

# INDIANA

**Annual Comprehensive Financial Report  
For Fiscal Year Ended June 30, 2022**

**Eric J. Holcomb, Governor**



**Prepared by the Office of  
Indiana Auditor of State  
Tera Klutz, CPA**

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

**FILED**

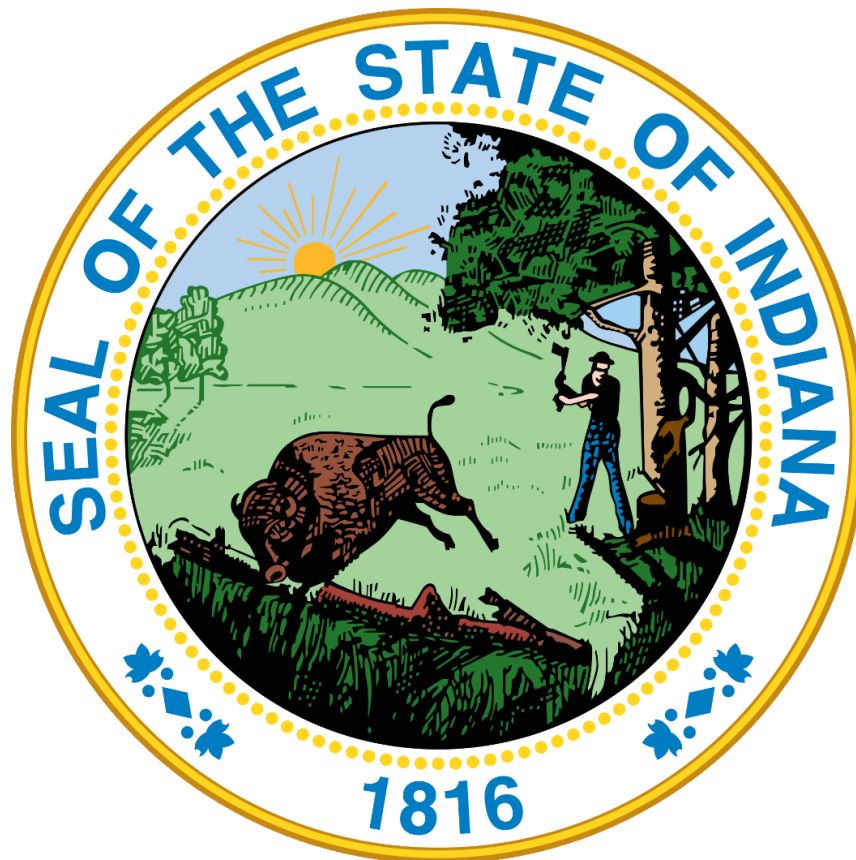
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STATE OF INDIANA

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For the Fiscal Year Ended June 30, 2022

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Prepared by:

The Office of Indiana Auditor of State  
**Tera Klutz, CPA**  
**Auditor of State**  
Room 240  
State House  
Indianapolis, Indiana 46204

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

Please visit our web site at [www.in.gov/auditor/](http://www.in.gov/auditor/)

## Auditor of State Biography

Tera K. Klutz is the 57th Indiana Auditor of State and the first Certified Public Accountant to serve as the state's Chief Financial Officer. Appointed by Governor Eric J. Holcomb in January 2017 and elected to a four-year term in November 2018, Klutz is focused on providing accurate information, maintaining and enhancing government transparency, and delivering great customer service to ALL Hoosiers.

Prior to becoming the Auditor of State, Klutz served as the County Auditor in Allen County, the third largest county in the state by population and the largest geographically. First elected in 2010 and again in 2014, Klutz streamlined local government processes, reduced debt, and maintained a balanced budget with responsible reserves. Between 2013 and 2016, Klutz was very active in the Association of Indiana Counties' Legislative Committee serving as the Chairwoman where she oversaw and directed the Association's legislative priorities.

In 2016, Klutz was named Auditor of the Year by the Indiana Auditors' Association for her dedicated and tireless work. Before serving in the public sector, Klutz was as a Senior Accountant at Crowe and PwC in Ft. Wayne.

As State Auditor, Klutz manages the Indiana Transparency Portal to provide Hoosiers an easily accessible and in-depth look at Indiana's finances and assets. In addition, she created an Internal Controls Department to review and document the processes within the office to reduce the risk of misstatement and opportunities for fraud.

Klutz holds a bachelor's degree in accounting from Indiana University-Purdue University Fort Wayne. She is a member of the Indiana CPA Society, the American Institute of CPAs, and Cornerstone Lutheran Church. She and her husband Zach have two daughters, Alyx and Julian, along with two Goldendoodles, Margo and Leo.



**AUDITORS OF STATE  
Of THE STATE OF INDIANA**

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

**STATE OF INDIANA**  
**Annual Comprehensive Financial Report**  
**For the Year Ended**  
**June 30, 2022**

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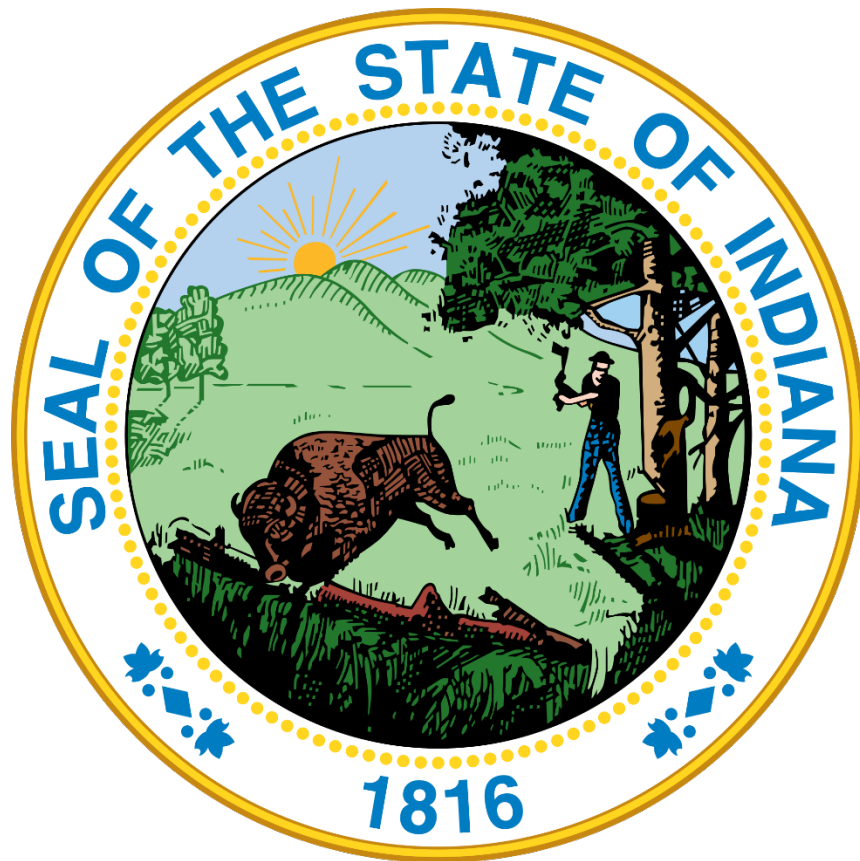
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# INTRODUCTORY SECTION



*Auditor of State*

Tera K. Klutz, CPA

December 30, 2022

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

We are proud to present the Annual Comprehensive Financial Report (ACFR) for the State of Indiana's fiscal year ended June 30, 2022.

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

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

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

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

Generally Accepted Accounting Principles provides for two types of statements, government-wide and fund statements. The government-wide statements are very similar to the private sector's statements, using the full accrual basis of accounting and the economic resources measurement focus. The governmental funds financial statements use the modified accrual basis of accounting

and the current financial resources measurement focus. In the government-wide statements, infrastructure (roads, bridges, dams) is capitalized. Capital assets, except for infrastructure using the modified approach, are depreciated like the private sector.

Management's Discussion and Analysis (MD&A) in the Financial Section introduces the basic financial statements and provides an analytical overview of the government's financial activities. It is presented before the basic financial statements and provides an in-depth analysis of the State of Indiana's finances.

## Profile of the Government

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

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

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

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

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

## Factors Affecting Economic and Financial Conditions

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

### Local Economy

In March 2022, Indiana employment exceeded pre-COVID-19 pandemic levels marking a milestone in the State's economic recovery from the global public health emergency. In addition to higher payroll, Indiana's unemployment rate dropped to record lows at 2.2% in the spring of 2022. Indiana's GDP in Q1 of 2022 grew 4.0% in real value which was the 4th highest growth rate in the country. However, Q2 of 2022 saw a 0.8% decline from the previous quarter, which follows the national trend. Real Indiana GDP growth from Q2 2021 to Q2 2022 was 1.7%.

In comparison to other states, Indiana's economy ranked 19th largest in the U.S. in terms of value of goods and services in calendar year 2021. Indiana's largest contributor to real GDP has been and continues to be the manufacturing sector. The manufacturing sector accounts for over 500,000 jobs and 16.5% of the non-farm jobs in Indiana. Canada and Mexico are Indiana's leading merchandise export markets with chemicals, transportation equipment, and machinery accounting for nearly two-thirds of total export categories in 2021.

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

### Cash Management and Investments

Cash temporarily idle during the year was invested in deposit accounts, obligations of the U.S. Treasury and U.S. Agencies, money market mutual funds, and repurchase agreements. The pension trust funds' portfolios include other investments as outlined in Note I(E)(1) in the notes to the financial statements. The average yield on the General Fund investments was 0.27% for the fiscal year (FY) ended June 30, 2022. The average yield on the total investment of all funds, except for pension trust funds, was 0.36% for the FY ended June 30, 2022. The State's investment policy is to minimize credit and market risks while maintaining sufficient liquidity and earning a competitive yield on its portfolio. Deposits held by the Treasurer of State are insured by federal and state depository insurance.

### Debt Administration

The commissions and authorities, some of which are included as component units in the financial reporting entity of the State of Indiana, issue bonds for some of the State's capital needs. All of the bond issues are revenue bonds associated with specific State component units. The total of long-term revenue bonds and notes outstanding, net of amortized discounts, is \$9.3 billion at June 30, 2022.

## Financial Policies

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

FY 2021 finished with collections of \$19,407.4 million. This historic level of revenue growth (14% growth compared to FY 2020 after adjusting for a deferral of \$886.3 million in tax revenue from FY 2020 to FY 2021), boosted combined General Fund balances over \$3,922.7 million. The highest nominal combined balances prior to FY 2021 were in FY 2019 at \$2,270.1 million.

The combined reserve balances triggered a statutory excess reserves calculation that had not been triggered since the end of FY 2012. As a result of the excess reserves calculation, an additional \$545.4 million was transferred to the Pension Stabilization Fund in order to reduce future liabilities of the Pre-1996 Teachers’ Retirement Fund in FY 2022. A separate \$545.4 million was returned to Indiana personal income tax filers in the form of a refund.

Revenue collections in FY 2022 continued to exceed forecasts and monthly targets. An updated forecast presented on December 16, 2021 estimated total General Fund collections in FY 2022 to be \$19,950.3 million. Excluding the deferred taxes from FY 2020 into FY 2021, there would have been a 7.7% year-over-year growth in revenue. However, by the end of FY 2022, actual General Fund collections totaled \$21,190.7 million – a 9.2% growth in revenue.

The strong revenue collections coupled with modest expenditure growth resulted in historic surplus levels. Total combined reserves grew to \$6,124.7 million. This again triggered a statutory excess reserves calculation that required the State to transfer \$2,500.0 million of reserve balance to the Indiana Public Retirement System for credit against the pre-1996 Teachers’ Retirement Fund in FY 2023.

In response to Indiana’s strong financial position in FY 2022, Hoosier lawmakers passed various tax changes in the 2022 regular session and the special session in August of 2022. These included a full repeal of the utility receipts tax and the utility services use tax along with a reduction in the individual adjusted gross income tax rate from the current rate of 3.23% to 3.15% in 2023 and 2024. Additional phased reductions in the income tax rate are conditional beyond 2024. During the special legislative session in August, lawmakers passed and the Governor signed an additional automatic taxpayer refund in the amount of \$200 per taxpayer.

## Long-Term Financial Planning

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

Indiana continues to position itself as one of the lowest debt-level states in the country. Net tax supported debt (NTSD) represents just \$217 per capita, the 5th lowest in the country (Moody’s Debt, Pension, and OPEB Liabilities Report, September 7, 2022). During the 2021 legislative

session, Indiana continued its low-debt discipline by appropriating \$302 million for the defeasance of state-related bonds and cash funding large capital projects through appropriation instead of issuing debt.

Indiana is one of a minority of states that has the highest credit rating assigned by all three independent credit rating agencies: Fitch, Moody's, and Standard & Poor's Ratings Service (S&P). From the January 2022 report, S&P cited four areas in issuing the AAA credit rating: historically modest economic growth across all sectors, maintenance of strong budgetary reserves, active budget management, and low overall debt levels. Fitch's January 2022 rating report issued AAA due to "the state's low long-term liability burden and exceptionally strong operating profile, including prudent budget management leading to robust financial reserves."

## Major Initiatives

**K-12 Education** – Funding for elementary and secondary education is the State's largest operating expense. Prior to January 1, 2003, the State provided approximately 66% of school corporations' general fund budgets. As part of the property tax reform legislation enacted by P.L. 146-2008, the State assumed responsibility for the local share of tuition support and provides 100% of the tuition support for school corporation general funds since January 2009.

For FY 2022, the K-12 tuition support appropriation was \$7,860.0 million. This appropriation funds a statutory formula distribution to local schools. Of the appropriation, \$93.5 million was left remaining at the end of FY 2022. The Budget Director authorized a transfer of this surplus to the Tuition Reserve Account which is part of the State's combined General Fund reserves. The FY 2023 appropriation for K-12 tuition support was increased in the 2021 budget bill to \$8,200.0 million.

In addition to the \$975.0 million appropriated in FY 2022 for teachers' pre-1996 retirement account, the Budget Agency transferred an additional \$545.4 million from the General Fund to the account per a statutory excess reserves calculation. A separate statutory calculation was done at the conclusion of the FY 2022 which resulted in an additional \$2,500.0 million being transferred in early FY 2023 from the General Fund reserves to the pre-1996 teachers' retirement account, further reducing that pension fund's liability.

**Higher Education** – Through the General Fund, the State supports seven higher education institutions: Ball State University, Indiana University, Indiana State University, Ivy Tech Community College of Indiana, Purdue University, University of Southern Indiana, and Vincennes University. Higher education expenditures from the General Fund for FY 2022 totaled \$2,022.5 million, which includes funding for university operating, fee-replaced debt service, line items, and State student aid.

Since FY 1976, the General Assembly has appropriated to each State university and college an amount equal to the annual debt service requirements due on qualified outstanding student fee and building facilities fee bonds and other amounts due with respect to debt service and debt reduction for interim financings (collectively, "Fee Replacement Appropriations"). The Fee Replacement Appropriations are not pledged as security for such bonds and other amounts. Under the Indiana Constitution, the General Assembly cannot bind subsequent General Assemblies to continue the present Fee Replacement Appropriations policy; however, it is anticipated that the policy will continue for outstanding bonds and notes. Estimated amount of debt outstanding at public universities at the end of FY 2022 was \$1,217.7 million.

**Public Safety** – Appropriations for the Department of Correction, payable almost entirely from the General Fund, include funds for incarceration and rehabilitation of adult and juvenile offenders, as well as parole programs. General Fund expenditures for FY 2022 totaled \$824.9 million.

Offender population is the most significant driver of corrections expenditures. The total offender population, including those in contracted jail beds, decreased from 24,086 at the end of FY 2021 to 23,523 at the end of FY 2022. This represents a 2% decrease year over year.

**Transportation** – The Indiana Department of Transportation (INDOT) moved quickly to increase transportation construction, maintenance and preservation activities as directed in the Governor's 20-year Next Level Roads plan made possible through the bipartisan passage of House Enrolled Act 1002 during the 2017 legislative session. Through the first five years of Next Level Roads, INDOT invested approximately \$7.7 billion to improve the condition of existing assets, enhance safety, and prepare our transportation system to accommodate future demands. INDOT has resurfaced nearly 14,900 lane miles of pavement, representing more than 50% of the total INDOT inventory. The agency has also repaired or replaced almost 3,700 bridges, nearly 65% of the total number of bridges on state-maintained roads, through FY 2022.

Further, since 2016 and through FY 2022, INDOT has partnered with cities, towns, and counties to provide more than \$1.15 billion in state funds to support local road and bridge projects. This was made possible through the Community Crossings Matching Grant Program funded with existing gasoline use taxes.

The Bipartisan Infrastructure Law (BIL) increased INDOT's core federal program by approximately \$970 million through FY 2026. In addition to increased core formula funding, INDOT was also the recipient of over \$1.1 billion of funding from the American Rescue Plan Act, the remaining \$900 million of which will be obligated during FY 2023.

**Conservation and Environment** – Next Level Trails is the largest infusion of trail funding in state history. The grant program is divided into two components: a \$70 million fund for regional projects and a \$20 million fund for local projects. Each project will require a minimum 20 percent match, which can include monetary contributions, land value, and in-kind donations of materials and labor. Projects funded through this program must be open to the public. Next Level Trails is part of Governor Eric J. Holcomb's Next Level Connections, a \$1 billion statewide infrastructure program announced in September 2018.

The General Assembly appropriated an additional \$60 million in American Rescue Plan Act (ARPA) funds to Next Level Trails in April 2021; bringing the total of the program to \$150 million for trail development. Round 3 awards included 38 projects and \$65.7 million awarded, which consists of the remainder of the state funds and \$30 million of the ARPA funds.

DNR established the Next Level Conservation Trust, a program which will acquire property that will become part of the public trust and be protected for future generations of Hoosiers to use and enjoy. The program is funded with a \$25 million in American Rescue Plan Act funds appropriation in the current biennium budget. The program is an extension of the Bicentennial Nature Trust program and will incorporate elements from the President Benjamin Harrison Conservation Trust. The program will continue IDNR's legacy of preserving Indiana's rich natural heritage. The program is flexible to allow local ownership and management of acquired properties through a conservation easement.

**Health and Human Services** – Medicaid is a state/federal shared fiscal responsibility with the State supporting roughly one-third of the total program through a combination of State General Fund and dedicated funds over the biennium. Federal funding accounts for the remaining two-thirds. Average monthly enrollment has risen substantially over the last two years. This is driven primarily from the economic impacts from COVID-19 pandemic responses along with federal maintenance of effort requirements that prevent eligibility redeterminations throughout the time period of the federally determined public health emergency. In FY 2020, average monthly enrollment was 1,513,102. Average monthly enrollment for FY 2021 was 1,753,522 and enrollment increased to an average of 2,073,392 in FY 2022. These substantial increases are due to the required “maintenance of effort” limitations on disenrolling members during a federally declared Public Health Emergency. Indiana’s base federal reimbursement rate equaled 65.83% for Federal Fiscal Year 2021 and 66.30% for Federal Fiscal Year 2022. The base rate is expected to drop to 65.66% for Federal Fiscal Year 2023. However, in response to the Coronavirus pandemic, Congress approved a 6.2% base federal medical assistance percentage (FMAP) increase effective January 1, 2020 until the end of the quarter in which the public health emergency ends. This FMAP increase has been in effect since the final 2 quarters of State Fiscal Year 2020, and it remains to be seen how long the federal government will continue declaring a public health emergency and thus continuing the FMAP Increase. The Medicaid forecast and appropriations were based on a continuation of the enhanced FMAP through September 2021. The State General Fund Medicaid appropriations for Fiscal Year 2023 total \$3,059.6 million.

Indiana received approval from the federal government to replace the traditional Medicaid program for non-disabled adults by expanding the Healthy Indiana Plan (HIP) beginning in 2015. The expanded program has been designed to improve healthcare utilization and promote personal responsibility. The program is funded by enhanced federal funding, hospital assessment fees, and existing cigarette tax revenues previously used for HIP.

The Department of Child Services (DCS) continued the implementation of its practice to place children in the least restrictive, most family-like setting. This trending is important because research among child-advocate experts has shown that placing children in the least restrictive, most family-like setting produces the best outcomes for children and families and, consequently, is more cost effective.

FY 2022 reflected a continued downward trend in the number of cases handled by DCS. At the end of the year, DCS had a total of 15,838 open cases (figure includes informal adjustments and collaborative care for older youth), compared to 18,533 open cases at the close of FY 2021.

The Indiana Department of Health (IDOH) promotes, protects, and improves the health and safety of all Hoosiers, with the goal of every Hoosier reaching their optimal health regardless of where they live, learn, work, or play. In collaboration with Indiana’s 94 locally controlled health departments, IDOH’s work spans the entire State and impacts every Hoosier. In a given year, IDOH’s funding comprises roughly one-third state funds (including user fees and tobacco master settlement funding) and two-thirds federal grants. Local departments of health receive some grants from the State but are predominantly funded by local taxes and user fees.

**Economic Development** – The Indiana Economic Development Corporation (IEDC) is the State of Indiana’s chief economic development agency. The IEDC seeks to bring new job creation and capital investment opportunities to Indiana through competitive company attractions, expansions and consolidations. Since 2017, Indiana has attracted nearly \$5 billion more in capital investment than it did in the previous 12 years combined. Indiana has received several accolades for its business environment. This includes favorable rankings of 6th in the nation in Chief Executive

Magazine's annual "Best States for Business" survey (April 2022), top 10 best states for business tax climate according to the Tax Foundation 2023 index, and 1st in infrastructure according to CNBC.

Indiana's personal income growth rates exceeded every bordering state from 2015 to 2020 and continues to rank in America's Top 10 States for lowest cost of living according to the Council for Community and Economic Research. The State's unemployment rate is below the national average and the labor participation rate is higher than the national average.

## Awards and Acknowledgements

### Certificate of Achievement Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Indiana for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the twenty-ninth consecutive year that the State of Indiana has achieved this prestigious award.

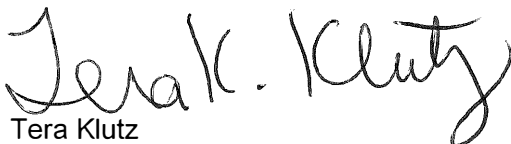
In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

### Acknowledgments

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

Sincerely,



Tera Klutz  
Auditor of State  
State of Indiana



Cristopher Johnston  
Director  
Office of Management and Budget



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**State of Indiana**

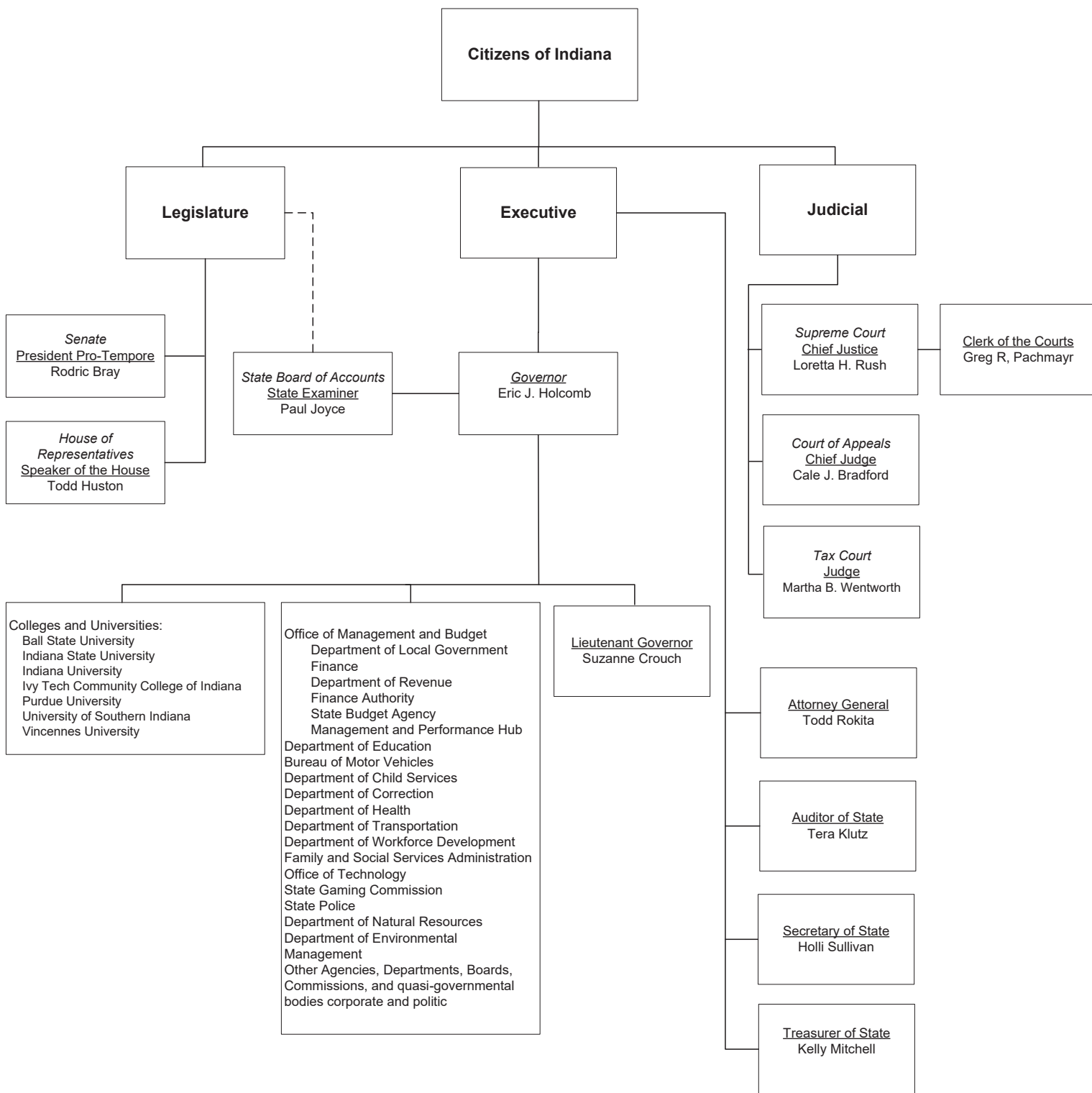
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

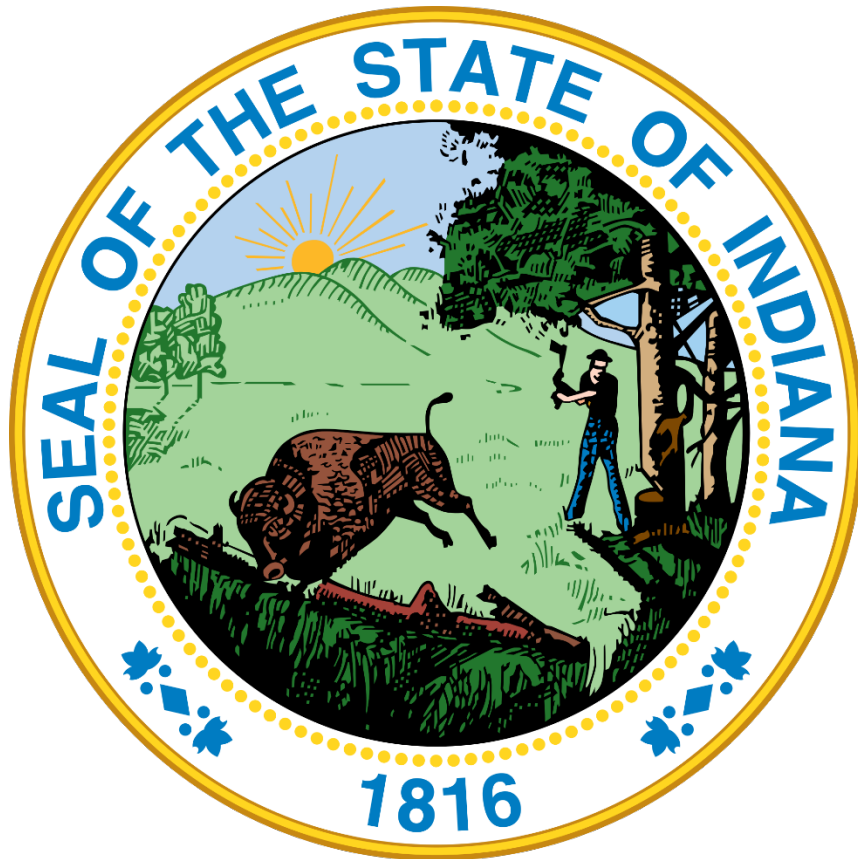
*Christopher P. Morrill*

Executive Director/CEO

**xviii - State of Indiana - Annual Comprehensive Financial Report**



# FINANCIAL SECTION





**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

INDEPENDENT AUDITOR'S REPORT

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

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Indiana (State), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the State's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Indiana Economic Development Corporation, Indiana Finance Authority, State Lottery Commission, Indiana Bond Bank, Indiana Housing and Community Development Authority, Indiana Board for Depositories, Indiana Secondary Market for Educational Loans Inc., Indiana Stadium and Convention Building Authority, White River State Park Development Commission, Ports of Indiana, Indiana State Fair Commission, Indiana Comprehensive Health Insurance Association, Indiana Political Subdivision Risk Management Commission, Indiana State Museum and Historic Sites Corporation, Indiana Motorsports Commission, Purdue University, and Indiana University, which represent 85.9 percent, 81.7 percent, and 84.5 percent, respectively, of the total assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended. We also did not audit the Indiana Public Retirement System, State Police Pension Fund, State of Indiana 457 Deferred Compensation Retirement Plan, State of Indiana 401(a) Deferred Compensation Matching Retirement Plan, and External Investment Pool Custodial Fund, which represent 86.2 percent, 89.0 percent, and 9.9 percent, respectively, of the assets, net position, and revenues and additions of the aggregate remaining fund information as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units and the fiduciary activities, is based solely on the

INDEPENDENT AUDITOR'S REPORT  
(Continued)

report of the other auditors. The financial statements of the Indiana State Fair Commission, and Indiana Political Subdivision Risk Management Commission, reported as discretely presented component units, and the State Police Pension Fund, Indiana Public Retirement System, State of Indiana 457 Deferred Compensation Retirement Plan, and State of Indiana 401(a) Deferred Compensation Matching Retirement Plan reported within the aggregate remaining fund information, were audited in accordance with auditing standards generally accepted in the United State of America, but were not audited in accordance with *Government Auditing Standards*.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the State, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Emphasis of Matter***

As discussed in Note IV, I, to the financial statements, the State adopted new accounting guidance, GASB Statement No. 87 *Leases* and GASB Statement No. 97 *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Our opinion is not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the State's ability to continue as a going concern for a reasonable period of time.

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

***Required Supplementary Information***

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State's basic financial statements. The accompanying combining and individual statements for the Non-Major Governmental and Proprietary Funds, Internal Service Funds, Fiduciary Funds, and the Non-Major Discretely Presented Component Units are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual statements for the Non-Major Governmental and Proprietary Funds, Internal Service Funds, Fiduciary Funds, and the Non-Major Discretely Presented Component Units are fairly stated, in all material respects, in relation to the basic financial statements as a whole.


**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the Introductory and Statistical Sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

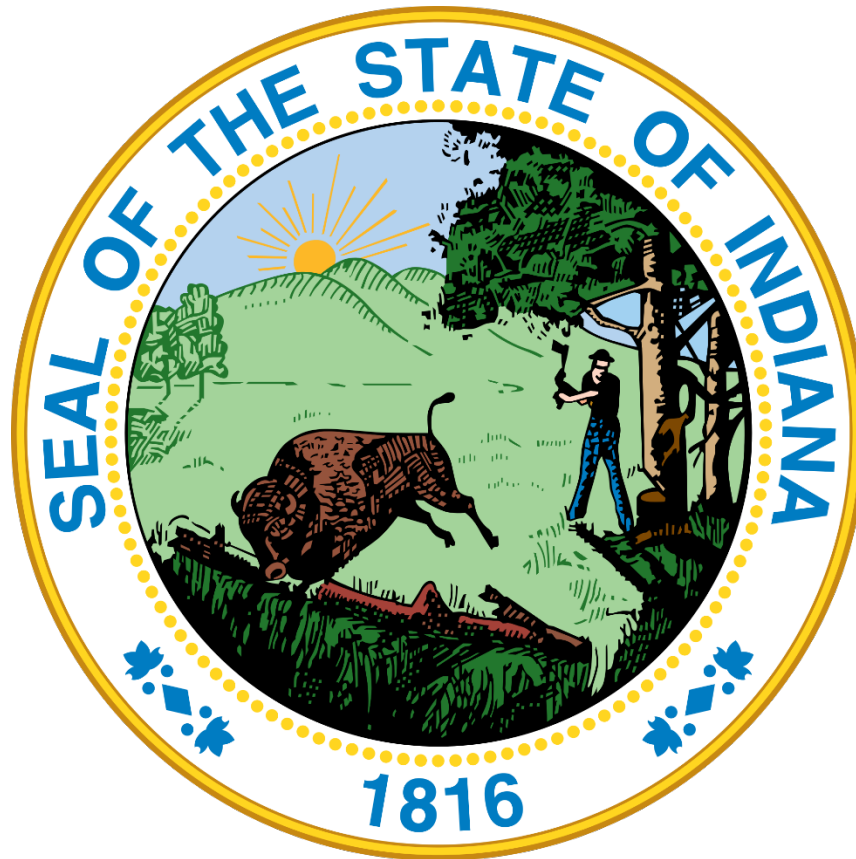
**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2022, on our consideration of the State's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State's internal control over financial reporting and compliance.

  
Paul D. Joyce, CPA  
State Examiner

December 30, 2022

# MANAGEMENT'S DISCUSSION AND ANALYSIS



# STATE OF INDIANA

## Management's Discussion and Analysis

### June 30, 2022

The following discussion and analysis of the State of Indiana's financial performance provides an overview of the state's financial activities for the fiscal year (FY) ended June 30, 2022. Please read it in conjunction with the transmittal letter at the front of this report and the state's financial statements, which follow this section.

#### Financial Highlights

- For FY 2022, on a government-wide basis, the assets and deferred outflows of the State of Indiana exceeded its liabilities and deferred inflows by \$24.4 billion. This compares with \$20.5 billion for FY 2021.
- At the end of the current FY, unassigned fund balance for the General Fund was \$3.9 billion, or 23.9% of the total General Fund expenditures.
- On a government-wide basis for the primary government, the state incurred expenses net of program revenue of \$19.9 billion, which are offset by general revenues totaling \$24.8 billion, giving an increase in net position of \$4.9 billion.
- General fund forecasted revenue for the primary government increased by \$1,783.3 million, or 9.2%, from FY 2021.
- Combined general fund reserve balances for FY 2022 were \$6.124.7 million.
- For the first time since FY 2012, the statutory, FY 2021 calculation resulted in the determination of excess reserves. A total of \$1.1 billion was used to reduce statutorily directed pension liabilities and to pay for taxpayer credits in FY 2022.
- An additional excess reserves calculation was triggered at the conclusion of FY 2022 that directed \$2.5 billion of the balance to the reduce the teachers pre-1996 pension liability.
- Indiana is one of a minority of states that has the highest credit rating assigned by all three independent credit rating agencies: Fitch, Moody's, and Standard & Poor's Ratings Service (S&P). From the January 2022 report, S&P cited four areas in issuing the AAA credit rating: historically modest economic growth across all sectors, maintenance of strong budgetary reserves, active budget management, and low overall debt levels. Fitch's January 2022 rating report issued AAA due to "the state's low long-term liability burden and exceptionally strong operating profile, including prudent budget management leading to robust financial reserves."
- Indiana continues to position itself as one of the lowest debt-level states in the country. Net tax supported debt (NTSD) represents just \$217 per capita, the 5th lowest in the country (Moody's Debt, Pension, and OPEB Liabilities Report, September 7, 2022).
- Indiana has received several accolades for its business environment. This includes favorable rankings of 6th in the nation in Chief Executive Magazine's annual "Best States for Business" survey (April 2022), top 10 best states for business tax climate according to the Tax Foundation 2023 index, and 1st in infrastructure according to CNBC.
- Indiana's personal income growth rates exceeded every bordering state from 2015 to 2020 and continues to rank in America's Top 10 States for lowest cost of living according to the Council for Community and Economic Research. The State's unemployment rate is below the national average and the labor participation rate is higher than the national average.

#### Key Economic Indicators

	Dec. 31, 2021	Dec. 31, 2020	% Change
Total Labor Force	3,289,362	3,321,235	-1.0%
Total Employed Labor Force	3,239,887	3,175,002	2.0%
Total Goods and Service Employment	3,199,300	3,047,500	5.0%
Service-Providing Employment	2,480,900	2,373,100	4.5%
Goods-Producing Employment	695,900	674,400	3.2%
Unemployment Rate	1.5%	4.4%	-65.9%
Median Household Income	62,743	60,813	3.2%

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

Salaries and benefits for state employees represent approximately 5.0% of governmental fund expenditures. The following table shows a ten year history of the count of full time state employees.

<b>Year</b>	<b>Governor's Authority</b>	<b>Judiciary</b>	<b>Other Elected Officials</b>	<b>On Disability Leave</b>	<b>Total</b>
2022	27,828	1,092	831	643	30,394
2021	28,803	964	896	576	31,239
2020	29,607	950	1,147	576	32,280
2019	28,868	922	1,124	556	31,470
2018	28,634	908	1,095	590	31,227
2017	28,286	894	1,062	646	30,888
2016	28,315	886	1,107	669	30,977
2015	28,157	865	1,083	744	30,849
2014	28,279	845	1,065	783	30,972
2013	28,398	831	1,049	856	31,134

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

### Overview of the Financial Statements

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

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

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

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

### Government-wide Financial Statements

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

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

government-wide financial statements of the state are divided into three categories:

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

## Fund Financial Statements

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

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

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

*Relationship and Reconciliation.* Because the information provided in the governmental funds statements does not encompass the additional long-term focus of the government-wide statements, reconciliation pages are provided. On the page following each governmental fund's financial statement, these reconciliations explain

the differences between the government-wide and the fund financial statement. Government-wide statements use full accrual accounting. Revenues are recognized when they are earned and expenses are recognized as soon as the liability is incurred, regardless of the timing of related cash inflows and outflows. Governmental fund financial statements use the modified accrual basis of accounting. Revenues are recognized when earned so long as they are collectible within the current period or soon enough afterwards to pay liabilities of the current period. Specific accrued liabilities are recognized as expenditures when payment is due because that is when they are normally liquidated with expendable available financial resources.

Non-current assets such as infrastructure, land, and property, plant and equipment appear on the government-wide statements but not on the governmental fund statements where they are expensed as acquired rather than capitalized. Non-current liabilities such as capital lease payables and net pension liabilities also appear on the government-wide statements but not on the fund statements. Internal service funds are included as part of the governmental activities in the government-wide statements but not the governmental fund financial statements because they provide services to the governmental funds.

2. **Proprietary funds.** Services for which the state charges customers a fee are generally reported in proprietary funds. These funds use the economic resources measurement focus and the accrual basis of accounting. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information. In fact, the state's enterprise funds (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information such as cash flows. The state uses internal service funds (the other type of proprietary fund) to report activities that provide supplies and services for the state's other programs and activities. An example would be the State Employee Health Insurance Fund.
3. **Fiduciary funds.** The state is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. The state is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Fiduciary funds use the economic resources measurement focus and the accrual basis of

accounting. All of the state's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. These activities are

excluded from the state's government-wide financial statements, because the state cannot use these assets to finance its operations.

## Financial Analysis of the State as a Whole

### Net Position

The following is condensed from the Statement of Net Position:

State of Indiana Condensed Schedule of Net Position (in millions of dollars)						
Primary Government						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 22,497.1	\$ 19,025.0	\$ 1,802.7	\$ 698.8	\$ 24,299.8	\$ 19,723.8
Capital assets	19,352.6	18,483.0	0.3	0.3	19,352.9	18,483.3
<b>Total assets</b>	<b>41,849.7</b>	<b>37,508.0</b>	<b>1,803.0</b>	<b>699.1</b>	<b>43,652.7</b>	<b>38,207.1</b>
Deferred outflows of resources	2,268.0	2,256.8	-	-	2,268.0	2,256.8
<b>Total deferred outflows of resources</b>	<b>2,268.0</b>	<b>2,256.8</b>	<b>-</b>	<b>-</b>	<b>2,268.0</b>	<b>2,256.8</b>
Current liabilities	7,311.0	6,263.0	93.6	84.2	7,404.6	6,347.2
Long-term liabilities	10,947.8	12,503.1	23.5	23.5	10,971.3	12,526.6
<b>Total liabilities</b>	<b>18,258.8</b>	<b>18,766.1</b>	<b>117.1</b>	<b>107.7</b>	<b>18,375.9</b>	<b>18,873.8</b>
Deferred inflows of resources	1,482.9	457.9	-	-	1,482.9	457.9
<b>Total deferred inflows of resources</b>	<b>1,482.9</b>	<b>457.9</b>	<b>-</b>	<b>-</b>	<b>1,482.9</b>	<b>457.9</b>
Net position:						
Net investment in capital assets	18,507.6	17,720.4	0.3	0.3	18,507.9	17,720.7
Restricted	1,344.8	1,160.8	1,627.6	531.5	2,972.4	1,692.3
Unrestricted	4,523.6	1,659.6	58.0	59.6	4,581.6	1,719.2
<b>Total net position</b>	<b>\$ 24,376.0</b>	<b>\$ 20,540.8</b>	<b>\$ 1,685.9</b>	<b>\$ 591.4</b>	<b>\$ 26,061.9</b>	<b>\$ 21,132.2</b>

At the end of the current FY, net position for the primary government increased by \$4.9 billion.

Current and other assets increased by \$4.6 billion, with \$3.5 billion attributable to increases in tax revenue received in governmental activities, and \$1.1 billion attributable to an increase in the Unemployment Compensation fund's cash balance due to decreased expenditures resulting from less unemployment claims than in the prior year.

Capital assets increased by \$869.6 million. The principal reason for the increase in capital assets were increases in land, infrastructure, and construction in progress at the Indiana Department of Transportation primarily due to the continuation of the Next Level Agenda initiative, which focuses on

maintaining and building the state's infrastructure. In addition, there were increases in software work-in-progress, and in the change in reporting requirements for leases.

Total liabilities decreased \$497.9 million primarily due to the additional contributions to TRF Pre-1996 Pension Plan resulting from the budget surplus realized at the end of the fiscal year, thus reducing the net pension liability.

Deferred inflows of resources increased \$1.0 billion primarily due to significant experienced investment gains deferred for the difference between the projected and actual earnings on pension plan investments.

## Changes in Net Position

The following is condensed from the Statement of Activities:

State of Indiana Condensed Schedule of Change in Net Position (in millions of dollars)						
	Primary Government					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 3,282.5	\$ 3,401.5	\$ 779.6	\$ 657.4	\$ 4,062.1	\$ 4,058.9
Operating grants and contributions	21,355.1	20,093.2	-	-	21,355.1	20,093.2
Capital grants and contributions	1,540.9	1,326.6	-	-	1,540.9	1,326.6
General revenues:						
Income taxes	9,069.4	8,021.5	-	-	9,069.4	8,021.5
Sales taxes	10,445.6	9,400.4	-	-	10,445.6	9,400.4
Other	3,756.5	3,868.9	1,568.9	4,853.6	5,325.4	8,722.5
<b>Total revenues</b>	<b>49,450.0</b>	<b>46,112.1</b>	<b>2,348.5</b>	<b>5,511.0</b>	<b>51,798.5</b>	<b>51,623.1</b>
<b>Program Expense</b>						
General government	3,063.0	2,136.1	-	-	3,063.0	2,136.1
Public safety	1,904.0	1,799.5	-	-	1,904.0	1,799.5
Health	682.4	809.7	-	-	682.4	809.7
Welfare	22,235.8	20,264.6	-	-	22,235.8	20,264.6
Conservation, culture and development	1,397.6	1,508.2	-	-	1,397.6	1,508.2
Education	13,050.0	11,649.6	-	-	13,050.0	11,649.6
Transportation	3,243.6	3,355.3	-	-	3,243.6	3,355.3
Interest expense	11.6	38.9	-	-	11.6	38.9
Unemployment compensation fund	-	-	1,226.7	5,381.6	1,226.7	5,381.6
Other	-	-	27.3	23.6	27.3	23.6
<b>Total expenses</b>	<b>45,588.0</b>	<b>41,561.9</b>	<b>1,254.0</b>	<b>5,405.2</b>	<b>46,842.0</b>	<b>46,967.1</b>
Excess (deficiency) before transfers	3,862.0	4,550.2	1,094.5	105.8	4,956.5	4,656.0
Transfers	-	0.6	-	(0.6)	-	-
<b>Change in net position</b>	<b>3,862.0</b>	<b>4,550.8</b>	<b>1,094.5</b>	<b>105.2</b>	<b>4,956.5</b>	<b>4,656.0</b>
Beginning net position, as restated	20,514.0	15,990.0	591.4	486.2	21,105.4	16,476.2
Ending net position	<b>\$24,376.0</b>	<b>\$20,540.8</b>	<b>\$1,685.9</b>	<b>\$ 591.4</b>	<b>\$26,061.9</b>	<b>\$21,132.2</b>

### Governmental Activities

Program expenses exceeded program revenues by \$19.4 billion. General revenues and transfers were \$23.3 billion. The increase in net position was \$3.9 billion, which is 7.8% of total revenues and 8.5% of total expenses.

Excess (deficiency) before transfers decreased \$688.2 million from FY 2021 to FY2022.

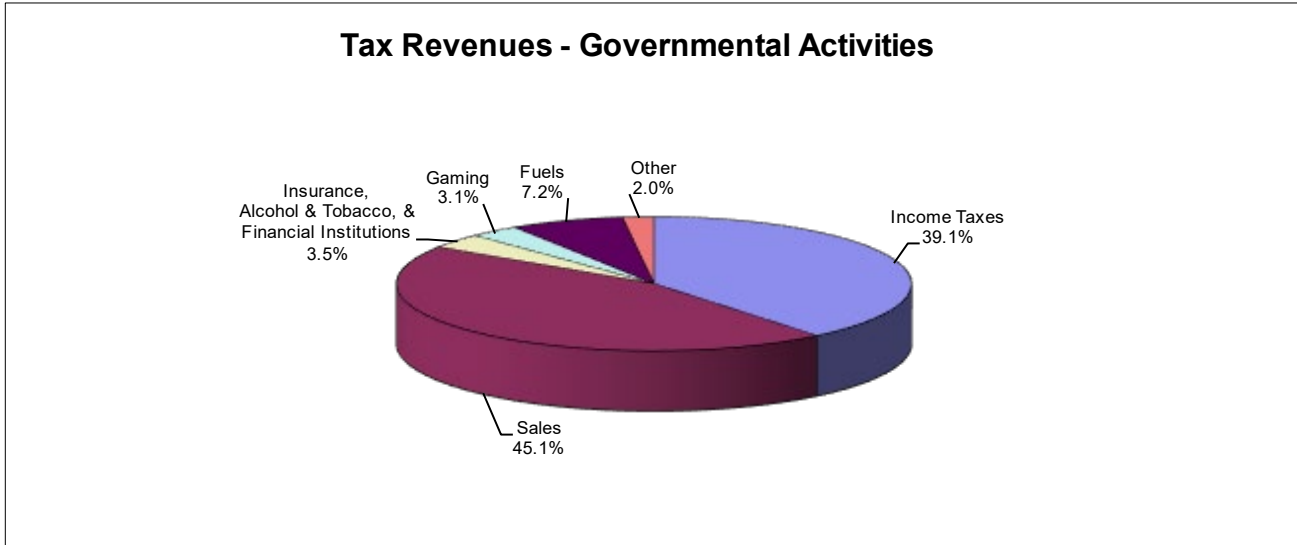
Increased revenues were driven mainly by increased operating grants and contributions and income and sales tax revenue. Operating grants and contributions increased \$1.3 billion mainly due to the ARPA Economic Stimulus fund. This was the first

year for activity in this fund. Income tax and sales tax revenue both increased \$1 billion each primarily due to rising wages, increased employment, and continued economic stimulus efforts.

Expenses increased \$4.0 billion or 9.7%. Welfare expenses increased \$2.0 billion due to increases in the number of Medicaid recipients in FY2022. Education related expenses increased by \$1.4 billion mostly due to increased expenditure in the COVID 19 fund and increases in the Department of Agriculture federal fund for the National School Lunch program. Local educational agencies were allowed to claim reimbursement under the Summer Seamless Waiver this year which is reimbursed at a higher rate than the normal rate under the program.

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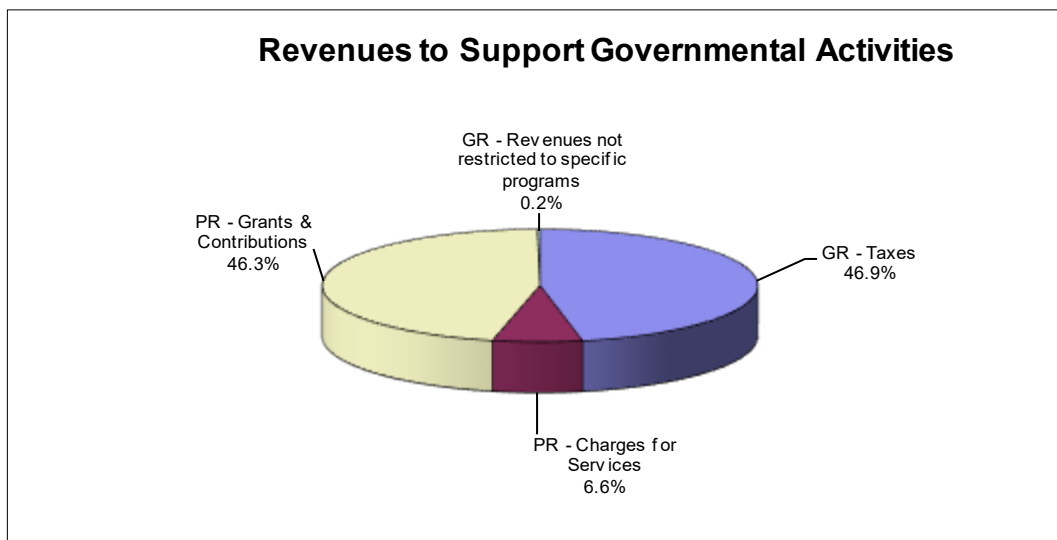
Tax revenues for governmental activities were broken down as follows:



Tax revenues of \$23.2 billion represent 46.9% of total revenues for governmental activities. This compares to \$20.9 billion or 45.3% of total revenues in FY 2021. Program revenues accounted for \$26.2 billion or 52.9% of total revenues. In FY 2021, program revenues accounted for \$24.8 billion or 53.9% of total revenues. General revenues other than tax revenues were \$94.7 million or 0.2% of total

revenues. Within this amount, investment earnings had a negative revenue result of \$30.4 million. This compares to 2021, when general revenues other than taxes were \$377.7 million or 0.8% of total revenues and \$24.4 million was investment earnings. Investment earnings decreased \$54.9 million from FY 2021 to FY 2022 due to decreased rates of return on investments.

Total revenues for governmental activities were broken down as follows:



PR = program revenues  
GR = general revenues

Total revenues were 108.5% of expenses which was a decrease from 110.9% in FY 2021. Total revenues increased 7.2% from \$46.1 billion in FY 2021 to \$49.5 billion in FY 2022. Expenses increased 9.7% from \$41.6 billion in FY 2021 to \$45.6 billion in FY 2022.

The largest portion of the state's expenses is for welfare, which is \$22.2 billion, or 48.8% of total expenses. This compares with \$20.3 billion, or 48.8% of total expenses in FY 2021. The change in welfare expenses was an increase of \$2.0 billion or 9.7%. \$5.3 billion of welfare expenses in FY 2022

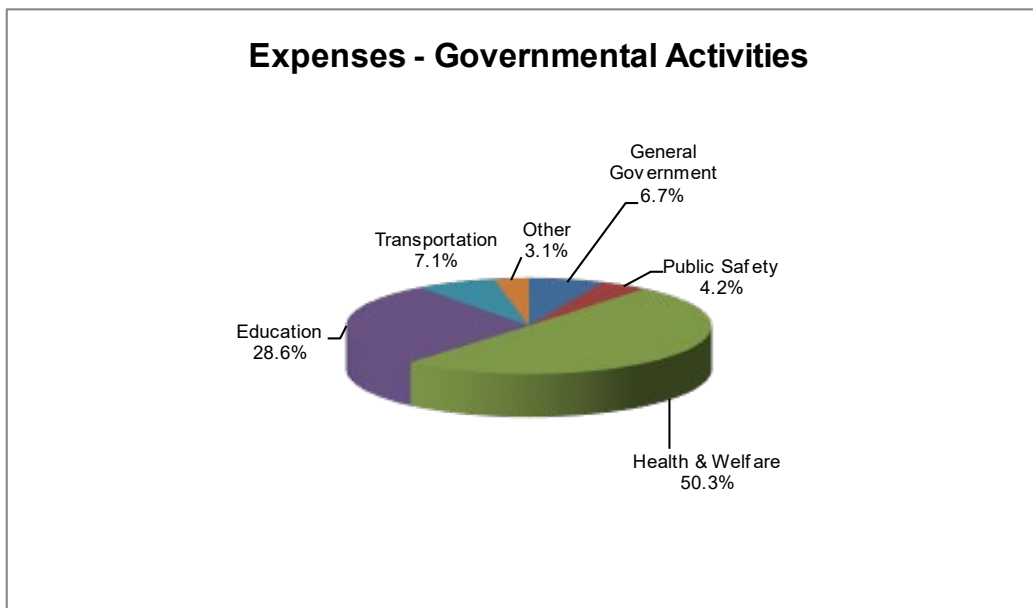
were funded from general revenues. Some of the major expenses were Medicaid Assistance, \$16.6 billion, the U.S. Department of Health and Human Services Fund, \$1.5 billion, and the federal food stamp program in the U.S. Department of Agriculture Fund, \$2.2 billion.

Education comprises 28.6%, or \$13.0 billion of the state’s expenses. In FY 2021, education accounted for 28.0%, or \$11.6 billion, of expenses. The change in education expenses was an increase of \$1.4 billion, or 12.1%. Some of the major expenses were

tuition support of \$7.8 billion; General Fund appropriations for state colleges and universities of \$1.6 billion and Teachers’ Retirement Pension of \$975 million; and fund expenditures for federal grant programs from the U.S. Department of Education Fund of \$666.3 million and U.S. Department of Agriculture Fund of \$767.4 million.

Transportation spending accounted for \$3.2 billion, or 7.1% of expenses. Transportation comprised \$3.4 billion or 8.1% of expenses in FY 2021. Transportation includes expenses related to the maintenance and construction of state infrastructure.

Total expenses for governmental activities were broken down as follows:



**Business-type Activities**

Business-type activities represent 4.5% of the Primary Government’s revenues and 2.7% of the expenses. The Unemployment Compensation Fund accounts for 96.2% of business-type activities’ operating revenues and 97.8% of operating expenses. The change in net position for business-type activities was an increase of \$1.1 billion.

The Unemployment Compensation Fund collects employer taxes and the federal share of

unemployment compensation. Benefits are paid to eligible individuals and the fund covers general and administrative expenses. Revenues earned in the fund exceeded expenses by \$1.1 billion. This compares to FY 2021 when this fund’s revenues exceeded expenses by \$104.6 million. Employer contributions into the fund increased by \$117.1 million, from \$633.0 million in FY 2021 to \$750.1 million in FY 2022. The increase in net position of \$1.1 billion is due to a decrease in unemployment compensation claims.

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

<b>Net Cost of Primary Government</b> (in millions of dollars)			
	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>% Change</u>
<b>Governmental Activities:</b>			
General government	\$ (201.4)	\$ (880.3)	-77.1%
Public safety	1,026.7	1,002.8	2.4%
Health	(673.6)	24.8	-2816.1%
Welfare	5,272.8	4,160.4	26.7%
Conservation, culture, and development	1,420.8	562.4	152.6%
Education	10,921.5	10,352.1	5.5%
Transportation	1,631.0	1,479.5	10.2%
Interest expense	11.6	38.9	-70.2%
<b>Business-type Activities:</b>			
Unemployment Compensation Fund	476.6	4,748.6	-90.0%
Malpractice Insurance Authority	0.3	1.2	-75.0%
Inns and Concessions	(2.6)	(1.9)	36.8%
<b>Total</b>	<b><u>\$ 19,883.7</u></b>	<b><u>\$ 21,488.5</u></b>	<b><u>-7.5%</u></b>

### Financial Analysis of the State's Funds

The total Governmental fund balance for the end of FY2022 was \$14.1 billion, up from \$12.1 billion from last year. The General Fund accounts for most of this increase.

#### General Fund

The General Fund is maintained to account for resources obtained and used for those services traditionally provided by state government which are not required to be accounted for in another fund. The fund balance of the General Fund at June 30, 2022 was \$9.6 billion, which is 72.8% of total assets. This compares to a fund balance at June 30, 2021 of \$6.8 billion, which was 68.2% of assets. The fund balance of \$9.6 billion is comprised of nonspendable of \$111.8 million, restrictions of \$531.7 million, commitments of \$49.0 million, and assignments of \$5.0 billion, leaving an unassigned balance of \$3.9 billion. The restricted amount consists of the Rainy Day Fund, which is accounted for in the General Fund. For more information on the components of fund balance, see the chart in the Notes to the Financial Statements III(B).

The General Fund's revenues increased 11.9%, or \$2.2 billion, from FY 2021, mainly because of an increase in total income tax of \$1.0 billion and sales tax revenue of \$1.0 billion. Both income and sales tax increased due to the state's strong personal income growth, low unemployment, and strong economy.

General Fund expenditures increased \$1.4 billion, or 9.7% from FY 2021. The state increased its tuition support funding to local educational agencies and appropriations to universities. In addition, funding to state agencies and universities for capital projects increased. The state also increased its funding to the Indiana Economic Development Corporation, a discretely presented component unit, for business promotion and innovation programs.

General Fund transfers in decreased \$376.8 million or 28.6% from FY 2021 mainly due to a reduction in the return of unused state match funds as expenditures in those federal programs increased. Transfers out were consistent at \$3.1 billion in FY 2022 as compared to \$3.2 billion in FY 2021. More detail on these transfers can be found in the Notes to the Financial Statements IV(B).

Overall, the fund balance of the General Fund increased \$2.8 billion. Even though tax revenues increased, expenditures in the General fund did not increase at the same rate, leading to the excess of revenues over expenditures to be \$801.0 million more than last year in the General fund. This is a reflection of the state government's fiscal responsibility. The strong financial performance of the state's funds led to a trigger of an additional payment of \$2.5 billion towards teachers pre-1996 pension liability. After these distributions, the state still has a healthy reserve balance, providing protection from future economic uncertainty.

### Public Welfare-Medicaid Assistance Fund

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

The fund received \$12.8 billion in federal revenue as compared to \$11.9 billion in FY 2021. This increase was a result of an increase of 6.2% in the Federal Medical Assistance Percentage (FMAP) State funding comes through transfers from the General Fund. Transfers in were \$2.9 billion in FY 2022 which is the same as FY 2021. The fund distributed \$1.3 billion more in Medicaid Assistance during the year as compared to the prior year due to an increase in the number of Medicaid recipients. The fund balance decreased by \$358.3 million from FY 2021 to FY 2022.

### U.S. Department of Health and Human Services Fund

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

The fund received \$1.3 billion in federal grant revenues and expended \$1.7 billion. Revenues and expenditures were consistent with prior year amounts with only a moderate change between the fiscal years. The US DHHS Fund received transfers in of \$323.5 million mostly from the General Fund for various health and human services programs. The change in fund balance from FY 2021 to FY 2022 was a decrease of \$103.0 million.

### Federal COVID-19 Fund

The Federal COVID-19 Fund provides federal grant dollars to cover costs that are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019. The fund includes the CARES Act, the Coronavirus Relief Fund (CRF), and additional funds provided for existing grant programs.

The fund received \$1.4 billion in federal grant revenues and expended \$1.7 billion for pandemic related expenditures. The change in fund balance from FY 2021 to FY 2022 was a decrease of \$242.7 million. This change is the result of the state winding down its eligible expenditures under this federal program and using up the remainder of the federal funds that were advanced in the previous fiscal year.

### ARPA – Economic Stimulus Fund

The ARPA-Economic Stimulus Fund provides federal grant dollars to support the state in

responding to the impact of COVID-19 and in its efforts to contain COVID-19 on communities, residents, and businesses. Its uses build on and expand the support provided to the state and local governments through the CRF.

The fund received \$1.7 billion in revenues and had \$1.7 billion in expenses. With a transfer in of \$1.6 billion, the ending fund balance was \$5.8 billion. FY 2022 was the first year this fund had activity.

### General Fund Budgetary Highlights

Revenue collections in FY 2022 continued to exceed forecasts and monthly targets. An updated forecast, presented on December 16, 2021, estimated total General Fund collections in FY 2022 to be \$20.0 billion. Excluding the deferred taxes from FY 2020 into FY 2021, the forecast expected a 7.7% year-over-year growth in revenue. However, by the end of FY 2022, actual General Fund collections totaled \$21.2 billion – a 14.4% growth in revenue.

The strong revenue collections coupled with modest expenditure growth resulted in historic surplus levels. Total combined reserves grew to \$6.1 billion. This again triggered a statutory excess reserves calculation that required the State to transfer \$2.5 billion of reserve balance to the Indiana Public Retirement System for credit against the pre-1996 Teachers' Retirement Fund in FY 2023.

In response to Indiana's strong financial position in FY 2022, Hoosier lawmakers passed various tax changes in the 2022 regular session and the special session in August of 2022. These included a full repeal of the utility receipts tax and the utility services use tax along with a reduction in the individual adjusted gross income tax rate from the current rate of 3.23% to 3.15% in 2023 and 2024. Additional phased reductions in the income tax rate are conditional beyond 2024. During the special legislative session in August, lawmakers passed and the Governor signed an additional automatic taxpayer refund in the amount of \$200 per taxpayer.

## Capital Asset and Debt Administration

### Capital Assets

Capital assets were \$19.4 billion, which was 44.3% of total assets for the primary government. Related debt was \$0.8 billion. Net investment in capital assets for the primary government was \$18.5 billion. Related debt was 4.1% of capital assets. Total capital assets increased \$869.5 million or 4.7% and is mostly attributable to increases in the Indiana

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Department of Transportation's land, infrastructure, and construction in progress as a result of the continued emphasis on improving the state's infrastructure through the Next Level Agenda

initiative. More detailed information about the state's capital assets is presented in Note IV(D) to the Financial Statements.

The following table shows the percentage change from FY 2021 to FY 2022.

State of Indiana Capital Assets (in millions of dollars)							
	Governmental Activities		Business-type Activities		Total Primary Government		Total % Change
	2022	2021	2022	2021	2022	2021	
Land	\$ 2,700.3	\$ 2,616.2	\$ -	\$ -	\$ 2,700.3	\$ 2,616.2	3.2%
Infrastructure	13,019.0	12,903.3	-	-	13,019.0	12,903.3	0.9%
Construction in progress	1,587.2	1,064.5	-	-	1,587.2	1,064.5	49.1%
Property, plant and equipment	3,785.2	3,650.2	1.1	1.1	3,786.3	3,651.3	3.7%
Computer software	937.9	907.4	-	-	937.9	907.4	3.4%
Right-to-use	230.4	-	-	-	230.4	-	100.0%
Less accumulated depreciation	(2,907.4)	(2,658.6)	(0.8)	(0.7)	(2,908.2)	(2,659.3)	9.4%
<b>Total</b>	<b>\$ 19,352.6</b>	<b>\$ 18,483.0</b>	<b>\$ 0.3</b>	<b>\$ 0.4</b>	<b>\$ 19,352.9</b>	<b>\$ 18,483.4</b>	<b>4.7%</b>

### Long-term Obligations

Long-term obligations items are included in the following table. These items comprised 59.7% of total liabilities.

The following table shows the percentage change from FY 2021 to FY 2022.

State of Indiana Long-term Liabilities (in millions of dollars)							
	Governmental Activities		Business-type Activities		Total Primary Government		Total % Change
	2022	2021	2022	2021	2022	2021	
Accrued liability for compensated absences	\$ 208.2	\$ 207.0	\$ 0.8	\$ 0.8	\$ 209.0	\$ 207.8	0.6%
Leases	200.5	762.4	-	-	200.5	762.4	-73.7%
Financed purchases	644.5	-	-	-	644.5	-	100.0%
Claims payable	-	-	22.7	22.7	22.7	22.7	0.0%
Net pension liability	9,781.7	11,392.2	-	-	9,781.7	11,392.2	-14.1%
Net OPEB liability	46.7	54.2	-	-	46.7	54.2	-13.8%
OPEB DC liability	23.4	44.0	-	-	23.4	44.0	-46.8%
Asset retirement obligations	10.9	7.8	-	-	10.9	7.8	39.7%
Pollution remediation	31.9	35.5	-	-	31.9	35.5	-10.1%
<b>Total</b>	<b>\$ 10,947.8</b>	<b>\$ 12,503.1</b>	<b>\$ 23.5</b>	<b>\$ 23.5</b>	<b>\$ 10,971.3</b>	<b>\$ 12,526.6</b>	<b>-12.4%</b>

Total long-term liabilities decreased by 12.4% or \$1.6 billion. The largest decrease was for the net pension liability of \$1.6 billion.

The continued funding for the Teachers Pre-96 Fund was the major contributing factor for the decrease to the net pension liability.

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

The decrease in long-term liabilities was partially offset in an increase in liabilities relating to leases as a result of the implementation of GASB 87.

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

### Infrastructure

As required by GASB Statement No. 34, the state has capitalized its infrastructure. This amounts to \$13.0 billion in roads and bridges using the modified

approach and \$2.1 billion in right of way classified as land, and \$35.2 million in property (septic, sewer, and water systems; and streets/sidewalks/curbs) and dams being depreciated. In order to utilize the modified approach, the state is required to:

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

Under the modified approach, the state expenses certain maintenance and preservation costs and does not report depreciation expense. Assets accounted for under the modified approach include approximately 11,043 centerline road miles of pavement along 240 routes and approximately 5,817 bridges that the state is responsible to maintain.

The state has consistently maintained the assessed conditions of roads over the past three years. It is the state's policy to maintain a network average International Roughness Index based on the right wheel path (IRI RWP) of no more than 101 for Interstate Roads, NHS Non-Interstate, and Non-NHS Roads (a good rating is in the range of 80–114). The most recent condition assessment, completed for FY 2022, indicated that the average IRI RWP for roads was in an acceptable range.

The state has maintained the assessed conditions of bridges at levels which are above the established benchmarks. It is the state's policy to maintain Interstate bridges at an average sufficiency rating of 87%, NHS Non-Interstate bridges at an average sufficiency rating of 85%, and Non-NHS bridges at an average sufficiency rating of 83% (a good rating is 80% - 90%). The most recent condition assessment, completed in FY 2022, indicated that the average sufficiency rating for bridges exceeded the minimum acceptable standard.

Total actual maintenance and preservation costs for interstate roads, Non-NHS roads, NHS Bridges, and Non-NHS Bridges were higher than planned during fiscal 2022. Various factors contributing to this

included letting additional projects, scope changes, and competitive biddings.

The total actual maintenance and preservation costs for all other road classifications were lower than planned during FY 2022. Various factors contributed to these costs being less than planned including bids that came in under the original estimates, work volumes, and redefining the repairs needed and the methods used.

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

## Economic Factors

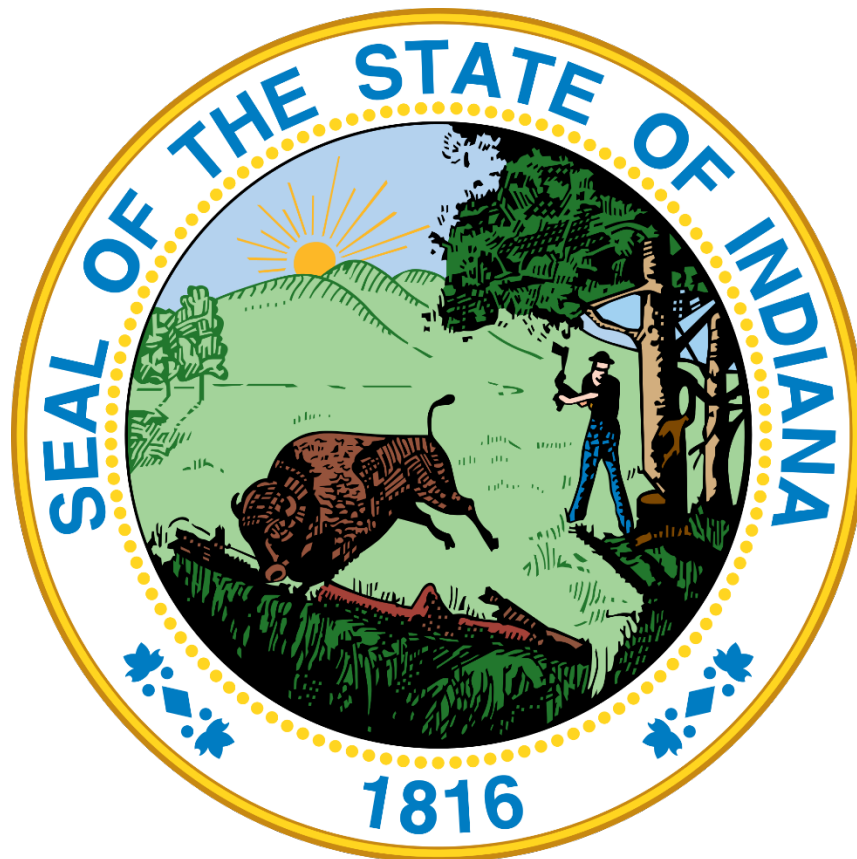
In March 2022, Indiana employment exceeded pre-COVID-19 pandemic levels marking a milestone in the State's economic recovery from the global public health emergency. In addition to higher payroll, Indiana's unemployment rate dropped to record lows at 2.2% in the spring of 2022. Indiana's GDP in Q1 of 2022 grew 4.0% in real value which was the 4th highest growth rate in the country. However, Q2 of 2022 saw a 0.8% decline from the previous quarter, which follows the national trend. Real Indiana GDP growth from Q2 2021 to Q2 2022 was 1.7%.

In comparison to other states, Indiana's economy ranked 19th largest in the U.S. in terms of value of goods and services in calendar year 2021. Indiana's largest contributor to real GDP has been and continues to be the manufacturing sector. The manufacturing sector accounts for over 500,000 jobs and 16.5% of the non-farm jobs in Indiana. Canada and Mexico are Indiana's leading merchandise export markets with chemicals, transportation equipment, and machinery accounting for nearly two-thirds of total export categories in 2021.

## Contacting the Auditor of State

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

# BASIC FINANCIAL STATEMENTS



# **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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**State of Indiana**  
**Statement of Net Position**  
**June 30, 2022**  
(amounts expressed in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>ASSETS</b>				
Cash, cash equivalents and investments - unrestricted	\$ 15,136,512	\$ 87,242	\$ 15,223,754	\$ 11,791,510
Cash, cash equivalents and investments - restricted	535,028	1,099,322	1,634,350	6,786,910
Securities lending collateral	2,600,313	-	2,600,313	21,501
Receivables (net)	3,475,749	615,254	4,091,003	5,103,073
Due from primary government	-	-	-	5,000
Due from component unit	21,892	-	21,892	-
Inventory	4,501	815	5,316	3,547
Prepaid expenses	128,829	15	128,844	16,964
Long-term receivables	530,921	-	530,921	536,192
Investment in direct financing lease	-	-	-	1,678,243
Net pension and OPEB assets	60,503	-	60,503	106,863
Other assets	2,877	33	2,910	410,813
Capital assets:				
Capital assets not being depreciated/amortized	17,308,039	-	17,308,039	2,849,846
Capital assets being depreciated/amortized	4,951,888	1,149	4,953,037	17,222,795
less accumulated depreciation/amortization	(2,907,353)	(811)	(2,908,164)	(8,181,370)
Total capital assets, net of depreciation/amortization	19,352,574	338	19,352,912	11,891,271
<b>Total assets</b>	<b>41,849,699</b>	<b>1,803,019</b>	<b>43,652,718</b>	<b>38,351,887</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Accumulated decrease in fair value of hedging derivatives	-	-	-	2,065
Debt refunding loss	-	-	-	55,825
Related to pensions	2,191,104	-	2,191,104	84,480
Swap termination	-	-	-	45,272
Related to OPEB	72,482	-	72,482	154,021
Related to asset retirement obligations	4,429	-	4,429	2,676
<b>Total deferred outflows of resources</b>	<b>2,268,015</b>	<b>-</b>	<b>2,268,015</b>	<b>344,339</b>
<b>LIABILITIES</b>				
Accounts payable	2,161,038	87,534	2,248,572	898,251
Interest payable	-	-	-	88,745
Tax refunds payable	304,641	-	304,641	-
Payables to other governments	107,831	-	107,831	-
Due to component unit	5,000	-	5,000	-
Due to primary government	-	-	-	21,892
Unearned revenue	2,129,326	5,731	2,135,057	1,069,452
Advances from federal government	-	-	-	88,487
Securities lending collateral	2,600,313	-	2,600,313	16,066
Derivative instrument liability	-	-	-	2,065
Other liabilities	2,892	352	3,244	144,886
Long-term liabilities:				
Due within 1 year	196,916	1,280	198,196	1,106,596
Due in more than 1 year	10,750,887	22,186	10,773,073	9,443,127
<b>Total liabilities</b>	<b>18,258,844</b>	<b>117,083</b>	<b>18,375,927</b>	<b>12,879,567</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Accumulated increase in fair value of hedging derivatives	-	-	-	4
Related to lease receivable	-	-	-	24,423
Advanced payment for service concession agreement	-	-	-	3,866,549
Service concession arrangement receipts	-	-	-	261,917
Unamortized loss on sale of bonds	-	-	-	94
Debt refunding gain	-	-	-	4,236
Related to pensions	1,294,349	-	1,294,349	159,236
Related to OPEB	188,295	-	188,295	211,313
Related to irrevocable split interest agreements	262	-	262	30,356
<b>Total deferred inflows of resources</b>	<b>1,482,906</b>	<b>-</b>	<b>1,482,906</b>	<b>4,558,128</b>

continued on next page

**State of Indiana**  
**Statement of Net Position**  
**June 30, 2022**  
(amounts expressed in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>NET POSITION</b>				
Net investment in capital assets	18,507,582	338	18,507,920	7,343,313
Restricted - nonexpendable:				
Grants/constitutional restrictions	-	-	-	3,399
Permanent funds	502,835	-	502,835	88,612
Future debt service	-	-	-	871
Instruction and research	-	-	-	1,552,153
Student aid	-	-	-	1,513,799
Capital projects	-	-	-	8,545
Clinical/health programs	-	-	-	57,289
Other purposes	132,312	-	132,312	599,545
Restricted - expendable:				
Grants/constitutional restrictions	709,652	-	709,652	2,289,136
Future debt service	-	-	-	192,802
Instruction and research	-	-	-	865,968
Student aid	-	-	-	1,478,390
Endowments	-	-	-	19,795
Capital projects	-	-	-	662,867
Clinical/health programs	-	-	-	67,927
Unemployment compensation	-	1,627,555	1,627,555	-
Other purposes	-	-	-	1,870,835
Unrestricted	4,523,583	58,043	4,581,626	2,643,285
<b>Total net position</b>	<b>\$ 24,375,964</b>	<b>\$ 1,685,936</b>	<b>\$ 26,061,900</b>	<b>\$ 21,258,531</b>

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

## 22 - State of Indiana - Annual Comprehensive Financial Report

**State of Indiana**  
**Statement of Activities**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

Functions/Programs	Net (Expense) Revenue and Changes in Net Position							
	Expenses	Program Revenues			Primary Government			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
<b>Primary government:</b>								
Governmental activities:								
General government	\$ 3,062,880	\$ 748,755	\$ 2,514,194	\$ 1,324	\$ 201,393	\$ -	\$ 201,393	\$ -
Public safety	1,903,997	608,556	265,171	3,538	(1,026,732)	-	(1,026,732)	-
Health	682,405	773,985	582,034	-	673,614	-	673,614	-
Welfare	22,235,809	719,746	16,243,248	-	(5,272,815)	-	(5,272,815)	-
Conservation, culture and development	1,397,646	235,614	(258,806)	-	(1,420,838)	-	(1,420,838)	-
Education	13,049,971	2,981	2,125,531	-	(10,921,459)	-	(10,921,459)	-
Transportation	3,243,592	192,825	(116,317)	1,536,083	(1,631,001)	-	(1,631,001)	-
Interest expense	11,635	-	-	-	(11,635)	-	(11,635)	-
Total governmental activities	<u>45,587,935</u>	<u>3,282,462</u>	<u>21,355,055</u>	<u>1,540,945</u>	<u>(19,409,473)</u>	<u>-</u>	<u>(19,409,473)</u>	<u>-</u>
Business-type activities								
Unemployment Compensation Fund	1,226,697	750,079	-	-	-	(476,618)	(476,618)	-
Malpractice Insurance Authority	1,191	887	-	-	-	(304)	(304)	-
Inns and Concessions	26,063	28,628	-	-	-	2,565	2,565	-
Total business-type activities	<u>1,253,951</u>	<u>779,594</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(474,357)</u>	<u>(474,357)</u>	<u>-</u>
Total primary government	<u>\$ 46,841,886</u>	<u>\$ 4,062,056</u>	<u>\$ 21,355,055</u>	<u>\$ 1,540,945</u>	<u>(19,409,473)</u>	<u>(474,357)</u>	<u>(19,883,830)</u>	<u>-</u>
<b>Component units:</b>								
Governmental	137,510	520	56,384	-	-	-	-	(80,606)
Proprietary	2,712,308	2,151,454	586,571	8,942	-	-	-	34,659
Colleges and universities	8,366,179	3,984,838	2,347,652	68,779	-	-	-	(1,964,910)
Total component units	<u>\$ 11,215,997</u>	<u>\$ 6,136,812</u>	<u>\$ 2,990,607</u>	<u>\$ 77,721</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,010,857)</u>
General Revenues:								
Income tax					9,069,418	-	9,069,418	-
Sales tax					10,445,577	-	10,445,577	-
Fuels tax					1,658,350	-	1,658,350	-
Gaming tax					728,304	-	728,304	466
Alcohol & Tobacco tax					387,508	-	387,508	-
Insurance tax					257,906	-	257,906	-
Financial Institutions tax					173,665	-	173,665	-
Other tax					456,032	-	456,032	-
Total taxes					<u>23,176,760</u>	<u>-</u>	<u>23,176,760</u>	<u>466</u>
Revenue not restricted to specific programs:								
Investment earnings					(30,464)	9,641	(20,823)	(666,837)
Payments from State of Indiana					-	-	-	2,293,222
Other					125,172	1,559,194	1,684,366	1,279,444
Total general revenues and transfers					<u>23,271,468</u>	<u>1,568,835</u>	<u>24,840,303</u>	<u>2,906,295</u>
Change in net position					3,861,995	1,094,478	4,956,473	895,438
Net position - beginning, as restated					20,513,969	591,458	21,105,427	20,363,093
<b>Net position - ending</b>					<u>\$ 24,375,964</u>	<u>\$ 1,685,936</u>	<u>\$ 26,061,900</u>	<u>\$ 21,258,531</u>

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

# **FUND FINANCIAL STATEMENTS**

24 - State of Indiana - Annual Comprehensive Financial Report

**State of Indiana  
Balance Sheet  
Governmental Funds  
June 30, 2022**

(amounts expressed in thousands)

	<u>General Fund</u>	<u>Public Welfare- Medicaid Assistance Fund</u>	<u>US Department of Health and Human Services</u>	<u>Federal COVID-19</u>
<b>ASSETS</b>				
Cash, cash equivalents and investments-unrestricted	\$ 7,465,136	\$ 32,878	\$ -	\$ -
Cash, cash equivalents and investments-restricted	531,540	-	-	-
Securities lending collateral	2,600,313	-	-	-
Receivables:				
Taxes (net of allowance for uncollectible accounts)	1,740,694	-	-	-
Accounts	5,429	99,586	721	-
Grants	2,389	355,888	156,107	169,276
Interest	8,375	-	-	-
Interfund loans	651,943	-	-	-
Due from component unit	-	-	-	-
Prepaid expenditures	111,753	-	-	-
Long term receivables	-	-	-	-
Other	2,770	-	-	-
<b>Total assets</b>	<b>\$ 13,120,342</b>	<b>\$ 488,352</b>	<b>\$ 156,828</b>	<b>\$ 169,276</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 214,316	\$ 371,583	\$ 82,558	\$ 138,473
Salaries and benefits payable	71,335	45	8,453	54
Interfund loans	8,367	-	474,674	111,675
Interfund services used	6,964	7	1,079	37
Intergovernmental payable	35,030	-	-	-
Tax refunds payable	297,574	-	-	-
Unearned revenue	-	-	-	-
Accrued liability for compensated absences-current	7,308	3	1,016	-
Other payables	2,770	-	-	-
Securities lending collateral	2,600,313	-	-	-
<b>Total liabilities</b>	<b>3,243,977</b>	<b>371,638</b>	<b>567,780</b>	<b>250,239</b>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Unavailable revenue	324,619	-	71,387	94,594
<b>Total deferred inflow of resources</b>	<b>324,619</b>	<b>-</b>	<b>71,387</b>	<b>94,594</b>
<b>FUND BALANCE</b>				
Nonspendable	111,753	-	-	-
Restricted	531,746	-	-	-
Committed	48,999	-	-	-
Assigned	5,006,197	116,714	-	-
Unassigned	3,853,051	-	(482,339)	(175,557)
<b>Total fund balance</b>	<b>9,551,746</b>	<b>116,714</b>	<b>(482,339)</b>	<b>(175,557)</b>
<b>Total liabilities, deferred inflow of resources, and fund balance</b>	<b>\$ 13,120,342</b>	<b>\$ 488,352</b>	<b>\$ 156,828</b>	<b>\$ 169,276</b>

continued on next page

**State of Indiana**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	ARPA - Economic Stimulus Fund	Non-Major Governmental Funds	Total
<b>ASSETS</b>			
Cash, cash equivalents and investments-unrestricted	\$ 2,138,690	\$ 5,289,958	\$ 14,926,662
Cash, cash equivalents and investments-restricted	-	3,488	535,028
Securities lending collateral	-	-	2,600,313
Receivables:			
Taxes (net of allowance for uncollectible accounts)	-	221,970	1,962,664
Accounts	-	100,348	206,084
Grants	16,331	393,621	1,093,612
Interest	-	409	8,784
Interfund loans	-	22,674	674,617
Due from component unit	-	21,892	21,892
Prepaid expenditures	-	17,071	128,824
Long term receivables	-	530,921	530,921
Other	-	107	2,877
<b>Total assets</b>	<b>\$ 2,155,021</b>	<b>\$ 6,602,459</b>	<b>\$ 22,692,278</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 9,147	\$ 732,670	\$ 1,548,747
Salaries and benefits payable	85	40,195	120,167
Interfund loans	-	79,901	674,617
Interfund services used	134	3,407	11,628
Intergovernmental payable	-	72,801	107,831
Tax refunds payable	-	7,067	304,641
Unearned revenue	2,129,325	-	2,129,325
Accrued liability for compensated absences-current	-	4,602	12,929
Other payables	-	112	2,882
Securities lending collateral	-	-	2,600,313
<b>Total liabilities</b>	<b>2,138,691</b>	<b>940,755</b>	<b>7,513,080</b>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Unavailable revenue	10,574	552,187	1,053,361
<b>Total deferred inflow of resources</b>	<b>10,574</b>	<b>552,187</b>	<b>1,053,361</b>
<b>FUND BALANCE</b>			
Nonspendable	-	519,906	631,659
Restricted	-	9,638	541,384
Committed	-	909,684	958,683
Assigned	5,756	3,904,191	9,032,858
Unassigned	-	(233,902)	2,961,253
<b>Total fund balance</b>	<b>5,756</b>	<b>5,109,517</b>	<b>14,125,837</b>
<b>Total liabilities, deferred inflow of resources, and fund balance</b>	<b>\$ 2,155,021</b>	<b>\$ 6,602,459</b>	<b>\$ 22,692,278</b>

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

26 - State of Indiana - Annual Comprehensive Financial Report

**State of Indiana**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
**June 30, 2022**  
(amounts expressed in thousands)

**Total fund balances-governmental funds** **\$ 14,125,837**

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 19,302,012

The State's pension funds have net pension assets not reported as assets in the funds. 51,213

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

Taxes receivable	336,819	
Accounts receivable	636,371	
Total receivables		973,190

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

Accounts payable	(154,652)	
Litigation liabilities	(37,146)	
Pollution remediation	(18,184)	
Total liabilities		(209,982)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. 225,950

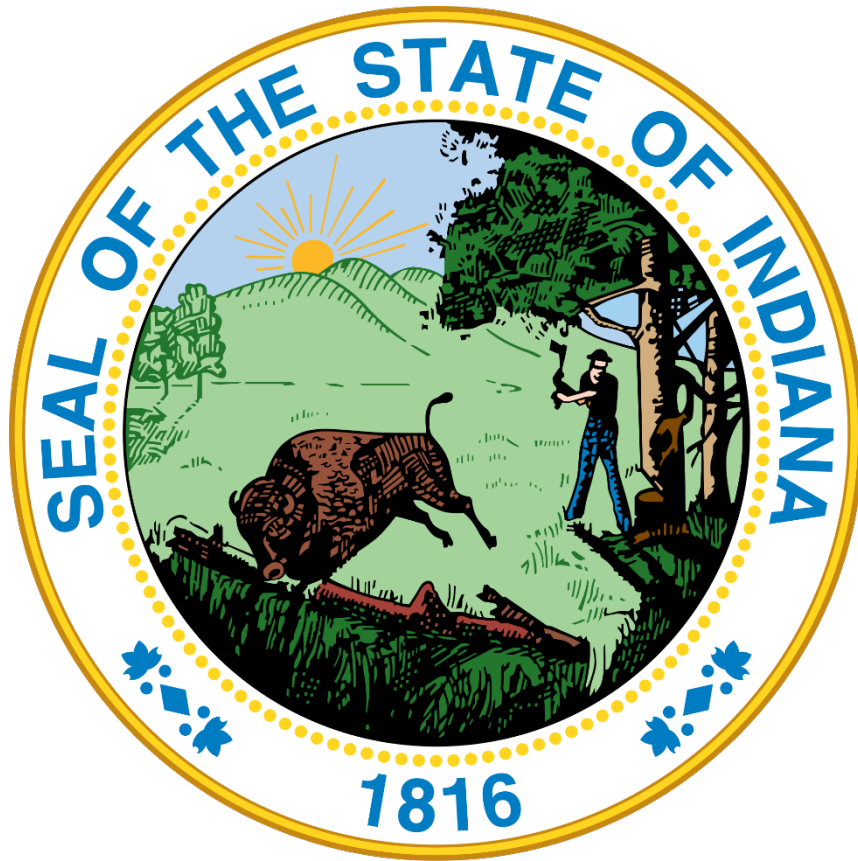
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Accrued liability for compensated absences	(187,789)	
Other postemployment benefits and related deferrals	(176,545)	
Loan from the Indiana Board for Depositories	(5,000)	
Lease obligations	(200,510)	
Financed purchases	(644,482)	
Net pension liability and related deferrals	(8,871,485)	
Asset retirement obligations	(6,445)	
Total long-term liabilities		(10,092,256)

**Net position of governmental activities** **\$ 24,375,964**

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

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**State of Indiana**  
**Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

	<u>General Fund</u>	<u>Public Welfare- Medicaid Assistance Fund</u>	<u>US Department of Health and Human Services Fund</u>	<u>Federal COVID- 19</u>
<b>Revenues:</b>				
Taxes:				
Income	\$ 9,130,659	\$ -	\$ -	\$ -
Sales	10,238,270	-	-	-
Fuels	-	-	-	-
Gaming	228,128	-	-	-
Alcohol and tobacco	237,396	-	-	-
Insurance	252,235	-	-	-
Financial Institutions	-	-	-	-
Other	434,696	-	-	-
Total taxes	<u>20,521,384</u>	<u>-</u>	<u>-</u>	<u>-</u>
Current service charges	310,507	694,939	60	-
Investment income (loss)	(30,464)	-	-	2
Sales/rents	872	-	-	5
Grants	10,064	12,786,725	1,314,263	1,448,134
Other	126,240	-	135	-
	<u>20,938,603</u>	<u>13,481,664</u>	<u>1,314,458</u>	<u>1,448,141</u>
Total revenues				
<b>Expenditures:</b>				
Current:				
General government	1,998,846	-	29,424	218,144
Public safety	1,311,228	-	7,354	45,818
Health	46,601	-	172,006	206,013
Welfare	1,055,481	16,590,749	1,505,188	150,851
Conservation, culture and development	159,546	-	473	150,263
Education	11,175,788	-	11,332	807,453
Transportation	207,937	-	2	112,136
Debt service:				
Lease and financed purchase principal	10,904	-	11,579	-
Lease and financed purchase interest	950	-	1,438	-
Capital outlay	136,777	-	372	-
	<u>16,104,058</u>	<u>16,590,749</u>	<u>1,739,168</u>	<u>1,690,678</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>4,834,545</u>	<u>(3,109,085)</u>	<u>(424,710)</u>	<u>(242,537)</u>
<b>Other financing sources (uses):</b>				
Transfers in	938,472	2,939,366	323,505	-
Transfers (out)	(3,107,694)	(188,559)	(2,186)	(196)
Payments to refunded bond escrow agent	127,165	-	-	-
Issuance of leases	9,612	-	372	-
	<u>(2,032,445)</u>	<u>2,750,807</u>	<u>321,691</u>	<u>(196)</u>
Total other financing sources (uses)				
<b>Net change in fund balances</b>	2,802,100	(358,278)	(103,019)	(242,733)
<b>Fund Balance July 1, as restated</b>	<u>6,749,646</u>	<u>474,992</u>	<u>(379,320)</u>	<u>67,176</u>
<b>Fund Balance June 30</b>	<u>\$ 9,551,746</u>	<u>\$ 116,714</u>	<u>\$ (482,339)</u>	<u>\$ (175,557)</u>

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**State of Indiana**  
**Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

	ARPA- Economic Stimulus Fund	Non-Major Governmental Funds	Total
<b>Revenues:</b>			
Taxes:			
Income	\$ -	\$ -	\$ 9,130,659
Sales	-	221,666	10,459,936
Fuels	-	1,669,124	1,669,124
Gaming	-	500,176	728,304
Alcohol and tobacco	-	155,876	393,272
Insurance	-	5,671	257,906
Financial Institutions	-	179,184	179,184
Other	-	19,199	453,895
Total taxes	-	2,750,896	23,272,280
Current service charges	-	2,039,966	3,045,472
Investment income (loss)	-	(53,484)	(83,946)
Sales/rents	-	35,937	36,814
Grants	1,724,366	5,241,267	22,524,819
Other	-	88,247	214,622
	<u>1,724,366</u>	<u>10,102,829</u>	<u>49,010,061</u>
<b>Expenditures:</b>			
Current:			
General government	418,150	441,869	3,106,433
Public safety	16,858	599,681	1,980,939
Health	21,852	250,317	696,789
Welfare	528,831	2,346,610	22,177,710
Conservation, culture and development	619,271	483,672	1,413,225
Education	10,004	1,455,846	13,460,423
Transportation	105,266	3,428,374	3,853,715
Debt service:			
Lease and financed purchase principal	-	250,252	272,735
Lease and financed purchase interest	-	9,247	11,635
Capital outlay	-	32,303	169,452
	<u>1,720,232</u>	<u>9,298,171</u>	<u>47,143,056</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,134</u>	<u>804,658</u>	<u>1,867,005</u>
<b>Other financing sources (uses):</b>			
Transfers in	1,622	2,923,894	7,126,859
Transfers (out)	-	(3,826,590)	(7,125,225)
Payments to refunded bond escrow agent	-	397	127,562
Issuance of leases	-	9,034	19,018
	<u>1,622</u>	<u>(893,265)</u>	<u>148,214</u>
<b>Net change in fund balances</b>	<b>5,756</b>	<b>(88,607)</b>	<b>2,015,219</b>
<b>Fund Balance July 1, as restated</b>	<b>-</b>	<b>5,198,124</b>	<b>12,110,618</b>
<b>Fund Balance June 30</b>	<b>\$ 5,756</b>	<b>\$ 5,109,517</b>	<b>\$ 14,125,837</b>

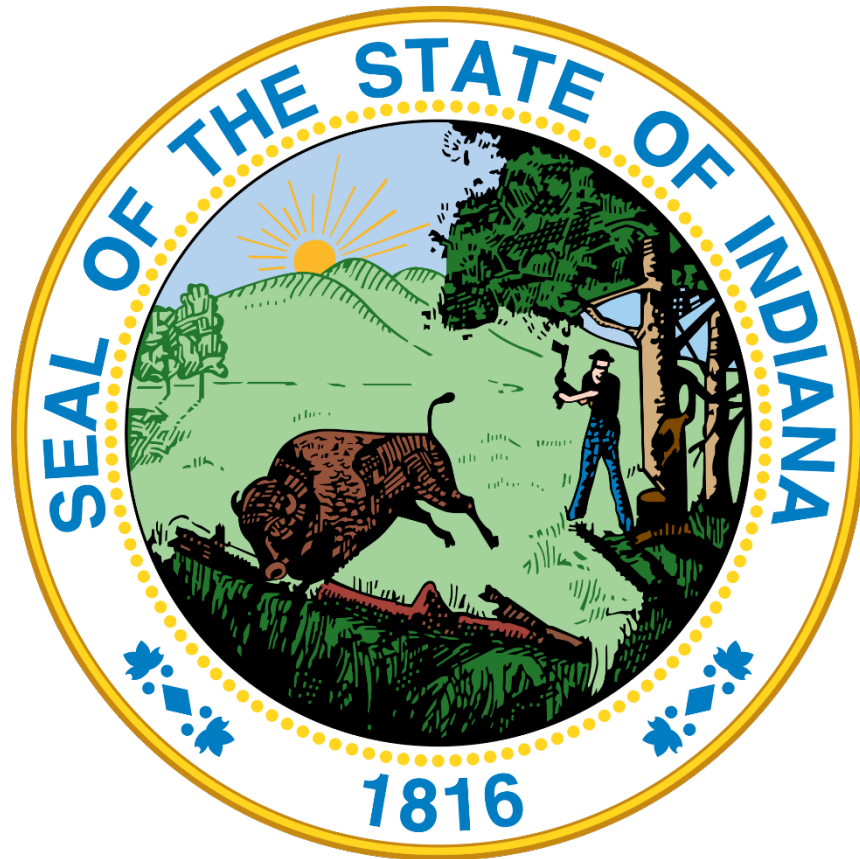
The notes to the financial statements are an integral part of this statement.

**State of Indiana**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

Net change in fund balances-total governmental funds	<b>\$ 2,015,219</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report net capital outlays for infrastructure as expenditures. However in the statement of activities these outlays are capitalized and under the modified approach not depreciated. This is the amount of the net capital outlays for infrastructure under the modified approach in the current period.	616,667
Governmental funds report net capital outlays as expenditures. However in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which net capital outlays (\$290,945) exceeds depreciation (\$282,220) in the current period.	8,725
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Tax revenue	(98,041)
Non-tax revenue	250,596
Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the funds.	
Operating expenses	321,361
Litigation expenses	2,410
Pollution remediation expenses	3,605
Asset retirement expenses	(1,784)
Financed purchases	115,290
The change in net pension liability does not provide or require the use of current financial resources.	617,752
The change in other postemployment benefits liability does not provide or require the use of current financial resources.	61,653
Internal service funds are used by management to charge the costs of certain activities, such as insurance, data processing, telecommunications, fleet management, and printing, to individual funds. The net revenue (expense) of internal service funds is reported with governmental activities.	(51,458)
Change in net position of governmental activities.	<b><u>\$ 3,861,995</u></b>

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

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**State of Indiana**  
**Statement of Fund Net Position**  
**Proprietary Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	Unemployment Compensation Fund	Non-Major Enterprise Funds	Total	Internal Service Funds
<b>Assets</b>				
Current assets:				
Cash, cash equivalents and investments - unrestricted	\$ -	\$ 87,242	\$ 87,242	\$ 209,587
Cash, cash equivalents and investments - restricted	1,099,322	-	1,099,322	-
Receivables:				
Accounts	81,614	528	82,142	25,700
Interest	4,662	247	4,909	-
Interfund services provided	-	-	-	11,628
Inventory	-	815	815	4,501
Prepaid expenses	-	15	15	5
Other assets	-	33	33	-
Total current assets	<u>1,185,598</u>	<u>88,880</u>	<u>1,274,478</u>	<u>251,421</u>
Noncurrent assets:				
Accounts receivable	528,203	-	528,203	-
Capital assets:				
Capital assets not being depreciated/amortized	-	-	-	123
Capital assets being depreciated/amortized	-	1,149	1,149	143,016
less accumulated depreciation/amortization	-	(811)	(811)	(92,577)
Total capital assets, net of depreciation/amortization	<u>-</u>	<u>338</u>	<u>338</u>	<u>50,562</u>
Total noncurrent assets	<u>528,203</u>	<u>338</u>	<u>528,541</u>	<u>50,562</u>
<b>Total assets</b>	<b><u>1,713,801</u></b>	<b><u>89,218</u></b>	<b><u>1,803,019</u></b>	<b><u>301,983</u></b>
<b>Deferred Outflows of Resources</b>				
Related to pensions	-	-	-	10,047
Related to OPEB	-	-	-	514
<b>Total deferred outflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,561</u>
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	86,246	525	86,771	51,455
Claims payable	-	999	999	-
Salaries and benefits payable	-	763	763	3,501
Accrued liability for compensated absences	-	281	281	3,390
Unearned revenue	-	5,731	5,731	1
Other liabilities	-	352	352	10
Total current liabilities	<u>86,246</u>	<u>8,651</u>	<u>94,897</u>	<u>58,357</u>
Noncurrent liabilities:				
Accrued liability for compensated absences	-	545	545	4,127
Claims payable	-	21,641	21,641	-
Net pension liability	-	-	-	9,235
Net OPEB liability	-	-	-	421
Total noncurrent liabilities	<u>-</u>	<u>22,186</u>	<u>22,186</u>	<u>13,783</u>
<b>Total liabilities</b>	<b><u>86,246</u></b>	<b><u>30,837</u></b>	<b><u>117,083</u></b>	<b><u>72,140</u></b>
<b>Deferred Inflows of Resources</b>				
Related to pensions	-	-	-	14,250
Related to OPEB	-	-	-	204
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,454</u>
<b>Net position</b>				
Net investment in capital assets	-	338	338	50,562
Restricted-expendable:				
Unemployment compensation	1,627,555	-	1,627,555	-
Unrestricted	-	58,043	58,043	175,388
<b>Total net position</b>	<b><u>\$ 1,627,555</u></b>	<b><u>\$ 58,381</u></b>	<b><u>\$ 1,685,936</u></b>	<b><u>\$ 225,950</u></b>

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

**State of Indiana**  
**Statement of Revenues, Expenses and**  
**Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2022**  
(amounts expressed in thousands)

	Unemployment Compensation Fund	Non-Major Enterprise Funds	Total	Internal Service Funds
<b>Operating revenues:</b>				
Sales/rents/premiums	\$ -	\$ 29,515	\$ 29,515	\$ 186,130
Employer contributions	750,079	-	750,079	-
Charges for services	-	-	-	12,012
Insurance premiums	-	-	-	420,708
Other	-	191	191	2,362
	<u>750,079</u>	<u>29,706</u>	<u>779,785</u>	<u>621,212</u>
Total operating revenues				
	750,079	29,706	779,785	621,212
<b>Operating expenses:</b>				
General and administrative expense	520	19,975	20,495	192,575
Cost of sales and services	-	6,498	6,498	24,972
Claims expense	-	643	643	-
Health / disability benefit payments	-	-	-	443,732
Unemployment compensation benefits	1,226,177	-	1,226,177	-
Depreciation and amortization	-	79	79	12,858
Contributions to other postemployment benefits	-	-	-	8,883
Other	-	59	59	-
	<u>1,226,697</u>	<u>27,254</u>	<u>1,253,951</u>	<u>683,020</u>
Total operating expenses				
	1,226,697	27,254	1,253,951	683,020
Operating income (loss)	<u>(476,618)</u>	<u>2,452</u>	<u>(474,166)</u>	<u>(61,808)</u>
<b>Nonoperating revenues (expenses):</b>				
Interest and other investment income (loss)	13,672	(4,031)	9,641	-
Gain (Loss) on disposition of assets	-	-	-	(249)
Federal financial assistance	1,559,003	-	1,559,003	-
Other	-	-	-	7
	<u>1,572,675</u>	<u>(4,031)</u>	<u>1,568,644</u>	<u>(242)</u>
Total nonoperating revenues (expenses)				
	1,572,675	(4,031)	1,568,644	(242)
Income before contributions and transfers	1,096,057	(1,579)	1,094,478	(62,050)
Capital contributions	-	-	-	12,226
Transfers in	-	-	-	1,553
Transfers (out)	-	-	-	(3,187)
<b>Change in net position</b>	1,096,057	(1,579)	1,094,478	(51,458)
<b>Net position, July 1</b>	531,498	59,960	591,458	277,408
<b>Net position, June 30</b>	<u>\$ 1,627,555</u>	<u>\$ 58,381</u>	<u>\$ 1,685,936</u>	<u>\$ 225,950</u>

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

**State of Indiana**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2022**  
(amounts expressed in thousands)

	Unemployment Compensation Fund	Non-Major Enterprise Funds	Total	Internal Service Funds
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$ 446,475	\$ 29,881	\$ 476,356	\$ 490,410
Cash received from interfund services provided	-	-	-	132,313
Cash paid for general and administrative	(519)	(19,820)	(20,339)	(193,204)
Cash paid for salary/health/disability benefit payments	(1,217,170)	-	(1,217,170)	(442,247)
Contributions to OPEB plans	-	-	-	(8,883)
Cash paid to suppliers	-	(6,770)	(6,770)	(25,410)
Cash paid for claims expense	-	(727)	(727)	-
Other operating income	-	-	-	2,354
Net cash provided (used) by operating activities	<u>(771,214)</u>	<u>2,564</u>	<u>(768,650)</u>	<u>(44,667)</u>
<b>Cash flows from noncapital financing activities:</b>				
Transfers in	-	-	-	1,553
Transfers out	-	-	-	(3,187)
Federal financial assistance	1,559,003	-	1,559,003	-
Other	-	-	-	7
Net cash provided (used) by noncapital financing activities	<u>1,559,003</u>	<u>-</u>	<u>1,559,003</u>	<u>(1,627)</u>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition/construction of capital assets	-	(74)	(74)	(5,396)
Proceeds from sale of assets	-	-	-	1,605
Capital contributions	-	-	-	12,226
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>(74)</u>	<u>(74)</u>	<u>8,435</u>
<b>Cash flows from investing activities:</b>				
Proceeds from sales of investments	-	9,394	9,394	-
Purchase of investments	-	(9,330)	(9,330)	-
Interest income (expense) on investments	11,379	1,183	12,562	-
Net cash provided (used) by investing activities	<u>11,379</u>	<u>1,247</u>	<u>12,626</u>	<u>-</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>799,168</b>	<b>3,737</b>	<b>802,905</b>	<b>(37,859)</b>
<b>Cash and cash equivalents, July 1</b>	<b>300,154</b>	<b>17,895</b>	<b>318,049</b>	<b>247,446</b>
<b>Cash and cash equivalents, June 30</b>	<b><u>\$ 1,099,322</u></b>	<b><u>\$ 21,632</u></b>	<b><u>\$ 1,120,954</u></b>	<b><u>\$ 209,587</u></b>
<b>Reconciliation of cash, cash equivalents and investments:</b>				
Cash and cash equivalents unrestricted at end of year	\$ -	\$ 21,632	\$ 21,632	\$ 209,587
Cash and cash equivalents restricted at end of year	1,099,322	-	1,099,322	-
Investments unrestricted	-	65,610	65,610	-
<b>Cash, cash equivalents and investments per balance sheet</b>	<b><u>\$ 1,099,322</u></b>	<b><u>\$ 87,242</u></b>	<b><u>\$ 1,186,564</u></b>	<b><u>\$ 209,587</u></b>

continued on next page

**State of Indiana**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2022**  
(amounts expressed in thousands)

	Unemployment Compensation Fund	Non-Major Enterprise Funds	Total	Internal Service Funds
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>				
Operating income (loss)	\$ (476,618)	\$ 2,452	(474,166)	\$ (61,808)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization expense	-	79	79	12,858
(Increase) decrease in receivables	(303,604)	(164)	(303,768)	4,435
(Increase) decrease in interfund services provided	-	-	-	(563)
(Increase) decrease in inventory	-	(272)	(272)	(363)
(Increase) decrease in prepaid expenses	-	47	47	2,380
(Increase) decrease in deferred outflows	-	-	-	(2,958)
(Increase) decrease in claims payable	-	(84)	(84)	-
Increase (decrease) in accounts payable	9,008	(36)	8,972	1,962
Increase (decrease) in unearned revenue	-	337	337	(5)
Increase (decrease) in salaries payable	-	105	105	504
Increase (decrease) in compensated absences	-	28	28	294
Increase (decrease) in net pension liabilities	-	-	-	(11,305)
Increase (decrease) in net OPEB liabilities	-	-	-	286
Increase (decrease) in deferred inflows	-	-	-	9,610
Increase (decrease) in other payables	-	72	72	6
Net cash provided (used) by operating activities	<u>\$ (771,214)</u>	<u>\$ 2,564</u>	<u>\$ (768,650)</u>	<u>\$ (44,667)</u>

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

**State of Indiana**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2022**

(amounts expressed in thousands)

	Pension and Other Employee Benefit Trust Funds	Private-Purpose Trust Funds	Custodial Funds	
			External Investment Pool	Other
<b>Assets</b>				
Cash, cash equivalents and non-pension investments	\$ 13,791	\$ 122,485	\$ 1,915,673	\$ 984,982
Securities lending collateral	167,504	-	-	-
Receivables:				
Taxes for other governments	-	-	-	22,523
Contributions	64,318	-	-	-
Interest	105,206	3	313	-
Member loans	59	-	-	-
Accounts	-	11	-	215,426
From investment sales	7,322,584	-	1,559	-
Total receivables	7,492,167	14	1,872	237,949
Pension and other employee benefit investments at fair value:				
Short term investments	3,101,353	-	-	-
Equity Securities	7,899,798	-	-	-
Debt Securities	12,810,332	-	-	-
Mutual Funds and Collective Trust Funds	1,584,030	-	-	-
Equity in internal investment pool	711,171	-	-	-
Other	19,844,238	-	-	-
Total investments at fair value	45,950,922	-	-	-
Other assets	226	-	-	-
Long-term receivables	-	-	-	254,151
Property, plant and equipment net of accumulated depreciation	4,192	580	-	-
<b>Total assets</b>	<b>53,628,802</b>	<b>123,079</b>	<b>1,917,545</b>	<b>1,477,082</b>
<b>Liabilities</b>				
Accounts payable	13,812	211	162	277,207
Salaries and benefits payable	-	206	-	-
Benefits payable	116,855	-	-	-
Investment purchases payable	7,983,640	-	-	-
Due to other governments	-	-	-	1,173,943
Securities purchased payable	219,297	-	-	-
Securities lending collateral	167,504	-	-	-
Other	-	-	107	-
Long-term liabilities:				
Due within 1 year	-	114	-	-
Due in more than 1 year	-	449	-	-
<b>Total liabilities</b>	<b>8,501,108</b>	<b>980</b>	<b>269</b>	<b>1,451,150</b>
<b>Net Position</b>				
Restricted for:				
Employees' pension and deferred compensation benefits	44,461,238	-	-	-
OPEB benefits	655,980	-	-	-
Future death benefits	10,476	-	-	-
Investment pool participants	-	-	1,917,276	-
Individuals, organizations, and other governments	-	122,099	-	25,932
<b>Total net position</b>	<b>\$ 45,127,694</b>	<b>\$ 122,099</b>	<b>\$ 1,917,276</b>	<b>\$ 25,932</b>

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

**State of Indiana**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Fiscal Year Ended June 30, 2022**  
(amounts expressed in thousands)

	<u>Custodial Funds</u>			
	<u>Pension and Other Employee Benefit Trust Funds</u>	<u>Private-Purpose Trust Funds</u>	<u>External Investment Pool</u>	<u>Other</u>
<b>Additions:</b>				
Contributions:				
Member contributions	\$ 504,562	\$ 187	1,487,713	-
Employer contributions	1,143,554	-	-	-
Contributions from the State of Indiana	1,760,372	-	-	-
Total Contributions	<u>3,408,488</u>	<u>187</u>	<u>1,487,713</u>	<u>-</u>
Investment income:				
Total investment income (loss)	(2,822,908)	46	1,748	2,594
Less investment expense	(290,283)	-	-	-
Net investment income	<u>(3,113,191)</u>	<u>46</u>	<u>1,748</u>	<u>2,594</u>
Current service charges	-	10,477	-	-
Donations/escheats	-	145,406	-	-
Transfers from other retirement funds	14,876	-	-	-
Reinvestment of distributions	-	-	3,441	-
Revenue collections for other governments	-	-	-	4,722,966
Loan repayment collections	-	-	-	30,375
Child support collections	-	-	-	781,817
Receipts of individuals in state care	-	-	-	81,068
Other	171	-	-	-
Total additions	<u>310,344</u>	<u>156,116</u>	<u>1,492,902</u>	<u>5,618,820</u>
<b>Deductions:</b>				
Benefits to participants or beneficiaries	2,751,491	-	-	-
Retiree health forfeitures	17,295	-	-	-
Payments to participants/beneficiaries	-	113,104	3,494	898,372
Refunds of contributions and interest	512,800	-	1,264,105	-
Administrative	47,802	-	-	-
Pension relief distributions	207,363	-	-	-
Distributions to other governments	-	-	-	4,725,560
Total deductions	<u>3,536,751</u>	<u>113,104</u>	<u>1,267,599</u>	<u>5,623,932</u>
<b>Net increase (decrease) in net position</b>	<b>(3,226,407)</b>	<b>43,012</b>	<b>225,303</b>	<b>(5,112)</b>
<b>Net position restricted, July 1, as restated</b>	<b>48,354,101</b>	<b>79,087</b>	<b>1,691,973</b>	<b>31,044</b>
<b>Net position restricted, June 30</b>	<b><u>\$ 45,127,694</u></b>	<b><u>\$ 122,099</u></b>	<b><u>\$ 1,917,276</u></b>	<b><u>\$ 25,932</u></b>

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

**State of Indiana**  
**Combining Statement of Net Position**  
**Discretely Presented Component Units**  
**June 30, 2022**  
(amounts expressed in thousands)

	Governmental	Proprietary	Colleges and Universities	Total
<b>Assets</b>				
Current assets:				
Cash, cash equivalents and investments - unrestricted	\$ 19,410	\$ 660,227	\$ 1,547,191	\$ 2,226,828
Cash, cash equivalents and investments - restricted	648,344	1,205,527	404,982	2,258,853
Securities lending collateral	-	5,435	16,066	21,501
Receivables (net)	3,400	540,425	626,503	1,170,328
Due from primary government	-	5,000	-	5,000
Inventory	-	-	3,547	3,547
Prepaid expenses	-	2,197	14,767	16,964
Long-term receivables	-	188,407	2,087	190,494
Investment in direct financing lease	-	76,424	-	76,424
Other assets	-	15,078	83,165	98,243
<b>Total current assets</b>	<b>671,154</b>	<b>2,698,720</b>	<b>2,698,308</b>	<b>6,068,182</b>
Noncurrent assets:				
Cash, cash equivalents and investments - unrestricted	-	362,044	9,202,638	9,564,682
Cash, cash equivalents and investments - restricted	-	698,809	3,829,248	4,528,057
Receivables (net)	-	3,498,434	434,311	3,932,745
Long-term receivables	106,142	228,237	11,319	345,698
Investment in direct financing lease	-	1,601,819	-	1,601,819
Net pension and OPEB assets	-	-	106,863	106,863
Other assets	1,195	97,945	213,430	312,570
Capital assets:				
Capital assets not being depreciated/amortized	25,500	1,821,361	1,002,985	2,849,846
Capital assets being depreciated/amortized	512	576,938	16,645,345	17,222,795
less accumulated depreciation/amortization	(429)	(287,406)	(7,893,535)	(8,181,370)
<b>Total capital assets, net of depreciation/amortization</b>	<b>25,583</b>	<b>2,110,893</b>	<b>9,754,795</b>	<b>11,891,271</b>
<b>Total noncurrent assets</b>	<b>132,920</b>	<b>8,598,181</b>	<b>23,552,604</b>	<b>32,283,705</b>
<b>Total assets</b>	<b>804,074</b>	<b>11,296,901</b>	<b>26,250,912</b>	<b>38,351,887</b>
<b>Deferred Outflows of Resources</b>				
Accumulated decrease in fair value of hedging derivatives	-	1,901	164	2,065
Debt refunding loss	-	30,803	25,022	55,825
Related to pensions	1,950	6,484	76,046	84,480
Swap termination	-	45,272	-	45,272
Related to OPEB	-	-	154,021	154,021
Related to asset retirement obligations	-	-	2,676	2,676
<b>Total deferred outflows of resources</b>	<b>1,950</b>	<b>84,460</b>	<b>257,929</b>	<b>344,339</b>
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	53,361	204,758	640,132	898,251
Interest payable	-	70,449	18,296	88,745
Due to primary government	-	21,892	-	21,892
Unearned revenue	197,974	435,015	345,902	978,891
Securities lending collateral	-	-	16,066	16,066
Accrued liability for compensated absences	623	-	112,034	112,657
Other liabilities	-	31,538	28,039	59,577
Current portion of long-term liabilities	248	641,851	351,840	993,939
<b>Total current liabilities</b>	<b>252,206</b>	<b>1,405,503</b>	<b>1,512,309</b>	<b>3,170,018</b>

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**State of Indiana**  
**Combining Statement of Net Position**  
**Discretely Presented Component Units**  
**June 30, 2022**  
(amounts expressed in thousands)

	Governmental	Proprietary	Colleges and Universities	Total
<b>Noncurrent liabilities:</b>				
Accrued liability for compensated absences	57	119	84,822	84,998
Accrued prize liabilities	-	67,474	-	67,474
Net pension and OPEB liabilities	1,714	6,469	284,643	292,826
Unearned revenue	-	75,504	15,057	90,561
Funds held in trust for others	-	38,659	78,332	116,991
Advances from federal government	-	33,402	55,085	88,487
Leases	947	6,788	166,889	174,624
Revenue bonds/notes payable	-	5,417,512	3,288,702	8,706,214
Derivative instrument liability	-	1,901	164	2,065
Other noncurrent liabilities	-	870	84,439	85,309
<b>Total noncurrent liabilities</b>	<b>2,718</b>	<b>5,648,698</b>	<b>4,058,133</b>	<b>9,709,549</b>
<b>Total liabilities</b>	<b>254,924</b>	<b>7,054,201</b>	<b>5,570,442</b>	<b>12,879,567</b>
<b>Deferred Inflows of Resources</b>				
Accumulated increase in fair value of hedging derivatives	-	-	4	4
Related to lease receivable	-	-	24,423	24,423
Advanced payment for service concession agreement	-	3,866,549	-	3,866,549
Service concession arrangement receipts	-	260,614	1,303	261,917
Unamortized loss on sale of bonds	-	-	94	94
Debt refunding gain	-	-	4,236	4,236
Related to pensions	2,782	10,176	146,278	159,236
Related to OPEB	-	-	211,313	211,313
Related to irrevocable split interest agreements	-	107	30,249	30,356
<b>Total deferred inflows of resources</b>	<b>2,782</b>	<b>4,137,446</b>	<b>417,900</b>	<b>4,558,128</b>
<b>Net Position</b>				
Net investment in capital assets	25,583	1,065,200	6,252,530	7,343,313
Restricted - nonexpendable:				
Grants/constitutional restrictions	-	-	3,399	3,399
Permanent funds	-	782	87,830	88,612
Future debt service	-	871	-	871
Instruction and research	-	-	1,552,153	1,552,153
Student aid	-	-	1,513,799	1,513,799
Capital projects	-	-	8,545	8,545
Clinical/health programs	-	-	57,289	57,289
Other purposes	-	-	599,545	599,545
Restricted - expendable:				
Grants/constitutional restrictions	512,583	1,757,907	18,646	2,289,136
Future debt service	-	172,249	20,553	192,802
Instruction and research	-	-	865,968	865,968
Student aid	-	-	1,478,390	1,478,390
Endowments	-	1,597	18,198	19,795
Capital projects	-	59,434	603,433	662,867
Clinical/health programs	-	-	67,927	67,927
Other purposes	-	8,462	1,862,373	1,870,835
Unrestricted	10,152	(2,876,788)	5,509,921	2,643,285
<b>Total net position</b>	<b>\$ 548,318</b>	<b>\$ 189,714</b>	<b>\$ 20,520,499</b>	<b>\$ 21,258,531</b>

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

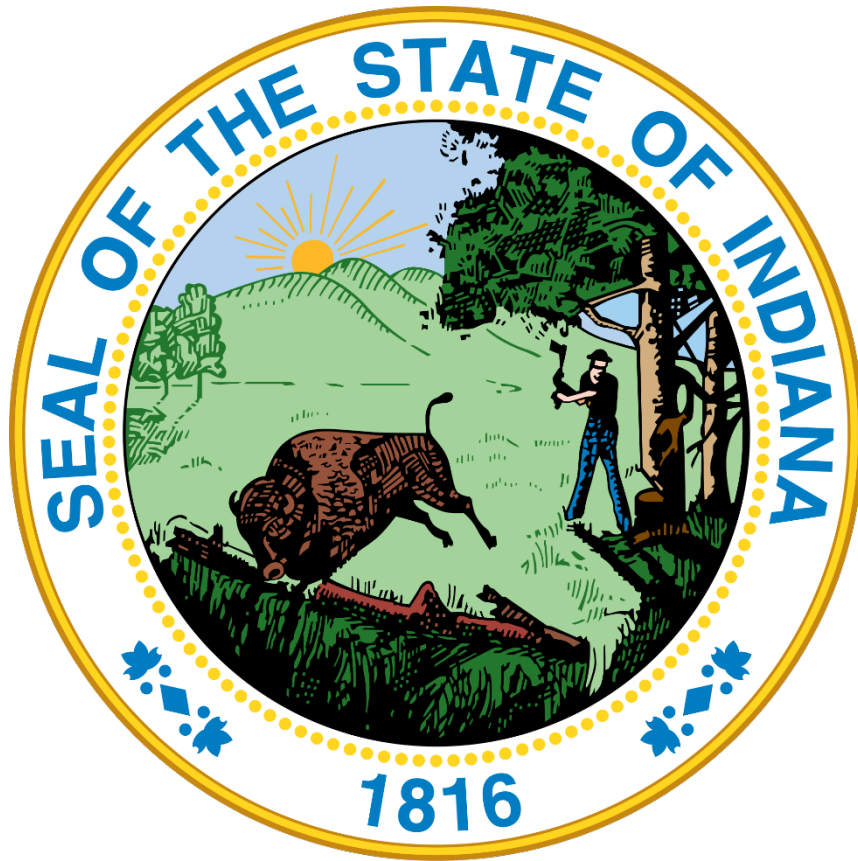
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**State of Indiana**  
**Combining Statement of Activities**  
**Discretely Presented Component Units**  
**For the Fiscal Year Ended June 30, 2022**  
(amounts expressed in thousands)

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental	Proprietary	Colleges and Universities	Net (Expense) Revenue
Governmental	\$ 137,510	\$ 520	\$ 56,384	\$ -	\$ (80,606)	\$ -	\$ -	\$ (80,606)
Proprietary	2,712,308	2,151,454	586,571	8,942	-	34,659	-	34,659
Colleges and universities	8,366,179	3,984,838	2,347,652	68,779	-	-	(1,964,910)	(1,964,910)
Total component units	<u>\$ 11,215,997</u>	<u>\$ 6,136,812</u>	<u>\$ 2,990,607</u>	<u>\$ 77,721</u>	<u>(80,606)</u>	<u>34,659</u>	<u>(1,964,910)</u>	<u>(2,010,857)</u>
General Revenues:								
Gaming tax					466	-	-	466
Total taxes					466	-	-	466
Revenue not restricted to specific programs:								
Investment earnings (losses)					99	(1,275)	(665,661)	(666,837)
Payments from State of Indiana					411,874	118,843	1,762,505	2,293,222
Other					-	4,072	1,275,372	1,279,444
Total general revenues					412,439	121,640	2,372,216	2,906,295
Change in net position					331,833	156,299	407,306	895,438
Net position - beginning, as restated					216,485	33,415	20,113,193	20,363,093
<b>Net position - ending</b>					<b>\$ 548,318</b>	<b>\$ 189,714</b>	<b>\$ 20,520,499</b>	<b>\$ 21,258,531</b>

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

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**State of Indiana**  
**Combining Statement of Net Position**  
**Discretely Presented Component Units -**  
**Proprietary Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	Indiana Finance Authority	State Lottery Commission	Non-Major	IFA & ISCBA/IMC Elimination	Total Component Units
<b>Assets</b>					
Current assets:					
Cash, cash equivalents and investments - unrestricted	\$ 102,396	\$ 68,309	\$ 489,522	\$ -	\$ 660,227
Cash, cash equivalents and investments - restricted	755,236	-	450,291	-	1,205,527
Securities lending collateral	-	-	5,435	-	5,435
Receivables (net)	81,176	153,302	324,741	(18,794)	540,425
Due from primary government	-	-	5,000	-	5,000
Prepaid expenses	2,197	-	-	-	2,197
Long-term receivables	176,977	-	11,430	-	188,407
Investment in direct financing lease	76,424	-	17,965	(17,965)	76,424
Other assets	-	182	14,896	-	15,078
<b>Total current assets</b>	<b>1,194,406</b>	<b>221,793</b>	<b>1,319,280</b>	<b>(36,759)</b>	<b>2,698,720</b>
Noncurrent assets:					
Cash, cash equivalents and investments - unrestricted	-	69,537	292,507	-	362,044
Cash, cash equivalents and investments - restricted	19,274	8,462	671,073	-	698,809
Receivables (net)	4,195,850	-	295,283	(992,699)	3,498,434
Long-term receivables	-	-	228,237	-	228,237
Investment in direct financing lease	634,923	-	1,034,001	(67,105)	1,601,819
Other assets	97,945	-	-	-	97,945
Capital assets:					
Capital assets not being depreciated/amortized	1,692,881	-	128,480	-	1,821,361
Capital assets being depreciated/amortized	122,991	4,412	449,535	-	576,938
less accumulated depreciation/amortization	(41,970)	(3,125)	(242,311)	-	(287,406)
<b>Total capital assets, net of depreciation/amortization</b>	<b>1,773,902</b>	<b>1,287</b>	<b>335,704</b>	<b>-</b>	<b>2,110,893</b>
<b>Total noncurrent assets</b>	<b>6,721,894</b>	<b>79,286</b>	<b>2,856,805</b>	<b>(1,059,804)</b>	<b>8,598,181</b>
<b>Total assets</b>	<b>7,916,300</b>	<b>301,079</b>	<b>4,176,085</b>	<b>(1,096,563)</b>	<b>11,296,901</b>
<b>Deferred Outflows of Resources</b>					
Accumulated decrease in fair value of hedging derivatives	-	-	1,901	-	1,901
Debt refunding loss	8,154	-	21,067	1,582	30,803
Related to pensions	932	1,139	4,413	-	6,484
Swap termination	45,272	-	45,272	(45,272)	45,272
<b>Total deferred outflows of resources</b>	<b>54,358</b>	<b>1,139</b>	<b>72,653</b>	<b>(43,690)</b>	<b>84,460</b>
<b>Liabilities</b>					
Current liabilities:					
Accounts payable	8,728	34,096	161,934	-	204,758
Interest payable	57,285	-	31,958	(18,794)	70,449
Due to primary government	-	21,892	-	-	21,892
Unearned revenue	237,040	856	197,119	-	435,015
Other liabilities	1,813	707	29,018	-	31,538
Current portion of long-term liabilities	243,022	168,860	247,934	(17,965)	641,851
<b>Total current liabilities</b>	<b>547,888</b>	<b>226,411</b>	<b>667,963</b>	<b>(36,759)</b>	<b>1,405,503</b>

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**State of Indiana**  
**Combining Statement of Net Position**  
**Discretely Presented Component Units -**  
**Proprietary Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	Indiana Finance Authority	State Lottery Commission	Non-Major	IFA & ISCBA/IMC Elimination	Total Component Units
Noncurrent liabilities:					
Accrued liability for compensated absences	-	-	119	-	119
Accrued prize liabilities	-	67,474	-	-	67,474
Net pension and OPEB liabilities	755	1,169	4,545	-	6,469
Unearned revenue	74,935	-	569	-	75,504
Funds held in trust for others	-	-	38,659	-	38,659
Advances from federal government	-	-	33,402	-	33,402
Leases	1,810	-	4,978	-	6,788
Revenue bonds/notes payable	4,472,895	-	2,048,111	(1,103,494)	5,417,512
Derivative instrument liability	-	-	1,901	-	1,901
Other noncurrent liabilities	35	-	835	-	870
<b>Total noncurrent liabilities</b>	<b>4,550,430</b>	<b>68,643</b>	<b>2,133,119</b>	<b>(1,103,494)</b>	<b>5,648,698</b>
<b>Total liabilities</b>	<b>5,098,318</b>	<b>295,054</b>	<b>2,801,082</b>	<b>(1,140,253)</b>	<b>7,054,201</b>
<b>Deferred Inflows of Resources</b>					
Advanced payment for service concession agreement	3,854,638	-	11,911	-	3,866,549
Service concession arrangement receipts	260,614	-	-	-	260,614
Related to pensions	1,167	1,055	7,954	-	10,176
Related to irrevocable split interest agreements	-	-	107	-	107
<b>Total deferred inflows of resources</b>	<b>4,116,419</b>	<b>1,055</b>	<b>19,972</b>	<b>-</b>	<b>4,137,446</b>
<b>Net Position</b>					
Net investment in capital assets	743,004	1,287	320,909	-	1,065,200
Restricted - nonexpendable:					
Permanent funds	-	-	782	-	782
Future debt service	-	-	871	-	871
Restricted - expendable:					
Grants/constitutional restrictions	1,624,404	-	133,503	-	1,757,907
Future debt service	68,452	-	103,797	-	172,249
Endowments	-	-	1,597	-	1,597
Capital projects	-	-	59,434	-	59,434
Other purposes	-	8,462	-	-	8,462
Unrestricted	(3,679,939)	(3,640)	806,791	-	(2,876,788)
<b>Total net position</b>	<b>\$ (1,244,079)</b>	<b>\$ 6,109</b>	<b>\$ 1,427,684</b>	<b>\$ -</b>	<b>\$ 189,714</b>

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

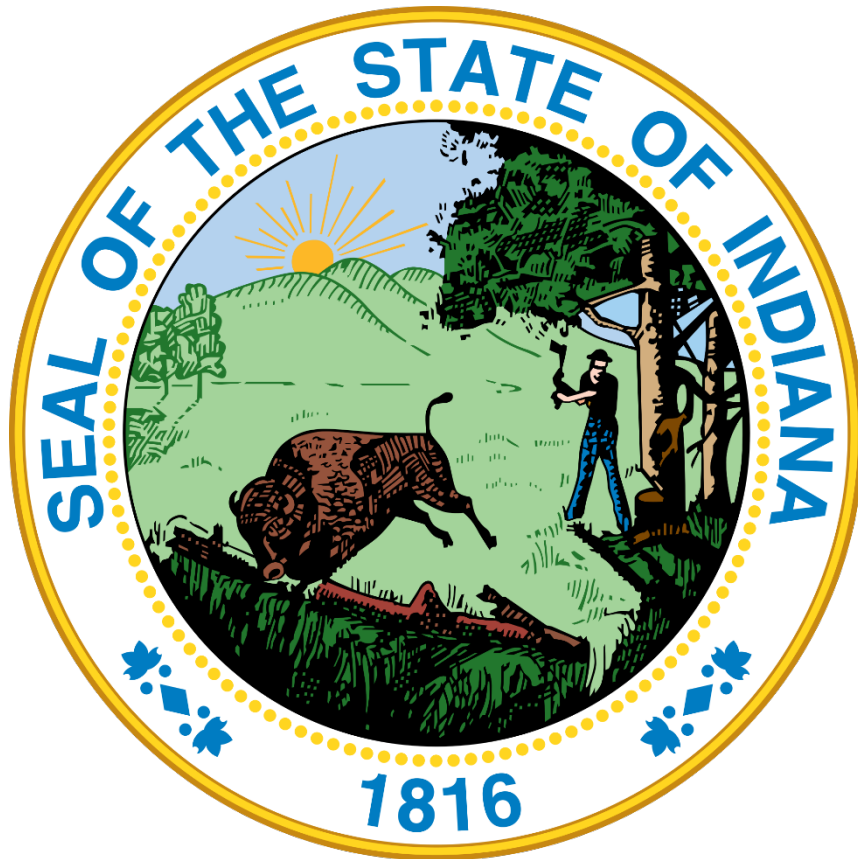
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**State of Indiana**  
**Combining Statement of Activities**  
**Discretely Presented Component Units -**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2022**  
(amounts expressed in thousands)

	Program Revenues				Net (Expense) Revenue and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Indiana Finance Authority	State Lottery Commission	Non-Major	IFA & ISCBA Interfund Eliminations	Net (Expense) Revenue
Indiana Finance Authority (IFA)	\$ 368,071	\$ 405,795	\$ 59,110	\$ -	\$ 96,834	\$ -	\$ -	\$ -	\$ 96,834
State Lottery Commission	1,706,407	1,702,855	-	-	-	(3,552)	-	-	(3,552)
Non-Major Proprietary	690,193	90,997	531,631	8,942	-	-	(58,623)	-	(58,623)
IFA & ISCBA/IMC Interfund Eliminations	(52,363)	(48,193)	(4,170)	-	-	-	-	-	-
<b>Total component units</b>	<b>\$ 2,712,308</b>	<b>\$ 2,151,454</b>	<b>\$ 586,571</b>	<b>\$ 8,942</b>	<b>96,834</b>	<b>(3,552)</b>	<b>(58,623)</b>	<b>-</b>	<b>34,659</b>
General revenues:									
Investment earnings (losses)					1,882	(10,766)	7,609	-	(1,275)
Payments from State of Indiana					-	-	118,843	-	118,843
Other					-	4,070	2	-	4,072
<b>Total general revenues</b>					<b>1,882</b>	<b>(6,696)</b>	<b>126,454</b>	<b>-</b>	<b>121,640</b>
Change in net position					98,716	(10,248)	67,831	-	156,299
Net position - beginning, as restated					(1,342,795)	16,357	1,359,853	-	33,415
<b>Net position - ending</b>					<b>\$ (1,244,079)</b>	<b>\$ 6,109</b>	<b>\$ 1,427,684</b>	<b>\$ -</b>	<b>\$ 189,714</b>

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

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**State of Indiana**  
**Combining Statement of Net Position**  
**Discretely Presented Component Units -**  
**Colleges and Universities**  
**June 30, 2022**  
(amounts expressed in thousands)

	Indiana University	Purdue University	Non-Major Colleges and Universities	Totals
<b>Assets</b>				
Current assets:				
Cash, cash equivalents and investments - unrestricted	\$ 673,211	\$ 281,203	\$ 592,777	\$ 1,547,191
Cash, cash equivalents and investments - restricted	-	306,570	98,412	404,982
Securities lending collateral	16,066	-	-	16,066
Receivables (net)	238,768	203,432	184,303	626,503
Inventory	-	-	3,547	3,547
Prepaid expenses	344	-	14,423	14,767
Long-term receivables	-	-	2,087	2,087
Other assets	49,400	33,093	672	83,165
<b>Total current assets</b>	<b>977,789</b>	<b>824,298</b>	<b>896,221</b>	<b>2,698,308</b>
Noncurrent assets:				
Cash, cash equivalents and investments - unrestricted	6,140,035	2,072,571	990,032	9,202,638
Cash, cash equivalents and investments - restricted	17,882	3,301,462	509,904	3,829,248
Receivables (net)	295,271	128,775	10,265	434,311
Long-term receivables	-	-	11,319	11,319
Net pension and OPEB assets	-	-	106,863	106,863
Other assets	36,474	7,263	169,693	213,430
Capital assets:				
Capital assets not being depreciated/amortized	433,992	384,690	184,303	1,002,985
Capital assets being depreciated/amortized	6,408,740	5,862,580	4,374,025	16,645,345
less accumulated depreciation/amortization	(2,978,685)	(3,043,939)	(1,870,911)	(7,893,535)
Total capital assets, net of depreciation/amortization	3,864,047	3,203,331	2,687,417	9,754,795
<b>Total noncurrent assets</b>	<b>10,353,709</b>	<b>8,713,402</b>	<b>4,485,493</b>	<b>23,552,604</b>
<b>Total assets</b>	<b>11,331,498</b>	<b>9,537,700</b>	<b>5,381,714</b>	<b>26,250,912</b>
<b>Deferred Outflows of Resources</b>				
Accumulated decrease in fair value of hedging derivatives	-	-	164	164
Debt refunding loss	7,370	16,041	1,611	25,022
Related to pensions	21,861	22,348	31,837	76,046
Related to OPEB	50,638	6,386	96,997	154,021
Related to asset retirement obligations	-	2,676	-	2,676
<b>Total deferred outflows of resources</b>	<b>79,869</b>	<b>47,451</b>	<b>130,609</b>	<b>257,929</b>
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	261,039	253,679	125,414	640,132
Interest payable	7,120	-	11,176	18,296
Unearned revenue	120,179	196,488	29,235	345,902
Securities lending collateral	16,066	-	-	16,066
Accrued liability for compensated absences	59,088	33,580	19,366	112,034
Other liabilities	-	3,609	24,430	28,039
Current portion of long-term liabilities	160,262	106,041	85,537	351,840
<b>Total current liabilities</b>	<b>623,754</b>	<b>593,397</b>	<b>295,158</b>	<b>1,512,309</b>

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**State of Indiana**  
**Combining Statement of Net Position**  
**Discretely Presented Component Units -**  
**Colleges and Universities**  
**June 30, 2022**  
(amounts expressed in thousands)

	Indiana University	Purdue University	Non-Major Colleges and Universities	Totals
<b>Noncurrent liabilities:</b>				
Accrued liability for compensated absences	29,241	41,920	13,661	84,822
Net pension and OPEB liabilities	182,540	46,460	55,643	284,643
Unearned revenue	15,057	-	-	15,057
Funds held in trust for others	42,927	35,405	-	78,332
Advances from federal government	49,650	1,902	3,533	55,085
Leases	95,355	34,937	36,597	166,889
Revenue bonds/notes payable	1,152,812	1,117,511	1,018,379	3,288,702
Derivative instrument liability	-	-	164	164
Other noncurrent liabilities	44,026	30,246	10,167	84,439
	<u>1,611,608</u>	<u>1,308,381</u>	<u>1,138,144</u>	<u>4,058,133</u>
<b>Total noncurrent liabilities</b>	<b>1,611,608</b>	<b>1,308,381</b>	<b>1,138,144</b>	<b>4,058,133</b>
<b>Total liabilities</b>	<b>2,235,362</b>	<b>1,901,778</b>	<b>1,433,302</b>	<b>5,570,442</b>
<b>Deferred Inflows of Resources</b>				
Accumulated increase in fair value of hedging derivatives	-	-	4	4
Related to lease receivable	12,892	7,482	4,049	24,423
Service concession arrangement receipts	-	-	1,303	1,303
Unamortized loss on sale of bonds	-	-	94	94
Debt refunding gain	-	3,680	556	4,236
Related to pensions	42,534	47,325	56,419	146,278
Related to OPEB	63,959	10,904	136,450	211,313
Related to irrevocable split interest agreements	-	30,249	-	30,249
	<u>119,385</u>	<u>99,640</u>	<u>198,875</u>	<u>417,900</u>
<b>Total deferred inflows of resources</b>	<b>119,385</b>	<b>99,640</b>	<b>198,875</b>	<b>417,900</b>
<b>Net Position</b>				
Net investment in capital assets	2,651,374	1,954,759	1,646,397	6,252,530
Restricted - nonexpendable:				
Grants/constitutional restrictions	-	-	3,399	3,399
Permanent funds	45,464	-	42,366	87,830
Instruction and research	975,269	552,937	23,947	1,552,153
Student aid	843,077	528,119	142,603	1,513,799
Capital projects	8,545	-	-	8,545
Clinical/health programs	57,289	-	-	57,289
Other purposes	484,837	54,715	59,993	599,545
Restricted - expendable:				
Grants/constitutional restrictions	-	-	18,646	18,646
Future debt service	16,849	-	3,704	20,553
Instruction and research	291,922	529,537	44,509	865,968
Student aid	802,495	513,484	162,411	1,478,390
Endowments	-	-	18,198	18,198
Capital projects	393,877	127,792	81,764	603,433
Clinical/health programs	67,927	-	-	67,927
Other purposes	570,304	1,052,506	239,563	1,862,373
Unrestricted	1,847,391	2,269,884	1,392,646	5,509,921
	<u>\$ 9,056,620</u>	<u>\$ 7,583,733</u>	<u>\$ 3,880,146</u>	<u>\$ 20,520,499</u>
<b>Total net position</b>	<b>\$ 9,056,620</b>	<b>\$ 7,583,733</b>	<b>\$ 3,880,146</b>	<b>\$ 20,520,499</b>

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

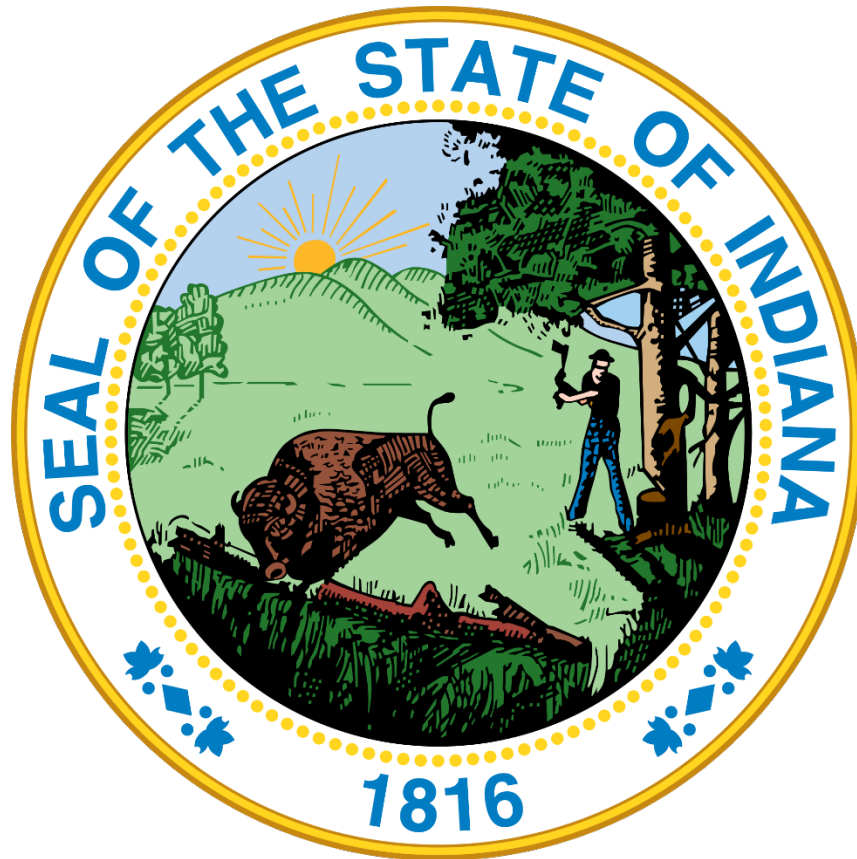
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State of Indiana  
 Combining Statement of Activities  
 Discretely Presented Component Units -  
 Colleges and Universities  
 For the Year Ended June 30, 2022  
 (amounts expressed in thousands)

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Indiana University	Purdue University	Non-Major Colleges and Universities	Net (Expense) Revenue
Indiana University	\$ 3,599,832	\$ 1,659,633	\$ 962,481	\$ 22,092	\$ (955,626)	\$ -	\$ -	\$ (955,626)
Purdue University	2,938,413	1,795,695	1,064,463	32,347	-	(45,908)	-	(45,908)
Non-Major Colleges and Universities	1,827,934	529,510	320,708	14,340	-	-	(963,376)	(963,376)
Total component units	<u>\$ 8,366,179</u>	<u>\$ 3,984,838</u>	<u>\$ 2,347,652</u>	<u>\$ 68,779</u>	(955,626)	(45,908)	(963,376)	<b>(1,964,910)</b>
General revenues:								
Investment earnings (losses)					(273,938)	(238,302)	(153,421)	(665,661)
Payments from State of Indiana					592,635	417,428	752,442	1,762,505
Other					874,063	-	401,309	1,275,372
Total general revenues					<u>1,192,760</u>	<u>179,126</u>	<u>1,000,330</u>	<u>2,372,216</u>
Change in net position					237,134	133,218	36,954	407,306
Net position - beginning, as restated					8,819,486	7,450,515	3,843,192	20,113,193
<b>Net position - ending</b>					<u>\$ 9,056,620</u>	<u>\$ 7,583,733</u>	<u>\$ 3,880,146</u>	<u>\$ 20,520,499</u>

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

# NOTES TO THE FINANCIAL STATEMENTS



## STATE OF INDIANA

Notes to the Financial Statements  
June 30, 2022

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**STATE OF INDIANA**  
**Notes to the Financial Statements**  
**June 30, 2022**  
**(schedule amounts are expressed in thousands)**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

As required by generally accepted accounting principles, these financial statements present the government (State of Indiana) and its component units. Blended component units, although legally separate entities, are in substance part of the government's operations; data from these units are combined with data of the primary government. Discretely presented component units are reported in one column in the government-wide financial statements. This column contains the governmental fund types, proprietary fund types, and colleges and universities. This is to emphasize that, as well as being legally separate from the government; they also provide services to and benefit local governments and/or the citizens of the State of Indiana. Of the component units, the Indiana War Memorials Foundation, Indiana Housing and Community Development Authority, Ports of Indiana, Indiana State Fair Commission, Indiana Comprehensive Health Insurance Association, the Indiana Political Subdivision Risk Management Commission, and the Hoosier START Deferred Compensation Matching Plan have a December 31, 2021, fiscal year-end.

*Blended Component Units*

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

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

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

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

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

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

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

The Indiana State Library Foundation was established per Indiana Code 4-23-7.1-42 to

support the programs of the State Library and libraries in the state. The Indiana State Library Foundation is reported as a non-major governmental fund.

The Governor's Residence Commission was established per Indiana Code 4-23-15 to provide the governor of the state of Indiana a suitable and fitting residential site located at the seat of state government; and to make provision to maintain, remodel, expand, finish, refinish, furnish or refurbish, construct or reconstruct such residential site either of the existing mansion and any expansion thereof, or any other acquired site for such governor's mansion, all as may be required from time to time. The Governor's Residence Commission is reported as a non-major governmental fund.

#### *Discretely Presented Component Units*

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

The Indiana Economic Development Corporation (IEDC) was created per Indiana Code 5-28-3 to improve the quality of life for the citizens of Indiana by encouraging the diversification of Indiana's economy and the orderly economic development and growth of Indiana, the creation of new jobs, the retention of existing jobs, the growth and modernization of existing industry, and the

promotion of Indiana. The IEDC leads the state of Indiana's economic development efforts, helping businesses launch, grow, and locate in the state. The IEDC manages many initiatives, including performance-based tax credits, workforce training grants, innovation and entrepreneurship resources, public infrastructure assistance, and talent attraction and retention efforts. The IEDC Board of Directors is composed of 12 members, consisting of the Governor and 11 individuals appointed by the Governor. At least five members of the board must belong to the same political party as the Governor, and at least three members must belong to another major political party, but none may be members of the general assembly. The IEDC is reported as a non-major discretely presented governmental component unit. The separately issued audited financial statements may be obtained by writing the Indiana Economic Development Corporation, One North Capital Avenue, Suite 700, Indianapolis, IN 46204.

The Indiana Destination Development Corporation (IDDC) was created per Indiana Code 5-33 to assist in the development and promotion of Indiana's tourist resources, facilities, attractions, and activities. The IDDC Board of Directors is composed of 7 members, consisting of the Governor, the Secretary of Commerce and 5 members appointed by the Governor that are from the private sector tourism industry. None of the members may be from the general assembly. The IDDC is reported as a non-major discretely presented governmental component unit. The IDDC does not issue their own separately audited financial statements.

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

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

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

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

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

The Indiana Bond Bank, created per Indiana Code 5-1.5-2, is controlled by a board composed of the Treasurer of State, Director of Public Finance and five appointees of the Governor. The Bond Bank

issues debt obligations and invests the proceeds in various projects of State and local governments. The Bond Bank is reported as a non-major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Indiana Bond Bank, 10 West Market Street, Suite 2410, Indianapolis, IN 46204.

The Indiana Housing and Community Development Authority was created per Indiana Code 5-20-1-3 for the purpose of financing residential housing for persons and families of low and moderate incomes. The Authority's board consists of the Public Finance Director of the Indiana Finance Authority, the Lieutenant Governor, the State Treasurer and four persons appointed by the Governor. The Lieutenant Governor chairs the board. The Authority is reported as a non-major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Indiana Housing and Community Development Authority, 30 South Meridian Street, Suite 1000, Indianapolis, IN 46204.

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

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

The White River State Park Development Commission created per Indiana Code 14-13-1-5 has the responsibility to design and implement a plan for the establishment and development of park, exposition, educational, athletic, and recreational projects to be located within one mile from the banks of the Indiana White River in a consolidated first-class city and county, and is authorized to acquire additional land and property. The Commission has 10 voting members which consist of the director or their designee, the executive of the city of Indianapolis or their designee, the president of Indiana University or their designee, and seven members appointed by the governor. The Commission is reported as a non-major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Indiana White River State Park Development Commission, 801 West Washington Street, Indianapolis, IN 46204.

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

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

The Indiana Comprehensive Health Insurance Association was created per Indiana Code 27-8-10-2.1 to assure that health insurance is made available throughout the year to each eligible Indiana resident applying to the Association for

coverage. The board of directors of the Association consists of nine members whose principal residence is in Indiana. Four members are appointed by the insurance commissioner from the members of the Association, one of which must be a representative of a health maintenance organization. Two members are appointed by the commissioner and shall be consumers representing policyholders. Other members are the state budget director or designee and the commissioner of the department of insurance or designee. One member appointed by the commissioner must be a representative of health care providers. The Association is reported as a non-major discretely presented proprietary component unit. The separately issued audited financial statements may be obtained by writing the Indiana Comprehensive Health Insurance Association, 9465 Counselors Row, Suite 200, Indianapolis, IN 46240.

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

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

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

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

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

#### *Fiduciary in Nature Component Unit*

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

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

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

#### *Related Organizations*

The primary government appoints a voting majority of the board of the Indiana Education Savings Authority (IESA) created per Indiana Code 21-9. The IESA serves as the governing board of Indiana's tax-advantaged CollegeChoice 529 Savings Plans which are CollegeChoice Direct, CollegeChoice Advisor, and CollegeChoice CD. The primary government's accountability for IESA does not extend beyond making the appointments to the board. The primary government is not able to impose its will on IESA nor is it financially accountable for IESA. The State had no related party transactions with IESA during fiscal year 2022.

The primary government appoints a voting majority of the board of the Achieving a Better Life Experience Authority (ABLE) created per Indiana Code 12-11-14-09. The authority serves as the governing board of Indiana's tax-advantaged ABLE Savings Plan, INvestABLE Indiana. The primary government's accountability for ABLE does not extend beyond making the appointments to the board. The primary government is not able to impose its will on ABLE nor is it financially accountable for ABLE. ABLE expended \$269.9 thousand of state appropriations for operating expenses during fiscal year 2022.

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

## **B. Government-Wide and Fund Financial Statements**

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

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

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

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

#### Measurement Focus and Basis of Accounting

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

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

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

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

#### Financial Statement Presentation

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

and contractual provisions.

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

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

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

The following special revenue funds are presented as major.

- The *Public Welfare-Medicaid Assistance Fund* receives federal grants and State appropriations which are used to administer the Medicaid program. Federal grant revenues, hospital assessment fees, quality assessment fees, Intermediate Care Facility for Individuals with Disabilities fees, and other resources disclosed under interfund transfers in Note IV(B) are reported in this fund.
- The *U.S. Department of Health and Human Services Fund* receives federal grants that are used to carry out health and human services programs. Federal grant revenues, vital record fees, child support annual fees, and other resources disclosed under interfund transfers in Note IV(B) are reported in this fund.
- The *Federal COVID-19 Fund* provides federal grant dollars to cover costs that are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019. The fund includes the CARES Act, the Coronavirus Relief Fund, and additional funds provided for existing grant programs.
- The *ARPA-Economic Stimulus Fund* contains the federal grant dollars received through the American Rescue Plan Act of 2021, a coronavirus rescue package designed to facilitate the State of Indiana's recovery from the economic and health effects of the COVID-19 pandemic.

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

The *permanent funds* are used to account for resources that are legally restricted to the extent that only earnings and not principal may be used for the benefit of the government or its citizens. There are no major permanent funds.

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

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

The State reports the following major enterprise fund:

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

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

**Fiduciary funds** account for assets held by or on behalf of the government in a trustee capacity or as an agent on behalf of others. They cannot be used to support the State's own programs. Fiduciary

funds include pension and other employee benefit trust funds, private-purpose trust funds, and custodial funds.

*Pension and other employee benefit trust funds* are used to report resources held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution pension plans, other postemployment benefit plans, and other employee benefit plans. Pension and other employee benefits trust funds include the Indiana Public Retirement System, State Police Retirement Fund, State Police Supplemental Trust, Hoosier START Deferred Compensation Plan, Hoosier START Deferred Compensation Matching Plan, State Employee Retiree Health Benefit Trust Fund – DB, and the State Employee Retiree Health Benefit Trust Fund – DC.

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

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

#### D. Eliminating Internal Activity

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

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

## **E. Assets, Liabilities, and Equity**

### **1. Deposits, Investments, and Securities Lending**

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

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

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

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

agreement is effective, by interest-bearing obligations that are issued, fully insured or guaranteed by the United States or any U.S. government agency.

The Treasurer of State is authorized by statute to accept as collateral safekeeping receipts for securities from: (1) a duly designated depository or (2) a financial institution located either in or out of Indiana, having physical custody of securities, with a combined capital and surplus of at least \$10 million, according to the last statement of condition filed by the financial institution with its governmental supervisory body. The Treasurer may not deposit aggregate funds in deposit accounts in any one designated depository in an amount aggregating at any one time more than 50% of the combined capital, surplus and undivided profits of that depository as determined by the last published statement.

The Indiana Public Retirement System (INPRS) Board of Trustees administers sixteen funds including eight Defined Benefit retirement plans and five Defined Contribution retirement plans, two other postemployment benefit funds, and one custodial fund. Indiana law requires the Board to establish investment guidelines and limits on all types of investments and take other actions necessary to fulfill its duty as fiduciary for all assets under its control. The INPRS Board of Trustees is required to diversify investments in accordance with the prudent investor standards. At June 30, 2022, cash and investments of the funds were held by banks or trust companies under custodial agreements with INPRS. The INPRS Board of Trustees contracts with investment counsel, trust companies or banks to assist INPRS in its investment program. The Investment Policy Statement adopted by the INPRS Board of Trustees and the asset allocation approved by the Board of Trustees contains target allocations and allowable ranges that are expected to meet target rates of return over a long period of time while minimizing risk. The investments of INPRS are subject to the provisions of IC 5-10.3-5-3(a) and IC 5-10.4-3-10(a). See Note IV(A) for more information.

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

## 2. *Receivables and Payables*

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

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

In the governmental fund financial statements, revenue is recognized on the flow of current financial resources. Material receivables are subject to accrual for receipts collected in the month of July. Governmental funds also include long term receivables for loans made to other governmental entities and for money due the state under the National Opioid Settlement. The portion of these long term receivables not due in the next fiscal year is \$428.1 million.

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

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

## 3. *Interfund Transactions and Balances*

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

- Interfund services provided and used (reciprocal interfund activity) – Charges for goods or services rendered by one fund to another are treated as revenues of the recipient fund and expenditures/expenses of the disbursing fund.
- Interfund Transfers (non-reciprocal interfund activity) – Legally authorized transfers whereby the two parties do not receive equivalent cash, goods or services are reported as transfers.

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

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

## 4. *Inventories and Prepaid Items*

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

Certain payments to vendors reflect costs applicable to future accounting periods and are

recorded as prepaid items. The consumption rather than the purchases method is used for prepaids as expenditures or expenses are recorded for the cost of prepaid items when consumed rather than when purchased.

### 5. *Restricted Net Position*

Certain net positions are classified as restricted net position because their use is completely restricted by bond indentures, contracts, grantors, contributors, laws or regulations of other governments, or through constitutional provisions or enabling legislation. Net position restricted by enabling legislation for governmental activities totals \$1.3 billion, of which \$0.5 billion is permanent funds principal, \$0.5 billion is for the Economic Stabilization Fund as discussed in Note V (D), \$0.2 billion restricted portion of the Opioid Settlement receivable and \$0.1 billion is prepaid expenses.

### 6. *Capital Assets*

Capital outlays are reported as expenditures in the governmental funds and as assets in the government-wide statements to the extent the State's \$20,000 capitalization threshold for external financial reporting is met.

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

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

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

The Bridge Division, Program Engineering, and Road Inventory Division of INDOT are responsible for determining the appropriate condition level of the infrastructure assets.

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

INDOT projects are capitalized based on capitalization and preservation percentages assigned to three hundred ninety-three (393) work types. For example, the cost for constructing a new bridge would likely be 100% capitalized; whereas, the cost for adding travel lanes to a road would likely be assigned a work type code resulting in capitalization at 50% and preservation at 50%.

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

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

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

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

Assets	Months
Buildings and other structures including improvements to buildings and other structures	240-480
Computer software	48
Infrastructure (not using modified approach)	240-720
Furniture, machinery, and equipment	12-168
Motor pool vehicles	96-168

The State of Indiana maintains several collections of works of art, historical treasures, and similar assets that are not capitalized. While the collections

are maintained by different agencies, each collection is:

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

The State's major collections are:

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

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

### **7. Compensated Absences**

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

Personal leave days are earned at the rate of one day every four months; any personal leave accumulated in excess of three days automatically becomes part of the sick leave balance. Upon separation of service, in good standing, employees will be paid for a maximum of thirty (30) unused vacation leave days. In addition, qualifying retiring employees are paid an additional payment up to a

maximum of \$5,000, which is made up of unused vacation leave over 30 days, unused personal leave, and unused sick leave. In 2022, 22.5 hours of personal leave was authorized for newly-hired employees to address recruitment concerns due to the regulatory requirement that vacation leave cannot be used until a newly-hired employee has been employed for six months. At the four-months' of employment mark, the earning rules stated above apply.

The legislative and judicial branches, and the separately elected offices may elect to participate in a leave conversion program which allows their employees to convert a portion of accrued but unused vacation and sick leave into the Hoosier START Deferred Compensation Plan. An employee must have at least 300 hours of vacation or sick leave accrued in order to participate in this plan. There is a sliding scale which determines how many hours are converted from those hours the employee has accrued. The hours converted are deposited into the Hoosier START Deferred Compensation Plan at 60% of the employee's hourly rate. The legislative and judicial branches, the offices of the Attorney General, Auditor of State, Secretary of State, and Lieutenant Governor participated in this program for calendar year 2022 for their employees.

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

### **8. Long-Term Obligations**

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

### **9. Fund Balance**

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

*Nonspendable* – represents amounts that are either not in spendable form, such as prepaid expenditures, and activity that is legally or contractually required to be maintained intact, such

as a principal balance in a permanent fund.

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

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

*Assigned* – represents amounts that are constrained by the government's intent to be used for specific purposes as expressed by the governing body itself or the official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. The State Budget Agency has the authority per the biennial budget bill to make assignments of fund balances for specific purposes except for those restricted by law. The State Board of Finance comprised of the Governor, Auditor of State and Treasurer of State is empowered to make assignments of funds except for trust funds per I.C. 4-9.1-1-7.

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

Funds on the State's accounting system are assigned one of the five fund balance classifications. If a fund has resources that are both

restricted and unrestricted, then expenditures are applied first to restricted fund balance and then unrestricted amounts. A fund's unrestricted fund balance would have committed amounts reduced first, assigned amounts second, and unassigned amounts third when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

#### **F. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The allowance for doubtful accounts for taxes receivable, the estimate of claims payable for the Medicaid fund, the estimate of additions for the Local Distributions fund, and the estimated useful lives of capital assets are among the most sensitive accounting estimates affecting the financial statements.

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

## II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

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

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

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

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

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

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

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

### III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

#### A. Deficit Fund Equity

At June 30, 2022, various funds had a deficit fund balance. Two major funds, the US Department of Health & Human Services special revenue fund and the Federal COVID-19 special revenue fund, had deficit fund balances caused by overdrafts from pooled cash and investments. These overdrafts will be repaid as grant revenues are collected. Non-major fund deficits are as follows.

Fund	Deficit Fund Balance
<b>Governmental Funds</b>	
US Department of Agriculture	\$ (150,701)
US Department of Labor	(9,011)
US Department of Education	(71,594)
US Department of Homeland Security	(2,596)

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

#### B. Fund Balance

The State of Indiana reports its fund balances for governmental funds as nonspendable, restricted, committed, assigned, and unassigned. The detail of the fund balance classifications at June 30, 2022 is as follows:

	General Fund	Public Welfare - Medicaid Assistance Fund	US Department of Health and Human Services	Federal COVID-19	ARPA - Economic Stimulus Fund	Non-Major Funds
<b>Fund Balances:</b>						
<b>Nonspendable:</b>						
Permanent fund principal	-	-	-	-	-	502,835
Prepaid expense	111,753	-	-	-	-	17,071
<b>Restricted:</b>						
Administration	531,746	-	-	-	-	-
Public Health	-	-	-	-	-	6,150
Natural Resources	-	-	-	-	-	150
Other Purposes	-	-	-	-	-	3,338
<b>Committed:</b>						
Administration	3	-	-	-	-	2,066
Public Health	-	-	-	-	-	222,053
Economic Development	14,545	-	-	-	-	61,330
Environmental	-	-	-	-	-	129
Natural Resources	-	-	-	-	-	12,519
Secondary Education	-	-	-	-	-	587,870
Roads & Bridges	34,451	-	-	-	-	1,375
Other Purposes	-	-	-	-	-	22,342
<b>Assigned:</b>						
Administration	404,357	-	-	-	3,315	278,234
Corrections	867,625	-	-	-	22	30,726
Police & Protection	41,350	-	-	-	80	372,388
Mental Health	84,075	-	-	-	360	53,601
Public Health	52,479	116,714	-	-	176	382,694
Child Services	1,153,480	-	-	-	991	130,611
Disability & Aging	38,722	-	-	-	5	18,542
Economic Development	12,975	-	-	-	40	64,163
Environmental	37,280	-	-	-	-	171,393
Natural Resources	989	-	-	-	121	281,735
Higher Education	149,599	-	-	-	-	17,378
Secondary Education	796,871	-	-	-	363	26,329
Roads & Bridges	198,864	-	-	-	279	1,791,180
Capital Outlay	767,375	-	-	-	-	136,606
Other Purposes	400,156	-	-	-	4	148,611
<b>Unassigned:</b>	<b>3,853,051</b>	<b>-</b>	<b>(482,339)</b>	<b>(175,557)</b>	<b>-</b>	<b>(233,902)</b>
<b>Total</b>	<b>\$ 9,551,746</b>	<b>\$ 116,714</b>	<b>\$ (482,339)</b>	<b>\$ (175,557)</b>	<b>\$ 5,756</b>	<b>\$ 5,109,517</b>

#### IV. DETAILED NOTES ON ALL FUNDS

##### A. Deposits, Investments, and Securities Lending

###### *Primary Government*

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

###### *Investment Policy*

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

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

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

###### *Interest Rate Risk*

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

The following is a summary of the Interest Rate Risk Disclosure as of June 30, 2022:

Investment Type	Fair Value Totals	Investment Maturities (in Years)		
		Less than 1	1 - 5	6 - 10
U.S. Treasuries	\$ 4,472,264	\$ 3,864,807	\$ 607,457	\$ -
U.S. Agencies	5,110,541	3,757,147	1,353,394	-
Supranationals	1,727,663	1,714,448	13,215	-
Municipal Bonds	91,971	63,614	25,474	2,883
Commercial Paper	547,859	547,859	-	-
Local Govt Investment Pool	318,035	318,035	-	-
Non-U.S. Fixed Income	65,000	20,000	45,000	-
Certificate of Deposits	308,459	308,459	-	-
Money Market Mutual Funds	2,010,000	2,010,000	-	-
Total	<u>\$ 14,651,792</u>	<u>\$ 12,604,369</u>	<u>\$ 2,044,540</u>	<u>\$ 2,883</u>

### Custodial Credit Risk

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

At June 30, 2022, the balance of the State of Indiana’s deposits was covered in full by federal depository insurance or by the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

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

### Credit Risk

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

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

The following table provides information on the credit quality ratings for investments in debt securities as well as investments in external investment pools, and money market funds, as of June 30, 2022. Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality. The table reflects the greatest risk rating (the credit rating reflecting the greatest degree of risk) as set by three nationally recognized rating organizations (S&P, Moody, and Fitch) for each type of investment, not exempt from disclosure:

Investment Type	Greatest Risk	
	Rating	Fair Value
U.S. Agencies	AA	\$ 4,874,853
	A	144,913
	BBB	57,323
	BB	23,486
	B	9,966
Supranationals	AAA	1,727,663
Commercial Paper	A-1	547,859
Certificate of Deposits	NR	308,459
Municipal Bonds	NR	91,971
Non-US Fixed Income Bonds	A	65,000
Local Govt Investment Pool	NR	318,035
Money Market Mutual Funds	AAA	<u>2,010,000</u>
Total		<u>\$ 10,179,528</u>

### Concentration of Credit Risk

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

At June 30, 2022, investments in any one issuer, not exempt from disclosure, that represent 5% or more of the total investments were:

FFCB 5.70% \$905,728  
 FHLB 22.11% \$3,516,259  
 IBRD 8.27% \$1,315,668

*Foreign Currency Risk*

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. As of June 30, 2022, there were no deposits or investments denominated in foreign currencies, thus there was no foreign currency risk.

*Securities Lending*

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

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

Cash collateral received is invested by the custodian banks. Cash collateral is generally invested in securities of a longer term with the mismatch of maturities generally 0-35 days. The weighted average maturity gap at June 30, 2022, was 2.77 days.

At year end, the State had no credit risk exposure to any borrowers because the amount the State owes the borrowers exceeds the amounts the borrowers owe the State. The contracts with the State's custodian require them to indemnify the funds if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay the funds for income distributions by the securities' issuers while the securities are on loan.

As of June 30, 2022, the fair values of the underlying securities on loan were:

<b>Security Type</b>	<b>Fair Value</b>
U.S. Treasuries	\$2,891,336

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

<b>Security Type</b>	<b>Fair Value</b>
U.S. Treasuries	\$2,943,525

The percentage of collateral received for underlying securities on loan was 101.81%.

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

<b>Collateral Type</b>	<b>Fair Value</b>
Non-cash collateral	\$ 343,212
Cash collateral (liability to borrowers)	2,600,313
<b>Total</b>	<b><u>\$2,943,525</u></b>

Events of the market crisis of late 2008 negatively impacted the value of the State's securities lending cash collateral reinvestment pool. Since that time, the State, with the agreement of its' custodial bank, has been injecting capital into the pool using securities lending revenues to restore the value of the cash collateral reinvestment pool. As of June 30, 2022, the fair value of the cash collateral reinvestment pool was 98.99% of the fair value of the cash collateral received from the borrowers.

Fair Value of reinvested cash collateral by type:

<b>Collateral Type</b>	<b>Fair Value</b>
Certificates of deposit	122,590
Repurchase agreements	195,194
Asset backed securities	2,340
Floating rate notes	2,252,477
Receivable/(Payable)	1,339
<b>Total</b>	<b><u>\$2,573,940</u></b>

The quality rating of the reinvested cash collateral investments as described by Standard and Poor's at June 30, 2022, is as follows:

<b>S&amp;P Rating</b>	<b>Fair Value of Cash Collateral</b>	<b>% of Portfolio</b>
AA	820,142	31.9
A	1,499,029	58.2
CC	2,340	0.1
NR	252,429	9.8
<b>Total</b>	<b>\$2,573,940</b>	<b>100.0</b>

### Fair Value Measurement – Primary Government

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

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

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

or similar assets or liabilities in non-active markets; and inputs other than quoted prices that are observable for the assets or liabilities, either directly or indirectly.

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

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

The following table summarizes the valuation of the investments by the fair value hierarchy levels as of June 30, 2022:

<b>Investment Type</b>	<b>June 30, 2022</b>	<b>Fair Value Measurements Using</b>		
		<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
U.S. Treasuries	\$ 4,472,264	\$ 4,472,264	\$ -	\$ -
U.S. Agencies	5,110,541	-	5,110,541	-
Supranationals	1,727,663	-	1,727,663	-
Commercial Paper	547,859	-	547,859	-
Municipal Bonds	91,971	-	-	91,971
Non-US Govt Bonds	65,000	-	-	65,000
Certificate of Deposits	308,459	-	308,459	-
Local Government Investment Pool	318,035	-	318,035	-
Money Market Mutual Funds	2,010,000	2,010,000	-	-
<b>Total Fixed Income Securities</b>	<b>\$ 14,651,792</b>	<b>\$ 6,482,264</b>	<b>\$ 8,012,557</b>	<b>\$ 156,971</b>

### **Major Moves Construction Fund and Next Level/Generation Trust Fund**

#### *Investment Policy*

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

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

#### *Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investments. The Funds' policy for controlling its exposure to interest rate fluctuations should be viewed with the appropriate perspective. The Funds' manager's long-term strategy was employed to achieve the Funds' objectives, but there was consideration given to the short-term liquidity needs to meet disbursements required by the Fund. The asset allocation and investment manager structure was designed to tolerate some interim fluctuations in fair value while maintaining a long-term return objective of 2.21%.

The following table provides the interest rate risk disclosure for the Major Moves Construction Fund and Next Level/Generation Trust Fund as of June 30, 2022:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 - 5	6 - 10	More than 10
U.S. Treasuries	\$ 463,309	\$ 396,219	\$ 53,747	\$ 1,932	\$ 11,411
U.S. Agencies	69,250	24,940	44,310	-	-
Commercial Paper	21,918	21,918	-	-	-
Government Asset and Mortgage Backed	21,320	248	1,188	231	19,653
Collateralized Mortgage Obligations					
Government CMOs	4,639	2,023	523	256	1,837
Corp CMOs	5,266	3,862	-	-	1,404
Corporate Bonds	107,935	10,298	67,490	19,465	10,682
Corporate Asset Backed	20,645	9,423	6,172	741	4,309
Private Placements	61,394	23,005	18,975	6,326	13,088
Municipal Bonds	10,577	1,297	8,561	507	212
Local Government Investment Pool	1,600	1,600	-	-	-
Non US Government/Corp Bonds	11,934	2,955	4,515	1,067	3,397
Mutual Funds/Commingled Funds	75,256	75,256	-	-	-
<b>Total Fixed Income Securities</b>	<b>\$ 875,043</b>	<b>\$ 573,044</b>	<b>\$ 205,481</b>	<b>\$ 30,525</b>	<b>\$ 65,993</b>

### Custodial Credit Risk

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

At June 30, 2022, the balance of the State of Indiana’s deposits was covered in full by federal depository insurance or by the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

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

### Credit Risk

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

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

The purchase of securities in the maximum amount invested in any single issuer of a non-agency mortgage-backed, asset-backed, or corporate security shall be limited to an initial cost of 2.5% of the fair value of an Investment Manager’s portfolio. This limit shall not apply to U.S. Government securities, or mortgage-back securities that are issued by an agency of the U.S. Government.

Through capital appreciation, no such holding should exceed 3.5% of the fair value of the total holdings of such Investment Manager’s portfolio.

The following table provides information on the credit quality ratings for investments in debt securities, short-term money market funds, bond mutual funds and bond commingled funds, municipal securities, asset-backed, and mortgage-backed securities as of June 30, 2022. The following table below reflects the “greatest risk” rating (the credit rating reflecting the greatest degree of risk) as set by three nationally recognized rating organizations (S&P, Moody, and Fitch) for each type of investment, not exempt from disclosure, in the Major Moves Construction Fund and Next Level/Generation Trust Fund.

Investment Type	Greatest Risk	
	Ratings	Fair Value
U.S. Agencies	AAA	\$ 42,858
	AA	1,452
	NR	24,940
Government Asset And Mortgage Backed	AA	19,405
	NR	1,915
Commercial Paper	A-1	21,918
Collateralized Mortgage Obligations		
	Government CMO's	
Corporate CMO's	AAA	76
	AA	4,563
	A	145
	BBB	453
	B	272
	CCC & Below	3,349
	NR	1,047
Non US Gov/Corp Bonds	AA	201
	A	1,126
	BBB	3,361
	BB	3,055
	B	369
	CCC & Below	302
	NR	3,520
Corporate Bonds	AAA	625
	AA	1,767
	A	28,302
	BBB	62,551
	BB	11,513
	B	3,017
	CCC & Below	160
Corporate Asset and Mortgage Backed	AAA	8,076
	AA	1,425
	A	1,741
	BBB	641
	BB	174
	B	1,687
	CCC & Below	6,897
	NR	4
Private Placements	AAA	23,937
	AA	5,219
	A	7,358
	BBB	14,729
	BB	3,449
	B	2,175
	CCC & Below	1,139
	NR	3,388
Local Government Investment Pool	NR	1,600
Municipal Bonds	AAA	634
	AA	5,742
	A	3,989
	BBB	123
	CCC & Below	89
Money Market Mutual Funds	A	300
	NR	74,956
Total		\$ 411,734

### Concentration of Credit Risk

Concentration of credit risk is the risk of loss

attributed to the magnitude of a government's investment in a single issuer representing 5% or more of the total investments. The only exemptions from disclosures are US Government Debt, US Government Guaranteed Investments, Mutual Funds, or External Investment Pools. For Intermediate and Core Fixed Income Managers, securities in any one issuer should be limited to not more than 5% of the investment manager's portion of the Fund portfolio measured at fair value. For Core Plus Fixed Income Managers, the exposure of each manager's portfolio should be limited to not more than 10% of the manager's portion of the Fund portfolio measured at fair value.

As of June 30, 2022, investments in any one issuer, not exempt from disclosure, that represent 5% or more of the total investments (in thousands) was:

FHLMC 6.85% \$68,189

#### Foreign Currency Risk

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

Currency	Fair Value	% of Total Fair Value
Argentina Peso	\$ 173	0.02%
Australian Dollar	1,341	0.13%
Brazil Real	714	0.07%
Canadian Dollar	2,642	0.27%
Chilean Pesce	2	0.00%
Chinese R Yuan HK	(866)	-0.09%
Chinese Yuan Renminbi	403	0.04%
Colombian Peso	(9)	0.00%
Euro Currency	(2,351)	-0.24%
Indian Rupee	206	0.02%
Indonesian Rupiah	1,631	0.16%
Japanese Yen	2,107	0.21%
Mexican Peso	1,898	0.19%
New Zealand Dollar	(30)	0.00%
Norwegian Krone	414	0.04%
Peruvian Sol	(119)	-0.01%
Polish Zloty	1	0.00%
Pound Sterling	1,114	0.11%
Russian Ruble	196	0.02%
Singapore Dollar	2	0.00%
South African Rand	711	0.07%
South Korean Won	22	0.00%
Thailand Baht	30	0.00%
Subtotal	10,232	1.03%
U.S. Dollar	985,743	98.97%
<b>Total Fair Value</b>	<b>\$ 995,975</b>	<b>100.00%</b>

#### Securities Lending

The Treasurer of State is authorized by Indiana Code

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

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

#### Fair Value Measurement

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

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

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

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

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

by the funds and are deemed to be actively traded and are classified in Level 1 of the fair value hierarchy. The international commingled mutual fund

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

The following table summarizes the valuation of the investments by the fair value hierarchy levels as of June 30, 2022:

Investment Type	June 30, 2022	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasuries	\$ 463,309	\$ 463,309	\$ -	\$ -
U.S. Agencies	69,250	-	69,250	-
Commercial Paper	21,918	-	21,918	-
Govt Asset and Mortgage Backed Collateralized Mortgage Obligations	21,320	-	21,320	-
Govt CMO's	4,639	-	4,639	-
Corporate CMO's	5,266	-	5,266	-
Corporate Bonds	107,935	-	105,871	2,064
Corporate Asset Backed	20,645	-	20,645	-
Private Placements	61,394	-	61,394	-
Local Government Investment Pool	1,600	-	1,600	-
Non US Govt/Corp Bonds	11,934	-	11,934	-
Municipal Bonds	10,577	-	10,577	-
Mutual/Commingled Funds	75,256	1,331	1,207	72,718
<b>Total Fixed Income Securities</b>	<b>\$ 875,043</b>	<b>\$ 464,640</b>	<b>\$ 335,621</b>	<b>\$ 74,782</b>

### ***TrustIndiana, Local Government Investment Pool (Custodial Fund)***

#### *Investment Policy*

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

#### *Valuation of Investments*

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

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

#### *Interest Rate Risk*

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

The following is a summary of the Interest Rate Risk Disclosure as of June 30, 2022:

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less than 1	
<b>Fixed Income Securities</b>			
Commercial Paper	\$ 705,466	\$	705,466
Repurchase Agreements	8,560		8,560
Money Market Mutual Funds	187,327		187,327
<b>Total</b>	<b>\$ 901,353</b>	<b>\$</b>	<b>901,353</b>

#### *Custodial Credit Risk*

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

At June 30, 2022, the balances of all bank deposits were covered in full by federal depository insurance or by the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

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

#### *Credit Risk*

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. TrustINDiana limits its investments in any one issuer to the highest rating category issued by one nationally recognized statistical rating organization.

The following table provides information on the credit quality ratings for investments in TrustINDiana as of June 30, 2022. Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality. The table reflects the greatest risk rating (the credit rating reflecting the greatest degree of risk) as set by three nationally recognized rating organizations for each type of investment, not exempt from disclosure, in TrustINDiana.

Investment Type	Greatest Risk	
	Ratings	Fair Value
Repurchase Agreements	A1	\$ 8,560
Commercial Paper	A1	\$ 705,466
Money Market Mutual Funds	AAA	187,327
<b>Total</b>		<b>\$ 901,353</b>

#### *Concentration of Credit Risk*

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

At June 30, 2022, there were no investments in any one issuer, not exempt from disclosure that represents 5% or more of the total investments.

*Foreign Currency Risk*

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

*Securities Lending*

The Treasurer of State is authorized by Indiana Code 5-13-10.5-13 to lend securities. Securities may be lent under an agreement which requires the loaned securities to be collateralized in the form of (1) cash or (2) interest bearing obligations that are issued by, fully insured by, or guaranteed by the United States, an agency of the United States, a federal instrumentality, or a federal government sponsored enterprise, in an amount at least equal to 102% of the current fair value of the loaned securities. The net income earned through securities lending is recorded as additional income to the Pool. As of June 30, 2022, there were no securities on loan and therefore, no credit risk exposure.

*Fair Value Measurement*

TrustINDiana categorizes investments measured at fair value within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair Value measurements must maximize the use of observable inputs and minimize the use of

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

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

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

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

The money market mutual funds are valued at the daily closing price as reported by the funds and are deemed to be actively traded, thus classified as Level 1 of the fair value hierarchy. The commercial paper and repurchase agreements classified in Level 2 of the fair value hierarchy are valued using other observable inputs other than quoted prices in an active market.

The following table summarizes the valuation of the TrustINDiana's investments by the fair value hierarchy levels as of June 30, 2022:

Investment Type	June 30, 2022	Fair Value Measurements Using	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
<b>Fixed Income Securities</b>			
Commercial Paper	\$ 705,466	\$ -	\$ 705,466
Repurchase Agreements	8,560	-	8,560
Money Market Mutual Funds	187,327	187,327	-
<b>Total</b>	<b>\$ 901,353</b>	<b>\$ 187,327</b>	<b>\$ 714,026</b>

## Pension and Other Employee Benefit Trust Funds

### State Police Pension Fund

Investments of the State Police Pension Trust are combined in a co-invested internal investment pool known as the Group Trust Fund and held by the Treasurer of the State of Indiana. The State Police Pension Trust owns approximately 77.00% of the fair value of the assets in the Pool as of June 30, 2022. The remaining assets are split between two State Police other postemployment benefit (OPEB) trusts at 20.06% and 2.94% which are reported as part of the State Employee Retiree Health Benefit Trust Fund (see note IV(A) State Employee Retiree Health Benefit Trust Fund-DB). The following tab summarizes the allocation of the internal investment pool as of June 30, 2022:

Fund	Allocation %	Fair Value
State Police Retirement Fund	77.00%	\$ 547,627
State Police OPEB 115HT	20.06%	142,652
State Police OPEB 401h	2.94%	20,892
Total Internal Investment Pool		<u>\$ 711,171</u>

A summary of the investment holdings reported by the Group Trust Fund at fair value by asset type is as follows on June 30, 2022:

Asset Type	Fair Value
Cash and cash equivalents	44,197
Corporate bonds	17,005
Collateralized mortgage obligations	125
Private placements	496
Municipal bonds	4,448
U.S. government mortgage backed	270
U.S. treasuries	5,951
Domestic equity	95,752
International equity	14,994
Mutual funds	88,791
Commingled fixed income/equity funds	260,056
Hedge funds	68,628
Private equity	110,458
Total internal investment pool	<u>\$ 711,171</u>

The net assets of the Pool are reported on the Statement of Fiduciary Net Position as follows on June 30, 2022:

Investment in internal investment pool	\$ 547,627
Interest receivable	390
Total State Police Retirement Fund	<u>\$ 548,017</u>

### Investment Policy

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

### Investment Policy

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

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

The following was the Group Trust's adopted asset allocation policy as of June 30, 2022:

Asset Class	Target Allocation (%)
Broad domestic equity	31.0
Hedge funds	25.0
Core U.S. fixed	22.0
Global ex U.S. equity	11.0
Core real estate	5.0
Short duration govt/credit	4.0
Cash and equivalents	2.0
<b>Total</b>	<b><u>100.0</u></b>

### Credit Risk

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

The following table provides information on the credit quality ratings for investments in debt securities, short-term money market funds, bond mutual/commingled funds, municipal securities, asset-backed, and mortgage backed securities for the State Police Pension Trust. The table reflects the "greatest risk" rating (the credit rating reflecting the

greatest degree of risk) as set by three nationally recognized rating organizations (S&P, Moody, and Fitch) for each investment type, not exempt from disclosure, in State Police Pension Trust.

Investment Type	Greatest Risk	
	Ratings	Fair Value
U.S. Government Mortgage Backed	AA	\$ 208
Collateralized Mortgage Obligations	NR	96
Corporate Bonds	AA	218
	A	1,844
	BBB	8,380
	BB	1,675
	B	977
Private Placements	AA	57
	A	189
	BBB	136
Municipal Bonds	AAA	147
	AA	1,894
	A	1,138
	BBB	246
Commingled Fixed Income / Commingled Equity Funds	NR	200,252
<b>Total</b>		<b>\$ 217,457</b>

### Custodial Credit Risk

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

At June 30, 2022, the balance of the State Police Pension Trust deposits was covered in full by federal depository insurance or by the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

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

### Method Used to Value Investments

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

### Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Group Trust has 34 different investments managers. Each investment manager is retained by the Trust to implement a specific investment style and strategy and shall adhere to the specific limitations on holdings outlined in each investment manager's securities guidelines. The securities guidelines for each investment manager is negotiated and agreed upon in writing on a case-by-case basis and referenced in Appendix D of the Investment Policy Statement.

At June 30, 2022, investments in one mutual fund and five commingled fixed income / commingled equity funds each represented 5 percent or more of the total investments.

Fidelity 500 Index Fund	47,007	8.58%
Echo Street Goodco Select II	35,958	6.57%
Brandywine US Fixed Income	44,306	8.09%
GQC Partners International	39,788	7.27%
Loomis Sayles ABS Strategy	39,712	7.25%
Columbus Unconstrained Bond	40,489	7.39%

### Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investments. The Group Trust's policy for controlling its exposure to interest rate fluctuations should be viewed with the appropriate perspective. A long-term strategy was employed to achieve the Trust's

objectives, but there was consideration given to the short-term liquidity needs to meet disbursements required by the Fund. The asset allocation and investment manager structure was designed to

tolerate some interim fluctuations in fair value while maintaining a long-term return objective to exceed the actuarial assumed interest rate of 6.25%.

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 - 5	6 - 10	More than 10
U.S. Treasuries	\$ 4,583	\$ 400	\$ 3,020	\$ 1,163	\$ -
U.S. Government Mortgage Backed	208	-	10	89	109
Collateralized Mortgage Obligations	96	-	-	96	-
Corporate Bonds	13,094	882	6,056	5,894	262
Private Placements	382	-	325	57	-
Municipal Bonds	3,425	242	2,009	1,031	143
Commingled Fixed Income Funds	200,252	200,252	-	-	-
Total	<u>\$ 222,040</u>	<u>\$ 201,776</u>	<u>\$ 11,420</u>	<u>\$ 8,330</u>	<u>\$ 514</u>

### Rate of Return

For the year ended June 30, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was a loss of 10.65%. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amount actually invested.

### Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The Group Trust's foreign currency exposure is focused primarily in international and global equity holdings. As of June 30, 2022, the Trust did not have any investments held in foreign currencies, as such no exposure to foreign currency risk.

### Securities Lending

The Treasurer of State is authorized by Indiana Code 5-13-10.5-13 to lend securities. Securities may be lent only if the agreement under which the securities are lent is collateralized by (1) cash or (2) non-cash collateral if the State is indemnified by the custodian holding the non-cash collateral, in excess of the total market value of the loaned securities. The fair value of the required collateral must be in an amount at least equal to 102% of the current fair value of the loaned securities.

As of June 30, 2022, the Group Trust did not have any securities on loan and therefore, no credit risk exposure.

### Fair Value Measurement

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

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

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

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

If the fair value is measured using inputs from different levels in the fair value hierarchy, the measurement should be categorized based on the lowest priority level input that is significant to the

valuation. The Trust's assessment of significance of a particular input to the fair value measurement in its entirety required judgment, and considers factors specific to the investment. Investments measured at fair value using net asset value per share (or equivalent) as a practical expedient to fair value are not classified in the fair value hierarchy; however, separate disclosures for these investments are required.

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

Fixed income investments classified in Level 2 of the

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

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

The following table summarizes the valuation of the State Police Pension Trust's proportion of investments in the Pool by the fair value hierarchy levels as of June 30, 2022:

Investment Type	June 30, 2022	Fair Value Measurements Using	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
<b>Fixed Income Investments</b>			
U.S. Treasuries	\$ 4,583	\$ 4,583	\$ -
U.S. Government Mortgage Backed Collateralized Mortgage Obligations	208	-	208
Corporate Bonds	96	-	96
Private Placements	13,094	-	13,094
Municipal Bonds	382	-	382
<b>Total Fixed Income Investments</b>	<b>21,788</b>	<b>4,583</b>	<b>17,205</b>
<b>Equity Investments</b>			
Domestic Equity	73,732	73,732	-
International Equity	11,546	11,546	-
Mutual Funds	68,373	68,373	-
<b>Total Equity Investments</b>	<b>153,651</b>	<b>153,651</b>	<b>-</b>
<b>Total Investments by Fair Value</b>	<b>175,439</b>	<b>\$ 158,234</b>	<b>\$ 17,205</b>
<b>Investment measured at the Net Asset Value (NAV)</b>			
Commingled Fixed Income / Equity Funds	200,252		
Multi-Strategy Hedge Funds	52,846		
Private Equity	85,057		
<b>Total Investments measured at NAV</b>	<b>338,155</b>		
<b>Total Investments measured by Fair Value</b>	<b>\$ 513,594</b>		

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

	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Commingled fixed income / equity funds	\$ 200,252	\$ -	Daily	1 day
Private equity	85,057	20,528	N/A	N/A
Multi-strategy hedge funds	52,846	3,600	Semi-Annually	95 days
<b>Total investments measured at the NAV</b>	<b>\$ 338,155</b>	<b>\$ 24,128</b>		

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

Private Equity - Consisting of 16 private equity funds, this strategy invests across a range of strategies, geographies, and industries. These underlying portfolio company investments cannot be redeemed with the funds, but rather the funds will make distributions of capital to the Trust as the funds sell the underlying portfolio company investments.

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

**State Employee Retiree Health Benefit Trust Fund-DB**

*Investment Policy*

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

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

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

The trust fund may not be commingled with any other funds; and shall be invested only in accordance with state laws for the investment of trust funds, together with such other investments as are specifically designated in the pension trust. Subject to the terms of the pension trust, the Trustee, with the approval of the Department and the Pension Advisory Board, may establish investment guidelines and limits on all types of investments (including, but not limited to, stocks and bonds) and take other action necessary

to fulfill its duty as a fiduciary for the trust fund. The Trustee shall invest the trust fund assets with the same care, skill, prudence, and diligence, that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims. The Trustee shall also diversify such investments in accordance with prudent investment standards.

IC 5-10-8-6(d)(2) reads as follows:

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

Investments of the State Police Retiree Health Benefit Trust Fund are combined in a co-invested internal investment pool known as the Group Trust Fund and held by the Treasurer of the State of Indiana. The State Police OPEB 115HT and the State Police OPEB 401(h) own approximately 20.06% and 2.94%, respectively. The remaining assets belong to the State Police Pension Trust at 77.00%. The following chart summarizes the allocation of the internal investment pool as of June 30, 2022:

Fund	Allocation %	Fair Value
State Police Retirement Fund	77.00%	\$ 547,627
State Police OPEB 115HT	20.06%	142,652
State Police OPEB 401h	2.94%	20,892
Total Internal Investment Pool		<u>\$ 711,171</u>

A summary of investment holdings reported by the Group Trust Fund at fair value by asset type is as follows on June 30, 2022:

Asset Type	Fair Value
Cash and cash equivalents	44,197
Corporate bonds	17,005
Collateralized mortgage obligations	125
Private placements	496
Municipal bonds	4,448
U.S. government mortgage backed	270
U.S. treasuries	5,951
Domestic equity	95,752
International equity	14,994
Mutual funds	88,791
Commingled fixed income/equity funds	260,056
Hedge funds	68,628
Private equity	110,458
Total internal investment pool	<u>\$ 711,171</u>

The disclosures that follow for investments are reported with respect to the State Police Retiree

Health Benefit Trust Fund's position in the Group Trust Fund's internal investment pool.

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

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

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

IC 5-10-8-7(i)(2) reads as follows:

Notwithstanding IC 5-13, the treasurer of state shall invest the money in the trust fund not currently needed to meet obligations of the trust funds in the same manner as money may be invested by the public employees' retirement fund under IC 5-10.3-5. However, the trustee may not invest the money in

the trust in equity securities. The trustee shall also comply with the prudent investor rule set forth in IC 30-4-3.5.

There is no formal deposit or investment policy for SPP, other than compliance to State statute. State statute does not establish any parameters or guidelines related to the concentration of investment risk, investment credit risk, nor interest rate risk

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

The Conservation and Excise Police Trust Funds are administered by the Department of Natural Resources and the Alcohol and Tobacco Commission. The investment authority for the CEP Trust Funds is established under IC 5-10-8-6(d)(2), as defined above. An Investment Policy Statement for the Conservation and Excise Police Trust Funds has been adopted by the Treasurer of State. The Investment Policy Statements are written in conformity with the applicable investment statutes and in accordance with prudent investment standards. There is no formal deposit policy other than compliance to State statute. State statute does not establish any parameters or guidelines related to the concentration of investment risk, investment credit risk, nor interest rate risk. The Investment Policy Statement establishes target asset allocations and investment structures based on the Fund's objectives with consideration given to risk tolerances, performance expectations, and liquidity requirements.

#### *Interest Rate Risk*

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

The following is a combined summary of the Interest Rate Risk Disclosure for all State Retiree Health Benefit Trust Funds-DB as of June 30, 2022:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 - 5	6- 10	More than 10
U.S. Treasuries	\$ 48,238	\$ 46,989	\$ 902	\$ 347	\$ -
U.S. Agencies	-	-	-	-	-
U.S. Government Mortgaged Backed	62	-	3	27	32
Corporate CMOs	29	-	-	29	-
Corporate Bonds	3,910	263	1,809	1,760	78
Munis	1,023	72	600	308	43
Mutual Funds	11,136	11,136	-	-	-
Private Placements	114	-	97	17	-
Commingled Fixed Income Funds	59,804	59,804	-	-	-
Money Market Mutual Funds	738	738	-	-	-
<b>Total Fixed Income Securities</b>	<b>\$ 125,054</b>	<b>\$ 119,002</b>	<b>\$ 3,411</b>	<b>\$ 2,488</b>	<b>\$ 153</b>

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

### Custodial Credit Risk

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

At June 30, 2022, the balance of any bank deposits was covered in full by federal depository insurance or by the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

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

### Credit Risk

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

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

Investment Type	Greatest Risk	
	Ratings	Fair Value
US Gov Mortgage Backed	AA	\$ 62
Corporate CMOs	NR	29
Corporate Bonds	AA	65
	A	551
	BBB	2,502
	BB	500
	B	292
Munis	AAA	44
	AA	566
	A	340
	BBB	73
Mutual Funds Fixed	NR	11,136
Private Placements	AA	17
	A	56
	BBB	41
Commingled Fixed Income	NR	59,804
Money Market Mutual Funds	NR	738
<b>Total</b>		<b>\$ 76,816</b>

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

### Concentration of Credit Risk

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

from disclosures are US Government Debt, US Government Guaranteed Investments, Mutual Funds, or External Investment Pools.

At June 30, 2022, there were no investments in any one issuer, not exempt from disclosure that represent 5% or more of the total investments.

#### *Rate of Return*

For the year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, for the three OPEB plans administered through trusts was: SPP 0.2%, ISPP -11.7%, and CEPP -14.1%.

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

#### *Foreign Currency Risk*

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

As of June 30, 2022, there were no deposits or investments denominated in foreign currencies, thus there was no foreign currency risk.

#### *Securities Lending*

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

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

#### *Fair Value Measurement*

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

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

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

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

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

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

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

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

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

position in the Pool.

The following table summarizes the valuation of the State Retiree Health Benefit Trust – DB investments by the fair value hierarchy levels as of June 30, 2022:

Investment Type	June 30, 2022	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Fixed Income Securities</b>				
U.S. Treasuries	\$ 48,238	\$ 48,238	\$ -	\$ -
U.S. Agencies	-	-	-	-
Government Asset & Mortgage Backed	62	-	62	-
Corporate CMOs	29	-	29	-
Corporate Bonds	3,910	-	3,910	-
Municipal Bonds	1,023	-	1,023	-
Mutual Funds	11,136	-	11,136	-
Private Placements	114	-	114	-
Money Market Mutual Funds	738	738	-	-
<b>Total Fixed Income Securities</b>	<b>65,250</b>	<b>48,976</b>	<b>16,274</b>	<b>-</b>
<b>Equity Investments</b>				
Domestic Equity	22,019	22,019	-	-
International Equity	3,448	3,448	-	-
Mutual Funds	36,422	20,419	16,003	-
Other Equity Investments	2,478	-	-	2,478
<b>Total Equity Investments</b>	<b>64,367</b>	<b>45,886</b>	<b>16,003</b>	<b>2,478</b>
<b>Total Investments by Fair Value Level</b>	<b>129,617</b>	<b>\$ 94,862</b>	<b>\$ 32,277</b>	<b>\$ 2,478</b>
<b>Investments Measured at Net Asset Value (NAV)</b>				
Commingled Fixed Income	59,804			
Hedge Funds	15,782			
Private Equity	25,401			
<b>Total Investments Measured at NAV</b>	<b>100,987</b>			
<b>Total Investments by Fair Value</b>	<b>\$ 230,604</b>			

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

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

	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Commingled Fixed Income / Equity Funds	\$ 59,804	\$ -	Daily	1 day
Private Equity	25,401	6,130	N/A	N/A
Multi-Strategy Hedge Funds	15,782	1,075	Semi-Annually	95 days
<b>Total investments measured at the NAV</b>	<b>\$ 100,987</b>	<b>\$ 7,205</b>		

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

**Private Equity** – Consisting of 16 private equity funds in the Pool, this strategy invests across a range of strategies, geographies, and industries. These underlying portfolio company investments cannot be

redeemed with the funds, but rather the funds will make distributions of capital to the Pool as the funds sell underlying portfolio company investments.

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

**Hoosier START Deferred Compensation Plan and Deferred Compensation Matching Plan**

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

Fund	Fair Value
Deferred Compensation Plan	\$ 1,686,943
Deferred Compensation Matching Plan	231,792
	<u>\$ 1,918,735</u>

*Investment Policy*

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

- Stating in a written document the Indiana Deferred Compensation Committee's (hereafter the "Committee") objectives, and guidelines in the investment of all Plans' assets. The five-member Committee is established under the Indiana Code 5-10-1.1-4.
- Encouraging effective communications between the Committee, the Investment Consultant, the Investment Managers, and the participants.
- Setting forth an investment structure for managing all Plans' assets. This structure includes various asset classes and investment management styles. The Plans intend to provide an appropriate range of investment options that will span the risk/return spectrum.
- Establishing the criteria and procedures for selecting investment options and Investment Managers.
- Establishing formalized criteria to monitor, evaluate and compare the

performance results achieved by the Investment Managers on a regular basis.

- Demonstrate that the Committee is fulfilling its fiduciary responsibilities in the management of the investments of the Plans solely in the interests of participants and beneficiaries of the Plans.
- Conform to best practices of peers and as indicated in leading policy standards recommended by the Uniform Management of Public Employee Retirement Systems Act, the Uniform Prudent Investor Act, and the Public Pension Systems Statements of Key Investment Risks and Common Practices to Address Those Risks.

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

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

*Credit Risk*

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

Credit Quality Minimum:

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

Other Credit Quality:

- Portfolio Credit Quality Minimum AA-
- A minimum of 2 credit rating agencies (Moody's, S&P, and Fitch) must rate all securities.

In the event of 2 split rated securities, the lower rating will be used. In the event of 3 split ratings, the middle rating will be used.

*Custodial Credit Risk*

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

*Concentration of Credit Risk*

Concentration of credit risk is the risk of loss attributed to the magnitude of a plan's investment in a single issuer. Following is a listing of each of the four Plan's investments with single issuers in excess of 5 percent of fiduciary net position and 5 percent of total investments in each plan as of December 31, 2021:

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

<u>Issuer</u>	<u>Amount</u>
State Street	\$650,941
Indiana Stable Value Fund	361,845
Vanguard	297,424
T. Rowe Price	127,397
Bank of New York	119,955
Fidelity	112,906
PIMCO	103,978

*Interest Rate Risk*

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

- Duration - Total Portfolio Duration of less than 4 years
- 144a Securities - 144a Securities must have Reg Rights and 144a max 20%
- Maximum Sector Allocations
  - FNMA agency Debt 5%
  - FHLMC agency debt 5%
  - Foreign government debt 10%, Corporate debt not issued in the US 10%
  - Other agency debt (non-FNMA, FHLMC 5%)
  - TIPS 20%

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

Security Restrictions

- No Home Equity Loans
- No Non-Agency Sub Prime or Option ARM Debt
- No US Government Agency Subordinated Debt
- All debt must be denominated in USD
- Securities have a maximum maturity of 30 years
- WAL of any CMBS security cannot exceed 10 years

Foreign Currency Risk

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

Fair Value Measurement

Investment oversight and policy oversight of plan assets is the fiduciary responsibility of the Deferred Compensation Committee (Committee). Accordingly, the Committee must sufficiently diversify the portfolio to minimize the risk of large losses unless, under the circumstances, it is clearly prudent not to do so. Primary risk measures are volatility in the Plan's assets, funded status and contribution rates. Indiana law permits the Board to establish investment guidelines and limits on all

types of investments and take other actions necessary to fulfill its duty as a fiduciary for all assets under its control. The Plan has adopted an investment option structure that provides target date options, core investment options, and specialty/legacy options.

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

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

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

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

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

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

**Mutual funds:** The fair values of mutual fund investments are determined by obtaining quoted prices on nationally recognized securities exchanges (Level 1 inputs). Mutual funds include U.S. equity funds, U.S. fixed income funds, and international equity funds.

For other investments for which there is no active market, the Plan uses the net asset value (NAV) as

such investments have significant unobservable valuation inputs and are excluded from the valuation hierarchy. These investments include:

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

**Stable value fund:** The Stable Value Fund holds guaranteed investment contracts (GICs) with insurance companies at contract value and wrapped managed fixed income portfolios. The Stable Value Fund is an investment option that seeks to provide safety of principal and a stable credited rate of interest, while generating competitive returns over time compared to other comparable investments. Share prices reported on plan summary reports are generally obtained directly from the fund house or other investment provider. As of December 31, 2021, the Stable Value Fund portfolio consists of a money market fund, a managed income fund, and a stable value wrap with a fair value of \$366 million, which was \$6.4 million greater than the fair value protected by the wrap contract.

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

There were no unfunded commitments or redemption notice periods for investments measured at net asset value. The following changes were made in 2021 to Plan investment options:

- The Indiana Stable Value Fund's portfolio construction was adjusted to 65% MetLife Core, 30% Fidelity MIP II and 5% Dreyfus Government Cash Management, allowing for higher crediting rate potential.
- A share class exchange was completed for the Fidelity Diversified International Fund, transitioning from the Retail share

- class to the K6 share class, to reduce the Fund's net expense for participants.
- The white-label structure for the State of Indiana Inflation-Linked Bond Fund was removed in order to slightly reduce the

Fund's expense. The investment option is now titled "State Street U.S. Inflation Protected Bond Index Fund."

The following table summarizes the valuation of the Hoosier Start's investments by the fair value hierarchy levels as of December 31, 2021.

<u>Investment Type</u>	<u>December 31, 2021</u>	<u>Fair Value Measurements Using</u>
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>
<b>Equity Investments</b>		
Mutual Funds	\$ 657,999	\$ 657,999
<b>Total Investments by Fair Value</b>	<b>657,999</b>	<b>\$ 657,999</b>
<b>Investment Measured at the Net Asset Value (NAV)</b>		
Collective trust funds	898,891	
<b>Investments Not Subject to Fair Value</b>		
GICs at contract value	361,845	
<b>Total Investments</b>	<b>\$ 1,918,735</b>	

## Indiana Public Retirement System (INPRS)

### Investment Guidelines and Limitations

Oversight of INPRS assets is the fiduciary responsibility of the INPRS Board. As stated in IC 5-10.3-5-3 (a) and IC 5-10.4-3-10 (a) "The Board shall invest its assets with the care, skill, prudence, and diligence that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims." Accordingly, the INPRS Board must sufficiently diversify the portfolio to minimize the risk of large losses unless, under the circumstances, it is clearly prudent not to do so. Primary risk measures are volatility in the plan's assets, funded status, and the contribution rates.

Indiana law permits the INPRS Board to establish investment guidelines, limits on all types of investments, and take other actions necessary to fulfill its duty as a fiduciary for all assets under its control. On June 30, 2022, cash and investments were held by banks or trust companies under custodial agreements with INPRS. The Investment Policy Statement, adopted by the Board, includes target asset allocations and allowable ranges that are expected to meet rates of return over a period while minimizing risk.

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

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

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

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

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

### Rate of Return

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

For the year ended June 30, 2022, the annual money-weighted rates of return on defined benefit pension trust fund investments are as follows:

<b>Defined Benefit Pension Trust Funds</b>	<b>Annual Money Weighted Rate of Return</b>
Public Employees' Defined Benefit Account	-6.60%
Teachers' Pre-1996 Defined Benefit Account	-5.90%
Teachers' 1996 Defined Benefit Account	-6.60%
1977 Police Officers' and Firefighters' Retirement Fund	-6.60%
Judges' Retirement System	-6.50%
Excise, Gaming and Conservation Officers' Retirement Fund	-6.60%
Prosecuting Attorneys' Retirement Fund	-6.40%
Legislators' Defined Benefit Fund	-6.20%

*Custodial Credit Risk for Deposits*

Custodial credit risk for deposits is the risk that in the event of a bank failure, INPRS's deposits may not be returned. Deposits are exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are uncollateralized or collateralized with securities held by the pledging financial institution. At June 30, 2022, \$886.7 million of cash deposits were uninsured and uncollateralized and therefore exposed to credit risk. The following table shows cash deposits and short-term investments as of June 30, 2022.

<b>Cash Deposits</b>	<b>Total</b>
Demand Deposit Account – Bank Balances (Insured by FDIC up to \$250 thousand per financial institution)	\$ 8,388
Held with Custodian Bank (Uncollateralized)	878,583
Short-term Investment Funds held at Bank (Collateralized)	1,811,937
<b>Total</b>	<b>\$ 2,698,908</b>

*Custodial Credit Risk for Investments*

Custodial credit risk for investments is a risk if the securities are uninsured, are not registered in the name of INPRS, and are held by either the counterparty or the counterparty's trust department or agent, but not in the name of INPRS. INPRS's custody agreement with the custodian requires the custodian to segregate the securities on the custodian's books and records from the custodian's property. In addition, investment managers are not allowed, under any circumstances, to take possession, custody, title, or ownership of any managed assets.

*Method Used to Value Investments*

Public Equity investments are comprised of domestic and international stocks as well as commingled equity instruments. Equity securities traded on a national or international exchange are valued at the official closing price or last reported sales price of the instrument. International equities are then adjusted to reflect the exchange rate as of June 30, 2022 of the underlying currency. Commingled equities are not traded on a national security exchange and are valued at the net asset value of the units held at June 30, 2022, based on the fair value of the underlying securities.

Private Market investments are valued using current estimates of fair value obtained from the general

partner or investment manager. Holdings are generally valued by a general partner or investment manager on a quarterly or semi-annual basis. Investments in private markets are generally considered illiquid long-term investments. Due to the inherent uncertainty that exists in the valuation of alternative investments, the realized value upon sale of an asset may differ significantly from the fair value.

Fixed Income securities are comprised of U.S. Government, U.S. government-sponsored agencies, publicly traded debt and commingled debt instruments. Securities traded on national and international exchanges are valued based on published market prices and quotations. Securities that are not traded on a national security exchange are valued using a matrix pricing approach. Commingled securities are valued at the net asset value of the units held as of June 30, 2022 based on the fair value of the securities.

Commodities, including derivative instruments, are reported at fair value and involve, to varying degrees, elements of market risk to the extent of future market movements in excess of amounts recognized in the Financial Statements. Derivative instruments are considered investments and not hedges for accounting purposes. The fair value of all derivative financial instruments is reported in the Statement of Fiduciary Net Position. The change in the fair value is recorded in the Statement of Changes in Fiduciary Net Position as Net Investment Income (Loss). Gains and losses arising from this activity are recognized in the Statement of Changes in Fiduciary Net Position as incurred.

Real Assets, Absolute Return and Risk Parity investments are valued by the manager or independent appraiser based on reported net asset values, cash flow analysis, purchases and sales of similar investments, new financings, economic conditions, other practices used within the industry, or other information provided by the underlying investment advisors. Due to the inherent uncertainty in privately held securities, the fair value may differ from the values that would have been used if a ready market for such securities existed, and the differences can be material.

INPRS relies on third party resources to verify the methodology and calculation used for investment valuation and performance metric reported by the custodian.

*Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates adversely affect the fair value of the

investments. The Investment Policy Statement recognizes interest rate risk as a market risk factor. While INPRS does not have a formal stated policy regarding interest rate risk, it is monitored regularly at the Plan level, and within the fixed income asset classes as part of achieving the long-term actuarial rate of return. Duration is a measure of interest rate risk. The longer a fixed-income investment is to maturity, the more susceptible the value of the fixed-

income investment is to market interest rate changes. Short-Term Investments excludes cash with custodian of approximately \$878.6 million. Securities with no available duration include term loans, commingled funds, private placements, commit to purchase SWAPS, and new positions where availability of modeling characteristics are pending.

As of June 30, 2022 the duration of the fixed income portfolio is as follows:

<b>Debt Security Type</b>	<b>Fair Vale</b>	<b>% of All Debt Securities</b>	<b>Portfolio Weighted Average Effective Duration (Years)</b>
<b>Short Term Investments</b>			
Short Term Investments	\$ 1,811,937	14.3	0.08
Commercial Paper	3,349	0.0	0.02
U.S. Treasury Obligations	288,822	2.3	0.18
Non-U.S. Government	36,262	0.3	0.47
<b>Total Short-Term Investments</b>	<b>2,140,370</b>	<b>16.9</b>	
<b>Fixed Income Investments</b>			
U.S. Governments	5,429,137	43.0	12.70
U.S. Agencies	8,425	0.1	11.15
Non-U.S. Government	2,739,075	21.7	7.24
Corporate Bonds	726,688	5.8	3.56
Asset-Backed Securities	302,854	2.4	0.62
Commingled Fixed Income Funds	252,391	2.0	2.53
Duration Not Available	1,029,354	8.2	N/A
<b>Total Fixed Income Investments</b>	<b>10,487,924</b>	<b>83.1</b>	
<b>Total Debt Securities</b>	<b>\$ 12,628,294</b>	<b>100.0</b>	

#### Credit Quality Risk

Credit quality risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. In accordance with the Investment Policy Statement, when building the most diversified investment portfolio, emphasis is given to risk allocation, not capital allocation. As a result, INPRS regularly monitors success in achieving the targeted risk diversification that is inherent in the approved asset allocation. Credit ratings, obtained from

several industry rating services for Fixed Income Securities and Short-Term Investments are shown in the table below. The most conservative rating of Standard and Poor's, Moody's, and Fitch are utilized in the schedule below. Short-Term Investments excludes cash with custodian of approximately \$878.6 million. Unrated investments primarily consist of money market sweep vehicles, private placement, term loans and asset-backed securities, commercial mortgages, CMO/REMIC's, and commingled debt funds.

<b>Credit Rating</b>	<b>Short-Term Investments</b>	<b>Fixed Income Securities</b>	<b>Total</b>	<b>Percentage of All Debt Securities</b>
AAA	\$ -	\$ 399,976	\$ 399,976	3.2
U.S. Government Guaranteed	-	5,447,869	5,447,869	43.1
AA	288,822	1,044,039	1,332,861	10.5
A	-	293,248	293,248	2.3
BBB	3,349	549,031	552,380	4.4
BB	-	527,960	527,960	4.2
B	-	336,297	336,297	2.7
Below B	-	265,700	265,700	2.1
Unrated	1,848,199	1,623,804	3,472,003	27.5
<b>Total</b>	<b>\$ 2,140,370</b>	<b>\$ 10,487,924</b>	<b>\$ 12,628,294</b>	<b>100.0</b>

*Concentration of Credit Risk*

Concentration of credit risk is the risk of loss attributed to the magnitude of a plan's investment in a single issuer. As of June 30, 2022, INPRS does not have investments in any single issuer that represent 5 percent or more of the Fiduciary Net Position other than U.S. Government securities which are not subject to the GASB 40 disclosure requirements. To limit business and liquidity risk arising due to the allocation of a large percentage of assets to a single investment manager, the Board has placed an upper limit on the concentration of assets placed with an investment manager as follows:

- No investment manager shall manage more than 15% of INPRS assets in actively managed portfolios.

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

- No investment manager will manage more than 25% of the INPRS assets in a combination of actively and passively managed portfolios.

*Foreign Currency Risk*

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. INPRS has defined a foreign exchange risk management policy to effectively manage the Fund's performance volatility associated with foreign currency risk.

Foreign investments included in the Fiduciary Net Position as of June 30, 2022 are below. Short-term, fixed income, and equity investments include income accruals. Other investments include foreign holdings of other investments, derivatives, and receivables/payables. The percentage shown in the table is with respect to DB pooled investments. Totals less than \$5 million are included in Other.

Currency	Investment Held in Foreign Currency					% of Total <sup>1</sup>
	Short Term	Fixed Income	Equity	Other Investments	Total	
Australian Dollar	\$ 3,162	\$ 56,569	\$ 55,577	\$ (52,555)	\$ 62,753	0.1
Brazilian Real	573	60,244	34,041	34,823	129,681	0.3
Canadian Dollar	5,666	106,783	83,708	(108,811)	87,346	0.2
Chilean Peso	(281)	10,116	-	10,238	20,073	-
Chinese R Yuan HK	(170)	-	-	41,958	41,788	0.1
Chinese Yuan Renminbi	3,263	42,549	77,191	(5,147)	117,856	0.3
Colombian Peso	1,664	38,130	-	(1,291)	38,503	0.1
Czech Koruna	(1,277)	23,748	3,770	13,017	39,258	0.1
Danish Krone	1,691	16,917	53,017	(17,453)	54,172	0.1
Egyptian Pound	-	6,797	-	(671)	6,126	-
Euro Currency Unit	18,138	804,208	579,789	(742,151)	659,984	1.6
Hong Kong Dollar	1,827	84	239,357	(9)	241,259	0.6
Hungarian Forint	1,184	17,860	266	2,519	21,829	0.1
Indian Rupee	10	(332)	54,578	(1,583)	52,673	0.1
Indonesian Rupiah	1,137	83,958	7,033	(2,356)	89,772	0.2
Japanese Yen	3,141	204,819	401,099	(195,046)	414,013	1.0
Malaysian Ringgit	27,555	65,900	1,893	(5,911)	89,437	0.2
Mexican Peso	(1,414)	51,027	4,793	34,949	89,355	0.2
New Taiwan Dollar	15	-	77,935	(8,403)	69,547	0.2
New Zealand Dollar	1,028	9,694	1,041	(37,309)	(25,546)	(0.1)
Norwegian Krone	163	2,106	13,039	8,760	24,068	0.1
Peruvian Sol	673	32,307	-	(14,506)	18,474	-
Polish Zloty	1,772	32,920	1,839	7,551	44,082	0.1
Pound Sterling	(714)	458,085	154,270	(477,345)	134,296	0.3
Romania Leu	-	8,537	-	18,238	26,775	0.1
Russian Ruble (New)	147	1,745	12,861	-	14,753	-
Saudi Arabia Riyal	108	-	7,692	-	7,800	-
Singapore Dollar	1,244	2,307	15,736	5,577	24,864	0.1
South African Rand	231	123,867	21,907	(39,471)	106,534	0.3
South Korean Won	554	(308)	104,597	(9,520)	95,323	0.2
Swedish Krona	975	67,656	59,560	(75,157)	53,034	0.1
Swiss Franc	8,591	-	181,751	10,539	200,881	0.5
Thailand Baht	204	33,539	2,662	49,092	85,497	0.2
Other	7,798	16,112	15,481	(25,512)	13,879	-
<b>Total</b>	<b>\$ 88,658</b>	<b>\$ 2,377,944</b>	<b>\$ 2,266,483</b>	<b>\$ (1,582,946)</b>	<b>\$ 3,150,139</b>	<b>7.4 %</b>

(1) Total of foreign currency risk, as a percentage of all pooled investments.

### Securities Lending

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

- Securities that are loaned in exchange for cash or securities collateral must be at least 102% of the market value of domestic securities on loan and 105% of the market value of international securities on loan, with a simultaneous agreement to return the collateral for the same securities in the future. In no event shall the acceptable collateral be less than the total market value of loaned securities. Securities shall not be loaned in excess of 40% of the market value.
- The custodian and/or securities lending sub-agent is required to provide agreed upon indemnification to INPRS from and against any losses, damages, costs, and expenses which arise from a borrower defaulting on a loan or filing for bankruptcy.
- A maximum of 25% of the cash collateral may be invested with a single counterparty.
- All collateral investments have a maturity of the next business day.
- As of June 30, 2022, there was no security lending credit risk exposure as the collateral pledged of \$330.5 million, exceeded the fair value of securities on loan, as shown below. All reinvested cash collateral investments consist of repurchase agreements which are not rated by any of the rating agencies.

Security Type	Fair Value of Securities on Loan	
U.S. Governments	\$	119,036
Corporate Bonds		23,413
International Bonds		45,716
Domestic Equities		82,827
International Equities		38,370
<b>Total</b>	<b>\$</b>	<b>309,362</b>

### Repurchase Agreements

A repurchase agreement is an agreement in which cash is transferred to a broker-dealer or financial institution in return for transfer of security to the custodian and promise to repay cash plus interest.

These repurchase agreements are assets whereby security collateral is held by the custodian. An obligation under a reverse repurchase agreement is the same as a repurchase agreement, but from the perspective of the buyer rather than a seller. Obligations under reverse repurchase agreements are liabilities whereby security collateral is held at the broker-dealer or financial institution's custodian.

INPRS's Investment Policy Statement allows prudent use of securities lending, repurchase, and reverse repurchase agreements. Repurchase agreements that may create explicit leverage in the portfolio are prohibited; however, repurchase transactions (including triparty repurchase transactions) collateralized with U.S. Government securities are permitted. Repurchase transactions are required to be collateralized at 102% at time of purchase and marked to fair value on each business day.

Investments under Repurchase Agreements (exclusive of Securities Lending) as of June 30, 2022 are as follows. At June 30, 2022, there was no reverse repurchase risk as the cash collateral value posted was less than the fair value of the liability held.

Repurchase Agreements by Collateral Type	Cash Collateral	
	Received	Fair Value
U.S. Treasury	\$ 82,400	\$ 82,400

Obligations Under Reverse Repurchase Agreements by Collateral Type	Cash Collateral	
	Posted	Fair Value
U.S. Treasury	\$ 219,297	\$ 219,730

### Fair Value Measurement

GASB Statement No. 72, requires investments measured at fair value to be categorized under a fair value hierarchy. The categorization of INPRS's investments within the hierarchy is based on the valuation transparency of the instrument and should not be perceived as the risk of the particular investment. The three-tier hierarchy is summarized as follows:

**Level 1** – Unadjusted quoted prices for identical instruments in active markets.

**Level 2** – Quoted prices in active markets; quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations in which all significant inputs are observable.

**Level 3** – Valuations reflect practices where

significant inputs are unobservable.

U.S. Treasury Obligations generally include investments in money market securities that are reported at either fair value or at cost plus accrued interest, which approximates fair value.

U.S. Government, U.S. corporate obligations, Equity and Derivative securities classified in Level 1 are valued using prices quoted in active markets for those securities.

Debt and Derivative securities classified in Level 2 are valued using either a bid evaluation or a matrix based pricing technique. Bid evaluations are typically based on market quotations, yields, maturities, call features, and ratings. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Index linked debt securities are valued by multiplying the external market price by the applicable day's index ratio. Level 2 debt securities have non-proprietary information that is readily available to market participants, from multiple independent sources,

which are known to be actively involved in the market. Equity and equity derivatives classified in Level 2 are securities whose values are derived daily from associated traded securities.

Investments classified as Level 3 are valued using best available sources such as property appraisals, discounted cash flow models and public market comparisons of similar assets where applicable. The values are supplied by advisors or general partners who hold those or similar assets in investment vehicles they oversee. These pricing sources may or may not be indicative of realizable exit values attainable for the assets.

The remaining investments not categorized under the fair value hierarchy are measured at the Net Asset Value (NAV). The NAV for these investments is provided by the investment manager and may be sold at an amount different than NAV. To manage risk relating to Absolute Return investments, assets are placed in limited liability vehicles to protect INPRS from losing more than its invested capital.

The following table summarizes INPRS's investment assets and liabilities measured at fair value as of June 30, 2022, presented in the fair value hierarchy. Also shown are investments at amortized cost, and NAV to allow reconciliation to the Total Pooled Investments in the Statement of Fiduciary Net Position.

Investment Type (1)	June 30, 2022	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Investments by Fair Value Level</b>				
Short Term Investments (2)				
BNY - Mellon Cash Reserves	\$ 24,085	\$ -	\$ 24,085	\$ -
U.S. Treasury Obligations	288,822	288,822	-	-
Non-U.S. Governments	36,262	-	36,262	-
Commercial Paper	3,349	-	3,349	-
Total Short Term Investments	<u>352,518</u>	<u>288,822</u>	<u>63,696</u>	<u>-</u>
Fixed Income Investments				
U.S. Governments	5,429,137	5,429,137	-	-
Non-U.S. Governments	3,096,444	-	3,044,133	52,311
U.S. Agencies	11,376	-	11,376	-
Corporate Bonds	736,760	-	226,886	509,874
Asset-Backed Securities	273,099	-	273,099	-
Total Fixed Income Investments	<u>9,546,816</u>	<u>5,429,137</u>	<u>3,555,494</u>	<u>562,185</u>
Equity Investments				
Domestic Equities	2,918,438	2,916,917	1,521	-
International Equities	2,763,922	2,760,201	3,721	-
Total Equity Investments	<u>5,682,360</u>	<u>5,677,118</u>	<u>5,242</u>	<u>-</u>
<b>Total Investments by Fair Value Level</b>	<b><u>15,581,694</u></b>	<b><u>\$ 11,395,077</u></b>	<b><u>\$ 3,624,432</u></b>	<b><u>\$ 562,185</u></b>
<b>Investments Measured at the Net Asset Value (NAV)</b>				
Commingled Short Term Funds	42,357			
Commingled Fixed Income Funds	941,108			
Commingled Equity Funds	2,217,438			
Private Markets	6,756,408			
Absolute Return	3,777,915			
Real Estate	2,743,215			
Risk Parity	6,465,934			
<b>Total Investments Measured at the Net Asset Value (NAV)</b>	<b><u>22,944,375</u></b>			
<b>Investment Derivatives</b>				
Total Futures	(258,439)	\$ (258,439)	\$ -	\$ -
Total Options	2,177	(180)	2,357	-
Total Swaps	(7,295)	-	(7,295)	-
<b>Total Investment Derivatives</b>	<b><u>(263,557)</u></b>	<b><u>\$ (258,619)</u></b>	<b><u>\$ (4,938)</u></b>	<b><u>\$ -</u></b>
<b>Investments Not Subject to Fair Value Leveling</b>				
Cash at Brokers	878,583			
Repurchase Agreements	82,400			
Short-Term Investments	1,745,495			
Pooled Synthetic GIC's at Contract Value	2,275,539			
Securities Lending Collateral	167,504			
<b>Total Investments Not Subject to Fair Value Leveling</b>	<b><u>5,149,521</u></b>			
<b>Total Investments (less Securities Lending Collateral)</b>	<b><u>\$ 43,412,033</u></b>			
(1) The amounts disclosed above will differ from the Asset Allocation Summary. The investment type combines assets according to the security type assigned to each investment by the Custodian. The Asset Allocation Summary groups assets according to the investment objective of each investment manager.				
(2) Short Term Investments include highly liquid assets, both pooled and non-pooled that are an integral part of the pension investments.				

The valuation method for investments measured at the net asset value (NAV) per share or equivalent, at June 30, 2022, is presented as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Commingled Short Term Funds (1)	\$ 42,357	\$ -	Daily	1 day
Commingled Fixed Income Funds (1)	941,108	-	Daily	1 day
Commingled Equity Funds (1)	2,217,438	-	Daily	1 day
Private Markets (2)	6,756,408	3,497,473	Not Eligible	N/A
Real Estate Funds (3)	2,743,215	1,160,841	Quarterly	30-90 days
Absolute Return (4)	3,777,915	171,433	Monthly, Quarterly, Semi-Annually	30-120 days
Risk Parity (5)	6,465,934	-	Daily, Weekly, Monthly	3-5 days
<b>Total</b>	<b>\$ 22,944,375</b>	<b>\$ 4,829,747</b>		

(1) *Commingled Short Term, Fixed Income and Equity Funds* - There are three short-term funds, 15 fixed income funds and three equity funds, which are considered to be commingled in nature. These investments are valued at the net asset value of the units held at June 30, 2022, based upon the fair value of the underlying securities.

(2) *Private Markets* - There are 305 funds that invest across a range of strategies, geographies, and industries within private equity and private credit. The underlying portfolio investments cannot be redeemed with each fund, but rather the fund will make distributions of capital as the fund liquidates the underlying portfolio investments over the typical 10-year term in the case of private equity, and the typical 7-year term in the case of private credit.

(3) *Real Estate Funds* - There are 50 funds invested primarily in U.S. commercial real estate, of which 40 funds are classified as illiquid, or approximately 45% of the value of the real estate fund investments. These funds have underlying portfolio investments that cannot be redeemed with the funds, but rather these funds will make distributions of capital as the funds liquidate their underlying portfolio investments over the average 10-year life of the funds. There are ten real estate funds that have been classified as liquid due to the open-ended structure of the fund. Open-ended funds generally offer periodic distributions of net cash flow, which can be reinvested, as well as quarterly redemption windows.

(4) *Absolute Return* - The portfolio consists of 33 fund holdings that cover a broad spectrum of investment strategies and investment horizons which result in distinct fund redemption terms to prevent asset-liability mismatches. These funds attempt to generate returns in excess of the plan's target actuarial rate of return over a full market cycle with minimal beta to the plan's primary long-only market exposures (equities, credit, rates, and commodities). Fund redemption periods range from

weeks (alternative beta) to years (drawdown vehicles), but as a whole, on a weighted-average basis, the portfolio maintains a liquidity profile of less than one year. The valuation process for the majority of absolute return funds are done monthly.

(5) *Risk Parity* - This portfolio, which consists of four funds is constructed to accrue various asset class risk premiums, including equity, without long-term reliance on any single asset class. The structure of these investments provides a reasonable level of liquidity and investments may be redeemed in accordance to the terms set forth by each investment management agreement. Investments are considered to be liquid, market-priced instruments, and 100% of the NAV is independently calculated by the fund administrators. Fair values are reported as NAV per share.

It is probable that illiquid investments will be sold at an amount different from the NAV of the ownership interest in partners' capital. Therefore, the fair values of the investments in this type have been estimated using recent observable transaction information for similar investments and non-binding bids received from potential buyers of the investments (one quarter in arrears plus current quarter cash flows).

#### *Derivative Financial Instruments - Activity*

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

#### **Futures**

A futures contract is an agreement between two parties to buy and sell a financial instrument at a set

price on a future date.

## Options

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

## Swaps

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

The following table summarizes INPRS' derivative instruments outstanding as of June 30, 2022:

<b>Investment Derivatives</b>	<b>Change in Fair Value</b>	<b>Fair Value</b>	<b>Notional</b>
<b>Futures</b>			
Index Futures - Long	\$ (452)	\$ (452)	\$ 43,131
Commodity Futures - Long	(245,559)	(245,559)	3,537,662
Commodity Futures - Short	(1,859)	(1,859)	(36,384)
Fixed Income Futures - Long	(10,340)	(10,339)	3,825,674
Fixed Income Futures - Short	(98)	(98)	(125,271)
Currency Futures - Long	(132)	(132)	5,128
<b>Total Futures</b>	<b>(258,440)</b>	<b>(258,439)</b>	<b>7,249,940</b>
<b>Options</b>			
Currency Spot Options Bought	1,820	7,016	837,584
Currency Spot Options Written	(2,583)	(9,521)	(666,390)
Interest Rate Options Bought	1,343	2,260	29,300
Interest Rate Options Written	(7,045)	(8,982)	(569,700)
Credit Default Index Swaptions Written	10	(203)	(118,100)
Market Index - Options and Hybrids	(19)	9,825	7,038
Options on Futures	(422)	1,782	1,410,060
<b>Total Options</b>	<b>(6,896)</b>	<b>2,177</b>	<b>929,792</b>
<b>Swaps</b>			
Interest Rate Swaps - Pay Fixed Receive Variabl	18,741	30,577	685,513
Interest Rate Swaps - Pay Variable Receive Fixe	(18,643)	(22,100)	616,827
Inflation Swaps - Pay Fixed Receive Variable	(909)	(581)	4,600
Zero Coupon Swaps - Pay Fixed Receive Variabl	3,397	3,615	173,124
Zero Coupon Swaps - Pay Variable Receive Fixe	(11,434)	(11,337)	360,597
Credit Default Swaps Single Name - Buy Protecti	28	(48)	2,200
Credit Default Swaps Single Name - Sell Protecti	(1,595)	(3,289)	94,342
Credit Default Swaps Index - Buy Protection	719	67	6,831
Credit Default Swaps Index - Sell Protection	(1,982)	(4,199)	51,062
<b>Total Swaps</b>	<b>(11,678)</b>	<b>(7,295)</b>	<b>1,995,096</b>
<b>Total Derivatives</b>	<b><u>\$(277,014)</u></b>	<b><u>\$(263,557)</u></b>	<b><u>\$10,174,828</u></b>

The table below summarizes the swap maturity profile of derivative instruments as of June 30, 2022.

<b>Swap Type</b>	<b>Swap Maturity Profile at June 30, 2020</b>					<b>Total</b>
	<b>&lt; 1 yr</b>	<b>1 - 5 yrs</b>	<b>5 - 10 yrs</b>	<b>10 - 20 yrs</b>	<b>20 + yrs</b>	
Interest Rate Swaps - Pay Fixed Receive Variable	\$ -	\$ 8,538	\$ 13,820	\$ 1,541	\$ 6,678	\$ 30,577
Interest Rate Swaps - Pay Variable Receive Fixed	-	(9,890)	(6,994)	(4,376)	(840)	(22,100)
Inflation Swaps - Pay Fixed Receive Variable	-	-	-	(581)	-	(581)
Zero Coupon Swaps - Pay Fixed Receive Variable	-	1,520	2,076	19	-	3,615
Zero Coupon Swaps - Pay Variable Receive Fixed	-	(7,714)	(3,623)	-	-	(11,337)
Credit Default Swaps Single Name - Buy Protection	-	-	(48)	-	-	(48)
Credit Default Swaps Single Name - Sell Protection	(52)	(1,508)	(1,730)	-	-	(3,290)
Credit Default Swaps Index - Buy Protection	-	67	-	-	-	67
Credit Default Swaps Index - Sell Protection	-	(2,085)	(2,104)	-	(9)	(4,198)
<b>Total Swap Fair Value</b>	<b><u>\$(52)</u></b>	<b><u>\$(11,072)</u></b>	<b><u>\$ 1,397</u></b>	<b><u>\$(3,397)</u></b>	<b><u>\$ 5,829</u></b>	<b><u>\$(7,295)</u></b>

### Derivative Instruments – Risk Management

INPRS's Investment Policy Statement allows

derivatives transactions by investment managers who possess recognized expertise in derivative overlay strategies to offset, or hedge, unintended

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

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

- To avoid counterparty risk, derivative transactions are executed through the use of listed options and futures traded on registered exchanges, whenever possible. Non-exchange traded options, forwards, or swaps are executed only if the counterparty is rated "A" or better by at least one of the Nationally Recognized Statistical Rating Organizations ("NSRSOs").
- Exchange-traded commodity futures, options, and other instruments are traded on any exchange regulated by the Commodities Futures Trading Commission ("CFTC") of the United States and/or the Financial Services Authority ("FSA") of the United Kingdom.
- For non-exchange traded derivatives, counterparty creditworthiness is at a minimum of "A3" as defined by Moody's Investor Service, "A-" by Standard & Poor's, and/or "A-" by Fitch. Unrated counterparties are not selected unless such counterparty is a wholly-owned affiliate of a parent organization that guarantees payment and meets the above counterparty creditworthiness standards.

- Derivative instruments are standardized and exchange-traded (e.g., futures) and/or privately-negotiated and over-the counter (e.g., swap agreements). Underlying risk exposures may be to cash commodities and/or commodity derivatives. Risk exposures for exchange-traded instruments shall lie with exchange clearinghouses and with approved counterparties for non-exchange traded transactions.
- The fair value of commodities collateral is maintained at 100 percent or greater of the net option-adjusted notional value of any commodities overlay exposure at the consummation of any new commodities overlay position. If the collateral fair value falls below the net option-adjusted value of the overlay, the investment manager(s) adjust their portfolio at the earliest feasible opportunity to bring the collateral value up to the notional value of the overlay.

#### *Derivative Instruments – Counterparty Credit Risk*

Counterparty credit risk exists on all open over-the-counter positions. INPRS investment managers seek to control this risk through counterparty credit evaluations and approvals, counterparty credit limits, posting collateral exposure, and monitoring procedures, in addition to adherence to the standard International Swaps and Derivatives Association and Credit Support Annex agreements.

As of June 30, 2022, the aggregate fair value of investment derivatives in an asset position subject to counterparty credit risk was approximately \$37.1 million, of which \$34.3 million was uncollateralized.

The table below summarizes the counterparty positions as of June 30, 2022:

Swaps Counterparty	S&P Rating	Fair Value			Collateral	
		Receivable/ Unrealized Gain	Payable/ (Unrealized Loss)	Fair Value	Posted	Received
Bank of America	A-	\$ 761	\$ (447)	\$ 271	\$ 530	\$ (2,110)
Banque Nationale De Paris	A+	302	(426)	(392)	210	(1,290)
Barclays	BBB	401	(639)	(633)	883	(5,876)
Chicago Mercantile Exchange	AA-	10,900	(17,310)	(4,202)	2,005	-
Citigroup	BBB+	322	(400)	(396)	2,460	(2,400)
Deutsche Bank	A-	231	(196)	23	-	(430)
Goldman Sachs	BBB+	1,338	(1,352)	(524)	12,650	(150)
HSBC Securities Inc	A-	12	(5)	(4)	3,270	(2,930)
Intercontinental Exchange, Inc.	A-	3,083	(4,977)	(4,749)	4,071	-
JPMorgan Chase Bank	A-	59	(205)	(130)	1,600	(1,410)
London Clearing House	A	16,714	(20,120)	3,790	-	-
Morgan Stanley	A-	537	(774)	(627)	4,358	(490)
Nomura Securities International, Inc.	BBB+	2,421	(1,946)	262	-	(60)
Standard Chartered	BBB+	37	-	16	1,960	(3,550)
<b>Total</b>		<b>\$ 37,118</b>	<b>\$ (48,797)</b>	<b>\$ (7,295)</b>	<b>\$33,997</b>	<b>\$ (20,696)</b>

*Derivative Instruments – Foreign Currency Risk*

Foreign currency forward contracts and futures contracts are exposed to foreign currency risk. At June 30, 2022, INPRS's investments included a foreign currency contract receivable balance of \$7.0 billion and an offsetting foreign currency contract payable of \$7.0 billion. In addition, the net loss for the year ended June 30, 2022, due to foreign currency transactions was \$3.39 billion.

*Derivative Instruments – Synthetic Guaranteed Investment Contracts (GICs)*

The Defined Contribution Stable Value Fund consists of fully benefit-responsive synthetic

guaranteed investment contracts (GICs). The Stable Value Fund is an investment option that seeks to provide safety of principal and a stable credited rate of interest, while generating competitive returns over time compared to other comparable investments. As of June 30, 2022, the Stable Value Fund portfolio of well diversified high-quality investment grade fixed income securities had a fair value of \$1.9 billion, which was \$411.1 million less than the fair value protected by the wrap contract.

*Derivative Instruments – Interest Risk*

INPRS has exposure to interest rate risk due to investments in interest rate swaps, inflation swaps and forward mortgage-backed securities (TBAs).

Derivative instruments as of June 30, 2022, subject to interest rate risk are:

Reference Currency	Pays	Receives	Fair Value	Notional
<b>Interest Rate Swap - Pay Fixed Receive Variable:</b>				
U.S. Dollar	0.75% to 1.75%	3M USD LIBOR BBA	\$ 4,056	\$ 23,170
South Korean Won	1.75% to 3.70%	3M KRW KWDC COD	3,143	47,093
Polish Zloty	0.25% to 7.31%	6M PLN WIBOR	1,184	39,570
Euro Currency Unit	-0.25% to 1.00%	6M EURIBOR REUTERS	6,191	64,347
Hungarian Forint	7.0% to 8.50%	6M HUB BUBOR REUTERS	494	13,897
Chilean Peso	3.73% to 8.20%	CLP CLICP BLOOMBERG	1,655	50,894
Czech Koruna	4.49% to 6.00%	6M CZK PRIBOR PRBO	781	69,703
Mexican Peso	6.40% to 9.50%	28D MXN TIIE BANXICO	1,384	65,784
Israeli Shekel	2.50% to 2.75%	3M ILS TELBOR REFERENCE BANKS	754	90,823
Chinese Yuan Renminbi	2.5% to 2.75%	7D CHINA FIXING REPO RATES	22	2,569
Malaysian Ringgit	3.00% to 3.25%	3M MYR-KLIBOR-BNM	218	22,886
Singapore Dollar	1.25%	6M SGD SOR REUTERS	432	3,521
Thailand Baht	1.00%	6M THB THBFIX REUTERS	3,584	48,927
Pound Sterling	0.50% to 0.75%	GBP SONIA COMPOUND	5,778	28,782
South African Rand	5.95% to 7.40%	3M ZAR JIBAR SAFEX	817	54,049
Hong Kong Dollar	3.20%	HKD HIBOR BLOOMBERG 3M	84	59,498
<b>Total</b>			<b>\$ 30,577</b>	<b>\$ 685,513</b>
<b>Interest Rate Swap - Pay Variable Receive Fixed:</b>				
U.S. Dollar		3M USD LIBOR BBA	\$ (2,338)	\$ 23,100
South Korean Won		3M KRW KWDC COD	(3,441)	47,487
Polish Zloty		6M PLN WIBOR	(992)	25,607
Euro Currency Unit		6M EURIBOR REUTERS	(1,593)	33,768
Hungarian Forint		6M HUB BUBOR REUTERS	(943)	16,105
Chilean Peso		CLP CLICP BLOOMBERG	(662)	53,098
Czech Koruna		6M CZK PRIBOR PRBO	(178)	17,475
Mexican Peso		28D MXN TIIE BANXICO	(1,046)	60,616
Chinese Yuan Renminbi		7D CHINA FIXING REPO RATES	409	71,098
Malaysian Ringgit		3M MYR-KLIBOR-BNM	16	7,249
Singapore Dollar		6M SGD SOR REUTERS	1	5,935
Thailand Baht		6M THB THBFIX REUTERS	(3,233)	49,755
Pound Sterling		GBP SONIA COMPOUND	(3,235)	23,196
South African Rand		3M ZAR JIBAR SAFEX	(359)	11,777
New Zealand Dollar		3M NZD BBR FRA	(728)	59,937
Canadian Dollar		CAD-BA-CDOR 3M	(3,778)	110,624
<b>Total</b>			<b>\$ (22,100)</b>	<b>\$ 616,827</b>

**B. Interfund Transaction****Interfund Loans**

As explained in Note III(A), temporary cash overdrafts in various funds are reported as interfund loans from the General Fund. As of June 30, 2022, the following funds had temporary cash overdrafts

covered by loans from the General Fund: U.S. Department of Health and Human Services Fund, \$474.7 million, Federal COVID-19 Fund, \$111.7 million, U.S. Department of Agriculture, \$50.7 million and US Department of Labor, \$14.9 million. There is also reported an \$8.0 million loan from the Motor Vehicle Highway Fund to the State Highway Fund, which is not expected to be repaid within the next

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fiscal year. Also, reported is an interfund loan from the Fund 6000 Programs Fund to Other Special Revenue Funds for \$4.9 million and a \$1.4 million interfund loan between funds within Other Special Revenue Funds for license fees. There is also

reported an interfund loan from the General Fund to the Common School Fund for \$8.4 million for loans that are uncollectible and will need to be repaid from other sources.

The following is a summary of the Interfund Loans as of June 30, 2022:

	<b>Loans To Governmental Funds</b>	<b>Loans From Governmental Funds</b>
<b>Governmental Funds</b>		
General Fund	\$ 651,943	\$ 8,367
US Department of Health and Human Services	-	474,674
Federal COVID-19 Fund	-	111,675
Nonmajor Governmental Funds	22,674	79,901
Total Governmental Funds	<u>674,617</u>	<u>674,617</u>
<b>Total</b>	<b><u>\$ 674,617</u></b>	<b><u>\$ 674,617</u></b>

**Interfund Services Provided/Used**

Interfund Services Provided of \$11.6 million represents amounts owed by various governmental

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

The following is a schedule of Interfund Services Provided/Used as of June 30, 2022:

	<b>Interfund Services Provided To Governmental Funds</b>	<b>Interfund Services Used By Governmental Funds</b>
<b>Governmental Funds</b>		
General Fund	\$ -	\$ 6,964
Public Welfare - Medicaid Assistance	-	7
U.S. Department of Health & Human Services	-	1,079
Federal COVID-19	-	37
ARPA - Economic Stimulus Fund	-	134
Nonmajor Governmental Funds	-	3,407
Total Governmental Funds	<u>-</u>	<u>11,628</u>
<b>Proprietary Funds</b>		
Internal Service Funds	<u>11,628</u>	<u>-</u>
Total Proprietary Funds	<u>11,628</u>	<u>-</u>
<b>Total</b>	<b><u>\$ 11,628</u></b>	<b><u>\$ 11,628</u></b>

**Due From/Due To Component Units**

The \$5.0 million represents funds the General Fund borrowed in June 2004, interest free, from the Indiana Board for Depositories, a discretely presented component unit. Per Public Law 93-2013,

Section 4, repayments to the Indiana Board for Depositories are to be made in annual increments of \$5.0 million each July beginning July 2013. The interfund balance of \$21.9 million represents the accrued distribution amount from the State Lottery Commission to the Lottery Surplus Fund.

The following is the schedule of Due From/Due To component units, as of June 30, 2022:

	Due From Primary Government	Due To Component Units	Due From Component Units	Due To Primary Government
<b>Governmental Funds</b>				
General Fund	\$ -	\$ 5,000	\$ -	\$ -
Nonmajor Governmental Funds	-	-	21,892	-
<b>Total Governmental Funds</b>	<b>-</b>	<b>5,000</b>	<b>21,892</b>	<b>-</b>
<b>Component Units</b>				
Board for Depositories	5,000	-	-	-
State Lottery Commission	-	-	-	21,892
<b>Total Component Units</b>	<b>5,000</b>	<b>-</b>	<b>-</b>	<b>21,892</b>
<b>Total</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 21,892</b>	<b>\$ 21,892</b>

## Interfund Transfers

### Major Governmental Funds

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

**General Fund** – \$188.6 million was transferred in from the Medicaid Assistance Fund for unused State match for Medicaid, hospital assessment fees, quality assessment fees, and indirect costs. \$311.2 million was transferred in from the State Gaming Fund which was wagering taxes. \$284.8 was transferred in from the Lottery Surplus fund as part of the excise tax cut replacement distribution. \$85.2 million was received from the Fund 6000 Programs Fund for General Fund portion of financial institutions tax.

The following were transfers out from the General Fund: The Public Welfare Medicaid Assistance Fund received \$2.4 billion in transfers for Medicaid current obligations and for Medicaid administration. \$310.0

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

**Medicaid Assistance Fund** – The Medicaid Assistance Fund received a transfer of \$2.4 billion from the General Fund to support the state Medicaid program. \$506.3 million was transferred in from the Healthy Indiana Plan trust fund to support the Healthy Indiana Plan.

Transfers out included \$188.6 million to the General Fund for unused State match for Medicaid, hospital assessment fees, quality assessment fees, and indirect costs.

**U.S. Department of Health and Human Services Fund** – \$310.0 million was transferred to the U.S. Department of Health and Human Services Fund from the General Fund largely for state match related to federal grants.

**ARPA – Economic Stimulus Fund** - \$1.6 million was transferred in from the General Fund for state match related to federal grants.

### Proprietary Funds

#### Internal Service Funds

\$3.2 million in excess net income was transferred out of the Institutional Industries fund into the General Fund per statute.

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A summary of interfund transfers for the year ended June 30, 2022 is as follows:

	<u>Transfers in</u>	<u>Transfers out</u>	<u>Net transfers</u>
<b>Governmental Funds</b>			
General Fund	\$ 938,472	\$ (3,107,694)	\$ (2,169,222)
Public Welfare-Medicaid Assistance Fund	2,939,366	(188,559)	2,750,807
US Department of Health and Human Services Fund	323,505	(2,186)	321,319
Federal COVID-19 ARPA-Economic Stimulus Fund	-	(196)	(196)
Nonmajor Governmental Funds	1,622	-	1,622
	2,923,894	(3,826,590)	(902,696)
<b>Proprietary Funds</b>			
Internal Service Funds	1,553	(3,187)	(1,634)
<b>Total</b>	<u>\$ 7,128,412</u>	<u>\$ (7,128,412)</u>	<u>\$ -</u>

**C. Receivables**

**Primary Government – Governmental Activities**

Taxes Receivable/Tax Refunds Payable as of June 30, 2022, including the applicable allowances for uncollectible accounts, are as follows:

	<u>Governmental Activities</u>			<u>Total Primary Government</u>
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	
Income taxes	\$ 1,596,998	\$ -	-	\$ 1,596,998
Sales taxes	1,242,071	33,815	-	1,275,886
Fuel taxes	-	208,983	-	208,983
Gaming taxes	4,570	15,029	-	19,599
Unemployment	-	-	-	-
Inheritance taxes	-	-	-	-
Alcohol and tobacco taxes	46,699	29,644	1,936	78,279
Insurance	470	-	-	470
Financial institutions taxes	-	8,723	-	8,723
Other taxes	10,003	2,344	-	12,347
Total taxes receivable	2,900,811	298,538	1,936	3,201,285
Less allowance for uncollectible accounts	(1,160,117)	(78,497)	(7)	(1,238,621)
<b>Net taxes receivable</b>	<u>\$ 1,740,694</u>	<u>\$ 220,041</u>	<u>\$ 1,929</u>	<u>\$ 1,962,664</u>
<b>Tax refunds payable</b>	<u>\$ 297,574</u>	<u>\$ 7,067</u>	<u>\$ -</u>	<u>\$ 304,641</u>

**Primary Government – Business-Type Activities**

The accounts receivable amount reported on the financial statements of the Unemployment Compensation fund is comprised of funds due from Indiana employers (employer receivables) and from overpayments made to Unemployment Insurance recipients (claimant receivables). A major portion of the accounts receivable, \$22.4 million of employer receivables and \$505.8 million of claimant receivables for a total of \$528.2 million, will not be collected within one year. Accounts receivable as of June 30, 2022 is as follows:

	<u>Business - Type Activities</u>	
	<u>Unemployment Compensation</u>	
Employer	\$	33,167
Claimant		576,650
<b>Total receivable</b>	<u>\$</u>	<u>609,817</u>

**D. Capital Assets**

Capital asset activity for the year ended June 30, 2022, was as follows.

**Primary Government – Governmental Activities**

	Balance, July 1, As restated	Increases	Decreases	Balance, June 30
<b>Governmental Activities:</b>				
Capital assets, not being depreciated/amortized:				
Land	\$ 2,619,863	\$ 82,024	\$ (1,611)	\$ 2,700,276
Right-to-use leased land	35,982	819	-	36,801
Infrastructure	12,949,168	49,453	(14,813)	12,983,808
Construction in progress	1,022,671	739,449	(174,966)	1,587,154
Total capital assets, not being depreciated/amortized	16,627,684	871,745	(191,390)	17,308,039
Capital assets, being depreciated/amortized:				
Buildings and improvements	2,941,131	137,432	(7,176)	3,071,387
Right-to-use leased buildings and improvements	175,212	18,059	-	193,271
Furniture, machinery, and equipment	710,012	32,828	(29,049)	713,791
Right-to-use leased furniture, machinery, and eq	170	140	-	310
Computer software	900,136	48,194	(10,421)	937,909
Infrastructure	34,187	1,033	-	35,220
Total capital assets, being depreciated/amortized	4,760,848	237,686	(46,646)	4,951,888
Less accumulated depreciation/amortization for:				
Buildings and improvements	(1,851,910)	(66,324)	4,539	(1,913,695)
Right-to-use leased buildings and improvements	-	(24,462)	-	(24,462)
Furniture, machinery, and equipment	(470,341)	(46,069)	26,265	(490,145)
Right-to-use leased furniture, machinery, and eq	-	(64)	-	(64)
Computer software	(300,568)	(157,831)	8,955	(449,444)
Infrastructure	(29,217)	(326)	-	(29,543)
Total accumulated depreciation/amortization	(2,652,036)	(295,076)	39,759	(2,907,353)
Total capital assets being depreciated/amortized, net	2,108,812	(57,390)	(6,887)	2,044,535
<b>Governmental activities capital assets, net</b>	<b>\$ 18,736,496</b>	<b>\$ 814,355</b>	<b>\$ (198,277)</b>	<b>\$ 19,352,574</b>

**Primary Government – Business-Type Activities**

	Balance, July 1	Increases	Decreases	Balance, June 30
<b>Business-Type Activities:</b>				
Buildings and improvements	\$ 566	40	-	606
Furniture, machinery, and equipment	509	34	-	543
Total capital assets, being depreciated	1,075	74	-	1,149
Less accumulated depreciation for:				
Buildings and improvements	(334)	(41)	-	(375)
Furniture, machinery, and equipment	(398)	(38)	-	(436)
Total accumulated depreciation	(732)	(79)	-	(811)
Total capital assets being depreciated, net	343	(5)	-	338
<b>Business-type activities capital assets, net</b>	<b>\$ 343</b>	<b>\$ (5)</b>	<b>\$ -</b>	<b>\$ 338</b>

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

<b>Governmental activities:</b>	
General government	\$ 33,675
Public safety	47,671
Health	3,144
Welfare	164,394
Conservation, culture and development	14,784
Education	1,291
Transportation	30,117
<b>Total depreciation/amortization expense - governmental activities</b>	<b>\$ 295,076</b>
<b>Business-type activities:</b>	
Inns and Concessions	\$ 79
<b>Total depreciation expense - business-type activities</b>	<b>\$ 79</b>

### E. Accounts Payable

Accounts Payable as of June 30, 2022 are as follows:

<b>Governmental Activities</b>	<b>Vendors payable</b>	<b>Medicaid payable</b>	<b>Salaries and benefits payable</b>	<b>Claims and settlements</b>	<b>Total Accounts Payable</b>
General Fund	\$ 214,316	\$ -	\$ 71,335	\$ -	\$ 285,651
Public Welfare- Medicaid Assistance Fund	664	370,919	45	-	371,628
US Department of Health and Human Services	82,377	182	8,453	-	91,012
Federal COVID-19	138,473		54	-	138,527
ARPA - Economic Stimulus Fund	9,147		85	-	9,232
Non-Major Governmental Funds	732,670		40,195	-	772,865
<b>Total Governmental Funds</b>	<b>1,177,646</b>	<b>371,101</b>	<b>120,167</b>	<b>-</b>	<b>1,668,914</b>
Internal Service Funds	51,455	-	3,501	-	54,956
Adjustment to government -wide	261,129	138,893	-	37,146	437,168
<b>Total</b>	<b>\$ 1,490,230</b>	<b>\$ 509,994</b>	<b>\$ 123,668</b>	<b>\$ 37,146</b>	<b>\$ 2,161,038</b>

### F. Leases

The future minimum lease obligations, the net present value of these minimum lease payments as of June 30, 2022 and the assets acquired through capital leases are as follows:

<b>Future minimum lease payments</b>			
<b>Year ending June 30,</b>	<b>Leases</b>		
	<b>Governmental Activities</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Future Minimum Lease Payments</b>
2023	\$ 25,990	\$ 2,403	\$ 28,393
2024	27,897	2,211	30,108
2025	27,043	1,782	28,825
2026	25,014	1,384	26,398
2027	23,595	1,014	24,609
2028-2032	57,721	1,651	59,372
2033-2037	12,737	173	12,910
2038-2042	513	2	515
<b>Total minimum lease payments</b>	<b>\$ 200,510</b>	<b>\$ 10,620</b>	<b>\$ 211,130</b>
<b>Assets acquired through leases</b>			
Land	\$ 36,801		
Building	\$ 193,271		
Machinery and equipment	310		
less accumulated amortization	(24,526)		
	<b>\$ 205,856</b>		

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

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

### G. Financed Purchases

The state entered into various finance purchase lease agreements to finance IT equipment, vehicles, and construction projects. The underlying assets are used as collateral for the purchase. The future minimum payments under the finance purchase agreements as of June 30, 2022, is as follows:

<b>Future minimum payments</b>			
	<b>Financed Purchases</b>		
	<b>Governmental Activities</b>		
<b>Year ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Future Minimum Lease Payments</b>
2023	\$ 73,470	\$ 26,144	\$ 99,614
2024	76,374	24,561	100,935
2025	77,626	20,901	98,527
2026	81,432	17,069	98,501
2027	83,504	14,999	98,503
2028-2032	198,296	24,317	222,613
2033-2037	53,780	4,498	58,278
<b>Total minimum lease payments</b>	<b>\$ 644,482</b>	<b>\$ 132,489</b>	<b>\$ 776,971</b>

The state entered into a financed purchase lease agreement for IT equipment on February 18, 2022. Annual payments of principal only \$132 thousand are due on May 1 ending May 1, 2024. No interest is charged. It was issued at \$396 thousand.

construct the Neurological Diagnostic Institute. The principal on this agreement when issued is \$127,165 thousand. The interest rates on the bonds IFA used to fund the project range from 2.159% to 3.6624% until maturity on July 1, 2036. The current monthly lease payment is \$1,020 thousand through June 2023.

The state entered into a financed purchase lease with the Indiana Finance Authority on July 1, 2022 to

### H. Long-Term Obligations

Changes in long-term obligations for the primary government for the year ended June 30, 2022 were as follows:

<b>Changes in Long-Term Obligations</b>	<b>Balance, July 1, as Restated</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance, June 30</b>	<b>Amounts Due Within One Year</b>	<b>Amounts Due Thereafter</b>
<b>Governmental activities:</b>						
Compensated absences	\$ 207,020	\$ 113,970	\$ (112,756)	\$ 208,234	\$ 93,921	\$ 114,313
Net pension liability	11,392,203	1,284,423	(2,894,949)	9,781,677	-	9,781,677
Net OPEB liability	54,177	48,069	(55,514)	46,732	-	46,732
Pollution remediation	35,499	3,436	(7,042)	31,893	3,535	28,358
OPEB DC liability	44,041	-	(20,640)	23,401	-	23,401
Financed purchases	759,772	127,561	(242,851)	644,482	73,470	571,012
Asset retirement obligations	7,775	3,099	-	10,874	-	10,874
Leases	211,364	19,018	(29,872)	200,510	25,990	174,520
	<b>\$ 12,711,851</b>	<b>\$ 1,599,576</b>	<b>\$ (3,363,624)</b>	<b>\$ 10,947,803</b>	<b>\$ 196,916</b>	<b>\$ 10,750,887</b>
<b>Business-type activities:</b>						
Compensated absences	\$ 798	\$ 291	\$ (263)	\$ 826	\$ 281	\$ 545
Claims liability	22,724	643	(727)	22,640	999	21,641
	<b>\$ 23,522</b>	<b>\$ 934</b>	<b>\$ (990)</b>	<b>\$ 23,466</b>	<b>\$ 1,280</b>	<b>\$ 22,186</b>

Long term obligations of governmental activities include lease obligations of governmental funds as presented in Note IV(F), financed purchases liabilities as presented in Note IV(G), net pension liabilities as presented in Note V(E) (employee retirement systems and plan), other postemployment benefits as presented in Note V(F), pollution remediation as presented in Note V(G), asset retirement obligations as presented in Note V(H), and compensated absence obligations. The General Fund typically has been used to liquidate any other long-term liabilities.

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

**I. Prior Period Adjustments and Reclassification**

For the fiscal year ended June 30, 2022, certain changes have been made to the financial statements to more appropriately reflect financial activity of the State of Indiana. These prior period adjustments and restatements are reflected in the beginning net position in the government-wide statement of activities.

In the fund financial statements for the General Fund and the government-wide statements, there was an increase in fund balance of \$.9 million due to an error in the classification of certain liabilities.

In the fund statements for the Special Revenue funds and the government-wide statements, net position

The following schedule reconciles June 30, 2021 net position as previously reported, to beginning net position, as restated:

decreased \$70.7 million due to errors in the recording of grant revenues and \$1.8 million due liabilities not recorded for the Indiana War Memorial Commission.

In the fund statements for the Special Revenue funds, net position increased \$141.6 million due to an understatement in grant receivable in the Medicaid program.

For the government-wide statements, there is an increase of \$5.5 million in net position for capital assets. This was the result of not capitalizing capital assets by June 30, 2021 that were acquired prior to this date and for corrections to acquisition cost by state agencies. Net position increased \$38.2 million for software projects that were incorrectly reported in the prior year.

Net position in the government-wide statements increased \$1.1 million due to the implementation of GASB 87 relating to leases.

In the fiduciary funds, custodial fund statements net position decreased \$214.6 million to the understatement of liabilities due to local units of government. In addition, Pension and Other Employee Benefit Trust Funds net position increased \$1.7 billion due to the implementation of GASB 97.

For the discrete component units, net position decreased \$5.2 million due to the implementation of GASB 87 by the State's colleges and universities.

	<b>Governmental Activities</b>	<b>Fiduciary Funds</b>	<b>Discretely Presented Component Units</b>
<b>June 30, 2021, fund balance/net position as reported</b>	\$ 20,540,814	\$ 48,685,043	\$ 20,368,335
Change in accounting principle	1,057	1,685,772	(5,242)
Correction of errors	(27,902)	(214,610)	-
Reclassifications of funds	-	-	-
<b>Balance July 1, 2021 as restated</b>	<b>\$ 20,513,969</b>	<b>\$ 50,156,205</b>	<b>\$ 20,363,093</b>

## V. OTHER INFORMATION

### A. Risk Management

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

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

The State does have risk financing activity for the State employees' disability, certain State employees' health benefits, Conservation and Excise Officers' health benefits, and certain health, disability and death benefits for State Police officers. These are

reported in four individual Internal Service Funds.

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

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

	State Police Health Insurance Fund	State Employee Disability Fund	State Employees' Health Insurance Fund	Conservation and Excise Officers Health Insurance Fund	Total
<b>2022</b>					
Unpaid Claims, July 1	\$ 3,503	\$ 3,581	\$ 38,613	\$ 799	\$ 46,496
Incurred Claims and Changes in Estimate	26,927	18,033	395,336	3,437	443,733
Claims Paid	(26,467)	(17,875)	(394,406)	(3,499)	(442,247)
<b>Unpaid Claims, June 30</b>	<b>\$ 3,963</b>	<b>\$ 3,739</b>	<b>\$ 39,543</b>	<b>\$ 737</b>	<b>\$ 47,982</b>
<b>2021</b>					
Unpaid Claims, July 1	\$ 3,934	\$ 4,194	\$ 40,327	\$ 740	\$ 49,195
Incurred Claims and Changes in Estimate	26,980	16,922	344,908	4,521	393,331
Claims Paid	(27,411)	(17,535)	(346,622)	(4,462)	(396,030)
<b>Unpaid Claims, June 30</b>	<b>\$ 3,503</b>	<b>\$ 3,581</b>	<b>\$ 38,613</b>	<b>\$ 799</b>	<b>\$ 46,496</b>

### B. Contingencies and Commitments

#### Litigation

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

With respect to tort claims only, the State's liability is

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

The Indiana Attorney General's office estimates a total payment for liabilities and litigation expenses of

\$11 million to be made from the Tort Claim Fund during the next fiscal year. During the fiscal year ending June 30, 2022, the State paid \$17.5 million for settlements, judgments, claims and litigation expenses from the Tort Claim Fund.

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

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

In 2017, Plaintiff filed a complaint against the Indiana Department of Environmental Management, the Indiana State Department of Health, and the State of Indiana. There are over 100 individual plaintiffs alleging negligence and negligent infliction of emotional distress against the State Defendants and the City of East Chicago, the East Chicago Housing Authority, and the East Chicago Department of Public and Environmental Health, seeking damages for alleged physical and emotional harms caused by their alleged exposure to lead, arsenic, and other contamination while residents at the West Calumet Housing Complex and/or while students at Carrie Gosch Elementary School in East Chicago, Indiana since the late 1990's. The State Defendants filed their answer along with a motion to dismiss. This motion was later found to be moot. State Defendants filed a motion staying discovery pending the outcome of a motion for judgment on the pleadings. That motion was granted. The Motion for Judgment on the Pleadings was filed July 9, 2018. Following further briefing and a hearing, the Motion for Judgment on the Pleadings was denied November 9, 2018. The Order denying the Motion to Dismiss required additional discovery. Initial discovery deadlines were set. The State's Motion to Certify for Interlocutory Appeal was filed on December 10, 2018. A Notice of Appeal was filed April 25, 2019. The parties completed briefing of the matter on appeal. On June 10, 2020, the Indiana Court of Appeals upheld the Trial Court's denial of the Defendants' Motion for Judgment on the Pleadings and remanded the matter for continued proceedings. A case management plan was entered on February 9, 2021. On October 1, 2021, the case was consolidated with a second, substantially similar case for purposes of discovery and pretrial proceedings. The parties are currently working through discovery. Written discovery shall be completed by January 6, 2023. All

non-party and non-expert discovery shall be completed by May 5, 2023. Depositions shall be taken by August 4, 2023. Dispositive motions shall be filed by October 4, 2023. Pretrial conference set for May 16, 2024.

In 2018, Plaintiff's estate filed a Complaint against the Indiana the Department of Correction alleging failure to protect, conspiracy, and failure to intervene pursuant to 42 U.S.C. Section 1983 and also negligent or willful and wanton conduct, negligent infliction of emotional distress, and wrongful death. The Plaintiff, a prisoner, died after setting a fire in his cell that he likely set himself. Plaintiff's estate is requesting compensatory and punitive damages and attorney's fees and costs. Defendants filed a Motion for Summary Judgment on March 29, 2021. Plaintiff filed its response on May 25, 2021. Defendants filed their reply. On February 15, 2022, the court granted the MSJ in part and denied in part, dismissing some defendants but leaving most of the claims for settlement or trial. Settlement conferences did not resolve the case. A final pretrial conference is set for April 19, 2023. A jury trial is set for June 20, 2023.

In 2022, Plaintiffs filed a class action lawsuit against the Attorney General, Treasurer, and others, alleging that the defendants have wrongfully withheld interest earnings on unclaimed property in state custody and not compensating the owners. The State Defendants filed a motion for judgment on the pleadings arguing that the case is moot. The motion is fully briefed and under advisement.

#### *Other Loss Contingencies*

The U.S. Office of Inspector General (USOIG) has issued multiple audit reports on Indiana's Medicaid Assistance Program. The State has worked with the Centers for Medicare and Medicaid Services (CMS) to resolve the findings. As of June 30, 2022, there were \$37.1 million in findings which the Family and Social Services Administration (FSSA) believes to be probable for having to be repaid and therefore, has been accrued as an expense and payable in the government-wide financial statements. An additional \$22.3 million is reasonably possible to need to be repaid. FSSA management is continuing to work with CMS on a settlement of these findings.

#### *Construction Commitments*

As of June 30, 2022, the Indiana Department of Transportation had unliquidated construction commitments totaling \$1.88 billion for road and bridge projects. It is anticipated that these projects will be financed with approximately 19.6% Traditional State funds, 4% Local funds, 55% Traditional

Federal funds, 5.3% American Recovery Plan Act funds, 5.2% Federal COVID-19 funds, 8.5% Toll Road Lease Amendment Proceeds funds, and 2.4% Major Moves funds.

The Indiana Department of Administration, Public Works Division, had remaining construction commitments totaling \$104.0 million for building and improvement projects of the State’s agencies as of June 30, 2022. These projects are to be funded through State appropriations, the State Highway Department Fund, capital projects funds, and federal funds.

The State had \$160.9 million in total commitments for software in development as of June 30, 2022. These commitments are to be funded through the General Fund, federal funds, and state dedicated funds.

*Encumbrances*

Significant encumbrances by major funds and non-major funds in the aggregate as of June 30, 2022 were as follows:

<b>Governmental Funds</b>	<b>Encumbrances</b>
General Fund	\$ 2,162,020
Public Welfare - Medicaid Assistance	15,105
US Department of Health & Human Services	742,591
Federal COVID-19	510,909
ARPA - Economic Stimulus Fund	198,138
Non-Major Governmental Funds	3,664,243
<b>Total</b>	<b>\$ 7,293,006</b>

**C. Other Revenue**

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

**D. Economic Stabilization Fund**

Indiana Code (IC) 4-10-18 establishes the Counter-Cyclical Revenue and Economic Stabilization Fund ("Rainy Day Fund") within the state’s General Fund to assist in stabilizing revenue during periods of economic recession. The fund receives funding through calculated transfers as prescribed by Indiana Code.

The State Budget Director is required to annually calculate State of Indiana Adjusted Personal Income (API) and its growth rate over the previous year. API growth rates exceeding 2% trigger an appropriation from the General Fund into the Rainy Day Fund. API

growth rates less than 2% trigger an appropriation from the Rainy Day Fund to the General Fund. Additionally, any balance in the Rainy Day Fund at the end of the fiscal year exceeding 7% of total General Fund revenues for the same period is transferred from the Rainy Day Fund to the General Fund.

In fiscal year 2022, the API growth rate did not trigger a transfer into or out of the Rainy Day Fund. Also, the Rainy Day Fund did not exceed 7% of total General Fund revenues for fiscal year 2022.

Loans can be made from the Rainy Day Fund to local units of government for specific purposes. The Rainy Day Fund cash and investment balance at the end of fiscal year 2022 was \$543.1 million. There were no outstanding loans as of fiscal year end.

**E. Employee Retirement Systems and Plans**

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

Summary of Significant Accounting Policies (Pensions)

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

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

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

*Plan description.* The State Police Retirement Fund (SPRF) is a defined benefit, single-employer PERS,

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

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

*Retirement benefits provided.*

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

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

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

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

1987 Plan The 1987 Plan provides that the basic monthly pension amount may not exceed one-half of the member's average monthly salary received during the member's highest-paid three years before retirement. Members retiring from July 1, 1987, through June 30, 1988, may not receive a basic monthly benefit greater than 50% of the maximum salary of a first sergeant. Members retiring from July 1, 1988, through June 30, 1989, may not receive a basic monthly benefit greater than 50% of the maximum salary of a captain. In addition to the basic retirement benefit described above, a Plan member with over 25 years of service will receive the following incremental increases:

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

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

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

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

A member who meets the conditions listed in IC 5-10-13 has a presumption that a total or partial disability or death resulting from a health condition caused by AIDS, anthrax, hepatitis, HIV, meningococcal meningitis, smallpox, or tuberculosis is a disability or death incurred in the line of duty. In

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

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

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

*Employees covered by benefit terms.* As of June 30, 2022, the following employees were covered by the benefit terms of the SPRF:

	Pre-1987 Plan	1987 Plan
Inactive employees or beneficiaries currently receiving benefits	696	915
Inactive employees entitled to but not yet receiving benefits	1	179
Active employees	10	1,149
<b>Total</b>	<b>707</b>	<b>2,243</b>

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

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

closed period which commenced July 1, 2010.

Periodic contributions for both normal cost and the amortization of the unfunded actuarial accrued liability are based on the level dollar of payroll method. The funding policy for normal cost and unfunded actuarial accrued liability should provide sufficient resources to pay employee pension benefits on a timely basis. For the year ended June 30, 2022, the State's contribution rate was 25.35 percent of covered payroll resulting in total contributions of \$29.9 million.

Deferred Retirement Option Program: The Deferred Retirement Option (DROP) for the State Police Retirement Fund was established in 2001 pursuant to the Pension Trust Agreement and is governed by the Department of the State Police and the Treasurer of the State of Indiana (Trustee). Members of the Pre-1987 and 1987 plans that are eligible to retire may elect to accumulate a DROP benefit while continuing to work. At the time of their election, the member executes an irrevocable election to retire on a DROP retirement date and remain in active service, but the member does not contribute to the fund during the DROP period. For the Pre-87 Plan, when an employee has completed 20 years of service or more, he/she may irrevocably elect to enter the DROP for a period ending the earlier of (1) 60 consecutive months, (2) completion of 34 years of service, or (3) attainment of age 65. An employee on disability cannot enter the DROP. From the date the employee enters the DROP, he/she will not be credited with any additional years of service. The employees DROP accrual will be equal to the basic monthly retirement benefit. At the end of the DROP period, the employee must separate from employment and retire. Upon separation, the employee will receive their accumulated DROP benefit in the form of a lump sum payment, a rollover to another retirement program, or a combination of both. For the 1987 Plan, all DROP requirements are the same as the Pre-87 plan, except that the employee must have completed 25 years of service or more. The DROP and future retirement monthly benefit is calculated as of the member's DROP entry date. At the time of retirement, the member must choose among the available options for distribution of the accumulated benefit under the DROP. As of June 30, 2022, the amount held by the plan pursuant to the DROP is \$2.3 million.

**Net Pension Liability**

The SPRF's net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The

components of the net pension liability of the SPRF at June 30, 2021 were as follows:

Total pension liability	\$ 734,254
Plan fiduciary net position	(620,855)
<b>SPRF's net pension liability</b>	<b>\$ 113,399</b>
Plan fiduciary net position as a percentage of the total pension liability	84.6%

*Actuarial assumptions.* The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Mortality rates for employees were based on the SOA Pub-2010 Safety Employees Mortality Tables with 3 year set forward for males and no set forward for females. Mortality rates for healthy retirees were based on the SOA Pub-2010 Safety Retirees Mortality Tables with 3 year set forward for males and not set forward for females. Mortality rates for beneficiaries were based on the SOA Pub-2010 General Contingent Survivor Mortality Tables with no set forward for males and 2 year set forward for females. Mortality rates for disabled retirees were based on the SOA Pub-2010 Disabled Retirees Mortality tables with no set forward for males or females. All mortality used MP-2020 Mortality Improvement Scale (with annual updates).

The most recent comprehensive experience study was completed in 2019 and was based on member experience through June 30, 2019. The demographic assumptions were updated as needed

for the June 30, 2020 actuarial valuation based on the results of the study.

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

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Broad domestic equity	31.0	6.6
Global ex U.S. equity	11.0	6.8
Short duration gov't/credit	4.0	1.5
Core U.S. fixed	22.0	1.8
Hedge funds - alternatives	25.0	4.0
Core Real Estate	5.0	5.8
Cash and equivalents	2.0	1.0
<b>Total</b>	<b>100.0</b>	

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

## Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
<b>Balances at 6/30/20</b>	\$ 677,189	\$ 498,710	\$ 178,479
<b>Changes for the year:</b>			
Service cost	19,104	-	19,104
Interest	45,437	-	45,437
Plan amendments	3,408	-	3,408
Differences between expected and actual experience	(9,392)	-	(9,392)
Changes of assumptions or other inputs	37,122	-	37,122
Contributions - employer	-	36,748	(36,748)
Contributions - employee	-	5,339	(5,339)
Net investment income	-	119,479	(119,479)
Benefit payments, including refunds of employee contributions	(38,614)	(38,614)	-
Administrative expense	-	(807)	807
<b>Net changes</b>	<u>57,065</u>	<u>122,145</u>	<u>(65,080)</u>
<b>Balances at 6/30/21</b>	<u>\$ 734,254</u>	<u>\$ 620,855</u>	<u>\$ 113,399</u>

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

	1% Decrease (5.25%)	Current Rate (6.25%)	1% Increase (7.25%)
Net pension liability	202,283	113,399	38,623

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

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

For the year ended June 30, 2022, the State recognized pension expense of \$22.5 million for the SPRF. At June 30, 2022, the State reported deferred

outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,730	\$ 21,939
Changes of assumptions or other inputs	32,927	16,750
Net difference between projected and actual earnings on pension plan investments	-	46,116
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	29,863	-
<b>Total</b>	<u>\$ 68,520</u>	<u>\$ 84,805</u>

Deferred outflows of resources in the amount of \$29.9 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/ (Deferred Inflows of Resources)
2023	(5,728)
2024	(12,222)
2025	(14,571)
2026	(16,367)
2027	2,740

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

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

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

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

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

*Retirement benefits provided.*

Line of Duty Death Benefits. For the Pre-1987 plan, the benefit valued was 50 percent of current salary (but in no event greater than the sixth-year trooper rate), plus \$20. Benefits are assumed to increase with the sixth-year trooper rate. Dependent children are paid 30 percent of the beneficiary's benefit until they reach age 18 or 23 if enrolled in school full time. For the 1987 plan, the benefit valued was 50 percent of the average of the highest 36 consecutive months of salary. Dependent children are paid 30 percent of the beneficiary's benefit until they reach age 18 or 23 if enrolled in school full time.

Line of Duty Disability Benefits. For the Pre-1987 Plan, the benefit valued was 50 percent of current salary (but in no event greater than the sixth-year trooper pay), plus \$20. Benefits are assumed to increase with the sixth-year trooper rate and are payable until the participant has earned 34 years of service. The plan also pays medical expenses. Benefits are increased by \$40 for each dependent child under 18. For the 1987 Plan, the benefit valued was 50 percent of the average of the highest 36 consecutive months of salary. Benefits are assumed to increase with assumed salary increases and are payable for a minimum of two years and until the participant has earned 25 years of service. The plan also pays medical expenses. Benefits are increased by \$40 for each dependent child under 18.

Non-Line of Duty Disability Benefits. For the Pre-1987 Plan, the benefit valued was 50 percent of current salary (but in no event greater than the sixth-year trooper pay), plus \$20. Benefits are assumed to increase with the sixth-year trooper rate and are payable until the participant has earned 34 years of service, but not for a period longer than the accrued service at date of disability. For the 1987 Plan, the benefit valued was 50 percent of the average of the highest 36 consecutive months of salary. Benefits are assumed to increase with assumed salary increases and are payable for a minimum of two years and until the participant has earned 25 years of service.

**Catastrophic Injury Disability Benefits.** For the Pre-1987 Plan, the benefit valued was 100 percent of current salary. Benefits are assumed to increase with salary increases and are payable until the participant has earned 34 years of service. The plan also pays medical expenses. Benefits are increased by \$40 for each dependent child until they reach the age of 18 or 23 if enrolled in school full time. For the 1987 Plan, the benefit valued was 100 percent of current salary. Benefits are assumed to increase with salary increases and are payable until the participant has earned 25 years of service. The Plan also pays medical expenses. Benefits are increased by \$40 for each dependent child until they reach the age of 18 or 23 if enrolled in school full time.

**Employees covered by benefit terms.** As of June 30, 2022, the following employees were covered by the benefit terms of the SPST:

	Pre-1987 Plan	1987 Plan
Inactive employees or beneficiaries currently receiving benefits	12	41
Active employees	10	1,112
<b>Total</b>	<b>22</b>	<b>1,153</b>

**Contributions.** The SPST is one hundred percent funded by the State of Indiana using annual appropriations on a pay-as-you-go basis to cover current period expenses. The plan is not pre-funded. The amount paid for pensions as the benefits came due during fiscal year 2022 was \$4.4 million.

**Total Pension Liability**

The SPST Plan’s total pension liability was measured as of June 30, 2021.

**Actuarial assumptions.** The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Pre-1987 Plan	1987 Plan
Interest rate/investment return	2.18%	2.18%
Future salary increases, which includes inflation and cost of living increases	3.50%	9% age 26 & younger; reduced 0.5% through age 35; 4% age 36 and older
Inflation	2.25%	2.25%

There are no Disability incidence rates assumed for

participants in the Pre-1987 plan. Disability incidence rates for participants in the 1987 plan are assumed to be 150% of the 1964 OASDI table. 2% of disabilities are assumed to be catastrophic.

Mortality rates for active and terminated vested participants were based on the SOA PubS-2010 Safety Employees Mortality Tables with 3 year set forward for males and no set forward for females. Mortality rates for retirees were based on the SOA PubS-2010 Safety Retirees with 3 year set forward for males and no set forward for females. Mortality rates for beneficiaries were based on SOA PubS-2010 General Contingent Survivors with no set forward for males and 2 year set forward for females. Mortality rates for retirements due to disability were based on SOA PubS-2010 General Disabled Retirees with no set forward for males and no set forward for females. All mortality tables are using MP-2020 Mortality Improvement Scale.

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

**Discount rate.** The discount rate used to measure the total pension liability was 2.18%. This rate was chosen in accordance with GASB #67 and #68, which requires that the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The 2.18% is the June 30, 2021 value of the S&P Municipal Bond 20 Year High Grade Rate Index.

New assumptions were needed beginning in 2020 to properly value the medical insurance premiums for active participant disabilities that occurred in the line of duty. The disability incidence rate table above was used at all ages. Disabled participants are assumed to remain disabled until they reach eligibility for the disabled retirement benefit, age 55 in most instances. The assumed claims cost is based on the average premium reimbursement per covered life in the past two years. This amount, \$905/month, was then age-graded 1% for each year above or below age 40. Finally, the claims cost is trended forward for future expected premiums using the post-retirement medical trend assumption of 8% at 2021, graded down 0.5% per year until reaching the ultimate rate of 4.5% at 2028.

**Changes in the Total Pension Liability**

	<u>Increase (Decrease)</u> <u>Total Pension</u> <u>Liability (a)</u>
<b>Balances at 6/30/20</b>	\$ 23,565
<b>Changes for the year:</b>	
Service cost	5,194
Interest	704
Differences between expected and actual experience	(40)
Changes of assumptions or other inputs	989
Benefit payments, including refunds	
of employee contributions	(4,200)
<b>Net changes</b>	<u>2,647</u>
<b>Balances at 6/30/21</b>	<u>\$ 26,212</u>

*Sensitivity of the total pension liability to changes in the discount rate.* The following presents the total pension liability of the SPST, calculated using the discount rate of 2.18%, as well as what the SPST's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.18%) or 1-percentage-point higher (3.18%) than the current rate:

	<u>1% Decrease (1.18%)</u>	<u>Current Rate (2.18%)</u>	<u>1% Increase (3.18%)</u>
Total pension liability	28,846	26,212	24,069

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

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

For the year ended June 30, 2022, the State recognized pension expense of \$6.6 million for the SPST. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 6,235	\$ 2,190
Changes of assumptions or other inputs	3,160	1,208
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	4,442	-
<b>Total</b>	<u>\$ 13,837</u>	<u>\$ 3,398</u>

Deferred outflows of resources in the amount of \$4.4 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal year ended June 30:</u>	<u>Deferred Outflows of Resources/(Deferred Inflows of Resources)</u>
2023	692
2024	692
2025	692
2026	692
2027	692
Thereafter	2,537

Excise, Gaming and Conservation Officers' Retirement Fund (Presented as part of INPRS – a fiduciary in nature component unit)

*Plan description.* The Excise, Gaming and Conservation Officers' Retirement Fund (EG&C) is a single-employer (the State of Indiana) defined benefit plan established to provide retirement, disability, and survivor benefits to certain employees of the (1) Indiana Department of Natural Resources, (2) Indiana Alcohol and Tobacco Commission and (3) any Indiana State excise police officer, Indiana State conservation enforcement officer, gaming agent or any gaming control officer who is engaged exclusively in the performance of law enforcement duties. The EG&C is administered by the INPRS Board of Trustees in accordance with IC 5-10-5.5, IAC 4, and other Indiana pension law.

*Retirement benefits provided.* A member is eligible for full retirement benefits if the member is: 1) age 65 if employed by age 50 with 15 years of creditable service, 2) age 65 if employed after age 50 with 10 years of service. Mandatory retirement occurs on the first day of the month after age 65 or 15 years of creditable service, 3) age 55 if age and creditable service total at least 85 ("Rule of 85"), or 4) age 50 with 25 years of service. Participants are eligible for early retirement benefit at age 45 if the participant has 15 years of creditable service but the benefit is reduced by .25 percent for each month the participant is younger than age 60. The annual benefit is equal to 25 percent times the average annual salary. The average annual salary equals the average annual salary of the five highest years in the 10 years immediately preceding an officer's retirement date. Percentage is increased by 1.66 percent for each completed year of creditable service after 10 years. Total percentage may not exceed 75 percent. Postretirement benefit increases are granted on an ad hoc basis pursuant to IC 5-10.2-12-4 and administered by the INPRS board. For the year ended June 30, 2022, postretirement benefits of \$39 thousand were issued to members as a COLA.

*Disability and survivor benefits provided.* If a participant becomes disabled in the line of duty, the benefit is the member's salary times the degree of impairment without a reduction for early commencement. If not in the line of duty, the member's salary used to calculate the benefit is reduced 50 percent. A minimum benefit may apply.

Eligible survivors of an active member who dies in the line of duty receives 100 percent of the member's benefit. Survivors of active member who die not in the line of duty or inactive members with more than 15 years of service who dies receive 50 percent of

the member's benefit. The minimum benefit is calculated as if the member had at least 25 years of service and age 50. For inactive members with less than 15 years of creditable service, the benefit consists of contributions plus interest. While receiving a benefit, a spouse or parent (for their lifetime), or dependents(s) (until age 18) receives 50 percent of the member's benefit. If the spouse is more than five years younger than the member, the benefit is actuarially adjusted.

*Deferred Retirement Option Plan.* In accordance with IC 5-10-5.5-22, members eligible to retire with an unreduced benefit may elect to earn a DROP benefit while continuing to work. Members execute an irrevocable election to retire on a DROP retirement date and remain in active service while contributing to the fund until that date. The DROP retirement date must be not less than 12 months and not more than 36 months after their DROP entry date, and cannot be after the member reaches mandatory retirement age. The DROP and future retirement monthly benefit are calculated as of the members' DROP entry date. At retirement, members must choose among the available options for distribution of the accumulated benefit under the DROP. As of June 30, 2022, the amount held by the fund under the DROP is \$1.6 million.

*Employees covered by benefit terms.* As of June 30, 2022, EG&C membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	257
Inactive vested members entitled to but not yet receiving benefits	8
Inactive non-vested members entitled to a distribution of contributions	144
Active members: vested and non-vested	<u>411</u>
<b>Total</b>	<b><u>820</u></b>
Based on census data as of June 30, 2021 used for the June 30, 2022 actuarial valuation.	

*Contributions.* Contributions are determined by the INPRS Board based on an actuarial valuation. Employers contribute 20.8 percent, with 0.85 percent from July 2021 to December 2021 and 0.94 percent from January 2022 to June 2022 funding a supplemental reserve account for postretirement benefits administered by the INPRS Board. Members are required to contribute 4 percent of annual salary. Employers may pay all or part of the member contribution for the member.

*Financial report.* INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing [questions@inprs.in.gov](mailto:questions@inprs.in.gov), or by visiting [www.in.gov/inprs](http://www.in.gov/inprs).

**Net Pension Liability**

The EG&C’s net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

*Actuarial assumptions.* The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.25%
Interest on member balances	3.30%
Future salary increases	2.65% to 4.90%, based on service
Inflation	2.00%
Cost of living increases	Jan. 1, 2022 - 1.00%
	Beginning Jan. 1, 2024 - 0.40%
	Beginning Jan. 1, 2034 - 0.50%
	Beginning Jan. 1, 2039 - 0.60%

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables (amount-weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

The most recent comprehensive experience study was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. The demographic assumptions were updated as needed for the June 30, 2020 actuarial valuation. Economic assumptions were updated and approved by the Board in May 2021 following the completion of an Asset-Liability study and first used in the June 30, 2021 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are

projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return and adding an expected contribution to the return due to manager selection. This range ultimately supports the long-term expected rate of return assumption of 6.25% selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs, but may change with a fundamental shift in the underlying market factors or significant asset allocation change. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation (%)</b>	<b>Long-Term Expected Real Rate of Return (%)</b>
Public equity	20.0	3.6
Private markets	15.0	7.3
Fixed income - ex inflation - linked	20.0	1.5
Fixed income - inflation - linked	15.0	(0.3)
Commodities	10.0	0.8
Real estate	10.0	4.2
Absolute return	5.0	2.5
Risk parity	20.0	4.4
Leverage offset	(15.0)	(1.4)
<b>Total</b>	<b>100.0</b>	

*Discount rate.* Total pension liability was calculated using the discount rate of 6.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and, where applicable, from members, would at the minimum be made at the actuarially determined required rates, computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the 6.25% long-term assumed investment rate of return. Based on these assumptions, the EG&C’s defined benefit pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

## Changes in the Net Pension Liability

	Increase (Decrease)		Net Pension Liability (Asset) (a) - (b)
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	
<b>Balances at 6/30/20</b>	\$ 163,978	\$ 146,359	\$ 17,619
<b>Changes for the year:</b>			
Service cost	4,049	-	4,049
Interest	11,081	-	11,081
Plan amendments	159	-	159
Differences between expected and actual experience	(1,099)	-	(1,099)
Changes of assumptions or other inputs	10,403	-	10,403
Contributions - employer	-	7,083	(7,083)
Contributions - employee	12	1,333	(1,321)
Net investment income	-	37,369	(37,369)
Benefit payments, including refunds of employee contributions	(7,735)	(7,735)	-
Administrative expense	-	(95)	95
<b>Net changes</b>	<b>16,870</b>	<b>37,955</b>	<b>(21,085)</b>
<b>Balances at 6/30/21</b>	<b>\$ 180,848</b>	<b>\$ 184,314</b>	<b>\$ (3,466)</b>

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

	<u>1% Decrease (5.25%)</u>	<u>Current Rate (6.25%)</u>	<u>1% Increase (7.25%)</u>
Net pension liability (Asset)	21,617	(3,466)	(24,092)

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone financial report of the Indiana Public Retirement System. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing [questions@inprs.in.gov](mailto:questions@inprs.in.gov), or by visiting [www.in.gov/inprs](http://www.in.gov/inprs).

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

For the year ended June 30, 2022, the State recognized pension expense of \$.8 million for the

EG&C. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to pensions for the EG&C from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 7,085	\$ 1,135
Changes of assumptions or other inputs	8,603	4,446
Net difference between projected and actual earnings on pension plan investments	-	19,353
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	6,714	-
<b>Total</b>	<b>\$ 22,402</b>	<b>\$ 24,934</b>

Deferred outflows of resources in the amount of \$6.7 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2023	(3,518)
2024	(2,524)
2025	(1,132)
2026	(3,326)
2027	1,254

Prosecuting Attorneys' Retirement Fund (Presented as part of INPRS – a fiduciary in nature component unit)

*Plan description.* The Prosecuting Attorneys' Retirement Fund (PARF) is a single-employer (the State of Indiana) defined benefit plan established to provide retirement, disability, and survivor benefits to prosecuting attorneys. Members serve as a: (1) prosecuting attorney or a chief deputy prosecuting attorney; or (2) deputy prosecuting attorney, (3) executive director, or (4) assistant executive director of the Indiana Prosecuting Attorneys Council. The PARF is administered by the INPRS Board of Trustees in accordance with IC 33-39-7 and other Indiana pension law. PARF members are also members of the PERF Hybrid Plan. According to statute, benefits payable from the PARF are reduced by any benefits payable from the PERF DB.

*Retirement benefits provided.* A participant is entitled to a full retirement benefit if the participant is: (1) age 65 with at least 8 years of creditable service; or (2) age 55 if age and creditable service total at least 85. A participant is eligible for early retirement benefits at age 62 and 8 years of creditable service with a reduction in the full benefit by 0.25 percent for each month less than age 65. Annual benefit equals highest 12 consecutive months of salary (state-paid portion only) before separation from services times percentage for years of service. 24 percent at eight years of service; increased by three percent per year for years nine through 11; 50 percent at year 12; increased by one percent per year for years 13 through 22 with a maximum of 60 percent, and reduced for any PERF DB benefit. There is no postretirement benefit adjustment provided under this plan.

*Disability and survivor benefits provided.* A qualified member with 22+ years of creditable service receives full benefit. Less than 22 years of creditable service receives the full benefit reduced by one percent for each year under 22. Benefit to be no lower than 50 percent.

While in active service, a spouse or dependent children receives the greater of \$12,000 annually or 50 percent of benefit for the later of age 62 or the age the day before death. If death occurs while the participant is receiving a benefit, a spouse (for their lifetime), or dependent children (until age 18 unless disabled) receives the greater of \$12,000 annually or 50 percent of the member's benefit.

*Employees covered by benefit terms.* As of June 30, 2022, PARF membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	201
Inactive vested members entitled to but not yet receiving benefits	91
Inactive non-vested members entitled to a distribution of contributions	142
Active members: vested and non-vested	200
<b>Total</b>	<b>634</b>
Based on census data as of June 30, 2021 used for the June 30, 2022 actuarial valuation.	

*Contributions.* Employer contributions are determined by the INPRS Board based on an actuarial valuation and appropriations are received from the state's general fund. For fiscal year 2022, the appropriation from the state's general fund totaled \$4.0 million and the Actuarially Determined Contribution (ADC) was \$4.0 million.

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

*Financial report.* INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing [questions@inprs.in.gov](mailto:questions@inprs.in.gov), or by visiting [www.in.gov/inprs](http://www.in.gov/inprs).

## Net Pension Liability

The PARF's net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

*Actuarial assumptions.* The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.25%
Interest on member balances	3.30%
Future salary increases	2.65%
Inflation	2.00%
Cost of living increases	N/A

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables (amount weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

The most recent comprehensive experience study was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. The demographic assumptions were updated as needed for the June 30, 2020 actuarial valuation. Economic assumptions were updated and approved by the INPRS board in May 2021 following the completion of an Asset-Liability study and first used in the June 30, 2021 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term

rates of return is created by adding the forecasted inflation to the expected long-term real rates of return and adding an expected contribution to the return due to manager selection. This range ultimately supports the long-term expected rate of return assumption of 6.25% selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs, but may change with a fundamental shift in the underlying market factors or significant asset allocation change. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	20.0	3.6
Private markets	15.0	7.3
Fixed income - ex inflation - linked	20.0	1.5
Fixed income - inflation - linked	15.0	(0.3)
Commodities	10.0	0.8
Real estate	10.0	4.2
Absolute return	5.0	2.5
Risk parity	20.0	4.4
Leverage offset	(15.0)	(1.4)
<b>Total</b>	<b>100.0</b>	

*Discount rate.* Total pension liability was calculated using the discount rate of 6.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and, where applicable, from members, would at the minimum be made at the actuarially determined required rates, computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the 6.25% long-term assumed investment rate of return. Based on these assumptions, the PARF defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

## Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
<b>Balances at 6/30/20</b>	\$ 107,049	\$ 67,876	\$ 39,173
<b>Changes for the year:</b>			
Service cost	2,165	-	2,165
Interest	7,193	-	7,193
Differences between expected and actual experience	(298)	-	(298)
Changes of assumptions or other inputs	6,203	-	6,203
Contributions - employer	-	4,402	(4,402)
Contributions - employee	-	1,459	(1,459)
Net investment income	-	17,492	(17,492)
Benefit payments, including refunds of employee contributions	(5,289)	(5,289)	-
Administrative expense	-	(71)	71
<b>Net changes</b>	<u>9,974</u>	<u>17,993</u>	<u>(8,019)</u>
<b>Balances at 6/30/21</b>	<u><b>\$ 117,023</b></u>	<u><b>\$ 85,869</b></u>	<u><b>\$ 31,154</b></u>

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

	<u>1% Decrease (5.25%)</u>	<u>Current Rate (6.25%)</u>	<u>1% Increase (7.25%)</u>
Net pension liability	45,969	31,154	18,960

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone financial report of the Indiana Public Retirement System. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing [questions@inprs.in.gov](mailto:questions@inprs.in.gov), or by visiting [www.in.gov/inprs](http://www.in.gov/inprs).

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

For the year ended June 30, 2022, the State recognized pension expense of \$88 thousand for the

PARF. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to pensions for the PARF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 250
Changes of assumptions or other inputs	3,192	193
Net difference between projected and actual earnings on pension plan investments	-	9,126
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	4,044	-
<b>Total</b>	<u><b>\$ 7,236</b></u>	<u><b>\$ 9,569</b></u>

Deferred outflows of resources in the amount of \$4.0 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2023	175
2024	(1,938)
2025	(2,036)
2026	(2,578)

Legislators’ Retirement System - Legislators’ Defined Benefit Fund (Presented as part of INPRS – a fiduciary in nature component unit)

*Plan description.* The Legislators’ Retirement System is governed by the INPRS Board of Trustees. The Legislators’ Defined Benefit Fund (LE DB) is a single-employer (the State of Indiana) defined benefit plan, providing retirement, disability, and survivor benefits to members of the General Assembly who were serving on April 30, 1989, and filed an election under IC 2-3.5-3-1(b). The fund is closed to new entrants. Administration of the fund is generally in accordance with IC 2-3.5 and other Indiana pension law.

*Retirement benefits provided.* A participant is entitled to an unreduced monthly retirement benefit (1) at age 65 with at least 10 years of creditable service; (2) at age 60 with at least 15 years of creditable service, or (3) at age 55 if age and creditable service total at least 85. A participant is entitled to early retirement at age 55 and 10 years of creditable service (reduce full benefit by 0.1 percent per month between ages 60 and 65, and by 5/12 percent per month between ages 55 and 60). Early retirement benefits are applicable when the member is no longer serving in the General Assembly and is not receiving, nor entitled to receive, compensation from the state for work in any capacity.

The annual retirement benefit equals the lesser of: \$40 multiplied by 12 months multiplied by years of service before November 8, 1989, or the highest consecutive three-year average annual salary.

Postretirement adjustments are granted by the Indiana General Assembly on an ad hoc basis pursuant to IC 5-10.2-12-4, IC 2-3.5-4-13 and

administered by the INPRS Board. For the year ended June 30, 2022, postretirement benefits of \$2 thousand were issued to members as a COLA.

*Disability and survivor benefits provided.* Any active member that qualifies for social security disability with at least five years of creditable service may receive an unreduced benefit for the duration of their disability. If death occurs while in active service, a spouse or dependent children receives 50 percent of the benefit for the later of age 55 or age the day before the member’s death. If death occurs while receiving a benefit, a spouse (for their lifetime), or dependents (until age 18 unless disabled) receives 50 percent of the member’s benefit.

*Employees covered by benefit terms.* As of June 30, 2022, LE DB membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	76
Inactive vested members entitled to but not yet receiving benefits	6
Active members: vested and non-vested	<u>4</u>
<b>Total</b>	<b><u>86</u></b>
Based on census data as of June 30, 2021 used for the June 30, 2022 actuarial valuation.	

*Contributions.* Employer contributions are actuarially determined and derive from the state’s General Fund, a portion of which will be allocated to fund a supplemental reserve account for postretirement benefits administered by the INPRS Board. For the year ended June 30, 2022, the State of Indiana appropriated \$0.2 million for employer contributions. The Actuarially Determined Contribution (ADC) for the LE DB was \$23 thousand.

*Financial report.* INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing [questions@inprs.in.gov](mailto:questions@inprs.in.gov), or by visiting [www.in.gov/inprs](http://www.in.gov/inprs).

**Net Pension Liability**

The LE DB’s net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

*Actuarial assumptions.* The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.25%
Future salary increases	2.65%
Inflation	2.00%
Cost of living increases	Jan. 1, 2022 - 1.00%
	Beginning Jan. 1, 2024 - 0.40%
	Beginning Jan. 1, 2034 - 0.50%
	Beginning Jan. 1, 2039 - 0.60%

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables (amount weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

The most recent comprehensive experience study was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. The demographic assumptions were updated as needed for the June 30, 2020 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return and adding an expected contribution to the return due to manager selection. This range ultimately

supports the long-term expected rate of return assumption of 6.25% selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs, but may change with a fundamental shift in the underlying market factors or significant asset allocation change. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	20.0	3.6
Private markets	15.0	7.3
Fixed income - ex inflation - linked	20.0	1.5
Fixed income - inflation - linked	15.0	(0.3)
Commodities	10.0	0.8
Real estate	10.0	4.2
Absolute return	5.0	2.5
Risk parity	20.0	4.4
Leverage offset	(15.0)	(1.4)
<b>Total</b>	<b>100.0</b>	

*Discount rate.* Total pension liability was calculated using the discount rate of 6.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and, where applicable, from members, would at the minimum be made at the actuarially determined required rates, computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the 6.25% long-term assumed investment rate of return. Based on these assumptions, the LE DB defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

## Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
<b>Balances at 6/30/20</b>	\$ 3,127	\$ 2,924	\$ 203
<b>Changes for the year:</b>			
Interest	199	-	199
Plan amendments	7	-	7
Differences between expected and actual experience	(49)	-	(49)
Changes of assumptions or other inputs	90	-	90
Contributions - employer	-	208	(208)
Contributions - nonemployer contributing entities	-	30	(30)
Net investment income	-	730	(730)
Benefit payments, including refunds of employee contributions	(341)	(341)	-
Administrative expense	-	(36)	36
<b>Net changes</b>	<b>(94)</b>	<b>591</b>	<b>(685)</b>
<b>Balances at 6/30/21</b>	<b>\$ 3,033</b>	<b>\$ 3,515</b>	<b>\$ (482)</b>

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

	1% Decrease (5.25%)	Current Rate (6.25%)	1% Increase (7.25%)
Net pension liability (asset)	(284)	(482)	(658)

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone financial report of the Indiana Public Retirement System. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing [questions@inprs.in.gov](mailto:questions@inprs.in.gov), or by visiting [www.in.gov/inprs](http://www.in.gov/inprs).

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

For the year ended June 30, 2022, the LE DB recognized pension income of \$18 thousand. At June 30, 2022, the LE DB reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	378
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	183	-
<b>Total</b>	<b>\$ 183</b>	<b>\$ 378</b>

Deferred outflows of resources in the amount of \$0.2 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2023	(101)
2024	(86)
2025	(83)
2026	(108)

Judges' Retirement System (Presented as part of INPRS – a fiduciary in nature component unit)

*Plan description.* The Judges' Retirement System (JRS) is a single-employer (State of Indiana) defined benefit plan providing retirement, disability, and survivor benefits to members. Membership consists of individuals who served, are serving, or shall serve as a regular judge, magistrate, or justice of the (1) Supreme Court of the state of Indiana, (2) Court of Appeals, (3) Indiana Tax Court, (4) Circuit Court of a Judicial Circuit, or (5) county courts including: Superior, Criminal, Probate, Juvenile, Municipal, and County. Administration of the fund is generally in accordance with IC 33-38 and other Indiana pension law. The JRS is governed through the INPRS Board of Trustees.

*Retirement benefits provided.* A member is entitled to a full benefit 1) at age 65 with at least eight years of creditable service, or 2) at age 55 if age and creditable service total at least 85. A member is entitled to an early retirement benefit at age 62 and at least eight years of creditable service but the full benefit is reduced by 0.1 percent for each month less than age 65.

The annual retirement benefit equals individual salary, or salary of office at retirement multiplied by percentage for years of service: 24 percent at eight years of service; increased by three percent per year for years nine through 11; 50 percent at year 12; increased by one percent per year for years 13 through 22 with a maximum of 60 percent.

Postretirement benefit increases for members (not survivors or disabled members) are equal to the change in the salary of the office at retirement. For the year ended June 30, 2022, a postretirement benefit adjustment of 2.45 percent occurred and was administered by the INPRS Board.

*Disability and survivor benefits provided.* A qualified member with 22+ years of creditable services receivables an unreduced disability benefit. Members with less than 22 years of creditable service receive the full benefit reduced by one percent for each year under 22 years of creditable service with the benefit to be no lower than 50 percent. If death occurs while in active service with 8+ years of service, or while receiving a benefit, a spouse or dependent children (for their lifetime) receive the greater of \$12,000 annually or 50 percent of benefit entitled at the date of death.

*Employees covered by benefit terms.* As of June 30, 2022, the Judges' Retirement System membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	421
Inactive vested members entitled to but not yet receiving benefits	28
Inactive non-vested members entitled to a distribution of contributions	39
Active members: vested and non-vested	469
<b>Total</b>	<b>957</b>

Based on census data as of June 30, 2021 used for the June 30, 2022 actuarial valuation.

*Contributions.* Employer contributions are determined by the INPRS Board based on an actuarial valuation and are received from the state general fund and certain court and docket fees. For the year ended June 30, 2022, the fund received \$17.6 million in employer contributions, with appropriations of \$10.4 million and \$7.2 million in docket and court fees. The Actuarially Determined Contribution (ADC) was \$19.0 million.

Members are required to contribute six percent of the member's salary for a maximum period of 22 years of creditable service. Employers may pay all or part of the member contribution for the member.

*Financial report.* INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing [questions@inprs.in.gov](mailto:questions@inprs.in.gov), or by visiting [www.in.gov/inprs](http://www.in.gov/inprs).

**Net Pension Liability**

The JRS' net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

*Actuarial assumptions.* The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.25%
Interest on member balances	3.30%
Future salary increases	2.65%
Inflation	2.00%
Cost of living increases	2.65%

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables (amount weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

The most recent comprehensive experience study was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. The demographic assumptions were updated as needed for the June 30, 2020 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return and adding an expected contribution to the return due to manager selection. This range ultimately supports the long-term expected rate of return assumption of 6.25% selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs, but may change with a fundamental shift in the underlying market factors or significant asset allocation change. The

target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	20.0	3.6
Private markets	15.0	7.3
Fixed income - ex inflation - linked	20.0	1.5
Fixed income - inflation - linked	15.0	(0.3)
Commodities	10.0	0.8
Real estate	10.0	4.2
Absolute return	5.0	2.5
Risk parity	20.0	4.4
Leverage offset	(15.0)	(1.4)
<b>Total</b>	<b>100.0</b>	

*Discount rate.* Total pension liability was calculated using the discount rate of 6.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and, where applicable, from members, would at the minimum be made at the actuarially determined required rates, computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the 6.25% long-term assumed investment rate of return. Based on these assumptions, the JRS defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

## Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
<b>Balances at 6/30/20</b>	\$ 592,510	\$ 554,121	\$ 38,389
<b>Changes for the year:</b>			
Service cost	17,970	-	17,970
Interest	40,244	-	40,244
Differences between expected and actual experience	(6,219)	-	(6,219)
Changes of assumptions or other inputs	26,217	-	26,217
Contributions - employer	-	18,621	(18,621)
Contributions - employee	366	4,041	(3,675)
Net investment income	-	140,228	(140,228)
Benefit payments, including refunds of employee contributions	(28,916)	(28,916)	-
Administrative expense	-	(102)	102
<b>Net changes</b>	<u>49,662</u>	<u>133,872</u>	<u>(84,210)</u>
<b>Balances at 6/30/21</b>	<u><b>\$ 642,172</b></u>	<u><b>\$ 687,993</b></u>	<u><b>\$ (45,821)</b></u>

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

	<u>1% Decrease (5.25%)</u>	<u>Current Rate (6.25%)</u>	<u>1% Increase (7.25%)</u>
Net pension liability (asset)	30,237	(45,821)	(109,675)

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

For the year ended June 30, 2022, the JRS recognized pension income of \$2.0 million. At June 30, 2022, the JRS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 914	\$ 5,774
Changes of assumptions or other inputs	19,930	13,192
Net difference between projected and actual earnings on pension plan investments	-	72,459
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	17,564	-
<b>Total</b>	<u><b>\$ 38,408</b></u>	<u><b>\$ 91,425</b></u>

Deferred outflows of resources in the amount of \$17.6 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal year ended June 30:</u>	<u>Deferred Outflows of Resources/(Deferred Inflows of Resources)</u>
2023	(19,667)
2024	(18,138)
2025	(12,983)
2026	(19,793)

The State sponsors the following cost-sharing multiple-employer plans:

Public Employees' Defined Benefit Account (Presented as part of INPRS – a fiduciary in nature component unit)

*Plan description.* Public Employees' Defined Benefit Account (PERF DB) is a cost-sharing, multiple-employer defined benefit fund providing retirement, disability, and survivor benefits to full-time employees of the State of Indiana not covered by another plan and those political subdivisions (counties, cities, townships, and other governmental units) that elect to participate in the retirement fund. Administration of the fund is generally in accordance with IC 5-10.2, IC 5-10.3, IC 5-10.5, 35 IAC 1.2, and other Indiana pension law. The PERF DB is a component of the Public Employees' Hybrid plan (PERF Hybrid).

PERF Hybrid consists of two components: PERF DB, the monthly employer-funded defined benefit component, along with the Public Employees' Defined Contribution Account (PERF DC), a member-funded account. First time new employees hired by the State or a participating political subdivision who offers a choice have a one-time election to join either the PERF Hybrid plan or My Choice: Retirement Savings Plan for Public Employees (PERF MC DC). A new hire that is an existing member of PERF Hybrid and was not given the option for the PERF MC DC plan is given the option to elect PERF MC DC or remain in PERF Hybrid.

Members who have service in both the PERF DB and either the Teachers' 1996 Defined Benefit Account or the Teachers' Pre-1996 Defined Benefit Account, have the option of choosing from which of these funds they would like to retire.

*Retirement benefits provided.* A member is entitled to a full retirement benefit 1) at age 65 with at least 10 years of creditable service (eight years for certain elected officials), 2) at age 60 with at least 15 years of creditable service, 3) at age 55 if age and creditable service total at least 85, 4) at age 55 with 20 years of creditable service and active as an elected official in the PERF-covered position, or 5) at age 70 with 20 years of creditable service and still active in the PERF-covered position. A member is entitled to an early retirement benefit at age 50 and a minimum of 15 years of creditable service. The benefit is reduced to 44 percent of full benefit at age 50, increasing five percent per year up to 89 percent at age 59.

The lifetime annual benefit equals years of creditable service multiplied by the average highest five-year annual salary multiplied by 1.1 percent (minimum of \$180 per month). Average annual compensation is outlined in IC 5-10.2-4-3 and includes compensation of not more than \$2,000 received from the employer in severance.

Postretirement benefit increases are granted on an ad hoc basis pursuant to IC 5-10.2-12-4 and administered by the INPRS Board. For the year ended June 30, 2022, postretirement benefits of \$4.1 million were issued to members as a COLA.

*Disability and survivor benefits provided.* An active member qualifying for Social Security disability with five years of creditable service may receive an unreduced retirement benefit for the duration of their disability (minimum of \$180 per month). If a member dies after June 30, 2018, a spouse or dependent beneficiary of a member with a minimum of 10 years of creditable service receives a benefit as if the member retired the later of age 50 or the age the day before the member's death. If a member dies while receiving a benefit, a beneficiary receives the benefit associated with the member's selected form of payment: Five Year Certain & Life, Joint with 100 percent Survivor Benefits, Joint with Two-Thirds Survivor Benefits, or Joint with One-Half Survivor Benefits.

Employees covered by benefit terms. As of June 30, 2022, there were 1,233 participating political subdivisions in addition to the State. As of June 30, 2021, PERF DB membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	97,083
Inactive vested members entitled to but not yet receiving benefits	34,413
Active members: vested and non-vested	<u>120,967</u>
<b>Total</b>	<b><u>252,463</u></b>
Based on census data as of June 30, 2021 used for the June 30, 2022 actuarial valuation.	

*Contributions.* Contributions are determined by the INPRS Board based on an actuarial valuation. Employers contribute 11.2 percent of covered payroll, with 0.44 percent from July 2021 to December 2021 and 0.72% from January 2022 to June 2022 funding a supplemental reserve account for postretirement benefit increases. Contributions from employers with PERF MC DC plan members who offered PERF Hybrid prior to July 1, 2016 fund PERF DB's unfunded liability at 8.0 percent of

covered payroll for the State and 7.3 percent for political subdivisions as of June 30, 2021. No member contributions are required.

*Financial report.* INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing [questions@inprs.in.gov](mailto:questions@inprs.in.gov), or by visiting [www.in.gov/inprs](http://www.in.gov/inprs).

*Actuarial assumptions.* The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.25%
Future salary increases	2.65% - 8.65%, based on service
Inflation	2.00%
Cost of living increases	Jan. 1, 2022 - 1.00%
	Beginning Jan. 1, 2024 - 0.40%
	Beginning Jan. 1, 2034 - 0.50%
	Beginning Jan. 1, 2039 - 0.60%

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables (amount weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

The most recent comprehensive experience study was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. The demographic assumptions were updated as needed for the June 30, 2020 actuarial valuation. Economic assumptions were updated and approved by the INPRS board in May 2021 following the completion of an Asset-Liability study and first used in the June 30, 2021 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns

are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return and adding an expected contribution to the return due to manager selection. This range ultimately supports the long-term expected rate of return assumption of 6.25% selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs, but may change with a fundamental shift in the underlying market factors or significant asset allocation change. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	20.0	3.6
Private markets	15.0	7.3
Fixed income - ex inflation - linked	20.0	1.5
Fixed income - inflation - linked	15.0	(0.3)
Commodities	10.0	0.8
Real estate	10.0	4.2
Absolute return	5.0	2.5
Risk parity	20.0	4.4
Leverage offset	(15.0)	(1.4)
<b>Total</b>	<b>100.0</b>	

*Discount rate.* Total pension liability was calculated using the discount rate of 6.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and, where applicable, from members, would at the minimum be made at the actuarially determined required rates, computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the 6.25% long-term assumed investment rate of return. Based on these assumptions, the PERF DB defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

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

current rate:

	<u>1% Decrease (5.25%)</u>	<u>Current Rate (6.25%)</u>	<u>1% Increase (7.25%)</u>
State's proportionate share of the net pension liability (asset)	908,800	347,475	(120,744)

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone financial report of the Indiana Public Retirement System. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing [questions@inprs.in.gov](mailto:questions@inprs.in.gov), or by visiting [www.in.gov/inprs](http://www.in.gov/inprs).

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2022, the State reported a liability of \$347.5 million for its proportionate share of the net pension liability. The PERF DB net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The State's proportion of the net pension liability was based on a projection of the State's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the State's proportion was 26.42 percent, which was an increase of 0.36 percentage points from its proportion measured as of June 30, 2020. An estimate of the proportion related to the Indiana Destination Development Corporation (IDDC) was excluded from the State's proportion as IDDC PERF benefits were submitted as part of the State. The proportion related to IDDC was approximately .05 percent.

For the year ended June 30, 2022, the State recognized pension income of \$17.1 million. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 11,885	\$ 6,938
Changes of assumptions or other inputs	174,783	78,049
Net difference between projected and actual earnings on pension plan investments	-	451,165
Changes in the employer proportion and differences between the employer's contributions and the employer's proportionate share of contributions	28,863	-
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	162,514	-
<b>Total</b>	<b>\$ 378,045</b>	<b>\$ 536,152</b>

Deferred outflows of resources in the amount of \$162.5 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal year ended June 30:</u>	<u>Deferred Outflows of Resources/(Deferred Inflows of Resources)</u>
2023	(82,107)
2024	(68,340)
2025	(41,209)
2026	(128,965)

Teachers' 1996 Defined Benefit Account (Presented as part of INPRS – a fiduciary in nature component unit)

*Plan description.* Teachers' 1996 Defined Benefit Account (TRF '96 DB) is a cost-sharing, multiple-employer defined benefit fund providing retirement, disability, and survivor benefits. Membership in the TRF '96 DB is required for all legally qualified and regularly employed licensed teachers who serve in the public schools of Indiana, teachers employed by the State at state institutions, and certain INPRS personnel. Faculty members and professional employees at Ball State University and Vincennes University have the option of selecting membership in the fund or an alternate university plan not administered by INPRS. Membership in the TRF '96 DB is optional for teachers employed by charter

schools, employees and officials of the Indiana State Board of Education who were Indiana licensed teachers before their employment with the Board, and teachers employed by special management teams as defined under IC 20-31. Administration of the fund is generally in accordance with IC 5-10.2, IC 5-10.4, 35 IAC 14, and other Indiana pension law. The TRF '96 DB is a component of the Teachers' Hybrid Plan. The Teachers Hybrid Plan consists of two components: TRF '96 DB, the monthly employer-funded defined benefit component, along with TRF DC, a member-funded account.

*Retirement benefits provided.* A member is entitled to a full retirement benefit 1) at age 65 with at least 10 years of creditable service, 2) at age 60 with at least 15 years of creditable service, 3) at age 55 if age and creditable service total at least 85, 4) at age 55 with 20 years of creditable service and active as an elected official in the TRF-covered position, or 5) at age 70 with 20 years of creditable service and still active in the TRF-covered position. A member is entitled to an early retirement benefit at age 50 and minimum of 15 years of creditable service. The benefit is 44 percent of full benefit at age 50, increasing five percent per year up to 89 percent at age 59.

The lifetime annual benefit equals the years of creditable service multiplied by the average highest five-year annual salary multiplied by 1.1 percent (minimum of \$185 per month). Average annual compensation is outlined in IC 5-10.2-4-3 and includes compensation of not more than \$2,000 received from the employer in severance.

Postretirement benefit increases are granted on an ad hoc basis pursuant to IC 5-10.2-12-4 and administered by the INPRS Board. For the year ended June 30, 2022, postretirement benefits of \$0.9 million were issued to members as a COLA.

*Disability and survivor benefits provided.* An active member qualifying for Social Security disability with five years of creditable service may receive an unreduced retirement benefit for the duration of their disability (minimum of \$185 per month). Under certain conditions, active TRF '96 DB members may qualify for a classroom disability benefit of at least \$125 per month. If a member dies after June 30, 2018, a spouse or dependent beneficiary of a member with a minimum of 10 years of creditable service receives a benefit as if the member retired the later of age 50 or the age the day before the member's death. If a member dies while receiving a benefit, a beneficiary receives the benefit associated with the member's selected form of payment: Five Year Certain & Life, Joint with 100% Survivor

Benefits, Joint with Two-Thirds Survivor Benefits, or Joint with One-Half Survivor Benefits.

*Employees covered by benefit terms.* As of June 30, 2022, the number of participating employers was 381 in addition to the State. As of June 30, 2022, TRF '96 DB membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	9,035
Inactive vested members entitled to but not yet receiving benefits	7,496
Active members: vested and non-vested	<u>59,567</u>
<b>Total</b>	<b><u>76,098</u></b>
Based on census data as of June 30, 2021 used for the June 30, 2022 actuarial valuation.	

*Contributions.* Contributions are determined by the INPRS Board based on an actuarial valuation. Employers contribute 5.5 percent of covered payroll, with 0.14 percent from July 2021 to December 2021 and 0.21% from January 2022 to June 2022 funding a supplemental reserve account for future postretirement benefit increases. No member contributions are required.

*Financial report.* INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing [questions@inprs.in.gov](mailto:questions@inprs.in.gov), or by visiting [www.in.gov/inprs](http://www.in.gov/inprs).

*Actuarial assumptions.* The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.25%
Future salary increases	2.65% - 11.90%, based on service
Inflation	2.00%
Cost of living increases	Jan. 1, 2022 - 1.00%
	Beginning Jan. 1, 2024 - 0.40%
	Beginning Jan. 1, 2034 - 0.50%
	Beginning Jan. 1, 2039 - 0.60%

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables (amount weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

The most recent comprehensive experience study

was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. The demographic assumptions were updated as needed for the June 30, 2020 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return and adding an expected contribution to the return due to manager selection. This range ultimately supports the long-term expected rate of return assumption of 6.25% selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs, but may change with a fundamental shift in the underlying market factors or significant asset allocation change. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	20.0	3.6
Private markets	15.0	7.3
Fixed income - ex inflation - linked	20.0	1.5
Fixed income - inflation - linked	15.0	(0.3)
Commodities	10.0	0.8
Real estate	10.0	4.2
Absolute return	5.0	2.5
Risk parity	20.0	4.4
Leverage offset	(15.0)	(1.4)
<b>Total</b>	<b>100.0</b>	

**Discount rate.** Total pension liability was calculated using the discount rate of 6.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and, where applicable, from members, would at the minimum be made at the actuarially determined required rates, computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the 6.25% long-term assumed investment rate of return. Based on these assumptions, the TRF '96 DB defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan.

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

	1% Decrease (5.25%)	Current Rate (6.25%)	1% Increase (7.25%)
State's proportionate share of the net pension liability (asset)	2,670	(1,444)	(4,761)

**Pension plan fiduciary net position.** Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone financial report of the Indiana Public Retirement System. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing [questions@inprs.in.gov](mailto:questions@inprs.in.gov), or by visiting [www.in.gov/inprs](http://www.in.gov/inprs).

**Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2021, the State reported an asset of \$1.4 million for its proportionate share of the net pension liability. The TRF '96 DB net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The State's proportion of the net pension liability was based on a projection of the State's long-term share of contributions to the pension plan relative to the

**Pension Liabilities, Pension Expense, and**

projected contributions of all participating employers, actuarially determined. At June 30, 2021, the State's proportion was 0.31 percent, which was a decrease of 0.01 percentage points from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the State recognized pension expense of \$13.5 million. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 414	\$ 474
Changes of assumptions or other inputs	1,895	800
Net difference between projected and actual earnings on pension plan investments	-	2,566
Changes in the employer proportion and differences between the employer's contributions and the employer's proportionate share of contributions	109,047	306
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	622	-
<b>Total</b>	<b>\$ 111,978</b>	<b>\$ 4,146</b>

Deferred outflows of resources in the amount of \$0.6 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2023	12,898
2024	12,974
2025	12,996
2026	12,838
2027	13,568
Thereafter	41,936

*The State is a non-employer contributing entity in a special funding situation for the following pension plan:*

Teachers' Pre-1996 Defined Benefit Account (Presented as part of INPRS – a fiduciary in nature component unit)

*Plan description.* Teachers' Pre-1996 Defined Benefit Account (TRF Pre-'96 DB) is a pay-as-you-go cost-sharing, multiple-employer defined benefit plan providing retirement, disability, and survivor

benefits for teachers, administrators, and certain INPRS personnel hired before July 1, 1996. Membership in TRF Pre-'96 DB is closed to new entrants. Administration of the fund is generally in accordance with IC 5-10.2, IC 5-10.4, 35 IAC 14, and other Indiana pension law. TRF Pre-'96 DB is a component of the Teachers' Hybrid Plan. The Teachers' Hybrid Plan consists of two components: TRF Pre-'96 DB, the monthly employer-funded defined benefit component, along with TRF DC, a member-funded account.

*Retirement benefits provided.* A member is entitled to a full retirement benefit 1) at age 65 with at least 10 years of creditable service, 2) at age 60 with at least 15 years of creditable service, 3) at age 55 if age and creditable service total at least 85, 4) at age 55 with 20 years of creditable service and active as an elected official in the TRF-covered position, or 5) at age 70 with 20 years of creditable service and still active in the TRF-covered position. A member is entitled to an early retirement benefit at age 50 and minimum of 15 years of creditable service. The benefit is 44 percent of full benefit at age 50, increasing five percent per year up to 89 percent at age 59.

The lifetime annual benefit equals the years of creditable service multiplied by the average highest five-year annual salary multiplied by 1.1 percent (minimum of \$185 per month). The average annual compensation is outlined in IC 5-10.2-4-3 and includes compensation of not more than \$2,000 received from the employer in severance.

Postretirement benefit increases are granted on an ad hoc basis pursuant to IC 5-10.2-12-4 and administered by the INPRS Board. For the year ended June 30, 2022, postretirement benefits of \$6.0 million were issued to members as a COLA.

*Disability and survivor benefits provided.* An active member qualifying for Social Security disability with five years of creditable service may receive an unreduced retirement benefit for the duration of their disability (minimum of \$185 per month). Under certain conditions, active TRF members may qualify for a classroom disability benefit of at least \$125 per month. If a member dies after June 30, 2018, a spouse or dependent beneficiary of a member with a minimum of 10 years of creditable service receives a benefit as if the member retired the later of age 50 or the age the day before the member's death. If death occurs while receiving a benefit, a beneficiary receives the benefit associated with the member's selected form of payment: Five Year Certain & Life, Joint with 100% Survivor Benefits, Joint with Two-Thirds Survivor Benefits, or Joint with One-Half

Survivor Benefits.

*Employees covered by benefit terms.* As of June 30, 2022, the number of participating employers was 333 in addition to the State. The State of Indiana makes contributions as the sole nonemployer contributing entity. As of June 30, 2022, TRF Pre-'96 DB membership consisted of:

Retired members, beneficiaries, and disabled members receiving benefits	53,157
Inactive vested members entitled to but not yet receiving benefits	1,875
Active members: vested and non-vested	<u>7,291</u>
<b>Total</b>	<b><u>62,323</u></b>
Based on census data as of June 30, 2021 used for the June 30, 2022 actuarial valuation.	

*Contributions.* According to statute, the TRF Pre-'96 DB is funded primarily by appropriations from the state general fund and lottery proceeds. The Actuarially Determined Contribution (ADC) for the TRF Pre-'96 DB was \$1,552.6 million. This includes a base appropriation of \$975.6 million and \$30.0 million of lottery proceeds to fund the supplemental reserve account for postretirement benefits, and \$2.2 million of employer contributions from grant monies. In addition, TRF Pre-'96 DB received a special appropriation of \$545.4 million in fiscal year 2022 per the excess reserve provisions of IC 4-10-22-3. No member contributions are required.

*Financial report.* INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing [questions@inprs.in.gov](mailto:questions@inprs.in.gov), or by visiting [www.in.gov/inprs](http://www.in.gov/inprs).

*Actuarial assumptions.* The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest rate/investment return	6.25%
Future salary increases	2.65% - 11.90%, based on service
Inflation	2.00%
Cost of living increases	Jan. 1, 2022 - 1.00%
	Beginning Jan. 1, 2024 - 0.40%
	Beginning Jan. 1, 2034 - 0.50%
	Beginning Jan. 1, 2039 - 0.60%

Mortality rates were based on the Pub-2010 Public

Retirement Plans Mortality Tables (amount weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

The most recent comprehensive experience study was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. The demographic assumptions were updated as needed for the June 30, 2020 actuarial valuation.

The long-term return expectation for this INPRS defined benefit retirement plan was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return and adding an expected contribution to the return due to manager selection. This range ultimately supports the long-term expected rate of return assumption of 6.25% selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs, but may change with a fundamental shift in the underlying market factors or significant asset allocation change. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-Term Expected Real Rate of Return (%)
Public equity	20.0	3.6
Private markets	15.0	7.3
Fixed income - ex inflation - linked	20.0	1.5
Fixed income - inflation - linked	15.0	(0.3)
Commodities	10.0	0.8
Real estate	10.0	4.2
Absolute return	5.0	2.5
Risk parity	20.0	4.4
Leverage offset	<u>(15.0)</u>	(1.4)
<b>Total</b>	<b><u>100.0</u></b>	

*Discount rate.* Total pension liability was calculated using the discount rate of 6.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from

employers and, where applicable, from members, would at the minimum be made at the actuarially determined required rates, computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the 6.25% long-term assumed investment rate of return. Based on these assumptions, the TRF Pre-'96 DB defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the plan

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2022, the State reported a liability of \$9,263.4 million for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The State's proportion of the net pension liability was based on a projection of the State's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the State's proportion was 100.00 percent, which was the same as its proportion measured as of June 30, 2020.

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

	<u>1% Decrease (5.25%)</u>	<u>Current Rate (6.25%)</u>	<u>1% Increase (7.25%)</u>
State's proportionate share of the net pension liability	10,577,668	9,263,437	8,131,722

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone financial report of the Indiana Public Retirement System. This report may be obtained by

For the year ended June 30, 2022, the State recognized pension expense of \$1,131.5 million. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	-	539,542
Employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	1,550,495	-
<b>Total</b>	<b>\$ 1,550,495</b>	<b>\$ 539,542</b>

\$1.6 billion reported as deferred outflows of resources resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal year ended June 30:</u>	<u>Deferred Outflows of Resources/(Deferred Inflows of Resources)</u>
2023	(148,631)
2024	(124,495)
2025	(119,303)
2026	(147,113)

writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing [questions@inprs.in.gov](mailto:questions@inprs.in.gov), or by visiting [www.in.gov/inprs](http://www.in.gov/inprs).

Pension Amounts Summary – Defined Benefit Plans

A summary of the pension amounts disclosed in the notes for the defined benefit plans is provided in the following table.

Plan	Total Pension Liability	Fiduciary Net Position	Net Pension Liability	Net Pension Asset	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
SPRF	\$ 734,254	\$ 620,855	\$ 113,399	\$ -	\$ 68,520	\$ 84,805	\$ 22,486
SPST	26,212	-	26,212	-	13,837	3,398	6,590
EG&C	180,848	184,314	-	3,466	22,402	24,934	833
PARF	117,023	85,869	31,154	-	7,236	9,569	88
LE DB	3,033	3,515	-	482	183	378	(18)
JRS	642,172	687,993	-	45,821	38,408	91,425	(2,026)
PERF DB	4,637,894	4,290,419	347,475	-	378,045	536,152	(17,084)
TRF '96 DB	23,102	24,546	-	1,444	111,978	4,146	13,508
TRF Pre-'96 DB	14,338,188	5,074,751	9,263,437	-	1,550,495	539,542	1,131,519
<b>Total</b>	<b>\$ 20,702,726</b>	<b>\$ 10,972,262</b>	<b>\$ 9,781,677</b>	<b>\$ 51,213</b>	<b>\$ 2,191,104</b>	<b>\$ 1,294,349</b>	<b>\$ 1,155,896</b>

*The State contributes to the following defined contribution plans:*

My Choice: Retirement Savings Plan for Public Employees – State Employees' Defined Contribution Plan (Presented as part of INPRS – a fiduciary in nature component unit)

My Choice: Retirement Savings Plan for Public Employees (PERF MC DC) is a multiple employer defined contribution fund providing retirement benefits to full-time employees of the State of Indiana not covered by another plan and those political subdivisions (counties, cities, townships, and other governmental units) that elected to participate in the retirement fund. PERF MC DC is a primary defined contribution benefit plan for members making this election. Administration of the account is generally in accordance with other Indiana pension law.

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

The PERF MC DC plan may be funded with an employer variable rate contribution. As of June 30, 2022, the employer contribution is 3.2 percent for state employees and up to 3.9 percent for political subdivision members. Political subdivisions may match 50 percent of a member's voluntary contributions.

Member contributions under the PERF MC DC are set by statute and the INPRS Board at three percent of covered payroll. The employer may choose to make these contributions on behalf of the member.

Under certain limitations, voluntary member contributions up to 10 percent can be made solely by the member.

The state contributed 3.2% to PERF MC DC members' accounts during the fiscal year ended June 30, 2022. PERF MC DC members totaled 8,365 as of June 30, 2022.

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

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

The survivor benefit is that the beneficiary is entitled to the sum total of vested contributions plus earnings. The amount may be paid in a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity. The amount a beneficiary is entitled to if a member dies after having selected an annuity or having withdrawn from the account

depends upon the annuity option selected by the member and the amount of benefits the member received.

Legislators' Retirement System – Legislators' Defined Contribution Fund (Presented as part of INPRS – a fiduciary in nature component unit)

The Legislators' Defined Contribution Fund (LE DC) is a single-employer (State of Indiana) defined contribution fund that provides retirement benefits to members of the General Assembly. Administration of the fund is generally in accordance with IC 2-3.5 and other Indiana pension law.

Members are entitled to the total of vested contributions plus earnings. Effective January 1, 2021, a member at least 59 1/2 years of age may take an in-service distribution of their account. The amount may be paid in a lump sum, partial lump sum, direct rollover to another eligible retirement plan, monthly annuity, or installment options.

If a participant dies their beneficiary is entitled to the total of contributions plus earnings. The amount can be paid in a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity.

Contributions are determined by the INPRS Board and confirmed by the State Budget Agency. The employer contribution rate is 14.2 percent of covered payroll. This rate may not exceed the sum contribution rates for State of Indiana employer and member PERF Hybrid plans. The member contribution is five percent of member's salary. The employer may choose to make contributions on behalf of the member.

Deferred Compensation Matching Plan - 401(a) (Presented as a pension and other employee benefit trust fund)

The State of Indiana contributes to the State of Indiana Deferred Compensation Matching Plan (401(a)), doing business as Hoosier S.T.A.R.T., a defined contribution pension plan, for its eligible employees. Generally, these are employees eligible to participate in the INPRS pension plans. The 401(a) plan is governed by the Deferred Compensation Committee and is administered by the Indiana Auditor of State in accordance with IC 5-10-1.1.

Benefit terms other than the contribution rate for the 401(a) plan are established and may be amended by the Deferred Compensation Committee and the Indiana Auditor of State. The contribution rate is determined and may be amended by the State

Budget Agency. Benefits are paid following a participant's separation from service, death, disability, or an unforeseeable emergency as outlined in the plan documents. Upon separation from service or a disability, a participant may elect to have benefits commence on a date no later than age 70 1/2. Upon death, the value of the participant's account will be paid to the beneficiary. The plan permits payout options in the form of lump sums, periodic payments of a fixed amount or duration, or life contingent annuities. For each employee in the pension plan, the State contributes \$15 per paycheck to an individual employee account. Other than rollovers, employees are not permitted to contribute to the 401(a) plan. Participants are immediately vested in their accounts and rollover accounts. For the year ended June 30, 2022, the State recognized pension expense of \$10.2 million.

As of December 31, 2021, 35 employers in addition to the state participated in the deferred compensation matching plan. As of December 31, 2021, membership in the plan consisted of:

Inactive employees or beneficiaries currently receiving benefit payments	27,826
Participants with no ending account balance	2,544
Active employees	<u>29,498</u>
<b>Total</b>	<b><u>59,868</u></b>

**F. Other Postemployment Benefits**

***Defined Benefit Plans***

*Plan Descriptions.* The State of Indiana sponsors and contributes to four single-employer defined benefit healthcare plans: State Personnel Plan (SPP); Legislature Plan (LP); Indiana State Police Plan (ISPP); and the Conservation and Excise Police Plan (CEPP). The SPP and LP are administered by the State Personnel Department. The Indiana State Police administers the ISPP. The CEPP is administered by the Indiana State Excise Police and Indiana Conservation Officers Health Insurance Committee. The SPP, ISPP, and CEPP are administered through trusts that meet the criteria in GASB 74. The LP is not administered through a trust that meets the requirements of GASB 74 and is not accumulating assets.

*Benefits Provided.* All four plans provide medical plan health care benefits to eligible State employee retirees and beneficiaries. The medical benefits provided to retirees are the same benefit options afforded active employees. Benefit provisions for each plan are established and may be amended by Indiana Code 5-10-8 et seq. Separate financial reports are not issued for these plans.

*Employees covered by benefit terms.* As of June 30, 2021, membership in the plans consisted of:

	SPP	ISPP	CEPP	LP
Inactive employees or beneficiaries currently receiving benefit payments	411	1,058	212	38
Active employees	25,318	1,662	241	115
<b>Total</b>	<b>25,729</b>	<b>2,720</b>	<b>453</b>	<b>153</b>

*Contributions.* Actuarially determined contributions (ADC) are determined for these plans by the actuary. The state determines the contributions to make for these plans after considering its other needs and the OPEB participants' needs.

For the SPP, the state contributes at least the ADC annually.

The ISPP has established a 401(h) and section 115

trust for the purpose of funding retiree OPEB. Contributions to the 401(h) and section 115 trust are made from the following sources: 1) Medicare Part D retiree drug subsidy reimbursement; 2) excess long-term disability fund; 3) retiree premiums 4) state contributions for ISP active employees in accordance with the OPEB DC plan (501 plan); and 5) discretionary contributions from the ISP healthcare fund up to \$1 million. Additionally, active ISP employees contribute \$20 per paycheck towards the 401(h) trust account. This ISP funding policy is expected to continue for the foreseeable future.

The annual cost of the CEPP is financed on a pay-as-you-go basis from state subsidies, active/retiree contributions, and a discretionary contribution from the CEPP reserve fund.

Retiree participants pay the full premium rate as determined by the administrators of these plans.

Financial Statements: As separately issued financial statements are not available for the State Employee Retiree Health Benefit Trust Fund-DB, summarized financial statements are as follows:

<b>State of Indiana</b>				
<b>Combining Statement of Fiduciary Net Position</b>				
<b>Pension and Other Employee Benefit Trust Funds</b>				
<b>June 30, 2022</b>				
	SPP	ISPP	CEPP	Total
<b>Assets</b>				
Cash, cash equivalents and non-pension investments	\$ 69	\$ 3,393	\$ 970	\$ 4,432
Receivables:				
Interest	26	-	86	112
Total receivables	26	-	86	112
Pension and other employee benefit investments at fair value:				
Debt Securities	46,869	-	-	46,869
Mutual Funds and Collective Trust Funds	-	-	27,140	27,140
Equity in internal investment pool	-	163,544	-	163,544
Other	-	-	2,478	2,478
Total investments at fair value	46,869	163,544	29,618	240,031
<b>Total assets</b>	<b>46,964</b>	<b>166,937</b>	<b>30,674</b>	<b>244,575</b>
<b>Liabilities:</b>				
Accounts/escrows payable	-	25	-	25
Benefits payable	468	642	239	1,349
<b>Total liabilities</b>	<b>468</b>	<b>667</b>	<b>239</b>	<b>1,374</b>
<b>Net Position</b>				
Restricted for:				
OPEB benefits	46,496	166,270	30,435	243,201
<b>Total net position</b>	<b>\$ 46,496</b>	<b>\$ 166,270</b>	<b>\$ 30,435</b>	<b>\$ 243,201</b>

**State of Indiana**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Pension and Other Employee Benefit Trust Funds**  
**For the Year Ended June 30, 2022**

	SPP	ISPP	CEPP	Total
<b>Additions:</b>				
Member contributions	\$ -	\$ 799	\$ -	\$ 799
Employer contributions	1,776	13,492	4,825	20,093
Net investment income (loss)	92	(21,354)	(4,815)	(26,077)
Other	-	100	-	100
Total additions	1,868	(6,963)	10	(5,085)
<b>Deductions:</b>				
Benefits to participants or beneficiaries	1,983	4,678	1,581	8,242
Administrative	226	296	132	654
Total deductions	2,209	4,974	1,713	8,896
Net increase (decrease) in net position	(341)	(11,937)	(1,703)	(13,981)
Net position restricted for other post employment benefits, July 1:	46,837	178,207	32,138	257,182
<b>Net position restricted for pension and other employee benefits, June 30</b>	<b>\$ 46,496</b>	<b>\$ 166,270</b>	<b>\$ 30,435</b>	<b>\$ 243,201</b>

**Net OPEB Liability**

The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The components of the net OPEB liability of the three plans administered through trusts at June 30, 2021 were as follows:

	SPP	ISPP	CEPP
Total OPEB liability	\$62,697	\$168,917	\$52,984
Plan fiduciary net position	46,837	178,207	32,138
Net OPEB liability (asset)	<u>\$15,860</u>	<u>\$ (9,290)</u>	<u>\$20,846</u>
Plan fiduciary net position as a percentage of the total OPEB liability	74.7%	105.5%	60.7%

The components of the net OPEB liability for the three OPEB plans administered through trusts at June 30, 2022 was:

	SPP	ISPP	CEPP
Total OPEB liability	\$73,633	\$172,737	\$48,748
Plan fiduciary net position	46,496	166,270	30,435
Net OPEB liability	<u>\$27,137</u>	<u>\$ 6,467</u>	<u>\$18,313</u>
Plan fiduciary net position as a percentage of the total OPEB liability	63.1%	96.3%	62.4%

**Actuarial assumptions.** The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Description	SPP	ISPP	CEPP	LP
Inflation	2.00%	2.00%	2.00%	2.00%
Salary increases	2.65% for general wage inflation plus merit and productivity increases based on the assumptions approved from the INPRS 2020 Experience Study.	Pre-1987 Plan, 3.5%. 1987 Plan as follows: Age 26, 9.0%; age 31, 6.5%, and age 36+, 4.0%	2.25% for general wage inflation plus merit and productivity increases based on the assumptions approved from the INPRS 2020 Experience Study.	2.00% for general wage inflation plus 0.65% merit and productivity increases.
Investment rate of return	3.00%	6.20%	6.20%	2.19%
Healthcare cost trend rates	8.0% decreasing 0.5% per year to an ultimate rate of 4.5%	8.0% decreasing 0.5% per year to an ultimate rate of 4.5%	8.0% decreasing 0.5% per year to an ultimate rate of 4.5%	8.0% decreasing 0.5% per year to an ultimate rate of 4.5%

For SPP, mortality rates were based on the following: For Healthy Judges/PARF employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 1-year setback for males and a 1-year setback for females. For all other healthy employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 3-year set forward for males and a 1 year set forward for females. For disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 140% load. For surviving spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2020 with no set forward for males and a 2-year set forward for females. For LP, mortality rates were based on the following: For Healthy employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 1-year setback for males and a 1-year setback for females. For disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 140% load. For surviving spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2020 with no set forward for males and a 2-year set forward for females. For ISPP and CEPP, mortality rates were based on the following: For Healthy employees and retirees: SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 3-year set forward for males no set forward for females. For disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2020. For surviving spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2020 with no set forward for males and a 2-year set forward for females.

For SPP and CEPP, the most recent comprehensive experience study was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. For ISPP, the most recent comprehensive experience study was completed in July 2020 and was based on member experience between June 30, 2011 through June 30, 2019. For LP, the most recent comprehensive experience study was based on professional judgement and limited experience through 2008.

*Discount Rate.* For SPP for the June 30, 2021 valuation, the long-term expected rate of return on OPEB plan investment is 3.00%. This was

determined using a building block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are then combined to produce the long-term expected rate of return by weighting them based on the target asset allocation percentage and adding in expected inflation (2.00%). The best estimates of arithmetic real rates of return for each major asset class included in the SPP OPEB Plan's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>State Personnel Plan</u>		
<u>Asset Class</u>	<u>Target Allocation (%)</u>	<u>Long-Term Expected Real Rate of Return (%)</u>
U.S. Bond	100.0	1.0

The discount rate used to measure the total OPEB liability for SPP was 2.96 percent as of June 30, 2021 and applied to all periods of projected benefit payments to determine the total OPEB liability. The change in the discount rate from the 2020 to the 2021 actuarial valuations was .27%, lowering the rate to 2.96%. The projection of cash flows used to determine the discount rate assumed that the State's contributions to this plan will be made at a rate equal to the actuarially determined rate. The discount rate of 2.96% was used in calculating the actuarially determined contribution for this plan

For ISPP for the June 30, 2021 valuation, the long-term expected rate of return on OPEB plan investments is 6.20%. This was developed in consultation with the group's asset advisor using a building-block approach in which expected future rates of return are developed for each major asset class. The expected future nominal rates of return are shown below. Inflation is expected to be 2.00% the best estimate of arithmetic real rates of return for each major asset class included in the ISPP OPEB Plan's target asset allocation as of June 30, 2021 are summarized in the following table.

<u>State Police Plan</u>		
<u>Asset Class</u>	<u>Target Allocation (%)</u>	<u>Long-Term Expected Real Rate of Return (%)</u>
Broad US Equity	31.0	6.6
Global ex-US Equity	11.0	6.8
Domestic Fixed	22.0	1.8
Short Duration	4.0	1.5
Cash Equivalents	2.0	1.0
Hedge Funds	25.0	4.0
Real Estate	5.0	5.8
<b>Total</b>	<b>100.0</b>	

The discount rate used to measure the total OPEB liability for ISPP was 6.20 percent as of June 30,

2021 and applied to all periods of projected benefit payments to determine the total OPEB liability. There was no change in the discount rate from the 2020 to the 2021 actuarial valuations. The projection of cash flows used to determine the discount rate assumed that the State will continue to make contributions equal to the benefit payments each year plus additional prefunding contributions of \$17.0 million per year (based on actual pre-funding contributions over the past four years) until the trust is sufficient to pay all future benefits. The discount rate of 6.20 was used in calculating the actuarially determined contribution for this plan.

For CEPP for the June 30, 2021 valuation, the long-term expected rate of return on OPEB plan investment is 6.20%. This was developed in consultation with the group’s asset advisor using a building-block approach in which expected future rates of returned are developed for each major asset class. The expected future nominal rates of return as provided by the entity’s investment advisor are shown below. Inflation is expected to be 2.00%. The best estimates of arithmetic real rates of return for each major asset class included in the OPEB Plan’s target asset allocation as of June 30, 2021 are summarized in the following table:

<b>Conservation &amp; Excise Officers Plan</b>		
<b>Asset Class</b>	<b>Target Allocation (%)</b>	<b>Long-Term Expected Real Rate of Return (%)</b>
Broad US Equity	45.0	6.6
Global ex-US Equity	15.0	6.8
Domestic Fixed	23.0	1.8
Short Duration	5.0	1.5
Cash Equivalents	2.0	1.0
Hedge Funds	10.0	4.0
<b>Total</b>	<b>100.0</b>	

The discount rate used to measure the total OPEB liability for CEPP was 6.20 percent as of June 30, 2021 and applied to all periods of projected benefit payments to determine the total OPEB liability. There was no change in the discount rate from the 2020 to the 2021 actuarial valuations. The projection of cash flows used to determine the discount rate assumed that the State will continue to make contributions equal to the benefit payments each year plus additional pre-funding contributions of \$3.1 million per year (based on actual pre-funding contributions over the past five years). The discount rate of 6.20% was used in calculating the actuarially determined contribution for this plan.

For LP for the June 30, 2021 valuation, the discount rate used to measure the total OPEB liability was 2.19% and applied to all periods of projected benefit payments to determine the total OPEB liability. The change in the discount rate from the 2020 to the 2021 actuarial valuations was 0.47%, lowering the rate to 2.19%.

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

<b>Description</b>	<b>SPP</b>	<b>ISPP</b>	<b>CEPP</b>	<b>LP</b>
Inflation	2.00%	2.00%	2.00%	2.00%
Salary increases	2.65% for general wage inflation plus merit and productivity increases based on the assumptions approved from the INPRS 2020 Experience Study.	Pre-1987 Plan, 3.5%. 1987 Plan as follows: Age 26, 9.0%; age 31, 6.5%, and age 36+, 4.0%	2.65% for general wage inflation plus merit and productivity increases based on the assumptions approved from the INPRS 2020 Experience Study.	2.00% for general wage inflation plus 0.65% for merit and productivity increases
Investment rate of return	3.00%	6.20%	6.20%	4.09%
Healthcare cost trend rates	7.5% decreasing 0.5% per year to an ultimate rate of 4.5%	7.5% decreasing 0.5% per year to an ultimate rate of 4.5%	7.5% decreasing 0.5% per year to an ultimate rate of 4.5%	7.5% decreasing 0.5% per year to an ultimate rate of 4.5%

For SPP, mortality rates were based on the following: For Healthy Judges/PARF employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 1-year setback for males and a 1-year

setback for females. For all other healthy employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 3-year set forward for males and a 1 year set forward for females. For disabled

retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 140% load. For surviving spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2020 with no set forward for males and a 2-year set forward for females. For LP, mortality rates were based on the following: For Healthy employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 1-year setback for males and a 1-year setback for females. For disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 140% load. For surviving spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2020 with no set forward for males and a 2-year set forward for females. For ISPP and CEPP, mortality rates were based on the following: For Healthy employees and retirees: SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 3-year set forward for males no set forward for females. For disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2020. For surviving spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2020 with no set forward for males and a 2-year set forward for females.

For SPP and CEPP, the most recent comprehensive experience study was completed in February 2020 and was based on member experience between June 30, 2014 and June 30, 2019. For ISPP, the most recent comprehensive experience study was completed in July 2020 and was based on member experience between June 30, 2011 through June 30, 2019. For LP, the most recent comprehensive experience study was based on professional judgement and limited experience through 2008.

**Discount Rate.** For SPP for the June 30, 2022 valuation, the long-term expected rate of return on OPEB plan investment is 3.00%. This was determined using a building block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are then combined to produce the long-term expected rate of return by weighting them based on the target asset allocation percentage and adding in expected inflation (2.00%). The best estimates of arithmetic real rates of return for each major asset class

included in the SPP OPEB Plan's target asset allocation as of June 30, 2022 are summarized in the following table:

<b>State Personnel Plan</b>		
<b>Asset Class</b>	<b>Target Allocation (%)</b>	<b>Long-Term Expected Real Rate of Return (%)</b>
U.S. Bond	100.0	1.0

The discount rate used to measure the total OPEB liability for SPP was 3.04% as of June 30, 2022 and applied to all periods of projected benefit payments to determine the total OPEB liability. The change in the discount rate from the 2021 to the 2022 actuarial valuations was .08%, increasing the rate to 3.04%. The projection of cash flows used to determine the discount rate assumed that the State's contributions to this plan will be made at a rate equal to the actuarially determined rate. The discount rate of 3.04% was used in calculating the actuarially determined contribution for this plan

For ISPP for the June 30, 2022 valuation, the long-term expected rate of return on OPEB plan investments is 6.20%. This was developed in consultation with the group's asset advisor using a building-block approach in which expected future rates of return are developed for each major asset class. The expected future nominal rates of return are shown below. Inflation is expected to be 2.00% the best estimate of arithmetic real rates of return for each major asset class included in the ISPP OPEB Plan's target asset allocation as of June 30, 2022 are summarized in the following table.

<b>State Police Plan</b>		
<b>Asset Class</b>	<b>Target Allocation (%)</b>	<b>Long-Term Expected Real Rate of Return (%)</b>
Broad US Equity	31.0	6.6
Global ex-US Equity	11.0	6.8
Domestic Fixed	22.0	1.8
Short Duration	4.0	1.5
Cash Equivalents	2.0	1.2
Hedge Funds	25.0	4.1
Real Estate	5.0	5.8
<b>Total</b>	<b>100.0</b>	

The discount rate used to measure the total OPEB liability for ISPP was 6.20 percent as of June 30, 2022 and applied to all periods of projected benefit payments to determine the total OPEB liability. There was no change in the discount rate from the 2021 to the 2022 actuarial valuations. The projection of cash flows used to determine the discount rate assumed that the State will continue to make contributions equal to the benefit payments each year plus additional prefunding contributions of \$16.1 million per year (based on actual pre-funding contributions over the past four years) until the trust is sufficient to

pay all future benefits. The discount rate of 6.20 was used in calculating the actuarially determined contribution for this plan.

For CEPP for the June 30, 2022 valuation, the long-term expected rate of return on OPEB plan investment is 6.20%. This was developed in consultation with the group’s asset advisor using a building-block approach in which expected future rates of returned are developed for each major asset class. The expected future nominal rates of return as provided by the entity’s investment advisor are shown below. Inflation is expected to be 2.00%. The best estimates of arithmetic real rates of return for each major asset class included in the OPEB Plan’s target asset allocation as of June 30, 2022 are summarized in the following table:

<b>Conservation &amp; Excise Officers Plan</b>		
<b>Asset Class</b>	<b>Target Allocation (%)</b>	<b>Long-Term Expected Real Rate of Return (%)</b>
Broad US Equity	45.0	6.6
Global ex-US Equity	15.0	6.8
Domestic Fixed	23.0	1.8
Short Duration	5.0	1.5
Cash Equivalents	2.0	1.2
Hedge Funds	10.0	4.1
<b>Total</b>	<b>100.0</b>	

The discount rate used to measure the total OPEB liability for CEPP was 6.20 percent as of June 30, 2022 and applied to all periods of projected benefit payments to determine the total OPEB liability. There was no change in the discount rate from the 2021 to the 2022 actuarial valuations. The projection of cash flows used to determine the discount rate assumed that the State will continue to make contributions equal to the benefit payments each year plus additional pre-funding contributions of \$3.4 million per year (based on actual pre-funding contributions over the past five years). The discount rate of 6.20% was used in calculating the actuarially determined contribution for this plan.

For LP for the June 30, 2022 valuation, the discount rate used to measure the total OPEB liability was 4.09% and applied to all periods of projected benefit payments to determine the total OPEB liability. The change in the discount rate from the 2021 to the 2022 actuarial valuations was 1.90%, increasing the rate to 4.09%.

**Changes in the Net/Total OPEB Liability**

<b>State Personnel Plan</b>	<b>Increase (Decrease)</b>		
	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB Liability (a) - (b)</b>
<b>Balances at 6/30/20</b>	\$ 52,311	\$ 47,137	\$ 5,174
<b>Changes for the year:</b>			
Service cost	3,207	-	3,207
Interest	1,714	-	1,714
Differences between expected and actual experience	3,307	-	3,307
Changes of assumptions or other inputs	7,075	-	7,075
Contributions - employer	-	4,559	(4,559)
Net investment income	-	58	(58)
Benefit payments, including refunds of employee contributions	(4,917)	(4,917)	-
Administrative expense	-	-	-
<b>Net changes</b>	<b>10,386</b>	<b>(300)</b>	<b>10,686</b>
<b>Balances at 6/30/21</b>	<b>\$ 62,697</b>	<b>\$ 46,837</b>	<b>\$ 15,860</b>

<u>Indiana State Police</u>	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net OPEB Liability (Asset) (a) - (b)</u>
<b>Balances at 6/30/20</b>	\$ 177,448	\$ 158,657	\$ 18,791
<b>Changes for the year:</b>			
Service cost	4,993	-	4,993
Interest	11,209	-	11,209
Differences between expected and actual experience	(28,391)	-	(28,391)
Changes of assumptions or other inputs	7,029	-	7,029
Contributions - employer	-	22,322	(22,322)
Contributions - employee	-	828	(828)
Net investment income	-	131	(131)
Benefit payments, including refunds of employee contributions	(3,371)	(3,371)	-
Administrative expense	-	(360)	360
<b>Net changes</b>	<u>(8,531)</u>	<u>19,550</u>	<u>(28,081)</u>
<b>Balances at 6/30/21</b>	<b>\$ 168,917</b>	<b>\$ 178,207</b>	<b>\$ (9,290)</b>

<u>Conservation &amp; Excise Police Plan</u>	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net OPEB Liability (a) - (b)</u>
<b>Balances at 6/30/20</b>	\$ 49,275	\$ 27,172	\$ 22,103
<b>Changes for the year:</b>			
Service cost	1,131	-	1,131
Interest	3,092	-	3,092
Differences between expected and actual experience	(1,883)	-	(1,883)
Changes of assumptions or other inputs	2,447	-	2,447
Contributions - employer	-	4,301	(4,301)
Net investment income	-	1,856	(1,856)
Benefit payments, including refunds of employee contributions	(1,078)	(1,078)	-
Administrative expense	-	(113)	113
<b>Net changes</b>	<u>3,709</u>	<u>4,966</u>	<u>(1,257)</u>
<b>Balances at 6/30/21</b>	<b>\$ 52,984</b>	<b>\$ 32,138</b>	<b>\$ 20,846</b>

<u>Legislature Plan</u>	<u>Increase (Decrease)</u>
	<u>Total OPEB Liability (a)</u>
<b>Balances at 6/30/20</b>	\$ 8,110
<b>Changes for the year:</b>	
Service cost	39
Interest	211
Differences between expected and actual experience	1,308
Changes of assumptions or other inputs	835
Benefit payments, including refunds of employee contributions	(477)
<b>Net changes</b>	<u>1,916</u>
<b>Balances at 6/30/21</b>	<b>\$ 10,026</b>

Changes since last year's valuation, which was for the fiscal year ending June 30, 2020 are as follows:

For SPP, the mortality assumption has been updated from using the MP-2019 improvement scale to use the MP-2020 improvement scale. The base mortality tables are unchanged. This change led to a slight decrease in liabilities. The baseline payroll growth rate has been updated from 2.75% to 2.65% based on the assumptions used in the 2021 INPRS actuarial valuation. This change led to a slight

increase in liabilities. The turnover rate for State employees has been updated to follow the State employee turnover rate table from the 2021 INPRS actuarial valuation. This change has led to an increase in liabilities.

For ISP, the mortality assumption has been updated from using the MP-2019 improvement scale to use the MP-2020 improvement scale. The base mortality tables are unchanged. This change led to a slight decrease in liabilities.

For CEPP, the mortality assumption has been updated from using the MP-2019 improvement scale to use the MP-2020 improvement scale. The base mortality tables are unchanged. This change led to a slight decrease in liabilities. The baseline payroll growth rate has been updated from 2.75% to 2.65% based on the assumptions used in the 2021 INPRS actuarial valuation. This change led to a slight increase in liabilities.

For LP, the mortality assumption has been updated from using the MP-2019 improvement scale to use the MP-2020 improvement scale. The base mortality tables are unchanged. This change led to a slight decrease in liabilities. The baseline payroll growth rate has been updated from 2.75% to 2.65% based on the assumptions used in the 2021 INPRS actuarial valuation. This change led to a slight increase in liabilities.

*Sensitivity of the Net OPEB Liability to Changes in the Discount Rate.* The following presents the net OPEB liability for the three OPEB plans administered through trusts calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

June 30, 2021 valuation:

<b>State Personnel Plan</b>			
<b>Net OPEB Liability</b>			
<b>1% Decrease (1.96%)</b>	<b>Current Rate (2.96%)</b>	<b>1% Increase (3.96%)</b>	
21,663	15,860	10,557	

<b>State Police Plan</b>			
<b>Net OPEB Liability (Asset)</b>			
<b>1% Decrease (5.20%)</b>	<b>Current Rate (6.20%)</b>	<b>1% Increase (7.2%)</b>	
9,103	(9,290)	(25,261)	

<b>Conservation &amp; Excise Officers Plan</b>			
<b>Net OPEB Liability</b>			
<b>1% Decrease (5.20%)</b>	<b>Current Rate (6.20%)</b>	<b>1% Increase (7.20%)</b>	
28,534	20,846	14,553	

June 30, 2022 valuation:

<b>State Personnel Plan</b>			
<b>Net OPEB Liability</b>			
<b>1% Decrease (2.04%)</b>	<b>Current Rate (3.04%)</b>	<b>1% Increase (4.04%)</b>	
34,023	27,137	20,865	

<b>State Police Plan</b>			
<b>Net OPEB Liability (Asset)</b>			
<b>1% Decrease (5.20%)</b>	<b>Current Rate (6.20%)</b>	<b>1% Increase (7.2%)</b>	
24,488	6,467	(9,257)	

<b>Conservation &amp; Excise Officers Plan</b>			
<b>Net OPEB Liability</b>			
<b>1% Decrease (5.20%)</b>	<b>Current Rate (6.20%)</b>	<b>1% Increase (7.20%)</b>	
25,479	18,313	12,468	

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.* The following presents the total OPEB liability for the LP OPEB plan that is not administered through a trust calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

<b>Legislature Plan</b>			
<b>Total OPEB Liability</b>			
<b>1% Decrease (1.19%)</b>	<b>Current Rate (2.19%)</b>	<b>1% Increase (3.19%)</b>	
11,398	10,026	8,906	

*Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates.* The following presents the net OPEB liability for the three OPEB plans administered through trusts calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

June 30, 2021 valuation:

<b>Net OPEB Liability (Asset)</b>			
	<b>1% Decrease (7.0% decreasing to 3.5%)</b>	<b>Current Rate (8.0% decreasing to 4.5%)</b>	<b>1% Increase (9.0% decreasing to 5.5%)</b>
SPP	9,036	15,860	23,974
ISP	(26,756)	(9,290)	11,340
CEPP	13,915	20,846	29,529

June 30, 2022 valuation:

<b>Net OPEB Liability (Asset)</b>			
	<b>1% Decrease (6.5% decreasing to 3.5%)</b>	<b>Current Rate (7.5% decreasing to 4.5%)</b>	<b>1% Increase (8.5% decreasing to 5.5%)</b>
SPP	18,575	27,137	37,382
ISP	(12,176)	6,467	28,536
CEPP	11,454	18,313	26,958

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates.* The following presents the total OPEB liability for the LP OPEB plan that is not administered through a trust calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

<b>Legislature Plan</b>			
<b>Total OPEB Liability</b>			
<b>1% Decrease (7.0% decreasing to 3.5%)</b>	<b>Current Rate (8.0% decreasing to 4.5%)</b>	<b>1% Increase (9.0% decreasing to 5.5%)</b>	
8,957	10,026	11,305	

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OEPB**

**State Personnel Plan** - For the year ended June 30, 2022 the State recognized OPEB expense of \$5.1 million. At June 30, 2022, the State reported deferred

outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,816	\$ 2,285
Changes of assumptions or other inputs	7,793	5,381
Net difference between projected and actual earnings on OPEB plan investments	1,974	-
Employer's contributions to the OPEB plan subsequent to the measurement date of the net OPEB liability	1,776	-
<b>Total</b>	<b>\$ 19,359</b>	<b>\$ 7,666</b>

Deferred outflows of resources in the amount of \$1.8 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2023	1,679
2024	1,497
2025	1,403
2026	2,188
2027	553
Thereafter	2,597

**Indiana State Police Plan** - For the year ended June 30, 2022 the State recognized OPEB income of \$26.1 million. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 92,732
Changes of assumptions or other inputs	6,025	60,984
Net difference between projected and actual earnings on OPEB plan investments	14,171	-
Employer's contributions to the OPEB plan subsequent to the measurement date of the net OPEB liability	13,492	-
<b>Total</b>	<b>\$ 33,688</b>	<b>\$ 153,716</b>

Deferred outflows of resources in the amount of \$13.5 million related to pensions resulting from

employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2023	(31,434)
2024	(31,842)
2025	(32,243)
2026	(26,790)
2027	(8,160)
Thereafter	(3,051)

**Conservation & Excise Police Plan** - For the year ended June 30, 2022 the State recognized OPEB income of \$74 thousand. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,590	\$ 7,256
Changes of assumptions or other inputs	5,987	18,658
Net difference between projected and actual earnings on OPEB plan investments	380	-
Employer's contributions to the OPEB plan subsequent to the measurement date of the net OPEB liability	4,825	-
<b>Total</b>	<b>\$ 16,782</b>	<b>\$ 25,914</b>

Deferred outflows of resources in the amount of \$4.8 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2023	(2,631)
2024	(2,703)
2025	(2,745)
2026	(2,840)
2027	(3,119)
Thereafter	81

**Legislature Plan** - For the year ended June 30, 2022 the State recognized OPEB expense of \$0.2 million. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,046	\$ 922
Changes of assumptions or other inputs	1,080	77
Employer's contributions to the OPEB plan subsequent to the measurement date of the total OPEB liability	527	-
<b>Total</b>	<b>\$ 2,653</b>	<b>\$ 999</b>

Deferred outflows of resources in the amount of \$0.5 million related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	Deferred Outflows of Resources/(Deferred Inflows of Resources)
2023	(76)
2024	307
2025	467
2026	429

**Defined Contribution Plan**

*Plan Description.* The State of Indiana sponsors one single employer defined contribution OPEB plan, the Retirement Medical Benefits Account Plan (RMBA). The plan is administered in accordance with IC 5-10-8.5. RMBA allows for certain medical care expense premiums to be reimbursed from individual accounts established for retired participants under IC 5-10-8.5-9. RMBA became effective for participants who retired on or after July 1, 2007. The plan is administered by the INPRS Board of Trustees.

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

Individual account balances are comprised of annual contributions and earnings on investments after deduction of costs to manage the plan. Annual

contributions range between \$500 and \$1,400, based on the participant's age while in service. Individual account balances are reset after a break in service of more than 30 days. IC 5-10-8.5-16 provides a one-time credit for an additional contribution to a participant's account, if, by June 30, 2017, the participant was eligible for an unreduced pension benefit and had completed at least 15 years of service or had completed 10 years of service as an elected or appointed officer. The one-time additional contribution is credited to a participant's account after the participant's last day of service. Participants lose their right to this one-time contribution if there is a break in service for more than 30 days between July 1, 2007 and June 30, 2017.

Contributions for self-funded agencies and employees not funded by the state budget is recovered by an annual charge per employee determined each year. The annual charge for FY 2022 was \$1,026, which was due by June 30. The remaining funding is through appropriation of cigarette taxes (IC 6-7-1-28.1(7)) received throughout the year.

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

The amount of reimbursed retiree medical expenses during the fiscal year ending June 30, 2022 was \$17.1 million. As of June 30, 2022, the state owes contributions of \$23.4 million to the plan to fulfill its obligation towards additional contributions per IC 5-10-8.5-16. Forfeitures of retiree medical benefits for the fiscal year ending June 30, 2022 totaled \$17.3 million.

As of June 30, 2022 participation in the plan was as follows:

Inactive employees or beneficiaries currently receiving benefit payments	8,418
Active employees	<u>27,363</u>
<b>Total</b>	<b><u>35,781</u></b>

*Financial report.* INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained

by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing

[questions@inprs.in.gov](mailto:questions@inprs.in.gov), or by visiting [www.in.gov/inprs](http://www.in.gov/inprs).

A summary of the OPEB amounts disclosed in the notes is provided in the following table.

Plan	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability	Net OPEB Asset	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
<b>OPEB DB</b>							
SPP	\$ 62,697	\$ 46,837	\$ 15,860	\$ -	\$ 19,359	\$ 7,666	\$ 5,074
ISP	168,917	178,207	-	9,290	33,688	153,716	(26,130)
CEPP	52,984	32,138	20,846	-	16,782	25,914	(74)
LP	10,026	-	10,026	-	2,653	999	174
<b>Total OPEB DB</b>	<b>294,624</b>	<b>257,182</b>	<b>46,732</b>	<b>9,290</b>	<b>72,482</b>	<b>188,295</b>	<b>(20,956)</b>
RMBA-DC	23,401	-	23,401	-	-	-	20,640
<b>Total OPEB</b>	<b>\$ 318,025</b>	<b>\$ 257,182</b>	<b>\$ 70,133</b>	<b>\$ 9,290</b>	<b>\$ 72,482</b>	<b>\$ 188,295</b>	<b>\$ (316)</b>

## G. Pollution Remediation Obligations

*Nature and source of pollution remediation obligations:*

Four state agencies have identified themselves as responsible or potentially responsible parties to remediate forty-five pollution sites. Obligating events for the cleanup of these sites include being compelled to take action because the pollution creates an imminent danger to public health or welfare or the environment, being named by a regulator to remediate hazardous wastes and contamination, and voluntarily assuming responsibility because of imminent threats to human health and the environment.

*Amount of the estimated liability, methods and assumptions used for the estimate, and the potential for changes:*

The State's total estimated liability is \$31.9 million of which \$3.5 million is estimated to be payable within one year and \$28.4 million estimated to be payable in more than one year. State agencies calculated their estimated liabilities using various approaches including existing agreements, contractor bids/surveys, records of decisions from regulators, matching requirements under the Superfund law, previous actual costs to cleanup similar sites, investigation activities, well known and recognized estimation methods, and through the sampling and knowing the size and volume of existing contamination at a site. Superfund site estimated liabilities also applied a rolling thirty-year liability as this was the number of years determined to be reasonably estimable. The estimated liabilities of

state agencies are subject to annual review and adjustment for changes in agreements, laws, regulations, court decisions, price increases or decreases for goods and services used in cleanup, and other relevant changes that come to light.

*Estimated recoveries reducing the liability:*

The estimated recoveries total \$13.9 million. Of this total, \$0.2 million is unrealizable or has not yet been realized and has been applied to reduce the State's total estimated liability. Estimated recoveries include the proceeds from the sale of stock, bankruptcy court settlements, coverage of allowable costs by the State's Excess Liability Trust Fund (ELTF), credits received for work performed on Superfund sites, and federal funds. The ELTF state law states that if insufficient funds exist to pay claims neither the State nor the Fund are liable for unpaid claims. The State recognized \$3.7 million of program revenue for seven sites whose realized recoveries exceeded the pollution remediation liability.

## H. Asset Retirement Obligations

GASB Statement No. 83, Certain Asset Retirement Obligations (GASB 83), establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. In accordance with the statement, the State has recognized asset retirement obligations of \$10.9 million as of June 30, 2022, related to decommissioning costs for various wastewater treatment plants. This obligation was recognized using the best estimate of the current value of outlays expected to be incurred based on vendor

quotes and engineering estimates. Additionally, the Indiana Department of Environmental Management approves plans for each decommissioning. The corresponding deferred outflow of resources is amortized over the estimated remaining useful life of the associated tangible capital assets. These assets have remaining estimated lives ranging from zero to thirty years. No restricted assets are set aside for payment of the asset retirement obligations.

## I. Tax Abatements

The State provides tax abatements through seven programs which are the (1) Coal Gasification Technology Investment Credit, (2) Economic Development for a Growing Economy (EDGE) Credit, (3) Hoosier Business Investment Credit, (4) Industrial Recovery Credit, (5) Research Expense Credit, (6) Venture Capital Investment Credit, and (7) Neighborhood Assistance Program Credit. The Indiana Economic Development Corporation (IEDC) approves the tax credits for programs (1) through (6). The Indiana Housing and Community Development Authority (IHEDA) approves the tax credits for the Neighborhood Assistance Program Credit. The following is a summary of these programs where the taxes abated exceeded \$1 million individually or in the aggregate.

### *Coal Gasification Technology Investment Credit*

The Coal Gasification Technology Investment Credit is created by IC 6-3.1-29. This program was created to foster job creation and higher wages, reduce air pollution as a result of the generation of electricity through fossil fuels, and promote investment in integrated coal gasification power plants and fluidized bed combustion technology. This program provides a credit against a taxpayer's adjusted gross income tax, financial institutions tax, insurance premiums tax liability, or utility receipts tax. The credit must be claimed on the taxpayer's annual state income tax return or returns filed with the Indiana Department of Revenue. The credit is administered by the Indiana Economic Development Corporation (IEDC) and is for a qualified investment in an integrated coal gasification power plant equal to the sum of 10% of the taxpayer's qualified investment for the first \$500 million invested; 5% of the taxpayer's qualified investment that exceeds \$500 million, only if the facility is dedicated primarily to serving Indiana retail electric or gas utility consumers. For qualified investment in fluidized bed combustion technology, the credit is equal to the sum of 7% of the taxpayer's qualified investment for the first \$500 million invested; 3% of the taxpayer's qualified investment that exceeds \$500 million. Qualified investment is defined as a taxpayer's

expenditures for all real and tangible personal property incorporated in and used as part of an integrated coal gasification power plant or a fluidized bed combustion technology and transmission equipment and other real and personal property located at the site of an integrated coal gasification power plant or a fluidized bed combustion technology that is employed specifically to serve the integrated coal gasification power plant or fluidized bed combustion technology. In order to award a tax credit under this program, the IEDC must determine the taxpayer's proposed investment satisfies the requirements of IC 6-3.1-29. The tax credit will be recaptured if the IEDC determines the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-29. The State has made no other commitments other than to reduce the applicable taxes as part of this program.

### *Economic Development for a Growing Economy (EDGE) Credit*

The Economic Development for a Growing Economy Credit is created by IC 6-3.1-13. This program was created to foster job creation in Indiana, job retention in Indiana, and to foster employment in Indiana of students who participate in a course of study that includes a cooperative arrangement between an educational institution and an employer for the training of students in high wage, high demand jobs that require an industry certification. This program provides a credit against a taxpayer's adjusted gross income tax, financial institutions tax, or insurance premiums tax liability. The credit must be claimed on the taxpayer's annual state income tax return filed with the Indiana Department of Revenue. The credit is administered by the Indiana Economic Development Corporation (IEDC). The amount and duration of this tax credit shall be determined by the IEDC. The credit may be stated as a percentage of the incremental income tax withholdings attributable to the applicant's project and may include a fixed dollar limitation. In the case of a credit awarded for a project to create new jobs in Indiana, the credit amount may not exceed the incremental income tax withholdings. However, the credit amount claimed for a taxable year may exceed the taxpayer's state tax liability for the taxable year, in which the excess may, at the discretion of the IEDC, be refunded to the taxpayer. The tax credit will be recaptured if the IEDC determines the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-13. The State has made no other commitments other than to reduce the applicable taxes as part of this program. In order to receive a tax credit, the taxpayer must commit to the creation or retention of full-time, permanent jobs for Indiana residents at the project location and new

capital investment in Indiana.

#### *Hoosier Business Investment Credit*

The Hoosier Business Investment Credit is created by IC 6-3.1-26. This program was created to foster job creation and create higher wages in Indiana. This program provides a credit against a taxpayer's adjusted gross income tax, financial institutions tax, or insurance premiums tax liability. The credit must be claimed on the taxpayer's annual state income tax return filed with the Indiana Department of Revenue. The credit is administered by the Indiana Economic Development Corporation (IEDC) and may not exceed 10% of the taxpayer's qualified investment in a taxable year for qualified investment that is not a logistics investment and 25% of the qualified investment made in a taxable year if the qualified investment is a logistics investment. Qualified investment is defined as the amount of the taxpayer's expenditures in Indiana for the purchase of new telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, finishing, distribution, transportation, or logistical distribution equipment; the purchase of new computers and related equipment; costs associated with the modernization of existing telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, finishing, distribution, transportation, or logistical distribution facilities; onsite infrastructure improvements; the construction of new telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, finishing, distribution, transportation, or logistical distribution facilities; costs associated with retooling existing machinery and equipment; costs associated with the construction of special purpose building and foundations for use in the computer, software, biological sciences, or telecommunications industry; costs associated with the purchase of machinery, equipment or special purpose buildings used to make motion pictures or audio productions; and a logistics investment as further described in IC 6-3.1-26-8.5 that are certified by the IEDC under this chapter as being eligible for the credit. The term does not include property that can be readily moved outside Indiana. In order to award a tax credit under this program, the IEDC must determine the following conditions exist, the applicant's project will raise the total earnings of employees of the applicant in Indiana or substantially enhance the logistics industry by creating new jobs, preserving existing jobs that otherwise would be lost, increasing wages in Indiana, or improving the overall Indiana economy, in the case of a logistics investment being claimed by the applicant; the applicant's project is economically

sound and will benefit the people of Indiana by increasing opportunities for employment and strengthening the economy of Indiana; receiving the tax credit is a major factor in the applicant's decision to go forward with the project and not receiving the tax credit will result in the applicant not raising the total earnings of the applicant's employees in Indiana, or other employees in Indiana in the case of a logistics investment being claimed by the applicant; awarding the tax credit will result in an overall positive fiscal impact to the state, as certified by the budget agency using the best available data; the credit is not prohibited by the relocation of jobs from one location in Indiana to another location in Indiana; in the case of a qualified investment that is not being claimed as a logistics investment by the applicant, the average wage that will be paid by the taxpayer to its employees (excluding highly compensated employees) at the location after the credit is given will be at least equal to one hundred fifty percent (150%) of the hourly minimum wage under IC 22-2-2-4 or its equivalent. The tax credit will be recaptured if the IEDC determines the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-26. The State has made no other commitments other than to reduce the applicable taxes as part of this program. In order to receive a tax credit, the taxpayer must commit to the creation or retention of full-time, permanent jobs for Indiana residents at the project location and new capital investment in Indiana.

#### *Industrial Recovery Credit*

The Industrial Recovery Credit is created by IC 6-3.1-11. This program was created to foster the rehabilitation of property located within an industrial recovery site. This program provides a credit against a taxpayer's adjusted gross income tax, financial institutions tax, or insurance premiums tax liability. The credit must be claimed on the taxpayer's annual state income tax return filed with the Indiana Department of Revenue. The credit is administered by the Indiana Economic Development Corporation (IEDC) and may not exceed 15% for a plant that was in service at least fifteen years ago but less than thirty years ago, 20% for a plant that was placed in service at least thirty years ago but less than forty years ago, and 25% if a plant was placed in service at least forty years ago. Qualified investment is defined as the amount of the taxpayer's expenditures for rehabilitation of property located within an industrial recovery site. Rehabilitation is defined as the remodeling repair, or betterment of real property in any manner or enlargement or extension of real property. Plant is defined as a building or complex of buildings used, or designed and constructed for use, in production, manufacturing, fabrication, assembly,

processing, refining, finishing, or warehousing of tangible personal property, whether the tangible personal property is or was for sale to third parties or for use by the owner in the owner's business. In order to award a tax credit under this program, the IEDC must consider the following factors; the level of distress in the surrounding community caused by the loss of jobs at the vacant industrial facility; evidence of support for the designation by residents, businesses, and private organizations in the surrounding community; evidence of a commitment by private or governmental entities to assist in the financing of improvements or redevelopment activities benefiting the vacant industrial facility; whether the industrial recovery site is within an economic revitalization area designated under IC 6-1.1-12.1. The tax credit will be recaptured if the IEDC determines the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-11. The State has made no other commitments other than to reduce the applicable taxes as part of this program. In order to receive a tax credit, the taxpayer must commit to new capital investment in Indiana within the statutory parameters.

#### *Research Expense Credit*

The Research Expense Credit is created by IC 6-3.1-4. The program was created to incentivize research investment in Indiana. This program provides a credit against a taxpayer's adjusted gross income tax liability. The credit must be claimed on the taxpayer's annual state income tax return filed with the Indiana Department of Revenue. The program is administered by the Indiana Department of Revenue (DOR), with the exception of the aerospace technology portion which is administered by the Indiana Economic Development Corporation (IEDC). The credit may be calculated one of two ways, listed below, as elected by the taxpayer. For Indiana qualified research expense incurred after December 31, 2007, the credit is equal to 15% of the Indiana qualified research expense less the taxpayer's base amount of Indiana qualified research expense, up to \$1 million. For qualified research expense in excess of \$1 million, the credit amount is equal to 10%. For Indiana qualified research expense incurred after December 31, 2009, the taxpayer's research expense tax credit is equal to 10% of the part of the taxpayer's Indiana qualified research expense for the taxable year that exceeds 50% of the taxpayer's average Indiana qualified research expense for the 3 taxable years preceding the taxable year for which the credit is being determined. If the taxpayer did not have Indiana qualified research expense in any 1 of the 3 taxable years preceding the taxable year for which the credit is being determined, the amount of

the research expense tax credit is equal to 5% of the taxpayer's Indiana qualified research expense for the taxable year. Indiana qualified research expense is defined as qualified research expense that is incurred for research conducted in Indiana. Qualified research expense means qualified research expense as defined in Section 41(b) of the Internal Revenue Code. The tax credit will be recaptured if the DOR determines the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-4. The State has made no other commitments other than to reduce the applicable taxes as part of this program.

#### *Venture Capital Investment Credit*

The Venture Capital Investment Credit is created by IC 6-3.1-24. This credit was created to improve access to capital for fast growing Indiana companies by providing individual and corporate investors an incentive to invest in early-stage firms. This program provides a credit against a taxpayer's adjusted gross income tax, financial institutions tax, insurance premiums tax, or state gross retail and use tax liability. The credit must be claimed on the taxpayer's state income tax return or returns filed with the Indiana Department of Revenue. The credit is administered by the Indiana Economic Development Corporation (IEDC) and is equal to 20% of the taxpayer's qualified investment capital provided to the qualified Indiana business or \$1.0 million, whichever is less. Starting on January 1, 2022, the credit is equal to 25% of the taxpayer's qualified investment capital, up to \$1.0 million for qualified Indiana businesses, or 30% up to \$1.5 million for qualified Indiana businesses that are women- or minority-owned. Qualified Indiana business is defined as an independently owned and operated business that is certified as a qualified Indiana business by the IEDC. Qualified investment capital is defined as debt or equity capital that is provided to a qualified Indiana business. However, the term does not include debt that is provided by a financial institution (as defined in IC 5-13-4-10) after May 15, 2005 and is secured by a valid mortgage, security agreement, or other agreement or document that establishes a collateral or security position for the financial institution that is senior to all collateral or security interests of other taxpayers that provide debt or equity capital to the qualified Indiana business. In order to award a tax credit under this program, the IEDC must certify the taxpayer's proposed investment plan. The proposed investment plan must include the name and address of the taxpayer, the name and address of each proposed recipient of the taxpayer's proposed investment; the amount of the proposed investment; a copy of the certification issued by the IEDC stating the business being

invested in is a qualified Indiana business, and any other information required by the IEDC. The IEDC must determine that the proposed investment would qualify for the taxpayer credit under this program, and the amount of proposed investment would not result in the total amount of tax credits certified for the calendar year exceeding \$12.5 million. The total amount of credits that may be approved by the IEDC for a calendar year may not exceed \$12.5 million. Starting on January 1, 2022, the total amount of credits that may be approved by the IEDC for a calendar year may not exceed \$20.0 million, with not more than \$7.5 million set aside for a taxpayer's investment in a qualified Indiana investment fund. A qualified Indiana investment fund is certified by the IEDC and must have a substantial presence in Indiana. The credit is equal to 20% of the taxpayer's qualified investment capital, up to \$5 million. The tax credit will be recaptured if the IEDC determines the taxpayer is noncompliant with the requirements of the tax credit agreement or all of the provisions of IC 6-3.1-24. The State has made no other commitments other than to reduce the applicable taxes as part of

this program.

*Neighborhood Assistance Program Credit*

The Neighborhood Assistance Program (NAP) Credit is created by IC 6-3.1-9. The IHCD distributes state tax credits to eligible non-profit organizations through an application approval process that they use to raise funds for their activities of community services, crime prevention, education, job training, and neighborhood assistance in economically disadvantaged areas or households. Each fiscal year, NAP State tax credits are capped at \$2.5 million and the maximum credit per donor is \$25,000. NAP tax credits are distributed to donors at 50% of the contribution amount and are subtracted from a donor's adjusted gross income or financial institutions tax liability on their annual state income tax returns. Unused portions of the credit may not be carried forward or carried back and the credit is nonrefundable. The State has made no other commitments other than to reduce the applicable taxes as part of this program.

The state tax abatements for the fiscal year ended June 30, 2022 are:

<b>Tax Abatement Program</b>	<b>Amount of Taxes Abated</b>
Coal Gasification Technology Investment Credit	
Corporate Income Tax	\$ 15,000
Economic Development for a Growing Economy (EDGE) Credit	
Individual Income Tax	8,621
Corporate Income Tax	57,314
Hoosier Business Investment Credit	
Individual Income Tax	1,497
Corporate Income Tax	3,888
Industrial Recovery Credit	
Individual Income Tax	6,828
Corporate Income Tax	15,386
Neighborhood Assistance Credit	
Individual Income Tax	2,031
Corporate Income Tax	(D)
Research Expense Credit	
Individual Income Tax	30,911
Corporate Income Tax	43,186
Venture Capital Investment Credit	
Individual Income Tax	4,796
Corporate Income Tax	11
(D) - Non-disclosable per Indiana Code 6-8.1-7-2.	

**J. Subsequent Events**

***Primary Government***

*Additional Automatic Taxpayer Refund*

In August 2022, the Indiana General Assembly authorized an additional automatic taxpayer refund (AATR) in the amount of \$200 per qualifying citizen. Approximately 4.3 million taxpayers that qualify would receive the AATR. In addition, approximately 469,000 to 626,000 individuals that meet certain requirements could potentially receive the ATR. If all of these individuals file a tax return by the end of calendar year 2023, General Fund distributions would increase by an estimated \$958 million to \$990 million in FY 2023. However, a portion of the distributions may be paid in fiscal year 2024.

*Transfer Excess Reserves to Pension Stabilization Fund*

In September 2022, \$2.5 billion was transferred from the General Fund to the Indiana Public Retirement System's (component unit) TRF pre '96 plan. Indiana Code 4-10-22-1.5 requires the State Budget Agency to transfer prior fiscal year excess General Fund

reserves that exceed \$2.5 billion (not to exceed \$2.5 billion) to the TRF pre-'96 plan.

***Component Units***

*Indiana Comprehensive Health Insurance Association*

The Department of Insurance issued a final order approving a plan of dissolution for the Indiana Comprehensive Health Insurance Association in September 2022. Activity will terminate and be dissolved effective December 31, 2022. Indiana code 27-8-10-0.5 (j) requires all remaining funds on the date of final dissolution to be transferred to the state general fund.

*Indiana State Park Inn Authority*

Indiana Code 14-19-11-4 creates the Indiana State Park Inn Authority as a separate legal organization effective July 1, 2022. For the year ended June 30, 2022, the activity associated with state park inns is reported as an enterprise fund of primary government. It will be treated as a blended component beginning in fiscal year 2023.

# REQUIRED SUPPLEMENTARY INFORMATION



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

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>	<u>6/30/2013</u>
Actuarially determined contribution	\$ 29,863	\$ 30,695	\$ 30,947	\$ 30,860	\$ 25,857	\$ 20,556	\$ 19,455	\$ 17,119	\$ 17,271	\$ 18,058
Contributions in relation to the actuarially determined contribution	<u>29,863</u>	<u>36,748</u>	<u>34,095</u>	<u>29,901</u>	<u>25,002</u>	<u>20,556</u>	<u>18,073</u>	<u>13,451</u>	<u>14,005</u>	<u>47,588</u>
Contribution deficiency (excess)	-	(6,053)	(3,148)	959	855	-	1,382	3,668	3,266	(29,530)
Covered payroll	84,695	87,364	88,652	88,103	87,972	75,731	68,786	68,219	68,490	63,347
Contributions as a percentage of covered payroll	35.3%	42.1%	38.5%	33.9%	28.4%	27.1%	26.3%	19.7%	20.4%	75.1%

**Notes to Schedule:***Valuation date*

June 30, 2022

*Actuarial cost method*

Entry age normal cost

*Amortization method*

Level percentage of payroll, closed

*Remaining amortization period*

19 years when the Actuarially Determined Contribution for plan year ending June 30, 2022 was determined

*Asset valuation method*

4 year smoothed value

*Inflation*

2.25%

*Salary increases*

3.5% for the pre-1987 plan; For the 1987 plan, 9% at ages 26 and younger, annual increase reduced 0.5% per year reaching 4% at age 36, annual increases of 4% at ages 36 and older. Salary matrix effective July 1, 2022 is reflected

*Investment rate of return*

6.25% net of pension plan investment expense, including inflation.

*Retirement age*

Pre-1987 Plan - Retirement rates are based on age with 10% assumed to retire at ages 42-45, 7.5% at ages 46-54, 10% at 55, 12.5% at 56, 15% at 57, 20% at 58, 40% at ages 59 and older, except 100% at 65 (with at least 20 years of service). Based on experience study through June 30, 2019

1987 Plan - Retirement rates are based on years of service with 15% assumed to retire at 25 years of service, 12.5% at 26 years, 10% at 27 years, 7.5% at years 28 and 29, 10% at 30 years, 12.5% at 31 years, 15% at 32 years, 40% at 33 years, and 27.5% at 34 or more years, except 100% at age 65 (with at least 25 years of service). Based on experience study through June 30, 2019.

*Mortality*

Employees - SOA Pub-2010 Safety Employees with 3 year set forward for males and no set forward for females with mortality improvement scale MP-2021 (with annual updates)

Retirees - SOA Pub-2010 Safety Retirees with 3 year set forward for males and no set forward for females with mortality improvement scale MP-2021 (with annual updates)

Beneficiaries - SOA Pub-2010 General Contingent Survivors with no set forward for males and 2 year set forward for females with mortality improvement scale

MP-2021 (with annual updates)

Disabled - SOA Pub-2010 General Disabled Retirees with no set forward for males and no set forward for females with mortality improvement scale MP-2021 (with annual updates)

*Other information*

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

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

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

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>	<u>6/30/2013</u>
Actuarially determined contribution	\$ 6,499	\$ 6,398	\$ 5,085	\$ 5,383	\$ 5,049	\$ 5,308	\$ 4,904	\$ 5,195	\$ 4,029	\$ 4,525
Contributions in relation to the actuarially determined contribution	<u>4,442</u>	<u>4,199</u>	<u>3,997</u>	<u>3,983</u>	<u>4,343</u>	<u>4,259</u>	<u>4,677</u>	<u>4,342</u>	<u>4,545</u>	<u>3,746</u>
Contribution deficiency (excess)	2,057	2,199	1,088	1,400	706	1,049	227	853	(516)	779
Covered payroll	84,695	87,364	88,652	88,103	87,972	75,731	68,786	68,219	68,490	63,347
Contributions as a percentage of covered payroll	5.2%	4.8%	4.5%	4.5%	4.9%	5.6%	6.8%	6.4%	6.6%	5.9%

**Notes to Schedule:***Valuation date*

June 30, 2022

*Actuarial cost method*

Entry age normal cost

*Amortization method*

Over the average remaining service of all plan participants

*Remaining amortization period*

As of June 30, 2022 the amortization period is 11.363 years

*Asset valuation method*

Not applicable

*Inflation*

2.25%

*Salary increases*

3.5% for the pre-1987 plan; For the 1987 plan, 9% at ages 26 and younger, annual increase reduced 0.5% per year reaching 4% at age 36, annual increases of 4% at ages 36 and older. New salary matrix effective July 1, 2022 is reflected

*Investment rate of return*

4.09% net of pension plan investment expense, including inflation. 2.18% as of June 30, 2021. Rate is S&amp;P Municipal Bond 20 year high grade rate index

*Retirement age*

Pre-1987 Plan - Retirement rates are based on age with 10% assumed to retire at ages 42-45, 7.5% at ages 46-54, 10% at 55, 12.5% at 56, 15% at 57, 20% at 58, 40% at ages 59 and older, except 100% at 65 (with at least 20 years of service). Based on experience study through June 30, 2019

1987 Plan - Retirement rates are based on years of service with 15% assumed to retire at 25 years of service, 12.5% at 26 years, 10% at 27 years, 7.5% at years 28 and 29, 10% at 30 years, 12.5% at 31 years, 15% at 32 years, 40% at 33 years, and 27.5% at 34 or more years, except 100% at age 65 (with at least 25 years of service). Based on experience study through June 30, 2019.

*Mortality*

Employees - SOA Pub-2010 Safety Employees with 3 year set forward for males and no set forward for females with mortality improvement scale MP-2021 (with annual updates)

Retirees - SOA Pub-2010 Safety Retirees with 3 year set forward for males and no set forward for females with mortality improvement scale MP-2021 (with annual updates)

Beneficiaries - SOA Pub-2010 General Contingent Survivors with no set forward for males and 2 year set forward for females with mortality improvement scale

MP-2021 (with annual updates)

Disabled - SOA Pub-2010 General Disabled Retirees with no set forward for males and no set forward for females with mortality improvement scale MP-2021 (with annual updates)

*Other information*

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

**Schedule of Employer Contributions  
Employee Retirement Systems and Plans  
Excise, Gaming and Conservation Officers' Retirement Fund (EG&C)  
(amounts expressed in thousands)**

	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarially determined contribution	\$ 3,200	\$ 2,924	\$ 3,647	\$ 4,874	\$ 4,393	\$ 4,033	\$ 4,078	\$ 4,820	\$ 5,341	\$ 4,794
Contributions in relation to the actuarially determined contribution	6,714	7,083	6,742	6,982	6,175	5,691	5,297	5,215	5,359	19,740
Contribution deficiency (excess)	(3,514)	(4,159)	(3,095)	(2,108)	(1,782)	(1,658)	(1,219)	(395)	(18)	(14,946)
Covered payroll	32,356	33,194	32,491	33,272	29,387	27,428	25,526	25,133	25,825	24,675
Contributions as a percentage of covered payroll	20.8%	21.3%	20.8%	21.0%	21.0%	20.7%	20.8%	20.7%	20.8%	80.0%

**Notes to Schedule:**

*Valuation date*

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

*Actuarial cost method*

Entry age normal (Level Percent of Payroll)

*Amortization method*

Level dollar

*Remaining amortization period*

20 years, closed

*Asset valuation method*

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

*Inflation*

2.0%

*Salary increases*

2.65% to 4.90%, based on service

*Investment rate of return*

6.25%

*Mortality*

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

*Other information*

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

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

	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarially determined contribution	\$ 4,011	\$ 5,042	\$ 4,608	\$ 3,543	\$ 2,533	\$ 2,148	\$ 1,381	\$ 1,419	\$ 2,345	\$ 2,542
Contributions in relation to the actuarially determined contribution	4,044	4,402	4,232	3,216	3,014	1,486	1,440	1,063	1,174	19,443
Contribution deficiency (excess)	(33)	640	376	327	(481)	662	(59)	356	1,171	(16,901)
Covered payroll	24,577	24,323	23,989	21,791	21,578	22,635	21,372	21,145	20,608	18,805
Contributions as a percentage of covered payroll	16.5%	18.1%	17.6%	14.8%	14.0%	6.6%	6.7%	5.0%	5.7%	103.4%

**Notes to Schedule:***Valuation date*

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

*Actuarial cost method*

Entry age normal (Level Percent of Payroll)

*Amortization method*

Level dollar

*Remaining amortization period*

20 years, closed

*Asset valuation method*

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

*Inflation*

2.00%

*Salary increases*

2.65%

*Investment rate of return*

6.25%

*Mortality*

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

*Other information*

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

**Schedule of Employer Contributions  
Employee Retirement Systems and Plans  
Legislators' Defined Benefit Fund (LRS DB)  
(amounts expressed in thousands)**

	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarially determined contribution	\$ 202	\$ 217	\$ 216	\$ 240	\$ 237	\$ 170	\$ 138	\$ 119	\$ 138	\$ 140
Contributions in relation to the actuarially determined contribution	183	238	208	269	237	135	138	131	138	150
Contribution deficiency (excess)	19	(21)	8	(29)	-	35	-	(12)	-	(10)
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Notes to Schedule:**

*Valuation date*

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

*Actuarial cost method*

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

*Amortization method*

Level dollar

*Remaining amortization period*

5 years, closed

*Asset valuation method*

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

*Inflation*

2.0%

*Salary increases*

2.65%

*Investment rate of return*

6.25%

*Mortality*

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

*Other information*

Based on the actuarial assumptions and methods, an actuarially determined contribution amount is computed. The INPRS Board of Trustees considers this information when requesting appropriations from the State. Member census data as of the prior end was used in the valuation and adjusted, where appropriate, to reflect changes during the current fiscal year. Standard actuarial roll forward techniques were then used to project liabilities computed as of prior year end to the current year measurement date.

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

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

	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarially determined contribution	\$ 19,039	\$ 22,074	\$ 19,406	\$ 14,862	\$ 14,853	\$ 14,335	\$ 17,485	\$ 18,865	\$ 27,648	\$ 25,458
Contributions in relation to the actuarially determined contribution	17,564	18,621	18,166	16,031	15,117	16,824	16,946	21,020	20,895	111,419
Contribution deficiency (excess)	1,475	3,453	1,240	(1,169)	(264)	(2,489)	539	(2,155)	6,753	(85,961)
Covered payroll	65,159	61,215	58,189	56,380	53,350	54,755	51,382	48,582	46,041	47,595
Contributions as a percentage of covered payroll	27.0%	30.4%	31.2%	28.4%	28.3%	30.7%	33.0%	43.3%	45.4%	234.1%

**Notes to Schedule:***Valuation date*

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

*Actuarial cost method*

Entry age normal (Level Percent of Payroll)

*Amortization method*

Level dollar

*Remaining amortization period*

20 years, closed

*Asset valuation method*

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

*Inflation*

2.0%

*Salary increases*

2.65%

*Investment rate of return*

6.25%

*Mortality*

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

*Other information*

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

**Schedule of Employer Contributions  
Employee Retirement Systems and Plans  
Public Employees' Defined Benefit Account (PERF DB)  
(amounts expressed in thousands)**

	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarially determined contribution	\$ 162,514	\$ 181,730	\$ 158,862	\$ 152,307	\$ 148,871	\$ 140,631	\$ 143,499	\$ 133,755	\$ 134,976	\$ 114,353
Contributions in relation to the actuarially determined contribution	<u>162,514</u>	<u>181,730</u>	<u>158,862</u>	<u>152,307</u>	<u>148,871</u>	<u>140,631</u>	<u>143,499</u>	<u>133,755</u>	<u>134,976</u>	<u>114,353</u>
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
State's covered payroll	1,492,394	1,455,930	1,406,618	1,349,423	1,305,016	1,276,857	1,199,921	1,162,622	1,213,031	1,173,716
Contributions as a percentage of covered payroll	10.9%	12.5%	11.3%	11.3%	11.4%	11.0%	12.0%	11.5%	11.1%	9.7%

**Notes to Schedule:**

*Valuation date*

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

*Actuarial cost method*

Entry age normal (Level Percent of Payroll)

*Amortization method*

Level dollar

*Remaining amortization period*

20 years, closed

*Asset valuation method*

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

*Inflation*

2.00%

*Salary increases*

2.65% - 8.65% based on service

*Investment rate of return*

6.25%

*Mortality*

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

*Other information*

The INPRS Board sets, at its discretion, the State's employer contribution rate upon considering the results of the actuarial valuation and other analysis as appropriate. The employer contribution rate for the year ended June 30, 2022 was 11.20%.

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

**Schedule of Employer Contributions  
Employee Retirement Systems and Plans  
Teachers' 1996 Defined Benefit Account (TRF '96 DB)  
(amounts expressed in thousands)**

	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarially determined contribution	\$ 622	\$ 604	\$ 605	\$ 833	\$ 814	\$ 879	\$ 758	\$ 772	\$ 735	\$ 761
Contributions in relation to the actuarially determined contribution	622	5,604	605	150,833	814	879	758	772	735	761
Contribution deficiency (excess)	-	(5,000)	-	(150,000)	-	-	-	-	-	-
State's covered payroll	11,528	11,200	11,150	11,224	11,016	11,722	10,108	10,288	10,380	10,150
Contributions as a percentage of covered payroll	5.4%	50.0%	5.4%	1343.8%	7.4%	7.5%	7.5%	7.5%	7.1%	7.5%

**Notes to Schedule:***Valuation date*

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

*Actuarial cost method*

Entry age normal (Level Percent of Payroll)

*Amortization method*

Level dollar

*Remaining amortization period*

20 years, closed

*Asset valuation method*

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

*Inflation*

2.00%

*Salary increases*

2.65% - 11.90% based on years of service

*Investment rate of return*

6.25%

*Mortality*

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

*Other information*

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

**Schedule of Employer Contributions  
Employee Retirement Systems and Plans  
Teachers' Pre-1996 Defined Benefit Account (TRF Pre-'96 DB)  
(amounts expressed in thousands)**

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>	<u>6/30/2013</u>
Statutorily determined contribution	\$ 1,550,495	\$ 1,598,457	\$ 971,219	\$ 944,027	\$ 918,021	\$ 871,141	\$ 887,643	\$ 845,774	\$ 825,617	\$ 1,003,847
Contributions in relation to the statutorily required contribution	<u>1,550,495</u>	<u>1,598,457</u>	<u>971,219</u>	<u>944,027</u>	<u>918,021</u>	<u>871,141</u>	<u>887,643</u>	<u>845,774</u>	<u>825,617</u>	<u>1,003,847</u>
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-

**Notes to Schedule:**

*Valuation date*

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

*Actuarial cost method*

Entry age normal (Level Percent of Payroll)

*Amortization method*

Level dollar

*Remaining amortization period*

5 years, closed

*Asset valuation method*

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

*Inflation*

2.00%

*Salary increases*

2.65% - 11.90% based on service

*Investment rate of return*

6.25%

*Mortality*

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

*Other information*

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

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

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>	<u>6/30/2013</u>
Actuarially determined contribution	\$ 4,273	\$ 4,917	\$ 4,752	\$ 3,276	\$ 3,042	\$ 3,060	\$ 1,538	\$ 1,839	\$ 1,010	\$ 941
Contributions in relation to the actuarially determined contribution	<u>1,776</u>	<u>4,559</u>	<u>5,031</u>	<u>3,337</u>	<u>3,384</u>	<u>4,802</u>	<u>2,977</u>	<u>3,567</u>	<u>3,200</u>	<u>4,203</u>
Contribution deficiency (excess)	2,497	358	(279)	(61)	(342)	(1,742)	(1,439)	(1,728)	(2,190)	(3,262)
Covered-employee payroll	1,482,190	1,444,707	1,397,835	1,346,186	1,296,877	1,245,383	1,148,771	1,180,296	1,219,424	1,178,197
Contributions as a percentage of covered-employee payroll	0.1%	0.3%	0.4%	0.2%	0.3%	0.4%	0.3%	0.3%	0.3%	0.4%

**Notes to Schedule:***Valuation date*

June 30, 2021 with results actuarially projected on a "no gains/no loss" basis to get to the June 30, 2022 measurement date.

*Actuarial cost method*

Entry age normal (Level Percent of Payroll)

*Amortization method*

Level dollar

*Amortization period*

25 years

*Inflation*

2.00%

*Healthcare cost trend rates*

7.5% initial, decreasing 0.5% per year to an ultimate rate of 4.5%

*Salary increases*

2.65% for general wage inflation (includes 2.00% inflation and 0.65% real wage growth) plus the following merit and productivity increases which are based on the assumptions approved from the Indiana Public Retirement System (INPRS) 2020 Experience Study: YOS 0, 6.00%; YOS 5, 2.00%; YOS 10, 0.75%; YOS 13+, 0.00%.

*Investment rate of return*

3.00% as of June 30, 2021 and 3.00% as of June 30, 2022

*Retirement age*

Annual retirement rates are based on the INPRS 2020 experience study.

*Mortality*

For Judges and PARF employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 1 year setback for males and females.

For all other healthy employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 3 year set forward for males and a 1 year set forward for females.

For Disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 140% load.

For Surviving Spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2020 with no setforward for males and a 2 year for females.

*Other information*

Census data as of June 30, 2021 was used in the valuation.

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

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>	<u>6/30/2013</u>
Actuarially determined contribution	\$ 4,613	\$ 5,897	\$ 9,116	\$ 18,356	\$ 35,042	\$ 34,980	\$ 30,630	\$ 29,604	\$ 26,030	\$ 27,419
Contributions in relation to the actuarially determined contribution	13,592	22,322	21,727	23,937	25,814	26,871	34,862	25,320	24,835	11,684
Contribution deficiency (excess)	(8,979)	(16,425)	(12,611)	(5,581)	9,228	8,109	(4,232)	4,284	1,195	15,735
Covered-employee payroll	118,742	119,889	120,255	120,447	107,914	98,693	91,753	92,130	93,630	93,680
Contributions as a percentage of covered-employee payroll	11.4%	18.6%	18.1%	19.9%	23.9%	27.2%	38.0%	27.5%	26.5%	12.5%

**Notes to Schedule:***Valuation date*

June 30, 2021 with results actuarially projected on a "no gains/no loss" basis to get to the June 30, 2022 measurement date.

*Actuarial cost method*

Entry age normal (Level Percent of Payroll)

*Amortization method*

Level dollar

*Amortization period*

25 years

*Inflation*

2.00%

*Healthcare cost trend rates*

7.5% initial, decreasing 0.5% per year to an ultimate rate of 4.5%

*Salary increases*

Payroll growth rates are based on the tables used in the Indiana State Police actuarial pension valuation as of July 1, 2020 as follows: Age 26, 3.5% (Pre-1987), 9.00% (1987); Age 31, 3.50% (Pre-1987), 6.50% (1987); Age 36+, 3.50% (Pre-1987), 4.00% (1987)

*Investment rate of return*

6.20% as of July 1, 2021 and 6.20% as of June 30, 2022

*Retirement age*

Annual retirement rates are based on ISP's 2011 experience study.

*Mortality*

Healthy employees and retirees: SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 3 year set forward for males and no set forward for females.

Disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2020

Surviving Spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2020 with no set forward for males and 2 year set forward for females.

*Other information*

Census data as of June 30, 2021 was used in the valuation.

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

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>	<u>6/30/2013</u>
Actuarially determined contribution	\$ 2,920	\$ 2,934	\$ 5,600	\$ 3,774	\$ 3,831	\$ 3,349	\$ 3,313	\$ 3,124	\$ 2,822	\$ 3,053
Contributions in relation to the actuarially determined contribution	4,825	4,301	4,167	4,021	6,241	3,718	3,575	2,437	2,482	2,893
Contribution deficiency (excess)	(1,905)	(1,367)	1,433	(247)	(2,410)	(369)	(262)	687	340	160
Covered-employee payroll	18,832	18,550	18,453	18,883	16,981	15,602	14,497	15,106	15,969	16,038
Contributions as a percentage of covered-employee payroll	25.6%	23.2%	22.6%	21.3%	36.8%	23.8%	24.7%	16.1%	15.5%	18.0%

**Notes to Schedule:***Valuation date*

June 30, 2021 with results actuarially projected on a "no gains/no loss" basis to get to the June 30, 2022 measurement date.

*Actuarial cost method*

Entry age normal (Level Percent of Payroll)

*Amortization method*

Level dollar

*Amortization period*

25 years

*Inflation*

2.00%

*Healthcare cost trend rates*

7.5% initial, decreasing 0.5% per year to an ultimate rate of 4.5%

*Salary increases*

2.65% for general wage inflation plus the following merit and productivity increases which are based on the assumptions approved from the Indiana Public Retirement System (INPRS) 2020 Experience Study: YOS 0, 2.25%; YOS 5, 1.00%; YOS 9+, 0.00%

*Investment rate of return*

6.20% as of July 1, 2021 and 6.20% as of June 30, 2022

*Retirement age*

Annual retirement rates are based on the INPRS 2020 experience study.

*Mortality*

Healthy employees and retirees: SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2020 with a 3 year set forward for males and no set forward for females.

Disabled retirees: SOA Pub-2010 General Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2020

Surviving Spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2020 with no set forward for males and a 2 year set forward for females.

*Other information*

Census data as of June 30, 2021 was used in the valuation.

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

	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
<b>Total pension liability</b>									
Service cost	\$ 19,104	\$ 19,641	\$ 19,824	\$ 15,926	\$ 14,409	\$ 14,537	\$ 14,356	\$ 13,747	\$ 13,576
Interest	45,437	46,071	45,018	43,156	39,358	37,930	35,912	34,935	33,758
Changes of benefit terms	3,408	-	-	-	-	-	275	269	147
Differences between expected and actual experience	(9,392)	(12,530)	(9,072)	(5,963)	42,319	(562)	4,765	778	1,112
Changes of assumptions	37,122	(23,483)	(1,513)	8,070	(6,232)	(5)	9,230	775	533
Benefit payments, including refunds of employee contributions	(38,614)	(38,734)	(38,391)	(35,060)	(34,228)	(33,677)	(34,955)	(32,923)	(30,724)
<b>Net change in total pension liability</b>	57,065	(9,035)	15,866	26,129	55,626	18,223	29,583	17,581	18,402
<b>Total pension liability, beginning</b>	677,189	686,224	670,358	644,229	588,603	570,380	540,797	523,216	504,814
<b>Total pension liability, ending</b>	<u>\$ 734,254</u>	<u>\$ 677,189</u>	<u>\$ 686,224</u>	<u>\$ 670,358</u>	<u>\$ 644,229</u>	<u>\$ 588,603</u>	<u>\$ 570,380</u>	<u>\$ 540,797</u>	<u>\$ 523,216</u>
<b>Plan fiduciary net position</b>									
Contributions, employer	\$ 36,748	\$ 34,095	\$ 29,901	\$ 25,002	\$ 20,556	\$ 18,073	\$ 13,451	\$ 14,005	\$ 47,588
Contributions, employee	5,339	5,338	5,289	4,683	3,997	4,043	3,967	3,763	3,786
Net investment income	119,479	7,110	18,794	23,078	41,977	(10,454)	(990)	44,883	29,787
Benefit payments, including refunds of employee contributions	(38,614)	(38,734)	(38,391)	(35,060)	(34,228)	(33,677)	(34,955)	(32,923)	(30,724)
Administrative expense	(807)	(392)	(389)	(381)	(388)	(306)	(300)	(307)	(261)
Other	-	-	-	1	1	1	-	(11)	2
<b>Net change in plan fiduciary net position</b>	122,145	7,417	15,204	17,323	31,915	(22,320)	(18,827)	29,410	50,178
<b>Plan fiduciary net position, beginning</b>	498,710	491,293	476,089	458,766	426,851	449,171	467,998	438,588	388,410
<b>Plan fiduciary net position, ending</b>	<u>\$ 620,855</u>	<u>\$ 498,710</u>	<u>\$ 491,293</u>	<u>\$ 476,089</u>	<u>\$ 458,766</u>	<u>\$ 426,851</u>	<u>\$ 449,171</u>	<u>\$ 467,998</u>	<u>\$ 438,588</u>
<b>Net pension liability</b>	<u>\$ 113,399</u>	<u>\$ 178,479</u>	<u>\$ 194,931</u>	<u>\$ 194,269</u>	<u>\$ 185,463</u>	<u>\$ 161,752</u>	<u>\$ 121,209</u>	<u>\$ 72,799</u>	<u>\$ 84,628</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	84.6%	73.6%	71.6%	71.0%	71.2%	72.5%	78.7%	86.5%	83.8%
<b>Covered payroll</b>	87,364	88,652	88,103	87,972	75,035	68,139	67,628	68,490	63,347
<b>Net pension liability as a percentage of covered payroll</b>	129.8%	201.3%	221.3%	220.8%	247.2%	237.4%	179.2%	106.3%	133.6%

**Notes to Schedule:**

*Measurement date:* The total pension liability as of June 30, 2021 was determined using a June 30, 2021 actuarial valuation and was measured then as well.

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

*Changes of assumptions:*

For 2020, the mortality table was changed to the SOA Pub-2010 Mortality Table with variants for different subpopulations. The most recent comprehensive experience study was completed in 2019 and was based on member experience through June 30, 2019. Demographic assumptions were updated as needed based on the results of the study

June 30, 2018 Mortality Assumption: Mortality rates for healthy members were based on the RP-2014 Total Dataset Mortality Tables adjusted to 2006 with MP-2017 Mortality Improvement Scale. Mortality rates for disabled members were based on the RP-2014 Mortality tables for disabled members adjusted to 2006 with MP-2017 Mortality Improvement Scale. The mortality improvement scale was changed to the MP-2017 Scale.

June 30, 2017 Mortality Assumption: The mortality improvement scale was changed to the MP-2016 Scale.

June 30, 2015 Mortality Assumption: Mortality rates for healthy members were based on the RP-2014 Blue Collar Mortality Tables adjusted to 2006 with MP-2015 Mortality Improvement Scale. Mortality rates for disabled members were based on the RP-2014 Mortality tables for disabled members adjusted to 2006 with MP-2015 Mortality Improvement Scale.

June 30, 2014 Mortality Assumption: Mortality rates for healthy members were based on the 2014 separate non-annuitant and annuitant mortality tables (separate male and female tables) as published by the IRS.

Mortality rates for disabled members were based on the same tables increased by 115% for disabled retirements and disabled terminations with deferred benefits.

The discount rate was 6.25% as of June 30, 2021 and 6.75% as of June 30, 2020

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

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

	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016
<b>Total pension liability</b>						
Service cost	\$ 5,194	\$ 4,230	\$ 4,485	\$ 4,112	\$ 4,422	\$ 3,776
Interest	704	511	628	663	582	1,143
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(40)	7,530	(1,753)	(880)	(59)	(476)
Changes of assumptions	989	(956)	297	(63)	(645)	4,125
Benefit payments, including refunds of employee contributions, and administrative and other expenses	(4,200)	(3,997)	(3,983)	(4,343)	(4,259)	(4,677)
<b>Net change in total pension liability</b>	2,647	7,318	(326)	(511)	41	3,891
<b>Total pension liability, beginning</b>	23,565	16,247	16,573	17,084	17,043	13,152
<b>Total pension liability, ending</b>	<u>\$ 26,212</u>	<u>\$ 23,565</u>	<u>\$ 16,247</u>	<u>\$ 16,573</u>	<u>\$ 17,084</u>	<u>\$ 17,043</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Covered payroll</b>	87,364	88,652	88,103	87,972	75,731	68,786
<b>Net pension liability as a percentage of covered payroll</b>	30.0%	26.6%	18.4%	18.8%	22.6%	24.8%

**Notes to Schedule:**

*Measurement date:* The total pension liability as of June 30, 2021 was determined using a June 30, 2021 actuarial valuation and was measured then as well.

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

*Changes of assumptions:*

In 2021, the mortality improvement scale MP-2019 was changed to the improvement scale MP-2020.

In 2020, the mortality rate table was changed to the SOA PubS-2010 Mortality Tables with variants for different subpopulations. Demographic assumptions were updated as needed based on results of the most recent experience study. New assumptions were needed to value medical insurance premiums for active participant disabilities that occurred in the line of duty. Mortality rates for healthy members were based on the RP-2014 Total Dataset Mortality Tables adjusted from 2006 using MP-2018 Mortality Improvement Scale. Mortality rates for disabled members were based on the RP-2014 Mortality tables for disabled members adjusted from 2006 using MP-2018 Mortality Improvement Scale.

For the July 1, 2016 actuarial valuation, the inflation assumption was reduced from 3.50% to 2.25%.

The discount rate was 2.18% as of June 30, 2021, 2.66% as of June 30, 2020, 2.79% as of June 30, 2019, 2.98% as of June 30, 2018, and 3.13% as of June 30, 2017.

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

**Schedule of Changes in Net Pension Liability and Related Ratios  
Employee Retirement Systems and Plans  
Excise, Gaming and Conservation Officers' Retirement Fund (EG&C)  
(amounts expressed in thousands)**

	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
<b>Total pension liability</b>									
Service cost	\$ 4,049	\$ 3,983	\$ 3,552	\$ 3,369	\$ 3,550	\$ 3,011	\$ 3,905	\$ 3,841	\$ 3,811
Interest	11,081	10,294	9,448	9,619	9,389	8,955	8,384	8,031	7,740
Changes of benefit terms	159	814	-	-	-	-	-	-	-
Differences between expected and actual experience	(1,099)	6,031	6,427	(587)	120	470	845	(430)	(1,845)
Changes of assumptions	10,403	(1,984)	-	(8,015)	(2,578)	-	2,669	-	(40)
Benefit payments, including refunds of employee contributions	(7,735)	(7,367)	(7,325)	(6,935)	(6,826)	(6,245)	(6,608)	(5,938)	(4,836)
Member reassignments	-	-	-	-	(26)	(21)	-	-	(15)
Other	12	-	50	1	9	(1)	-	-	-
<b>Net change in total pension liability</b>	16,870	11,771	12,152	(2,548)	3,638	6,169	9,195	5,504	4,815
<b>Total pension liability, beginning</b>	163,978	152,207	140,055	142,603	138,965	132,796	123,601	118,097	113,282
<b>Total pension liability, ending</b>	<u>\$ 180,848</u>	<u>\$ 163,978</u>	<u>\$ 152,207</u>	<u>\$ 140,055</u>	<u>\$ 142,603</u>	<u>\$ 138,965</u>	<u>\$ 132,796</u>	<u>\$ 123,601</u>	<u>\$ 118,097</u>
<b>Plan fiduciary net position</b>									
Contributions, employer	\$ 7,083	\$ 6,742	\$ 6,982	\$ 6,175	\$ 5,691	\$ 5,367	\$ 5,215	\$ 5,359	\$ 19,740
Contributions, employee	1,333	1,299	1,368	1,172	1,102	1,016	1,004	1,019	1,006
Net investment income	37,369	3,677	9,711	11,189	8,869	1,313	(71)	13,339	4,702
Benefit payments, including refunds of employee contributions	(7,735)	(7,367)	(7,325)	(6,935)	(6,825)	(6,245)	(6,609)	(5,938)	(4,836)
Administrative expense	(95)	(107)	(112)	(136)	(124)	(139)	(158)	(141)	(121)
Member reassignments	-	-	-	-	(26)	(21)	-	-	(15)
Other	-	-	-	10	-	-	-	-	-
<b>Net change in plan fiduciary net position</b>	37,955	4,244	10,624	11,475	8,687	1,291	(619)	13,638	20,476
<b>Plan fiduciary net position, beginning</b>	146,359	142,115	131,491	120,016	111,329	110,038	110,657	97,019	76,543
<b>Plan fiduciary net position, ending</b>	<u>\$ 184,314</u>	<u>\$ 146,359</u>	<u>\$ 142,115</u>	<u>\$ 131,491</u>	<u>\$ 120,016</u>	<u>\$ 111,329</u>	<u>\$ 110,038</u>	<u>\$ 110,657</u>	<u>\$ 97,019</u>
<b>Net pension liability (asset)</b>	<u>\$ (3,466)</u>	<u>\$ 17,619</u>	<u>\$ 10,092</u>	<u>\$ 8,564</u>	<u>\$ 22,587</u>	<u>\$ 27,636</u>	<u>\$ 22,758</u>	<u>\$ 12,944</u>	<u>\$ 21,078</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	101.9%	89.3%	93.4%	93.9%	84.2%	80.1%	82.9%	89.5%	82.2%
<b>Covered payroll</b>	33,194	32,491	33,272	29,387	27,428	25,526	25,133	25,825	24,675
<b>Net pension liability (asset) as a percentage of covered payroll</b>	-10.4%	54.2%	30.3%	29.1%	82.4%	108.3%	90.6%	50.1%	85.4%

see notes to schedule on next page

**Schedule of Changes in Net Pension Liability and Related Ratios  
Employee Retirement Systems and Plans  
Excise, Gaming and Conservation Officers' Retirement Fund (EG&C)  
(amounts expressed in thousands)**

**Notes to Schedule:**

*Measurement date:* The total pension liability as of June 30, 2021 was determined using a June 30, 2021 actuarial valuation and was measured then as well.

*Benefit changes:*

For 2020 the eligibility condition for active death member death benefits changed from 15 years of service to no service requirement. Death benefits were set to be a minimum of the benefit due as if the member had 25 years of service and was age 50. 100% of the death benefit is payable to an eligible spouse if the death occurs in the line of duty and 50% of the death benefit is payable to an eligible spouse if the death occurs other than in the line of duty.

*Changes of assumptions:*

In 2021, price inflation was lowered to 2.00%, general wage inflation was lowered to 2.65%, and interest on member balances was lowered to 3.30%.

In 2020, the future salary increase assumption changed from a constant 2.50 percent per year to a service-based table ranging from 2.75 percent to 5.0 percent. The mortality assumption changed from the RP-2014 Blue Collar mortality tables to the Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scal MP-2019. The retirement assumption was updated based on recent experience. The line of duty death assumption was added based on recent experience. 20 percent of active deaths are assumed to be in the line of duty. Previously this assumption was not set.

An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) The inflation assumption changed from 3.0% per year to 2.25% per year; 2) the future salary increases assumption changed from 3.25% to 2.5% per year; 3) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 Blue Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report; 4) the retirement assumption changed to reflect higher likelihood of retirement at certain ages; 5) the termination assumption changed from an age-based table to a service-based table; and 6) the dependent assumption was adjusted to reflect recent experience. For disabled members, in 2017 the RP-2014 (with MP-2014 improvement removed) Disability Mortality Table was assumed instead of the RP-2014 (with MP-2014 improvement removed) Healthy Annuitant Mortality Tables with collar adjustments. As of June 30, 2019, in lieu of a COLA on January 1, 2020 and January 1, 2010, members in pay were provided a 13th check on October 1, 2019. Thereafter, the following COLAs, compounded annually, were assumed: 0.4% beginning on in 2022, 0.5% beginning in 2034, and 0.6% beginning in 2039. The discount rate was 6.25% as of June 30, 2021 and 6.75% as of June 30, 2020.

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

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

	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
<b>Total pension liability</b>									
Service cost	\$ 2,165	\$ 2,067	\$ 2,031	\$ 1,947	\$ 1,650	\$ 1,626	\$ 1,603	\$ 1,587	\$ 1,568
Interest	7,193	7,402	6,959	6,521	5,714	5,239	4,409	4,207	3,816
Changes of benefit terms	-	-	-	-	6,547	-	-	-	1,346
Differences between expected and actual experience	(298)	(2,515)	2,240	2,156	1,996	4,058	4,551	-	1,474
Changes of assumptions	6,203	(5,012)	-	-	(216)	-	5,216	-	(109)
Benefit payments, including refunds of employee contributions	(5,289)	(4,974)	(4,433)	(3,995)	(4,069)	(3,747)	(3,254)	(2,398)	(2,235)
Other	-	-	-	-	-	(2)	-	-	-
<b>Net change in total pension liability</b>	<u>9,974</u>	<u>(3,032)</u>	<u>6,797</u>	<u>6,629</u>	<u>11,622</u>	<u>7,174</u>	<u>12,525</u>	<u>3,396</u>	<u>5,860</u>
<b>Total pension liability, beginning</b>	<u>107,049</u>	<u>110,081</u>	<u>103,284</u>	<u>96,655</u>	<u>85,033</u>	<u>77,861</u>	<u>65,336</u>	<u>61,940</u>	<u>56,080</u>
<b>Total pension liability, ending</b>	<u>\$ 117,023</u>	<u>\$ 107,049</u>	<u>\$ 110,081</u>	<u>\$ 103,284</u>	<u>\$ 96,655</u>	<u>\$ 85,035</u>	<u>\$ 77,861</u>	<u>\$ 65,336</u>	<u>\$ 61,940</u>
<b>Plan fiduciary net position</b>									
Contributions, employer	\$ 4,402	\$ 4,232	\$ 3,216	\$ 3,014	\$ 1,486	\$ 1,440	\$ 1,063	\$ 1,174	\$ 19,443
Contributions, employee	1,459	1,439	1,307	1,295	1,357	1,279	1,269	1,334	1,271
Net investment income	17,492	1,730	4,489	5,218	4,167	589	(34)	6,581	1,897
Benefit payments, including refunds of employee contributions	(5,289)	(4,974)	(4,433)	(3,995)	(4,069)	(3,747)	(3,254)	(2,398)	(2,235)
Administrative expense	(71)	(74)	(75)	(88)	(158)	(193)	(127)	(108)	(145)
Other	-	-	-	-	-	-	-	4	-
<b>Net change in plan fiduciary net position</b>	<u>17,993</u>	<u>2,353</u>	<u>4,504</u>	<u>5,444</u>	<u>2,783</u>	<u>(632)</u>	<u>(1,083)</u>	<u>6,587</u>	<u>20,231</u>
<b>Plan fiduciary net position, beginning</b>	<u>67,876</u>	<u>65,523</u>	<u>61,019</u>	<u>55,575</u>	<u>52,792</u>	<u>53,424</u>	<u>54,507</u>	<u>47,920</u>	<u>27,689</u>
<b>Plan fiduciary net position, ending</b>	<u>\$ 85,869</u>	<u>\$ 67,876</u>	<u>\$ 65,523</u>	<u>\$ 61,019</u>	<u>\$ 55,575</u>	<u>\$ 52,792</u>	<u>\$ 53,424</u>	<u>\$ 54,507</u>	<u>\$ 47,920</u>
<b>Net pension liability</b>	<u>\$ 31,154</u>	<u>\$ 39,173</u>	<u>\$ 44,558</u>	<u>\$ 42,265</u>	<u>\$ 41,080</u>	<u>\$ 32,243</u>	<u>\$ 24,437</u>	<u>\$ 10,829</u>	<u>\$ 14,020</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	73.4%	63.4%	59.5%	59.1%	57.5%	62.1%	68.6%	83.4%	77.4%
<b>Covered payroll</b>	24,323	23,989	21,791	21,578	22,635	21,372	21,145	20,608	18,805
<b>Net pension liability as a percentage of covered payroll</b>	128.1%	163.3%	204.5%	195.9%	181.5%	150.9%	115.6%	52.5%	74.6%

see notes to schedule on next page

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

**Notes to Schedule:**

*Measurement date:* The total pension liability as of June 30, 2021 was determined using a June 30, 2021 actuarial valuation and was measured then as well.

*Benefit changes:*

In 2013, HB 1057 changed the benefits in the Prosecuting Attorneys' Retirement Fund to be comparable to the Judges' Retirement Fund. Per 2016 Senate Enrolled Act No. 265, the PERF offset reflected in the PARF benefit formula was changed to be the actual PERF benefit amount the member is receiving for members who commence their PERF benefit before their PARF benefit. As a result of this change, for current active and inactive vested members, the PERF benefit commencement timing assumption was updated to 75% assumed to commence their PERF benefit at the earliest PERF eligibility and 25% assumed to commence their PERF benefit at PARF commencement.

*Changes of assumptions:*

In 2021, price inflation was lowered to 2.00%, general wage inflation was lowered to 2.65%, and interest on member balances was lowered to 3.30%.

In 2020, the future salary increases assumption decreased from 4% to 2.75% per year. The mortality assumption changed from the RP-2014 White Collar mortality table to the Pub-2010

Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019. The retirement assumption changed from an age- and service-based table to an age-based table split by eligibility for reduced or unreduced benefits.

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

The discount rate was 6.25% as of June 30, 2021 and 6.75% as of June 30, 2020

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

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

	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
<b>Total pension liability</b>									
Service cost	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ 2	\$ 3	\$ 3	\$ 2
Interest	199	215	224	245	259	280	269	277	291
Changes of benefit terms	7	-	-	-	-	-	-	-	-
Differences between expected and actual experience	(49)	(14)	10	(85)	(113)	(233)	(68)	(36)	(140)
Changes of assumptions	90	(87)	-	(121)	-	-	325	-	-
Benefit payments, including refunds of employee contributions	(341)	(349)	(356)	(359)	(358)	(359)	(370)	(363)	(365)
<b>Net change in total pension liability</b>	<b>(94)</b>	<b>(235)</b>	<b>(122)</b>	<b>(320)</b>	<b>(211)</b>	<b>(310)</b>	<b>159</b>	<b>(119)</b>	<b>(212)</b>
<b>Total pension liability, beginning</b>	<b>3,127</b>	<b>3,362</b>	<b>3,484</b>	<b>3,804</b>	<b>4,015</b>	<b>4,325</b>	<b>4,166</b>	<b>4,285</b>	<b>4,497</b>
<b>Total pension liability, ending</b>	<b>\$ 3,033</b>	<b>\$ 3,127</b>	<b>\$ 3,362</b>	<b>\$ 3,484</b>	<b>\$ 3,804</b>	<b>\$ 4,015</b>	<b>\$ 4,325</b>	<b>\$ 4,166</b>	<b>\$ 4,285</b>
<b>Plan fiduciary net position</b>									
Contributions, employer	\$ 208	\$ 208	\$ 269	\$ 237	\$ 135	\$ 138	\$ 131	\$ 138	\$ 150
Contributions - nonemployer contributing entities	30	-	-	-	-	-	-	-	-
Net investment income	730	77	209	263	221	27	(5)	439	201
Benefit payments, including refunds of employee contributions	(341)	(349)	(356)	(359)	(356)	(359)	(370)	(363)	(365)
Administrative expense	(36)	(38)	(38)	(64)	(53)	(61)	(71)	(62)	(34)
<b>Net change in plan fiduciary net position</b>	<b>591</b>	<b>(102)</b>	<b>84</b>	<b>77</b>	<b>(53)</b>	<b>(255)</b>	<b>(315)</b>	<b>152</b>	<b>(48)</b>
<b>Plan fiduciary net position, beginning</b>	<b>2,924</b>	<b>3,026</b>	<b>2,942</b>	<b>2,865</b>	<b>2,918</b>	<b>3,174</b>	<b>3,489</b>	<b>3,337</b>	<b>3,385</b>
<b>Plan fiduciary net position, ending</b>	<b>\$ 3,515</b>	<b>\$ 2,924</b>	<b>\$ 3,026</b>	<b>\$ 2,942</b>	<b>\$ 2,865</b>	<b>\$ 2,919</b>	<b>\$ 3,174</b>	<b>\$ 3,489</b>	<b>\$ 3,337</b>
<b>Net pension liability</b>	<b>\$ (482)</b>	<b>\$ 203</b>	<b>\$ 336</b>	<b>\$ 542</b>	<b>\$ 939</b>	<b>\$ 1,096</b>	<b>\$ 1,151</b>	<b>\$ 677</b>	<b>\$ 948</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>115.9%</b>	<b>93.5%</b>	<b>90.0%</b>	<b>84.4%</b>	<b>75.3%</b>	<b>72.7%</b>	<b>73.4%</b>	<b>83.7%</b>	<b>77.9%</b>
<b>Covered payroll</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Net pension liability as a percentage of covered payroll</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

see notes to schedule on next page

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

**Notes to Schedule:**

*Measurement date:* The total pension liability as of June 30, 2021 was determined using a June 30, 2021 actuarial valuation and was measured then as well.

*Benefit changes:*

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

*Changes of assumptions:*

In 2021, price inflation was lowered to 2.00% and general wage inflation was lowered to 2.65%.

In 2020, the future salary increase assumption changed from 2.25% to 2.75% per year. The mortality assumption changed from the RP-2014 White Collar mortality tables to the Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019. The disability and termination assumptions were removed.

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

As of June 30, 2019, in lieu of a COLA on January 1, 2020 and January 1, 2010, members in pay were provided a 13th check on October 1, 2019. Thereafter, the following COLAs, compounded annually, were assumed: 0.4% beginning on January 1, 2022, 0.5% beginning on January 1, 2034, and 0.6% beginning on January 1, 2039.

The discount rate was 6.25% as of June 30, 2021 and 6.75% as of June 30, 2020

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

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

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

	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
<b>Total pension liability</b>									
Service cost	\$ 17,970	\$ 19,567	\$ 18,230	\$ 14,886	\$ 14,762	\$ 13,870	\$ 15,283	\$ 15,302	\$ 16,084
Interest	40,244	40,006	37,346	35,565	34,083	31,889	31,753	30,992	30,047
Differences between expected and actual experience	(6,219)	(1,968)	8,527	(3,090)	(3,107)	7,182	8,411	(16,026)	(13,603)
Changes of assumptions	26,217	(24,814)	-	-	(1,213)	-	(31,926)	-	186
Benefit payments, including refunds of employee contributions	(28,916)	(26,836)	(25,391)	(23,621)	(22,099)	(20,922)	(19,432)	(18,527)	(17,579)
Member reassignments	-	-	-	-	-	-	-	4	121
Other	366	56	93	219	183	162	-	-	-
<b>Net change in total pension liability</b>	49,662	6,011	38,805	23,959	22,609	32,181	4,089	11,745	15,256
<b>Total pension liability, beginning</b>	592,510	586,499	547,694	523,735	501,126	468,945	464,855	453,110	437,854
<b>Total pension liability, ending</b>	<u>\$ 642,172</u>	<u>\$ 592,510</u>	<u>\$ 586,499</u>	<u>\$ 547,694</u>	<u>\$ 523,735</u>	<u>\$ 501,126</u>	<u>\$ 468,944</u>	<u>\$ 464,855</u>	<u>\$ 453,110</u>
<b>Plan fiduciary net position</b>									
Contributions, employer	\$ 18,621	\$ 18,166	\$ 16,031	\$ 15,117	\$ 16,824	\$ 16,946	\$ 21,020	\$ 20,895	\$ 111,419
Contributions, employee	4,041	3,549	3,476	3,418	3,468	3,239	3,292	2,856	2,631
Net investment income	140,228	14,020	37,371	44,104	35,196	5,323	(102)	51,890	16,955
Benefit payments, including refunds of employee contributions	(28,916)	(26,836)	(25,391)	(23,623)	(22,101)	(20,922)	(19,432)	(18,527)	(17,579)
Administrative expense	(102)	(109)	(108)	(119)	(124)	(148)	(165)	(146)	(126)
Member reassignments	-	-	-	-	-	-	-	4	121
Other	-	-	-	-	-	-	9	6	5
<b>Net change in plan fiduciary net position</b>	133,872	8,790	31,379	38,897	33,263	4,438	4,622	56,978	113,426
<b>Plan fiduciary net position, beginning</b>	554,121	545,331	513,952	475,055	441,790	437,352	432,730	375,752	262,326
<b>Plan fiduciary net position, ending</b>	<u>\$ 687,993</u>	<u>\$ 554,121</u>	<u>\$ 545,331</u>	<u>\$ 513,952</u>	<u>\$ 475,053</u>	<u>\$ 441,790</u>	<u>\$ 437,352</u>	<u>\$ 432,730</u>	<u>\$ 375,752</u>
<b>Net pension liability (asset)</b>	<u>\$ (45,821)</u>	<u>\$ 38,389</u>	<u>\$ 41,168</u>	<u>\$ 33,742</u>	<u>\$ 48,682</u>	<u>\$ 59,336</u>	<u>\$ 31,592</u>	<u>\$ 32,125</u>	<u>\$ 77,358</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	107.1%	93.5%	93.0%	93.8%	90.7%	88.2%	93.3%	93.1%	82.9%
<b>Covered payroll</b>	61,215	58,189	56,380	53,350	54,755	51,382	48,582	46,041	47,595
<b>Net pension liability (asset) as a percentage of covered payroll</b>	-74.9%	66.0%	73.0%	63.2%	88.9%	115.5%	65.0%	69.8%	162.5%

see notes to schedule on next page

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

**Notes to Schedule:**

*Measurement date:* The total pension liability as of June 30, 2021 was determined using a June 30, 2021 actuarial valuation and was measured then as well.

*Benefit changes:*

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

*Changes of assumptions:*

In 2021, price inflation was lowered to 2.00%, general wage inflation was lowered to 2.65%, and interest on member balances was lowered to 3.30%.

In 2020 the future salary increase and the cost of living increase assumptions both increased from 2.5% to 2.75%. The mortality assumption changed from the RP-2014 White Collar mortality tables to the Pub-2010 Public Retirement Plans Mortality Tables with a gully generational projection of mortality improvements using SOA Scale MP-2019. The retirement assumption changed from an age-and service-based table to an age-based table split by eligibility for reduced or unreduced benefits. The disability assumption was updated based on recent experience.

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

The discount rate was 6.25% as of June 30, 2021 and 6.75% as of June 30, 2020

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

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

	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>	<u>6/30/2013</u>
State's proportion of the net pension liability	26.41%	26.06%	25.90%	25.58%	25.74%	25.04%	24.27%	24.85%	24.45%
State's proportionate share of the net pension liability	\$ 347,475	\$ 786,971	\$ 856,020	\$ 868,814	\$ 1,148,261	\$ 1,136,293	\$ 988,605	\$ 652,920	\$ 837,311
State's covered payroll	1,455,930	1,406,618	1,349,423	1,305,016	1,276,857	1,199,921	1,162,622	1,213,031	1,173,716
State's proportionate share of the net pension liability as a percentage of its covered payroll	23.9%	55.9%	63.4%	66.6%	89.9%	94.7%	85.0%	53.8%	71.3%
Plan fiduciary net position as a percentage of the total pension liability	92.5%	81.4%	80.1%	78.9%	76.6%	75.3%	77.3%	84.3%	78.8%

see notes to schedule on next page

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

**Notes to Schedule:**

*Measurement date:* The total pension liability as of June 30, 2021 was determined using a June 30, 2021 actuarial valuation and was measured then as well.

*Benefit changes:*

In 2014, HB 1075 impacted the PERF by reducing the Annuity Savings Account (ASA) interest crediting rate on annuities from 7.5% to 5.75% effective October 1, 2014. Effective October 1, 2015 the rate becomes the greater of 4.5% or market rate. On January 1, 2017, the ASA annuities are allowed to be outsourced to a third party provider. Beginning January 1, 2018 ASA annuitizations were accommodated through a third party provider. During FYE 2018, the Annuity Savings Accounts were completely separated from the defined benefit plan, and so are no longer relevant to the valuation process. In 2019, HB 1059 expanded the current pre-retirement death benefit eligibility to members with at least 10 years of service.

*Changes of assumptions:*

In 2021, price inflation was lowered to 2.00% and general wage inflation was lowered to 2.65%.

In 2020, the future salary increase assumption changed from an age-based table ranging from 2.5% to 4.25% to a service-based table ranging from 2.75% to 8.75%. The mortality assumption changed from the RP-2014 Total Data Set Mortality Tables to the Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019. The retirement assumption was updated from an age- and service-based table to an age-based table dependent on eligibility for a reduced benefit or unreduced benefit. Additionally, for actives who are eligible for early retirement (reduced benefit), 30% are now assumed to commence benefits immediately and 70% are assumed to commence benefits at unreduced retirement eligibility. Previously 33% of actives were assumed to commence benefits with early retirement while 67% were assumed to wait for unreduced retirement eligibility. The termination assumption was updated. For state members the tables were combined from being split by salary and sex to being one unisex service-based table. The disability assumption was updated based on recent experience. The marital assumption was updated to 80% of male members and 65% of female members are assumed to be married or to have a dependent beneficiary. Previous amounts were 75% and 60%, respectively. The load placed on the final average earnings to account for additional wages received upon termination, such as severance pay or unused sick leave, decreased from \$400 to \$200.

An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) the inflation assumption changed from 3% to 2.25% per year; 2) the future salary increase assumption changed from an age-based table ranging from 3.25% to 4.5% to an age-based table ranging from 2.5% to 4.25%; 3) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 (with MP-2014 improvement removed) Total Data Set Mortality Table projected on a fully generationally basis using the future mortality improvement scale inherent in the mortality projection included in the Social Security Administration's 2014 Trustee report; 4) the retirement assumption was updated based on recent experience. Additionally, for actives who are eligible for early retirement (reduced benefit), 33% are assumed to commence benefits immediate and 67% are assumed to commence benefits at unreduced retirement eligibility. If eligible for an unreduced retirement benefit upon termination from employment, 100% commence immediately; 5) the termination assumption was updated based on recent experience. For members earning less than \$20,000, the tables were updated from a select and ultimate table to just an ultimate table as there is little correlation with service. For members earning more than \$20,000, the table were updated from using a 5-year select period to a 10-year select period to correspond with the vesting schedule; 6) the disability assumption was updated based on recent experience; and 7) the ASA annuitization assumptions was updated from 50% of members assumed to annuitize their ASA balance to 60% of members assumed to annuitize their ASA balance prior to January 1, 2018. For disabled members, in 2017, the RP-2014 (with MP-2014 improvement removed) Disability Mortality Table was assumed instead of the RP-2014 (with MP-2014 improvement removed) Healthy Annuitant Mortality Tables with collar adjustments. As of June 30, 2018, in lieu of a COLA on January 1, 2019, members in pay were provided a 13th check on October 1, 2018. It is assumed a 13th check would continue for the 2020 and 2021 fiscal years. Thereafter, the following COLAs, compounded annually, were assumed: 0.4% beginning on January 1, 2022, 0.5% beginning on January 1, 2034, and 0.6% beginning on January 1, 2039. The discount rate was 6.25% as of June 30, 2021 and 6.75% as of June 30, 2020.

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

**Schedule of the State's Proportionate Share of the Net Pension Liability  
Employee Retirement Systems and Plans  
Teachers' 1996 Defined Benefit Account (TRF '96 DB)  
(amounts expressed in thousands)**

	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>	<u>6/30/2013</u>
State's proportion of the net pension liability (asset)	0.31%	0.32%	0.34%	0.35%	0.39%	0.35%	0.38%	0.40%	0.42%
State's proportionate share of the net pension liability (asset)	\$ (1,444)	\$ 252	\$ (494)	\$ 389	\$ 2,571	\$ 2,739	\$ 1,977	\$ 191	\$ 1,310
State's covered payroll	11,200	11,150	11,224	11,016	11,722	10,108	10,288	10,380	10,150
State's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-12.9%	2.3%	-4.4%	3.5%	21.9%	27.1%	19.2%	1.8%	12.9%
Plan fiduciary net position as a percentage of the total pension liability	106.2%	98.8%	102.4%	98.0%	90.4%	87.8%	91.1%	99.1%	93.4%

see notes to schedule on next page

**Schedule of the State's Proportionate Share of the Net Pension Liability  
Employee Retirement Systems and Plans  
Teachers' 1996 Defined Benefit Account (TRF '96 DB)  
(amounts expressed in thousands)**

**Notes to Schedule:**

*Measurement date:* The total pension liability as of June 30, 2021 was determined using a June 30, 2021 actuarial valuation and was measured then as well.

*Benefit changes:*

In 2014, HB 1075 impacted PERF by reducing the Annuity Savings Account (ASA) interest crediting rate on annuities from 7.5% to 5.75%. Effective October 1, 2015 the rate becomes the greater of 4.5% or market rate. Beginning July 1, 2017, the minimum pension benefit paid to a regularly retired member receiving an unreduced pension benefit is \$185/month. Beginning January 1, 2018 ASA annuitizations were accommodated through a third party provider. In 2019, HB 1059 expanded the current pre-retirement death benefit eligibility to members with at least 10 years of service.

*Changes of assumptions:*

In 2021, price inflation was lowered to 2.00% and general wage inflation was lowered to 2.65%.

In 2020, the future salary increase assumption changed from a table ranging from 2.5% to 12.5% to a table ranging from 2.75% to 12%. The mortality assumption changed from the RP-2014 White Collar Mortality Table to the Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019. The retirement assumption was updated from an age-based table split by regular retirement, rule of 85 retirement, and early retirement to an age-based table dependent on eligibility for a reduced benefit or unreduced benefit. Additionally, for actives who are eligible for early retirement (reduced benefit), 30% are now assumed to commence benefits immediately and 70% are assumed to commence benefits at unreduced retirement eligibility. Previously, all active members were assumed to commence benefits immediately. The termination assumption was updated. The age- and service-based tables were replaced by one service-based table. The disability assumption was updated based on recent experience. The marital assumption was updated to 80% of male members and 75% of female members assumed to be married or to have a dependent beneficiary. Previously 100% of members were assumed to be married or to have a dependent beneficiary. Additionally, for female members, the assumption for their spouses's age changed from 2 years older to 3 years older. The load placed on the final average earnings to account for additional wages received upon termination, such as severance pay or unused sick leave, decreased from \$400 to \$200.

An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) The inflation assumption changed from 3.00% to 2.25% per year; 2) the future salary increases assumption changed from a table ranging from 3.00% to 12.50% to a table ranging from 2.50% to 12.50%; 3) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to 'the RP-2014 White Collar Mortality Table with Social Security Administration generational projection scale from 2006; 4) the retirement assumption was updated based on recent experience; and 5) the termination assumption was updated based on recent experience. For disabled members, in 2017 the mortality assumption was changed to the RP-2014 Disabled Mortality Table with generational improvements from 2006 based on the 2014 Social Security Administration Trustee's Report. As of June 30, 2018, in lieu of a COLA on January 1, 2019, members in pay were provided a 13th check on October 1, 2018. It is assumed a 13th check would continue for the 2020 and 2021 fiscal years. Thereafter, the following COLAs, compounded annually, were assumed: 0.4% beginning on January 1, 2022, 0.5% beginning on January 1, 2034, and 0.6% beginning on January 1, 2039  
The discount rate was 6.25% as of June 30, 2021 and 6.75% as of June 30, 2020

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

**Schedule of the State's Proportionate Share of the Net Pension Liability  
Employee Retirement Systems and Plans  
Teachers' Pre-1996 Defined Benefit Account (TRF Pre-'96 DB)  
(amounts expressed in thousands)**

	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>	<u>6/30/2013</u>
State's proportion of the net pension liability	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
State's proportionate share of the net pension liability	\$ 9,263,437	\$ 10,307,552	\$ 10,630,019	\$ 10,871,842	\$ 11,919,139	\$ 12,052,671	\$ 11,917,837	\$ 10,853,349	\$ 11,248,396
Plan fiduciary net position as a percentage of the total pension liability	35.4%	26.2%	26.1%	25.4%	28.8%	28.4%	30.0%	33.6%	31.7%

see notes to schedule on next page

**Schedule of the State's Proportionate Share of the Net Pension Liability  
Employee Retirement Systems and Plans  
Teachers' Pre-1996 Defined Benefit Account (TRF Pre-'96 DB)  
(amounts expressed in thousands)**

**Notes to Schedule:**

*Measurement date:* The total pension liability as of June 30, 2021 was determined using a June 30, 2021 actuarial valuation and was measured then as well.

*Benefit changes:*

In 2014, HB 1075 impacted the TRF Pre-1996 Account by reducing the Annuity Savings Account (ASA) interest crediting rate on annuities from 7.5% to 5.75% effective October 1, 2014. Effective October 1, 2015 the rate becomes the greater of 4.5% or market rate. Beginning July 1, 2017, the minimum pension benefit paid to a regularly retired member receiving an unreduced pension benefit is \$185 per month. Beginning January 1, 2018 ASA annuitizations were accommodated through a third party provider. In 2019, HB 1059 expanded the current pre-retirement death benefit eligibility to members with at least 10 years of service.

*Changes of assumptions:*

In 2021, price inflation was lowered to 2.00% and general wage inflation was lowered to 2.65%.

In 2020, the future salary increase assumption changed from a table ranging from 2.5% to 12.5% to a table ranging from 2.75% to 12%. The mortality assumption changed from the RP-2014 White Collar Mortality Table to the Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019. The retirement assumption was updated from an age-based table split by regular retirement, rule of 85 retirement, and early retirement to an age-based table dependent on eligibility for a reduced benefit or unreduced benefit. Additionally, for actives who are eligible for early retirement (reduced benefit), 30% are now assumed to commence benefits immediately and 70% are assumed to commence benefits at unreduced retirement eligibility. Previously, all active members were assumed to commence benefits immediately. The termination assumption was updated. The age- and service-based tables were replaced by one service-based table. The disability assumption was updated based on recent experience. The marital assumption was updated to 80% of male members and 75% of female members assumed to be married or to have a dependent beneficiary. Previously 100% of members were assumed to be married or to have a dependent beneficiary. Additionally, for female members, the assumption for their spouses's age changed from 2 years older to 3 years older. The load placed on the final average earnings to account for additional wages received upon termination, such as severance pay or unused sick leave, decreased from \$400 to \$200.

An assumption study was performed in April of 2015 resulting in an update to the following assumptions: 1) the inflation assumption changed from 3.00% to 2.25% per year; 2) the future salary increase assumption changed from a table ranging from 3.00% to 12.50% to a table ranging from 2.50% to 12.50%; 3) the mortality assumption changed from the 2013 IRS Static Mortality projected five (5) years with Scale AA to the RP-2014 White Collar Mortality Table with Social Security Administration generational projection scale from 2006; 4) the retirement assumption was updated based on recent experience; and 5) the termination assumption was updated based on recent experience. For disabled members, in 2017 the mortality assumption was changed to the RP-2014 Disabled Mortality Table with generational improvements from 2006 based on the 2014 Social Security Administration Trustee's Report. As of June 30, 2018, in lieu of a COLA on January 1, 2019, members in pay were provided a 13th check on October 1, 2018. It is assumed a 13th check would continue for the 2020 and 2021 fiscal years. Thereafter, the following COLAs, compounded annually, were assumed: 0.4% beginning on January 1, 2022, 0.5% beginning on January 1, 2034, and 0.6% beginning on January 1, 2039. The discount rate was 6.25% as of June 30, 2021 and 6.75% as of June 30, 2020.

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

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

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>
<b>Total OPEB liability</b>						
Service cost	\$ 3,305	\$ 3,207	\$ 2,960	\$ 1,934	\$ 2,113	\$ 2,334
Interest	1,920	1,714	1,892	1,851	1,910	1,536
Differences between expected and actual experience	8,448	3,307	1,622	6,587	(5,332)	(121)
Changes of assumptions	(528)	7,075	(6,835)	2,803	(1,164)	(1,081)
Benefit payments	(2,209)	(4,917)	(4,752)	(3,276)	(3,042)	(4,404)
<b>Net change in total OPEB liability</b>	<u>10,936</u>	<u>10,386</u>	<u>(5,113)</u>	<u>9,899</u>	<u>(5,515)</u>	<u>(1,736)</u>
<b>Total OPEB liability, beginning</b>	<u>62,697</u>	<u>52,311</u>	<u>57,424</u>	<u>47,525</u>	<u>53,040</u>	<u>54,776</u>
<b>Total OPEB liability, ending</b>	<u>\$ 73,633</u>	<u>\$ 62,697</u>	<u>\$ 52,311</u>	<u>\$ 57,424</u>	<u>\$ 47,525</u>	<u>\$ 53,040</u>
<b>Plan fiduciary net position</b>						
Contributions, employer	\$ 1,776	\$ 4,559	\$ 5,031	\$ 3,337	\$ 3,384	\$ 4,802
Net investment income	92	58	789	1,007	547	292
Benefit payments	(2,209)	(4,917)	(4,752)	(3,276)	(3,042)	(4,404)
Administrative expense	-	-	(134)	(354)	(398)	(418)
<b>Net change in plan fiduciary net position</b>	<u>(341)</u>	<u>(300)</u>	<u>934</u>	<u>714</u>	<u>491</u>	<u>272</u>
<b>Plan fiduciary net position, beginning</b>	<u>46,837</u>	<u>47,137</u>	<u>46,203</u>	<u>45,489</u>	<u>44,998</u>	<u>44,726</u>
<b>Plan fiduciary net position, ending</b>	<u>\$ 46,496</u>	<u>\$ 46,837</u>	<u>\$ 47,137</u>	<u>\$ 46,203</u>	<u>\$ 45,489</u>	<u>\$ 44,998</u>
<b>Net OPEB liability</b>	<u>\$ 27,137</u>	<u>\$ 15,860</u>	<u>\$ 5,174</u>	<u>\$ 11,221</u>	<u>\$ 2,036</u>	<u>\$ 8,042</u>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	63.1%	74.7%	90.1%	80.5%	95.7%	84.8%
<b>Covered-employee payroll</b>	1,482,190	1,444,707	1,397,835	1,346,186	1,296,877	1,245,383
<b>Net OPEB liability as a percentage of covered-employee payroll</b>	1.8%	1.1%	0.4%	0.8%	0.2%	0.6%

**Notes to Schedule:***Benefit changes:**Changes of assumptions:*

For 2021, The mortality assumption has been updated from using the MP-2019 improvement scale to use the MP-2020 improvement scale. The baseline payroll growth rate was updated from 2.75% to 2.65% based on the assumptions used in the 2021 INPRS actuarial valuation. The turnover rate for State employees was updated to follow the State employee turnover rate table from the 2021 INPRS actuarial valuation.

For 2020, the mortality, termination, retirement rate, and payroll growth assumptions were updated based on the revised tables presented in the INPRS 2020 Experience Study. The health care coverage election rate was updated from 40% to 35% for employees that are eligible for a normal, unreduced or disability pension under PERF and from 15% to 10% for employees with health coverage that are not eligible for a normal, unreduced or disability pension under PERF. The spousal coverage election rate was updated from 70% for male employees and 55% for female employees to 20% for male employees and 15% for female employees. Trend rates for medical and prescription drug benefits have an initial rate of 7.5% decreasing by 0.50% annually to an ultimate rate of 4.5%. The termination assumption for those earning less than \$20,000 per year was updated to follow the PERF termination rates as of June 30, 2020 for this group.

The discount rate was updated to 3.04% as of June 30, 2022 for accounting disclosure purposes. The rate was 2.96% as of June 30, 2021, 3.22% as of July 1, 2020, 3.26% as of July 1, 2019, 3.87% as of July 1, 2018, and 3.56% as of July 1, 2017.

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

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

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>
<b>Total OPEB liability</b>						
Service cost	\$ 5,184	\$ 4,993	\$ 5,033	\$ 8,531	\$ 17,811	\$ 24,701
Interest	10,651	11,209	12,530	12,778	19,726	16,987
Changes of benefit terms	-	-	-	3,254	(196,574)	(34,808)
Differences between expected and actual experience	(7,337)	(28,391)	(20,071)	(78,676)	(21,242)	3,921
Changes of assumptions	-	7,029	(15,687)	(66,154)	(27,946)	(48,451)
Benefit payments	(4,678)	(3,371)	(2,802)	(5,805)	(6,994)	(8,656)
<b>Net change in total OPEB liability</b>	<u>3,820</u>	<u>(8,531)</u>	<u>(20,997)</u>	<u>(126,072)</u>	<u>(215,219)</u>	<u>(46,306)</u>
<b>Total OPEB liability, beginning</b>	<u>168,917</u>	<u>177,448</u>	<u>198,445</u>	<u>324,517</u>	<u>539,736</u>	<u>586,042</u>
<b>Total OPEB liability, ending</b>	<u>\$ 172,737</u>	<u>\$ 168,917</u>	<u>\$ 177,448</u>	<u>\$ 198,445</u>	<u>\$ 324,517</u>	<u>\$ 539,736</u>
<b>Plan fiduciary net position</b>						
Contributions, employer	\$ 13,592	\$ 22,322	\$ 21,727	\$ 23,937	\$ 25,814	\$ 26,871
Contributions, employee	799	828	846	857	404	473
Net investment income	(21,354)	131	1,276	2,109	1,422	508
Benefit payments	(4,678)	(3,371)	(2,802)	(5,805)	(6,994)	(8,656)
Administrative expense	(296)	(360)	(359)	(492)	(606)	(589)
<b>Net change in plan fiduciary net position</b>	<u>(11,937)</u>	<u>19,550</u>	<u>20,688</u>	<u>20,606</u>	<u>20,040</u>	<u>18,607</u>
<b>Plan fiduciary net position, beginning</b>	<u>178,207</u>	<u>158,657</u>	<u>137,969</u>	<u>117,363</u>	<u>97,323</u>	<u>78,716</u>
<b>Plan fiduciary net position, ending</b>	<u>\$ 166,270</u>	<u>\$ 178,207</u>	<u>\$ 158,657</u>	<u>\$ 137,969</u>	<u>\$ 117,363</u>	<u>\$ 97,323</u>
<b>Net OPEB liability</b>	<u>\$ 6,467</u>	<u>\$ (9,290)</u>	<u>\$ 18,791</u>	<u>\$ 60,476</u>	<u>\$ 207,154</u>	<u>\$ 442,413</u>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	96.3%	105.5%	89.4%	69.5%	36.2%	18.0%
<b>Covered-employee payroll</b>	118,742	119,889	120,255	120,447	107,914	98,693
<b>Net OPEB liability as a percentage of covered-employee payroll</b>	5.4%	-7.7%	15.6%	50.2%	192.0%	448.3%

**Notes to Schedule:***Changes in benefit terms:*

Effective on January 1, 2019, all post-65 Medicare eligible retirees were removed from the ISP's traditional health plan. They will be covered under a Medicare Advantage Plan through Anthem and a Medicare Part D plan with premiums paid fully by the retiree. Also, the life insurance benefit for retirees was modified such that all retirees (regardless of date of retirement) will receive a \$20,000 benefit.

*Changes of assumptions:*

For 2021, the mortality assumption was updated from using the MP-2019 improvement scale to use the MP-2020 improvement scale.

For 2020, the disability assumption was updated to follow the table presented for the Conservation and Excise Police in the INPRS 2020 Experience Study. The mortality assumption was updated to follow the table presented for the '77 Fund in the INPRS 2020 Experience Study. The payroll growth assumption was updated to follow the table used in the July 1, 2020 pension valuation for the Indiana State Police. Trend rates for medical and prescription drug benefits have an initial rate of 7.5% decreasing by 0.50% annually to an ultimate rate of 4.5%.

Discount rate was 6.20% as of June 30, 2022 and 2021 for accounting disclosure purposes. The rate was 6.20% as of July 1, 2020, 6.20% as of July 1, 2019, 3.87% as of July 1, 2018, and 3.56 as of July 1, 2017.

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

**Schedule of Changes in the Net OPEB Liability and Related Ratios**  
**Other Postemployment Benefit Plans**  
**Conservation and Excise Police Healthcare Plan**  
(amounts expressed in thousands)

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>
<b>Total OPEB liability</b>						
Service cost	\$ 1,185	\$ 1,131	\$ 2,368	\$ 1,840	\$ 1,795	\$ 2,327
Interest	3,310	3,092	2,647	2,410	2,035	1,956
Changes of benefit terms	-	-	-	2,113	-	(7,023)
Differences between expected and actual experience	(7,150)	(1,883)	(7,900)	4,353	5,739	(1,654)
Changes of assumptions	-	2,447	(23,751)	6,223	(3,387)	(5,925)
Benefit payments	(1,581)	(1,078)	(988)	(943)	(1,303)	(1,305)
<b>Net change in total OPEB liability</b>	<u>(4,236)</u>	<u>3,709</u>	<u>(27,624)</u>	<u>15,996</u>	<u>4,879</u>	<u>(11,624)</u>
<b>Total OPEB liability, beginning</b>	52,984	49,275	76,899	60,903	56,024	67,648
<b>Total OPEB liability, ending</b>	<u>\$ 48,748</u>	<u>\$ 52,984</u>	<u>\$ 49,275</u>	<u>\$ 76,899</u>	<u>\$ 60,903</u>	<u>\$ 56,024</u>
<b>Plan fiduciary net position</b>						
Contributions, employer	\$ 4,825	\$ 4,301	\$ 4,167	\$ 4,021	\$ 6,241	\$ 3,718
Net investment income	(4,815)	1,856	347	493	213	79
Benefit payments	(1,581)	(1,078)	(988)	(943)	(1,303)	(1,305)
Administrative expense	(132)	(113)	(77)	(84)	(91)	(82)
<b>Net change in plan fiduciary net position</b>	<u>(1,703)</u>	<u>4,966</u>	<u>3,449</u>	<u>3,487</u>	<u>5,060</u>	<u>2,410</u>
<b>Plan fiduciary net position, beginning</b>	32,138	27,172	23,723	20,236	15,176	12,766
<b>Plan fiduciary net position, ending</b>	<u>\$ 30,435</u>	<u>\$ 32,138</u>	<u>\$ 27,172</u>	<u>\$ 23,723</u>	<u>\$ 20,236</u>	<u>\$ 15,176</u>
<b>Net OPEB liability</b>	<u>\$ 18,313</u>	<u>\$ 20,846</u>	<u>\$ 22,103</u>	<u>\$ 53,176</u>	<u>\$ 40,667</u>	<u>\$ 40,848</u>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	62.4%	60.7%	55.1%	30.8%	33.2%	27.1%
<b>Covered-employee payroll</b>	18,832	18,550	18,453	18,883	16,981	15,602
<b>Net OPEB liability as a percentage of covered-employee payroll</b>	97.2%	112.4%	119.8%	281.6%	239.5%	261.8%

**Notes to Schedule:***Change in benefit terms:*

Effective on January 1, 2020, all post-65 Medicare eligible retirees will be removed from the CEP's traditional health plan. They will be covered under a Medicare Advantage Plan through Anthem and a Medicare Part D plan with premiums assumed to be paid fully by the retiree. Since the premiums charged to retirees are lower than the full cost of coverage, there is still a GASB liability for this benefit.

*Changes of assumptions:*

For 2021, the mortality assumption has been updated from using the MP-2019 improvement scale to use the MP-2020 improvement scale. The baseline payroll growth rate was updated from 2.75% to 2.65% based on the assumptions used in the 2021 INPRS actuarial valuation.

For 2020, the mortality, retirement rate, disability, and payroll growth assumptions was updated based on the revised tables presented in the INPRS 2020 Experience Study. The spousal coverage election rate was updated from 85% for males employees and 25% for female employees to 85% for male employees and 15% for female employees. Trend rates for medical and prescription drug benefits have an initial rate of 7.5% decreasing by 0.50% annually to an ultimate rate of 4.5%.

The discount rate was 6.20% as of June 30, 2022 and 2021 for accounting disclosure purposes. The rate was 6.20% as of July 1, 2020, 3.36% as of July 1, 2019, 3.87% as of July 1, 2018, and 3.56% as of July 1, 2017.

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

**Schedule of Changes in the Total OPEB Liability and Related Ratios**  
**Other Postemployment Benefit Plans**  
**Legislators Retiree Healthcare Plan**  
(amounts expressed in thousands)

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>
<b>Total OPEB liability</b>						
Service cost	\$ 35	\$ 39	\$ 43	\$ 114	\$ 120	\$ 165
Interest	215	211	277	381	420	338
Changes of benefit terms	-	-	-	(1,063)	-	-
Differences between expected and actual experience	(684)	1,308	(270)	(1,137)	(1,527)	864
Changes of assumptions	(1,753)	835	464	335	(385)	(681)
Benefit payments	(527)	(477)	(494)	(535)	(620)	(555)
<b>Net change in total OPEB liability</b>	<u>(2,714)</u>	<u>1,916</u>	<u>20</u>	<u>(1,905)</u>	<u>(1,992)</u>	<u>131</u>
<b>Total OPEB liability, beginning</b>	<u>10,026</u>	<u>8,110</u>	<u>8,090</u>	<u>9,995</u>	<u>11,987</u>	<u>11,856</u>
<b>Total OPEB liability, ending</b>	<u>\$ 7,312</u>	<u>\$ 10,026</u>	<u>\$ 8,110</u>	<u>\$ 8,090</u>	<u>\$ 9,995</u>	<u>\$ 11,987</u>
<b>Covered-employee payroll</b>	6,994	6,703	6,241	6,184	5,443	5,540
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	104.5%	149.6%	129.9%	130.8%	183.6%	216.4%

**Notes to Schedule:**

There are no assets accumulated in a trust that meets the criteria of GASB codification P52 to pay related benefits for the OPEB plan.

*Changes in benefit terms:*

Effective on January 1, 2019, all post-65 Medicare eligible retirees were removed from the traditional health plan. They will be covered under a Medicare Advantage Plan through Anthem and a Medicare Part D plan with premiums paid fully by the retiree. This change is reflected for Legislature actives and retirees covered under the plan.

*Changes of assumptions:*

For 2021, the mortality assumption was updated from using the MP-2019 improvement scale to use the MP-2020 improvement scale. The baseline payroll growth rate was updated from 2.75% to 2.65% based on the assumptions used in the 2021 INPRS actuarial valuation. For 2020, the mortality and payroll growth assumptions have been updated based on the revised tables presented in the INPRS 2020 Experience Study. The health care coverage election was updated from 40% to 35% for employees that are eligible for a normal, unreduced or disability pension under PERF and from 15% to 10% for employees with health coverage that are not eligible for a normal, unreduced or disability pension under PERF. The spousal coverage election rate was updated from 100% for all employees to 95% for male employees and 50% for female employees. Trend rates for medical and prescription drug benefits have an initial rate of 7.5% decreasing by 0.50% annually to an ultimate rate of 4.5%

The discount rate was updated to 4.09% as of June 30, 2022 for accounting disclosure purposes. The rate was 2.19% as of June 30, 2021, 2.66% as of July 1, 2020, 3.51% as of July 1, 2019, 3.87% as of July 1, 2018, and 3.56% as of July 1, 2017.

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

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

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>
<b>Single-employer defined benefit other postemployment benefit plan:</b>						
State Personnel Healthcare Plan (SPP)	0.2%	0.1%	1.7%	2.2%	1.2%	0.7%
Indiana State Police Healthcare Plan (ISPP)	-11.7%	0.1%	1.4%	2.4%	1.3%	0.6%
Conservation and Excise Police Healthcare Plan (CEPP)	-14.1%	6.5%	1.3%	2.3%	1.2%	0.6%

**Note:**

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

## Budgetary Information

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

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

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

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

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**State of Indiana**  
**Combining Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**(Budgetary Basis)**  
**For the Year Ended June 30, 2022**  
 (amounts expressed in thousands)

	General Fund				Public Welfare-Medicaid Assistance			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
<b>Revenues:</b>								
Taxes:								
Income	\$ 7,594,410	\$ 7,594,410	\$ 9,380,776	\$ 1,786,366	\$ -	\$ -	\$ -	\$ -
Sales	9,074,381	9,074,381	10,184,058	1,109,677	-	-	-	-
Fuels	-	-	-	-	-	-	-	-
Gaming	422,128	422,128	225,405	(196,723)	-	-	-	-
Alcohol and tobacco	258,900	258,900	242,528	(16,372)	-	-	-	-
Insurance	243,453	243,453	251,858	8,405	-	-	-	-
Other	349,362	349,362	434,325	84,963	-	-	-	-
Total taxes	17,942,634	17,942,634	20,718,950	2,776,316	-	-	-	-
Current service charges	75,459	75,459	308,350	232,891	868,848	868,848	711,396	(157,452)
Investment income	19,000	19,000	40,951	21,951	-	-	-	-
Sales/rents	270	270	872	602	-	-	-	-
Grants	-	-	12,309	12,309	12,023,208	12,023,208	12,640,300	617,092
Other	291,621	291,621	128,142	(163,479)	-	-	-	-
<b>Total revenues</b>	<b>18,328,984</b>	<b>18,328,984</b>	<b>21,209,574</b>	<b>2,880,590</b>	<b>12,892,056</b>	<b>12,892,056</b>	<b>13,351,696</b>	<b>459,640</b>
<b>Expenditures:</b>								
Current:								
General government	904,833	2,724,850	2,054,553	670,297	-	-	-	-
Public safety	2,604,911	1,744,476	1,277,610	466,866	-	-	-	-
Health	15,040	89,771	45,749	44,022	-	-	-	-
Welfare	5,085,735	1,237,426	1,048,066	189,360	15,105	23,987,161	16,509,743	7,477,418
Conservation, culture and development	209,274	210,627	159,119	51,508	-	-	-	-
Education	11,442,184	11,305,400	11,167,535	137,865	-	-	-	-
Transportation	79,509	379,707	196,625	183,082	-	-	-	-
Debt service:								
Capital lease principal	-	-	10,904	(10,904)	-	-	-	-
Capital lease interest	-	-	950	(950)	-	-	-	-
<b>Total expenditures</b>	<b>20,341,486</b>	<b>17,692,257</b>	<b>15,961,111</b>	<b>1,731,146</b>	<b>15,105</b>	<b>23,987,161</b>	<b>16,509,743</b>	<b>7,477,418</b>
Excess of revenues over (under) expenditures	(2,012,502)	636,727	5,248,463	(4,611,736)	12,876,951	(11,095,105)	(3,158,047)	(7,937,058)
<b>Other financing sources (uses):</b>								
Total other financing sources (uses)	(2,169,222)	(2,169,222)	(2,169,222)	-	2,750,807	2,750,807	2,750,807	-
<b>Net change in fund balances</b>	<b>\$(4,181,724)</b>	<b>\$(1,532,495)</b>	<b>3,079,241</b>	<b>\$ 4,611,736</b>	<b>\$ 15,627,758</b>	<b>\$(8,344,298)</b>	<b>(407,240)</b>	<b>\$ 7,937,058</b>
<b>Fund balances July 1, as restated</b>			<b>5,267,109</b>				<b>373,111</b>	
<b>Fund balances June 30</b>			<b>\$ 8,346,350</b>				<b>\$ (34,129)</b>	

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**State of Indiana**  
**Combining Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**(Budgetary Basis)**  
**For the Year Ended June 30, 2022**  
 (amounts expressed in thousands)

	Department of Health and Human Services				Federal COVID-19			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
<b>Revenues:</b>								
Taxes:								
Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-	-	-	-	-
Fuels	-	-	-	-	-	-	-	-
Gaming	-	-	-	-	-	-	-	-
Alcohol and tobacco	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total taxes	-	-	-	-	-	-	-	-
Current service charges	208	208	60	(148)	-	-	-	-
Investment income	-	-	-	-	5	5	2	(3)
Sales/rents	-	-	-	-	-	-	5	5
Grants	1,369,946	1,369,946	1,351,524	(18,422)	1,022,637	1,022,637	1,300,602	277,965
Other	181	181	129	(52)	622	622	1,374	752
<b>Total revenues</b>	<b>1,370,335</b>	<b>1,370,335</b>	<b>1,351,713</b>	<b>(18,622)</b>	<b>1,023,264</b>	<b>1,023,264</b>	<b>1,301,983</b>	<b>278,719</b>
<b>Expenditures:</b>								
Current:								
General government	3,933	54,847	28,531	26,316	3,049	266,802	223,638	43,164
Public safety	2,411	20,826	7,419	13,407	3,741	64,314	38,988	25,326
Health	102,507	301,317	166,575	134,742	147,305	757,335	217,059	540,276
Welfare	631,688	3,179,411	1,498,881	1,680,530	39,130	217,881	150,613	67,268
Conservation, culture and development	-	1,206	481	725	8,372	160,479	151,298	9,181
Education	2,052	17,288	11,181	6,107	202,599	2,912,545	799,611	2,112,934
Transportation	-	6	2	4	106,714	141,961	118,260	23,701
Debt service:								
Capital lease principal	-	-	11,579	(11,579)	-	-	-	-
Capital lease interest	-	-	1,438	(1,438)	-	-	-	-
<b>Total expenditures</b>	<b>742,591</b>	<b>3,574,901</b>	<b>1,726,087</b>	<b>1,848,814</b>	<b>510,910</b>	<b>4,521,317</b>	<b>1,699,467</b>	<b>2,821,850</b>
Excess of revenues over (under) expenditures	627,744	(2,204,566)	(374,374)	(1,830,192)	512,354	(3,498,053)	(397,484)	(3,100,569)
<b>Other financing sources (uses):</b>								
Total other financing sources (uses)	321,319	321,319	321,319	-	(196)	(196)	(196)	-
<b>Net change in fund balances</b>	<b>\$ 949,063</b>	<b>\$ (1,883,247)</b>	<b>(53,055)</b>	<b>\$ 1,830,192</b>	<b>\$ 512,158</b>	<b>\$ (3,498,249)</b>	<b>(397,680)</b>	<b>\$ 3,100,569</b>
<b>Fund balances July 1, as restated</b>			<b>(312,852)</b>				<b>455,286</b>	
<b>Fund balances June 30</b>			<b>\$ (365,907)</b>				<b>\$ 57,606</b>	

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**State of Indiana**  
**Combining Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**(Budgetary Basis)**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

	ARPA - Economic Stimulus Fund			
	Budget		Actual	Variance to Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes:				
Income	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-
Fuels	-	-	-	-
Gaming	-	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Other	-	-	-	-
Total taxes	-	-	-	-
Current service charges	-	-	-	-
Investment income	5	5	-	(5)
Sales/rents	-	-	-	-
Grants	1,535,915	1,535,915	2,328,350	792,435
Other	622	622	-	(622)
<b>Total revenues</b>	<b>1,536,542</b>	<b>1,536,542</b>	<b>2,328,350</b>	<b>791,808</b>
<b>Expenditures:</b>				
Current:				
General government	3,829	554,412	417,230	137,182
Public safety	15,388	39,398	16,664	22,734
Health	676	93,749	21,803	71,946
Welfare	70,315	999,297	526,693	472,604
Conservation, culture and development	1,717	678,835	618,907	59,928
Education	-	144,800	7,029	137,771
Transportation	106,213	103,568	102,540	1,028
Debt service:				
Capital lease principal	-	-	-	-
Capital lease interest	-	-	-	-
<b>Total expenditures</b>	<b>198,138</b>	<b>2,614,059</b>	<b>1,710,866</b>	<b>903,193</b>
Excess of revenues over (under) expenditures	1,338,404	(1,077,517)	617,484	(1,695,001)
<b>Other financing sources (uses):</b>				
Total other financing sources (uses)	1,622	1,622	1,622	-
<b>Net change in fund balances</b>	<b>\$ 1,340,026</b>	<b>\$ (1,075,895)</b>	<b>619,106</b>	<b>\$ 1,695,001</b>
<b>Fund balances July 1, as restated</b>			<b>1,535,915</b>	
<b>Fund balances June 30</b>			<b>\$ 2,155,021</b>	

## Budget/GAAP Reconciliation Major Funds

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

(amounts expressed in thousands)	GENERAL FUND	PUBLIC WELFARE- MEDICAID ASSISTANCE	US DEPARTMENT OF HEALTH & HUMAN SERVICES	FEDERAL COVID-19	ARPA-ECONOMIC STIMULUS FUND	Total
Net change in fund balances (budgetary basis)	\$ 3,079,241	\$ (407,240)	\$ (53,055)	\$ (397,682)	\$ 619,106	\$ 2,840,370
Adjustments necessary to convert the results of operations on a budgetary basis to a GAAP basis are:						
Revenues are recorded when earned (GAAP) as opposed to when cash is received (budgetary)	\$ (270,971)	\$ 129,968	\$ (37,256)	\$ 146,157	(603,984)	(636,086)
Expenditures are recorded when the liability is incurred (GAAP) as opposed to when payment is made (budgetary)	\$ (6,170)	\$ (81,006)	\$ (12,708)	\$ 8,792	(9,366)	(100,458)
<b>Net change in fund balances (GAAP basis)</b>	<b><u>\$ 2,802,100</u></b>	<b><u>\$ (358,278)</u></b>	<b><u>\$ (103,019)</u></b>	<b><u>\$ (242,733)</u></b>	<b><u>\$ 5,756</u></b>	<b><u>\$ 2,103,826</u></b>

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

**Roads**

Interstate Roads (excluding Rest Areas and Weigh Stations)  
 NHS Roads - Non-Interstate (excluding Rest Areas and Weigh Stations)  
 Non-NHS Roads

<b>Average International Roughness Index (IRI), Right Wheel Path (RWP)</b>		
<b>2022</b>	<b>2021</b>	<b>2020</b>
74	72	82
78	80	90
98	102	110

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

**Bridges**

Interstate Bridges  
 NHS Bridges - Non-Interstate  
 Non-NHS Bridges

<b>Average Sufficiency Rating</b>		
<b>2022</b>	<b>2021</b>	<b>2020</b>
90.2%	91.2%	91.2%
92.4%	93.0%	93.0%
89.8%	90.5%	90.6%

The condition of the State's bridges is measured based on a sufficiency rating, which is based on a weighted average of four factors indicative of a bridge's sufficiency to remain in service. The sufficiency rating uses a measurement scale that ranges from zero for an entirely insufficient or deficient bridge to 100 for an entirely sufficient bridge. The sufficiency rating is used to classify bridges in excellent condition (90-100), good condition (80-89), fair condition (70-79), marginal condition (60-69), and poor condition (below 60). It is the State's policy to maintain Interstate bridges at a minimum sufficiency rating of 87%, NHS Non-Interstate bridges at 85%, and Non-NHS bridges at 83%. Sufficiency ratings are determined at least on a biennial basis for all bridges. Sufficiency ratings are determined more frequently for certain bridges depending on their design.

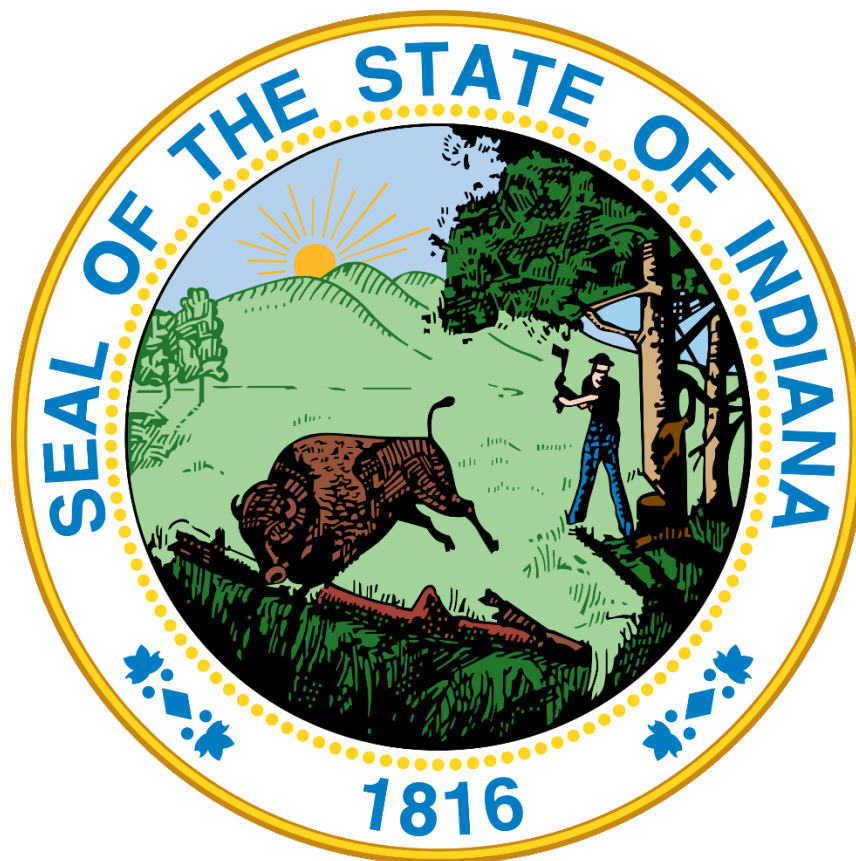
**Source: Indiana Department of Transportation**

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

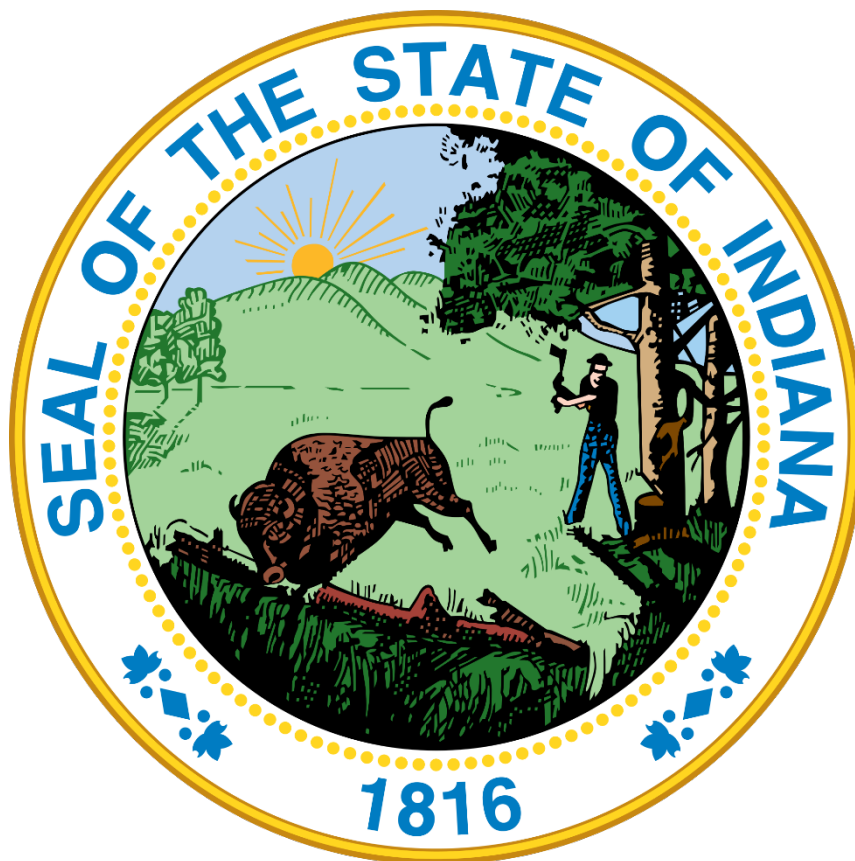
	2022	2021	2020	2019	2018
<b>Roads</b>					
Interstate Roads (including Rest Areas and Weigh Stations):					
Planned	\$ 193,820	\$ 325,653	\$ 186,413	\$ 252,209	\$ 72,028
Actual	269,410	357,057	272,602	219,806	20,210
NHS and Non-NHS Roads - Non-Interstate (including Rest Areas and Weigh Stations)					
Planned	412,668	557,176	499,422	418,752	408,266
Actual	415,031	511,799	446,217	391,955	338,622
Roads at State Institutions and Properties					
Planned	-	-	-	-	3,934
Actual	-	-	-	-	-
<b>Total</b>					
Planned	606,488	882,829	685,835	670,961	484,228
Actual	684,441	868,856	718,819	611,761	358,832
<b>Bridges</b>					
Interstate Bridges					
Planned	\$ 179,233	\$ 203,341	\$ 119,927	\$ 135,011	\$ 132,093
Actual	107,698	137,118	83,250	99,363	104,728
NHS Bridges - Non-Interstate					
Planned	104,187	110,493	88,658	47,383	74,995
Actual	194,543	122,125	64,541	43,850	46,264
Non-NHS Bridges					
Planned	107,816	111,272	87,446	73,802	193,724
Actual	108,076	67,955	92,653	64,696	186,513
<b>Total</b>					
Planned	391,236	425,106	296,031	256,196	400,812
Actual	410,317	327,198	240,444	207,909	337,505

**Source: Indiana Department of Transportation**

# OTHER SUPPLEMENTARY INFORMATION



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## NON-MAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. Funds of material significance are presented separately in these combining statements. All other funds are included under the description "Other Non-Major Special Revenue Funds."

The following funds are used to account for transportation and motor vehicle related programs:

- Major Moves Construction Fund
- Motor Vehicle Highway
- Motor Vehicle Commission
- Road & Street, Primary Highway
- State Highway Fund

The following funds are used to account for health and environmental programs:

- Indiana Check-Up Plan
- Patients Compensation Fund
- Tobacco Settlement Fund
- Opioid Settlement Fund

The following funds are used to receive and distribute certain revenues to the proper sources:

- State Gaming Fund

The following fund is used to account for federal and non-federal programs:

- Fund 6000 Programs

The following fund is used to provide low interest construction and technology loans for qualifying schools:

- Common School Fund

The following funds are used to account for federal grant programs:

- U.S. Department of Agriculture
- U.S. Department of Labor
- U.S. Department of Transportation
- U.S. Department of Education
- U.S. Department of Homeland Security

## CAPITAL PROJECTS FUNDS

Capital project funds account for financial resources to be used by the State for the acquisition or construction of major capital facilities (other than those financed by proprietary and trust funds). Funds of material significance are presented separately in these combining statements. All other funds are included under the description "Other Non-Major Capital Projects Funds."

**Post War Construction** – This fund accounts for new construction, rehabilitation and preventative maintenance of penal, benevolent and charitable institutions of the state.

**State Construction Fund** – This fund accounts for excise taxes deposited to the fund to be used for the construction, rehabilitation, repair, purchase, rental, and sale of state properties and institutions (excluding state educational institutions)

## PERMANENT FUNDS

Permanent Funds account for resources of the State that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support State programs. Funds of material significance are presented separately in these combining statements. All other funds are included under the description "Other Non-Major Permanent Funds."

**Next Level/Generation Trust Fund** – This fund is created per IC 8-14-15.1-5 and holds title to proceeds transferred to the trust under IC 8-14-15-5 (before its repeal), including those held in the Next Generation Trust Fund under IC 8-14-15.2-5 and holds title to proceeds transferred to the trust under IC 8-14-15.1-5.5, to be used exclusively for the provision of highways, roads, and bridges for the benefit of the people of Indiana and the users of those facilities.

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**State of Indiana**  
**Balance Sheet**  
**Non-Major Governmental Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	<u>Non-Major Special Revenue Funds</u>	<u>Non-Major Capital Projects Funds</u>	<u>Non-Major Permanent Funds</u>	<u>Total</u>
<b>ASSETS</b>				
Cash, cash equivalents and investments-unrestricted	\$ 4,686,778	\$ 98,626	\$ 504,554	\$ 5,289,958
Cash, cash equivalents and investments-restricted	3,488	-	-	3,488
Receivables:				
Taxes (net of allowance for uncollectible accounts)	220,041	1,929	-	221,970
Accounts	100,223	125	-	100,348
Grants	392,717	904	-	393,621
Interest	409	-	-	409
Interfund loans	22,674	-	-	22,674
Due from component unit	21,892	-	-	21,892
Prepaid expenditures	8,992	8,079	-	17,071
Long term receivables	530,921	-	-	530,921
Other	107	-	-	107
<b>Total assets</b>	<u><u>\$ 5,988,242</u></u>	<u><u>\$ 109,663</u></u>	<u><u>\$ 504,554</u></u>	<u><u>\$ 6,602,459</u></u>
<b>LIABILITIES</b>				
Accounts payable	\$ 731,565	\$ 1,105	\$ -	\$ 732,670
Salaries and benefits payable	40,051	144	-	40,195
Interfund loans	79,901	-	-	79,901
Interfunds services used	3,396	11	-	3,407
Intergovernmental payable	72,801	-	-	72,801
Tax refunds payable	7,067	-	-	7,067
Accrued liability for compensated absences-current	4,585	17	-	4,602
Other payables	112	-	-	112
<b>Total liabilities</b>	<u>939,478</u>	<u>1,277</u>	<u>-</u>	<u>940,755</u>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Unavailable revenue	551,280	907	-	552,187
<b>Total deferred inflow of resources</b>	<u>551,280</u>	<u>907</u>	<u>-</u>	<u>552,187</u>
<b>FUND BALANCE</b>				
Nonspendable	8,992	8,079	502,835	519,906
Restricted	9,638	-	-	9,638
Committed	907,965	-	1,719	909,684
Assigned	3,804,791	99,400	-	3,904,191
Unassigned	(233,902)	-	-	(233,902)
<b>Total fund balance</b>	<u>4,497,484</u>	<u>107,479</u>	<u>504,554</u>	<u>5,109,517</u>
<b>Total liabilities, deferred inflow of resources, and fund balance</b>	<u><u>\$ 5,988,242</u></u>	<u><u>\$ 109,663</u></u>	<u><u>\$ 504,554</u></u>	<u><u>\$ 6,602,459</u></u>

**State of Indiana**  
**Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

	Non-Major Special Revenue Funds	Non-Major Capital Projects Funds	Non-Major Permanent Funds	Total
<b>Revenues:</b>				
Taxes:				
Sales	\$ 221,666	\$ -	\$ -	\$ 221,666
Fuels	1,669,124	-	-	1,669,124
Gaming	500,176	-	-	500,176
Alcohol and tobacco	134,869	21,007	-	155,876
Insurance	5,671	-	-	5,671
Financial Institutions	179,184	-	-	179,184
Other	19,199	-	-	19,199
Total taxes	2,729,889	21,007	-	2,750,896
Current service charges	2,035,068	4,898	-	2,039,966
Investment income (loss)	(16,642)	-	(36,842)	(53,484)
Sales/rents	35,916	21	-	35,937
Grants	5,239,943	1,324	-	5,241,267
Other	88,139	108	-	88,247
<b>Total revenues</b>	<b>10,112,313</b>	<b>27,358</b>	<b>(36,842)</b>	<b>10,102,829</b>
<b>Expenditures:</b>				
Current:				
General government	441,867	-	2	441,869
Public safety	599,681	-	-	599,681
Health	250,317	-	-	250,317
Welfare	2,346,610	-	-	2,346,610
Conservation, culture and development	483,550	-	122	483,672
Education	1,455,846	-	-	1,455,846
Transportation	3,428,218	-	156	3,428,374
Debt service:				
Lease and financed purchase principal	250,252	-	-	250,252
Lease and financed purchase interest	9,247	-	-	9,247
Capital outlay	9,431	22,872	-	32,303
<b>Total expenditures</b>	<b>9,275,019</b>	<b>22,872</b>	<b>280</b>	<b>9,298,171</b>
Excess (deficiency) of revenues over (under) expenditures	837,294	4,486	(37,122)	804,658
<b>Other financing sources (uses):</b>				
Transfers in	2,921,383	2,511	-	2,923,894
Transfers (out)	(3,825,356)	(1,234)	-	(3,826,590)
Payments to refunded bond escrow agent	397	-	-	397
Issuance of capital lease	9,034	-	-	9,034
<b>Total other financing sources (uses)</b>	<b>(894,542)</b>	<b>1,277</b>	<b>-</b>	<b>(893,265)</b>
<b>Net change in fund balances</b>	<b>(57,248)</b>	<b>5,763</b>	<b>(37,122)</b>	<b>(88,607)</b>
<b>Fund Balance July 1, as restated</b>	<b>4,554,732</b>	<b>101,716</b>	<b>541,676</b>	<b>5,198,124</b>
<b>Fund Balance June 30</b>	<b>\$ 4,497,484</b>	<b>\$ 107,479</b>	<b>\$ 504,554</b>	<b>\$ 5,109,517</b>

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State of Indiana  
 Combining Balance Sheet  
 Non-Major Special Revenue Funds  
 June 30, 2022  
 (amounts expressed in thousands)

	STATE GAMING FUND	MOTOR VEHICLE HIGHWAY	MOTOR VEHICLE COMMISSION	STATE HIGHWAY FUND
<b>ASSETS</b>				
Cash, cash equivalents and investments-unrestricted	\$ 54,439	\$ 147,317	\$ 74,942	\$ 761,938
Cash, cash equivalents and investments-restricted	-	-	-	-
Receivables:				
Taxes (net of allowance for uncollectible accounts)	12,814	65,110	-	27,741
Accounts	177	5,970	769	3,268
Grants	-	-	-	1
Interest	-	16	-	-
Interfund loans	-	8,000	-	-
Due from component unit	-	-	-	-
Prepaid expenditures	-	-	-	-
Long term receivables	-	-	-	4,159
Other	-	-	-	-
<b>Total assets</b>	<b>\$ 67,430</b>	<b>\$ 226,413</b>	<b>\$ 75,711</b>	<b>\$ 797,107</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 60	\$ 44	\$ 1,371	\$ 23,779
Salaries and benefits payable	156	-	3,314	14,370
Interfund loans	-	-	-	8,000
Interfunds services used	41	12	324	873
Intergovernmental payable	3,828	53,265	-	-
Tax refunds payable	-	4,038	-	8
Accrued liability for compensated absences-current	32	-	336	1,693
Other payables	-	-	-	-
Total liabilities	<u>4,117</u>	<u>57,359</u>	<u>5,345</u>	<u>48,723</u>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Unavailable revenue	-	612	-	2,820
Total deferred inflow of resources	<u>-</u>	<u>612</u>	<u>-</u>	<u>2,820</u>
<b>FUND BALANCE</b>				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	61,317	-	-	-
Assigned	1,996	168,442	70,366	745,564
Unassigned	-	-	-	-
Total fund balance	<u>63,313</u>	<u>168,442</u>	<u>70,366</u>	<u>745,564</u>
<b>Total liabilities, deferred inflow of resources, and fund balance</b>	<b>\$ 67,430</b>	<b>\$ 226,413</b>	<b>\$ 75,711</b>	<b>\$ 797,107</b>

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**State of Indiana**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	<b>MAJOR MOVES CONSTRUCTION FUND</b>	<b>INDIANA CHECK- UP PLAN</b>	<b>OPIOID SETTLEMENT FUND</b>	<b>FUND 6000 PROGRAMS</b>
<b>ASSETS</b>				
Cash, cash equivalents and investments-unrestricted	\$ 403,309	\$ 215,404	\$ -	\$ 395,127
Cash, cash equivalents and investments-restricted	-	-	-	-
Receivables:				
Taxes (net of allowance for uncollectible accounts)	-	14,236	-	2,375
Accounts	1	-	-	11,529
Grants	-	-	-	-
Interest	207	-	-	79
Interfund loans	-	-	-	4,861
Due from component unit	-	-	-	-
Prepaid expenditures	-	-	-	-
Long term receivables	-	-	254,151	-
Other	8	-	-	9
<b>Total assets</b>	<b>\$ 403,525</b>	<b>\$ 229,640</b>	<b>\$ 254,151</b>	<b>\$ 413,980</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 7,686	\$ 421	\$ -	\$ 109,944
Salaries and benefits payable	-	-	-	1,771
Interfund loans	-	-	-	-
Interfunds services used	-	-	-	111
Intergovernmental payable	-	-	-	237
Tax refunds payable	-	-	-	-
Accrued liability for compensated absences-current	-	-	-	196
Other payables	8	-	-	9
<b>Total liabilities</b>	<b>7,694</b>	<b>421</b>	<b>-</b>	<b>112,268</b>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Unavailable revenue	-	7,166	245,366	1,891
<b>Total deferred inflow of resources</b>	<b>-</b>	<b>7,166</b>	<b>245,366</b>	<b>1,891</b>
<b>FUND BALANCE</b>				
Nonspendable	-	-	-	-
Restricted	-	-	6,150	-
Committed	-	222,053	-	7,360
Assigned	395,831	-	2,635	292,461
Unassigned	-	-	-	-
<b>Total fund balance</b>	<b>395,831</b>	<b>222,053</b>	<b>8,785</b>	<b>299,821</b>
<b>Total liabilities, deferred inflow of resources, and fund balance</b>	<b>\$ 403,525</b>	<b>\$ 229,640</b>	<b>\$ 254,151</b>	<b>\$ 413,980</b>

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State of Indiana  
 Combining Balance Sheet  
 Non-Major Special Revenue Funds  
 June 30, 2022  
 (amounts expressed in thousands)

	PATIENTS COMPENSATION FUND	ROAD & STREET, PRIMARY HIGHWAY	TOBACCO SETTLEMENT FUND	COMMON SCHOOL FUND
<b>ASSETS</b>				
Cash, cash equivalents and investments-unrestricted	\$ 248,785	\$ 30,541	\$ 158,721	\$ 306,732
Cash, cash equivalents and investments-restricted	-	-	-	-
Receivables:				
Taxes (net of allowance for uncollectible accounts)	-	18,238	-	-
Accounts	1,228	-	-	-
Grants	-	-	-	-
Interest	45	-	-	-
Interfund loans	-	-	-	8,367
Due from component unit	-	-	-	-
Prepaid expenditures	-	-	8,947	-
Long term receivables	-	-	-	271,448
Other	19	-	-	38
<b>Total assets</b>	<b>\$ 250,077</b>	<b>\$ 48,779</b>	<b>\$ 167,668</b>	<b>\$ 586,585</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 13,107	\$ -	\$ 9,662	\$ 380
Salaries and benefits payable	22	-	179	-
Interfund loans	-	-	-	-
Interfunds services used	6	-	189	-
Intergovernmental payable	-	13,751	-	-
Tax refunds payable	-	-	-	-
Accrued liability for compensated absences-current	4	-	15	-
Other payables	19	-	-	38
<b>Total liabilities</b>	<b>13,158</b>	<b>13,751</b>	<b>10,045</b>	<b>418</b>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Unavailable revenue	-	46	-	-
<b>Total deferred inflow of resources</b>	<b>-</b>	<b>46</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>				
Nonspendable	-	-	8,947	-
Restricted	-	-	-	-
Committed	-	-	-	586,167
Assigned	236,919	34,982	148,676	-
Unassigned	-	-	-	-
<b>Total fund balance</b>	<b>236,919</b>	<b>34,982</b>	<b>157,623</b>	<b>586,167</b>
<b>Total liabilities, deferred inflow of resources, and fund balance</b>	<b>\$ 250,077</b>	<b>\$ 48,779</b>	<b>\$ 167,668</b>	<b>\$ 586,585</b>

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**State of Indiana**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	US DEPARTMENT OF AGRICULTURE	US DEPARTMENT OF LABOR	US DEPARTMENT OF TRANSPORTATION	US DEPARTMENT OF EDUCATION
<b>ASSETS</b>				
Cash, cash equivalents and investments-unrestricted	\$ -	\$ -	\$ 699,623	\$ 10,714
Cash, cash equivalents and investments-restricted	-	-	-	-
Receivables:				
Taxes (net of allowance for uncollectible accounts)	-	-	-	-
Accounts	-	-	3,395	-
Grants	135,418	13,104	80,914	13,283
Interest	-	-	-	-
Interfund loans	-	-	-	-
Due from component unit	-	-	-	-
Prepaid expenditures	-	-	45	-
Long term receivables	-	-	-	-
Other	-	-	-	-
<b>Total assets</b>	<b><u>\$ 135,418</u></b>	<b><u>\$ 13,104</u></b>	<b><u>\$ 783,977</u></b>	<b><u>\$ 23,997</u></b>
<b>LIABILITIES</b>				
Accounts payable	\$ 100,034	\$ 2,036	\$ 106,714	\$ 93,099
Salaries and benefits payable	507	4,094	580	1,557
Interfund loans	50,672	14,922	-	-
Interfunds services used	35	537	53	73
Intergovernmental payable	-	-	-	-
Tax refunds payable	-	-	-	-
Accrued liability for compensated absences-current	34	526	6	194
Other payables	-	-	-	-
<b>Total liabilities</b>	<b><u>151,282</u></b>	<b><u>22,115</u></b>	<b><u>107,353</u></b>	<b><u>94,923</u></b>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Unavailable revenue	134,837	-	14,267	668
<b>Total deferred inflow of resources</b>	<b><u>134,837</u></b>	<b><u>-</u></b>	<b><u>14,267</u></b>	<b><u>668</u></b>
<b>FUND BALANCE</b>				
Nonspendable	-	-	45	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	662,312	-
Unassigned	(150,701)	(9,011)	-	(71,594)
<b>Total fund balance</b>	<b><u>(150,701)</u></b>	<b><u>(9,011)</u></b>	<b><u>662,357</u></b>	<b><u>(71,594)</u></b>
<b>Total liabilities, deferred inflow of resources, and fund balance</b>	<b><u>\$ 135,418</u></b>	<b><u>\$ 13,104</u></b>	<b><u>\$ 783,977</u></b>	<b><u>\$ 23,997</u></b>

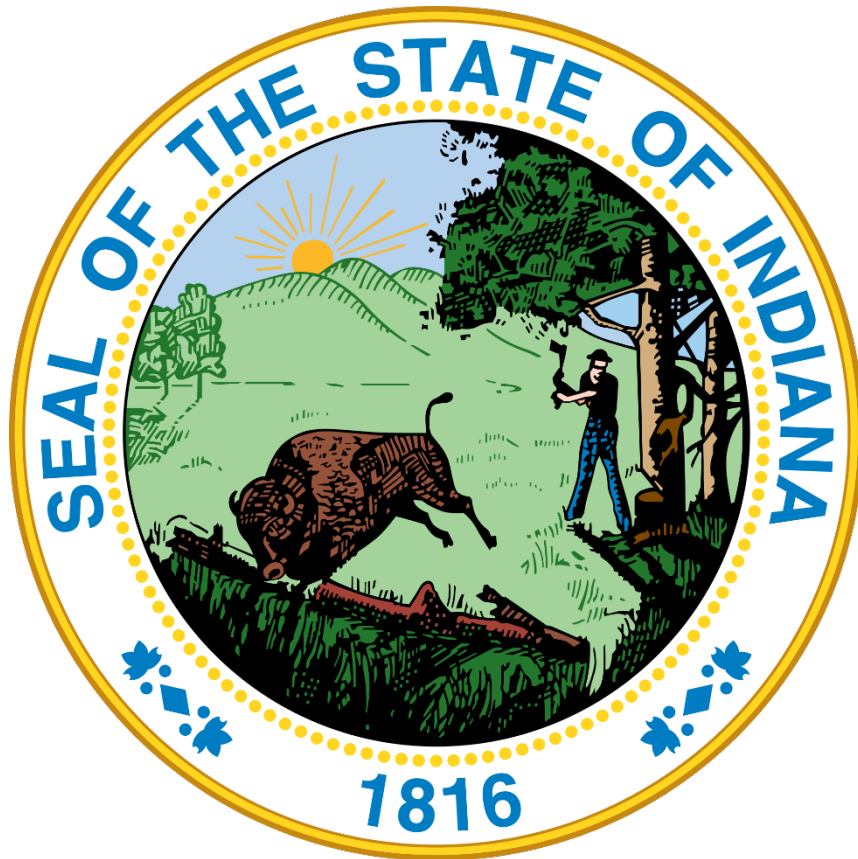
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**State of Indiana**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	<u>US DEPARTMENT OF HOMELAND SECURITY</u>	<u>OTHER NON- MAJOR SPECIAL REVENUE FUNDS</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Cash, cash equivalents and investments-unrestricted	\$ 242	\$ 1,178,944	\$ 4,686,778
Cash, cash equivalents and investments-restricted	-	3,488	3,488
Receivables:			
Taxes (net of allowance for uncollectible accounts)	-	79,527	220,041
Accounts	-	73,886	100,223
Grants	6,795	143,202	392,717
Interest	-	62	409
Interfund loans	-	1,446	22,674
Due from component unit	-	21,892	21,892
Prepaid expenditures	-	-	8,992
Long term receivables	-	1,163	530,921
Other	-	33	107
<b>Total assets</b>	<u>\$ 7,037</u>	<u>\$ 1,503,643</u>	<u>\$ 5,988,242</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 4,685	\$ 258,543	\$ 731,565
Salaries and benefits payable	342	13,159	40,051
Interfund loans	-	6,307	79,901
Interfunds services used	1	1,141	3,396
Intergovernmental payable	-	1,720	72,801
Tax refunds payable	-	3,021	7,067
Accrued liability for compensated absences-current	10	1,539	4,585
Other payables	-	38	112
Total liabilities	<u>5,038</u>	<u>285,468</u>	<u>939,478</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Unavailable revenue	4,595	139,012	551,280
Total deferred inflow of resources	<u>4,595</u>	<u>139,012</u>	<u>551,280</u>
<b>FUND BALANCE</b>			
Nonspendable	-	-	8,992
Restricted	-	3,488	9,638
Committed	-	31,068	907,965
Assigned	-	1,044,607	3,804,791
Unassigned	(2,596)	-	(233,902)
Total fund balance	<u>(2,596)</u>	<u>1,079,163</u>	<u>4,497,484</u>
<b>Total liabilities, deferred inflow of resources, and fund balance</b>	<u>\$ 7,037</u>	<u>\$ 1,503,643</u>	<u>\$ 5,988,242</u>

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**State of Indiana**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**Non-Major Special Revenue Funds**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

	STATE GAMING FUND	MOTOR VEHICLE HIGHWAY	MOTOR VEHICLE COMMISSION	STATE HIGHWAY FUND
<b>Revenues:</b>				
Taxes:				
Sales	\$ -	\$ 83,367	\$ -	\$ 122,301
Fuels	-	1,127,963	-	67,605
Gaming	464,383	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Financial Institutions	-	-	-	-
Other	-	-	-	-
Total taxes	464,383	1,211,330	-	189,906
Current service charges	3,253	318,862	121,516	33,725
Investment income (loss)	-	567	-	41
Sales/rents	-	-	-	3,247
Grants	-	-	-	5
Other	14	-	1,814	79,698
	<u>467,650</u>	<u>1,530,759</u>	<u>123,330</u>	<u>306,622</u>
Total revenues				
<b>Expenditures:</b>				
Current:				
General government	111,969	-	-	-
Public safety	-	-	99,576	-
Health	-	-	-	-
Welfare	-	-	-	-
Conservation, culture and development	-	-	-	259
Education	-	-	-	-
Transportation	-	575,152	-	361,857
Debt service:				
Lease and financed purchase principal	596	-	6,866	238,755
Lease and financed purchase interest	59	-	594	8,219
Capital outlay	-	-	7,647	-
	<u>112,624</u>	<u>575,152</u>	<u>114,683</u>	<u>609,090</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>355,026</u>	<u>955,607</u>	<u>8,647</u>	<u>(302,468)</u>
<b>Other financing sources (uses):</b>				
Transfers in	1,307	-	-	1,564,958
Transfers (out)	(311,338)	(936,941)	-	(995,762)
Payments to refunded bond escrow agent	-	-	-	-
Issuance of capital lease	-	-	7,647	-
	<u>(310,031)</u>	<u>(936,941)</u>	<u>7,647</u>	<u>569,196</u>
Total other financing sources (uses)				
<b>Net change in fund balances</b>	<b>44,995</b>	<b>18,666</b>	<b>16,294</b>	<b>266,728</b>
<b>Fund Balance July 1, as restated</b>	<b>18,318</b>	<b>149,776</b>	<b>54,072</b>	<b>478,836</b>
<b>Fund Balance June 30</b>	<b>\$ 63,313</b>	<b>\$ 168,442</b>	<b>\$ 70,366</b>	<b>\$ 745,564</b>

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**State of Indiana**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**Non-Major Special Revenue Funds**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

	MAJOR MOVES CONSTRUCTION FUND	INDIANA CHECK- UP PLAN	OPIOID SETTLEMENT FUND	FUND 6000 PROGRAMS
<b>Revenues:</b>				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ 3,061
Fuels	-	-	-	-
Gaming	-	-	-	151
Alcohol and tobacco	-	99,639	-	-
Insurance	-	-	-	-
Financial Institutions	-	-	-	179,184
Other	-	-	-	858
Total taxes	-	99,639	-	183,254
Current service charges	-	361,309	8,785	128,983
Investment income (loss)	(657)	-	-	(409)
Sales/rents	-	-	-	6,065
Grants	-	-	-	851
Other	-	-	-	4,912
Total revenues	(657)	460,948	8,785	323,656
<b>Expenditures:</b>				
Current:				
General government	-	-	-	171,236
Public safety	-	-	-	55,078
Health	-	8,409	-	2,020
Welfare	-	-	-	319
Conservation, culture and development	15,331	-	-	7,106
Education	-	-	-	6,637
Transportation	349,923	-	-	2,999
Debt service:				
Lease and financed purchase principal	-	-	-	382
Lease and financed purchase interest	-	-	-	-
Capital outlay	-	-	-	397
Total expenditures	365,254	8,409	-	246,174
Excess (deficiency) of revenues over expenditures	(365,911)	452,539	8,785	77,482
<b>Other financing sources (uses):</b>				
Transfers in	170,840	-	-	56,107
Transfers (out)	(153,499)	(508,006)	-	(121,825)
Payments to refunded bond escrow agent	-	-	-	397
Issuance of capital lease	-	-	-	-
Total other financing sources (uses)	17,341	(508,006)	-	(65,321)
<b>Net change in fund balances</b>	(348,570)	(55,467)	8,785	12,161
<b>Fund Balance July 1, as restated</b>	744,401	277,520	-	287,660
<b>Fund Balance June 30</b>	<b>\$ 395,831</b>	<b>\$ 222,053</b>	<b>\$ 8,785</b>	<b>\$ 299,821</b>

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**State of Indiana**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**Non-Major Special Revenue Funds**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

	<b>PATIENTS COMPENSATION FUND</b>	<b>ROAD &amp; STREET, PRIMARY HIGHWAY</b>	<b>TOBACCO SETTLEMENT FUND</b>	<b>COMMON SCHOOL FUND</b>
<b>Revenues:</b>				
Taxes:				
Sales	\$ -	-	-	-
Fuels	-	389,209	-	-
Gaming	-	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Financial Institutions	-	-	-	-
Other	-	-	-	-
Total taxes	-	389,209	-	-
Current service charges	150,327	20,391	151,491	2,905
Investment income (loss)	(4,785)	-	7	(7,014)
Sales/rents	-	-	-	-
Grants	-	-	15	-
Other	1	-	267	2
<b>Total revenues</b>	<b>145,543</b>	<b>409,600</b>	<b>151,780</b>	<b>(4,107)</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	325	667
Public safety	143,439	-	-	-
Health	-	-	89,418	-
Welfare	-	-	14,459	-
Conservation, culture and development	-	-	-	-
Education	-	-	7,815	-
Transportation	-	150,622	-	-
Debt service:				
Lease and financed purchase principal	-	-	-	-
Lease and financed purchase interest	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<b>143,439</b>	<b>150,622</b>	<b>112,017</b>	<b>667</b>
Excess (deficiency) of revenues over expenditures	2,104	258,978	39,763	(4,774)
<b>Other financing sources (uses):</b>				
Transfers in	-	-	3,628	-
Transfers (out)	-	(258,446)	(16,636)	-
Payments to refunded bond escrow agent	-	-	-	-
Issuance of capital lease	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(258,446)</b>	<b>(13,008)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>2,104</b>	<b>532</b>	<b>26,755</b>	<b>(4,774)</b>
<b>Fund Balance July 1, as restated</b>	<b>234,815</b>	<b>34,450</b>	<b>130,868</b>	<b>590,941</b>
<b>Fund Balance June 30</b>	<b>\$ 236,919</b>	<b>\$ 34,982</b>	<b>\$ 157,623</b>	<b>\$ 586,167</b>

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**State of Indiana**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**Non-Major Special Revenue Funds**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

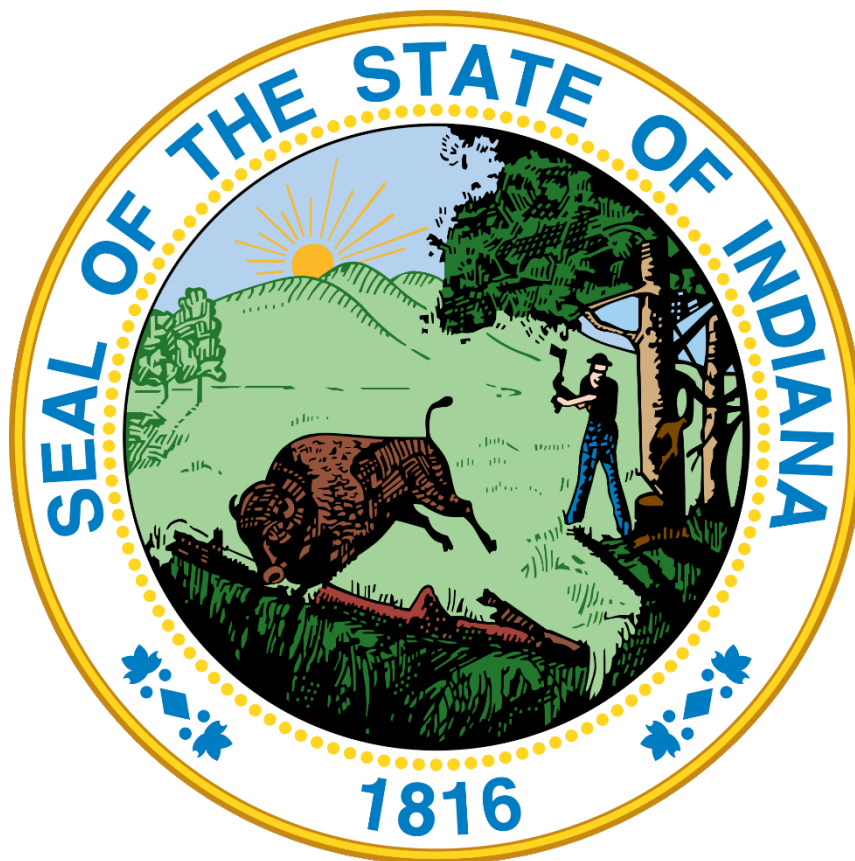
	US DEPARTMENT OF AGRICULTURE	US DEPARTMENT OF LABOR	US DEPARTMENT OF TRANSPORTATIO N	US DEPARTMENT OF EDUCATION
<b>Revenues:</b>				
Taxes:				
Sales	-	-	-	-
Fuels	-	-	-	-
Gaming	-	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Financial Institutions	-	-	-	-
Other	-	-	-	-
Total taxes	-	-	-	-
Current service charges	-	-	-	-
Investment income (loss)	-	-	-	-
Sales/rents	-	-	-	-
Grants	2,901,854	142,888	1,185,048	730,799
Other	-	-	87	-
Total revenues	<u>2,901,854</u>	<u>142,888</u>	<u>1,185,135</u>	<u>730,799</u>
<b>Expenditures:</b>				
Current:				
General government	395	-	1,532	899
Public safety	4,768	6,508	21,699	1,373
Health	143,878	-	96	-
Welfare	2,185,910	27	-	73,912
Conservation, culture and development	3,198	142,342	2,088	26,823
Education	767,369	-	-	666,284
Transportation	-	-	1,860,400	-
Debt service:				
Lease and financed purchase principal	-	-	-	572
Lease and financed purchase interest	-	-	-	86
Capital outlay	-	-	-	-
Total expenditures	<u>3,105,518</u>	<u>148,877</u>	<u>1,885,815</u>	<u>769,949</u>
Excess (deficiency) of revenues over expenditures	<u>(203,664)</u>	<u>(5,989)</u>	<u>(700,680)</u>	<u>(39,150)</u>
<b>Other financing sources (uses):</b>				
Transfers in	74,856	3,078	826,954	30,162
Transfers (out)	(529)	(1,014)	(136,222)	(425)
Payments to refunded bond escrow agent	-	-	-	-
Issuance of capital lease	-	-	-	-
Total other financing sources (uses)	<u>74,327</u>	<u>2,064</u>	<u>690,732</u>	<u>29,737</u>
<b>Net change in fund balances</b>	<u>(129,337)</u>	<u>(3,925)</u>	<u>(9,948)</u>	<u>(9,413)</u>
<b>Fund Balance July 1, as restated</b>	<u>(21,364)</u>	<u>(5,086)</u>	<u>672,305</u>	<u>(62,181)</u>
<b>Fund Balance June 30</b>	<u><b>\$ (150,701)</b></u>	<u><b>\$ (9,011)</b></u>	<u><b>\$ 662,357</b></u>	<u><b>\$ (71,594)</b></u>

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**State of Indiana**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**Non-Major Special Revenue Funds**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

	US DEPARTMENT OF HOMELAND SECURITY	OTHER NON- MAJOR SPECIAL REVENUE FUNDS	Total
<b>Revenues:</b>			
Taxes:			
Sales	-	12,937	221,666
Fuels	-	84,347	1,669,124
Gaming	-	35,642	500,176
Alcohol and tobacco	-	35,230	134,869
Insurance	-	5,671	5,671
Financial Institutions	-	-	179,184
Other	-	18,341	19,199
Total taxes	-	192,168	2,729,889
Current service charges	-	733,521	2,035,068
Investment income (loss)	-	(4,392)	(16,642)
Sales/rents	-	26,604	35,916
Grants	22,792	255,691	5,239,943
Other	-	1,344	88,139
	<u>22,792</u>	<u>1,204,936</u>	<u>10,112,313</u>
<b>Expenditures:</b>			
Current:			
General government	-	154,844	441,867
Public safety	22,182	245,058	599,681
Health	203	6,293	250,317
Welfare	-	71,983	2,346,610
Conservation, culture and development	4,627	281,776	483,550
Education	-	7,741	1,455,846
Transportation	1,358	125,907	3,428,218
Debt service:			
Lease and financed purchase principal	-	3,081	250,252
Lease and financed purchase interest	-	289	9,247
Capital outlay	-	1,387	9,431
	<u>28,370</u>	<u>898,359</u>	<u>9,275,019</u>
Excess (deficiency) of revenues over expenditures	<u>(5,578)</u>	<u>306,577</u>	<u>837,294</u>
<b>Other financing sources (uses):</b>			
Transfers in	1,592	187,901	2,921,383
Transfers (out)	(3)	(384,710)	(3,825,356)
Payments to refunded bond escrow agent	-	-	397
Issuance of capital lease	-	1,387	9,034
	<u>1,589</u>	<u>(195,422)</u>	<u>(894,542)</u>
<b>Net change in fund balances</b>	<b>(3,989)</b>	<b>111,155</b>	<b>(57,248)</b>
<b>Fund Balance July 1, as restated</b>	<b>1,393</b>	<b>968,008</b>	<b>4,554,732</b>
<b>Fund Balance June 30</b>	<b>\$ (2,596)</b>	<b>\$ 1,079,163</b>	<b>\$ 4,497,484</b>

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**State of Indiana**  
**Combining Balance Sheet**  
**Non-Major Capital Project Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	Post War Construction	State Construction	Other Non-Major Capital Projects Funds	Total
<b>ASSETS</b>				
Cash, cash equivalents and investments-unrestricted	\$ 13,243	\$ 74,023	\$ 11,360	\$ 98,626
Receivables:				
Taxes (net of allowance for uncollectible accounts)	-	1,929	-	1,929
Accounts	-	125	-	125
Grants	-	904	-	904
Prepaid expenditures	8,079	-	-	8,079
<b>Total assets</b>	<b>\$ 21,322</b>	<b>\$ 76,981</b>	<b>\$ 11,360</b>	<b>\$ 109,663</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 84	\$ 906	\$ 115	\$ 1,105
Salaries and benefits payable	-	-	144	144
Interfunds services used	-	-	11	11
Accrued liability for compensated absences-current	-	-	17	17
Total liabilities	84	906	287	1,277
<b>DEFERRED INFLOW OF RESOURCES</b>				
Unavailable revenue	-	907	-	907
Total deferred inflow of resources	-	907	-	907
<b>FUND BALANCE</b>				
Nonspendable	8,079	-	-	8,079
Assigned	13,159	75,168	11,073	99,400
Total fund balance	21,238	75,168	11,073	107,479
<b>Total liabilities, deferred inflow of resources, and fund balance</b>	<b>\$ 21,322</b>	<b>\$ 76,981</b>	<b>\$ 11,360</b>	<b>\$ 109,663</b>

**State of Indiana**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**Non-Major Capital Projects Funds**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

	Post War Construction	State Construction	Other Non-Major Capital Projects Funds	Total
<b>Revenues:</b>				
Alcohol and tobacco	\$ -	\$ 21,007	\$ -	\$ 21,007
Total taxes	-	21,007	-	21,007
Current service charges	-	2,131	2,767	4,898
Sales/rents	-	-	21	21
Grants	-	-	1,324	1,324
Other	-	-	108	108
Total revenues	-	23,138	4,220	27,358
<b>Expenditures:</b>				
Capital outlay	3,671	12,415	6,786	22,872
Total expenditures	3,671	12,415	6,786	22,872
Excess (deficiency) of revenues over (under) expenditures	(3,671)	10,723	(2,566)	4,486
<b>Other financing sources (uses):</b>				
Transfers in	-	157	2,354	2,511
Transfers (out)	(110)	-	(1,124)	(1,234)
Total other financing sources (uses)	(110)	157	1,230	1,277
<b>Net change in fund balances</b>	(3,781)	10,880	(1,336)	5,763
<b>Fund Balance July 1, as restated</b>	25,019	64,288	12,409	101,716
<b>Fund Balance June 30</b>	<u>\$ 21,238</u>	<u>\$ 75,168</u>	<u>\$ 11,073</u>	<u>\$ 107,479</u>

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**State of Indiana**  
**Combining Balance Sheet**  
**Non-Major Permanent Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	Next Level/Generation Trust Fund	Other Non-Major Permanent Funds	Total
<b>ASSETS</b>			
Cash, cash equivalents and investments-unrestricted	\$ 501,375	\$ 3,179	\$ 504,554
<b>Total assets</b>	<b><u>\$ 501,375</u></b>	<b><u>\$ 3,179</u></b>	<b><u>\$ 504,554</u></b>
<b>LIABILITIES</b>			
<b>FUND BALANCE</b>			
Nonspendable	500,000	2,835	502,835
Committed	1,375	344	1,719
Total fund balance	<u>501,375</u>	<u>3,179</u>	<u>504,554</u>
<b>Total liabilities and fund balance</b>	<b><u>\$ 501,375</u></b>	<b><u>\$ 3,179</u></b>	<b><u>\$ 504,554</u></b>

**State of Indiana**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**Non-Major Permanent Funds**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

	<u>Next Level/Generation Trust Fund</u>	<u>Other Non-Major Permanent Funds</u>	<u>Total</u>
<b>Revenues:</b>			
Investment income (loss)	\$ (36,496)	\$ (346)	\$ (36,842)
Total revenues	<u>(36,496)</u>	<u>(346)</u>	<u>(36,842)</u>
<b>Expenditures:</b>			
Current:			
General government	-	2	2
Conservation, culture and development	-	122	122
Transportation	156	-	156
Total expenditures	<u>156</u>	<u>124</u>	<u>280</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(36,652)</u>	<u>(470)</u>	<u>(37,122)</u>
<b>Net change in fund balances</b>	<b>(36,652)</b>	<b>(470)</b>	<b>(37,122)</b>
<b>Fund Balance July 1, as restated</b>	<u>538,027</u>	<u>3,649</u>	<u>541,676</u>
<b>Fund Balance June 30</b>	<u><b>\$ 501,375</b></u>	<u><b>\$ 3,179</b></u>	<u><b>\$ 504,554</b></u>

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**State of Indiana**  
**Combining Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**(Budgetary Basis)**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

	State Gaming Fund				Motor Vehicle Highway Fund			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
<b>Revenues:</b>								
Taxes:								
Sales	\$ -	\$ -	\$ -	\$ -	\$ 48,979	\$ 48,979	\$ 80,438	\$ 31,459
Fuels	-	-	-	-	1,041,986	1,041,986	1,121,520	79,534
Gaming	389,394	389,394	466,519	77,125	-	-	-	-
Alcohol and tobacco	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Financial institutions	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total taxes	389,394	389,394	466,519	77,125	1,090,965	1,090,965	1,201,958	110,993
Current service charges	3,729	3,729	3,084	(645)	308,297	308,297	313,689	5,392
Investment income	-	-	-	-	66	66	569	503
Sales/rents	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Other	-	-	14	14	-	-	-	-
Total revenues	393,123	393,123	469,617	76,494	1,399,328	1,399,328	1,516,216	116,888
<b>Expenditures:</b>								
Current:								
General government	3,288	506,945	111,556	395,389	-	3,900	-	3,900
Public safety	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Welfare	-	-	-	-	-	-	-	-
Conservation, culture and development	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	2,361	1,504,783	570,381	934,402
Debt service:								
Capital lease principal	-	-	596	(596)	-	-	-	-
Capital lease interest	-	-	59	(59)	-	-	-	-
Total expenditures	3,288	506,945	112,211	394,734	2,361	1,508,683	570,381	938,302
Excess of revenues over (under) expenditures	389,835	(113,822)	357,406	(471,228)	1,396,967	(109,355)	945,835	(1,055,190)
<b>Other financing sources (uses):</b>								
Transfers in	1,307	1,307	1,307	-	-	-	-	-
Transfers (out)	(311,338)	(311,338)	(311,338)	-	(936,941)	(936,941)	(936,941)	-
Total other financing sources (uses)	(310,031)	(310,031)	(310,031)	-	(936,941)	(936,941)	(936,941)	-
<b>Net change in fund balances</b>	<b>\$ 79,804</b>	<b>\$ (423,853)</b>	<b>47,375</b>	<b>\$ 471,228</b>	<b>\$ 460,026</b>	<b>\$ (1,046,296)</b>	<b>8,894</b>	<b>\$ 1,055,190</b>
<b>Fund balances July 1, as restated</b>			<b>4,563</b>				<b>140,485</b>	
<b>Fund balances June 30</b>			<b>\$ 51,938</b>				<b>\$ 149,379</b>	

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**State of Indiana**  
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**(Budgetary Basis)**  
**For the Year Ended June 30, 2022**  
 (amounts expressed in thousands)

	Motor Vehicle Commission				State Highway Fund			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
<b>Revenues:</b>								
Taxes:								
Sales	\$ -	\$ -	\$ -	\$ -	\$ 29,375	\$ 29,375	\$ 108,546	\$ 79,171
Fuels	-	-	-	-	281,969	281,969	65,968	(216,001)
Gaming	-	-	-	-	-	-	-	-
Alcohol and tobacco	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Financial institutions	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total taxes	-	-	-	-	311,344	311,344	174,514	(136,830)
Current service charges	122,550	122,550	120,650	(1,900)	41,478	41,478	32,204	(9,274)
Investment income	-	-	-	-	74	74	41	(33)
Sales/rents	-	-	-	-	3,013	3,013	3,247	234
Grants	-	-	-	-	1	1	5	4
Other	-	-	1,814	1,814	63,441	63,441	79,716	16,275
Total revenues	122,550	122,550	122,464	(86)	419,351	419,351	289,727	(129,624)
<b>Expenditures:</b>								
Current:								
General government	-	-	-	-	-	365	-	365
Public safety	221,181	102,665	99,409	3,256	-	-	-	-
Health	-	-	-	-	-	-	-	-
Welfare	-	-	-	-	-	-	-	-
Conservation, culture and development	-	-	-	-	740	19	19	-
Education	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	1,691,019	785,791	356,069	429,722
Debt service:								
Capital lease principal	-	-	6,866	(6,866)	-	-	238,755	(238,755)
Capital lease interest	-	-	594	(594)	-	-	8,219	(8,219)
Total expenditures	221,181	102,665	106,869	(4,204)	1,691,759	786,175	603,062	183,113
Excess of revenues over (under) expenditures	(98,631)	19,885	15,595	4,290	(1,272,408)	(366,824)	(313,335)	(53,489)
<b>Other financing sources (uses):</b>								
Transfers in	-	-	-	-	1,564,958	1,564,958	1,564,958	-
Transfers (out)	-	-	-	-	(995,762)	(995,762)	(995,762)	-
Total other financing sources (uses)	-	-	-	-	569,196	569,196	569,196	-
<b>Net change in fund balances</b>	<b>\$ (98,631)</b>	<b>\$ 19,885</b>	<b>15,595</b>	<b>\$ (4,290)</b>	<b>\$ (703,212)</b>	<b>\$ 202,372</b>	<b>255,861</b>	<b>\$ 53,489</b>
<b>Fund balances July 1, as restated</b>			<b>53,294</b>				<b>503,337</b>	
<b>Fund balances June 30</b>			<b>\$ 68,889</b>				<b>\$ 759,198</b>	

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**State of Indiana**  
**Combining Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**(Budgetary Basis)**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

	Major Moves Construction Fund				Indiana Check-Up Plan			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
<b>Revenues:</b>								
Taxes:								
Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuels	-	-	-	-	-	-	-	-
Gaming	-	-	-	-	-	-	-	-
Alcohol and tobacco	-	-	-	-	108,152	108,152	102,024	(6,128)
Insurance	-	-	-	-	-	-	-	-
Financial institutions	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total taxes	-	-	-	-	108,152	108,152	102,024	(6,128)
Current service charges	300,000	300,000	-	(300,000)	305,797	305,797	361,309	55,512
Investment income	6,375	6,375	518	(5,857)	-	-	-	-
Sales/rents	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>306,375</b>	<b>306,375</b>	<b>518</b>	<b>(305,857)</b>	<b>413,949</b>	<b>413,949</b>	<b>463,333</b>	<b>49,384</b>
<b>Expenditures:</b>								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Health	-	-	-	-	117,620	82,160	9,030	73,130
Welfare	-	-	-	-	-	-	-	-
Conservation, culture and development	24,097	36,061	15,973	20,088	-	-	-	-
Education	-	-	-	-	-	-	-	-
Transportation	820,629	336,424	352,948	(16,524)	-	-	-	-
Debt service:								
Capital lease principal	-	-	-	-	-	-	-	-
Capital lease interest	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>844,726</b>	<b>372,485</b>	<b>368,921</b>	<b>3,564</b>	<b>117,620</b>	<b>82,160</b>	<b>9,030</b>	<b>73,130</b>
Excess of revenues over (under) expenditures	(538,351)	(66,110)	(368,403)	302,293	296,329	331,789	454,303	(122,514)
<b>Other financing sources (uses):</b>								
Transfers in	170,840	170,840	170,840	-	-	-	-	-
Transfers (out)	(153,499)	(153,499)	(153,499)	-	(508,006)	(508,006)	(508,006)	-
<b>Total other financing sources (uses)</b>	<b>17,341</b>	<b>17,341</b>	<b>17,341</b>	<b>-</b>	<b>(508,006)</b>	<b>(508,006)</b>	<b>(508,006)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (521,010)</b>	<b>\$ (48,769)</b>	<b>(351,062)</b>	<b>\$ (302,293)</b>	<b>\$ (211,677)</b>	<b>\$ (176,217)</b>	<b>(53,703)</b>	<b>\$ 122,514</b>
<b>Fund balances July 1, as restated</b>			756,857				268,908	
<b>Fund balances June 30</b>			<b>\$ 405,795</b>				<b>\$ 215,205</b>	

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**State of Indiana**  
**Combining Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**(Budgetary Basis)**  
**For the Year Ended June 30, 2022**  
 (amounts expressed in thousands)

	Fund 6000 Programs				Patients Compensation Fund			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
<b>Revenues:</b>								
Taxes:								
Sales	\$ 2,766	\$ 2,766	\$ 3,049	\$ 283	\$ -	\$ -	\$ -	\$ -
Fuels	-	-	-	-	-	-	-	-
Gaming	105	105	151	46	-	-	-	-
Alcohol and tobacco	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Financial institutions	234,893	234,893	179,143	(55,750)	-	-	-	-
Other	890	890	950	60	-	-	-	-
Total taxes	238,654	238,654	183,293	(55,361)	-	-	-	-
Current service charges	130,541	130,541	126,340	(4,201)	142,838	142,838	149,553	6,715
Investment income	616	616	628	12	1,713	1,713	598	(1,115)
Sales/rents	6,630	6,630	6,060	(570)	-	-	-	-
Grants	5,507	5,507	848	(4,659)	-	-	-	-
Other	7,380	7,380	4,918	(2,462)	-	-	1	1
Total revenues	389,328	389,328	322,087	(67,241)	144,551	144,551	150,152	5,601
<b>Expenditures:</b>								
Current:								
General government	22,097	362,667	160,176	202,491	-	-	-	-
Public safety	32,149	87,617	53,542	34,075	4,219	387,699	131,928	255,771
Health	2,032	8,196	1,822	6,374	-	-	-	-
Welfare	1,547	4,101	623	3,478	-	-	-	-
Conservation, culture and development	5,892	24,614	6,629	17,985	-	-	-	-
Education	1,154	16,476	7,565	8,911	-	-	-	-
Transportation	4,858	2,553	2,559	(6)	-	-	-	-
Debt service:								
Capital lease principal	-	-	382	(382)	-	-	-	-
Capital lease interest	-	-	-	-	-	-	-	-
Total expenditures	69,729	506,224	233,298	272,926	4,219	387,699	131,928	255,771
Excess of revenues over (under) expenditures	319,599	(116,896)	88,789	(205,685)	140,332	(243,148)	18,224	(261,372)
<b>Other financing sources (uses):</b>								
Transfers in	56,107	56,107	56,107	-	-	-	-	-
Transfers (out)	(121,825)	(121,825)	(121,825)	-	-	-	-	-
Total other financing sources (uses)	(65,718)	(65,718)	(65,718)	-	-	-	-	-
<b>Net change in fund balances</b>	<b>\$ 253,881</b>	<b>\$ (182,614)</b>	<b>23,071</b>	<b>\$ 205,685</b>	<b>\$ 140,332</b>	<b>\$ (243,148)</b>	<b>18,224</b>	<b>\$ 261,372</b>
<b>Fund balances July 1, as restated</b>			<b>285,324</b>				<b>236,128</b>	
<b>Fund balances June 30</b>			<b>\$ 308,395</b>				<b>\$ 254,352</b>	

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**State of Indiana**  
**Combining Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
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(amounts expressed in thousands)

	Road and Street, Primary Highway				Tobacco Settlement Fund			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
<b>Revenues:</b>								
Taxes:								
Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuels	138,659	138,659	387,030	248,371	-	-	-	-
Gaming	-	-	-	-	-	-	-	-
Alcohol and tobacco	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Financial institutions	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total taxes	138,659	138,659	387,030	248,371	-	-	-	-
Current service charges	7,981	7,981	20,345	12,364	146,245	146,245	151,491	5,246
Investment income	-	-	-	-	6	6	10	4
Sales/rents	-	-	-	-	-	-	-	-
Grants	-	-	-	-	13	13	5	(8)
Other	-	-	-	-	-	-	191	191
Total revenues	146,640	146,640	407,375	260,735	146,264	146,264	151,697	5,433
<b>Expenditures:</b>								
Current:								
General government	-	-	-	-	5,000	324	324	-
Public safety	-	-	-	-	-	-	-	-
Health	-	-	-	-	183,604	90,878	85,061	5,817
Welfare	-	-	-	-	19,629	12,849	13,188	(339)
Conservation, culture and development	-	-	-	-	-	-	-	-
Education	-	-	-	-	13,914	15,941	7,917	8,024
Transportation	-	589,707	150,142	439,565	-	-	-	-
Debt service:								
Capital lease principal	-	-	-	-	-	-	-	-
Capital lease interest	-	-	-	-	-	-	-	-
Total expenditures	-	589,707	150,142	439,565	222,147	119,992	106,490	13,502
Excess of revenues over (under) expenditures	146,640	(443,067)	257,233	(700,300)	(75,883)	26,272	45,207	(18,935)
<b>Other financing sources (uses):</b>								
Transfers in	-	-	-	-	3,628	3,628	3,628	-
Transfers (out)	(258,446)	(258,446)	(258,446)	-	(16,636)	(16,636)	(16,636)	-
Total other financing sources (uses)	(258,446)	(258,446)	(258,446)	-	(13,008)	(13,008)	(13,008)	-
<b>Net change in fund balances</b>	<b>\$ (111,806)</b>	<b>\$ (701,513)</b>	<b>(1,213)</b>	<b>\$ 700,300</b>	<b>\$ (88,891)</b>	<b>\$ 13,264</b>	<b>32,199</b>	<b>\$ 18,935</b>
<b>Fund balances July 1, as restated</b>			<b>30,710</b>				<b>126,477</b>	
<b>Fund balances June 30</b>			<b>\$ 29,497</b>				<b>\$ 158,676</b>	

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**Combining Schedule of Revenues, Expenditures and**  
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**(Budgetary Basis)**  
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 (amounts expressed in thousands)

	Common School Fund				U.S. Department of Agriculture			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
<b>Revenues:</b>								
Taxes:								
Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuels	-	-	-	-	-	-	-	-
Gaming	-	-	-	-	-	-	-	-
Alcohol and tobacco	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Financial institutions	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total taxes	-	-	-	-	-	-	-	-
Current service charges	1,929	1,929	2,905	976	-	-	-	-
Investment income	-	-	-	-	-	-	-	-
Sales/rents	-	-	-	-	-	-	-	-
Grants	-	-	-	-	2,410,395	2,410,395	3,015,586	605,191
Other	6	6	2	(4)	-	-	-	-
<b>Total revenues</b>	<b>1,935</b>	<b>1,935</b>	<b>2,907</b>	<b>972</b>	<b>2,410,395</b>	<b>2,410,395</b>	<b>3,015,586</b>	<b>605,191</b>
<b>Expenditures:</b>								
Current:								
General government	-	5,659	-	5,659	1,376	10,162	369	9,793
Public safety	-	-	-	-	161	6,498	4,728	1,770
Health	-	-	-	-	23,738	257,829	141,597	116,232
Welfare	-	-	-	-	7,587	3,747,887	2,185,669	1,562,218
Conservation, culture and development	-	-	-	-	1,103	10,711	2,998	7,713
Education	-	-	-	-	1,821	968,926	687,903	281,023
Transportation	-	-	-	-	-	-	-	-
Debt service:								
Capital lease principal	-	-	-	-	-	-	-	-
Capital lease interest	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>5,659</b>	<b>-</b>	<b>5,659</b>	<b>35,786</b>	<b>5,002,013</b>	<b>3,023,264</b>	<b>1,978,749</b>
Excess of revenues over (under) expenditures	1,935	(3,724)	2,907	(6,631)	2,374,609	(2,591,618)	(7,678)	(2,583,940)
<b>Other financing sources (uses):</b>								
Transfers in	-	-	-	-	74,856	74,856	74,856	-
Transfers (out)	-	-	-	-	(529)	(529)	(529)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74,327</b>	<b>74,327</b>	<b>74,327</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ 1,935</b>	<b>\$ (3,724)</b>	<b>2,907</b>	<b>\$ 6,631</b>	<b>\$ 2,448,936</b>	<b>\$ (2,517,291)</b>	<b>66,649</b>	<b>\$ 2,583,940</b>
<b>Fund balances July 1, as restated</b>			591,145				18,171	
<b>Fund balances June 30</b>			<b>\$ 594,052</b>				<b>\$ 84,820</b>	

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**State of Indiana**  
**Combining Schedule of Revenues, Expenditures and**  
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(amounts expressed in thousands)

	U.S. Department of Labor				U.S. Department of Transportation			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
<b>Revenues:</b>								
Taxes:								
Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuels	-	-	-	-	-	-	-	-
Gaming	-	-	-	-	-	-	-	-
Alcohol and tobacco	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Financial institutions	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total taxes	-	-	-	-	-	-	-	-
Current service charges	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-
Sales/rents	-	-	-	-	-	-	-	-
Grants	141,551	141,551	142,809	1,258	1,293,676	1,293,676	1,205,366	(88,310)
Other	-	-	-	-	25	25	87	62
Total revenues	<u>141,551</u>	<u>141,551</u>	<u>142,809</u>	<u>1,258</u>	<u>1,293,701</u>	<u>1,293,701</u>	<u>1,205,453</u>	<u>(88,248)</u>
<b>Expenditures:</b>								
Current:								
General government	-	-	-	-	115	4,030	1,417	2,613
Public safety	38	12,820	6,487	6,333	8,160	75,652	21,311	54,341
Health	-	50	-	50	1	982	107	875
Welfare	-	3,983	27	3,956	-	13	-	13
Conservation, culture and development	49,980	249,237	142,885	106,352	2,441	3,035	1,741	1,294
Education	-	525	-	525	-	-	-	-
Transportation	-	-	-	-	2,147,195	3,833,469	1,840,902	1,992,567
Debt service:								
Capital lease principal	-	-	-	-	-	-	-	-
Capital lease interest	-	-	-	-	-	-	-	-
Total expenditures	<u>50,018</u>	<u>266,615</u>	<u>149,399</u>	<u>117,216</u>	<u>2,157,912</u>	<u>3,917,181</u>	<u>1,865,478</u>	<u>2,051,703</u>
Excess of revenues over (under) expenditures	91,533	(125,064)	(6,590)	(118,474)	(864,211)	(2,623,480)	(660,025)	(1,963,455)
<b>Other financing sources (uses):</b>								
Transfers in	3,078	3,078	3,078	-	826,954	826,954	826,954	-
Transfers (out)	(1,014)	(1,014)	(1,014)	-	(136,222)	(136,222)	(136,222)	-
Total other financing sources (uses)	<u>2,064</u>	<u>2,064</u>	<u>2,064</u>	<u>-</u>	<u>690,732</u>	<u>690,732</u>	<u>690,732</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ 93,597</u>	<u>\$ (123,000)</u>	<u>(4,526)</u>	<u>\$ 118,474</u>	<u>\$ (173,479)</u>	<u>\$ (1,932,748)</u>	<u>30,707</u>	<u>\$ 1,963,455</u>
<b>Fund balances July 1, as restated</b>			<u>2,442</u>				<u>740,227</u>	
<b>Fund balances June 30</b>			<u><u>\$ (2,084)</u></u>				<u><u>\$ 770,934</u></u>	

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**State of Indiana**  
**Combining Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**(Budgetary Basis)**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

	U.S. Department of Education				U.S. Department of Homeland Security			
	Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
	Original	Final			Original	Final		
<b>Revenues:</b>								
Taxes:								
Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuels	-	-	-	-	-	-	-	-
Gaming	-	-	-	-	-	-	-	-
Alcohol and tobacco	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Financial institutions	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total taxes	-	-	-	-	-	-	-	-
Current service charges	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-
Sales/rents	-	-	-	-	-	-	-	-
Grants	729,732	729,732	731,467	1,735	470,120	470,120	22,260	(447,860)
Other	-	-	-	-	-	-	-	-
Total revenues	<u>729,732</u>	<u>729,732</u>	<u>731,467</u>	<u>1,735</u>	<u>470,120</u>	<u>470,120</u>	<u>22,260</u>	<u>(447,860)</u>
<b>Expenditures:</b>								
Current:								
General government	-	1,297	873	424	-	993	-	993
Public safety	451	2,945	1,264	1,681	24,365	112,430	19,101	93,329
Health	-	-	-	-	-	799	203	596
Welfare	20,279	293,471	74,666	218,805	-	58	-	58
Conservation, culture and development	6,397	38,333	26,770	11,563	1,404	81,225	4,440	76,785
Education	68,681	998,238	659,901	338,337	-	36	-	36
Transportation	-	-	-	-	-	1,396	1,358	38
Debt service:								
Capital lease principal	-	-	572	(572)	-	-	-	-
Capital lease interest	-	-	86	(86)	-	-	-	-
Total expenditures	<u>95,808</u>	<u>1,334,284</u>	<u>764,132</u>	<u>570,152</u>	<u>25,769</u>	<u>196,937</u>	<u>25,102</u>	<u>171,835</u>
Excess of revenues over (under) expenditures	633,924	(604,552)	(32,665)	(571,887)	444,351	273,183	(2,842)	276,025
<b>Other financing sources (uses):</b>								
Transfers in	30,162	30,162	30,162	-	1,592	1,592	1,592	-
Transfers (out)	(425)	(425)	(425)	-	(3)	(3)	(3)	-
Total other financing sources (uses)	<u>29,737</u>	<u>29,737</u>	<u>29,737</u>	<u>-</u>	<u>1,589</u>	<u>1,589</u>	<u>1,589</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ 663,661</u>	<u>\$ (574,815)</u>	<u>\$ (2,928)</u>	<u>\$ 571,887</u>	<u>\$ 445,940</u>	<u>\$ 274,772</u>	<u>(1,253)</u>	<u>\$ (276,025)</u>
<b>Fund balances July 1, as restated</b>			<u>\$ 26,914</u>				<u>7,889</u>	
<b>Fund balances June 30</b>			<u>\$ 23,986</u>				<u>\$ 6,636</u>	

continued on next page

**State of Indiana**  
**Combining Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**(Budgetary Basis)**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

	<b>Other Non-Major Special Revenue Funds</b>			
	<b>Budget</b>		<b>Actual</b>	<b>Variance to Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues:</b>				
Taxes:				
Sales	\$ 11,689	\$ 11,689	\$ 12,886	\$ 1,197
Fuels	80,789	80,789	84,136	3,347
Gaming	29,570	29,570	35,853	6,283
Alcohol and tobacco	38,185	38,185	35,776	(2,409)
Insurance	5,303	5,303	5,671	368
Financial institutions	-	-	-	-
Other	15,115	15,115	18,317	3,202
Total taxes	<u>180,651</u>	<u>180,651</u>	<u>192,639</u>	<u>11,988</u>
Current service charges	779,057	779,057	711,036	(68,021)
Investment income	2,678	2,678	923	(1,755)
Sales/rents	9,686	9,686	20,497	10,811
Grants	292,566	292,566	279,511	(13,055)
Other	8,118	8,118	1,273	(6,845)
	<u>1,272,756</u>	<u>1,272,756</u>	<u>1,205,879</u>	<u>(66,877)</u>
<b>Expenditures:</b>				
Current:				
General government	164,318	697,662	153,248	544,414
Public safety	354,067	548,321	236,270	312,051
Health	12,210	18,514	5,955	12,559
Welfare	59,003	985,511	73,034	912,477
Conservation, culture and development	238,426	543,660	276,105	267,555
Education	7,104	27,903	6,960	20,943
Transportation	120,029	179,554	118,550	61,004
Debt service:				
Capital lease principal	-	-	3,081	(3,081)
Capital lease interest	-	-	289	(289)
Total expenditures	<u>955,157</u>	<u>3,001,125</u>	<u>873,492</u>	<u>2,127,633</u>
Excess of revenues over (under) expenditures	317,599	(1,728,369)	332,387	(2,060,756)
<b>Other financing sources (uses):</b>				
Transfers in	187,901	187,901	187,901	-
Transfers (out)	(390,143)	(390,143)	(390,143)	-
Total other financing sources (uses)	<u>(202,242)</u>	<u>(202,242)</u>	<u>(202,242)</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ 115,357</u>	<u>\$ (1,930,611)</u>	<u>130,145</u>	<u>\$ 2,060,756</u>
<b>Fund balances July 1, as restated</b>			<u>972,724</u>	
<b>Fund balances June 30</b>			<u>\$ 1,102,869</u>	

## NON-MAJOR PROPRIETARY FUNDS

### ENTERPRISE FUNDS

Enterprise Funds account for operations established to provide services to the general public in a manner similar to private business enterprises. Cost of providing the goods or services are financed or recovered primarily through fees and user charges. The non-major enterprise funds are as follows:

**Residual Malpractice Insurance Authority** – IC 34-18-17 created the Residual Malpractice Insurance Authority to make malpractice liability insurance available to those who cannot obtain this coverage through other insurers. The Indiana Department of Insurance is the designated residual malpractice insurance authority per State law. Revenues are from the premiums collected.

**Inns and Concessions** - This fund accounts for the operations of various State Park Inns which provide lodging throughout the year for park tourists, and for the restaurant and concessions at Fort Benjamin Harrison.

**State of Indiana**  
**Combining Statement of Fund Net Position**  
**Non-Major Enterprise Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	Residual Malpractice Insurance Authority	Inns and Concessions	Total
<b>Assets</b>			
Current assets:			
Cash, cash equivalents and investments - unrestricted	\$ 66,889	\$ 20,353	\$ 87,242
Receivables:	-	-	-
Accounts	26	502	528
Interest	247	-	247
Inventory	-	815	815
Prepaid expenses	-	15	15
Other assets	33	-	33
Total current assets	<u>67,195</u>	<u>21,685</u>	<u>88,880</u>
Noncurrent assets:			
Capital assets:			
Capital assets being depreciated/amortized	-	1,149	1,149
less accumulated depreciation/amortization	-	(811)	(811)
Total capital assets, net of depreciation/amortization	<u>-</u>	<u>338</u>	<u>338</u>
Total noncurrent assets	<u>-</u>	<u>338</u>	<u>338</u>
<b>Total assets</b>	<b><u>67,195</u></b>	<b><u>22,023</u></b>	<b><u>89,218</u></b>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	-	525	525
Claims payable	999	-	999
Salaries and benefits payable	-	763	763
Accrued liability for compensated absences	-	281	281
Unearned revenue	558	5,173	5,731
Other liabilities	40	312	352
Total current liabilities	<u>1,597</u>	<u>7,054</u>	<u>8,651</u>
Noncurrent liabilities:			
Accrued liability for compensated absences	-	545	545
Claims payable	21,641	-	21,641
Total noncurrent liabilities	<u>21,641</u>	<u>545</u>	<u>22,186</u>
<b>Total liabilities</b>	<b><u>23,238</u></b>	<b><u>7,599</u></b>	<b><u>30,837</u></b>
<b>Net position</b>			
Net investment in capital assets	-	338	338
Unrestricted	43,957	14,086	58,043
<b>Total net position</b>	<b><u>\$ 43,957</u></b>	<b><u>\$ 14,424</u></b>	<b><u>\$ 58,381</u></b>

**State of Indiana**  
**Combining Statement of Revenues, Expenses**  
**and Changes in Fund Net Position**  
**Non-Major Enterprise Funds**  
**For the Fiscal Year Ended June 30, 2022**  
(amounts expressed in thousands)

	Residual Malpractice Insurance Authority	Inns and Concessions	Total
<b>Operating revenues:</b>			
Sales/rents/premiums	\$ 887	\$ 28,628	\$ 29,515
Other	-	191	191
Total operating revenues	<u>887</u>	<u>28,819</u>	<u>29,706</u>
<b>Operating expenses:</b>			
General and administrative expense	548	19,427	19,975
Cost of sales and services	-	6,498	6,498
Claims expense	643	-	643
Depreciation and amortization	-	79	79
Other	-	59	59
Total operating expenses	<u>1,191</u>	<u>26,063</u>	<u>27,254</u>
Operating income (loss)	<u>(304)</u>	<u>2,756</u>	<u>2,452</u>
<b>Nonoperating revenues (expenses):</b>			
Interest and other investment income (loss)	<u>(4,058)</u>	<u>27</u>	<u>(4,031)</u>
Total nonoperating revenues (expenses)	<u>(4,058)</u>	<u>27</u>	<u>(4,031)</u>
<b>Change in net position</b>	<u>(4,362)</u>	<u>2,783</u>	<u>(1,579)</u>
Net position, July 1	<u>48,319</u>	<u>11,641</u>	<u>59,960</u>
<b>Net position, June 30</b>	<u>\$ 43,957</u>	<u>\$ 14,424</u>	<u>\$ 58,381</u>

**State of Indiana**  
**Combining Statement of Cash Flows**  
**Non-Major Enterprise Funds**  
**For the Fiscal Year Ended June 30, 2022**  
(amounts expressed in thousands)

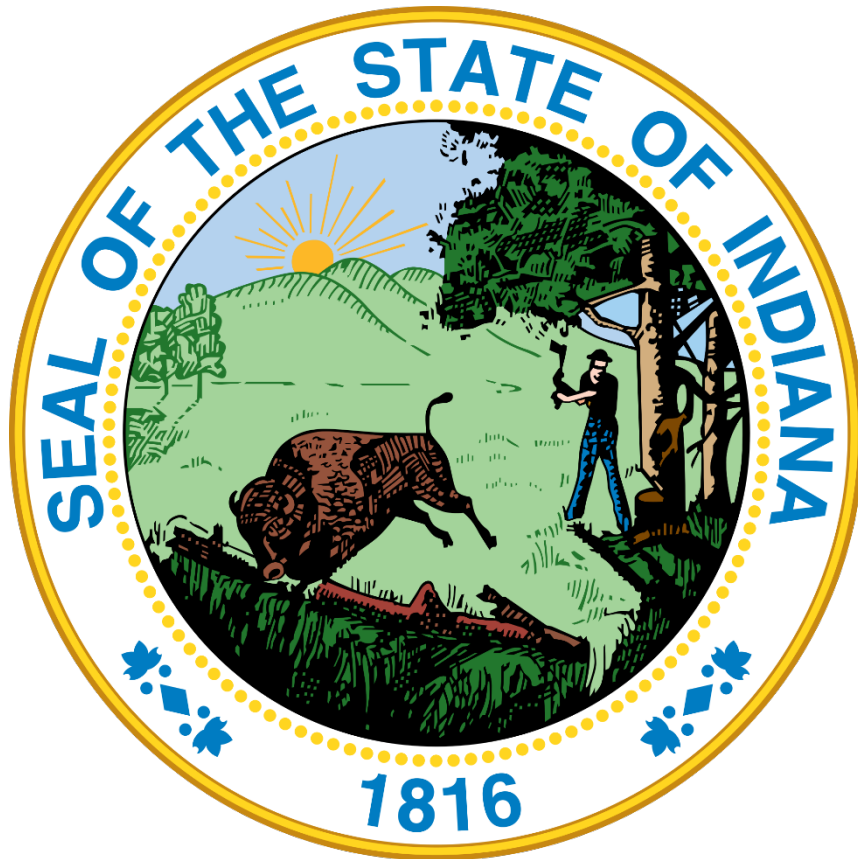
	<b>Residual Malpractice Insurance Authority</b>	<b>Inns and Concessions</b>	<b>Total</b>
<b>Cash flows from operating activities:</b>			
Cash received from customers	\$ 914	\$ 28,967	\$ 29,881
Cash paid for general and administrative	(517)	(19,303)	(19,820)
Cash paid to suppliers	-	(6,770)	(6,770)
Cash paid for claims expense	(727)	-	(727)
Net cash provided (used) by operating activities	<u>(330)</u>	<u>2,894</u>	<u>2,564</u>
<b>Cash flows from capital and related financing activities:</b>			
Acquisition/construction of capital assets	-	(74)	(74)
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>(74)</u>	<u>(74)</u>
<b>Cash flows from investing activities:</b>			
Proceeds from sales of investments	8,894	500	9,394
Purchase of investments	(9,330)	-	(9,330)
Interest income (expense) on investments	1,156	27	1,183
Net cash provided (used) by investing activities	<u>720</u>	<u>527</u>	<u>1,247</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>390</b>	<b>3,347</b>	<b>3,737</b>
<b>Cash and cash equivalents, July 1</b>	<b>1,224</b>	<b>16,671</b>	<b>17,895</b>
<b>Cash and cash equivalents, June 30</b>	<b><u>\$ 1,614</u></b>	<b><u>\$ 20,018</u></b>	<b><u>\$ 21,632</u></b>
<b>Reconciliation of cash, cash equivalents and investments:</b>			
Cash and cash equivalents unrestricted at end of year	\$ 1,614	\$ 20,018	\$ 21,632
Investments unrestricted	65,275	335	65,610
<b>Cash, cash equivalents and investments per balance sheet</b>	<b><u>\$ 66,889</u></b>	<b><u>\$ 20,353</u></b>	<b><u>\$ 87,242</u></b>

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**State of Indiana**  
**Combining Statement of Cash Flows**  
**Non-Major Enterprise Funds**  
**For the Fiscal Year Ended June 30, 2022**  
(amounts expressed in thousands)

	<u>Residual Malpractice Insurance Authority</u>	<u>Inns and Concessions</u>	<u>Total</u>
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>			
Operating income (loss)	\$ (304)	\$ 2,756	\$ 2,452
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation/amortization expense	-	79	79
(Increase) decrease in receivables	22	(186)	(164)
(Increase) decrease in inventory	-	(272)	(272)
(Increase) decrease in prepaid expenses	-	47	47
(Increase) decrease in claims payable	(84)	-	(84)
Increase (decrease) in accounts payable	-	(36)	(36)
Increase (decrease) in unearned revenue	4	333	337
Increase (decrease) in salaries payable	-	105	105
Increase (decrease) in compensated absences	-	28	28
Increase (decrease) in other payables	32	40	72
Net cash provided (used) by operating activities	<u>\$ (330)</u>	<u>\$ 2,894</u>	<u>\$ 2,564</u>

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## INTERNAL SERVICE FUNDS

Internal Service Funds account for the operations of State agencies that supply goods or services to other agencies of governmental units on a cost-reimbursement basis.

**Institutional Industries** – This fund accounts for revenues and expenses incurred from the operation of inmate employment programs. Goods produced or manufactured as a result of such programs are sold to state agencies and political subdivisions of the State as well as to the general public.

**Administrative Services Revolving** – This fund is used to account for the following rotary funds.

**Information Technology Services** provides telecommunications and data processing services to State agencies. Revenues consist of charges to user agencies.

**Motor Pool Rotary Fund** accounts for the operation and maintenance of State garages including the servicing and repair of all automotive equipment owned or controlled by the State. Revenues consist of charges to user agencies.

**Printing Rotary Fund** accounts for the operation of the State Print Shop, which provides printing services to other State agencies. Revenues consist of charges to user agencies.

**General Services Rotary** accounts for postal service charges to agencies. Revenues consist of charges to user agencies.

**Aviation Rotary Fund** accounts for the operation and maintenance of state aircraft. Revenues consist of charges to user agencies.

**State Police Health Insurance Fund** – This fund administers health insurance for state police personnel.

**State Employee Disability Fund** – This fund administers certain disability benefits for state employees.

**State Employee Health Insurance Fund** – This fund administers health insurance for state employees as well as certain school corporations.

**Conservation and Excise Officers Health Insurance Fund** – This fund administers health insurance for conservation and excise police officers.

**State Personnel Department** – This fund accounts for revenues and expenses incurred by the Indiana State Personnel Department for providing human resource services to the executive branch of the government.

**Accounting Centralization** – This fund accounts for revenues and expenses incurred by the Indiana State Budget Agency for providing centralized accounting services to some smaller state agencies.

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**State of Indiana**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	Institutional Industries	Administrative Services Revolving	State Police Health Insurance Fund	State Employee Disability Fund	State Employee Health Insurance Fund	Conservation and Excise Officers Health Insurance Fund	State Personnel Department Fund	Accounting Centralization	Total
<b>Assets</b>									
Current assets:									
Cash, cash equivalents and investments - unrestricted	\$ 2,893	\$ 44,583	\$ 24,415	\$ 8,202	\$ 125,871	\$ 2,736	\$ 858	\$ 29	\$ 209,587
Receivables:									
Accounts	5,058	1,568	1,779	1,682	15,296	308	9	-	25,700
Interfund services provided	431	11,197	-	-	-	-	-	-	11,628
Inventory	4,413	88	-	-	-	-	-	-	4,501
Prepaid expenses	-	5	-	-	-	-	-	-	5
Total current assets	12,795	57,441	26,194	9,884	141,167	3,044	867	29	251,421
Noncurrent assets:									
Capital assets:									
Capital assets not being depreciated/amortized	123	-	-	-	-	-	-	-	123
Capital assets being depreciated/amortized	12,712	129,024	-	-	1,280	-	-	-	143,016
less accumulated depreciation/amortization	(10,079)	(82,171)	-	-	(327)	-	-	-	(92,577)
Total capital assets, net of depreciation/amortization	2,756	46,853	-	-	953	-	-	-	50,562
Total noncurrent assets	2,756	46,853	-	-	953	-	-	-	50,562
<b>Total assets</b>	<b>15,551</b>	<b>104,294</b>	<b>26,194</b>	<b>9,884</b>	<b>142,120</b>	<b>3,044</b>	<b>867</b>	<b>29</b>	<b>301,983</b>
<b>Deferred Outflows of Resources</b>									
Related to pensions	1,957	6,518	-	-	-	-	1,510	62	10,047
Related to OPEB	100	334	-	-	-	-	77	3	514
<b>Total deferred outflows of resources</b>	<b>2,057</b>	<b>6,852</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,587</b>	<b>65</b>	<b>10,561</b>
<b>Liabilities</b>									
Current liabilities:									
Accounts payable	2,872	16	3,963	3,739	40,128	737	-	-	51,455
Salaries and benefits payable	532	2,254	-	-	72	-	622	21	3,501
Accrued liability for compensated absences	262	2,565	-	-	49	-	496	18	3,390
Unearned revenue	1	-	-	-	-	-	-	-	1
Other liabilities	10	-	-	-	-	-	-	-	10
Total current liabilities	3,677	4,835	3,963	3,739	40,249	737	1,118	39	58,357
Noncurrent liabilities:									
Accrued liability for compensated absences	319	3,122	-	-	60	-	604	22	4,127
Net pension liability	1,799	5,991	-	-	-	-	1,388	57	9,235
Net OPEB liability	82	273	-	-	-	-	63	3	421
Total noncurrent liabilities	2,200	9,386	-	-	60	-	2,055	82	13,783
<b>Total liabilities</b>	<b>5,877</b>	<b>14,221</b>	<b>3,963</b>	<b>3,739</b>	<b>40,309</b>	<b>737</b>	<b>3,173</b>	<b>121</b>	<b>72,140</b>
<b>Deferred Inflows of Resources</b>									
Related to pensions	2,776	9,245	-	-	-	-	2,141	88	14,250
Related to OPEB	40	132	-	-	-	-	31	1	204
<b>Total deferred inflows of resources</b>	<b>2,816</b>	<b>9,377</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,172</b>	<b>89</b>	<b>14,454</b>
<b>Net position</b>									
Net investment in capital assets	2,756	46,853	-	-	953	-	-	-	50,562
Unrestricted (deficit)	6,159	40,695	22,231	6,145	100,858	2,307	(2,891)	(116)	175,388
<b>Total net position</b>	<b>\$ 8,915</b>	<b>\$ 87,548</b>	<b>\$ 22,231</b>	<b>\$ 6,145</b>	<b>\$ 101,811</b>	<b>\$ 2,307</b>	<b>\$ (2,891)</b>	<b>\$ (116)</b>	<b>\$ 225,950</b>

**State of Indiana**  
**Combining Statement of Revenues, Expenses**  
**and Changes in Fund Net Position**  
**Internal Service Funds**  
**For the Fiscal Year Ended June 30, 2022**  
(amounts expressed in thousands)

	<b>Institutional Industries</b>	<b>Administrative Services Revolving</b>	<b>State Police Health Insurance Fund</b>	<b>State Employee Disability Fund</b>	<b>State Employee Health Insurance Fund</b>	<b>Conservation and Excise Officers Health Insurance Fund</b>	<b>State Personnel Department Fund</b>	<b>Accounting Centralization</b>	<b>Total</b>
<b>Operating revenues:</b>									
Sales/rents/premiums	\$ 43,201	\$ 142,929	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 186,130
Charges for services	-	29	-	-	-	-	11,563	420	12,012
Insurance premiums	-	-	37,396	4,210	373,440	5,662	-	-	420,708
Other	8	-	-	641	1,713	-	-	-	2,362
<b>Total operating revenues</b>	<b>43,209</b>	<b>142,958</b>	<b>37,396</b>	<b>4,851</b>	<b>375,153</b>	<b>5,662</b>	<b>11,563</b>	<b>420</b>	<b>621,212</b>
<b>Operating expenses:</b>									
General and administrative expense	16,554	142,226	1,800	751	19,629	346	10,857	412	192,575
Cost of sales and services	21,801	3,171	-	-	-	-	-	-	24,972
Health / disability benefit payments	-	-	26,926	18,034	395,336	3,436	-	-	443,732
Depreciation and amortization	337	12,491	-	-	30	-	-	-	12,858
Contributions to other postemployment benefits	-	-	5,479	73	1,767	1,564	-	-	8,883
<b>Total operating expenses</b>	<b>38,692</b>	<b>157,888</b>	<b>34,205</b>	<b>18,858</b>	<b>416,762</b>	<b>5,346</b>	<b>10,857</b>	<b>412</b>	<b>683,020</b>
<b>Operating income (loss)</b>	<b>4,517</b>	<b>(14,930)</b>	<b>3,191</b>	<b>(14,007)</b>	<b>(41,609)</b>	<b>316</b>	<b>706</b>	<b>8</b>	<b>(61,808)</b>
<b>Nonoperating revenues (expenses):</b>									
Gain (Loss) on disposition of assets	3	(252)	-	-	-	-	-	-	(249)
Other	-	7	-	-	-	-	-	-	7
<b>Total nonoperating revenues (expenses)</b>	<b>3</b>	<b>(245)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(242)</b>
<b>Income before contributions and transfers</b>	<b>4,520</b>	<b>(15,175)</b>	<b>3,191</b>	<b>(14,007)</b>	<b>(41,609)</b>	<b>316</b>	<b>706</b>	<b>8</b>	<b>(62,050)</b>
Capital contributions	-	12,226	-	-	-	-	-	-	12,226
Transfers in	1,288	72	-	59	10	-	124	-	1,553
Transfers (out)	(3,187)	-	-	-	-	-	-	-	(3,187)
<b>Change in net position</b>	<b>2,621</b>	<b>(2,877)</b>	<b>3,191</b>	<b>(13,948)</b>	<b>(41,599)</b>	<b>316</b>	<b>830</b>	<b>8</b>	<b>(51,458)</b>
<b>Net position, July 1</b>	<b>6,294</b>	<b>90,425</b>	<b>19,040</b>	<b>20,093</b>	<b>143,410</b>	<b>1,991</b>	<b>(3,721)</b>	<b>(124)</b>	<b>277,408</b>
<b>Net position, June 30</b>	<b>\$ 8,915</b>	<b>\$ 87,548</b>	<b>\$ 22,231</b>	<b>\$ 6,145</b>	<b>\$ 101,811</b>	<b>\$ 2,307</b>	<b>\$ (2,891)</b>	<b>\$ (116)</b>	<b>\$ 225,950</b>

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**State of Indiana**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Fiscal Year Ended June 30, 2022**  
(amounts expressed in thousands)

	<u>Institutional Industries</u>	<u>Administrative Services Revolving</u>	<u>State Police Health Insurance Fund</u>	<u>State Employee Disability Fund</u>	<u>State Employee Health Insurance Fund</u>	<u>Conservation and Excise Officers Health Insurance Fund</u>	<u>State Personnel Department Fund</u>	<u>Accounting Centralization</u>	<u>Total</u>
<b>Cash flows from operating activities:</b>									
Cash received from customers	\$ 36,764	\$ 15,327	\$ 37,329	\$ 4,116	\$ 379,217	\$ 5,626	\$ 11,611	\$ 420	\$ 490,410
Cash received from interfund services provided	4,827	127,486	-	-	-	-	-	-	132,313
Cash paid for general and administrative	(17,089)	(142,198)	(1,799)	(751)	(19,099)	(346)	(11,449)	(473)	(193,204)
Cash paid for salary/health/disability benefit payments	-	-	(26,467)	(17,875)	(394,406)	(3,499)	-	-	(442,247)
Contributions to OPEB plans	-	-	(5,479)	(73)	(1,767)	(1,564)	-	-	(8,883)
Cash paid to suppliers	(22,284)	(3,126)	-	-	-	-	-	-	(25,410)
Other operating income	-	-	-	640	1,714	-	-	-	2,354
Net cash provided (used) by operating activities	<u>2,218</u>	<u>(2,511)</u>	<u>3,584</u>	<u>(13,943)</u>	<u>(34,341)</u>	<u>217</u>	<u>162</u>	<u>(53)</u>	<u>(44,667)</u>
<b>Cash flows from noncapital financing activities:</b>									
Transfers in	1,288	72	-	59	10	-	124	-	1,553
Transfers out	(3,187)	-	-	-	-	-	-	-	(3,187)
Other	-	7	-	-	-	-	-	-	7
Net cash provided (used) by noncapital financing activities	<u>(1,899)</u>	<u>79</u>	<u>-</u>	<u>59</u>	<u>10</u>	<u>-</u>	<u>124</u>	<u>-</u>	<u>(1,627)</u>
<b>Cash flows from capital and related financing activities:</b>									
Acquisition/construction of capital assets	(123)	(5,273)	-	-	-	-	-	-	(5,396)
Proceeds from sale of assets	3	1,602	-	-	-	-	-	-	1,605
Capital contributions	-	12,226	-	-	-	-	-	-	12,226
Net cash provided (used) by capital and related financing activities	<u>(120)</u>	<u>8,555</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,435</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>199</b>	<b>6,123</b>	<b>3,584</b>	<b>(13,884)</b>	<b>(34,331)</b>	<b>217</b>	<b>286</b>	<b>(53)</b>	<b>(37,859)</b>
<b>Cash and cash equivalents, July 1</b>	<b>2,694</b>	<b>38,460</b>	<b>20,831</b>	<b>22,086</b>	<b>160,202</b>	<b>2,519</b>	<b>572</b>	<b>82</b>	<b>247,446</b>
<b>Cash and cash equivalents, June 30</b>	<b>\$ 2,893</b>	<b>\$ 44,583</b>	<b>\$ 24,415</b>	<b>\$ 8,202</b>	<b>\$ 125,871</b>	<b>\$ 2,736</b>	<b>\$ 858</b>	<b>\$ 29</b>	<b>\$ 209,587</b>
<b>Reconciliation of cash, cash equivalents and investments:</b>									
Cash and cash equivalents unrestricted at end of year	\$ 2,893	\$ 44,583	\$ 24,415	\$ 8,202	\$ 125,871	\$ 2,736	\$ 858	\$ 29	\$ 209,587
<b>Cash, cash equivalents and investments per balance sheet</b>	<b>\$ 2,893</b>	<b>\$ 44,583</b>	<b>\$ 24,415</b>	<b>\$ 8,202</b>	<b>\$ 125,871</b>	<b>\$ 2,736</b>	<b>\$ 858</b>	<b>\$ 29</b>	<b>\$ 209,587</b>

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**State of Indiana**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Fiscal Year Ended June 30, 2022**  
(amounts expressed in thousands)

	<u>Institutional Industries</u>	<u>Administrative Services Revolving</u>	<u>State Police Health Insurance Fund</u>	<u>State Employee Disability Fund</u>	<u>State Employee Health Insurance Fund</u>	<u>Conservation and Excise Officers Health Insurance Fund</u>	<u>State Personnel Department Fund</u>	<u>Accounting Centralization</u>	<u>Total</u>
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>									
Operating income (loss)	\$ 4,517	\$ (14,930)	\$ 3,191	\$ (14,007)	\$ (41,609)	\$ 316	\$ 706	\$ 8	\$ (61,808)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:									
Depreciation/amortization expense	337	12,491	-	-	30	-	-	-	12,858
(Increase) decrease in receivables	(1,708)	514	(66)	(94)	5,777	(37)	49	-	4,435
(Increase) decrease in interfund services provided	95	(658)	-	-	-	-	-	-	(563)
(Increase) decrease in inventory	(407)	44	-	-	-	-	-	-	(363)
(Increase) decrease in prepaid expenses	-	2,380	-	-	-	-	-	-	2,380
(Increase) decrease in deferred outflows	(658)	(1,900)	-	-	-	-	(393)	(7)	(2,958)
Increase (decrease) in accounts payable	(77)	16	459	158	1,468	(62)	-	-	1,962
Increase (decrease) in unearned revenue	(5)	-	-	-	-	-	-	-	(5)
Increase (decrease) in salaries payable	59	330	-	-	(4)	-	117	2	504
Increase (decrease) in compensated absences	55	183	-	-	(3)	-	69	(10)	294
Increase (decrease) in net pension liabilities	(1,978)	(7,388)	-	-	-	-	(1,839)	(100)	(11,305)
Increase (decrease) in net OPEB liabilities	57	185	-	-	-	-	42	2	286
Increase (decrease) in deferred inflows	1,925	6,222	-	-	-	-	1,411	52	9,610
Increase (decrease) in other payables	6	-	-	-	-	-	-	-	6
<b>Net cash provided (used) by operating activities</b>	<b>\$ 2,218</b>	<b>\$ (2,511)</b>	<b>\$ 3,584</b>	<b>\$ (13,943)</b>	<b>\$ (34,341)</b>	<b>\$ 217</b>	<b>\$ 162</b>	<b>\$ (53)</b>	<b>\$ (44,667)</b>

## FIDUCIARY FUNDS

Fiduciary funds account for assets held by the state where it acts in a trustee or custodial capacity.

### PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS

Pension and other employee benefit trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, and other post-employment benefit plans.

**State Police Pension Fund** – This fund is used to account for assets held for a defined benefit, single-employer public employee retirement system administered by the Indiana State Police.

**State Police Supplemental Trust** – This fund is used to account for a defined benefit, single-employer public employee retirement system that provides additional benefits under the supplemental pension trust agreement administered by the Treasurer of the State of Indiana with the Indiana State Police.

**State Employee Retiree Health Benefit Trust Fund-DB** – This fund is used to account for assets held for the State's defined benefit, single-employer OPEB plans: the State Personnel Plan (SPP) administered by the State Personnel Department; Indiana State Police Plan (ISPP) administered by the Indiana State Police; and the Conservation and Excise Police Plan (CEPP) administered by the Indiana State Excise Police and Indiana Conservation Officers Health Insurance Committee.

**Indiana Public Retirement System** – INPRS administers sixteen funds consisting of eight defined benefit funds and five defined contribution funds, two other postemployment benefit funds, and one custodial fund.

**Hoosier START Deferred Compensation Matching Plan** – The Indiana Auditor of State administers this multi-employer defined contribution pension plan under a trust agreement for participating employers including the state to contribute on behalf of their employees.

**Hoosier START Deferred Compensation Plan** – The Indiana Auditor of State administers this multi-employer deferred compensation fiduciary activity under a trust agreement for participating employers including the state so employees can save for retirement.

### PRIVATE-PURPOSE TRUST FUNDS

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

**Abandoned Property Fund** – This fund is used to administer abandoned property of individuals, private organizations and other governments held by the State.

**Private-Purpose Trust Fund** – This fund is used to account for a group of fund centers under which principal and interest benefit individuals, private organizations, or other governments.

## CUSTODIAL FUNDS

Custodial funds are used to report fiduciary activities that are not required to be reported in pension and other employee benefit trust funds, investment trust funds, or private-purpose trust funds. They are amounts held by the State of Indiana on behalf of individuals, organizations, and other governments.

**Local Distributions Fund** – This fund is composed of accounts used to distribute revenue collections to local units of government based upon statutory formulas.

**Child Support Fund** – This fund is used for the collection and distribution of child support payments.

**Other Custodial Funds** – This fund comprises various revenue collections for which the State acts in a fiduciary capacity until proper disposition of the assets can be made.

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**State of Indiana**  
**Combining Statement of Fiduciary Net Position**  
**Pension and Other Employee Benefit Trust Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	Primary Government			
	State Police Retirement Fund	State Police Supplemental Trust	State Employee Retiree Health Benefit Trust Fund DB	Hoosier START Deferred Compensation Plan
<b>Assets</b>				
Cash, cash equivalents and non-pension investments	\$ 718	\$ -	\$ 4,432	\$ 253
Securities lending collateral	-	-	-	-
Receivables:				
Contributions	287	26	-	4,167
Interest	390	-	112	-
Member loans	59	-	-	-
From investment sales	-	-	-	-
Total receivables	<u>736</u>	<u>26</u>	<u>112</u>	<u>4,167</u>
Pension and other employee benefit investments at fair value:				
Short term investments	-	-	-	-
Equity Securities	-	-	-	-
Debt Securities	-	-	46,869	-
Mutual Funds and Collective Trust Funds	-	-	27,140	1,359,980
Equity in internal investment pool	547,627	-	163,544	-
Other	-	-	2,478	326,963
Total investments at fair value	<u>547,627</u>	<u>-</u>	<u>240,031</u>	<u>1,686,943</u>
Other assets	-	-	-	-
Property, plant and equipment net of accumulated depreciation	-	-	-	-
<b>Total assets</b>	<b><u>549,081</u></b>	<b><u>26</u></b>	<b><u>244,575</u></b>	<b><u>1,691,363</u></b>
<b>Liabilities</b>				
Accounts payable	104	-	25	59
Benefits payable	-	26	1,349	-
Investment purchases payable	-	-	-	-
Securities purchased payable	-	-	-	-
Securities lending collateral	-	-	-	-
<b>Total liabilities</b>	<b><u>104</u></b>	<b><u>26</u></b>	<b><u>1,374</u></b>	<b><u>59</u></b>
<b>Net Position</b>				
Restricted for:				
Employees' pension and deferred compensation benefits	548,977	-	-	1,691,304
OPEB benefits	-	-	243,201	-
Future death benefits	-	-	-	-
<b>Total net position</b>	<b><u>\$ 548,977</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 243,201</u></b>	<b><u>\$ 1,691,304</u></b>

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**State of Indiana**  
**Combining Statement of Fiduciary Net Position**  
**Pension and Other Employee Benefit Trust Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	Fiduciary in Nature		Component Unit	Total
	Indiana Public Retirement System	Indiana Public Retirement System	Hoosier START Deferred Compensation Matching Plan	
<b>Assets</b>				
Cash, cash equivalents and non-pension investments	\$ 8,388	\$ -	\$ -	\$ 13,791
Securities lending collateral	167,504	-	-	167,504
Receivables:				
Contributions	59,333	505	-	64,318
Interest	104,704	-	-	105,206
Member loans	-	-	-	59
From investment sales	7,322,584	-	-	7,322,584
Total receivables	7,486,621	505	-	7,492,167
Pension and other employee benefit investments at fair value:				
Short term investments	3,101,353	-	-	3,101,353
Equity Securities	7,899,798	-	-	7,899,798
Debt Securities	12,763,463	-	-	12,810,332
Mutual Funds and Collective Trust Funds	-	196,910	-	1,584,030
Equity in internal investment pool	-	-	-	711,171
Other	19,479,915	34,882	-	19,844,238
Total investments at fair value	43,244,529	231,792	-	45,950,922
Other assets	226	-	-	226
Property, plant and equipment net of accumulated depreciation	4,192	-	-	4,192
<b>Total assets</b>	<b>50,911,460</b>	<b>232,297</b>	<b>-</b>	<b>53,628,802</b>
<b>Liabilities</b>				
Accounts payable	13,624	-	-	13,812
Benefits payable	115,480	-	-	116,855
Investment purchases payable	7,983,640	-	-	7,983,640
Securities purchased payable	219,297	-	-	219,297
Securities lending collateral	167,504	-	-	167,504
<b>Total liabilities</b>	<b>8,499,545</b>	<b>-</b>	<b>-</b>	<b>8,501,108</b>
<b>Net Position</b>				
Restricted for:				
Employees' pension and deferred compensation benefits	41,988,660	232,297	-	44,461,238
OPEB benefits	412,779	-	-	655,980
Future death benefits	10,476	-	-	10,476
<b>Total net position</b>	<b>\$ 42,411,915</b>	<b>\$ 232,297</b>	<b>\$ -</b>	<b>\$ 45,127,694</b>

**State of Indiana**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Pension and Other Employee Benefit Trust Funds**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

	Primary Government			
	State Police Retirement Fund	State Police Supplemental Trust	State Employee Retiree Health Benefit Trust Fund DB	Hoosier START Deferred Compensation Plan
<b>Additions:</b>				
Contributions:				
Member contributions	\$ 5,084	\$ -	\$ 799	\$ 89,825
Employer contributions	29,863	4,442	20,093	-
Contributions from the State of Indiana	-	-	-	-
Total Contributions	<u>34,947</u>	<u>4,442</u>	<u>20,892</u>	<u>89,825</u>
Investment income:				
Total investment income (loss)	(61,072)	-	(26,077)	200,465
Less investment expense	(2,087)	-	-	(1,016)
Net investment income	<u>(63,159)</u>	<u>-</u>	<u>(26,077)</u>	<u>199,449</u>
Transfers from other retirement funds	-	-	-	14,150
Other	2	-	100	-
Total additions	<u>(28,210)</u>	<u>4,442</u>	<u>(5,085)</u>	<u>303,424</u>
<b>Deductions:</b>				
Benefits to participants or beneficiaries	43,157	4,309	8,242	93,534
Retiree health forfeitures	-	-	-	-
Refunds of contributions and interest	94	-	-	-
Administrative	417	133	654	2,424
Pension relief distributions	-	-	-	-
Total deductions	<u>43,668</u>	<u>4,442</u>	<u>8,896</u>	<u>95,958</u>
Net increase (decrease) in net position	(71,878)	-	(13,981)	207,466
Net position restricted for pension and other employee benefits, July 1, as restated:	<u>620,855</u>	<u>-</u>	<u>257,182</u>	<u>1,483,838</u>
<b>Net position restricted for pension and other employee benefits, June 30, as restated</b>	<b><u>\$ 548,977</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 243,201</u></b>	<b><u>\$ 1,691,304</u></b>

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**State of Indiana**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Pension and Other Employee Benefit Trust Funds**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

	<u>Fiduciary in Nature Component Unit</u>		<u>Total</u>
	<u>Indiana Public Retirement System</u>	<u>Hoosier START Deferred Compensation Matching Plan</u>	
<b>Additions:</b>			
Contributions:			
Member contributions	\$ 408,854	\$ -	\$ 504,562
Employer contributions	1,076,370	12,786	1,143,554
Contributions from the State of Indiana	1,760,372	-	1,760,372
Total Contributions	<u>3,245,596</u>	<u>12,786</u>	<u>3,408,488</u>
Investment income:			
Total investment income (loss)	(2,964,077)	27,853	(2,822,908)
Less investment expense	(287,007)	(173)	(290,283)
Net investment income	<u>(3,251,084)</u>	<u>27,680</u>	<u>(3,113,191)</u>
Transfers from other retirement funds	-	726	14,876
Other	69	-	171
Total additions	<u>(5,419)</u>	<u>41,192</u>	<u>310,344</u>
<b>Deductions:</b>			
Benefits to participants or beneficiaries	2,592,407	9,842	2,751,491
Retiree health forfeitures	17,295	-	17,295
Refunds of contributions and interest	512,706	-	512,800
Administrative	43,187	987	47,802
Pension relief distributions	207,363	-	207,363
Total deductions	<u>3,372,958</u>	<u>10,829</u>	<u>3,536,751</u>
Net increase (decrease) in net position	(3,378,377)	30,363	(3,226,407)
Net position restricted for pension and other employee benefits, July 1, as restated:	<u>45,790,292</u>	<u>201,934</u>	<u>48,354,101</u>
<b>Net position restricted for pension and other employee benefits, June 30, as restated</b>	<u><u>\$ 42,411,915</u></u>	<u><u>\$ 232,297</u></u>	<u><u>\$ 45,127,694</u></u>

**State of Indiana**  
**Combining Statement of Fiduciary Net Position**  
**Private-Purpose Trust Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	<u>Abandoned Property Fund</u>	<u>Private Purpose Trust Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash, cash equivalents and non-pension investments	\$ 119,551	\$ 2,934	\$ 122,485
Receivables:			
Interest	2	1	3
Accounts	11	-	11
Total receivables	<u>13</u>	<u>1</u>	<u>14</u>
Right-to-use lease property, plant and equipment net of accumulated amortization	<u>580</u>	<u>-</u>	<u>580</u>
<b>Total assets</b>	<b><u>120,144</u></b>	<b><u>2,935</u></b>	<b><u>123,079</u></b>
<b>LIABILITIES</b>			
Accounts payable	211	-	211
Salaries and benefits payable	206	-	206
Long-term liabilities:			
Due within 1 year	114	-	114
Due in more than 1 year	<u>449</u>	<u>-</u>	<u>449</u>
<b>Total liabilities</b>	<b><u>980</u></b>	<b><u>-</u></b>	<b><u>980</u></b>
<b>NET POSITION</b>			
Restricted for:			
Trust beneficiaries	<u>119,164</u>	<u>2,935</u>	<u>122,099</u>
<b>Total net position</b>	<b><u>\$ 119,164</u></b>	<b><u>\$ 2,935</u></b>	<b><u>\$ 122,099</u></b>

**State of Indiana**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Private-Purpose Trust Funds**  
**For the Year Ended June 30, 2022**  
(amounts expressed in thousands)

	<u>Abandoned Property Fund</u>	<u>Private-Purpose Trust Funds</u>	<u>Total</u>
<b>Additions:</b>			
Member Contributions	\$ -	\$ 187	\$ 187
Investment Income	41	5	46
Current Service Charge	-	10,477	10,477
Donations/escheats	145,406	-	145,406
	<u>145,447</u>	<u>10,669</u>	<u>156,116</u>
<b>Deductions:</b>			
Payments to participants/beneficiaries	102,380	10,724	113,104
	<u>102,380</u>	<u>10,724</u>	<u>113,104</u>
Net increase (decrease) in net position	43,067	(55)	43,012
<b>Net position, July 1, as restated</b>	<u>76,097</u>	<u>2,990</u>	<u>79,087</u>
<b>Net position, June 30</b>	<u><u>\$ 119,164</u></u>	<u><u>\$ 2,935</u></u>	<u><u>\$ 122,099</u></u>

**State of Indiana**  
**Combining Statement of Fiduciary Net Position**  
**Custodial Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	Local Distributions	Child Support	Other Custodial Funds	Total
<b>Assets</b>				
Cash and cash equivalents	\$ 935,994	\$ 18,818	\$ 30,170	\$ 984,982
Receivables:				
Taxes for other governments	22,523	-	-	22,523
Accounts	215,426	-	-	215,426
Total receivables	237,949	-	-	237,949
Long-term receivables	254,151	-	-	254,151
<b>Total assets</b>	<b>1,428,094</b>	<b>18,818</b>	<b>30,170</b>	<b>1,477,082</b>
<b>Liabilities</b>				
Accounts payable	254,151	18,818	4,238	277,207
Due to other governments	1,173,943	-	-	1,173,943
<b>Total liabilities</b>	<b>1,428,094</b>	<b>18,818</b>	<b>4,238</b>	<b>1,451,150</b>
<b>Net Position</b>				
Restricted for:				
Individuals, organizations, and other governments	-	-	25,932	25,932
<b>Total net position</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 25,932</b>	<b>\$ 25,932</b>

**State of Indiana**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Custodial Funds**  
**For the Fiscal Year Ended June 30, 2022**  
(amounts expressed in thousands)

	<u>Local Distributions</u>	<u>Child Support</u>	<u>Other Custodial Funds</u>	<u>Total</u>
<b>Additions:</b>				
Investment Income:				
Total Investment income (loss)	\$ 2,594	\$ -	\$ -	\$ 2,594
Revenue collections for other governments	4,722,966	-	-	4,722,966
Loan repayment collections	-	-	30,375	30,375
Child support collections	-	781,817	-	781,817
Receipts of individuals in state care	-	-	81,068	81,068
	<hr/>	<hr/>	<hr/>	<hr/>
Total additions	4,725,560	781,817	111,443	5,618,820
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Deductions:</b>				
Payments to participants/beneficiaries	-	781,817	116,555	898,372
Distributions to other governments	4,725,560	-	-	4,725,560
	<hr/>	<hr/>	<hr/>	<hr/>
Total deductions	4,725,560	781,817	116,555	5,623,932
	<hr/>	<hr/>	<hr/>	<hr/>
Net increase (decrease) in fiduciary net position	-	-	(5,112)	(5,112)
Net position, July 1, as restated	-	-	31,044	31,044
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net position, June 30</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 25,932</b>	<b>\$ 25,932</b>
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## NON-MAJOR DISCRETELY PRESENTED COMPONENT UNITS

### GOVERNMENTAL FUNDS

Governmental component units represent funds that are legally separate from the State of Indiana, but provide valuable and beneficial services to the State and its citizens. The non-major discretely presented component unit consists of the following governmental funds:

**Indiana Economic Development Corporation** – The responsibility of this corporation is to improve the quality of life for the citizens of Indiana by encouraging the diversification of Indiana’s economy, by the orderly economic development and growth of Indiana, the creation of new jobs, the growth and modernization of existing industry, and the promotion of Indiana.

**Indiana Destination Development Corporation** – The responsibility of this corporation is to assist in the development and promotion of Indiana’s tourist resources, facilities, attractions, and activities.

### PROPRIETARY FUNDS

Proprietary component units represent funds that are legally separate from the State of Indiana, but provide valuable and beneficial services to the State and its citizens. The non-major discretely presented component units consist of the following proprietary funds:

**Indiana Stadium and Convention Building Authority** – The authority’s responsibility is to finance, design, construct and own the new Indiana Stadium in Indianapolis and the expansion of the adjacent Indiana Convention Center.

**Indiana Bond Bank** – The Bond Bank issues debt obligations and invests the proceeds in various projects of State and local governments.

**Indiana Housing and Community Development Authority** – The authority’s purpose is to finance residential housing for persons and families of low and moderate incomes.

**Indiana Board for Depositories** – The board is responsible to ensure the safekeeping and prompt payment of all public funds deposited in Indiana banks. It provides insurance on public funds in excess of the Federal Deposit Insurance Corporation limit.

**Indiana Secondary Market for Education Loans Inc.** – The company is responsible for purchasing education loans in the secondary market.

**White River State Park Development Commission** – The responsibility of this commission is to design and implement a plan for the establishment and development of park, exposition, educational, athletic, and recreational projects to be located within one mile from the banks of the Indiana White River in a consolidated first-class city and county.

**Ports of Indiana** – The responsibility of this commission is to construct, maintain, and operate public ports with terminal facilities and traffic exchange points for all forms of transportation on Lake Michigan and the Ohio and Wabash Rivers.

**State Fair Commission** – This commission is responsible for holding the annual Indiana State Fair and for operating and maintaining the State Fairgrounds and other properties it owns.

**Indiana Comprehensive Health Insurance Association** – The responsibility of this Association is to assure that health insurance is made available throughout the year to each eligible Indiana resident applying to the Association for coverage.

**Indiana Political Subdivision Risk Management Commission** – This commission is responsible for administering the Basic and Catastrophic funds that aid political subdivisions in protecting themselves against liabilities.

**Indiana State Museum and Historic Sites Corporation** – The responsibility of this corporation is to operate and administer the state historic sites including the Indiana State Museum which collects, conserves and exhibits artifacts and materials reflecting the cultural and natural history of Indiana.

**Indiana Motorsports Commission** – The commission is responsible for financing and leasing real and personal property improvements for the benefit of an owner of a qualified motorsports facility within a motorsports investment district.

## COLLEGES AND UNIVERSITIES

College and university funds are used to account for the operations of state-supported colleges and universities. The non-major discretely presented component units consist of the following institutions:

Ball State University  
Indiana State University  
Ivy Tech Community College of Indiana  
University of Southern Indiana  
Vincennes University

**State of Indiana**  
**Combining Statement of Net Position**  
**Non-Major Discretely Presented Component Units -**  
**Governmental Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	Indiana Economic Development Corporation	Indiana Destination Development Corporation	Totals
<b>Assets</b>			
Current assets:			
Cash, cash equivalents and investments - unrestricted	\$ 9,789	\$ 9,621	\$ 19,410
Cash, cash equivalents and investments - restricted	648,344	-	648,344
Receivables (net)	3,400	-	3,400
<b>Total current assets</b>	<b>661,533</b>	<b>9,621</b>	<b>671,154</b>
Noncurrent assets:			
Long-term receivables	106,142	-	106,142
Other assets	1,195	-	1,195
Capital assets:			
Capital assets not being depreciated/amortized	25,500	-	25,500
Capital assets being depreciated/amortized	512	-	512
less accumulated depreciation/amortization	(429)	-	(429)
<b>Total capital assets, net of depreciation/amortization</b>	<b>25,583</b>	<b>-</b>	<b>25,583</b>
<b>Total noncurrent assets</b>	<b>132,920</b>	<b>-</b>	<b>132,920</b>
<b>Total assets</b>	<b>794,453</b>	<b>9,621</b>	<b>804,074</b>
<b>Deferred Outflows of Resources</b>			
Related to pensions	1,753	197	1,950
<b>Total deferred outflows of resources</b>	<b>1,753</b>	<b>197</b>	<b>1,950</b>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	53,256	105	53,361
Unearned revenue	197,974	-	197,974
Accrued liability for compensated absences	577	46	623
Current portion of long-term liabilities	248	-	248
<b>Total current liabilities</b>	<b>252,055</b>	<b>151</b>	<b>252,206</b>
Noncurrent liabilities:			
Accrued liability for compensated absences	-	57	57
Net pension and OPEB liabilities	1,533	181	1,714
Leases	947	-	947
<b>Total noncurrent liabilities</b>	<b>2,480</b>	<b>238</b>	<b>2,718</b>
<b>Total liabilities</b>	<b>254,535</b>	<b>389</b>	<b>254,924</b>
<b>Deferred Inflows of Resources</b>			
Related to pensions	2,502	280	2,782
<b>Total deferred inflows of resources</b>	<b>2,502</b>	<b>280</b>	<b>2,782</b>
<b>Net Position</b>			
Net investment in capital assets	25,583	-	25,583
Restricted - expendable:			
Grants/constitutional restrictions	507,446	5,137	512,583
Unrestricted	6,140	4,012	10,152
<b>Total net position</b>	<b>\$ 539,169</b>	<b>\$ 9,149</b>	<b>\$ 548,318</b>

**State of Indiana**  
**Combining Statement of Activities**  
**Non-Major Discretely Presented Component Units -**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2022**  
(amounts expressed in thousands)

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
	Expenses	Charges for Services	Operating Grants and Contributions	Indiana Economic Development Corporation	Indiana Destination Development Corporation	
Indiana Economic Development Corporation	\$ 130,397	\$ -	\$ 50,661	\$ (79,736)	\$ -	\$ (79,736)
Indiana Destination Development Corporation	7,113	520	5,723	-	(870)	(870)
Total component units	<u>\$ 137,510</u>	<u>\$ 520</u>	<u>\$ 56,384</u>	<u>(79,736)</u>	<u>(870)</u>	<u>(80,606)</u>
General Revenues:						
Gaming tax				466	-	466
Total taxes				466	-	466
Revenue not restricted to specific programs						
Investment earnings				99	-	99
Payments from State of Indiana				405,851	6,023	411,874
Total general revenues				406,416	6,023	412,439
Changes in net position				326,680	5,153	331,833
Net position - beginning				212,489	3,996	216,485
<b>Net position - ending</b>				<u>\$ 539,169</u>	<u>\$ 9,149</u>	<u>\$ 548,318</u>

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**State of Indiana**  
**Combining Statement of Net Position**  
**Non-Major Discretely Presented Component Units -**  
**Proprietary Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	Indiana Stadium and Convention Building Authority	Indiana Bond Bank	Indiana Housing and Community Development Authority	Indiana Board for Depositories
<b>Assets</b>				
Current assets:				
Cash, cash equivalents and investments - unrestricted	\$ -	\$ 9,247	\$ 176,787	\$ 148,929
Cash, cash equivalents and investments - restricted	19,508	21,214	385,810	-
Securities lending collateral	-	-	-	-
Receivables (net)	-	187,354	131,067	194
Due from primary government	-	-	-	5,000
Long-term receivables	-	-	2,367	-
Investment in direct financing lease	14,050	-	-	-
Other assets	-	4,741	8,975	32
<b>Total current assets</b>	<b>33,558</b>	<b>222,556</b>	<b>705,006</b>	<b>154,155</b>
Noncurrent assets:				
Cash, cash equivalents and investments - unrestricted	-	5,500	86,343	157,668
Cash, cash equivalents and investments - restricted	-	35,386	584,628	-
Receivables (net)	-	295,063	-	-
Long-term receivables	-	-	114,952	-
Investment in direct financing lease	966,196	-	-	-
Capital assets:				
Capital assets not being depreciated/amortized	-	-	-	-
Capital assets being depreciated/amortized	-	-	14,772	689
less accumulated depreciation/amortization	-	-	(9,377)	(533)
<b>Total capital assets, net of depreciation/amortization</b>	<b>-</b>	<b>-</b>	<b>5,395</b>	<b>156</b>
<b>Total noncurrent assets</b>	<b>966,196</b>	<b>335,949</b>	<b>791,318</b>	<b>157,824</b>
<b>Total assets</b>	<b>999,754</b>	<b>558,505</b>	<b>1,496,324</b>	<b>311,979</b>
<b>Deferred Outflows of Resources</b>				
Accumulated decrease in fair value of hedging derivatives	-	351	1,550	-
Debt refunding loss	17,354	2,609	1,104	-
Related to pensions	-	99	1,353	11
Swap termination	45,272	-	-	-
<b>Total deferred outflows of resources</b>	<b>62,626</b>	<b>3,059</b>	<b>4,007</b>	<b>11</b>
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	12	455	155,442	51
Interest payable	19,139	4,601	6,816	-
Unearned revenue	-	-	187,806	-
Other liabilities	-	-	622	-
Current portion of long-term liabilities	14,050	201,376	18,619	-
<b>Total current liabilities</b>	<b>33,201</b>	<b>206,432</b>	<b>369,305</b>	<b>51</b>
Noncurrent liabilities:				
Accrued liability for compensated absences	-	-	-	-
Net pension and OPEB liabilities	-	84	1,436	3
Unearned revenue	-	-	-	-
Funds held in trust for others	-	38,659	-	-
Advances from federal government	-	-	33,402	-
Leases	-	-	4,707	-
Revenue bonds/notes payable	1,036,389	300,882	603,622	-
Derivative instrument liability	-	351	1,550	-
Other noncurrent liabilities	835	-	-	-
<b>Total noncurrent liabilities</b>	<b>1,037,224</b>	<b>339,976</b>	<b>644,717</b>	<b>3</b>
<b>Total liabilities</b>	<b>1,070,425</b>	<b>546,408</b>	<b>1,014,022</b>	<b>54</b>
<b>Deferred Inflows of Resources</b>				
Advanced payment for service concession agreement	-	-	-	-
Related to pensions	-	131	2,223	6
Related to irrevocable split interest agreements	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>131</b>	<b>2,223</b>	<b>6</b>
<b>Net Position</b>				
Net investment in capital assets	-	-	234	156
Restricted - nonexpendable:				
Permanent funds	-	-	-	-
Future debt service	-	279	-	-
Restricted - expendable:				
Grants/constitutional restrictions	-	-	128,049	-
Future debt service	-	-	97,835	-
Endowments	-	-	-	-
Capital projects	-	-	-	-
Unrestricted	(8,045)	14,746	257,968	311,774
<b>Total net position</b>	<b>\$ (8,045)</b>	<b>\$ 15,025</b>	<b>\$ 484,086</b>	<b>\$ 311,930</b>

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**State of Indiana**  
**Combining Statement of Net Position**  
**Non-Major Discretely Presented Component Units -**  
**Proprietary Funds**  
**June 30, 2022**  
(amounts expressed in thousands)

	Indiana Secondary Market for Education Loans Inc.	White River State Park Development Commission	Ports of Indiana	Indiana State Fair Commission
<b>Assets</b>				
Current assets:				
Cash, cash equivalents and investments - unrestricted	\$ 89,872	\$ 4,306	\$ 26,166	\$10,853
Cash, cash equivalents and investments - restricted	14,596	113	-	2,952
Securities lending collateral	-	-	5,435	-
Receivables (net)	4,681	166	-	496
Due from primary government	-	-	-	-
Long-term receivables	9,063	-	-	-
Investment in direct financing lease	-	-	-	-
Other assets	295	55	475	-
<b>Total current assets</b>	<b>118,507</b>	<b>4,640</b>	<b>32,076</b>	<b>14,301</b>
Noncurrent assets:				
Cash, cash equivalents and investments - unrestricted	18,324	-	22,000	-
Cash, cash equivalents and investments - restricted	-	-	-	47,799
Receivables (net)	220	-	-	-
Long-term receivables	113,285	-	-	-
Investment in direct financing lease	-	-	-	-
Capital assets:				
Capital assets not being depreciated/amortized	-	58,727	63,568	6,185
Capital assets being depreciated/amortized	424	106,569	151,960	173,324
less accumulated depreciation/amortization	(388)	(30,542)	(94,143)	(105,601)
<b>Total capital assets, net of depreciation/amortization</b>	<b>36</b>	<b>134,754</b>	<b>121,385</b>	<b>73,908</b>
<b>Total noncurrent assets</b>	<b>131,865</b>	<b>134,754</b>	<b>143,385</b>	<b>121,707</b>
<b>Total assets</b>	<b>250,372</b>	<b>139,394</b>	<b>175,461</b>	<b>136,008</b>
<b>Deferred Outflows of Resources</b>				
Accumulated decrease in fair value of hedging derivatives	-	-	-	-
Debt refunding loss	-	-	-	-
Related to pensions	-	180	643	883
Swap termination	-	-	-	-
<b>Total deferred outflows of resources</b>	<b>-</b>	<b>180</b>	<b>643</b>	<b>883</b>
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	931	123	2,170	2,399
Interest payable	10	-	-	-
Unearned revenue	9,182	-	-	-
Other liabilities	27,000	56	1,338	-
Current portion of long-term liabilities	9,629	98	-	247
<b>Total current liabilities</b>	<b>46,752</b>	<b>277</b>	<b>3,508</b>	<b>2,646</b>
Noncurrent liabilities:				
Accrued liability for compensated absences	-	-	-	119
Net pension and OPEB liabilities	-	165	643	1,020
Unearned revenue	-	-	-	569
Funds held in trust for others	-	-	-	-
Advances from federal government	-	-	-	-
Leases	125	146	-	-
Revenue bonds/notes payable	39,981	132	-	-
Derivative instrument liability	-	-	-	-
Other noncurrent liabilities	-	-	-	-
<b>Total noncurrent liabilities</b>	<b>40,106</b>	<b>443</b>	<b>643</b>	<b>1,708</b>
<b>Total liabilities</b>	<b>86,858</b>	<b>720</b>	<b>4,151</b>	<b>4,354</b>
<b>Deferred Inflows of Resources</b>				
Advanced payment for service concession agreement	-	7,832	4,079	-
Related to pensions	-	255	1,054	1,947
Related to irrevocable split interest agreements	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>8,087</b>	<b>5,133</b>	<b>1,947</b>
<b>Net Position</b>				
Net investment in capital assets	36	126,546	120,047	73,820
Restricted - nonexpendable:				
Permanent funds	-	-	-	-
Future debt service	-	-	-	592
Restricted - expendable:				
Grants/constitutional restrictions	-	7	-	973
Future debt service	5,962	-	-	-
Endowments	-	-	-	-
Capital projects	-	749	-	49,013
Unrestricted	157,516	3,465	46,773	6,192
<b>Total net position</b>	<b>\$ 163,514</b>	<b>\$ 130,767</b>	<b>\$ 166,820</b>	<b>\$ 130,590</b>

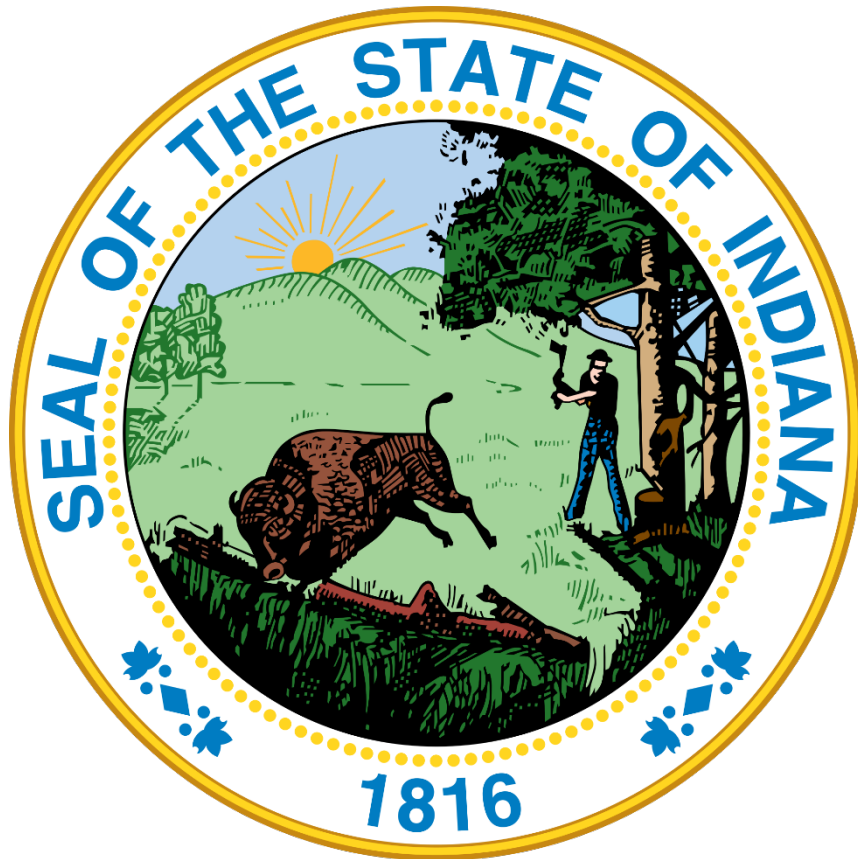
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State of Indiana  
 Combining Statement of Net Position  
 Non-Major Discretely Presented Component Units -  
 Proprietary Funds  
 June 30, 2022  
 (amounts expressed in thousands)

	Indiana Comprehensive Health Insurance Association	Indiana Political Subdivision Risk Management Commission	Indiana State Museum and Historic Sites Corporation	Indiana Motorsports Commission	Totals
<b>Assets</b>					
Current assets:					
Cash, cash equivalents and investments - unrestricted	\$ 11,285	\$ 4,779	\$ 7,298	\$ -	\$ 489,522
Cash, cash equivalents and investments - restricted	-	-	-	6,098	450,291
Securities lending collateral	-	-	-	-	5,435
Receivables (net)	75	2	701	5	324,741
Due from primary government	-	-	-	-	5,000
Long-term receivables	-	-	-	-	11,430
Investment in direct financing lease	-	-	-	3,915	17,965
Other assets	50	-	273	-	14,896
<b>Total current assets</b>	<b>11,410</b>	<b>4,781</b>	<b>8,272</b>	<b>10,018</b>	<b>1,319,280</b>
Noncurrent assets:					
Cash, cash equivalents and investments - unrestricted	-	-	2,672	-	292,507
Cash, cash equivalents and investments - restricted	-	-	3,260	-	671,073
Receivables (net)	-	-	-	-	295,283
Long-term receivables	-	-	-	-	228,237
Investment in direct financing lease	-	-	-	67,805	1,034,001
Capital assets:					
Capital assets not being depreciated/amortized	-	-	-	-	128,480
Capital assets being depreciated/amortized	-	-	1,797	-	449,535
less accumulated depreciation/amortization	-	-	(1,727)	-	(242,311)
<b>Total capital assets, net of depreciation/amortization</b>	<b>-</b>	<b>-</b>	<b>70</b>	<b>-</b>	<b>335,704</b>
<b>Total noncurrent assets</b>	<b>-</b>	<b>-</b>	<b>6,002</b>	<b>67,805</b>	<b>2,856,805</b>
<b>Total assets</b>	<b>11,410</b>	<b>4,781</b>	<b>14,274</b>	<b>77,823</b>	<b>4,176,085</b>
<b>Deferred Outflows of Resources</b>					
Accumulated decrease in fair value of hedging derivatives	-	-	-	-	1,901
Debt refunding loss	-	-	-	-	21,067
Related to pensions	-	-	1,244	-	4,413
Swap termination	-	-	-	-	45,272
<b>Total deferred outflows of resources</b>	<b>-</b>	<b>-</b>	<b>1,244</b>	<b>-</b>	<b>72,653</b>
<b>Liabilities</b>					
Current liabilities:					
Accounts payable	25	-	326	-	161,934
Interest payable	-	-	-	1,392	31,958
Unearned revenue	-	-	131	-	197,119
Other liabilities	-	2	-	-	29,018
Current portion of long-term liabilities	-	-	-	3,915	247,934
<b>Total current liabilities</b>	<b>25</b>	<b>2</b>	<b>457</b>	<b>5,307</b>	<b>667,963</b>
Noncurrent liabilities:					
Accrued liability for compensated absences	-	-	-	-	119
Net pension and OPEB liabilities	-	-	1,194	-	4,545
Unearned revenue	-	-	-	-	569
Funds held in trust for others	-	-	-	-	38,659
Advances from federal government	-	-	-	-	33,402
Leases	-	-	-	-	4,978
Revenue bonds/notes payable	-	-	-	67,105	2,048,111
Derivative instrument liability	-	-	-	-	1,901
Other noncurrent liabilities	-	-	-	-	835
<b>Total noncurrent liabilities</b>	<b>-</b>	<b>-</b>	<b>1,194</b>	<b>67,105</b>	<b>2,133,119</b>
<b>Total liabilities</b>	<b>25</b>	<b>2</b>	<b>1,651</b>	<b>72,412</b>	<b>2,801,082</b>
<b>Deferred Inflows of Resources</b>					
Advanced payment for service concession agreement	-	-	-	-	11,911
Related to pensions	-	-	2,338	-	7,954
Related to irrevocable split interest agreements	-	-	107	-	107
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>2,445</b>	<b>-</b>	<b>19,972</b>
<b>Net Position</b>					
Net investment in capital assets	-	-	70	-	320,909
Restricted - nonexpendable:					
Permanent funds	-	-	782	-	782
Future debt service	-	-	-	-	871
Restricted - expendable:					
Grants/constitutional restrictions	-	-	4,474	-	133,503
Future debt service	-	-	-	-	103,797
Endowments	-	-	1,597	-	1,597
Capital projects	-	-	4,261	5,411	59,434
Unrestricted	11,385	4,779	238	-	806,791
<b>Total net position</b>	<b>\$ 11,385</b>	<b>\$ 4,779</b>	<b>\$ 11,422</b>	<b>\$ 5,411</b>	<b>\$ 1,427,684</b>

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State of Indiana  
 Combining Statement of Activities  
 Non-Major Discretely Presented Component Units -  
 Proprietary Funds  
 For the Fiscal Year Ended June 30, 2022  
 (amounts expressed in thousands)

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Indiana Stadium and Convention Building Authority	Indiana Bond Bank	Indiana Housing and Community Development Authority	Indiana Board for Depositories
Indiana Stadium and Convention Building Authority	\$ 54,497	\$ 16,750	\$ 4,518	\$ -	\$ (33,229)	\$ -	\$ -	\$ -
Indiana Bond Bank	20,183	1,639	-	-	-	(18,544)	-	-
Indiana Housing and Community Development Authority	546,320	28,256	520,119	-	-	-	2,055	-
Indiana Board for Depositories	605	-	-	-	-	-	-	(605)
Indiana Secondary Market for Education Loans Inc.	4,523	-	5,205	-	-	-	-	-
White River State Park Development Commission	5,652	4,121	425	-	-	-	-	-
Ports of Indiana	8,407	15,472	692	6,399	-	-	-	-
Indiana State Fair Commission	29,461	20,234	403	-	-	-	-	-
Indiana Comprehensive Health Insurance Association	1,624	77	-	-	-	-	-	-
Indiana Political Subdivision Risk Management Commission	158	-	-	-	-	-	-	-
Indiana State Museum and Historic Sites Corporation	13,702	2,448	269	2,543	-	-	-	-
Indiana Motorsports Commission	5,061	2,000	-	-	-	-	-	-
Total component units	<u>\$ 690,193</u>	<u>\$ 90,997</u>	<u>\$ 531,631</u>	<u>\$ 8,942</u>	<u>(33,229)</u>	<u>(18,544)</u>	<u>2,055</u>	<u>(605)</u>
General revenues:								
Investment earnings (losses)					26	18,024	7,695	(6,118)
Payments from State of Indiana					-	-	-	-
Other					-	-	-	-
Total general revenues					<u>26</u>	<u>18,024</u>	<u>7,695</u>	<u>(6,118)</u>
Change in net position					(33,203)	(520)	9,750	(6,723)
Net position - beginning, as restated					25,158	15,545	474,336	318,653
<b>Net position - ending</b>					<u>\$ (8,045)</u>	<u>\$ 15,025</u>	<u>\$ 484,086</u>	<u>\$ 311,930</u>

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State of Indiana  
Combining Statement of Activities  
Non-Major Discretely Presented Component Units -  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2022  
(amounts expressed in thousands)

Net (Expense) Revenue and Changes in Net Position									
	Indiana Secondary Market for Education Loans Inc.	White River State Park Development Commission	Ports of Indiana	Indiana State Fair Commission	Indiana Comprehensive Health Insurance Association	Indiana Political Subdivision Risk Management Commission	Indiana State Museum and Historic Sites Corporation	Indiana Motorsports Commission	Total
Indiana Stadium and Convention Building Authority	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (33,229)
Indiana Bond Bank	-	-	-	-	-	-	-	-	(18,544)
Indiana Housing and Community Development Authority	-	-	-	-	-	-	-	-	2,055
Indiana Board for Depositories	-	-	-	-	-	-	-	-	(605)
Indiana Secondary Market for Education Loans Inc.	682	-	-	-	-	-	-	-	682
White River State Park Development Commission	-	(1,106)	-	-	-	-	-	-	(1,106)
Ports of Indiana	-	-	14,156	-	-	-	-	-	14,156
Indiana State Fair Commission	-	-	-	(8,824)	-	-	-	-	(8,824)
Indiana Comprehensive Health Insurance Association	-	-	-	-	(1,547)	-	-	-	(1,547)
Indiana Political Subdivision Risk Management Commission	-	-	-	-	-	(158)	-	-	(158)
Indiana State Museum and Historic Sites Corporation	-	-	-	-	-	-	(8,442)	-	(8,442)
Indiana Motorsports Commission	-	-	-	-	-	-	-	(3,061)	(3,061)
Total component units	<u>682</u>	<u>(1,106)</u>	<u>14,156</u>	<u>(8,824)</u>	<u>(1,547)</u>	<u>(158)</u>	<u>(8,442)</u>	<u>(3,061)</u>	<u>(58,623)</u>
General revenues:									
Investment earnings (losses)	(11,399)	2	41	3	-	100	(775)	10	7,609
Payments from State of Indiana	-	849	-	105,340	-	-	9,454	3,200	118,843
Other	-	-	2	-	-	-	-	-	2
Total general revenues	<u>(11,399)</u>	<u>851</u>	<u>43</u>	<u>105,343</u>	<u>-</u>	<u>100</u>	<u>8,679</u>	<u>3,210</u>	<u>126,454</u>
Change in net position	(10,717)	(255)	14,199	96,519	(1,547)	(58)	237	149	67,831
Net position - beginning, as restated	174,231	131,022	152,621	34,071	12,932	4,837	11,185	5,262	1,359,853
<b>Net position - ending</b>	<b><u>\$ 163,514</u></b>	<b><u>\$ 130,767</u></b>	<b><u>\$ 166,820</u></b>	<b><u>\$ 130,590</u></b>	<b><u>\$ 11,385</u></b>	<b><u>\$ 4,779</u></b>	<b><u>\$ 11,422</u></b>	<b><u>\$ 5,411</u></b>	<b><u>\$ 1,427,684</u></b>

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State of Indiana  
 Combining Statement of Net Position  
 Non-Major Discretely Presented Component Units -  
 Colleges and Universities  
 June 30, 2022  
 (amounts expressed in thousands)

	Ball State University	Indiana State University	Ivy Tech Community College	University of Southern Indiana	Vincennes University	Totals
<b>Assets</b>						
Current assets:						
Cash, cash equivalents and investments - unrestricted	\$ 104,522	\$ 47,225	\$ 304,428	\$ 55,982	\$ 80,620	\$ 592,777
Cash, cash equivalents and investments - restricted	71,023	-	23,822	-	3,567	98,412
Receivables (net)	66,629	21,600	77,073	11,495	7,506	184,303
Inventory	1,503	-	5	528	1,511	3,547
Prepaid expenses	3,129	2,928	5,223	2,772	371	14,423
Long-term receivables	-	2,087	-	-	-	2,087
Other assets	-	3	-	669	-	672
<b>Total current assets</b>	<b>246,806</b>	<b>73,843</b>	<b>410,551</b>	<b>71,446</b>	<b>93,575</b>	<b>896,221</b>
Noncurrent assets:						
Cash, cash equivalents and investments - unrestricted	231,382	107,692	422,732	86,697	141,529	990,032
Cash, cash equivalents and investments - restricted	312,759	94,861	4,175	42,652	55,457	509,904
Receivables (net)	3,109	1,832	4,945	64	315	10,265
Long-term receivables	-	877	10,442	-	-	11,319
Net pension and OPEB assets	64,049	35,887	-	4,691	2,236	106,863
Other assets	9,821	3,220	-	156,648	4	169,693
Capital assets:						
Capital assets not being depreciated/amortized	60,778	38,542	43,214	11,625	30,144	184,303
Capital assets being depreciated/amortized	1,475,329	900,979	1,102,390	462,977	432,350	4,374,025
less accumulated depreciation/amortization	(592,955)	(362,547)	(482,779)	(258,561)	(174,069)	(1,870,911)
<b>Total capital assets, net of depreciation/amortization</b>	<b>943,152</b>	<b>576,974</b>	<b>662,825</b>	<b>216,041</b>	<b>288,425</b>	<b>2,687,417</b>
<b>Total noncurrent assets</b>	<b>1,564,272</b>	<b>821,343</b>	<b>1,105,119</b>	<b>506,793</b>	<b>487,966</b>	<b>4,485,493</b>
<b>Total assets</b>	<b>1,811,078</b>	<b>895,186</b>	<b>1,515,670</b>	<b>578,239</b>	<b>581,541</b>	<b>5,381,714</b>
<b>Deferred Outflows of Resources</b>						
Accumulated decrease in fair value of hedging derivatives	-	-	-	164	-	164
Debt refunding loss	-	-	-	1,598	13	1,611
Related to pensions	23,848	3,836	2,417	1,624	112	31,837
Related to OPEB	67,800	9,746	-	5,928	13,523	96,997
<b>Total deferred outflows of resources</b>	<b>91,648</b>	<b>13,582</b>	<b>2,417</b>	<b>9,314</b>	<b>13,648</b>	<b>130,609</b>
<b>Liabilities</b>						
Current liabilities:						
Accounts payable	41,669	8,530	63,670	4,275	7,270	125,414
Interest payable	8,936	2,142	-	-	98	11,176
Unearned revenue	548	5,144	13,687	7,409	2,447	29,235
Accrued liability for compensated absences	3,531	4,059	10,013	430	1,333	19,366
Other liabilities	6,593	4,751	-	7,221	5,865	24,430
Current portion of long-term liabilities	27,020	17,459	22,650	12,023	6,385	85,537
<b>Total current liabilities</b>	<b>88,297</b>	<b>42,085</b>	<b>110,020</b>	<b>31,358</b>	<b>23,398</b>	<b>295,158</b>
Noncurrent liabilities:						
Accrued liability for compensated absences	3,820	113	6,990	2,738	-	13,661
Net pension and OPEB liabilities	9,284	3,958	40,517	1,884	-	55,643
Advances from federal government	-	3,154	-	-	379	3,533
Leases	-	25,616	5,403	149	5,429	36,597
Revenue bonds/notes payable	428,424	210,631	234,313	115,480	29,531	1,018,379
Derivative instrument liability	-	-	-	164	-	164
Other noncurrent liabilities	8,961	1,028	-	178	-	10,167
<b>Total noncurrent liabilities</b>	<b>450,489</b>	<b>244,500</b>	<b>287,223</b>	<b>120,593</b>	<b>35,339</b>	<b>1,138,144</b>
<b>Total liabilities</b>	<b>538,786</b>	<b>286,585</b>	<b>397,243</b>	<b>151,951</b>	<b>58,737</b>	<b>1,433,302</b>
<b>Deferred Inflows of Resources</b>						
Accumulated increase in fair value of hedging derivatives	-	-	-	-	4	4
Related to lease receivable	-	2,015	1,337	442	255	4,049
Service concession arrangement receipts	-	1,303	-	-	-	1,303
Unamortized loss on sale of bonds	-	-	-	-	94	94
Debt refunding gain	-	556	-	-	-	556
Related to pensions	39,134	7,598	5,860	3,568	259	56,419
Related to OPEB	113,175	-	10,874	3,257	9,144	136,450
<b>Total deferred inflows of resources</b>	<b>152,309</b>	<b>11,472</b>	<b>18,071</b>	<b>7,267</b>	<b>9,756</b>	<b>198,875</b>

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State of Indiana  
Combining Statement of Net Position  
Non-Major Discretely Presented Component Units -  
Colleges and Universities  
June 30, 2022  
(amounts expressed in thousands)

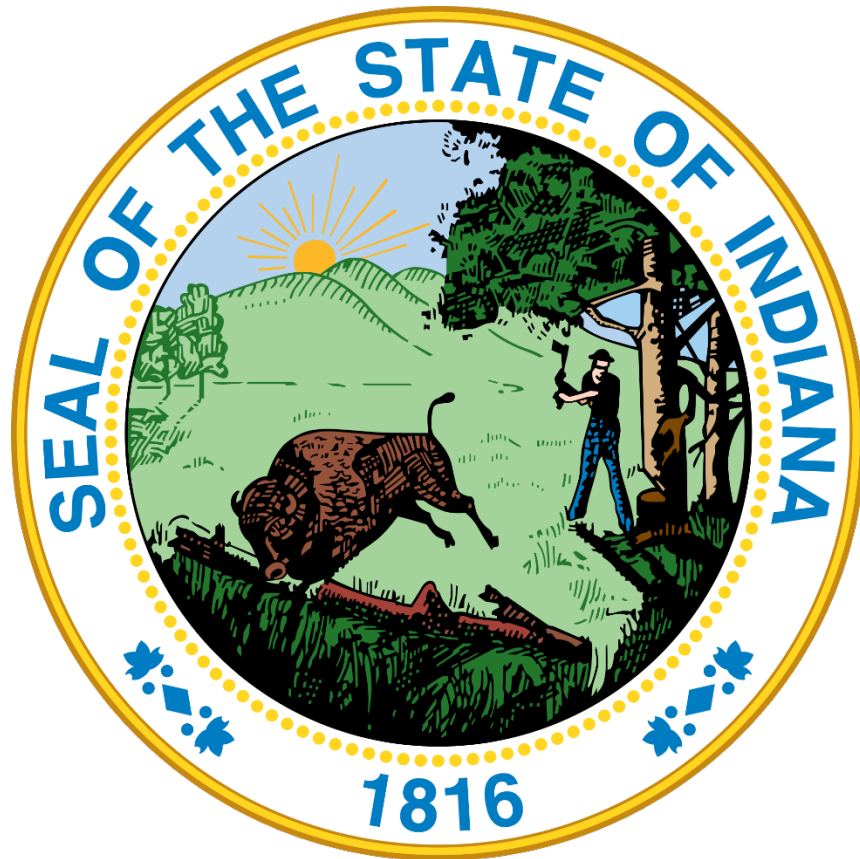
	Ball State University	Indiana State University	Ivy Tech Community College	University of Southern Indiana	Vincennes University	Totals
<b>Net Position</b>						
Net investment in capital assets	552,545	329,073	389,389	129,469	245,921	1,646,397
Restricted - nonexpendable:						
Grants/constitutional restrictions	-	3,399	-	-	-	3,399
Permanent funds	-	727	41,639	-	-	42,366
Instruction and research	607	10,715	-	12,625	-	23,947
Student aid	43,450	36,909	-	37,617	24,627	142,603
Other purposes	33,716	9,071	-	10,910	6,296	59,993
Restricted - expendable:						
Grants/constitutional restrictions	7,927	2,100	-	-	8,619	18,646
Future debt service	3,704	-	-	-	-	3,704
Instruction and research	20,974	-	-	23,535	-	44,509
Student aid	84,568	20,323	-	47,570	9,950	162,411
Endowments	-	16,857	1,341	-	-	18,198
Capital projects	58,301	7,215	8,815	683	6,750	81,764
Other purposes	151,002	-	73,143	12,563	2,855	239,563
Unrestricted	254,837	174,322	588,446	153,363	221,678	1,392,646
<b>Total net position</b>	<b>\$ 1,211,631</b>	<b>\$ 610,711</b>	<b>\$ 1,102,773</b>	<b>\$ 428,335</b>	<b>\$ 526,696</b>	<b>\$ 3,880,146</b>

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State of Indiana  
 Combining Statement of Activities  
 Non-Major Discretely Presented Component Units -  
 Colleges and Universities  
 For the Year Ended June 30, 2022  
 (amounts expressed in thousands)

	Program Revenues				Net (Expense) Revenue and Changes in Net Position					
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Ball State University	Indiana State University	Ivy Tech Community College	University of Southern Indiana	Vincennes University	Net (Expense) Revenue
Ball State University	\$ 575,542	\$ 205,141	\$ 176,157	\$ 8,476	\$ (185,768)	\$ -	\$ -	\$ -	\$ -	\$ (185,768)
Indiana State University	255,347	83,760	23,098	91	-	(148,398)	-	-	-	(148,398)
Ivy Tech Community College	694,617	138,596	52,865	4,768	-	-	(498,388)	-	-	(498,388)
University of Southern Indiana	162,036	67,242	8,691	-	-	-	-	(86,103)	-	(86,103)
Vincennes University	140,392	34,771	59,897	1,005	-	-	-	-	(44,719)	(44,719)
Total component units	<u>\$ 1,827,934</u>	<u>\$ 529,510</u>	<u>\$ 320,708</u>	<u>\$ 14,340</u>	<u>(185,768)</u>	<u>(148,398)</u>	<u>(498,388)</u>	<u>(86,103)</u>	<u>(44,719)</u>	<u>(963,376)</u>
General revenues:										
Investment earnings (losses)					(52,429)	(26,709)	(22,602)	(31,007)	(20,674)	(153,421)
Payments from State of Indiana					208,505	86,063	335,446	64,954	57,474	752,442
Other					59,975	61,506	242,570	37,080	178	401,309
Total general revenues					<u>216,051</u>	<u>120,860</u>	<u>555,414</u>	<u>71,027</u>	<u>36,978</u>	<u>1,000,330</u>
Change in net position					30,283	(27,538)	57,026	(15,076)	(7,741)	36,954
Net position - beginning, as restated					1,181,348	638,249	1,045,747	443,411	534,437	3,843,192
<b>Net position - ending</b>					<u>\$ 1,211,631</u>	<u>\$ 610,711</u>	<u>\$ 1,102,773</u>	<u>\$ 428,335</u>	<u>\$ 526,696</u>	<u>\$ 3,880,146</u>

# STATISTICAL SECTION



## STATISTICAL SECTION

The statistical section is presented to provide report users a historical perspective and assistance in assessing the current financial status and trends for the State.

### Financial Trends

These schedules contain trend information to assist users in understanding and assessing how the State's financial position has changed over time.

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These schedules contain information to assist users in understanding and assessing the factors affecting the State's ability to generate its own-source revenues.

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This schedule is to assist users in understanding and assessing the State's debt burden and its ability to issue debt.

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### Demographic and Economic Information

These schedules are intended to assist users in understanding the socioeconomic environment within which the State operates and to provide information that facilitates comparisons of financial statement information.

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**State of Indiana**  
**Net Position by Component**  
*(accrual basis of accounting, dollars in thousands)*

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Governmental activities</b>										
Net investment in capital assets	\$ 13,303,374	\$ 13,501,419	\$ 14,467,992	\$ 14,934,600	\$ 15,637,070	\$ 15,907,541	\$ 16,400,027	\$ 16,811,778	\$ 17,720,406	\$ 18,507,582
Restricted	961,101	1,000,298	998,609	1,150,867	1,129,787	1,088,602	1,102,619	1,105,470	1,160,825	1,344,799
Unrestricted	5,475,103	(4,327,353)	(4,194,362)	(5,198,962)	(5,691,081)	(5,268,011)	(2,893,685)	(1,927,227)	1,659,583	4,523,583
Total governmental activities net position	<u>\$ 19,739,578</u>	<u>\$ 10,174,364</u>	<u>\$ 11,272,239</u>	<u>\$ 10,886,505</u>	<u>\$ 11,075,776</u>	<u>\$ 11,728,132</u>	<u>\$ 14,608,961</u>	<u>\$ 15,990,021</u>	<u>\$ 20,540,814</u>	<u>\$ 24,375,964</u>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 664	\$ 535	\$ 138	\$ 238	\$ 203	\$ 194	\$ 405	\$ 382	\$ 343	\$ 338
Restricted	-	-	-	233,046	477,659	732,369	962,476	426,859	531,498	1,627,555
Unrestricted	(1,213,658)	(801,568)	(23,485)	47,332	47,182	47,618	52,827	58,960	59,617	58,043
Total business-type activities net position	<u>\$ (1,212,994)</u>	<u>\$ (801,033)</u>	<u>\$ (23,347)</u>	<u>\$ 280,616</u>	<u>\$ 525,044</u>	<u>\$ 780,181</u>	<u>\$ 1,015,708</u>	<u>\$ 486,201</u>	<u>\$ 591,458</u>	<u>\$ 1,685,936</u>
<b>Primary government</b>										
Net investment in capital assets	\$ 13,304,038	\$ 13,501,954	\$ 14,468,130	\$ 14,934,838	\$ 15,637,273	\$ 15,907,735	\$ 16,400,432	\$ 16,812,160	\$ 17,720,749	\$ 18,507,920
Restricted	961,101	1,000,298	998,609	1,383,913	1,607,446	1,820,971	2,065,095	1,532,329	1,692,323	2,972,354
Unrestricted	4,261,445	(5,128,921)	(4,217,847)	(5,151,630)	(5,643,899)	(5,220,393)	(2,840,858)	(1,868,267)	1,719,200	4,581,626
Total primary government net position	<u>\$ 18,526,584</u>	<u>\$ 9,373,331</u>	<u>\$ 11,248,892</u>	<u>\$ 11,167,121</u>	<u>\$ 11,600,820</u>	<u>\$ 12,508,313</u>	<u>\$ 15,624,669</u>	<u>\$ 16,476,222</u>	<u>\$ 21,132,272</u>	<u>\$ 26,061,900</u>

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### State of Indiana Changes in Net Position

(accrual basis of accounting, dollars in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Expenses</b>										
Governmental activities:										
General government	\$ 1,473,954	\$ 1,585,751	\$ 1,541,725	\$ 1,463,523	\$ 1,342,700	\$ 1,390,190	\$ 1,574,696	\$ 1,673,949	\$ 2,136,059	\$ 3,062,880
Public safety	1,525,459	1,393,036	1,269,265	1,567,570	1,644,817	1,573,371	1,510,063	1,820,468	1,799,452	1,903,997
Health	409,096	347,353	439,288	374,283	378,157	390,490	402,126	462,265	809,747	682,405
Welfare	12,557,829	11,755,713	13,142,033	14,270,402	15,051,643	14,923,564	16,157,910	18,360,192	20,264,605	22,235,809
Conservation, culture, and development	536,561	515,844	588,540	545,276	432,801	588,214	556,980	549,757	1,508,174	1,397,646
Education	10,136,572	9,379,911	10,527,684	11,671,576	11,036,405	11,312,094	10,558,699	11,535,335	11,649,623	13,049,971
Transportation	1,809,690	2,158,639	1,857,660	2,175,511	1,974,142	2,820,033	2,711,506	3,166,397	3,355,317	3,243,592
Interest expense	216	-	48,995	45,551	43,672	45,524	45,510	42,254	38,887	11,635
Total governmental activities expenses	28,449,377	27,136,247	29,415,190	32,113,692	31,904,337	33,043,480	33,517,490	37,610,617	41,561,864	45,587,935
Business-type activities:										
Unemployment compensation fund	1,160,585	674,844	403,533	330,419	305,407	257,338	243,486	4,007,586	5,381,586	1,226,697
Other	24,694	23,351	22,924	23,234	25,411	25,092	24,225	23,519	23,618	27,254
Total business-type activities expenses	1,185,279	698,195	426,457	353,653	330,818	282,430	267,711	4,031,105	5,405,204	1,253,951
Total primary government expenses	\$ 29,634,656	\$ 27,834,442	\$ 29,841,647	\$ 32,467,345	\$ 32,235,155	\$ 33,325,910	\$ 33,785,201	\$ 41,641,722	\$ 46,967,068	\$ 46,841,886
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 376,407	\$ 528,424	\$ 529,676	\$ 615,099	\$ 605,749	\$ 598,903	\$ 685,427	\$ 631,442	\$ 704,589	\$ 748,755
Public safety	473,665	480,497	490,255	530,775	525,811	573,403	583,372	552,378	603,459	608,556
Health	204,529	101,354	139,909	149,554	199,355	300,035	343,761	401,478	469,132	773,985
Welfare	919,557	1,080,291	818,330	822,463	902,829	988,731	1,077,661	1,036,656	894,080	719,746
Conservation, culture, and development	153,828	148,077	161,771	167,467	159,760	166,471	172,107	192,813	229,617	235,614
Education	7,950	3,383	2,851	2,583	2,312	2,310	2,487	2,381	2,807	2,981
Transportation	91,990	77,861	77,558	81,642	35,219	153,759	585,750	481,996	497,785	192,825
Operating grants and contributions	10,335,986	9,908,931	10,872,352	11,974,446	12,649,237	12,275,610	13,264,192	15,992,066	20,093,246	21,355,055
Capital grants and contributions	1,270,834	1,180,142	1,261,230	1,187,303	978,994	1,067,615	1,132,630	1,249,899	1,326,554	1,540,945
Total governmental activities program revenues	13,834,746	13,508,960	14,353,932	15,531,332	16,059,266	16,126,837	17,847,387	20,541,109	24,821,269	26,178,462
Business-type activities:										
Charges for services:										
Unemployment compensation fund	830,527	950,328	1,175,303	629,899	548,336	501,716	457,703	444,506	633,003	750,079
Other	26,463	26,338	26,001	26,924	27,443	27,560	26,777	23,857	24,362	29,515
Operating grants and contributions	668,790	134,998	4,217	-	-	-	-	3,007,518	-	-
Capital grants and contributions	87	165	-	-	-	-	-	-	-	-
Total business-type activities program revenues	1,525,867	1,111,829	1,205,521	656,823	575,779	529,276	484,480	3,475,881	657,365	779,594
Total primary government program revenues	\$ 15,360,613	\$ 14,620,789	\$ 15,559,453	\$ 16,188,155	\$ 16,635,045	\$ 16,656,113	\$ 18,331,867	\$ 24,016,990	\$ 25,478,634	\$ 26,958,056
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (14,614,631)	\$ (13,627,287)	\$ (15,061,258)	\$ (16,582,360)	\$ (15,845,071)	\$ (16,916,643)	\$ (15,670,103)	\$ (17,069,508)	\$ (16,740,595)	\$ (19,409,473)
Business-type activities	340,588	413,634	779,064	303,170	244,961	246,846	216,769	(555,224)	(4,747,839)	(474,357)
Total primary government net expenses	\$ (14,274,043)	\$ (13,213,653)	\$ (14,282,194)	\$ (16,299,923)	\$ (15,600,110)	\$ (16,669,797)	\$ (15,453,334)	\$ (17,624,732)	\$ (21,488,434)	\$ (19,883,830)

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**State of Indiana**  
**Changes in Net Position**

(accrual basis of accounting, dollars in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Income taxes	\$ 5,371,040	\$ 5,811,823	\$ 6,259,262	\$ 6,234,704	\$ 6,452,611	\$ 6,362,876	\$ 6,864,321	\$ 6,788,471	\$ 8,021,502	\$ 9,069,418
Sales taxes	6,845,294	6,995,678	7,266,581	7,336,630	7,577,292	7,804,942	8,085,691	8,320,682	9,400,361	10,445,577
Fuel taxes	791,659	763,833	793,966	806,895	871,189	1,472,521	1,494,946	1,449,362	1,571,304	1,658,350
Gaming taxes	788,636	681,383	642,910	629,910	623,460	630,249	619,888	449,713	615,030	728,304
Unemployment taxes	80	914	-	-	-	-	-	-	-	-
Inheritance taxes	160,820	53,701	-	-	-	-	-	-	-	-
Alcohol & Tobacco taxes	503,879	445,381	445,765	443,214	441,935	418,609	411,291	426,476	427,859	387,508
Insurance taxes	211,987	224,711	223,039	235,310	235,022	230,997	256,292	248,414	234,760	257,906
Financial institution taxes	121,369	72,976	120,900	120,226	103,735	105,001	173,995	149,061	214,143	173,665
Other taxes	251,579	325,265	329,780	316,652	326,418	355,862	368,607	418,492	428,206	456,032
Investment earnings	27,990	19,769	22,084	38,318	46,641	89,242	189,909	172,445	24,425	(30,464)
Other	58,915	58,912	52,093	32,217	27,814	41,159	42,730	41,272	353,243	125,172
Special item: Proceeds from lease of Toll Road	-	-	-	-	-	-	-	-	-	-
Transfers within primary government	2,769	2,724	2,753	2,550	2,242	2,089	1,986	394	555	-
Total governmental activities	15,136,017	15,457,070	16,159,133	16,196,626	16,708,359	17,513,547	18,509,656	18,464,782	21,291,388	23,271,468
Business-type activities:										
Investment earnings	9	1,051	1,375	3,343	1,709	10,380	20,582	25,883	5,901	9,641
Other	-	-	-	-	-	-	162	228	4,847,750	1,559,194
Transfers within primary government	(2,769)	(2,724)	(2,753)	(2,550)	(2,242)	(2,089)	(1,986)	(394)	(555)	-
Total business-type activities	(2,760)	(1,673)	(1,378)	793	(533)	8,291	18,758	25,717	4,853,096	1,568,835
Total primary government	15,133,257	15,455,397	16,157,755	16,197,419	16,707,826	17,521,838	18,528,414	18,490,499	26,144,484	24,840,303
<b>Changes in Net Position</b>										
Governmental activities	521,386	1,829,783	1,097,875	(385,734)	863,288	596,904	2,839,553	1,395,274	4,550,793	3,861,995
Business-type activities	337,828	411,961	777,686	303,963	244,428	255,137	235,527	(529,507)	105,257	1,094,478
Total primary government	\$ 859,214	\$ 2,241,744	\$ 1,875,561	\$ (81,771)	\$ 1,107,716	\$ 852,041	\$ 3,075,080	\$ 865,767	\$ 4,656,050	\$ 4,956,473

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**State of Indiana  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years**

(modified accrual basis of accounting, dollars in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable										
Prepaid expense	\$ 60,955	\$ 99,022	\$ 98,712	\$ 83,105	\$ 77,546	\$ 75,021	\$ 76,400	\$ 73,015	\$ 92,133	\$ 111,753
Total Nonspendable	60,955	99,022	98,712	83,105	77,546	75,021	76,400	73,015	92,133	111,753
Restricted										
Administration	378,559	379,568	382,324	547,931	550,460	507,392	523,189	543,348	544,891	531,746
Total Restricted	378,559	379,568	382,324	547,931	550,460	507,392	523,189	543,348	544,891	531,746
Committed										
Administration	-	-	-	-	-	4,241	70	-	-	3
Economic development	6,030	5,628	5,339	2,551	3,539	4,846	765	920	3,474	14,545
Roads & bridges	-	20	-	-	21,212	46,274	40,889	33,336	36,126	34,451
Total Committed	6,030	5,648	5,339	2,551	24,751	55,361	41,724	34,256	39,600	48,999
Assigned										
Administration	72,575	65,421	102,189	160,875	210,327	244,724	87,972	95,778	74,696	404,357
Corrections	46,195	12,724	9,150	569,149	730,230	554,263	390,131	209,834	83,105	867,625
Police & protection	11,277	11,891	14,622	23,237	27,606	23,657	20,701	29,194	39,907	41,350
Mental health	-	-	-	26,491	38,485	36,361	162,847	100,884	95,325	84,075
Public health	22	22	22	28,698	18,732	20,331	13,071	6,926	33,496	52,479
Child services	205,713	522,388	638,815	902,085	877,890	1,104,493	1,049,106	241,412	530,292	1,153,480
Disability & aging	3	4	4	12,960	15,839	46,475	24,989	48,303	44,135	38,722
Economic development	862	1,073	623	12,541	4,028	6,003	5,236	2,418	2,277	12,975
Environmental	552	427	364	16,518	18,049	14,144	25,387	23,163	21,808	37,280
Natural resources	249	147	149	1,086	1,151	1,041	462	1,029	627	989
Higher education	-	-	-	10,871	286,226	93,143	45,873	65,291	96,302	149,599
Secondary education	5,311	158,564	304,236	416,578	412,918	393,572	404,072	409,743	775,385	796,871
Roads & bridges	81	63	33	2	74,702	47,310	130,208	124,190	134,753	198,864
Capital outlay	31,929	143,235	175,810	164,923	144,879	261,787	177,352	236,923	368,300	767,375
Other purposes	44,705	158,060	41,559	18,541	90,029	181,888	145,908	250,450	349,435	400,156
Total Assigned	1,179,014	1,811,268	2,218,770	2,364,555	2,951,091	3,029,192	2,683,315	1,845,538	2,649,843	5,006,197
Unassigned	1,712,795	1,325,910	1,017,829	835,591	297,223	275,935	1,024,753	2,139,654	3,428,843	3,853,051
Total general fund	\$ 3,337,353	\$ 3,621,416	\$ 3,722,974	\$ 3,833,733	\$ 3,901,071	\$ 3,942,901	\$ 4,349,381	\$ 4,635,811	\$ 6,755,310	\$ 9,551,746

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**State of Indiana**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**

(modified accrual basis of accounting, dollars in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
All other Governmental Funds										
Nonspendable										
Permanent fund principal	\$ 520,665	\$ 521,028	\$ 501,125	\$ 520,124	\$ 501,125	\$ 501,125	\$ 502,835	\$ 502,835	\$ 502,835	\$ 502,835
Prepaid expense	922	680	496	344	163	43	44	45	16,737	17,071
Total Nonspendable	<u>521,587</u>	<u>521,708</u>	<u>501,621</u>	<u>520,468</u>	<u>501,288</u>	<u>501,168</u>	<u>502,879</u>	<u>502,880</u>	<u>519,572</u>	<u>519,906</u>
Restricted										
Public health	-	-	-	-	-	-	-	-	-	6,150
Natural resources	-	-	-	-	100	150	150	150	150	150
Other purposes	-	-	-	-	-	3,489	3,399	3,364	4,079	3,338
Total Restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100</u>	<u>3,639</u>	<u>3,549</u>	<u>3,514</u>	<u>4,229</u>	<u>9,638</u>
Committed										
Administration	6,734	8,581	7,682	7,721	8,802	4,200	2,662	2,634	2,497	2,066
Public health	316,290	353,881	284,504	197,400	188,728	198,756	193,458	232,567	277,520	222,053
Economic development	11,270	10,313	9,911	7,402	6,464	9,435	8,954	8,678	18,331	61,330
Environmental	561	646	537	568	1,412	2,502	355	269	203	129
Natural resources	468	144	19,123	-	16,759	18,331	16,146	15,287	14,059	12,519
Higher education	4	3	4	5	5	18	29	29	-	-
Secondary education	564,681	569,555	572,843	577,124	580,199	583,646	589,220	591,692	592,644	587,870
Roads & bridges	166,166	175,343	194,812	45,732	37,964	41,738	75,910	100,026	38,027	1,375
Other purposes	14,818	14,972	14,277	14,067	14,431	15,475	16,878	17,702	20,525	22,342
Total Committed	<u>1,080,992</u>	<u>1,133,438</u>	<u>1,103,693</u>	<u>850,019</u>	<u>854,764</u>	<u>874,101</u>	<u>903,612</u>	<u>968,884</u>	<u>963,806</u>	<u>909,684</u>
Assigned										
Administration	155,532	136,070	131,935	133,584	162,538	195,994	214,138	210,378	236,510	281,549
Corrections	10,676	11,872	13,430	14,193	21,859	18,321	21,191	27,175	31,300	30,748
Police & protection	190,802	256,484	229,190	287,489	312,432	336,419	386,088	427,474	361,007	372,468
Mental health	62,061	68,576	51,328	46,995	50,493	46,339	25,600	21,963	24,614	53,961
Public health	692,340	669,393	734,043	727,099	807,403	893,966	868,375	627,716	750,039	499,584
Child services	133,753	160,895	183,926	141,464	85,563	62,434	78,798	86,752	147,106	131,602
Disability & aging	9,445	9,223	8,455	3,445	8,752	5,494	10,860	16,229	10,293	18,547
Economic development	43,135	47,554	51,685	59,352	15,196	22,071	28,373	36,281	52,901	64,203
Environmental	88,426	113,320	113,366	113,164	115,774	95,566	99,354	113,897	152,013	171,393
Natural resources	105,746	127,959	137,433	138,636	147,242	131,918	141,550	208,456	265,779	281,856
Higher education	23,582	42,080	35,764	69,297	94,518	13,773	16,108	15,582	19,417	17,378
Secondary education	29,698	9,626	20,612	21,614	21,475	19,403	47,252	72,423	22,494	26,692
Roads & bridges	1,141,414	1,118,884	1,094,302	1,165,886	1,310,925	1,431,283	1,894,509	1,906,194	1,862,602	1,791,459
Capital outlay	66,192	76,883	63,059	93,811	84,245	97,034	93,272	110,850	118,621	136,606
Other purposes	52,351	57,454	72,376	78,425	74,361	86,998	111,373	109,619	211,513	148,615
Total Assigned	<u>2,805,153</u>	<u>2,906,273</u>	<u>2,940,904</u>	<u>3,094,454</u>	<u>3,312,776</u>	<u>3,457,013</u>	<u>4,036,841</u>	<u>3,990,989</u>	<u>4,266,209</u>	<u>4,026,661</u>
Unassigned	(176,649)	(180,202)	(327,955)	(384,701)	(616,955)	(520,785)	(486,455)	(462,431)	(468,546)	(891,798)
Total all other governmental funds	<u>\$ 4,231,083</u>	<u>\$ 4,381,217</u>	<u>\$ 4,218,263</u>	<u>\$ 4,080,240</u>	<u>\$ 4,051,973</u>	<u>\$ 4,315,136</u>	<u>\$ 4,960,426</u>	<u>\$ 5,003,836</u>	<u>\$ 5,285,270</u>	<u>\$ 4,574,091</u>

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### State of Indiana Changes in Fund Balances, Governmental Funds Last Ten Fiscal Years

(modified accrual basis of accounting, dollars in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Income taxes	\$ 5,441,631	\$ 5,891,093	\$ 6,246,897	\$ 6,300,908	\$ 6,440,729	\$ 6,400,668	\$ 6,850,851	\$ 6,686,004	\$ 7,997,414	\$ 9,130,659
Sales taxes	6,822,875	7,046,734	7,269,291	7,351,788	7,578,508	7,830,142	8,087,320	8,313,316	9,367,323	10,459,936
Fuels taxes	785,744	777,448	795,023	809,692	871,005	1,473,236	1,495,616	1,448,821	1,558,475	1,669,124
Gaming taxes	788,545	681,501	642,902	629,941	623,469	630,262	619,887	449,712	615,030	728,304
Unemployment taxes	80	914	-	-	-	-	-	-	-	-
Inheritance taxes	160,820	53,701	-	-	-	-	-	-	-	-
Alcohol and tobacco taxes	477,448	447,795	439,451	443,192	439,243	427,568	415,179	425,334	423,873	393,272
Insurance taxes	211,987	224,712	223,040	235,310	235,022	230,998	256,293	248,414	234,760	257,906
Financial institutions taxes	120,571	92,862	125,754	119,345	103,504	105,963	173,518	142,687	215,437	179,184
Other taxes	251,551	325,299	329,380	316,982	326,489	355,876	368,434	418,007	428,951	453,895
Current service charges	2,268,429	2,424,542	2,219,401	2,366,344	2,433,345	2,784,900	3,449,088	3,303,665	3,385,252	3,045,472
Investment income	56,005	44,743	49,744	68,260	70,288	107,753	263,236	231,118	59,722	(83,946)
Sales/rent	21,412	21,771	22,181	19,680	22,890	15,933	17,344	18,015	19,571	36,814
Grants	11,260,430	11,342,554	11,850,748	13,119,923	13,471,561	13,215,502	14,357,983	16,695,812	21,294,773	22,524,819
Other	147,936	136,346	135,805	99,510	131,032	138,485	115,516	143,141	163,256	214,622
<b>Total revenues</b>	<b>28,815,464</b>	<b>29,512,015</b>	<b>30,349,617</b>	<b>31,880,875</b>	<b>32,747,085</b>	<b>33,717,286</b>	<b>36,470,265</b>	<b>38,524,046</b>	<b>45,763,837</b>	<b>49,010,061</b>
<b>Expenditures</b>										
General government	1,884,770	1,505,475	1,654,082	1,545,461	1,346,996	1,343,365	1,586,473	1,674,988	2,173,351	3,106,433
Public safety	1,615,975	1,410,723	1,383,479	1,537,649	1,629,484	1,640,583	1,730,363	1,807,215	1,866,354	1,980,939
Health	407,354	352,624	439,529	375,616	377,809	385,661	407,610	447,188	831,214	696,789
Welfare	12,187,764	12,332,600	12,978,655	14,347,763	15,103,284	15,151,914	16,352,826	18,367,347	20,305,035	22,177,710
Conservation, culture and development	556,795	514,655	518,478	546,644	554,436	560,329	569,242	551,355	1,499,421	1,413,225
Education	10,276,564	10,542,087	10,688,255	10,941,014	11,047,001	11,402,921	11,650,849	11,712,741	12,699,707	13,460,423
Transportation	2,564,367	2,436,606	2,625,744	2,499,595	2,949,489	3,079,147	3,028,608	3,489,018	3,871,835	3,853,715
Capital outlay	14,006	16,999	26,252	15,715	20,599	16,570	20,842	22,872	14,615	169,452
Debt service										
Lease principal	-	-	58,703	61,765	63,206	58,862	70,812	69,616	67,905	272,735
Lease interest	-	-	48,995	45,551	43,672	45,524	45,510	42,221	38,888	11,635
<b>Total expenditures</b>	<b>29,507,595</b>	<b>29,111,769</b>	<b>30,422,172</b>	<b>31,916,773</b>	<b>33,135,976</b>	<b>33,684,876</b>	<b>35,463,135</b>	<b>38,184,561</b>	<b>43,368,325</b>	<b>47,143,056</b>
Revenues over (under) expenditures	(692,131)	400,246	(72,555)	(35,898)	(388,891)	32,410	1,007,130	339,485	2,395,512	1,867,005
<b>Other Financing Sources (Uses)</b>										
Transfers in	6,326,178	6,066,309	6,252,261	6,016,790	6,635,800	6,042,166	6,841,256	6,828,395	7,295,028	7,126,859
Transfers (out)	(6,329,465)	(6,061,530)	(6,245,727)	(6,014,298)	(6,634,858)	(6,039,746)	(6,840,253)	(6,823,987)	(7,290,450)	(7,125,225)
Proceeds from financed purchases	-	-	-	-	-	-	-	-	-	127,562
Issuance of leases	18,511	10,645	4,625	6,142	476,505	214,711	5,933	161	843	19,018
Total other financing sources (uses)	15,224	15,424	11,159	8,634	477,447	217,131	6,936	4,569	5,421	148,214
<b>Net Change in Fund Balances</b>	<b>\$ (676,907)</b>	<b>\$ 415,670</b>	<b>\$ (61,396)</b>	<b>\$ (27,264)</b>	<b>\$ 88,556</b>	<b>\$ 249,541</b>	<b>\$ 1,014,066</b>	<b>\$ 344,054</b>	<b>\$ 2,400,933</b>	<b>\$ 2,015,219</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	N/A	N/A	0.36%	0.34%	0.32%	0.31%	0.33%	0.29%	0.25%	0.61%

**State of Indiana**  
**Taxable Sales by Industry\***  
**Last Ten Fiscal Years**

(in thousands of dollars)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Agricultural/forestry, fishing, and other	\$ 109,498	\$ 119,771	\$ 127,130	\$ 132,385	\$ 137,997	\$ 130,877	\$ 139,034	\$ 163,051	\$ 170,954	\$ 316,175
Construction	1,364,905	1,534,212	1,601,737	1,629,514	1,699,838	1,722,690	1,781,276	1,951,687	1,280,408	1,784,256
Finance, insurance, and real estate	1,875,603	1,974,616	2,152,472	2,402,217	2,554,933	2,731,780	2,983,364	3,044,624	3,705,094	3,944,207
Government	1,615,230	1,763,372	1,813,997	1,772,901	2,003,166	2,090,753	2,110,937	1,984,158	555,801	35,871
Manufacturing	3,403,353	3,362,607	3,507,576	3,715,108	3,976,694	4,189,499	4,406,486	4,455,251	3,720,059	6,546,478
Mining	109,238	136,413	144,285	135,309	139,737	159,829	174,687	191,586	412,922	498,588
Retail trade	45,138,939	45,817,299	46,493,398	48,158,494	49,328,684	50,550,732	52,840,282	56,885,284	62,916,519	68,286,818
Services	18,929,124	19,459,974	20,334,014	20,973,797	21,347,525	21,662,271	21,930,946	21,983,316	23,457,394	26,669,682
Transportation and public utilities	7,945,455	8,668,182	8,672,301	7,907,909	8,523,260	8,999,654	9,185,251	10,066,943	13,755,979	13,937,758
Wholesale trade	5,087,837	5,392,480	5,511,108	5,797,807	6,004,203	6,125,214	6,386,809	6,522,632	7,734,843	8,038,645
Unknown**	3,055,300	3,274,808	3,549,683	3,957,475	4,502,695	4,740,351	5,036,806	5,243,995	4,921,715	4,190,030
<b>Total</b>	<b>\$ 88,634,482</b>	<b>\$ 91,503,734</b>	<b>\$ 93,907,701</b>	<b>\$ 96,582,916</b>	<b>\$ 100,218,732</b>	<b>\$ 103,103,650</b>	<b>\$ 106,975,878</b>	<b>\$ 112,492,527</b>	<b>\$ 122,631,688</b>	<b>\$ 134,248,508</b>
Direct sales tax rate	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%

**Source: Indiana Department of Revenue**

\* Indiana Code 6-8.1-7-1 prevents the disclosure of the top ten sales tax payers in Indiana as required by GASB Statement No. 44. This schedule is presented as a substitute for that requirement.

\*\* Industry category is provided to the Department of Revenue on Sales Tax information submitted by retail merchants on their Business Tax Application. In the past, type of industry field was not required on the form. Thus, businesses started prior to the addition of the industry category field were classified as unknown. The industry category field was added in recent years.

**State of Indiana**  
**Sales Tax Revenue Payers by Industry\***  
**Fiscal Years 2013 and 2022**

(in thousands of dollars)

	Fiscal Year Ended June 30, 2013				Fiscal Year Ended June 30, 2022			
	Number of Filers	% of Total	Tax Liability	% of Total	Number of Filers	% of Total	Tax Liability	% of Total
Agricultural/forestry, fishing, and other	3,402	1.92%	7,665	0.12%	4,037	2.13%	22,401	0.23%
Construction	8,120	4.59%	95,543	1.54%	9,608	5.08%	182,718	1.85%
Finance, insurance, and real estate	4,624	2.61%	131,292	2.12%	4,997	2.64%	270,234	2.74%
Government	1,118	0.63%	113,066	1.82%	442	0.23%	159,626	1.62%
Manufacturing	15,936	9.01%	246,148	3.97%	20,521	10.84%	559,287	5.66%
Mining	343	0.19%	7,647	0.12%	334	0.18%	11,780	0.12%
Retail trade	54,115	30.59%	3,159,969	50.94%	64,114	33.88%	4,620,988	46.78%
Services	60,022	33.92%	1,324,881	21.35%	61,642	32.56%	1,757,141	17.79%
Transportation and public utilities	4,262	2.41%	556,167	8.96%	4,114	2.17%	1,011,583	10.24%
Wholesale trade	10,748	6.07%	355,736	5.73%	12,359	6.53%	508,853	5.15%
Unknown**	14,266	8.06%	206,453	3.33%	7,125	3.76%	771,925	7.82%
<b>Total</b>	<b>176,956</b>	<b>100.00%</b>	<b>\$ 6,204,567</b>	<b>100.00%</b>	<b>189,293</b>	<b>100.00%</b>	<b>\$ 9,876,536</b>	<b>100.00%</b>

**Source: Indiana Department of Revenue**

\* Indiana Code 6-8.1-7-1 prevents the disclosure of the top ten sales tax payers in Indiana as required by GASB Statement No. 44. This schedule is presented as a substitute for that requirement.

\*\* Industry category is provided to the Department of Revenue on Sales Tax information submitted by retail merchants on their Business Tax Application. In the past, type of industry field was not required on the form. Thus, businesses started prior to the addition of the industry category field were classified as unknown.

**State of Indiana**  
**Personal Income Tax Filers and Liability by Income Level**  
**Fiscal Years 2013 and 2022**

*(in millions of dollars)*

Income Level	Fiscal Year 2013				Fiscal Year 2022			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
\$50,000 and under	2,223,549	68.61%	1,767	26.04%	2,113,079	64.38%	1,917	22.09%
\$50,001 - \$100,000	673,259	20.77%	1,968	29.00%	689,691	21.01%	2,282	26.28%
\$100,001 - \$250,000	300,704	9.28%	1,773	26.12%	405,866	12.36%	2,645	30.46%
\$250,001 - \$1,000,000	38,994	1.20%	732	10.79%	68,082	2.07%	1,236	14.23%
\$1,000,001 and over	4,378	0.14%	547	8.06%	5,909	0.18%	603	6.94%
<b>Total</b>	<b>3,240,884</b>	<b>100.00%</b>	<b>6,787</b>	<b>100.00%</b>	<b>3,282,627</b>	<b>100.00%</b>	<b>8,683</b>	<b>100.00%</b>

Source: Indiana Department of Revenue

**State of Indiana**  
**Personal Income by Industry**  
**Last Ten Fiscal Years**

(in millions of dollars)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Farm earnings	\$ 2,291	\$ 5,354	\$ 3,060	\$ 1,324	\$ 1,613	\$ 1,555	\$ 1,571	\$ 1,125	\$ 2,627	\$ 3,731
Agriculture, forestry, fishing, and hunting	391	454	520	650	602	567	513	572	(A)	527
Mining	689	666	661	573	514	585	573	552	(A)	467
Construction and utilities	13,782	13,422	13,378	13,572	14,006	14,988	15,815	16,925	17,498	18,553
Manufacturing	35,794	36,744	39,178	41,104	41,322	43,129	45,177	45,312	43,919	47,421
Wholesale trade	9,014	9,221	9,609	9,947	9,926	10,344	10,873	11,161	11,659	12,373
Retail trade	10,460	10,773	11,224	11,911	12,401	12,411	12,636	12,638	13,184	14,478
Transportation and warehousing	7,874	8,052	8,444	8,912	9,074	9,619	10,295	10,687	11,069	12,219
Information	2,762	2,815	2,950	2,779	2,695	2,679	2,641	2,635	2,480	2,726
Finance and insurance	7,798	7,912	8,355	8,857	9,206	9,638	9,965	10,260	10,821	11,497
Real estate and rental and leasing	9,141	8,721	8,203	8,850	9,559	9,159	10,511	13,706	16,643	17,704
Services (B)	31,362	32,170	34,069	35,604	36,834	38,289	40,459	41,720	41,635	46,339
Management of companies and enterprises	3,033	3,320	3,501	3,732	3,986	4,120	4,225	4,259	4,169	4,664
Health care and social assistance	22,047	22,694	23,400	24,619	26,028	27,208	28,339	29,549	30,910	32,578
Arts, entertainment, and recreation	1,570	1,829	1,944	1,956	1,928	1,964	2,065	2,157	1,811	2,015
Government and government enterprises	23,480	23,256	24,030	24,394	25,153	25,994	27,269	27,763	28,431	29,112
<b>Total personal income</b>	<b>\$ 181,488</b>	<b>\$ 187,403</b>	<b>\$ 192,526</b>	<b>\$ 198,784</b>	<b>\$ 204,847</b>	<b>\$ 212,249</b>	<b>\$ 222,927</b>	<b>\$ 231,021</b>	<b>\$ 236,856</b>	<b>\$ 256,404</b>

(A) Not shown to avoid disclosure of confidential information

(B) The Services industry includes professional, scientific, and technical services, administrative and waste management services, educational services, accommodation and food services, and other services, except public administration.

**Source:** U.S. Department of Commerce - Bureau of Economic Analysis, SAINC5N - Personal income by major component and earnings by NAICS industry

**State of Indiana**  
**Personal Income Tax Rates**  
**Last Ten Fiscal Years**

	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Personal Income Tax Revenues (in millions)	\$ 4,620	\$ 4,889	\$ 5,233	\$ 5,266	\$ 5,435	\$ 5,816	\$ 6,057	\$ 5,272	\$ 7,532	\$ 7,926
Personal Income (in millions)	258,136	261,702	272,245	282,821	290,604	300,965	315,740	329,625	354,338	384,520
Average Effective Rate <sup>1</sup>	1.8%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.6%	2.1%	2.1%

	Tax Rates on the Portion of Taxable Income in Ranges <sup>2</sup>									
	Tax Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Income Range (in thousands)										
\$0-20	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
\$21-40	2.5%	2.5%	2.5%	2.5%	2.5%	2.4%	2.4%	2.4%	2.4%	2.4%
\$41-60	2.9%	2.9%	2.9%	2.8%	2.8%	2.7%	2.7%	2.7%	2.7%	2.7%
\$61-80	3.0%	3.0%	3.0%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%
\$81-100	3.1%	3.1%	3.1%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
\$101-120	3.2%	3.2%	3.2%	3.1%	3.1%	3.0%	3.0%	3.0%	3.0%	3.0%
\$121+	3.2%	3.2%	3.2%	3.1%	3.1%	3.0%	3.0%	3.0%	3.0%	3.0%

<sup>1</sup> Average effective rate equals tax collections divided by income.

<sup>2</sup> This assumes (a) a married couple files jointly with two additional exemptions claimed for eligible dependents and (b) state taxable income equals federal adjusted gross income minus renter's/homeowner's property tax deduction minus exemptions. The State income tax rate was 3.4% from 2012 through 2014, 3.3% for 2015 and 2016, and 3.23% for 2017 through 2021.

**Sources: U.S. Department of Commerce - Bureau of Economic Analysis; Auditor of State Financial Records; U.S. Census Bureau; & Indiana Department of Revenue Tax Forms.**

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**State of Indiana**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

*(in thousands of dollars)*

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Governmental activities</b>										
Financed purchases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 644,482
Leases	1,156,910	1,112,599	1,057,910	1,000,258	822,444	974,346	904,809	832,347	762,395	200,510
<b>Total Governmental Activities</b>	<u>1,156,910</u>	<u>1,112,599</u>	<u>1,057,910</u>	<u>1,000,258</u>	<u>822,444</u>	<u>974,346</u>	<u>904,809</u>	<u>832,347</u>	<u>762,395</u>	<u>844,992</u>
<b>Total Primary Government</b>	<u>\$ 1,156,910</u>	<u>\$ 1,112,599</u>	<u>\$ 1,057,910</u>	<u>\$ 1,000,258</u>	<u>\$ 822,444</u>	<u>\$ 974,346</u>	<u>\$ 904,809</u>	<u>\$ 832,347</u>	<u>\$ 762,395</u>	<u>\$ 844,992</u>
<b>Debt as a Percentage of Personal Income</b>	0.4%	0.4%	0.4%	0.3%	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%
<b>Amount of Debt per Capita</b> <i>(in whole dollars)</i>	\$ 176	\$ 168	\$ 160	\$ 150	\$ 123	\$ 145	\$ 134	\$ 123	\$ 112	\$ 124

## State of Indiana

### State Facts

<b>AREA</b>	36,420 square miles, which includes 593 square miles of water. Longest point, 276 miles; widest point, 150 miles. Highest altitude, 1,257 feet in Wayne County lowest altitude, 320 feet in Posey County.
<b>CLIMATE</b>	Four distinct seasons. Record temperature high: 116 degrees at Collegeville in 1936. Record temperature low: 36 below zero at New Whiteland in 1994.
<b>STATE CAPITAL</b>	Indianapolis (combination of Indiana and Greek word "polis" meaning city -- therefore, Indianapolis means "city of Indiana.")
<b>STATE MOTTO</b>	The Crossroads of America. Adopted 1937.
<b>STATE FLOWER</b>	Peony. Adopted 1957.
<b>STATE TREE</b>	Tulip tree (yellow poplar). Adopted 1931.
<b>STATE BIRD</b>	Cardinal. Adopted 1933.
<b>STATE SONG</b>	"On the Banks of the Wabash, Far Away" by Paul Dresser. Adopted 1913.
<b>STATE POEM</b>	"Indiana", by Arthur Franklin Mapes, Kendallville. Adopted 1963.
<b>STATE STONE</b>	Limestone. Adopted 1971.
<b>STATE SEAL</b>	The seal depicts a pioneer scene: a woodsman felling a tree, a bison fleeing from the sound of the axe and the sun gleaming over a distant hill. In use since 1801, the seal was officially adopted in 1963.
<b>STATE FLAG</b>	The Indiana flag displays 19 gold stars surrounding a gold torch centered on a rectangular field of blue. The torch stands for liberty and enlightenment. Thirteen stars in the outer circle represent the 13 original states; the five in the inner circle represent the five states next admitted to the Union. The star above the torch stands for Indiana, the 19th state. Adopted 1917.
<b>STATE NAME</b>	The name Indiana means "land of the Indians." It was coined in 1800 when Congress carved the new state of Ohio from the Northwest Territory and designated the remaining vast area as the Indiana Territory. The territorial name was retained when Indiana became a state in 1816.
<b>NICKNAME</b>	Residents of Indiana have long been referred to as "Hoosiers," and according to the Indiana Historical Bureau, the term came into general usage in the 1830s as a result of a poem entitled "The Hoosiers Nest" by John Finley of Richmond. On January 8, 1933, John W. Davis offered "Hoosier State" as a toast at the Jackson Dinner. The origins of the actual word have been in debate for well over a century. The earliest written documentation of Hoosier was in 1827 in a diary quoted by Sandford Cox. The oral tradition goes back much earlier.

#### Sources:

US Census Bureau - [census.gov](http://census.gov).

US Geological Society - [usgs.gov](http://usgs.gov).

Indiana Department of Administration - [in.gov/idoa](http://in.gov/idoa).

National Centers for Environmental Information - [ncdc.noaa.gov](http://ncdc.noaa.gov).

Indiana Historical Bureau - [in.gov/history](http://in.gov/history).

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**State of Indiana  
County Facts**

County Name	2022	Area Sq. Miles	2022	2022	2021 County Bridges <sup>2</sup>	County Name	2022	Area Sq. Miles	2022	2022	2022 County Bridges <sup>2</sup>
	Total Population <sup>1</sup>		County Road Miles	Municipal Street Miles			Total Population <sup>1</sup>		County Road Miles	Municipal Street Miles	
ADAMS	35,809	345	673.85	104.92	160	MARION	980,664	392	1,932.14	1,617.66	536
ALLEN	385,296	671	1,327.33	1,303.96	390	MARSHALL	46,095	443	910.28	134.22	116
BARTHOLOMEW	81,845	402	687.75	286.50	202	MARTIN	9,812	345	368.92	31.35	45
BENTON	9,069	409	660.10	58.78	118	MIAMI	36,213	377	785.29	87.28	127
BLACKFORD	11,980	167	321.81	60.18	59	MONROE	139,718	386	715.18	275.81	153
BOONE	70,836	427	735.21	310.60	189	MONTGOMERY	37,936	507	826.97	110.43	172
BROWN	15,475	319	381.90	11.89	83	MORGAN	71,780	406	675.25	154.54	140
CARROLL	20,306	347	755.81	44.37	116	NEWTON	13,830	413	659.03	41.82	122
CASS	37,870	415	866.40	124.59	121	NOBLE	46,866	412	812.18	117.16	64
CLARK	121,093	384	483.18	436.22	141	OHIO	5,940	87	135.14	11.96	32
CLAY	26,466	364	663.86	90.10	157	ORANGE	19,867	405	604.82	68.48	106
CLINTON	33,190	407	772.44	100.58	162	OWEN	21,321	390	623.64	24.05	111
CRAWFORD	10,905	312	460.73	34.97	79	PARKE	16,156	445	732.91	45.48	175
DAVISS	33,381	430	787.56	119.63	125	PERRY	19,170	384	484.80	64.58	99
DEARBORN	50,679	306	501.69	88.55	101	PIKE	12,250	335	543.53	30.23	110
DECATUR	26,843	370	635.74	93.50	181	PORTER	173,215	425	787.94	540.46	127
DEKALB	43,390	366	706.18	158.16	102	POSEY	25,222	412	704.63	69.93	149
DELAWARE	112,082	396	785.11	462.39	194	PULASKI	12,514	433	876.31	32.24	73
DUBOIS	43,637	433	650.12	190.01	164	PUTNAM	36,726	490	749.45	89.91	221
ELKHART	207,371	468	1,143.58	487.11	172	RANDOLPH	24,315	457	856.35	85.79	217
FAYETTE	23,326	215	376.73	67.87	86	RIPLEY	30,929	442	704.46	91.75	134
FLOYD	80,484	149	346.37	188.67	87	RUSH	16,824	409	745.34	43.72	194
FOUNTAIN	16,479	397	650.23	75.05	143	SAINT JOSEPH	272,912	396	1,131.96	736.53	101
FRANKLIN	20,851	394	625.28	27.86	118	SCOTT	24,384	466	307.30	63.00	73
FULTON	20,480	368	777.80	54.89	57	SHELBY	44,493	193	831.23	112.96	186
GIBSON	33,011	498	949.10	140.23	252	SPENCER	19,810	409	738.77	72.77	166
GRANT	66,423	421	798.02	286.19	189	STARKE	23,371	310	672.86	59.07	58
GREENE	30,803	549	870.97	104.51	161	STEUBEN	34,310	309	617.34	101.48	49
HAMILTON	347,467	401	548.89	1,515.62	305	SULLIVAN	20,817	457	852.54	90.26	178
HANCOCK	76,587	305	640.06	231.71	157	SWITZERLAND	9,737	221	354.70	11.71	41
HARRISON	39,275	479	856.91	40.53	74	TIPPECANOE	185,901	500	858.97	446.76	208
HENDRICKS	174,764	417	755.83	552.66	240	TIPTON	15,355	261	559.33	45.45	84
HENRY	48,706	400	777.30	149.88	142	UNION	7,087	168	264.55	14.69	42
HOWARD	83,658	293	586.18	342.03	136	VANDEBURGH	180,136	241	561.90	565.57	157
HUNTINGTON	37,161	369	668.91	131.15	114	VERMILLION	15,439	263	394.40	81.89	76
JACKSON	46,428	520	728.13	135.92	183	VIGO	106,153	415	836.87	369.91	188
JASPER	32,918	562	929.74	89.01	126	WABASH	30,976	398	728.33	117.85	156
JAY	20,610	386	733.96	82.20	162	WARREN	8,440	368	543.65	27.06	94
JEFFERSON	33,147	366	529.36	90.01	101	WARRICK	63,898	391	747.26	107.98	114
JENNINGS	27,613	377	665.33	49.44	128	WASHINGTON	28,182	561	766.05	70.09	114
JOHNSON	162,319	315	581.75	472.37	158	WAYNE	66,553	405	685.28	260.43	233
KNOX	36,282	516	869.57	175.27	206	WELLS	27,795	368	712.67	95.44	131
KOSCIUSKO	79,916	540	1,165.55	211.43	108	WHITE	24,688	497	914.87	79.54	165
LAGRANGE	41,037	381	780.86	42.01	57	WHITLEY	34,191	337	630.00	70.63	88
LAKE	498,700	513	520.10	2,078.37	178						
LAPORTE	112,417	607	1,028.06	358.30	119						
LAWRENCE	45,011	459	658.71	135.34	127						
MADISON	130,141	453	869.94	563.36	216						
						<b>Total</b>	<b>6,785,528</b>	<b>36,117</b>	<b>65,235.38</b>	<b>20,328.81</b>	<b>13,071</b>

(1) Represents 2020 decennial census, as adopted by governor executive order.  
(2) Most recent reported per the Association of Indiana Counties 2022 County Fact Book.

Sources: Association of Indiana Counties 2022 County Fact Book, Indiana Department of Transportation, US Department of Commerce - Bureau of

**State of Indiana  
Demographic and Economic Statistics  
Last Ten Calendar Years**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Population</b>										
State (in thousands)	6,546	6,581	6,610	6,629	6,658	6,686	6,726	6,762	6,786	6,806
Percentage change	0.4%	0.5%	0.4%	0.3%	0.4%	0.4%	0.6%	0.5%	0.4%	0.3%
National (in thousands)	314,344	316,735	319,270	321,829	324,368	326,623	328,542	330,233	331,501	331,894
Percentage change	0.8%	0.8%	0.8%	0.8%	0.8%	0.7%	0.6%	0.5%	0.4%	0.1%
<b>Total Personal Income</b>										
State (in millions)	258,136	261,702	272,245	282,821	290,604	300,965	315,740	329,625	354,338	384,520
Percentage change	4.7%	1.4%	4.0%	3.9%	2.8%	3.6%	4.9%	4.4%	7.5%	8.5%
National (in millions)	14,003,346	14,189,228	14,969,527	15,681,233	16,092,713	16,837,337	17,671,054	18,575,467	19,812,171	21,288,709
Percentage change	5.0%	1.3%	5.5%	4.8%	2.6%	4.6%	5.0%	5.1%	6.7%	7.5%
<b>Per Capita Personal Income</b>										
State	39,433	39,766	41,188	42,667	43,645	45,015	46,945	48,749	52,219	56,497
Percentage change	4.2%	0.8%	3.6%	3.6%	2.3%	3.1%	4.3%	3.8%	7.1%	8.2%
National	44,548	44,798	46,887	48,725	49,613	51,550	53,786	56,250	59,765	64,143
Percentage change	4.2%	0.6%	4.7%	3.9%	1.8%	3.9%	4.3%	4.6%	6.2%	7.3%
<b>Resident Civilian Labor Force and Employment</b>										
Civilian labor force (in thousands)	3,173	3,194	3,229	3,266	3,332	3,334	3,386	3,394	3,323	3,322
Employed (in thousands)	2,912	2,954	3,037	3,110	3,186	3,217	3,271	3,282	3,083	3,203
Unemployed (in thousands)	261	240	192	157	145	117	115	111	240	118
Unemployment rate	8.2%	7.5%	5.9%	4.8%	4.4%	3.5%	3.4%	3.3%	7.2%	3.6%
<b>State and Area Employment</b>										
<b>Goods-producing industries</b>										
Mining and logging	6,800	7,100	7,200	6,500	6,000	6,100	6,300	6,100	5,000	5,200
Construction	124,800	121,900	125,000	130,400	135,700	138,900	143,000	147,000	148,100	156,600
Manufacturing	485,400	496,800	514,700	520,400	526,200	538,300	544,100	538,200	517,900	534,100
Subtotal goods-producing industries	617,000	625,800	646,900	657,300	667,900	683,300	693,400	691,300	671,000	695,900
<b>Service-producing industries</b>										
Wholesale trade	115,400	116,300	117,700	117,400	117,300	119,400	122,100	124,200	119,500	124,800
Retail trade	309,600	314,700	315,200	320,100	323,700	322,300	319,800	315,600	313,000	313,900
Transportation, warehousing, and utilities	137,800	141,400	143,700	151,300	154,700	153,400	157,100	165,100	172,600	178,600
Information	35,900	35,900	34,400	33,300	32,500	30,900	28,800	28,600	25,100	26,400
Financial activities	129,000	128,400	129,100	132,900	135,000	138,000	140,800	143,000	143,100	145,200
Professional and business services	301,500	320,000	331,000	334,900	336,200	339,900	341,500	346,200	336,700	359,800
Education and health services	436,100	437,900	439,800	452,800	461,400	468,300	457,400	482,100	464,100	462,300
Leisure and hospitality	288,200	292,400	297,400	303,900	306,500	310,000	311,900	315,500	267,500	297,900
Other services	121,300	125,400	125,800	126,100	125,800	126,000	126,900	128,200	117,000	125,500
Federal government	37,600	36,200	36,500	37,100	38,100	37,700	38,300	39,200	39,900	38,700
State government	112,400	118,000	117,300	118,100	115,400	119,000	116,000	114,500	103,900	116,200
Local government	274,400	274,000	274,500	273,900	272,100	274,200	274,000	273,000	259,100	264,100
Subtotal service-producing industries	2,299,200	2,340,600	2,362,400	2,401,800	2,418,700	2,439,100	2,434,600	2,475,200	2,361,500	2,453,400
<b>Total Nonfarm Wage and Salary Employment</b>	<b>2,916,200</b>	<b>2,966,400</b>	<b>3,009,300</b>	<b>3,059,100</b>	<b>3,086,600</b>	<b>3,122,400</b>	<b>3,128,000</b>	<b>3,166,500</b>	<b>3,032,500</b>	<b>3,149,300</b>

Sources: U.S. Department of Commerce - Bureau of Economic Analysis (BEA), U.S. Department of Labor - Bureau of Labor Statistics, and U.S. Census Bureau (via BEA data).

<b>State of Indiana</b>			
<b>Twenty Largest Indiana Public Companies</b>			
(ranked by 2020 revenue)			
<b>Ranking</b>	<b>Company</b>	<b>2020 Revenue (in millions)</b>	<b>City</b>
1	Anthem Inc.	\$ 121,900	Indianapolis
2	Eli Lilly and Co.	24,500	Indianapolis
3	Cummins Inc.	19,800	Columbus
4	Berry Global Group Inc.	11,700	Evansville
5	Steel Dynamics Inc.	9,600	Fort Wayne
6	Thor Industries	8,200	Elkhart
7	Zimmer Miomet Holdings Corp.	7,000	Warsaw
8	NiSource Inc.	4,700	Merrillville
9	Simon Property Group Inc.	4,600	Indianapolis
10	OneMain Holdings	3,900	Evansville
11	CNO Financial Group Inc.	3,800	Carmel
12	Elanco Animal Health Inc.	3,300	Greenfield
13	LCI Industries	2,800	Indianapolis
14	Allegion PLC	2,700	Carmel
15	Hillenbrand Inc.	2,500	Batesville
15	Patrick Industries Inc.	2,500	Elkhart
17	Calument Specialty Products Partners LP	2,300	Indianapolis
18	KAR Global	2,200	Carmel
18	Allison Transmission	2,100	Indianapolis
20	Infrastructure and Energy Alternatives Inc.	1,800	Indianapolis

Source: Indianapolis Business Journal, 2022 Book of Lists

<b>State of Indiana</b>			
<b>Twenty Largest Indiana Private Companies</b>			
(Ranked by 2020 Revenue)			
<b>Ranking</b>	<b>Company</b>	<b>2020 Revenue (in millions)</b>	<b>City</b>
1	Do It Best Corp.	\$ 3,600	Fort Wayne
2	OneAmerica Financial Partners, Inc.	2,700	Indianapolis
3	Cook Group Inc.	2,100	Bloomington
4	Round Room LLC	1,800	Fishers
5	Petroleum Traders Corp.	1,600	Fort Wayne
6	F.A. Wilhelm Construction Co. Inc.	1,300	Indianapolis
7	The Rohrman Automotive Group	1,200	Lafayette
7	Steel Warehouse Co. LLC	1,200	South Bend
9	Sweetwater Sound Inc.	1,100	Fort Wayne
9	USIC LLC	1,100	Indianapolis
11	Republic Airways Inc.	990	Indianapolis
12	Indiana Farm Bureau Insurance - Property/Casualty & Life	954	Indianapolis
13	LDI Ltd. LLC	924	Indianapolis
14	Ray Skillman Auto Centers	877	Indianapolis
15	Co-Alliance LLP	876	Avon
16	Elwood Staffing	867	Columbus
17	Atlas World Group Inc.	806	Evansville
18	Federal Home Loan Bank of Indianapolis	798	Indianapolis
19	CountryMark	776	Indianapolis
20	Koch Enterprises Inc.	774	Evansville

Source: Indianapolis Business Journal, 2022 Book of Lists

**State of Indiana  
Principal Employers  
Current Year and Nine Years Ago**

	2021			2012		
	Employees	Rank	Percentage of Total State Employment	Employees	Rank	Percentage of Total State Employment
Walmart Inc.	44,779	1	1.46%	38,419	1	1.32%
U.S. Government	38,900	2	1.27%	37,400	2	1.29%
Indiana University Health	31,585	3	1.03%	26,596	4	0.92%
State of Indiana (1)	30,802	4	1.00%	28,007	3	0.96%
Indiana University	24,642	5	0.80%	16,910	7	0.58%
The Kroger Co.	21,262	6	0.69%	18,128	5	0.62%
Thor Industries	15,528	7	0.51%	N/A		
Community Health Network	15,503	8	0.50%	9,663	11	0.33%
Franciscan Alliance Inc.	14,931	9	0.49%	12,063	9	0.42%
Purdue University	14,657	10	0.48%	14,722	8	0.51%
Ascension St. Vincent	13,198	11	0.43%	17,398	6	0.60%
FedEx Corp.	12,000	12	0.39%	8,000	13	0.28%
Eli Lilly and Co.	10,895	13	0.35%	11,008	10	0.38%
Cummins Inc.	10,100	14	0.33%	8,200	12	0.28%
City of Indianapolis/Marion County	8,051	15	0.26%	7,964	14	0.27%
Cleveland-Cliffs	7,982	16	0.26%	N/A		
Stellantix	7,300	17	0.24%	N/A		
Cook Group Inc.	7,167	18	0.23%	N/A		
Toyota Motor Manufacturing Indiana Inc.	7,000	19	0.23%	4,100	23	0.14%
Subaru of Indiana Automotice Inc.	6,700	20	0.22%	N/A		
<b>Total</b>	<b>342,982</b>		<b>11.16%</b>	<b>258,578</b>		<b>8.91%</b>

(1) Full time State employees paid through the Auditor of State's Office as of June 2021 and June 2012.

N/A = Not available

**Sources: Indianapolis Business Journal, 2022 and 2013 Book of Lists; and Auditor of State payroll records.**

**State of Indiana  
School Enrollment  
Last Ten Fiscal Years**

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Public School Enrollment, Grades K-12										
Elementary (KG through Grade 6)	529,117	528,983	545,200	545,600	548,908	548,157	549,182	550,468	551,803	554,421
Secondary (Grades 7 through 12)	484,583	486,091	483,080	487,867	484,162	481,034	477,886	478,186	479,581	476,685
Total, all grades	<u>1,013,700</u>	<u>1,015,074</u>	<u>1,028,280</u>	<u>1,033,467</u>	<u>1,033,070</u>	<u>1,029,191</u>	<u>1,027,068</u>	<u>1,028,654</u>	<u>1,031,384</u>	<u>1,031,106</u>
Public Higher Education Enrollment <sup>1</sup>										
Indiana University	79,387	79,386	80,763	81,472	81,896	83,141	86,424	85,540	85,373	84,786
Purdue University	57,499	57,358	55,305	55,280	55,131	55,351	56,476	56,645	56,701	57,284
Ball State University	15,846	16,321	18,013	18,268	18,175	19,014	18,771	18,231	18,255	18,340
Indiana State University	7,289	7,913	9,162	9,873	10,758	11,491	11,450	11,574	11,273	10,772
Ivy Tech Community College	30,753	27,708	29,882	35,007	34,992	40,324	42,708	45,065	49,727	56,024
University of Southern Indiana	5,916	6,333	6,904	7,105	7,369	8,182	8,137	7,668	7,822	8,215
Vincennes University	3,057	3,268	3,676	4,988	4,783	9,620	9,551	10,032	10,162	9,825
Total, public colleges and universities	<u>199,747</u>	<u>198,286</u>	<u>203,705</u>	<u>211,993</u>	<u>213,105</u>	<u>227,122</u>	<u>233,516</u>	<u>234,755</u>	<u>239,313</u>	<u>245,246</u>

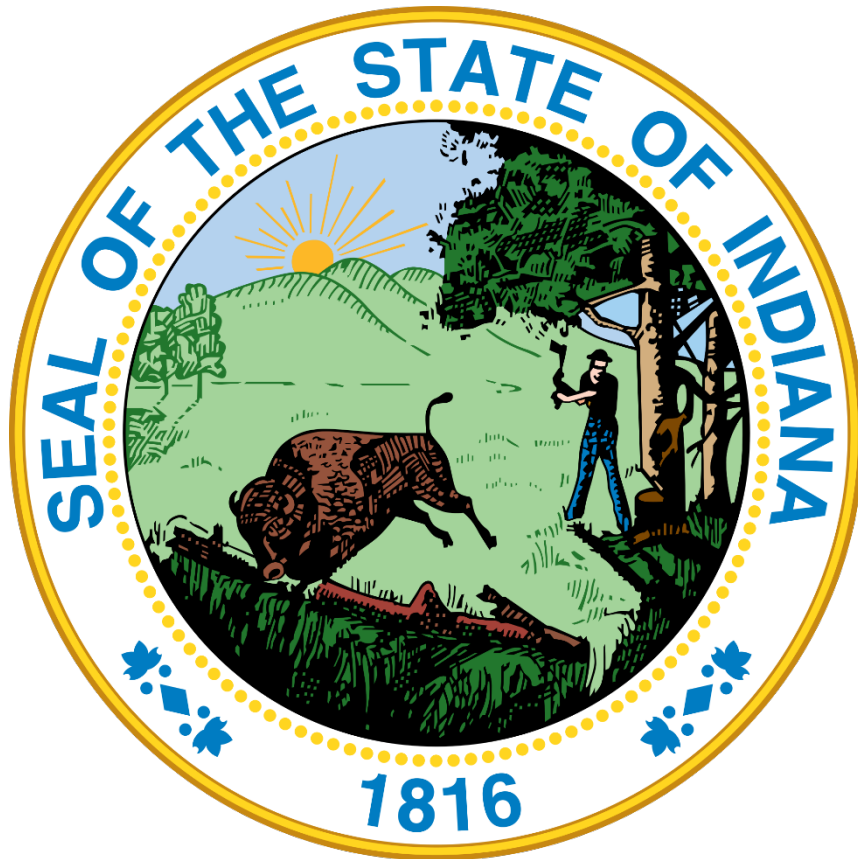
<sup>1</sup> based on Fall full-time equivalent enrollment. Starting with 2018, census counts are limited to degree-seeking students. Prior years include both degree and non-degree seeking students.

Sources: Indiana Commission for Higher Education (for Public Higher Education Enrollment); and Indiana Department of Education (for Grades K-12)

<b>State of Indiana</b>			
<b>Largest Indiana Private Colleges &amp; Universities</b>			
<b>(Ranked by Fall 2021 Full-Time Equivalent Enrollment)</b>			
<b>Ranking</b>	<b>Institution</b>	<b>Fall 2021 FTE Enrollment</b>	<b>Location</b>
1	University of Notre Dame	12,946	Notre Dame
2	Indiana Wesleyan University	9,536	Marion
3	University of Indianapolis	5,231	Indianapolis
4	Butler University	5,198	Indianapolis
5	WGU Indiana	5,032	Indianapolis
6	Trine University	4,153	Angola
7	Indiana Tech	4,152	Fort Wayne
8	Marian University	3,483	Indianapolis
9	Valparaiso University	2,857	Valparaiso
10	Rose-Hulman Institute of Technology	2,777	Terre Haute
11	University of Saint Francis	2,384	Fort Wayne
12	Taylor University	1,873	Upland
13	University of Evansville	1,833	Evansville
14	Grace College	1,769	Winona
15	DePauw University	1,708	Greencastle
16	Manchester University	1,269	North Manchester
17	Anderson University	1,218	Anderson

Source: Indianapolis Business Journal, 2022 Book of Lists

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### State of Indiana Operating Indicators by Function of Government Last Ten Fiscal Years

	Fiscal Year Ended June 30										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	
<b>General Government</b>											
Department of Revenue											
Number of Tax Returns Filed Electronically	(A)	N/A	3,182,833	3,096,968	2,988,230	2,903,057	2,820,773	2,767,493	2,734,420	2,721,693	2,565,620
Number of Tax Returns Processed	(A)	N/A	3,546,230	3,516,146	3,312,198	3,368,084	3,258,929	3,257,836	3,328,805	3,353,918	3,254,314
Percent of Tax Returns Filed Electronically	(A)	N/A	1	88.1%	90.2%	86.2%	86.6%	84.9%	82.1%	81.1%	78.8%
Number of Taxpayers Assisted - Walk-in	(B)(C)	65,583	49,994	44,239	66,636	48,823	64,986	77,184	65,414	102,120	12,969
Number of Taxpayers Assisted - Telephone	(B)	521,673	624,424	791,522	816,212	611,277	821,115	1,116,757	823,387	753,939	630,352
Number of Taxpayers Assisted - Online (INTIME) Messages	(B)	85,125	-	-	-	-	-	-	-	-	-
Number of Taxpayers Assisted - Total	(B)	672,381	674,418	835,761	882,848	660,100	886,101	1,193,941	888,801	856,059	643,321
Department of Administration											
Construction projects administered		26	43	53	49	66	48	50	53	43	33
Construction value excluding design fee (thousands)		\$116,033	\$31,109	\$54,818	\$45,056	\$42,516	\$45,102	\$44,200	\$36,352	\$27,613	\$27,448
<b>Public Safety</b>											
Department of Correction											
Department Active Personnel		5,742	5,761	5,729	5,870	5,880	5,935	6,121	6,074	6,094	6,256
Number of Adult Institutions		18	18	18	18	18	19	20	20	20	20
Incarcerated Offenders	(D)	23,523	24,086	25,884	27,106	26,628	25,731	25,993	27,693	29,329	29,156
Average Cost Per Diem		\$76.63	\$68.85	\$59.67	\$57.73	\$58.36	\$57.39	\$57.89	\$54.43	\$55.42	\$55.19
Contract Beds		118	107	422	188	198	263	307	301	341	333
Average Offender Age at Intake		34.6	35.1	33.9	33.7	33.3	33.0	33.0	32.9	33.6	32.7
Average Offender Age - Current		40.5	40.8	39.2	38.9	38.4	38.1	37.9	37.9	36.5	36.9
Supervised Offenders	(E)	6,187	6,104	6,139	6,268	6,763	7,577	8,865	9,596	9,689	10,385
State Police											
Active State Troopers		1,162	1,210	1,223	1,232	1,223	1,251	1,201	1,242	1,241	1,243
Number of Traffic Citations Issued		147,815	146,028	142,831	204,290	217,771	205,525	229,829	207,919	231,683	323,604
Number of Firearm Permits Issued		90,061	166,558	64,453	58,442	69,264	78,376	117,993	83,603	103,062	84,831
Number of Limited Criminal History Searches (fee)		325,896	282,069	299,914	349,770	373,767	346,657	325,802	324,612	294,152	247,458
Number of Limited Criminal History Searches (no fee)		215,479	198,700	402,356	464,136	490,877	519,751	533,172	442,088	424,537	396,197
<b>Health</b>											
Department of Health											
Number of Birth and Death Certificates Issued		46,886	62,481	31,738	41,250	70,195	76,696	79,076	41,454	34,012	42,076
Number of Adoption Records Received		4,366	4,153	6,818	5,245	4,529	4,363	3,936	3,936	3,904	1,831
Number of Marriage Records Received		40,693	42,079	36,117	39,944	43,452	43,382	49,157	44,143	44,841	41,301
<b>Welfare</b>											
FSSA											
Medicaid and Children's Health Insurance Program (CHIP) recipients		2,151,422	1,958,867	1,793,351	1,746,096	1,760,489	1,745,418	1,726,948	1,500,587	1,365,748	1,303,958
Temporary Assistant for Needy Families (TANF) recipients		8,292	16,442	18,959	11,259	12,938	14,801	16,832	19,290	22,396	28,285
Supplemental Nutritional Assistance Program (SNAP) recipients		616,629	635,385	774,757	588,987	601,062	654,722	720,822	814,959	879,342	924,180
<b>Conservation, Culture, and Development</b>											
Department of Natural Resources											
Visitation to State Museum											
Hunting licenses sold		381,664	411,146	350,850	315,787	345,846	357,822	311,457	375,061	395,258	400,575
Fishing licenses sold		355,409	430,649	468,460	409,391	413,852	416,420	415,088	459,630	474,361	418,535
Trapping licenses sold		3,889	4,600	4,238	4,061	4,049	4,131	4,929	5,556	5,670	4,609

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**State of Indiana**  
**Operating Indicators by Function of Government**  
**Last Ten Fiscal Years**

	Fiscal Year Ended June 30									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Transportation</b>										
Department of Transportation										
Construction projects administered	456	511	516	512	421	455	545	528	487	379
Construction value excluding design fee (thousands)	\$ 303,310	\$ 438,242	\$ 467,273	\$ 294,662	\$ 339,919	\$ 253,384	\$ 299,045	\$ 307,686	\$ 262,629	\$ 248,003
Construction awarded amount (thousands)	\$ 1,673,071	\$ 2,549,101	\$ 2,122,305	\$ 1,164,878	\$ 1,225,911	\$ 1,071,018	\$ 1,000,398	\$ 935,990	\$ 954,516	\$ 1,018,335
<b>Business-type activities</b>										
Unemployment Insurance										
Number of payments made to claimants (thousands)	971	4,389	8,068	820	886	1,071	1,251	1,469	2,032	2,324
Percentage of unemployment	2.7%	5.3%	5.5%	3.5%	3.4%	3.9%	4.3%	4.9%	5.9%	8.4%

**Notes:**

(A) Tax Year (January 1 - December 30)

(B) Fiscal Year (July 1-June 30)

(C) 2014 through 2021 walk-ins assisted included the DoR's main, district, and motor carrier offices. Prior years included only the main office.

(D) Includes inmates held in county jails and contract beds

(E) Excludes Indiana parolees on parole in other states; includes other states parolees supervised by Indiana

**Sources: Various state agencies.**

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## State of Indiana Capital Assets Statistics by Function of Government Last Ten Fiscal Years

Function	Fiscal Year Ended June 30									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Conservation, Culture and Development</b>										
<i>Department of Natural Resources</i>										
Acres of land (parks, lakes, etc.) owned	413,019	411,596	410,474	437,442	433,472	435,487	413,835	411,686	414,212	410,817
Number of state parks	31	29	24	24	24	24	24	24	24	24
Number of reservoirs	8	8	8	8	8	8	8	8	8	8
Number of state forests	17	15	15	15	15	15	15	15	16	16
Number of fish & wildlife areas	23	23	23	23	21	21	25	26	26	26
Number of dams	130	131	131	131	131	132	132	132	133	133
Number of vehicles	1,160	1,274	1,690	1,672	1,761	1,877	1,986	1,996	2,041	2,071
Number of watercraft, registered	601	736	794	645	730	735	746	799	822	901
Number of watercraft, non-registered	408	380	381	363	332	315	319	324	306	210
<b>Education</b>										
<i>Department of Education</i>										
Number of public schools, K-12	1,910	1,895	1,916	1,912	1,913	1,925	1,926	1,938	1,923	1,928
Number of non-public schools, K-12 (A)	356	339	316	304	302	309	308	301	301	304
<i>Commission for Higher Education</i>										
Number of public postsecondary institutions										
number of institutions	7	7	7	7	7	7	7	7	7	7
number of campuses	38	38	38	38	38	36	43	41	43	43
Number of private not-for-profit postsecondary institutions										
number of institutions	29	29	30	30	30	30	31	31	29	31
number of campuses	29	29	30	30	30	30	31	31	29	31
Number of private for profit postsecondary institutions (B)										
number of institutions	31	30	27	25	27	29	31	29	29	32
number of campuses	36	34	33	31	42	48	59	59	59	61
<b>General Government</b>										
<i>Department of Administration</i>										
Number of buildings	12	12	12	12	12	12	12	10	10	10
Number of fleet service vehicles (C)	3,198	3,089	3,053	2,476	1,725	1,211	1,341	235	239	285
<b>Public Safety</b>										
<i>Department of Correction</i>										
Number of adult facilities	18	18	18	18	18	19	20	20	20	20
Number of juvenile facilities	3	3	3	3	3	4	4	4	4	4
Number of parole facilities	10	10	10	10	10	10	10	10	10	10
Number of vans	256	265	270	272	274	280	282	284	289	299
<i>State Police</i>										
Number of state police posts	14	14	14	14	14	14	14	14	14	14
Number of state police cars	1,804	1,985	1,999	1,961	1,769	1,797	1,699	1,728	1,937	2,080
Number of aircraft	5	5	5	5	5	3	3	3	5	6
Number of trailers	109	126	126	125	125	125	118	117	121	120
<b>Transportation</b>										
<i>Department of Transportation</i>										
Number of interstate miles	1,287	1,287	1,287	1,285	1,265	1,265	1,265	1,238	1,236	1,238
Number of non-interstate miles	9,756	9,811	9,871	9,917	9,941	9,937	9,944	9,947	9,933	9,930
Number of interstate and non-interstate total miles	11,043	11,098	11,158	11,202	11,206	11,202	11,209	11,185	11,169	11,168
Number of interstate bridges	1,451	1,444	1,451	1,450	1,431	1,433	1,432	1,381	1,392	1,377
Number of non-interstate bridges	4,366	4,367	4,359	4,358	4,361	4,324	4,317	4,308	4,233	4,081
Number of interstate and non-interstate total bridges	5,817	5,811	5,810	5,808	5,792	5,757	5,749	5,689	5,625	5,458
Acreage from excess land	11,244	11,196	11,119	11,247	11,358	11,339	11,513	7,165	5,974	6,022
Acreage from fixed assets	8,793	8,832	9,213	2,894	2,385	2,269	2,278	2,262	2,243	2,262
Total acres of land owned	20,037	20,028	20,332	14,141	13,743	13,608	13,791	9,427	8,217	8,284
Number of heavy equipment owned	3,172	3,144	3,238	2,789	3,072	3,457	3,259	3,186	3,101	2,827
<b>Welfare</b>										
<i>Family and Social Services Administration</i>										
Number of hospitals owned	7	7	7	7	6	6	6	6	6	6
<b>Health</b>										
<i>Indiana State Department of Health</i>										
Number of pieces of laboratory equipment	822	853	827	747	825	720	751	751	749	757

**Notes:**

(A) Includes only the accredited and freeway schools.

(B) Institutions authorized through the Board for Proprietary Education, which is administered through ICHE; the list includes eight not-for-profit institutions

(C) Increases since 2016 due to policy change requiring vehicle purchases to be made through the Department of Administration

**Sources:** Various state agencies.

## Full Time State Employees Paid Through The Auditor of State's Office

Function of Government	June 2022	June 2021	June 2020	June 2019	June 2018	June 2017	June 2016	June 2015	June 2014	June 2013
<b>General Government</b>	4,636	4,977	5,088	4,920	4,908	4,821	4,828	4,854	4,872	4,937
<b>Public Safety</b>	10,297	9,894	10,335	10,432	10,416	10,399	10,453	10,478	10,666	10,936
<b>Health</b>	770	810	815	758	753	745	744	773	783	794
<b>Welfare</b>	7,457	8,260	8,844	8,308	7,943	7,867	7,852	7,608	7,392	7,037
<b>Conservation, Culture and Development</b>	3,133	3,279	3,047	2,962	3,035	3,033	3,090	3,192	3,272	3,366
<b>Education</b>	680	607	602	601	616	606	620	619	641	532
<b>Transportation</b>	3,421	3,412	3,549	3,489	3,556	3,417	3,390	3,325	3,346	3,532
<b>Totals</b>	<b>30,394</b>	<b>31,239</b>	<b>32,280</b>	<b>31,470</b>	<b>31,227</b>	<b>30,888</b>	<b>30,977</b>	<b>30,849</b>	<b>30,972</b>	<b>31,134</b>
<b>G - Governor's Authority</b>	27,828	28,803	29,607	28,868	28,634	28,286	28,315	28,157	28,279	28,398
<b>J - Judiciary</b>	1,092	964	950	922	908	894	886	865	845	831
<b>O - Other Elected Officials</b>	831	896	1,147	1,124	1,095	1,062	1,107	1,083	1,065	1,049
<b>D - Disability Leave</b>	643	576	576	556	590	646	669	744	783	856
<b>Total</b>	<b>30,394</b>	<b>31,239</b>	<b>32,280</b>	<b>31,470</b>	<b>31,227</b>	<b>30,888</b>	<b>30,977</b>	<b>30,849</b>	<b>30,972</b>	<b>31,134</b>

**Notes:**

The Indiana Department of Education became a state agency under Governor's Authority in 2021 and was an elected office prior thereto.

In fiscal year 2022, a new payroll system was implemented. As part of this implementation, certain employees were recategorized leading to a difference in classification from years prior.

**Employees Other Than Full Time Paid Through The Auditor of State's Office**

<b>Function of Government</b>	<b>June 2022</b>	<b>June 2021</b>	<b>June 2020</b>	<b>June 2019</b>	<b>June 2018</b>	<b>June 2017</b>	<b>June 2016</b>	<b>June 2015</b>	<b>June 2014</b>	<b>June 2013</b>
<b>General Government</b>	133	190	151	208	188	180	209	185	182	173
<b>Public Safety</b>	288	807	1,368	209	204	159	169	141	410	260
<b>Health</b>	9	7	9	4	1	1	2	1	1	3
<b>Welfare</b>	168	184	162	165	310	298	300	295	319	35
<b>Conservation, Culture and Development</b>	1,240	1,343	1,233	1,543	1,513	1,546	1,462	1,433	1,511	1,480
<b>Education</b>	58	115	138	131	128	155	174	133	127	105
<b>Transportation</b>	80	45	44	115	125	138	110	66	64	154
<b>Totals</b>	<b>1,976</b>	<b>2,691</b>	<b>3,105</b>	<b>2,375</b>	<b>2,469</b>	<b>2,477</b>	<b>2,426</b>	<b>2,254</b>	<b>2,614</b>	<b>2,210</b>
<b>G - Governor's Authority</b>	1,904	2,604	3,028	2,286	2,378	2,387	2,312	2,135	2,502	2,103
<b>J - Judiciary</b>	14	17	12	19	19	19	22	25	25	17
<b>O - Other Elected Officials</b>	58	70	65	70	72	71	92	94	87	90
<b>Total</b>	<b>1,976</b>	<b>2,691</b>	<b>3,105</b>	<b>2,375</b>	<b>2,469</b>	<b>2,477</b>	<b>2,426</b>	<b>2,254</b>	<b>2,614</b>	<b>2,210</b>

**Notes:**

In fiscal year 2022, a new payroll system was implemented. As part of this implementation, certain employees were recategorized leading to a difference in classification from years prior.