAL are quantified in Table 5 of this report. See Table 6 and Table 7 of this report for a breakdown of the components of experience gains/losses for greater detail.

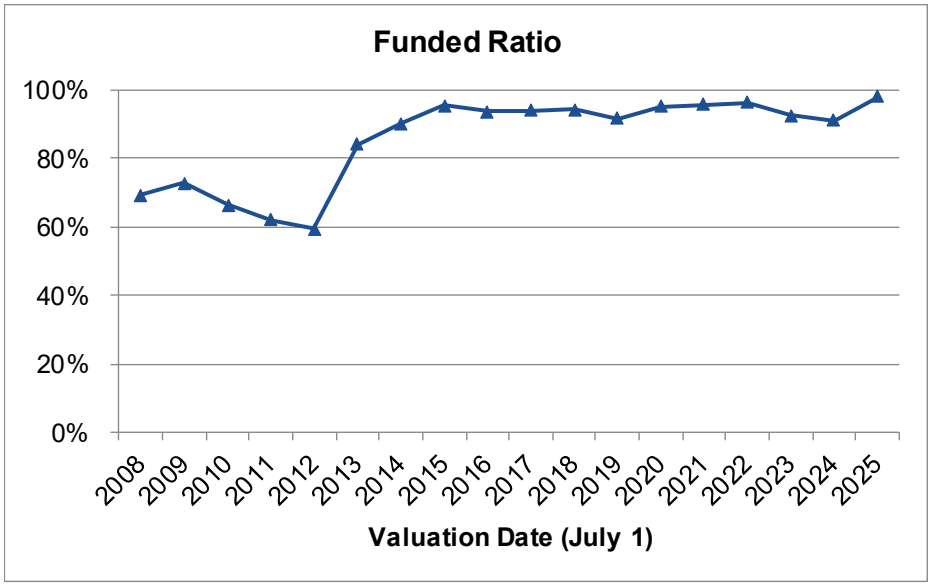
An evaluation of the UAAL on a pure dollar basis may not provide a complete analysis since only the difference between the assets and liabilities (which are both large numbers) is reflected. Another way to evaluate the UAAL and the progress made in its funding is to track the funded

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 millions).

	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025
Funded Ratio	95.9%	96.2%	92.7%	91.2%	98.2%
UAAL (in millions)	$26.4	$25.4	$53.4	$68.0	$13.2

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.

As the following graph of historical funded ratios shows, JRS has been reasonably well funded for the last several years.



ACTUARIALLY DETERMINED CONTRIBUTION AMOUNT

The State's funding policy is to contribute an appropriated amount that is estimated at the start of each biennium. The specific amounts in the appropriation bill are guided by the funding requirements of the Plan from an actuarial perspective. A traditional funding strategy includes:

- A "normal cost" for the portion of projected liabilities allocated by the actuarial cost method to service of members during the year following the valuation date.
- An "unfunded actuarial accrued liability contribution" for the excess of the portion of projected liabilities allocated to service to date over the actuarial value of assets.

The UAAL contribution rate is determined by calculating the amortization payment on the UAAL as a level dollar amount over 20 years for each amortization base. Whenever the Plan funded ratio exceeds 100%, all prior amortization bases are eliminated and the negative UAAL (or "surplus") is amortized over an open 30-year period, as an offset to other Fund costs.

The actuarially determined contribution amount for the judges includes a normal cost which is theoretically based on all judges' payroll. However, member contributions are only made on payroll of judges with less than 22 years of service, while the employer contributions are based upon a direct legislative allocation determined from estimated total payroll. **Consequently, the actual funding requirements are adjusted to reflect only the pay upon which member contributions are made.** While this approach may make the presentation of results more complicated and not directly comparable to other plans, it nonetheless produces an amount that will, if contributed, systematically fund the Plan through time.

See Table 10 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	34.23%	35.18%
UAAL Amortization	9.66%	4.03%
Total Recommended Contribution	43.89%	39.21%
Estimated Member Contributions	(6.00%)	(6.00%)
Actuarially Determined Contribution Amount	37.89%	33.21%
Estimated Payroll	$ 74,252,657	$ 77,769,824
Actuarially Determined Contribution *	$ 28,134,332	$ 25,827,359
Projected Covered Payroll for FY 2027		$ 77,769,824
Estimated ADC Amount for FY 2027		$ 25,827,359
Scheduled Appropriations and Court Fees for FY 2027		$ 29,645,209

* Due to the biennial appropriations cycle, this year's value will not directly impact the funding of the plan. Next year, this will be used to assist with the determination of the FY 2028 and FY 2029 approved funding amounts.

House Enrolled Act No. 1001 appropriated funds in the amount of $21,726,703 for the fiscal year ending June 30, 2026 and $22,492,020 for the fiscal year ending June 30, 2027. Additional funding is added from court and docket fees. The Board will recommend appropriation amounts to the Indiana Legislature for the next biennium (FY 2028 and FY 2029) based on the June 30, 2026 valuation. Therefore, the June 30, 2025 actuarial determined contribution is not directly used in the funding of the plan.

SUMMARY OF PRINCIPAL RESULTS

	June 30, 2023	June 30, 2024	June 30, 2025
MEMBERSHIP			
Active Members	480	483	481
Retired Members and Beneficiaries	424	441	444
Disabled Members	2	3	4
Inactive Members	68	66	67
Total Members	974	993	996
Covered Payroll for Fiscal Year Ending	$ 67,466,373	$ 72,089,958	$ 75,578,060
Annual Retirement Payments for Retired Members, Disabled Members and Beneficiaries	$ 30,987,064	$ 33,558,496	$ 36,214,888
ASSETS AND LIABILITIES			
Net Assets			
Market Value of Assets (MVA)	$ 640,206,540	$ 677,642,304	$ 740,147,416
Actuarial Value of Assets (AVA)	674,766,089	700,280,337	736,950,596
Actuarial Accrued Liability (AAL)	728,136,595	768,302,006	750,108,973
Unfunded Actuarial Accrued Liability (UAAL): AAL - AVA	$ 53,370,506	$ 68,021,669	$ 13,158,377
Funded Ratios			
AVA / AAL	92.67%	91.15%	98.25%
MVA / AAL	87.92%	88.20%	98.67%
CONTRIBUTIONS			
Normal Cost Rate	33.48%	34.23%	35.18%
UAAL Rate	7.86%	9.66%	4.03%
Total Recommended Contribution Rate	41.34%	43.89%	39.21%
Expected Employee Contribution Rate [1]	(6.00%)	(6.00%)	(6.00%)
Actuarially Determined Contribution Rate	35.34%	37.89%	33.21%
Actuarially Determined Contribution Amount	$ 25,702,340	$ 28,134,332	$ 25,827,359

[1]Only active members with less than 22 years of service make contributions to the plan.

SECTION II – SCOPE OF THE REPORT

This report presents the actuarial valuation results of the Judges' Retirement System 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. Table 12 (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 2 shows the development of the actuarial value of assets (AVA) as of the valuation date.

TABLE 1

DEVELOPMENT OF MARKET VALUE OF ASSETS

	June 30, 2024	June 30, 2025
1. Market Value of Assets, Beginning of Year	$ 640,206,540	$ 677,642,304
2. Receipts		
a. Member (Includes Purchased Service) [1]	$ 4,547,833	$ 4,625,388
b. Employer	21,666,981	22,241,151
c. Member Reassignment Transfers	31,437	23,519
d. Miscellaneous	23,270	0
e. Total	$ 26,269,521	$ 26,890,058
3. Expenditures		
a. Benefit Payments	$ 35,741,821	$ 38,358,917
b. Refund of Contributions	63,379	159,040
c. Administrative Expense	123,300	139,689
d. Total	$ 35,928,500	$ 38,657,646
4. Investment Return		
a. Investment Income	$ 47,060,399	$ 74,209,187
b. Securities Lending Income	34,344	63,513
c. Total Investment Return	$ 47,094,743	$ 74,272,700
5. Market Value of Assets, End of Year: (1) + (2e) - (3d) + (4c)	$ 677,642,304	$ 740,147,416
6. Estimated Rate of Return, Net of Expenses [2]	7.39%	11.03%

[1] Includes $222,438 of member service purchases during fiscal year 2024 and $90,702 of member service purchases during fiscal year 2025.
[2] Based on individual fund experience. Assumes cash flows occur at mid-year.

TABLE 2

DEVELOPMENT OF ACTUARIAL VALUE OF ASSETS

For Plan Year Ending June 30, 2025

1. Market Value as of June 30, 2024	$	677,642,304
2. Receipts [1]	$	26,890,058
3. Expenditures, Net of Administrative Expenses	$	(38,517,957)
4. Expected Return on Assets [2]	$	41,989,272
5. Expected Market Value as of June 30, 2025: (1) + (2) + (3) + (4)	$	708,003,677
6. Actual Market Value as of June 30, 2025	$	740,147,416
7. Year End 2025 Asset Gain/(Loss): (6) - (5)	$	32,143,739

8. Deferred Investment Gains and Losses

Year Ended June 30:		Gain/(Loss)	Factor		Deferred Amount
a.	2022	$ (87,220,373)	20%	$	(17,444,075)
b.	2023	(23,570,026)	40%		(9,428,010)
c.	2024	7,256,524	60%		4,353,914
d.	2025	32,143,739	80%		25,714,991
e.	Total			$	3,196,820

9. Initial Actuarial Value as of June 30, 2025: (6) - (8e)	$	736,950,596
10. Constraining Values		
a. 80% of Market Value: (6) x 0.8	$	592,117,933
b. 120% of Market Value: (6) x 1.2	$	888,176,899
11. Actuarial Value as of June 30, 2025	$	736,950,596
12. Actuarial Rate of Return, Net of Expenses [3]		6.95%
13. Actuarial Value of Assets as a Percent of Market Value: (11) / (6)		99.6%

[1] Includes Contributions, Service Purchases, Member Reassignment Transfers, and Miscellaneous Receipts.
[2] Assumes cash flows occur at mid-year and a return assumption of 6.25%.
[3] 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 Judges' Retirement System 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 Judges' Retirement System 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 events, such as plan changes, occur that would affect the results, adjustments in the roll-forward methods would be made to appropriately reflect the events.

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 perform 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 3 contains the calculation of actuarial accrued liability for the plan. The Entry Age Normal actuarial cost method is used to develop the actuarial accrued liability.

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, except that the discount rate is derived from considering low-default-risk fixed income securities. We considered the FTSE 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

$869,543,000. 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 3

ACTUARIAL ACCRUED LIABILITY

	As of June 30, 2025
1. Actuarial Accrued Liability	
a. Member Contribution Balances	$ 49,873,332
b. Active & Inactive Members	293,043,590
c. In-pay Members	407,192,051
d. Total	750,108,973
2. Actuarial Value of Assets	736,950,596
3. Unfunded Actuarial Accrued Liability: (1d) – (2)	13,158,377
4. Funded Ratio: (2)/(1d)	98.25%

TABLE 4

SOLVENCY TEST

Actuarial Valuation as of June 30	Actuarial Accrued Liabilities (AAL)				Actuarial Value of Assets	Portion of AAL Covered by Assets			
	Active Member Contributions	Retirees and Beneficiaries	Active Member (Employer Financed Portion)	Total Actuarial Accrued Liabilities		Active Member Contributions	Retirees and Beneficiaries	Active Member (Employer Financed Portion)	Total Actuarial Accrued Liabilities
2025	$49,873	$407,192	$293,044	$750,109	$736,951	100.0%	100.0%	95.5%	98.2%
2024	48,134	400,975	319,193	768,302	700,280	100.0	100.0	78.7	91.2
2023	44,819	372,583	310,735	728,137	674,766	100.0	100.0	82.8	92.7
2022	44,009	351,050	281,800	676,859	651,415	100.0	100.0	91.0	96.2
2021	41,003	308,070	293,099	642,172	615,755	100.0	100.0	91.0	95.9
2020	41,523	299,146	251,841	592,510	564,741	100.0	100.0	89.0	95.3
2019	38,165	269,886	278,448	586,499	538,600	100.0	100.0	82.8	91.8
2018	38,541	258,255	250,898	547,694	516,750	100.0	100.0	87.7	94.4
2017	36,385	245,177	242,173	523,735	492,013	100.0	100.0	86.9	93.9
2016	34,804	244,484	221,838	501,126	469,378	100.0	100.0	85.7	93.7

Note: All dollar amounts are in thousands of dollars.

TABLE 5

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITY

	For Year Ending June 30, 2025
1. Unfunded Actuarial Accrued Liability as of June 30, 2024	$ 68,021,669
2. Normal Cost	25,417,083
3. Actuarially Determined Contribution	(32,588,627)
4. Interest	3,803,133
5. Expected Unfunded Actuarial Accrued Liability as of June 30, 2025	$ 64,653,258
6. Actuarial Value of Asset Changes	
a. Investment Experience (Gain)/Loss	$ (4,894,009)
b. Contributions (Above)/Below the Actuarially Determined Contribution and Other (Gain)/Loss	$ 7,005,319
7. Actuarial Accrued Liability Changes	
a. Actuarial Accrued Liability Experience (Gain)/Loss	$ (40,385,861)
b. Additional Liability Due to Benefit Changes	0
c. Additional Liability Due to Assumption Changes	(13,220,330)
8. Total Experience (Gain)/Loss	$ (51,494,881)
9. Unfunded Actuarial Accrued Liability as of June 30, 2025: (5) + (8)	$ 13,158,377

TABLE 6

ACTUARIAL GAIN/(LOSS)

Liabilities		
1. Actuarial Accrued Liability as of June 30, 2024	$	768,302,006
2. Normal Cost for Plan Year Ending June 30, 2025		25,417,083
3. Benefit Payments During Plan Year1		(38,525,245)
4. Service Purchases (employee and employer)		90,702
5. Member Reassignment Transfers		23,519
6. Interest at 6.25%		48,407,099
7. Change Due to Benefit Changes		0
8. Change Due to Assumption Changes		(13,220,330)
9. Expected Actuarial Accrued Liability as of June 30, 2025	$	790,494,834
10. Actuarial Accrued Liability as of June 30, 2025	$	750,108,973
Assets		
11. Actuarial Value of Assets as of June 30, 2024	$	700,280,337
12. Receipts During Plan Year		26,890,058
13. Expenditures, Excluding Expenses, During Plan Year		(38,517,957)
14. Interest at 6.25%		43,404,149
15. Expected Actuarial Value of Assets as of June 30, 2025	$	732,056,587
16. Actuarial Value of Assets as of June 30, 2025	$	736,950,596
Experience Gain / (Loss)		
17. Liability Actuarial Experience Gain/(Loss): (9) - (10)	$	40,385,861
18. Asset Actuarial Experience Gain/(Loss): (16) - (15)		4,894,009
19. Total Actuarial Experience Gain/(Loss): (17) + (18)	$	45,279,870

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

TABLE 7

EXPERIENCE GAIN/(LOSS) ANALYSIS BY SOURCE

Liability Sources (in thousands)		**Gain/(Loss)***
Retirement	$	9,002
Termination		(261)
Disability		(168)
Mortality		122
Salary **		9,502
New Entrants/Rehires		(395)
COLA/Miscellaneous **		22,584
Total Liability Experience Gain/(Loss)	$	40,386
as a % of AAL		5.4%
Asset Experience Gain/(Loss)	$	4,894
Total Actuarial Experience Gain/(Loss)	$	45,280

*Numbers may not add due to rounding.
** Includes known COLA/pay increase of 0.00% after the data collection date.

TABLE 8

PROJECTED BENEFIT PAYMENTS

Plan Year Ending June 30	Benefit Amount
2026	$ 42,502,119
2027	44,590,537
2028	46,689,250
2029	48,897,706
2030	50,893,357
2031	52,699,600
2032	54,692,018
2033	56,658,970
2034	58,755,366
2035	60,675,020
2036	62,313,549
2037	64,277,941
2038	65,995,142
2039	67,245,941
2040	68,574,180
2041	69,547,636
2042	70,341,869
2043	70,897,588
2044	71,287,667
2045	71,646,563
2046	71,946,308
2047	72,208,793
2048	71,927,937
2049	71,506,896
2050	70,863,768
2051	70,152,470
2052	69,172,151
2053	68,033,734
2054	66,697,272
2055	65,198,440

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

SECTION V – EMPLOYER CONTRIBUTION

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 an 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 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. The unfunded actuarial accrued liability is calculated each year and reflects experience gains and losses.

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. Based on the June 30, 2024 actuarial valuation, the Board requested appropriations from the State for fiscal years 2026 and 2027. This June 30, 2025 valuation will not be directly used for determining contributions. Due to the biennial cycle used to set appropriations, the contribution amount for the plan years ending June 30, 2028 and June 30, 2029 will rely on the most up-to-date plan status at that time, which is the June 30, 2026 valuation.

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 will be funded over the next 20 years.

Contribution Summary

In Table 9, the amortization payment related to the unfunded actuarial accrued liability/(surplus), as of June 30, 2025, is developed. Table 10 develops the actuarial determined contribution rate for the Plan. The contribution rates shown in this report are based on the actuarial assumptions and cost methods described in Appendix C. Additionally, in Table 11 the contribution rates under alternative discount rates are provided to illustrate the sensitivity of the contribution requirements to the selection of the investment return assumption.

TABLE 9

SCHEDULE OF AMORTIZATION BASES

Amortization Bases	Original Amount [1]	June 30, 2025 Remaining Payments	Date of Last Payment	Outstanding Balance as of June 30, 2025	Annual Contribution
2009 UAAL Base	40,281,829	11	7/1/2036	24,745,721	2,990,893
2010 UAAL Base	15,151,518	15	7/1/2040	10,948,470	1,078,373
2011 UAAL Base	14,155,565	16	7/1/2041	10,619,370	1,006,046
2012 UAAL Base	12,754,451	17	7/1/2042	9,898,130	905,209
2013 UAAL Base	(6,981,734)	18	7/1/2043	(5,587,441)	(494,839)
2014 UAAL Base	(25,396,685)	19	7/1/2044	(20,901,910)	(1,797,671)
2015 UAAL Base	(22,870,686)	20	7/1/2045	(19,310,105)	(1,616,820)
2016 UAAL Base	11,116,546	11	7/1/2036	7,759,702	937,877
2017 UAAL Base	1,104,859	12	7/1/2037	817,760	93,065
2018 UAAL Base	458,415	13	7/1/2038	357,390	38,553
2019 UAAL Base	18,284,577	14	7/1/2039	14,931,595	1,535,411
2020 UAAL Base	(18,251,291)	15	7/1/2040	(15,537,359)	(1,530,356)
2021 UAAL Base	195,949	16	7/1/2041	173,180	16,407
2022 UAAL Base	735,499	17	7/1/2042	673,384	61,583
2023 UAAL Base	29,761,470	18	7/1/2043	28,137,136	2,491,904
2024 UAAL Base	17,388,371	19	7/1/2044	16,928,235	1,455,914
2025 UAAL Base	(51,494,881)	20	7/1/2045	(51,494,881)	(4,311,625)
Total				$ 13,158,377	$ 2,859,924

1. Total UAAL Amortization Payments	$	2,859,924
Projected to Middle of Fiscal Year Ending 2027		3,132,189
2. Projected Payroll for Fiscal Year 2027, Under 22 Years of Service	$	77,769,824
3. UAAL Amortization Payment Rate		4.03%

[1] The original amounts from 2017 to 2013 were provided by the prior actuary. Amounts prior to that were estimated by INPRS.

TABLE 10

ACTUARIALLY DETERMINED CONTRIBUTION RATE

1. Projected Covered Payroll for Fiscal Year 2027	$	77,769,824
2. Normal Cost for Fiscal Year 2027		
a. Dollar Amount	$	27,356,112
b. Percent of Total Pay		31.34%
c. Percent of Covered Pay [1]		35.18%
3. Amortization of UAAL		
a. Dollar Amount	$	3,132,189
b. Percent of Covered Pay [1]		4.03%
4. Total Recommended Contribution Rate: (2c) + (3b)		39.21%
5. Expected Employee Contributions		
a. Dollar Amount	$	4,666,189
b. Percent of Covered Pay [1]		6.00%
6. Actuarially Determined Contribution Rate for Fiscal Year 2027: (4) - (5)		33.21%
7. Estimated Actuarially Determined Contribution Amount [2]: (1) x (6)	$	25,827,359
8. Expected Appropriations and Court Fees for Fiscal Year 2027	$	29,645,209
9. Expected Percentage of Actuarially Determined Contribution Contributed		114.78%
Biennial Appropriations Cycle		
10. Projected Covered Payroll for Fiscal Year 2027	$	77,769,824
11. Estimated Actuarially Determined Contribution Amount for FY 2027: (10) x (6)	$	25,827,359
12. Scheduled Appropriations and Court Fees for Fiscal Year 2027	$	29,645,209

[1] Active members with less than 22 years of service make 6% contributions.

[2] Due to the biennial appropriations cycle, this will not directly impact the funding of the plan. Next year, this will be used to assist with the determination of the FY 2028 and FY 2029 approved funding amounts.

TABLE 11

INVESTMENT RETURN SENSITIVITY

	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	$838,425,385	$814,842,409	$792,299,336	$770,739,288	$750,108,973
Actuarial Value of Assets	736,950,596	736,950,596	736,950,596	736,950,596	736,950,596
Unfunded Actuarial Accrued Liability	$101,474,789	$77,891,813	$55,348,740	$33,788,692	$13,158,377
Funded Ratio	87.9%	90.4%	93.0%	95.6%	98.2%
Actuarially Determined Contribution Amount					
Normal Cost	$33,754,335	$31,999,843	$30,358,825	$28,805,096	$27,356,112
UAAL Amortization	10,480,169	8,638,186	6,799,958	4,964,834	3,132,189
Expected Member Contributions	(4,666,189)	(4,666,189)	(4,666,189)	(4,666,189)	(4,666,189)
Actuarially Determined Contribution Amount	$39,568,315	$35,971,840	$32,492,594	$29,103,741	$25,822,112
Actuarially Determined Contribution Rate	50.88%	46.25%	41.78%	37.42%	33.21%

	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	$730,358,424	$711,440,778	$693,312,056	$675,930,970	$659,258,737
Actuarial Value of Assets	736,950,596	736,950,596	736,950,596	736,950,596	736,950,596
Unfunded Actuarial Accrued Liability	($6,592,172)	($25,509,818)	($43,638,540)	($61,019,626)	($77,691,859)
Funded Ratio	100.9%	103.6%	106.3%	109.0%	111.8%
Actuarially Determined Contribution Amount					
Normal Cost	$25,994,417	$24,711,281	$23,497,975	$22,363,229	$21,289,584
UAAL Amortization	(520,960)	(2,070,904)	(3,637,675)	(5,220,972)	(6,820,491)
Expected Member Contributions	(4,666,189)	(4,666,189)	(4,666,189)	(4,666,189)	(4,666,189)
Actuarially Determined Contribution Amount	$20,807,268	$17,974,188	$15,194,111	$12,476,068	$9,802,904
Actuarially Determined Contribution Rate	26.75%	23.11%	19.54%	16.04%	12.61%

Note that beginning of year normal cost for FY 2026 is $25,796,241.

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 12

STATEMENT OF FIDUCIARY NET POSITION

			June 30, 2025
1.	**Assets**		
	a. Cash	$	868
	b. Receivables		
	i. Contributions and Miscellaneous Receivables	$	3,656,470
	ii. Investments Receivable		14,856,397
	iii. Foreign Exchange Contracts Receivable		180,687,947
	iv. Interest and Dividends		2,143,661
	v. Receivables Due From Other Funds		0
	vi. Total Receivables	$	201,344,475
	c. Investments		
	i. Short-Term Investments	$	0
	ii. Pooled Repurchase Agreements		80,697
	iii. Pooled Short-Term Investments		57,458,410
	iv. Pooled Fixed Income		205,131,318
	v. Pooled Equity		94,583,782
	vi. Pooled Alternative Investments		398,669,105
	vii. Pooled Derivatives		3,020,954
	viii. Pooled Investments		0
	ix. Securities Lending Collateral		7,575,603
	x. Total Investments	$	766,519,869
	d. Net Capital Assets		0
	e. Other Assets		0
	f. Total Assets: a + b(vi) + c(x) + d + e	$	967,865,212
2.	**Liabilities**		
	a. Administrative Payable	$	2,827
	b. Retirement Benefits Payable		3,553
	c. Investments Payable		32,403,494
	d. Foreign Exchange Contracts Payable		181,910,047
	e. Securities Lending Obligations		7,575,603
	f. Securities Sold Under Agreement to Repurchase		5,779,842
	g. Due To Other Funds		42,430
	h. Due to Other Governments		0
	i. Total Liabilities: a + b + c + d + e + f + g + h	$	227,717,796
3.	**Fiduciary Net Position Restricted for Pensions: (1)(f) - (2)(i)**	**$**	**740,147,416**

TABLE 13

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

	For Fiscal Year Ending June 30, 2025
1. Fiduciary Net Position as of June 30, 2024	**$ 677,642,304**
2. Additions	
a. Contributions	
i. Member Contributions	$ 4,534,686
ii. Employer Contributions	22,241,151
iii. Service Purchases (Employer and Member) [l]	90,702
iv. Non-Employer Contributing Entity Contributions	0
v. Total Contributions	$ 26,866,539
b. Investment Income/(Loss)	
i. Net Appreciation/(Depreciation)	$ 68,485,278
ii. Net Interest and Dividend Income	10,377,851
iii. Securities Lending Income	78,026
iv. Other Net Investment Income	26,307
v. Investment Management Expenses	(4,593,098)
vi. Direct Investment Expenses	(87,151)
vii. Securities Lending Expenses	(14,513)
viii. Total Investment Income/(Loss)	$ 74,272,700
c. Other Additions	
i. Member Reassignments	23,519
ii. Miscellaneous Receipts	0
iii. Total Other Additions	$ 23,519
d. Total Revenue (Additions): a(v) + b(viii) + c(iii)	$ 101,162,758
3. Deductions	
a. Pension, Survivor and Disability Benefits	$ 38,358,917
b. Death and Funeral Benefits	0
c. Distributions of Contributions and Interest	159,040
d. Administrative Expenses	139,689
e. Member Reassignments	0
f. Miscellaneous Expenses	0
g. Total Expenses (Deductions)	$ 38,657,646
4. Net Increase (Decrease) in Fiduciary Net Position: (2)(d) - (3)(g)	**$ 62,505,112**
5. Fiduciary Net Position as of June 30, 2025: (1) + (4)	**$ 740,147,416**

[l] Service purchases paid by employer of $0 and employee of $90,702.

TABLE 14

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	$ 768,302,006	$ 677,642,304	$ 90,659,702
2. Changes for the Year:			
Service Cost (SC) [1]	25,417,083		25,417,083
Interest Cost	48,407,326		48,407,326
Experience (Gains)/Losses	(40,393,376)		(40,393,376)
Assumption Changes	(13,220,330)		(13,220,330)
Plan Amendments	0		0
Benefit Payments [2]	(38,517,957)	(38,517,957)	0
Service Purchases			
Employer Contributions	0	0	0
Employee Contributions	90,702	90,702	0
Member Reassignments [3]	23,519	23,519	0
Employer Contributions [4]		22,241,151	(22,241,151)
Non-employer Contributions		0	0
Employee Contributions		4,534,686	(4,534,686)
Net Investment Income		74,272,700	(74,272,700)
Administrative Expenses		(139,689)	139,689
Other		0	0
Net Changes	$ (18,193,033)	$ 62,505,112	$ (80,698,145)
3. Balance at June 30, 2025	$ 750,108,973	$ 740,147,416	$ 9,961,557

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

[2] Includes refund of member contributions of $159,040.

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

[4] Includes $15,087,963 of state appropriations to the fund.

TABLE 15

DEFERRED OUTFLOWS OF RESOURCES

	June 30, 2024	Remaining Period	Recognition	June 30, 2025
1. Liability Experience				
June 30, 2025 Loss	$ 0	4.73	$ 0	$ 0
June 30, 2024 Loss	4,194,958	3.35	1,252,227	2,942,731
June 30, 2023 Loss	10,224,405	2.27	4,504,145	5,720,260
June 30, 2022 Loss	1,063,697	1.32	805,832	257,865
June 30, 2021 Loss	0	0.17	0	0
2. Assumption Changes				
June 30, 2025 Loss	$ 0	4.73	$ 0	$ 0
June 30, 2024 Loss	0	3.35	0	0
June 30, 2023 Loss	0	2.27	0	0
June 30, 2022 Loss	0	1.32	0	0
June 30, 2021 Loss	1,068,796	0.17	1,068,796	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	14,065,275	3.00	4,688,425	9,376,850
June 30, 2022 Loss	34,845,277	2.00	17,422,640	17,422,637
June 30, 2021 Loss	0	1.00	0	0
Total Outflows: (1)+(2)+(3)	**$ 65,462,408**		**$ 29,742,065**	**$ 35,720,343**

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 16

DEFERRED INFLOWS OF RESOURCES

	June 30, 2024	Remaining Period	Recognition	June 30, 2025
1. Liability Experience				
June 30, 2025 Gain	$ 40,393,376	4.73	$ 8,539,826	$ 31,853,550
June 30, 2024 Gain	0	3.35	0	0
June 30, 2023 Gain	0	2.27	0	0
June 30, 2022 Gain	0	1.32	0	0
June 30, 2021 Gain	253,513	0.17	253,513	0
2. Assumption Changes				
June 30, 2025 Gain	$ 13,220,330	4.73	$ 2,794,996	$ 10,425,334
June 30, 2024 Gain	0	3.35	0	0
June 30, 2023 Gain	0	2.27	0	0
June 30, 2022 Gain	0	1.32	0	0
June 30, 2021 Gain	0	0.17	0	0
3. Investment Experience				
June 30, 2025 Gain	$ 32,287,793	5.00	$ 6,457,559	$ 25,830,234
June 30, 2024 Gain	5,906,941	4.00	1,476,736	4,430,205
June 30, 2023 Gain	0	3.00	0	0
June 30, 2022 Gain	0	2.00	0	0
June 30, 2021 Gain	20,607,782	1.00	20,607,782	0
Total Inflows: (1)+(2)+(3)	**$ 112,669,735**		**$ 40,130,412**	**$ 72,539,323**

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 / OUTFLOWS TO BE RECOGNIZED IN PENSION EXPENSE

Fiscal Year Ending June 30	Deferred Outflows	Deferred Inflows	Net Deferred Outflows/(Inflows)
Current Year:			
2025	$ 29,742,065	$ 40,130,412	$ (10,388,347)
Future Years:			
2026	$ 28,125,299	$ 19,269,117	$ 8,856,182
2027	7,156,767	19,269,117	(12,112,350)
2028	438,277	19,269,114	(18,830,837)
2029	0	14,731,975	(14,731,975)
2030	0	0	0
Thereafter	0	0	0

TABLE 18

PENSION EXPENSE UNDER GASB NO. 68

		For Fiscal Year Ending June 30, 2025
1. Service Cost, beginning of year		$ 25,417,083
2. Interest Cost, including interest on service cost		48,407,326
3. Member Contributions [1]		(4,534,686)
4. Administrative Expenses		139,689
5. Expected Return on Assets [2]		(41,984,907)
6. Plan Amendments		0
7. Recognition of Deferred Inflows / Outflows of Resources Related to:		
a. Liability Experience (Gains) / Losses	(2,231,135)	
b. Assumption Change (Gains) / Losses	(1,726,200)	
c. Investment Experience (Gains) / Losses	(6,431,012)	
d. Total: (7a)+(7b)+(7c)		(10,388,347)
8. Miscellaneous (Income) / Expense		0
9. Total Collective Pension Expense: (1)+(2)+(3)+(4)+(5)+(6)+(7d)+(8)		17,056,158
10. Employer Service Purchases		0
Pension Expense / (Income): (9) + (10)		**$ 17,056,158**

[1] Excludes member paid service purchases of $90,702.
[2] Cash flows assumed to occur mid-year.

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 Judges' Retirement System is a single-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% for the period beginning July 1, 2025 and ending June 30, 2030 with an ultimate rate of 2.65%, compounded annually. Actual COLA increases at July 1, 2024 (3.00%) and July 1, 2025 (0.00%) are reflected in the valuation.
Cost-of-Living Increases	As of June 30, 2025: 2.90% for the period beginning July 1, 2025 and ending June 30, 2030 with an ultimate rate of 2.65%, compounded annually. Actual COLA increases at July 1, 2024 (3.00%) and July 1, 2025 (0.00%) are reflected in the valuation. As of June 30, 2024: 2.65% beginning July 1, 2024. Actual COLA increases at July 1, 2023 (7.80%) and July 1, 2024 (3.00%) are reflected in the valuation.

SECTION VI – GASB INFORMATION

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* – General Employee table with a 1 year setback for males and a 1 year setback for females. *Retirees* – General Retiree table with a 1 year setback for males and a 1 year setback 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 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%, a 20-year level dollar closed method for amortizing the future layers of unfunded actuarial accrued liability (30 years for amortization layers established prior to June 30, 2016), 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. Therefore, if past practice is continued, the contributions will be sufficient to make the Fund fully funded. As a result, it is presumed that the projected plan assets will be sufficient to cover the future benefit payments for current members and a detailed projection of plan assets and cash flows has not been prepared.

SECTION VI – GASB INFORMATION

Discount Rate Sensitivity

	1% Decrease	Current Rate	1% Increase
	5.25%	6.25%	7.25%
Net Pension Liability	$98,277,969	$9,961,557	($64,216,446)

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	448
2. Inactive Members Entitled To But Not Yet Receiving Benefits	26
3. Inactive Non-vested Members Entitled to a Refund of Member Contributions	41
4. Active Members	481
Total Covered Plan Members: (1)+(2)+(3)+(4)	996

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 11.0%.

Components of Net Pension Liability

As of June 30, 2025		
Total Pension Liability	$	750,108,973
Fiduciary Net Position		740,147,416
Net Pension Liability	$	9,961,557
Ratio of Fiduciary Net Position to Total Pension Liability		98.67%

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	$592,510,151	$642,171,761	$676,859,488	$728,136,595	$768,302,006
Service Cost (SC), beginning-of-year	17,969,443	20,837,708	21,921,983	24,350,111	25,417,083
Interest Cost, including interest on SC	40,243,810	40,496,599	42,657,132	45,919,440	48,407,326
Experience (Gains)/Losses	(6,218,613)	3,481,193	19,232,695	5,447,185	(40,393,376)
Assumption Changes	26,216,964	0	0	0	(13,220,330)
Plan Amendments	0	0	0	0	0
Actual Benefit Payments	(28,916,344)	(30,976,590)	(32,619,155)	(35,805,200)	(38,517,957)
Member Reassignments	0	126,188	10,758	31,437	23,519
Service Purchases	366,350	722,629	73,694	222,438	90,702
Net Change in Total Pension Liability	49,661,610	34,687,727	51,277,107	40,165,411	(18,193,033)
(a) Total Pension Liability - ending	$642,171,761	$676,859,488	$728,136,595	$768,302,006	$750,108,973
Plan Fiduciary Net Position					
Plan Fiduciary Net Position – beginning	$554,121,143	$687,992,849	$634,863,667	$640,206,540	$677,642,304
Contributions – employer	18,620,626	17,563,885	18,046,892	21,666,981	22,241,151
Contributions – non-employer	0	0	0	0	0
Contributions – member	4,040,801	4,632,105	4,121,670	4,547,833	4,625,388
Net investment income	140,227,588	(44,386,842)	15,906,734	47,094,743	74,272,700
Actual benefit payments	(28,916,344)	(30,976,590)	(32,619,155)	(35,805,200)	(38,517,957)
Net member reassignments	0	126,188	10,758	31,437	23,519
Administrative expense	(100,949)	(103,928)	(124,026)	(123,300)	(139,689)
Other	(16)	16,000	0	23,270	0
Net change in Plan Fiduciary Net Position	133,871,706	(53,129,182)	5,342,873	37,435,764	62,505,112
(b) Plan Fiduciary Net Position - ending	$687,992,849	$634,863,667	$640,206,540	$677,642,304	$740,147,416
Net Pension Liability - ending, (a) - (b)	($45,821,088)	$41,995,821	$87,930,055	$90,659,702	$9,961,557

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	$468,944,751	$501,125,713	$523,735,050	$547,694,452	$586,499,053
Service Cost (SC), beginning-of-year	13,869,891	14,762,102	14,885,621	18,229,583	19,566,868
Interest Cost, including interest on SC	31,889,331	34,082,760	35,567,044	37,346,053	40,005,655
Experience (Gains)/Losses	7,181,935	(3,106,524)	(3,090,250)	8,527,309	(1,968,039)
Assumption Changes	0	(1,212,930)	0	0	(24,814,282)
Plan Amendments	0	0	0	0	0
Actual Benefit Payments	(20,921,745)	(22,099,240)	(23,622,253)	(25,391,127)	(26,836,475)
Member Reassignments	0	0	0	0	0
Service Purchases	161,550	183,169	219,240	92,783	57,371
Net Change in Total Pension Liability	32,180,962	22,609,337	23,959,402	38,804,601	6,011,098
(a) Total Pension Liability - ending	$501,125,713	$523,735,050	$547,694,452	$586,499,053	$592,510,151
Plan Fiduciary Net Position					
Plan Fiduciary Net Position – beginning	$437,352,498	$441,790,144	$475,054,556	$513,952,408	$545,330,816
Contributions – employer	16,946,301	16,823,600	15,117,494	16,030,805	18,166,479
Contributions – non-employer	0	0	0	0	0
Contributions – member	3,239,092	3,467,843	3,417,904	3,475,575	3,548,975
Net investment income	5,322,425	35,195,878	44,103,829	37,370,961	14,020,453
Actual benefit payments	(20,921,745)	(22,099,240)	(23,622,253)	(25,391,127)	(26,836,475)
Net member reassignments	0	0	0	0	0
Administrative expense	(148,427)	(123,669)	(119,122)	(107,806)	(109,105)
Other	0	0	0	0	0
Net change in Plan Fiduciary Net Position	4,437,646	33,264,412	38,897,852	31,378,408	8,790,327
(b) Plan Fiduciary Net Position - ending	$441,790,144	$475,054,556	$513,952,408	$545,330,816	$554,121,143
Net Pension Liability - ending, (a) - (b)	$59,335,569	$48,680,494	$33,742,044	$41,168,237	$38,389,008

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	$642,171,761	$676,859,488	$728,136,595	$768,302,006	$750,108,973
Plan Fiduciary Net Position	687,992,849	634,863,667	640,206,540	677,642,304	740,147,416
Net Pension Liability	($45,821,088)	$41,995,821	$87,930,055	$90,659,702	$9,961,557
Ratio of Plan Fiduciary Net Position to Total Pension Liability	107.14%	93.80%	87.92%	88.20%	98.67%
Covered payroll [1]	$61,214,824	$65,158,595	$67,466,373	$72,089,958	$75,578,060
Net Pension Liability as a percentage of covered payroll	-74.85%	64.45%	130.33%	125.76%	13.18%

Fiscal Year Ending June 30	2016	2017	2018	2019	2020
Total Pension Liability	$501,125,713	$523,735,050	$547,694,452	$586,499,053	$592,510,151
Plan Fiduciary Net Position	441,790,144	475,054,556	513,952,408	545,330,816	554,121,143
Net Pension Liability	$59,335,569	$48,680,494	$33,742,044	$41,168,237	$38,389,008
Ratio of Plan Fiduciary Net Position to Total Pension Liability	88.16%	90.71%	93.84%	92.98%	93.52%
Covered payroll [1]	$51,381,964	$54,755,206	$53,350,037	$56,379,905	$58,188,887
Net Pension Liability as a percentage of covered payroll	115.48%	88.91%	63.25%	73.02%	65.97%

[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]	$22,074,066	$19,039,341	$21,771,398	$22,600,202	$26,709,286
Actual employer contributions	$18,620,626	$17,563,885	$18,046,892	$21,666,981	$22,241,151
Annual contribution (deficiency) / excess	($3,453,440)	($1,475,456)	($3,724,506)	($933,221)	($4,468,135)
Covered payroll [2]	$61,214,824	$65,158,595	$67,466,373	$72,089,958	$75,578,060
Actual contributions as a percentage of covered payroll	30.42%	26.96%	26.75%	30.06%	29.43%

Fiscal Year Ending June 30	2016	2017	2018	2019	2020
Actuarially Determined Contribution [1]	$17,485,282	$14,334,913	$14,852,650	$14,861,743	$19,405,994
Actual employer contributions	$16,946,301	$16,823,600	$15,117,494	$16,030,805	$18,166,479
Annual contribution (deficiency) / excess	($538,981)	$2,488,687	$264,844	$1,169,062	($1,239,515)
Covered payroll [2]	$51,381,964	$54,755,206	$53,350,037	$56,379,905	$58,188,887
Actual contributions as a percentage of covered payroll	32.98%	30.73%	28.34%	28.43%	31.22%

[1] Actuarially determined contribution rate was developed in the actuarial funding valuation completed one year prior to the fiscal year. This rate was applied to the actual covered employee payroll for the fiscal year to determine the contribution amount.
[2] 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	11.0%
2024	7.3%
2023	2.5%
2022	(6.5%)
2021	25.5%
2020	2.6%
2019	7.3%
2018	9.3%
2017	8.0%
2016	1.2%

Results were 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 Nonvested	Disabled	Retired	Beneficiary	Total
1. As of June 30, 2023	**483**	**27**	**39**	**3**	**334**	**107**	**993**
2. Data Adjustments							
New Participants	19	0	0	0	0	0	19
Rehires	3	(1)	(2)	0	0	0	0
Terminations:							
Not Vested	(6)	0	6	0	0	0	0
Deferred Vested	(4)	4	0	0	0	0	0
Disability	(1)	0	0	1	0	0	0
Retirements	(11)	(4)	0	0	15	0	0
Refund / Benefits Ended	0	0	(2)	0	0	0	(2)
Deaths:							
With Beneficiary	(1)	0	0	0	(11)	12	0
Without Beneficiary	0	0	0	0	(3)	(11)	(14)
Entitled to Future Benefit	(1)	0	1	0	0	0	0
Data Corrections	0	0	(1)	0	1	0	0
Net Change	(2)	(1)	2	1	2	1	3
3. As of June 30, 2024 [1]	**481**	**26**	**41**	**4**	**336**	**108**	**996**

[1] The valuation results were calculated using the prior year's census data and were adjusted for certain activity during fiscal year. Includes 6 Inactive Nonvested Deceased members in the Inactive Nonvested count and 1 Inactive Vested Deceased member in the Inactive Vested count as of June 30, 2024. Includes 4 Inactive Nonvested Deceased members in the Inactive Nonvested count and 1 Inactive Vested Deceased member in the Inactive Vested count as of June 30, 2023.

APPENDIX A – MEMBERSHIP DATA

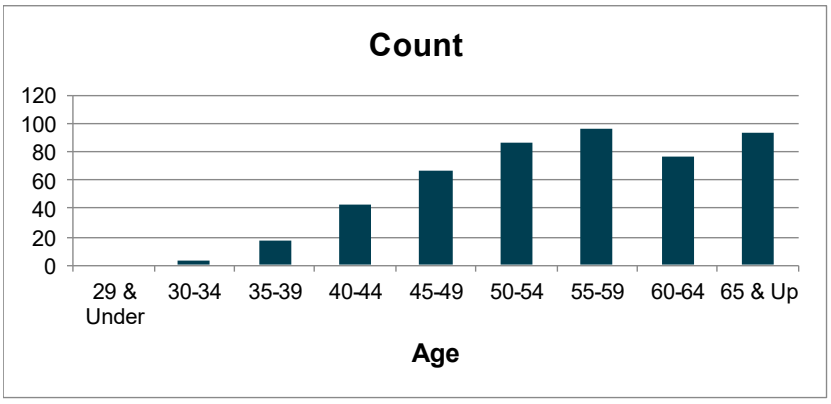
SUMMARY OF MEMBERSHIP DATA

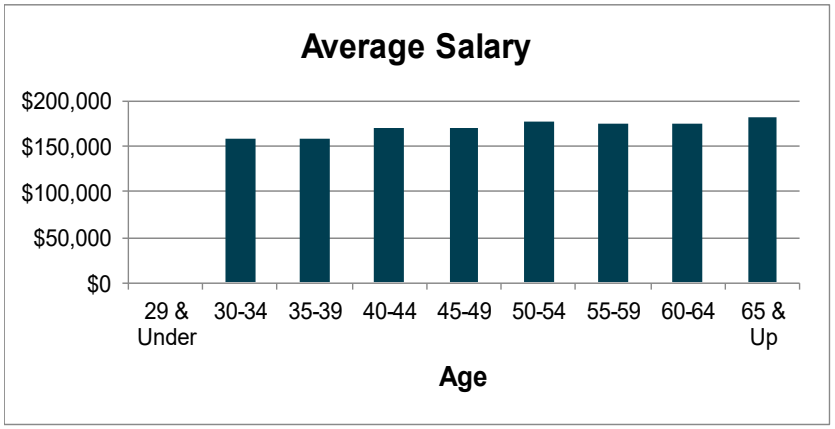
Valuation Date	June 30, 2024	June 30, 2025	% Change
Date of Membership Data [1]	July 1, 2023	July 1, 2024	
ACTIVE MEMBERS			
Number of Active Members	483	481	(0.4%)
Annual Membership Data Salary [2]	$ 81,520,702	$ 83,710,203	2.7%
Covered Payroll for Fiscal Year Ending 3	$ 72,089,958	$ 75,578,060	4.8%
Active Member Averages			
Age	55.0	55.6	1.1%
Service	9.4	9.6	2.1%
Annual Membership Data Salary	$ 168,780	$ 174,034	3.1%
INACTIVE MEMBERS			
Number of Members			
Inactive Vested	27	26	(3.7%)
Inactive Non-Vested	39	41	5.1%
Total	66	67	1.5%
Inactive Vested Member Averages			
Age	57.1	56.3	(1.4%)
Service	12.9	13.3	3.1%
RETIREES, DISABLEDS, AND BENEFICIARIES			
Number of Members			
Retired	334	336	0.6%
Disabled	3	4	33.3%
Beneficiaries	107	108	0.9%
Total	444	448	0.9%
Annual Benefits			
Retired	$ 29,424,680	$ 31,903,662	8.4%
Disabled	237,957	345,602	45.2%
Beneficiaries	3,895,859	3,965,624	1.8%
Total	$ 33,558,496	$ 36,214,888	7.9%

[1]The valuation results were calculated using the prior year's census data and were adjusted for certain activity during fiscal year.
[2] Annualized for actives with less than a year of service. Actives with no salary provided are defaulted to the state provided salary for their job title.
[3] Actual pay for contributing members with less than 22 years of service for the fiscal year ending on the valuation date.

ACTIVE MEMBERS
As of June 30, 2024 for the June 30, 2025 Valuation

	Count of Members			FY 2024 Annual Membership Data Salary		
Age	Male	Female	Total	Male	Female	Total
29 & Under	0	0	0	0	0	0
30-34	0	3	3	0	477,133	477,133
35-39	9	9	18	1,431,399	1,431,399	2,862,798
40-44	27	16	43	4,693,374	2,605,881	7,299,255
45-49	42	24	66	7,157,001	4,037,282	11,194,283
50-54	54	32	86	9,574,819	5,536,725	15,111,544
55-59	57	39	96	10,119,186	6,601,098	16,720,284
60-64	54	22	76	9,533,560	3,738,298	13,271,858
65 & Up	72	21	93	13,013,329	3,759,719	16,773,048
Total	315	166	481	$ 55,522,668	$ 28,187,535	$ 83,710,203



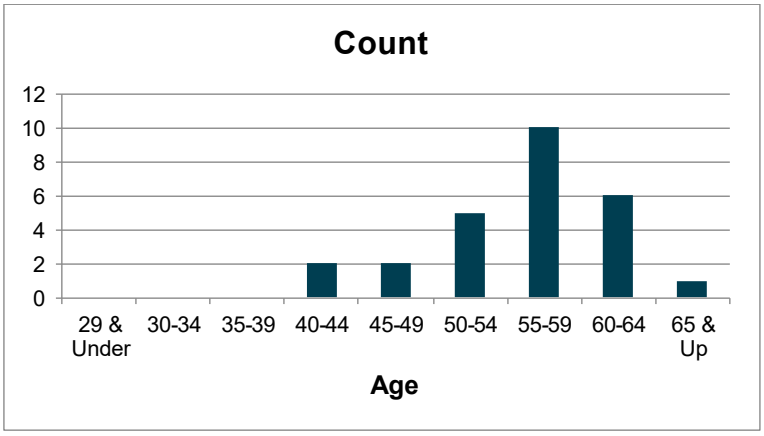


AGE AND SERVICE DISTRIBUTION
As of June 30, 2024 for the June 30, 2025 Valuation

Age		0-4	5-9	10-14	15-19	20-24	25-29	30-34	Over 34	Total
29 & Under	Number	0	0	0	0	0	0	0	0	0
	Total Salary	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
	Average Sal.	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
30-34	Number	3	0	0	0	0	0	0	0	3
	Total Salary	$ 477,133	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 477,133
	Average Sal.	$ 159,044	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 159,044
35-39	Number	16	2	0	0	0	0	0	0	18
	Total Salary	$ 2,569,178	$ 293,620	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 2,862,798
	Average Sal.	$ 160,574	$ 146,810	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 159,044
40-44	Number	30	11	1	1	0	0	0	0	43
	Total Salary	$ 5,097,101	$ 1,908,534	$ 146,810	$ 146,810	$ 0	$ 0	$ 0	$ 0	$ 7,299,255
	Average Sal.	$ 169,903	$ 173,503	$ 146,810	$ 146,810	$ 0	$ 0	$ 0	$ 0	$ 169,750
45-49	Number	34	22	6	4	0	0	0	0	66
	Total Salary	$ 5,725,600	$ 3,743,662	$ 990,969	$ 734,052	$ 0	$ 0	$ 0	$ 0	$ 11,194,283
	Average Sal.	$ 168,400	$ 170,166	$ 165,162	$ 183,513	$ 0	$ 0	$ 0	$ 0	$ 169,610
50-54	Number	25	34	17	9	1	0	0	0	86
	Total Salary	$ 4,294,201	$ 6,013,860	$ 2,967,545	$ 1,652,425	$ 183,513	$ 0	$ 0	$ 0	$ 15,111,544
	Average Sal.	$ 171,768	$ 176,878	$ 174,561	$ 183,603	$ 183,513	$ 0	$ 0	$ 0	$ 175,716
55-59	Number	25	31	16	16	8	0	0	0	96
	Total Salary	$ 4,325,540	$ 5,285,170	$ 2,747,329	$ 2,967,547	$ 1,394,698	$ 0	$ 0	$ 0	$ 16,720,284
	Average Sal.	$ 173,022	$ 170,489	$ 171,708	$ 185,472	$ 174,337	$ 0	$ 0	$ 0	$ 174,170
60-64	Number	12	22	15	13	14	0	0	0	76
	Total Salary	$ 2,018,641	$ 3,744,470	$ 2,496,582	$ 2,417,008	$ 2,595,157	$ 0	$ 0	$ 0	$ 13,271,858
	Average Sal.	$ 168,220	$ 170,203	$ 166,439	$ 185,924	$ 185,368	$ 0	$ 0	$ 0	$ 174,630
65 & Up	Number	6	19	16	16	36	0	0	0	93
	Total Salary	$ 954,266	$ 3,266,529	$ 2,752,693	$ 2,936,208	$ 6,863,352	$ 0	$ 0	$ 0	$ 16,773,048
	Average Sal.	$ 159,044	$ 171,923	$ 172,043	$ 183,513	$ 190,649	$ 0	$ 0	$ 0	$ 180,355
Total	Number	151	141	71	59	59	0	0	0	481
	Total Salary	$ 25,461,660	$ 24,255,845	$ 12,101,928	$ 10,854,050	$ 11,036,720	$ 0	$ 0	$ 0	$ 83,710,203
	Average Sal.	$ 168,620	$ 172,027	$ 170,450	$ 183,967	$ 187,063	$ 0	$ 0	$ 0	$ 174,034

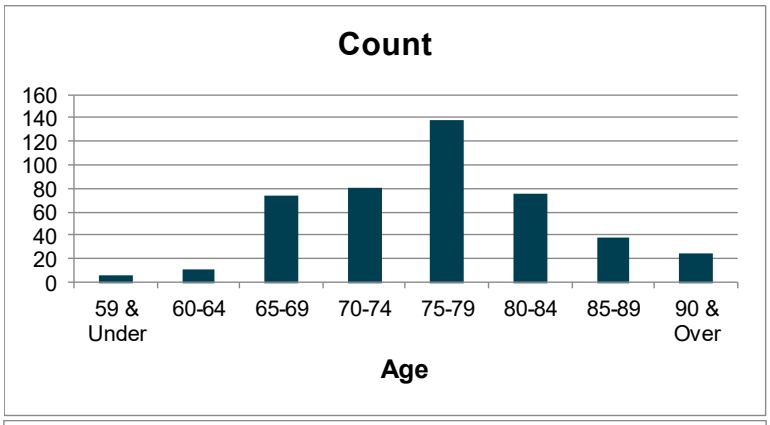
INACTIVE VESTED MEMBERS
As of June 30, 2024 for the June 30, 2025 Valuation

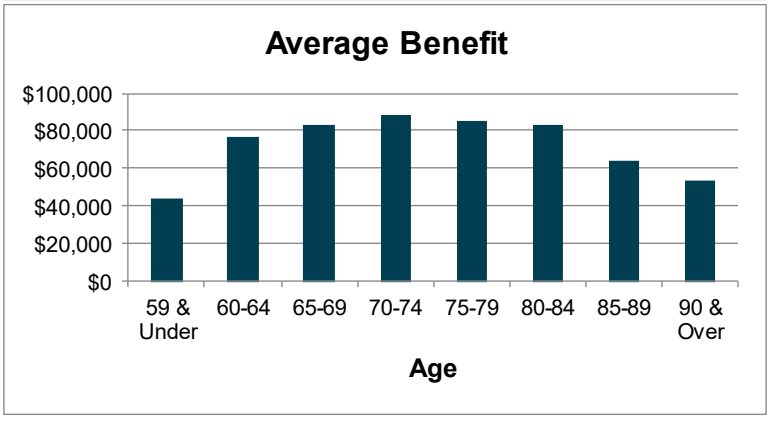
	Count of Members		
Age	Male	Female	Total
29 & Under	0	0	0
30-34	0	0	0
35-39	0	0	0
40-44	1	1	2
45-49	1	1	2
50-54	3	2	5
55-59	3	7	10
60-64	2	4	6
65 & Up	0	1	1
Total	10	16	26



MEMBERS AND BENEFICIARIES RECEIVING BENEFITS
As of June 30, 2024 for the June 30, 2025 Valuation

	Count of Members			Annual Benefits		
Age	Male	Female	Total	Male	Female	Total
59 & Under	2	4	6	$ 112,914	$ 148,742	$ 261,656
60-64	5	7	12	440,287	476,208	916,495
65-69	48	26	74	4,213,732	1,921,089	6,134,821
70-74	55	26	81	5,237,600	1,936,079	7,173,679
75-79	93	45	138	9,237,034	2,572,850	11,809,884
80-84	53	22	75	5,179,889	1,031,301	6,211,190
85-89	14	24	38	1,315,321	1,104,207	2,419,528
90 & Over	10	14	24	874,503	413,132	1,287,635
Total	280	168	448	$ 26,611,280	$ 9,603,608	$ 36,214,888





MEMBERS AND BENEFICIARIES RECEIVING BENEFITS
As of June 30, 2024 for the June 30, 2025 Valuation

Schedule of Average Benefit Payments [1]

	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	$2,958	$5,818	$6,975	$8,008	$7,282	$7,710	$6,736
Average Final Average Salary [2]	$131,668	$136,127	$134,405	$143,854	$119,503	$129,960	$135,966
Number of Benefit Recipients	34	118	98	127	40	31	448

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

	Number of Recipients by Benefit Option			
Amount of Monthly Benefit (in dollars)	Joint with 50% Survivor Benefits	Survivors	Disability	Total Benefit Recipients
1 - 500	0	0	0	0
501 - 1,000	0	0	0	0
1,001 - 1,500	0	11	0	11
1,501 - 2,000	0	6	0	6
2,001 - 2,500	0	8	0	8
2,501 - 3,000	4	17	0	21
Over 3,000	332	66	4	402
Total	336	108	4	448

[1] Calculated using the prior year census data, adjusted for certain activity during the fiscal year.
[2] Excludes the 75 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

Schedule of Retirants and Beneficiaries

	Added to Rolls		Removed from Rolls		Rolls - End of Year				
	Number	Annual Benefits [1]	Number	Annual Benefits [1]	Number	Total Annual Benefits [1, 2]	Percent Change In Total Annual Benefits	Average Annual Benefit	Percent Change In Average Annual Benefit
2025 [3]	18	$1,537	14	$585	448	$36,215	7.9%	$80,837	7.0%
2024 [3]	31	2,585	13	451	444	33,558	8.3	75,582	3.9
2023 [3]	13	918	8	299	426	30,987	3.2	72,740	2.0
2022 [3]	40	3,199	13	405	421	30,024	11.7	71,316	4.5
2021 [3]	10	729	12	492	394	26,877	2.2	68,216	2.8
2020 [3]	31	2,498	10	261	396	26,289	10.5	66,387	4.6
2019 [3]	18	1,340	8	191	375	23,794	5.1	63,450	2.3
2018 [3]	22	1,723	7	309	365	22,637	5.5	62,019	1.1
2017 [3]	9	696	10	509	350	21,465	2.4	61,329	2.7
2016 [3]	34	2,520	9	340	351	20,959	12.8	59,714	4.8

[1] Dollar amounts are in thousands except for the average annual benefit.
[2] 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.

APPENDIX B – SUMMARY OF PLAN PROVISIONS

Definitions

Fiscal year	Twelve month period ending June 30.
Participation	All individuals serving as a judge or justice in Indiana as defined in IC 33-38-6-7. A judge who begins service before September 1, 1985 shall be a participant of the 1977 Plan (IC 33-38-7) and a judge who begins service after August 31, 1985 shall be a participant of the 1985 Plan (IC 33-38-8).
Member contributions	Each participant contributes 6% of his total salary until completion of 22 years of service. Beginning in 2013, the employee contributions are picked up by the employer as pre-tax money which are also included in annual salary. This interest crediting rate is established annually by the board. It is based on the 10-Year Treasury Yield, an average of January through March month-end 10-year US Treasury Note yields in the current year.
Earnings	Earnings is the annual salary being paid for the office which the participant held at the time of separation from service effective January 1, 2010.

Eligibility for Benefits

Deferred vested	8 or more years of creditable service and no longer active.
Disability retirement	A participant is considered disabled if two (2) physicians certify that the participant is totally incapacitated from earning a livelihood and that the condition is likely to be permanent.
Early retirement	Age 62 with 8 or more years of creditable service.
Normal retirement	Earliest of: - Age 65 with 8 or more years of creditable service - Age 55 with sum of age and creditable service equal to 85 or more
Pre-retirement death	8 or more years of creditable service entitled to a future benefit.

Monthly Benefits Payable

Normal retirement

The normal retirement benefit is a monthly annuity payable for life with a 50% continuation (or $12,000 annually, if greater) to a surviving spouse or surviving dependent children. The benefit is equal to a percentage of earnings in accordance with the following table:

Years of Service	Percentage
7 or less	0%
8	24%
9	27%
10	30%
11	33%
12	50%
13	51%
14	52%
15	53%
16	54%
17	55%
18	56%
19	57%
20	58%
21	59%
22 or more	60%

An additional percentage shall be calculated by prorating between applicable percentages, based on the number of months in a partial year of service.

Early retirement

The early retirement benefit is the accrued retirement benefit determined as of the early retirement date and payable commencing at the normal retirement date. A participant may elect to have the benefit commence prior to age 65 provided the benefit is reduced by 0.1% for each month that the benefit commencement date precedes age 65.

Deferred retirement

The termination benefit is the accrued retirement benefit determined as of the termination date and payable commencing as of the normal retirement date. The participant may elect to receive a reduced early retirement benefit.

Disability

The disability retirement benefit is payable for the duration of the disability commencing the month following disability date. The amount of monthly benefit shall be equal to a percentage of: (1) for the 1977 JRS Plan – the salary paid for the office the member held at the time of separation; (2) for the 1985 Plan - salary paid to the member at the time of separation. The percentages are in accordance with the following table:

Years of Service	Percentage
12 or less	50%
13	51%
14	52%
15	53%
16	54%
17	55%
18	56%
19	57%
20	58%
21	59%
22 or more	60%

An additional percentage shall be calculated by prorating between applicable percentages, based on the number of months in a partial year of service.

Pre-retirement death

If death occurs (a) while receiving benefits, (b) while in service as a judge with 8 or more years of service, or (c) while permanently disabled, the spouse or family of dependent children shall be eligible for a benefit equal to the greater of $12,000 (effective July 1, 1977) annually or 50% of the benefit the participant was receiving or was entitled to receive at the time of death.

Spousal benefits are payable as a lifetime monthly pension.

Post-retirement benefit increases

Participant benefits in the Judges' 1977 Retirement, Disability, and Death Plan increase in the same ratio as the salary being paid for the office a participant held at the time of separation from service increases. Effective January 1, 2010, the Judges' 1985 Retirement, Disability, and Death Plan will also have benefits increase in the same manner, on a prospective basis only.

Cost-of-Living-Adjustments	Benefits for retired members (does not include disabled members or surviving spouses) increase based on the annual pay increase granted for the position the member held at the time of retirement. The annual cost-of-living assumption for the valuation is 2.90% for five-year period ending June 30, 2030, 2.65% thereafter, which is the same as the salary increase assumption for active members.
Forms of payment	
a. Single life annuity	Member will receive a monthly benefit for life, but there are no monthly payments to anyone after death.
b. Joint with one-half survivor benefits	Member will be paid a monthly benefit for life. After death, one-half (1/2) of the benefit will be paid to the spouse for their lifetime or the dependent until age 18 unless disabled. If the dependent child was named the beneficiary, once they are no longer entitled to the benefit, the spouse would receive the benefit for life.

Changes in Plan Provisions since the Prior Year

None.

APPENDIX C – SUMMARY OF ACTUARIAL METHODS/ASSUMPTIONS

ACTUARIAL METHODS

1. Actuarial Cost Method

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

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

For funding, gains and losses occurring from census experience different than assumed, assumption changes, and benefit changes are amortized over a 20-year period with level payments each year. A new gain or loss base is established each year based on the additional gain or loss during that year and that base is amortized over a new 20-year period (gain or loss bases established prior to June 30, 2016 were amortized over 30 years and will continue to be amortized over 30 -year period). However, when the plan is at or above 100% funded (based on Actuarial Value of Assets), the past amortization bases are considered fully amortized and a single amortization base equal to the surplus is amortized over a 30-year period with level payments each year. The purpose of the method is to give a smooth progression of the costs from year to year and, at the same time, provide for an orderly funding of the unfunded liabilities. The amortization payment is projected to the middle of the contribution year.

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 from assumed are amortized into expense over a 5-year period. The effect of plan changes on the plan liability are fully recognized in expense in the year in which they occur.

Member census data as of June 30, 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. Asset Valuation Method

The Actuarial Value of Assets smoothes the recognition of gains and losses on the Market Value of Assets over five years, subject to a 20% corridor.

3. 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.

4. **Anticipated Payroll**

   The Anticipated Payroll for the fiscal year ending June 30, 2027 is equal to the actual payroll during the fiscal year ending June 30, 2025, increased at the salary scale (known increase as of the valuation date and at the salary scale assumption thereafter). The proportion of pay attributable to active members with more than 22 years of service is presumed constant.

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.
- The methodology to calculate the biennial appropriation amount be directly calculated based on a constant normal cost rate with anticipated payroll and an amortization payment adjusted to reflect the timing of the payment with appropriate interest and pay adjustments.

APPENDIX C – SUMMARY OF ACTUARIAL METHODS/ASSUMPTIONS

ACTUARIAL ASSUMPTIONS

Valuation Date	June 30, 2024
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	2.90% for the period beginning July 1, 2025 and ending June 30, 2030 with an ultimate rate of 2.65%, compounded annually. Actual COLA increases at July 1, 2024 (3.00%) and July 1, 2025 (0.00%) are reflected in the valuation.
4. Interest on member balances	3.30% per year
5. Cost-of-Living Adjustment (COLA)	2.90% for the period beginning July 1, 2025 and ending June 30, 2030 with an ultimate rate of 2.65%, compounded annually. Actual COLA increases at July 1, 2024 (3.00%) and July 1, 2025 (0.00%) are reflected in the valuation.
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* – General Employee table with a 1 year setback for males and a 1 year setback for females. *Retirees* – General Retiree table with a 1 year setback for males and a 1 year setback 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
20	0.0371%
25	0.0526%
30	0.0681%
35	0.0910%
40	0.1362%
44-64	0.1950%
65+	0.0000%

3. Retirement

Age	Eligible for Reduced Benefit	Eligible for Unreduced Benefit
55-61	N/A	15%
62-64	8%	15%
65-67	N/A	20%
68-69	N/A	25%
70-74	N/A	30%
75+	N/A	100%

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

4. Termination

3% per year for all members prior to retirement eligibility.

Other Assumptions

1. Form of payment

Members are assumed to elect either a single life annuity or a 50% joint survivor benefit based on the marriage assumptions below.

2. Marital status

a. Percent married

90% of members are assumed to be married 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.

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:

- Disability rates were updated.
- Retirement 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.
- The COLA assumption was updated to align with the wage inflation assumption.

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. Standard actuarial roll-forward techniques were then used to project the liability computed as of June 30, 2024 to the June 30, 2025 valuation date. The normal cost rate is assumed to remain unchanged between June 30, 2024 and June 30, 2025.

The member total payroll and the asset information for this valuation were furnished as of June 30, 2025. Total payroll in FYE 2026 is assumed to increase by the actual salary increase as of the valuation date over the total payroll observed for FYE 2025. 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.

Spouse gender is assumed to be the opposite gender of the member. Additionally, payroll for new hires is annualized.

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, except those due a refund of contributions.

APPENDIX D – GLOSSARY OF ACTUARIAL TERMS

Accrued Service	Service credited under the plan 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 plan 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 plan 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 plan 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 plans have unfunded actuarial liability. They arise anytime new benefits are added and anytime an actuarial loss is realized.