INPRS

INDIANA PUBLIC RETIREMENT SYSTEM

2014 COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2014

The Indiana Public Retirement System is a pension trust fund of the State of Indiana.

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Public Employees' Retirement Fund | Teachers' Retirement Fund | 1977 Police Officers' and Firefighters' Pension and Disability Fund Judges' Retirement System | State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan | Prosecuting Attorneys' Retirement Fund | Legislators' Retirement System: *Defined Benefit Plan and Defined Contribution Plan* | State Employees' Death Benefit Fund | Public Safety Officers' Special Death Benefit Fund | Pension Relief Fund

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INPRS is a trust and an independent body, corporate and politic. The fund is not a department or agency of the State of Indiana, but is an independent instrumentality exercising essential governmental functions. (Indiana Code Section 5-10.5-2-3).

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2014 COMPREHENSIVE ANNUAL FINANCIAL REPORT

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Introductory Section

December 17, 2014

Dear Board Members:

It is with pleasure that we present the Comprehensive Annual Financial Report (CAFR) of the Indiana Public Retirement System (INPRS) for the fiscal year ended June 30, 2014.

About the System

As of June 30, 2014, INPRS was responsible for the investment of approximately $30.2 billion in net assets. For the year, INPRS paid approximately $2.2 billion in monthly retirement, disability and survivor benefits to 133,128 benefit recipients. INPRS received contributions of approximately $2.1 billion from 222,497 members actively employed in public service and 1,174 participating employers statewide, and the State of Indiana (as an employer or nonemployer contributing entity). INPRS also maintains accounts for 94,559 inactive members for a total membership of 450,184. Details about INPRS members and employers can be found in the Statistical Section of this report.

This report provides detailed information on the performance of nine (9) retirement plans administered by INPRS, including:

- Public Employees' Retirement Fund (PERF)
- Teachers' Retirement Fund Pre-1996 Account (TRF Pre-1996)
- Teachers' Retirement Fund 1996 Account (TRF 1996)
- 1977 Police Officers' and Firefighters' Pension and Disability Fund (1977 Fund)
- Judges' Retirement System (JRS)
- State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan (EG&C Plan)
- Prosecuting Attorneys' Retirement Fund (PARF)
- Legislators' Defined Benefit Plan (LEDB Plan)
- Legislators' Defined Contribution Plan (LEDC Plan)

INPRS also administers two (2) Other Postemployment Benefit Funds. Both are special death benefit funds for public safety officers and state employees who die in the line of duty. In addition, INPRS manages an Agency Fund. The agency fund is the Pension Relief Fund, which was created by the Indiana General Assembly to address the unfunded pension obligations of the police officers' and firefighters' pension systems of Indiana's cities and towns. INPRS is not responsible for the administration of those local pension funds, which have been closed to new membership since the creation of the 1977 Police Officers' and Firefighters' Pension and Disability Fund. However, INPRS makes disbursements from funds provided by the General Assembly to the local police and firefighter units throughout the state that are still obliged to pay benefits under those former plans.

Since their establishment, the laws governing the administration of INPRS-administered funds have changed and expanded in response to the needs of our members, employers, and citizens.

In 1955, the Annuity Savings Account (ASA) was established as a supplemental benefit to the then existing defined benefit for PERF and TRF members, making these plans amongst the first in the nation to adopt a hybrid plan design. With employers paying the necessary contribution to fund the defined benefit, employees have since been required to make a contribution into a member managed account. Members are immediately vested in their ASAs. Upon retirement, PERF and TRF members can withdraw their ASA balance in a lump sum or they can convert their balance into an annuitized amount that is added to their defined benefit. Non-vested inactive members (i.e., members who have not met the requirements for a defined pension benefit) may elect to withdraw their ASA balances upon termination of employment.

The 1995 legislative session brought several significant changes to TRF. Legislation was passed that closed the pay-as-you-go plan (the Pre-1996 Account) to newly hired members and created a new account named the 1996 Account. All teachers hired after June 30, 1995, would be members of the 1996 Account. The 1996 Account was established to be actuarially pre-funded by requiring school corporations to set aside a fixed percentage of payrolls for teacher retirement benefits. Also, in 1995, the General Assembly passed legislation creating the Pension Stabilization Fund (PSF), designed to partially fund TRF's unfunded liability of the Pre-1996 Account. The PSF was initially funded from $425 million of employer reserves from the Pre-1996 Account and, since that time, has received contributions from the Indiana State General Fund, contributions from the Indiana State Lottery, and interest earned from the investment of PSF assets. As of June 30, 2014, the PSF had a balance of $2.9 billion.

A public referendum held in 1996 approved an amendment to the Indiana Constitution to allow the funds to invest in equities. Since that time, INPRS has been able to diversify its investment asset classes and grow its asset base.

In 2000, legislation established that the fund's administrative bodies would no longer be state agencies but each would be an "independent body corporate and politic." This means INPRS is not a department or agency of the State, but is an independent instrument exercising essential government functions. Under Indiana law, INPRS is under the jurisdiction of the State Ethics Commission.

Effective July 1, 2011, the administration of the Indiana State Teachers' Retirement Fund (TRF), established in 1921, and the funds previously administered by the Indiana Public Employees' Retirement Fund (PERF), established in 1945, were consolidated as the Indiana Public Retirement System (INPRS).

Benefit Plan and Other Legislative Changes during Fiscal Year 2014

Several changes passed in fiscal year 2013 and took effect during fiscal year 2014:

- Legislation provided a one-time check (a.k.a. 13th check) to benefit recipients of PERF, TRF and the EG&C Plan in various amounts based on years of service. In addition, benefit recipients of the 1977 Fund and Judges' Retirement System received a cost of living (COLA) increase.
- Legislation provided that for a member of PERF who dies after June 30, 2013, the beneficiary on file at the time of the member's death is the beneficiary PERF will pay out.
- Legislation required that an order for restitution be issued by the sentencing court before money may be taken from a PERF or TRF member's account to compensate an employer for a criminal taking by the member.
- Legislation increased the state employee line of duty death benefit from $50,000 to $100,000 and under certain

conditions entitles stepchildren to receive survivor death benefits.

- Legislation clarified eligibility for the PERF ASA-Only Plan. This legislation provides that any government agency that pays employees through the Auditor of State is a mandatory employer participant. Quasi-governmental and state educational employers may choose to offer the ASA-Only Plan as an option for their qualified employees.
- Legislation provided that a PARF member who took a withdrawal upon separation from service and who returns to service may buy back service credit at the full amount, plus interest at a rate specified by the INPRS Board.
- Legislation provided that on or after July 1, 2013, full time employees of the Lottery Commission shall become members of PERF.
- Legislation eliminated PERF second retirements. This legislation provided that any retired PERF member reemployed in a PERF covered position July 1, 2013 and after shall not accrue a supplemental retirement benefit.
- Legislation provided several changes to the PARF plan including but not limited to 1) capped member contributions at 22 years of service, 2) provided immediate eligibility for disability benefits upon hire, 3) allowed members to receive full retirement benefits at age 65 or anytime after 55, if they meet the rule of 85, 4) increased the minimum survivor benefit from $7,000 to $12,000, and 5) clarified eligibility of certain survivor benefits to a surviving spouse and children.
- Legislation permitted certain 1977 Fund members who become employed by another participating employer to remain as a member of the 1977 Fund without undergoing another physical and mental examination for fund eligibility purposes.

Major changes passed in fiscal year 2014 that become effective in fiscal year 2015:

- Legislation provided a one-time check (a.k.a. 13th check) to benefit recipients of PERF, TRF and the EG&C Plan in various amounts based on years of service. In addition, benefit recipients of the 1977 Fund received a COLA increase.
- Legislation provided that INPRS keeps the annuity program in-house until January 1, 2017. Legislation also provided that between October 1, 2014 and September 30, 2015, the Board shall provide annuities to retiring and retired PERF and TRF members at a 5.75 percent interest rate. Between October 1, 2015 and December 31, 2016, the interest rate will be the greater of the market rate or 4.5 percent. After December 31, 2016, whenever the Board enters into an agreement with a third party provider, the interest rate will be the market rate.

Management's Responsibility for Financial Reporting

INPRS management has the fiduciary responsibility to safeguard the system and is responsible for the contents of this report. INPRS management is also responsible for establishing and maintaining a system of adequate internal accounting controls designed to provide reasonable assurance that transactions are executed in accordance with management's general or specific authorization. INPRS management 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. The internal control structure is subject to periodic evaluation by management and the internal audit staff to ensure compliance with applicable laws and regulations.

For financial reporting purposes, INPRS adopted GASB 67, "Financial Reporting for Pension Plans" on June 30, 2014. This replaces the requirements of Statements No. 25 and No. 50 as they relate to pension plans that are administered through trusts. Assets of INPRS are presented at fair value. The actuarial value of assets and the actuarial accrued liability are presented in the Actuarial Section of the CAFR.

GASB issued Statement No. 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments." This Statement establishes financial reporting standards for state and local governments. The Management's Discussion and Analysis is contained within the Financial Section of this report and serves to supplement the Introductory Section of this CAFR, as well as financial statements, notes, and supplementary information within the Financial Section.

GASB issued Statement No. 68, "Accounting and Financial Reporting for Pensions" which will improve accounting and financial reporting by state and local governments for pensions. This Statement is an amendment to the requirements of Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers," as well as the requirements of Statement No. 50, "Pension Disclosures," as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The provisions of GASB Statement No. 68 are effective for fiscal year 2015 for state and local governments.

Economic Condition

The economic condition of INPRS is based primarily upon investment results and contributions from members, employers and a nonemployer contributing entity. Strategic Investment Solutions, Inc. (SIS), the primary investment management consultant for INPRS, and the INPRS Chief Investment Officer (CIO) evaluated the impact of economic conditions on the investments of INPRS. The SIS Report on Investment Activities and the CIO Report are located in the Investment Section of this report. In aggregate, fiscal year 2014 contributions from members, employers, and nonemployer contributing entities to all of the INPRS administered plans were 99.4 percent of the Actuarial Determined Contribution.

Investments

In fiscal year 2014, INPRS Consolidated Defined Benefit Assets time-weighted rate of return is a positive 13.7 percent net of fees. All asset classes contributed positive rates of return. Both the five-year return rate of 10.5 percent and the three-year return of 8.4 percent are above the long-term actuarial assumed rate of 6.75 percent. The 10-year rate of return of 5.68 percent is below the long term actuarial assumed rate of 6.75 percent. INPRS implemented a risk based asset allocation beginning in 2011. Since that time, the portfolio has performed as expected given U.S. and global market conditions. As with any long-term forward looking asset allocation, the true test will be time as the portfolio weathers changing environments.

The foundation of any successful investment program is the commitment to and execution of disciplined decision-making policies and processes conducted by competent investment professionals. The INPRS Investment Policy Statement is an essential element of our commitment to investments excellence. Detailed investment policies and results can be found in the Investment Section of this report.

Funding

An actuarial analysis of all INPRS-administered retirement plans is performed on an annual basis. An assumption experience study is performed every three to five years. PricewaterhouseCoopers (PwC) completed the most recent assumption experience study for all DB retirement plans except TRF as of June 30, 2010 and Nyhart completed the most recent assumption experience study for TRF as of June 30, 2011.

One purpose of the annual actuarial analysis is to measure the funding status, typically referred to as the funded percentage. The percentage is computed by dividing the actuarial value of net assets by the actuarial accrued liability. This ratio provides an indication of the funding status of the plan, and generally, the greater this percentage, the stronger the plan.

As discussed earlier in this letter, INPRS administers eight (8) separate DB retirement plans. The aggregate funded status percentage for all the pre-funded plans improved in FY2014 to 87.9 percent. The TRF Pre-1996 pay-as-you-go account, designed in 1921 for a zero funded status, actually has a funded status of 32.8 percent thanks to the underpinning of the Pension Stabilization Fund and member ASA account balances. Actuarial standards consider a funded percentage of 80 percent or better as being healthy. We are pleased with our overall funded status and continue to work to achieve 100 percent funding.

Details of the actuarial analysis can be found in the Actuarial Section of this report and the supporting statistics can be found in the Statistical Section. In the Statement of Changes in Fiduciary Net Position, contained in the Financial Section of this report, the accumulated balance of funds derived from the excess of additions over deductions is referred to as the net position restricted for pension benefits. The actuarial accrued liability is not disclosed in the Financial Statements, but is disclosed in the Summary of INPRS Funded Status in the Actuarial Section.

Accomplishments in 2014

INPRS continues to fulfill its mission while demonstrating commitment to its values. The INPRS strategic plan provides the foundation from which INPRS moves towards its vision to be the premier public retirement system, respected by customers, peers and community, and known for professional service and fund stability. A copy of the INPRS strategic plan can be found on the INPRS website www.inprs.in.gov.To that end, there were several significant accomplishments during fiscal year 2014.

Members continued to receive outstanding customer service. More than 99 percent of new retirees received their first pension payment on time. More than 90 percent of members, who interacted with INPRS, rated their experience as good or excellent. Restructured member counseling services are providing 20 percent more counseling capacity at no increase in administrative cost.

Fiscal year 2014 marked the completion of a multi-year IT system and business process modernization program. The last major component of the INPRS modernization program was the implementation of a new Defined Benefit administration system. This new system was operational in early calendar year 2014. With modern systems and processes in place, INPRS is well positioned to deliver better and more consistent outcomes to members in the coming years. To that end, INPRS has launched a Quality Management System (QMS) program that will equip employees with the tools and skills needed to derive more value from our newer systems and processes.

As stewards of assets held for current and future retirees, INPRS continues to find ways to deliver better services for fewer dollars. Savings resulting from the merger of PERF and TRF continue to increase. With $17+ million of additional savings achieved in 2014, the cumulative net present value of savings generated thus far is $347 million to Indiana taxpayers.

Acknowledgements

The compilation of this report reflects the combined efforts of INPRS staff and advisors. It is intended to demonstrate the spirit of full disclosure and to provide information for use as the basis for making management decisions, as a means of determining compliance with legal provisions, and as a means of determining responsible stewardship of the assets contributed by our members and employers.

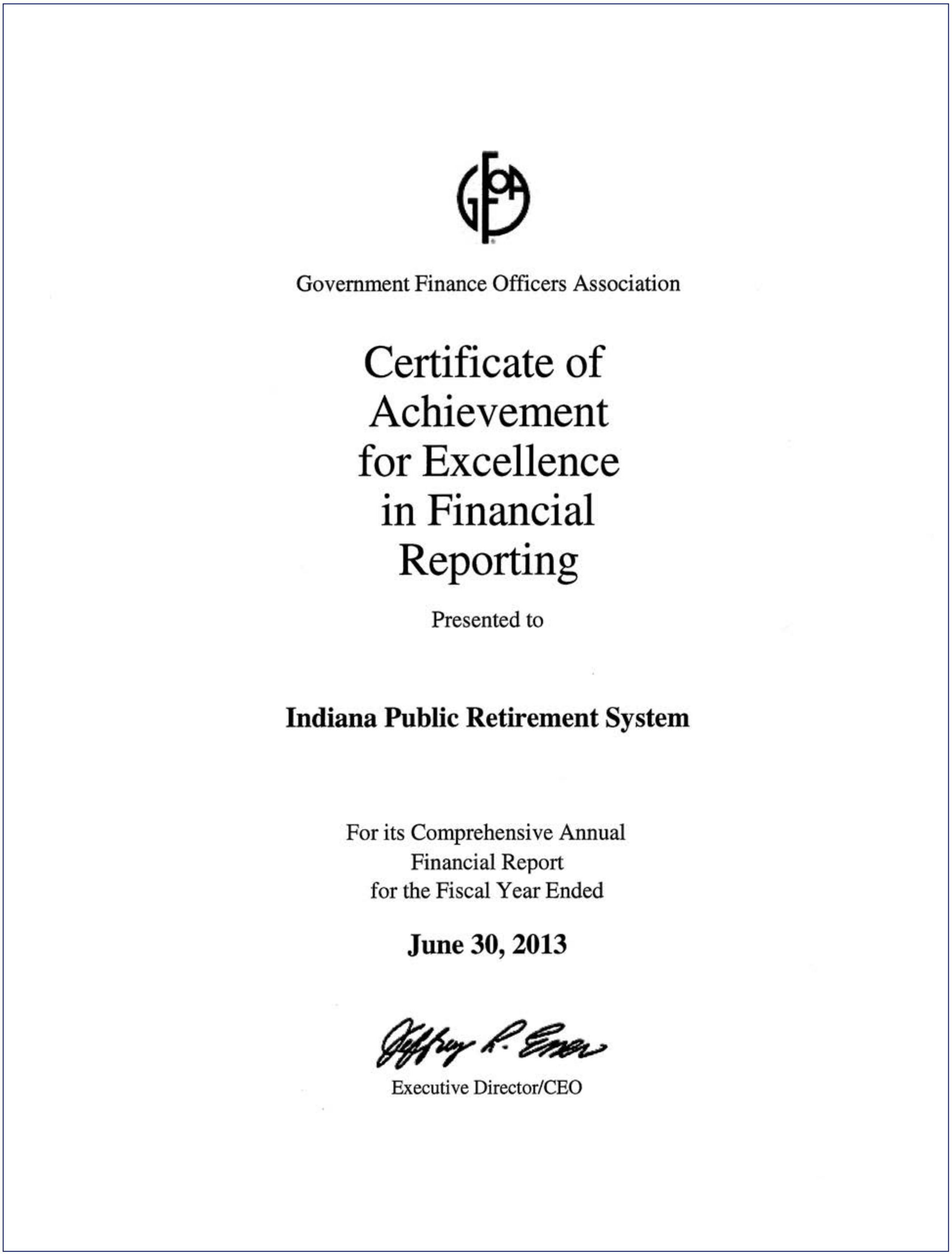
If, after reviewing this report, you would like more information, please feel free to contact us at questions@inprs.in.gov.

We express our gratitude to the staff, advisors, and all who have contributed to the preparation of this report. The INPRS staff also wishes to express our gratitude to Indiana Governor Mike Pence, the Indiana General Assembly, members of the Indiana Committee on Pension Management Oversight, and the INPRS Board of Trustees who provided INPRS staff the privilege of serving the needs of our members and employers.

Sincerely,

Steve Russo
Executive Director

GFOA Certificate



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Indiana Public Retirement System

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Jeffrey R. Esser
Executive Director/CEO

PPCC

Public Pension Coordinating Council

Public Pension Standards Award
For Funding and Administration
2014

Presented to

Indiana Public Retirement System

In recognition of meeting professional standards for
plan funding and administration as
set forth in the Public Pension Standards.

Presented by the Public Pension Coordinating Council, a confederation of

National Association of State Retirement Administrators (NASRA)
National Conference on Public Employee Retirement Systems (NCPERS)
National Council on Teacher Retirement (NCTR)

Alan H Winkle

Alan H. Winkle
Program Administrator

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Executive Team


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Executive Director


Steven Barley
Chief Operations Officer and Deputy Director


Donna Brown
Chief Financial Officer


David Cooper
Chief Investment Officer


Tony Green
Chief Legal and Compliance Officer


Donna Grotz
Director of Strategic Initiatives and Administration


Mike Hineline
Chief Information and Technology Officer


Jeffrey Hutson
Chief Communication Officer


Teresa Snedigar
Director of Internal Audit

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[1] *As of December 2014.*

Mission Statement:

We advance the achievement of retirement security for current and future retirees and beneficiaries through our delivery of operational and investment excellence, exemplary customer service and trusted stakeholder communication.

Mission Principles:

Integrity. We hold ourselves and each other accountable to the highest standards of ethical behavior.

Stewardship. We prudently invest and manage the assets held in trust for current and future retirees. We rigorously identify, measure, and manage risk.

Best in Class Operations. We efficiently deliver accurate, timely retirement benefit payments and related services with attentiveness to high quality customer service. We focus on quality management and continuous improvement.

Trusted Source. We are our stakeholders' trusted source of reliable information about the role that INPRS plays in retirement preparation.

Collaboration and Shared Purpose. We value professionalism, teamwork and operational excellence. We seek out stakeholder input when setting priorities and balancing cost with value.

Mike Pence
Governor

Sue Ellspermann
Lt. Governor

Executive Team[1]

Steve Russo
Executive Director

Steven Barley
Chief Operations Officer
and Deputy Director

Donna Brown
Chief Financial Officer

David Cooper
Chief Investment Officer

Tony Green
Chief Legal and Compliance Officer

Donna Grotz
Director of Strategic Initiatives
and Administration

Mike Hineline
Chief Information and
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Jeffrey Hutson
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Indianapolis, IN 46250

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One North Wacker Drive
Chicago, IL 60606

Strategic Investment Solutions, Inc.
333 Bush Street, Suite 2000
San Francisco, CA 94104

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[1] *As of December 2014.*

[2] *A complete list of investment professionals that have provided services to INPRS can be found at the end of the Investment Section.*

Summary of Key Data as of June 30, 2014

- PERF = Public Employees' Retirement Fund
- TRF Pre-1996 = Teachers' Retirement Fund Pre-1996 Account
- TRF 1996 = Teachers' Retirement Fund 1996 Account
- 1977 Fund = 1977 Police Officers' and Firefighters' Pension and Disability Fund
- JRS = Judges' Retirement System
- EG&C Plan = State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan
- PARF = Prosecuting Attorneys' Retirement Fund
- LEDB Plan = Legislators' Defined Benefit Plan
- LEDC Plan = Legislators' Defined Contribution Plan

(dollars in millions)

Plan	Number of Employers[1]	Total Number of Members	Fiduciary Net Position	Actuarial Value of Assets (AVA)	Actuarial Accrued Liabilities (AAL)	Unfunded AAL	Funded Status (AVA/AAL)
PERF	1,126	288,527	$ 14,104	$ 13,791	$ 16,732	$ 2,941	82.4%
TRF Pre-1996	340	72,415	5,502	5,358	16,355	10,997	32.8
TRF 1996	363	69,119	5,189	5,035	5,237	202	96.1
1977 Fund	162	17,711	4,758	4,626	4,707	81	98.3
JRS	1	785	433	420	465	45	90.3
EG&C Plan	1	757	111	108	124	16	87.0
PARF	1	550	55	53	65	12	81.0
LEDB Plan	1	101	3	3	4	1	83.1
LEDC Plan	1	219	29	-	-	-	-
Other[2]	-	-	13	-	-	-	-
Total	**1,175**	**450,184**	**$ 30,197**	**$ 29,394**	**$ 43,689**	**$ 14,295**	**87.9%[3]**

[1] *Sum of individual employers by retirement plan does not equal total employers, since one (1) employer may participate in multiple retirement plans.*

[2] *Includes State Employees' Death Benefit Fund and Public Safety Officers' Special Death Benefit Fund.*

[3] *Total INPRS, excluding TRF Pre-1996 Account (Pay-As-You-Go).*

Hybrid Plan

The membership of the Public Employees' Retirement Fund (PERF) Hybrid plan includes eligible state and local government entities.

Eligibility for Pension Benefit Payment[1]

- Early retirement with reduced benefits between ages 50-59 with 15 years of service
- At age 55 if age and creditable service total at least 85 ("Rule of 85")
- Age 60 with 15 years of service
- Age 65 with 10 years of service
- Age 65 with 8 years of service[2]
- Age 70 with 20 years of service[3]

Contribution Rates

- Employer contribution rates for the Defined Benefit (pension) are determined annually by the INPRS Board based on recommendations by the INPRS actuary.
- Members are required to contribute 3 percent of gross wages to their Annuity Savings Account. Employers have the option of making all or part of this contribution on behalf of the member. Members may also make voluntary contributions to the Annuity Savings Account up to an additional 10 percent of their gross wages, under certain limitations.

Benefit Formula

Lifetime Annual Benefit = (Years of Creditable Service x Average Highest 20 Quarters of Salary x .011) + Annuity Savings Account[4]

Cost of Living Allowance (COLA)

Cost of living adjustments are granted by the Indiana General Assembly on an ad hoc basis.

ASA Only Plan

Established on March 1, 2013, the membership of the Public Employees' Retirement Fund (PERF) ASA Only plan includes first-time, full-time employees of the State of Indiana and quasi agencies.

Eligibility for Plan Payment

- Members are fully vested in the 3 percent employee share (Annuity Savings Account) upon hire
- The member's share of the employer contribution is based on full years of participation:

1 year = 20 percent
2 years = 40 percent
3 years = 60 percent
4 years = 80 percent
5 years = 100 percent

Contribution Rates

- Employer pays the mandatory 3 percent employee (member) share of gross wages.
- The employer share is also paid by the employer, but the member must meet vesting requirements.[5]

Benefit Formula

Not applicable

Cost of Living Allowance (COLA)

Not applicable

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[1] A member is eligible for withdrawal of the PERF Hybrid Plan Annuity Savings Account (ASA) benefit once he/she separates from service for 30 days. Certain restrictions may apply if the member is vested in a pension benefit.

[2] A member who has at least eight years of PERF Plan service as a county clerk, county auditor, county recorder, county treasurer, county sheriff or county coroner is eligible for normal retirement after reaching age 65. This change in the law applies only to members retiring after June 30, 2002. Public Law 73-2002 also provides that a member serving as state auditor, state treasurer or secretary of state, and whose term commences after the November 5, 2002 election, be vested with at least eight years of creditable service.

[3] Actively employed members who have completed at least 20 years of service may apply for retirement benefits at age 70, remain actively employed in a PERF covered position without a separation from service, and receive monthly benefits.

[4] Members can elect at retirement to receive their Annuity Savings Account as a monthly supplement to their defined pension benefit or in a total distribution.

[5] Contribution amounts covering unfunded pension liability are not made to member ASA Only accounts.

The membership of the Indiana State Teachers' Retirement Fund (TRF Pre-1996 and 1996 Accounts) includes eligible educators and administrators.

Eligibility for Pension Benefit Payment[1]

- Early retirement with reduced benefits between ages 50-59 with 15 years of service
- At age 55 if age and creditable service total at least 85 ("Rule of 85")
- Age 60 with 15 years of service
- Age 65 with 10 years of service
- Age 70 with 20 years of service[2]

Contribution Rates

- The Pre-1996 Account is funded primarily by State General Fund appropriations and state lottery proceeds.
- Employer contribution rates for the 1996 Account are determined annually by the INPRS Board based on recommendations by the INPRS actuary.
- Members are required to contribute 3 percent of gross wages to their Annuity Savings Account. Employers have the option of making all or part of this contribution on behalf of the member. Members may also make voluntary contributions to the Annuity Savings Account up to an additional 10 percent of their wages, under certain limitations.

Benefit Formula

Lifetime Annual Benefit =
(Years of Creditable Service
x Average Highest Five-Year Annual Salary
x .011) + Annuity Savings Account[3]

Cost of Living Allowance (COLA)

Cost of living adjustments are granted by the Indiana General Assembly on an ad-hoc basis.

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[1] *A member is eligible for withdrawal of the Annuity Savings Account (ASA) benefit once he/she separates from service for 30 days. Certain restrictions may apply if the member is vested in a pension benefit.*

[2] *Actively employed members who have completed at least 20 years of service may apply for retirement benefits at age 70, remain actively employed in a TRF covered position without a separation from service, and receive monthly benefits.*

[3] *Members can elect at retirement to receive their Annuity Savings Account as a monthly supplement to their defined pension benefit or in a total distribution.*

1977 Police Officers' and Firefighters' Pension and Disability Fund provides coverage to full-time sworn officers of a police force of an Indiana city or town and full-time firefighters employed by an Indiana city, town or township.

Eligibility for Pension Benefit Payment

- Early retirement with reduced benefits at age 50
- Age 52 with 20 years of service
- Deferred Retirement Option Plan (DROP) available to members who are eligible for an unreduced retirement – members continue to work and earn a salary while accumulating a DROP benefit

Contribution Rates

- Employer contribution rate is adopted by the INPRS Board of Trustees based on recommendations by the INPRS actuary.
- Member must also contribute 6 percent of first-class salary for the term of the member's employment up to 32 years.
- Employers have the option of making all or part of this contribution on behalf of the member.

Benefit Formula

Annual Benefit = 50 percent of first-class salary for 20 years of service.[1]

Cost of Living Allowance (COLA)

Cost of living adjustment is a percentage determined by statute equal to the change in the Consumer Price Index but not in excess of a 3 percent increase.

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[1] This percentage is increased by 1 percent for each six months of active service accumulated after 20 years of service (to a maximum of 32 years, or 74 percent).

The Judges' Retirement System includes any person who has served, is serving or shall serve as a regular judge or justice of the Supreme Court of the state of Indiana, Court of Appeals, Indiana Tax Court, Circuit Court of a Judicial Court, or County Courts including: Superior, Criminal, Probate, Juvenile, Municipal and County Courts. Beginning Jan. 1, 2011, full-time magistrates who are serving on July 1, 2010, may elect to be members of the 1985 System. The 1985 System is mandatory for all new judges and beginning Jan.1, 2011, all new full-time magistrates.

Eligibility for Pension Benefit Payment

- Early retirement with reduced benefits at age 62 and at least eight years of service credit
- At age 55 if age and creditable service total at least 85 ("Rule of 85")
- Age 65 with at least eight years of service credit

Contribution Rates

- Employer contributions are determined by the Indiana General Assembly as appropriations from the state's General Fund and certain court and docket fees.
- A member of either the 1977 or 1985 Judges' Retirement System is required to contribute 6 percent of the member's salary for a maximum period of 22 years.
- No contributions are due to either retirement system during the time that a member is not employed as a judge or for any period of service as a senior judge.

Benefit Formula

Annual Benefit = Salary at Retirement[1]
x Percentage Below

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

Cost of Living Allowance (COLA)

For participants of the 1977 System and the 1985 System (who apply for a benefit after 12/31/09), the cost of living allowance is a percentage increase equal to the increase in the salary of the participant's position from which the participant retired.

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[1] Benefit calculations for the 1977 System (those who began service as a judge before September 1, 1985) are based on the salary being paid for the office that the participant held at the time of the participant's separation from service. The 1985 System (those who began service as a judge after August 31, 1985) uses the applicable salary determined by statute.

State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan includes members engaged exclusively in the performance of law enforcement duties 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 or gaming agent.

Eligibility for Pension Benefit Payment

- Early retirement with reduced benefits at age 45 with at least 15 years of creditable service
- Age 50 with 25 years of service
- At age 55 if age and creditable service total at least 85 ("Rule of 85")
- Deferred Retirement Option Plan (DROP) – continue to work and earn a salary while accumulating a DROP benefit

Contribution Rates

- Employer contribution rate is adopted by the INPRS Board of Trustees based on recommendations by the INPRS actuary.
- Member is required to contribute 4 percent of member's annual salary. The contribution is made through payroll deduction and is deposited in member's account.

Benefit Formula

Annual Benefit = 25 percent[1] x Average Annual Salary[2]

Cost of Living Allowance (COLA)

Cost of living allowance is applied at the same rate as was granted by the Indiana General Assembly for the Public Employees' Retirement Fund.

[1] *This percentage is increased by 1.66 percent of average annual salary for each completed year of creditable service after 10 years. However, the total percentage may not exceed 75 percent.*

[2] *Average Annual Salary is defined as the average annual salary of an officer during the five years of highest annual salary in the 10 years immediately preceding an officer's retirement date.*

The Prosecuting Attorneys' Retirement Fund (PARF) includes prosecuting attorneys, chief deputy prosecuting attorneys and other deputy prosecuting attorneys paid by the state. PARF members are also members of the PERF Plan. According to statute, benefits payable from PARF are reduced by any benefits payable from the PERF Plan.

Eligibility for Pension Benefit Payment

- Early retirement with reduced benefits at age 62 and at least eight years of service credit
- At age 55 if age and creditable service total at least 85 ("Rule of 85")
- Age 65 with at least eight years of service credit

Contribution Rates

- Actuarially determined State General Fund appropriations
- A prosecuting attorney or chief deputy prosecuting attorney must contribute 6 percent of the state-paid portion of member's salary. The State of Indiana has the option of making this contribution on behalf of the member. This 6 percent contribution will be withheld by the Auditor of the State.
- Prosecuting attorneys and chief deputy prosecuting attorneys are also PERF members, and the member's mandatory 3 percent PERF ASA contributions are paid on member's behalf by the state.

Benefit Formula

Annual Benefit = Highest Annual Salary
(state-paid portion only) at Retirement
x Percentage Below

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

Cost of Living Allowance (COLA)

No cost of living allowance is provided.

The Legislators' Retirement System Defined Benefit Plan (LEDB plan) includes only legislators of the state of Indiana who were serving on April 30, 1989, and elected participation. Legislators elected or appointed after April 30, 1989, participate in the Legislators' Defined Contribution Plan (LEDC plan).

Eligibility for Pension Benefit Payment

- Early retirement at least age 55 with 10 years of creditable service, when 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
- At age 55 if age and creditable service equal at least 85 ("Rule of 85")
- Age 60 with at least 15 years of service as a member of the General Assembly
- Age 65 with 10 years or more of creditable service as a member of the General Assembly (or meet the requirements for disability benefits under this plan)

Contribution Rates

- The LEDB plan employer contributions are actuarially determined State General Fund appropriations. There are no member contributions for the defined benefit plan.
- For the LEDC plan, the state contribution is determined by multiplying the member's salary for that year by a percentage determined by the INPRS Board and confirmed by the State Budget Agency not to exceed the total contribution rate paid that year by the state to INPRS for state members. The member must contribute 5 percent of member's salary for service after June 30, 1989.

Benefit Formula

The lesser of:

- $40 x Years of service before November 8, 1989 or
- Highest consecutive three-year average annual salary at termination ÷ 12

Cost of Living Allowance (COLA)

Cost of living allowance is applied at the same rate as was granted by the Indiana General Assembly for the Public Employees' Retirement Fund.

Indiana Public Retirement System

INPRS
INDIANA PUBLIC RETIREMENT SYSTEM

2014 COMPREHENSIVE ANNUAL FINANCIAL REPORT

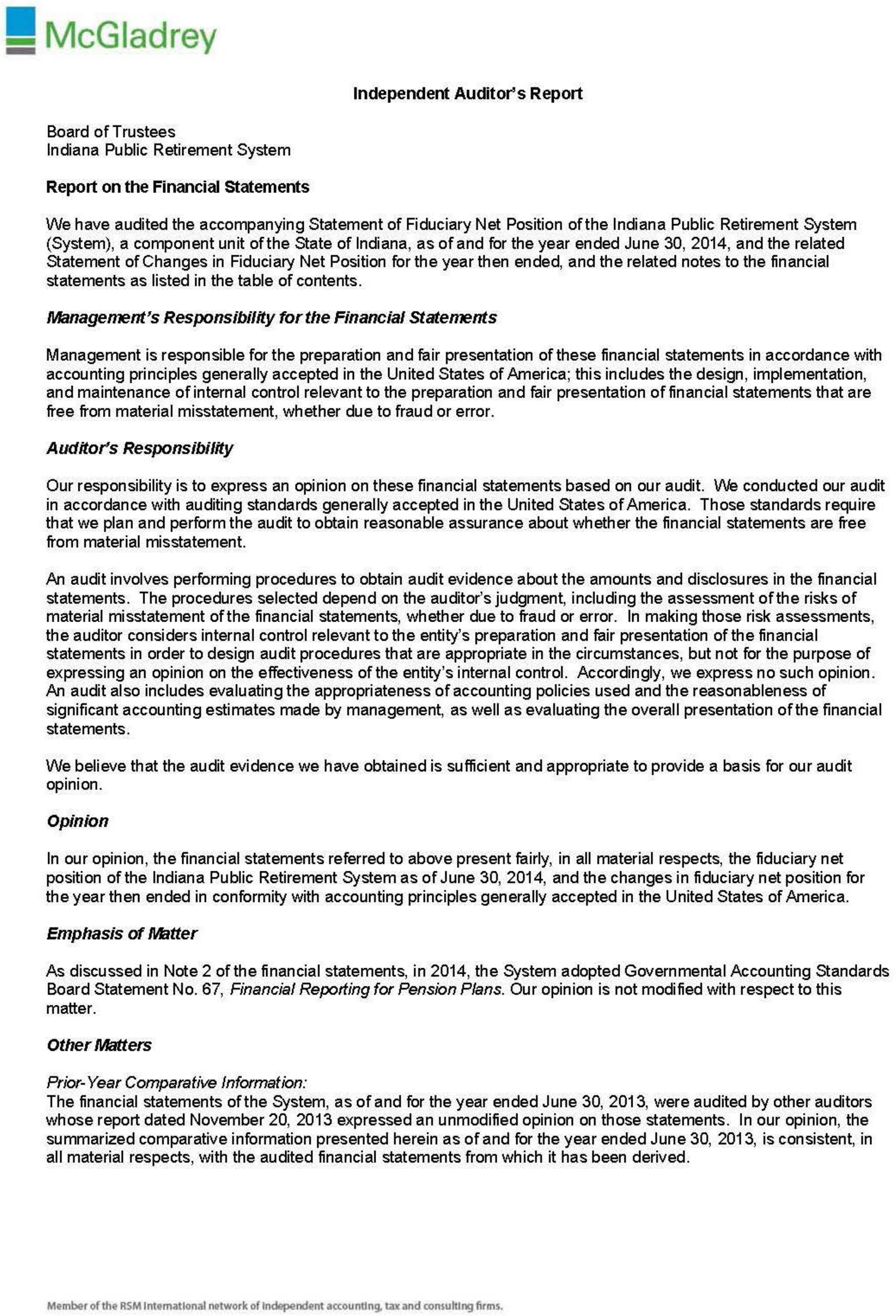
For the Fiscal Year Ended June 30, 2014

Financial Section

Financial Statements

Required Supplementary Information

Other Supplementary Schedules



Independent Auditor's Report

Board of Trustees
Indiana Public Retirement System

Report on the Financial Statements

We have audited the accompanying Statement of Fiduciary Net Position of the Indiana Public Retirement System (System), a component unit of the State of Indiana, as of and for the year ended June 30, 2014, and the related Statement of Changes in Fiduciary Net Position for the year then ended, and the related notes to the financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Indiana Public Retirement System as of June 30, 2014, and the changes in fiduciary net position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 of the financial statements, in 2014, the System adopted Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*. Our opinion is not modified with respect to this matter.

Other Matters

Prior-Year Comparative Information:
The financial statements of the System, as of and for the year ended June 30, 2013, were audited by other auditors whose report dated November 20, 2013 expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information:
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 28 through 37 and the schedules of changes in net position liability and net pension liability, contributions, and investment returns on pages 92 through 103 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We 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 financial statements, and other knowledge we obtained during our audit of the 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.

Other Information:
Our audit for the year ended June 30, 2014 was conducted for the purpose of forming an opinion on the System's financial statements. The other supplementary information consisting of Supporting Schedules in the financial section, and the accompanying introductory, investment, actuarial, and statistical sections are presented for purposes of additional analysis and are not a required part of the financial statements.

The other supplementary information for the year ended June 30, 2014 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements for the year ended June 30, 2014 and certain additional procedures, including comparing and reconciling such information directly to underlying accounting and other records used to prepare the financial statements, or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the financial statements as a whole for the year ended June 30, 2014. The introductory, investment, actuarial, and statistical sections have not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

The System's basic financial statements for the year ended June 30, 2013 (not presented herein), were audited by other auditors whose report dated November 20, 2013 expressed an unmodified opinion on the basic financial statements. The report of the other auditors dated November 20, 2013, stated that the Schedule of Administrative and Project Expenses, Schedule of Administrative Contractual and Professional Services Expenses, Schedule of Project Expenses, Schedule of Project Contractual and Professional Services Expenses, and Schedule of Investment Expenses for the year ended June 30, 2013 was subjected to the auditing procedures applied in the audit of the 2013 basic financial statements and certain additional auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or those basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and, in their opinion, was fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2013.

McGladrey LLP

Indianapolis, Indiana
December 17, 2014

Management's Discussion and Analysis

Management's Discussion and Analysis (MD&A) of the Indiana Public Retirement System (INPRS) provides a narrative summary of INPRS financial position and performance for fiscal year ended June 30, 2014, including highlights and comparative data. The MD&A is presented as required supplementary information to the financial statements of the INPRS Comprehensive Annual Financial Report (CAFR) and should be read in conjunction with the Letter of Transmittal included in the Introductory Section, and the Financial Statements, the Notes to the Financial Statements, Required Supplementary Information, and the Other Supplementary Schedules presented in the Financial Section.

INPRS is an independent instrumentality of the State of Indiana, administering nine (9) pension trust funds including eight (8) Defined Benefit retirement plans and one (1) Defined Contribution retirement plan, two (2) other postemployment benefit funds (Death Benefits), and one (1) agency fund. The following retirement plans and non-retirement funds are included in the INPRS financial statements. In this regard, refer to the Notes to the Financial Statements for descriptions of these retirement plans and non-retirement funds.

Defined Benefit Retirement Plans:

1. Public Employees' Retirement Fund (PERF)
2. Teachers' Retirement Fund Pre-1996 Account (TRF Pre-1996)
3. Teachers' Retirement Fund 1996 Account (TRF 1996)
4. 1977 Police Officers' and Firefighters' Pension and Disability Fund (1977 Fund)
5. Judges' Retirement System (JRS)
6. State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan (EG&C Plan)
7. Prosecuting Attorneys' Retirement Fund (PARF)
8. Legislators' Retirement System – Legislators' Defined Benefit Plan (LEDB Plan)

Defined Contribution Retirement Plan:

1. Legislators' Retirement System – Legislators' Defined Contribution Plan (LEDC Plan)

Other Postemployment Benefit Funds:

1. State Employees' (SE) Death Benefit Fund
2. Public Safety Officers' (PSO) Special Death Benefit Fund

Agency Fund:

1. Pension Relief Fund (PR Fund)

Financial Highlights

- Total net position of INPRS was $30,197 million as of June 30, 2014, which is restricted for future pension and death benefit payments.

- Total net position of INPRS increased by $3,149 million, or 11.6 percent, during fiscal year 2014. The increase in net position from fiscal year 2013 to fiscal year 2014 was primarily due to net investment income of $3,434 million. Contributions of $2,063 million and other additions of $16 million were offset with benefit payments/other deductions of $2,363 million.

- INPRS contributions primarily from employers, members, and non-employer contributing entities decreased to $2,063 million during fiscal year 2014, or by $201 million (8.9 percent), from contributions of $2,264 million during fiscal year 2013. The major reason for this decrease was due to the State appropriating an additional $329 million from State excess reserves in accordance with 2012 HB 1376 in fiscal year 2013.

- For fiscal year 2014 INPRS time-weighted rate of return was 12.7 percent based on a market value of $3,434 million, compared to a time-weighted rate of return of 6.0 percent based on a market value of $1,514 million for fiscal year 2013. The money-weighted rate of return for fiscal year 2014 was 12.7 percent compared to a money-weighted rate of return in fiscal year 2013 of 5.6 percent.

- INPRS paid $2,304 million in pension and disability benefits, special death benefits, and distributions of contributions and interest during fiscal year 2014. This represented an increase of $73 million, or 3.3 percent, from the $2,231 million paid during fiscal year 2013.

- INPRS membership was 450,184 as of June 30, 2014. There were 222,497 active members, 133,128 benefit recipients, 30,722 terminated vested members, and 63,837 terminated non-vested members. As of June 30, 2014, the date of the most recent actuarial valuation, the aggregate INPRS (excluding the TRF Pre-1996 Pay-As-You-Go plan) market value of assets funded ratio was 90.2 percent. This represents an increase of 6.1 percentage points from the 84.1 percent market value of assets funded ratio as of June 30, 2013. The increase was mostly due to the very strong investment return in fiscal year 2014.

Overview of the Financial Statements

The Financial Section is comprised of four (4) components: (1) Financial Statements, (2) Notes to the Financial Statements, (3) Required Supplementary Information, and (4) Other Supplementary Schedules. The information available in each of these sections is briefly summarized as follows:

1. Financial Statements

   The Statement of Fiduciary Net Position is a point-in-time snapshot of the INPRS assets and liabilities at fiscal year end June 30, 2014 and 2013. It reports the net position (assets less liabilities equals net position) restricted for pension benefits, death benefits and pool participants. This statement reflects INPRS investments, at fair value, along with cash, receivables, and other assets and liabilities at June 30, 2014 and 2013.

   The Statement of Changes in Fiduciary Net Position displays the effect of financial transactions that occurred during fiscal year 2014, where additions less deductions equal net increase (or net decrease) in net position. Additions come primarily from contributions by employers, members, and non-employer contributing entities which include State appropriations, lottery proceeds and taxes, as well as net investment income resulting from investing and securities lending activities during the period. Deductions are pension, disability and death benefit distributions, administrative and project expenses, and other deductions. This increase (or decrease) in net position reflects the change in the value of Fiduciary Net Position that occurred between June 30, 2014 and 2013.

2. Notes to the Financial Statements

The Notes to the Financial Statements are an integral part of the financial statements and provide additional detailed information that is essential for a full understanding of the data provided in the INPRS financial statements.

Note 1. – provides a general description of the retirement plans and non-retirement funds administered by INPRS. Information regarding membership, member, employer and nonemployer contributing entity contributions, retirement benefits, and disability and survivor benefits for each of the retirement plans is also provided.

Note 2. – provides a summary of significant accounting policies, including the basis of accounting, investment accounting policies, management's use of estimates, and other significant accounting policies.

Note 3. – provides information on cash and investments.

Note 4. – provides information on derivative financial instruments.

Note 5. – provides information on long-term commitments for alternative investments.

Note 6. – provides information on risk management.

Note 7. – provides information on contingent liabilities.

Note 8. – provides information on the net pension liability, funded status and other actuarial information for each of the defined benefit retirement plans.

Note 9. – provides information on subsequent events to fiscal year-end 2014.

Note 10. – summarizes the Required Supplementary Information and Other Supplementary Schedules.

3. Required Supplementary Information

Because of the long-term nature of public defined benefit pension plans, financial statements for the past fiscal year alone cannot provide sufficient information to properly reflect the plan fiduciary net position as a percent of the total pension liability of the plans. Therefore, in addition to the basic financial statements, three (3) required schedules of historical trend information related to the defined benefit plans are presented as Required Supplementary Information (RSI) in the INPRS CAFR Financial Section. The three (3) RSI schedules consist of the Schedule of Changes in Net Pension Liability and Net Pension Liability, the Schedule of Contributions, and the Schedule of Investment Returns. These three (3) schedules give historical trend information which is designed to provide decision-usefulness of the financial reports, improved value for assessing accountability and greater transparency related to measures of net pension liabilities impacting INPRS.

4. Other Supplementary Schedules

The Other Supplementary Schedules consist of a Schedule of Pension Relief Changes in Assets and Liabilities, Schedule of Administrative and Project Expenses, Schedule of Administrative Contractual and Professional Services Expenses, Schedule of Project Expenses, Schedule of Project Contractual and Professional Services Expenses, and Schedule of Investment Expenses.

Financial Analysis

Statement of Fiduciary Net Position

As shown in the table below, the total net position for INPRS was $30,197 million as of June 30, 2014, which represents an increase of $3,149 million, or 11.6 percent, compared to total net position of $27,048 million as of June 30, 2013.

Net Position
(dollars in thousands)

	June 30, 2014	June 30, 2013	Increase / (Decrease)	Percentage Change
Assets				
Cash	$ 15,001	$ 11,295	$ 3,706	32.8 %
Receivables	4,611,123	2,526,780	2,084,343	82.5
Investments	32,698,227	28,798,529	3,899,698	13.5
Net Capitalized and Other Assets	9,611	12,458	(2,847)	(22.9)
Total Assets	**$ 37,333,962**	**$ 31,349,062**	**$ 5,984,900**	**19.1 %**
Liabilities				
Investments Payable	$ 7,010,833	$ 4,161,023	$ 2,849,810	68.5 %
All Other Liabilities	125,977	140,012	(14,035)	(10.0)
Total Liabilities	**$ 7,136,810**	**$ 4,301,035**	**$ 2,835,775**	**65.9 %**
Total Net Position	**$ 30,197,152**	**$ 27,048,027**	**$ 3,149,125**	**11.6 %**

- Total assets of INPRS were $37,334 million as of June 30, 2014, compared to $31,349 million as of June 30, 2013, which represents an increase in total assets of $5,985 million, or 19.1 percent. The primary reasons for this increase are as follows:
  - Cash increased by $4 million, or 32.8 percent, as cash from contributions was received late in the month, which prevented a transfer to investments.
  - Receivables increased by $2,084 million, or 82.5 percent, primarily due to an increase in the foreign currency futures contracts receivable of $2,010 million. The increase was driven by hiring additional managers that are using foreign currency forwards to hedge foreign currency exposure.
  - Investments increased by $3,900 million, or 13.5 percent, driven primarily by the positive time-weighted rate of return of 12.7 percent. The money-weighted rate of return on investments was 12.7 percent for fiscal year 2014. Of the $3,900 million increase, alternative investments increased by $1,331 million (17.1 percent), securities lending increased by $1,088 million (100.7 percent), equities increased by $971 million (14.5 percent), fixed income investments increased by $752 million (6.5 percent), short-term investments decreased by $202 million (13.2 percent), repurchase agreements decreased by $29 million (100.0 percent), and derivatives decreased by $11 million (29.3 percent).
  - Net Capitalized and Other Assets decreased by $2.8 million, or 22.9 percent, due to the amortization of software costs related to the modernization projects.

- Total liabilities of INPRS were $7,137 million as of June 30, 2014, compared to $4,301 million as of June 30, 2013, which represents an increase in total liabilities of $2,836 million, or 65.9 percent. The primary reasons for the increase are as follows:
  - Investments Payable including Securities Lending Obligations, Foreign Exchange Contracts Payable and Obligations Under Reverse Repurchase Agreement increased by $2,850 million, or 68.5 percent, due to the timing of transactions at the end of fiscal year 2014 and an increase related to Foreign Exchange Contracts. This increase in Foreign Exchange Contracts was driven by hiring additional managers that are using foreign currency forwards to hedge foreign currency exposure.
  - All Other Liabilities decreased by $14 million, or 10.0 percent, primarily due to a decrease in Due to Other Governments relating to the net change in the Pension Relief Fund.

A summary of net position by fund compared to the prior fiscal year is as follows:

Summary of Net Position by Fund
(dollars in thousands)

	June 30, 2014	June 30, 2013	Increase / (Decrease)	Percentage Change
PERF	$ 14,104,288	$ 12,720,601	$ 1,383,687	10.9%
TRF Pre-1996	5,501,867	5,215,202	286,665	5.5
TRF 1996	5,189,442	4,433,677	755,765	17.0
1977 Fund	4,757,978	4,116,861	641,117	15.6
JRS	432,730	375,752	56,978	15.2
EG&C Plan	110,657	97,019	13,638	14.1
PARF	54,507	47,920	6,587	13.7
LEDB Plan	3,489	3,337	152	4.6
LEDC Plan	29,103	25,322	3,781	14.9
SE Death Benefit Fund	7,917	7,683	234	3.0
PSO Special Death Benefit Fund	5,174	4,653	521	11.2
Total Net Position	**$ 30,197,152**	**$ 27,048,027**	**$ 3,149,125**	**11.6%**

Liquidity

The System's defined benefit liquidity needs are met through employer, nonemployer contributing entity and other contributions, earnings from investments, and the well diversified portfolio of INPRS. On June 30, 2014, INPRS held over $4.5 billion in Money Market Sweep Vehicles and U.S. Government and Agency Securities. INPRS also held approximately $1.5 billion in highly liquid, Large-Cap Domestic Equities. Because of their characteristics, investments in Asset-Backed Securities, Commingled Funds, Corporate Bonds, Non U.S. Governments, other Domestic Equities, International Equities, and Risk Parity are not considered a primary source of liquidity. Investments in Private Equity, Absolute Return, and Private Real Estate are generally considered illiquid.

Statement of Changes in Fiduciary Net Position

As shown in the table below, the total net position for INPRS increased by $3,149 million, or 11.6 percent, for fiscal year 2014, compared to a total net position increase of $1,502 million, or 5.9 percent as of June 30, 2013.

A summary of changes in net position during the fiscal years ended June 30, 2014 and June 30, 2013, is presented below:

Changes in Net Position
(dollars in thousands)

	June 30, 2014	June 30, 2013	Increase / (Decrease)	Percentage Change
Additions				
Member Contributions	$ 341,609	$ 326,518	$ 15,091	4.6%
Employer Contributions	894,851	933,719	(38,868)	(4.2)
Nonemployer Contributing Entity	826,142	1,004,140	(177,998)	(17.7)
Net Investment Income	3,434,051	1,514,240	1,919,811	126.8
Other Additions	15,754	14,865	889	6.0
Total Additions	**$ 5,512,407**	**$ 3,793,482**	**$1,718,925**	**45.3 %**
Deductions				
Benefits – Pension, Disability, Death	$ 2,216,926	$ 2,132,133	$ 84,793	4.0 %
Distributions of Contributions and Interest	87,375	98,414	(11,039)	(11.2)
Administrative Expenses	34,544	32,149	2,395	7.4
Project Expenses	8,855	13,715	(4,860)	(35.4)
Other Deductions	15,582	14,759	823	5.6
Total Deductions	**$ 2,363,282**	**$ 2,291,170**	**$ 72,112**	**3.1 %**
Net Increase / (Decrease) in Net Position	**$ 3,149,125**	**$ 1,502,312**	**$1,646,813**	**109.6 %**

Additions

Additions to the net position of INPRS needed to finance retirement benefits are accumulated primarily through contributions and investment income. Total additions for INPRS were $5,512 million for fiscal year 2014, compared to $3,793 million for fiscal year 2013, which represents an increase in total additions of $1,719 million, or 45.3 percent. The primary reasons for the increase are as follows:

- Member Contributions increased by $15 million, or 4.6 percent. The primary reason for this increase was due to a higher wage base.
- Employer Contributions decreased by $39 million, or 4.2 percent. The primary reason for this decrease was due to the State appropriating an additional $122 million from State excess reserves in accordance with 2012 HB 1376 in 2013. In addition, contributions due to employer rate increases and other service purchases increased by $83 million.
- Nonemployer Contributing Entity decreased by $178 million, or 17.7 percent due to the State appropriating an additional $207 million from State excess reserves in accordance with 2012 HB 1376 in 2013 to the Teachers' Retirement Fund Pre-1996 Account.
- Net Investment Income increased by $1,920 million, or 127 percent, driven by a 12.7 percent time-weighted rate of return in fiscal year 2014, compared to a 6.0 percent time-weighted rate of return for fiscal year 2013. The money-weighted rate of return was 12.7 percent, compared to fiscal year 2013 rate of return of 5.6 percent.
- Other Additions increased by $0.9 million, or 6.0 percent, due to an increase in member reassignments which by their nature, can fluctuate significantly from year to year.

Deductions

Benefit payments, distributions of contributions and interest to members who terminate employment, administrative expenses and project expenses primarily comprise the INPRS expenses, or deductions from net position. Total deductions for INPRS were $2,363 million for fiscal year 2014, compared to $2,291 million for fiscal year 2013, which represents an increase in total deductions of $72 million, or 3.1 percent. The primary reasons for the increase are as follows:

- **Pension, Disability and Death Benefits** increased by $85 million, or 4.0 percent, due to an increase in the number of retirees.
- **Distribution of Contributions and Interest** decreased by $11 million, or 11.2 percent, as a result of fewer inactive members withdrawing their funds.
- **Administrative Expenses** increased by $2.4 million or 7.4 percent, primarily due to higher Data Processing and increased Amortization Expense because modernization was completed in fiscal year 2014.
- **Project Expenses** decreased by $4.9 million, or 35.4 percent, primarily because modernization was completed with the final system going live in fiscal year 2014.
- **Other Deductions** increased by $0.8 million, or 5.6 percent, due to higher member reassignments which, by their nature, can fluctuate significantly from year to year.

Consolidated Defined Benefit Asset Allocation and Rate of Return on Investments

In October 2011, the INPRS Board of Trustees adopted a new Investment Policy Statement effective January 1, 2012. This new strategic asset allocation is for the Consolidated Defined Benefit Assets. Substantially all of the investments for the retirement plans administered by INPRS are pooled in the Consolidated Defined Benefit Retirement Assets. The following table presents the INPRS Consolidated Defined Benefit Assets investment allocation as of June 30, 2014, compared to the INPRS current target investment allocation and actual allocation as of June 30, 2013.

Consolidated Defined Benefit Asset Allocation

	June 30, 2014 Actual	June 30, 2014 Target	June 30, 2013 Actual	Allowable Range For Investments[1]
Public Equity	23.6%	22.5%	24.2%	20.0% to 25.0%
Private Equity	12.7	10.0	13.0	7.0% to 13.0%
Fixed Income - Ex Inflation-Linked	22.2	22.0	22.0	19.0% to 25.0%
Fixed Income - Inflation-Linked	9.4	10.0	10.0	7.0% to 13.0%
Commodities	7.8	8.0	7.3	6.0% to 10.0%
Real Estate	5.4	7.5	5.3	4.0% to 11.0%
Absolute Return	8.7	10.0	8.6	6.0% to 14.0%
Risk Parity	10.2	10.0	9.6	5.0% to 15.0%
Total	**100.0%**	**100.0%**	**100.0%**	

[1] See Notes to the Financial Statements, Note 3. for additional information.

The Consolidated Defined Benefit Assets (i.e., INPRS-controlled asset allocation) time-weighted rate of return on investments was positive 13.7 percent for fiscal year 2014, compared to the 6.75 percent actuarial-assumed long-term rate of return. The fiscal year 2014 time-weighted rate of return of 13.7 percent was 7.7 percentage points higher than fiscal year 2013 time-weighted rate of return of 6.0 percent. The following provides a brief summary of the rate of return for each asset class for fiscal year 2014, compared to the respective benchmark for each asset class. The Investment Section provides additional information for the INPRS investments.

- **Public Equity**, which seeks to provide long-term capital appreciation and income through exposure to public equity securities, had a return on investment of positive 22.5 percent for fiscal year 2014. This return compared (0.9) percentage points unfavorable to the benchmark of positive 23.4 percent for the MSCI All Country World IMI Index.
- **Private Equity**, which seeks to provide risk-adjusted returns in excess of the public equity markets while simultaneously decreasing the volatility of the INPRS investment portfolio through diversification, had a return on investment of positive 19.6 percent for fiscal year 2014. This return compared (8.6) percentage points unfavorable to the benchmark of positive 28.2 percent for the Russell 3000 Index plus 300 basis points.
- **Fixed Income – Ex Inflation-Linked**, which seeks to generate current income and long-term risk-adjusted returns through investments in debt securities, had a return on investment of positive 7.1 percent for fiscal year 2014. This return was 1.9 percentage points favorable to the benchmark of positive 5.2 percent for Global Inflation 70/30.
- **Fixed Income – Inflation-Linked**, or Treasury Inflation Protected Securities (TIPS), which seeks to generate long-term risk-adjusted returns through investments in inflation-linked securities and to provide protection against unanticipated inflation, had a return on investment of positive 5.4 percent for fiscal year 2014. This return compared 0.7 percentage points favorable to the benchmark of positive 4.7 percent for the Barclays Capital Global Inflation-Linked Bond Index.
- **Commodities**, which seek to enhance long-term risk-adjusted returns by preserving investment capital, lowering overall volatility, and providing a hedge against unanticipated inflation, had a return on investment of positive 12.8 percent for fiscal year 2014. This return compared 0.9 percentage points favorable to the benchmark of positive 11.9 percent for a 50/50 blend of the Dow Jones UBS Commodity Index and the Goldman Sachs Commodity Index.
- **Real Estate**, which seeks to generate attractive risk-adjusted returns by providing stable current income, preserving investment capital, and reducing volatility by providing a hedge against unanticipated inflation, had a return on investment of positive 10.2 percent for fiscal year 2014. This return compared (2.5) percentage points unfavorable to the benchmark of positive 12.7 percent for the NCREIF Open End Diversified Core Equity Index.
- **Absolute Return**, which seeks to enhance the long-term risk-adjusted returns by providing diversification benefits, while preserving capital and reducing volatility, had a return on investment of positive 10.3 percent for fiscal year 2014. This return compared 3.9 percentage points favorable to the benchmark of positive 6.4 percent for the HFRI Fund of Funds Composite Index.
- **Risk Parity**, which seeks to create risk-balance that, is capable of delivering consistent and high risk-adjusted returns in several macro-economic environments, had a return on investment of positive 16.7 percent for fiscal year 2014. This return compared 0.8 percentage points favorable to the benchmark of positive 15.9 percent for the blended benchmark of the MSCI ACWI IMI Index (equities – 60 percent) and Barclays Global Aggregate Bond Index (40 percent).

Actuarial Valuations and Funding Progress

The overall objective of a pension fund is to accumulate sufficient funds to meet all expected future obligations to members. A pension fund is fully funded when it has enough money in reserve to meet all expected future obligations to participants. The goal for the defined benefit retirement plans is to make progress toward achieving full funding.

With the implementation of GASB Statement No. 67, the Actuarial Value of Assets (AVA) is no longer to be used for financial reporting purposes. The Market Value of Assets (MVA) is required for financial reporting purposes; however, the Actuarial Value of Assets will continue to be used for funding purposes as presented in the Actuarial Section.

The market value funded ratios of the defined benefit pension plans administered by INPRS as of the latest actuarial valuations were as follows:

Historical Trends

	June 30, 2014	June 30, 2013
Pre-Funded Defined Benefit Pension Trust Funds		
PERF	84.3%	78.8%
TRF 1996 Account	99.1	93.4
1977 Fund	101.1	93.7
JRS	93.1	82.9
EG&C Plan	89.5	82.2
PARF	83.4	77.4
LEDB Plan	83.7	77.9
Pay-As-You-Go Defined Benefit Pension Trust Fund		
TRF Pre-1996 Account[1]	33.6%	31.7%

An analysis of the funding progress, contributions and a discussion of actuarial assumptions and methods is set forth in Note 8 and in the Required Supplementary Information of the Financial Section. For additional actuarial-related information on a funding basis, refer to the Actuarial Section of the CAFR.

Statement of Fiduciary Net Position

As of June 30, 2014 (with Comparative Totals for the Year Ended June 30, 2013)[1]

(dollars in thousands)

	Pension Trust Funds								
	Public Employees' Retirement Fund	Teachers' Retirement Fund Pre-1996 Account	Teachers' Retirement Fund 1996 Account	1977 Police Officers' and Firefighters' Pension and Disability Fund	Judges' Retirement System	State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan	Prosecuting Attorneys' Retirement Fund	Legislators' Defined Benefit Plan	Legislators' Defined Contribution Plan
Assets									
Cash	$ 6,303	$ 450	$ 1,958	$ 1,332	$ 3,597	$ 8	$ -	$ -	$ 4
Receivables:									
Contributions Receivable	4,284	84	1,967	2,311	-	-	-	-	-
Miscellaneous Receivables	2,411	81	293	101	67	-	93	-	889
Investments Receivable	217,921	83,743	81,479	82,477	7,442	1,922	944	61	489
Foreign Exchange Contracts Receivable	1,842,979	648,324	672,206	765,324	69,049	17,836	8,758	562	2,161
Interest and Dividends	41,097	16,089	14,929	13,626	1,229	318	156	10	63
Due From Other Funds	5,022	910	1,231	-	-	-	-	-	-
Total Receivables	2,113,714	749,231	772,105	863,839	77,787	20,076	9,951	633	3,602
Investments:									
Short Term Investments	12,768	24,314	2,184	-	-	-	-	-	33
Pooled Unit Trust Assets:									
Repurchase Agreements	-	-	-	-	-	-	-	-	-
Short Term Investments	587,919	215,687	214,805	227,581	20,533	5,304	2,604	167	826
Fixed Income	5,962,143	2,401,241	2,113,034	1,681,194	151,680	39,180	19,238	1,234	6,207
Equities	3,436,676	1,559,370	1,379,779	1,114,954	100,593	25,984	12,758	819	17,632
Alternative Investments	4,186,657	1,438,578	1,514,698	1,769,015	159,574	41,219	20,239	1,299	3,581
Derivatives	12,376	4,449	4,549	5,054	456	118	58	4	18
Securities Lending Collateral	992,239	340,947	358,988	419,261	37,826	9,771	4,798	308	849
Total Investments	15,190,778	5,984,586	5,588,037	5,217,059	470,662	121,576	59,695	3,831	29,146
Other Assets	408	-	-	-	-	-	-	-	-
Gross Capitalized Assets	13,550	2,583	2,382	579	23	21	17	1	3
Less: Accumulated Depreciation and Amortization	(6,919)	(1,398)	(1,303)	(301)	(12)	(11)	(9)	(1)	(2)
Net Capitalized Assets	6,631	1,185	1,079	278	11	10	8	-	1
Total Assets	**17,317,834**	**6,735,452**	**6,363,179**	**6,082,508**	**552,057**	**141,670**	**69,654**	**4,464**	**32,753**
Liabilities									
Accounts Payable	$ 3,731	$ 564	$ 610	$ 39	$ 4	$ 1	$ 1	$ 1	$ -
Retirement Benefits Payable	447	84,654	6,473	1,706	-	176	-	-	-
Salaries and Benefits Payable	3,236	-	-	-	-	-	-	-	-
Investments Payable	256,402	118,007	92,697	90,291	8,146	2,103	1,033	67	540
Foreign Exchange Contracts Payable	1,851,948	651,533	675,497	769,003	69,381	17,922	8,800	565	2,173
Securities Lending Obligations	992,239	340,947	358,988	419,261	37,826	9,771	4,798	308	849
Obligations Under Reverse Repurchase Agreement	103,402	35,530	37,411	43,691	3,942	1,018	500	32	88
Due to Other Funds	2,141	2,350	2,061	539	28	22	15	2	-
Due to Other Governments	-	-	-	-	-	-	-	-	-
Total Liabilities	**3,213,546**	**1,233,585**	**1,173,737**	**1,324,530**	**119,327**	**31,013**	**15,147**	**975**	**3,650**
Total Net Position Restricted	**$ 14,104,288**	**$ 5,501,867**	**$ 5,189,442**	**$ 4,757,978**	**$ 432,730**	**$ 110,657**	**$ 54,507**	**$ 3,489**	**$ 29,103**

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[1] *The accompanying notes are an integral part of the financial statements.*

Statement of Fiduciary Net Position, continued

As of June 30, 2014 (with Comparative Totals for the Year Ended June 30, 2013)[1]

(dollars in thousands)	Other Postemployment Benefit Funds				Agency Fund		INPRS Totals	
	State Employees' Death Benefit Fund	Public Safety Officers' Special Death Benefit Fund	Pension Trust and Other Postemployment Benefit Funds 2014 Totals	Pension Trust and Other Postemployment Benefit Funds 2013 Totals	Pension Relief Fund 2014 Totals	Pension Relief Fund 2013 Totals	2014 Totals	2013 Totals
Assets								
Cash	$ -	$ 106	$ 13,758	$ 10,241	$ 1,243	$ 1,054	$ 15,001	$ 11,295
Receivables:								
Contributions Receivable	-	-	8,646	19,711	-	-	8,646	19,711
Miscellaneous Receivables	-	-	3,935	2,302	-	-	3,935	2,302
Investments Receivable	65	42	476,585	389,435	-	-	476,585	389,435
Foreign Exchange Contracts Receivable	-	-	4,027,199	2,017,071	-	-	4,027,199	2,017,071
Interest and Dividends	48	30	87,595	91,424	-	-	87,595	91,424
Due From Other Funds	-	-	7,163	6,837	-	-	7,163	6,837
Total Receivables	113	72	4,611,123	2,526,780	-	-	4,611,123	2,526,780
Investments:								
Short Term Investments	-	-	39,299	65,261	15,933	35,587	55,232	100,848
Pooled Unit Trust Assets:								
Repurchase Agreements	-	-	-	28,800	-	-	-	28,800
Short Term Investments	125	80	1,275,631	1,431,649	-	-	1,275,631	1,431,649
Fixed Income	7,752	4,962	12,387,865	11,636,389	-	-	12,387,865	11,636,389
Equities	-	-	7,648,565	6,678,067	-	-	7,648,565	6,678,067
Alternative Investments	-	-	9,134,860	7,803,938	-	-	9,134,860	7,803,938
Derivatives	-	-	27,082	38,291	-	-	27,082	38,291
Securities Lending Collateral	2,442	1,563	2,168,992	1,080,547	-	-	2,168,992	1,080,547
Total Investments	10,319	6,605	32,682,294	28,762,942	15,933	35,587	32,698,227	28,798,529
Other Assets	-	-	408	304	-	-	408	304
Gross Capitalized Assets	-	-	19,159	18,916	2	2	19,161	18,918
Less: Accumulated Depreciation and Amortization	-	-	(9,956)	(6,762)	(2)	(2)	(9,958)	(6,764)
Net Capitalized Assets	-	-	9,203	12,154	-	-	9,203	12,154
Total Assets	**10,432**	**6,783**	**37,316,786**	**31,312,421**	**17,176**	**36,641**	**37,333,962**	**31,349,062**
Liabilities								
Accounts Payable	-	-	4,951	6,268	4	9	4,955	6,277
Retirement Benefits Payable	-	-	93,456	87,692	-	-	93,456	87,692
Salaries and Benefits Payable	-	-	3,236	2,589	-	-	3,236	2,589
Investments Payable	73	46	569,405	903,209	-	-	569,405	903,209
Foreign Exchange Contracts Payable	-	-	4,046,822	2,004,661	-	-	4,046,822	2,004,661
Securities Lending Obligations	2,442	1,563	2,168,992	1,080,547	-	-	2,168,992	1,080,547
Obligations Under Reverse Repurchase Agreement	-	-	225,614	172,606	-	-	225,614	172,606
Due to Other Funds	-	-	7,158	6,822	5	15	7,163	6,837
Due to Other Governments	-	-	-	-	17,167	36,617	17,167	36,617
Total Liabilities	**2,515**	**1,609**	**7,119,634**	**4,264,394**	**17,176**	**36,641**	**7,136,810**	**4,301,035**
Total Net Position Restricted	**$ 7,917**	**$ 5,174**	**$ 30,197,152**	**$ 27,048,027**	**$ -**	**$ -**	**$ 30,197,152**	**$ 27,048,027**

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[1] *The accompanying notes are an integral part of the financial statements.*

Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2014 (with Comparative Totals for the Year Ended June 30, 2013)[1]

(dollars in thousands)

	Pension Trust Funds							
	Public Employees' Retirement Fund	Teachers' Retirement Fund Pre-1996 Account	Teachers' Retirement Fund 1996 Account	1977 Police Officers' and Firefighters' Pension and Disability Fund	Judges' Retirement System	State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan	Prosecuting Attorneys' Retirement Fund	Legislators' Defined Benefit Plan
Additions								
Contributions:								
Member Contributions	$ 164,189	$ 47,028	$ 81,802	$ 41,791	$ 2,856	$ 1,019	$ 1,334	$ -
Employer Contributions	526,090	6,325	194,751	140,119	20,895	5,359	1,174	138
Nonemployer Contributing Entity	-	825,617	-	-	-	-	-	-
Total Contributions	690,279	878,970	276,553	181,910	23,751	6,378	2,508	138
Investment Income:								
Net Appreciation/(Depreciation) Fair Value of Investments	1,436,345	596,763	546,019	537,372	48,907	12,582	6,211	414
Other Net Investment Income	2,216	805	776	927	74	20	9	1
Net Interest and Dividends Income	200,751	81,046	69,918	64,591	5,876	1,514	746	50
Securities Lending Income	1,854	658	666	781	71	17	9	1
Total Net Investment Income	1,641,166	679,272	617,379	603,671	54,928	14,133	6,975	466
Less Direct Investment Expenses:								
Investment Management Fees	(79,042)	(29,214)	(28,179)	(32,215)	(2,930)	(754)	(371)	(26)
Securities Lending Fees	(256)	(91)	(92)	(108)	(10)	(4)	(1)	-
Direct Investment Expenses	(8,475)	(2,386)	(2,326)	(1,290)	(98)	(36)	(22)	(1)
Net Investment Income / (Loss)	1,553,393	647,581	586,782	570,058	51,890	13,339	6,581	439
Other Additions:								
Miscellaneous Income	52	19	21	30	6	-	4	-
Member Reassignments	3,444	3,250	8,884	-	4	-	-	-
Total Other Additions	3,496	3,269	8,905	30	10	-	4	-
Total Additions	**2,247,168**	**1,529,820**	**872,240**	**751,998**	**75,651**	**19,717**	**9,093**	**577**
Deductions								
Pension and Disability Benefits	765,327	1,220,866	97,986	104,802	18,527	5,838	2,347	363
Special Death Benefits	-	-	-	720	-	-	-	-
Distribution of Contributions and Interest	63,031	8,435	10,734	3,572	-	100	51	-
Administrative Expenses	21,756	5,585	5,347	1,439	131	126	96	59
Project Expenses	5,677	1,425	1,360	348	15	15	12	3
Member Reassignments	7,690	6,844	1,048	-	-	-	-	-
Total Deductions	**863,481**	**1,243,155**	**116,475**	**110,881**	**18,673**	**6,079**	**2,506**	**425**
Net Increase / (Decrease)	**1,383,687**	**286,665**	**755,765**	**641,117**	**56,978**	**13,638**	**6,587**	**152**
Beginning Net Position Restricted	12,720,601	5,215,202	4,433,677	4,116,861	375,752	97,019	47,920	3,337
Ending Net Position Restricted	**$ 14,104,288**	**$ 5,501,867**	**$ 5,189,442**	**$ 4,757,978**	**$ 432,730**	**$ 110,657**	**$ 54,507**	**$ 3,489**

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[1] *The accompanying notes are an integral part of the financial statements. Please see the Notes to the Financial Statements for further details.*

[2] *Please note that as the Pension Relief Fund is an Agency Fund, it is not included in the Statement of Changes in Fiduciary Net Position.*

Statement of Changes in Fiduciary Net Position, continued

For the Year Ended June 30, 2014 (with Comparative Totals for the Year Ended June 30, 2013)[1]

(dollars in thousands)	Pension Trust Funds	Other Postemployment Benefit Funds		INPRS Totals[2]	
	Legislators' Defined Contribution Plan	State Employees' Death Benefit Fund	Public Safety Officers' Special Death Benefit Fund	Pension Trust and Other Postemployment Benefit Funds 2014 Totals	Pension Trust and Other Postemployment Benefit Funds 2013 Totals
Additions					
Contributions:					
Member Contributions	$ 1,590	$ -	$ -	$ 341,609	$ 326,518
Employer Contributions	-	-	-	894,851	933,719
Nonemployer Contributing Entity	-	-	525	826,142	1,004,140
Total Contributions	1,590	-	525	2,062,602	2,264,377
Investment Income:					
Net Appreciation/(Depreciation) Fair Value of Investments	3,465	59	38	3,188,175	1,229,146
Other Net Investment Income	2	-	-	4,830	4,719
Net Interest and Dividends Income	232	186	114	425,024	417,416
Securities Lending Income	2	3	2	4,064	5,870
Total Net Investment Income	3,701	248	154	3,622,093	1,657,151
Less Direct Investment Expenses:					
Investment Management Fees	(84)	(13)	(7)	(172,835)	(127,093)
Securities Lending Fees	-	-	-	(562)	(879)
Direct Investment Expenses	(9)	(1)	(1)	(14,645)	(14,939)
Net Investment Income / (Loss)	3,608	234	146	3,434,051	1,514,240
Other Additions:					
Miscellaneous Income	40	-	-	172	106
Member Reassignments	-	-	-	15,582	14,759
Total Other Additions	40	-	-	15,754	14,865
Total Additions	**5,238**	**234**	**671**	**5,512,407**	**3,793,482**
Deductions					
Pension and Disability Benefits	-	-	-	2,216,056	2,130,689
Special Death Benefits	-	-	150	870	1,444
Distribution of Contributions and Interest	1,452	-	-	87,375	98,414
Administrative Expenses	5	-	-	34,544	32,149
Project Expenses	-	-	-	8,855	13,715
Member Reassignments	-	-	-	15,582	14,759
Total Deductions	**1,457**	-	**150**	**2,363,282**	**2,291,170**
Net Increase / (Decrease)	**3,781**	**234**	**521**	**3,149,125**	**1,502,312**
Beginning Net Position Restricted	25,322	7,683	4,653	27,048,027	25,545,715
Ending Net Position Restricted	**$ 29,103**	**$ 7,917**	**$ 5,174**	**$ 30,197,152**	**$ 27,048,027**

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[1] *The accompanying notes are an integral part of the financial statements. Please see the Notes to the Financial Statements for further details.*

[2] *Please note that as the Pension Relief Fund is an Agency Fund, it is not included in the Statement of Changes in Fiduciary Net Position.*

Note 1. Descriptions of System and Plans

Administration of System and Plans

The Indiana Public Retirement System (INPRS) administers nine (9) pension trust funds including eight (8) Defined Benefit retirement plans and one (1) Defined Contribution retirement plan, two (2) Other Postemployment Benefit funds and one (1) Agency fund. INPRS is governed by a nine-member Board of Trustees, appointed by the Governor pursuant to the following criteria: one (1) trustee with experience in economics, finance, or investments, one (1) trustee with experience in executive management of benefits administration, one (1) trustee who is an active or retired member of the 1977 Fund, two (2) trustees who are TRF members with at least 10 years of creditable service, one (1) trustee who is a PERF member with at least 10 years of creditable service, Director of the State Budget Agency, or designee, Auditor of State, or nominee, and Treasurer of State, or nominee.

(A) Public Employees' Retirement Fund

Plan Description

The Public Employees' Retirement Fund (PERF) as part of the implementation of GASB Statement No. 67 changed from an agent to a cost-sharing, multiple-employer defined benefit plan effective July 1, 2013 based on 35 IAC 21-1-1, 35 IAC 21-1-2 and amended IC 5-10.2-2-11(b). PERF was established to provide retirement, disability, and survivor benefits to full-time employees of the State of Indiana not covered by another plan, those political subdivisions that elect to participate in the retirement plan, and certain INPRS employees. Political subdivisions mean a county, city, town, township, political body corporate, public school corporation, public library, public utility of a county, city, town, township, and any department of, or associated with, a county, city, town, or township, which department receives revenue independently of, or in addition to, funds obtained from taxation. There are two (2) tiers to the PERF Plan. The first is the Public Employees' Defined Benefit Plan (PERF Hybrid Plan) and the second is the Public Employees' Annuity Savings Account Only Plan (PERF ASA Only Plan). Details of the PERF Hybrid Plan and PERF ASA Only Plan are described below.

Membership

PERF members are officers and employees of units of State and local governments in Indiana (referred to as political subdivisions), including counties, cities, towns, townships, libraries, and school corporations. The political subdivisions become participants by ordinance or resolution of the governing body, which specifies the classifications of employees who will become members of the plan. The ordinance or resolution is filed with and approved by INPRS. In order to be a member, employees hired after June 30, 1982, except employees of a participating school corporation, must occupy positions normally requiring performance of service of more than 1,000 hours during a year. Effective July 1, 2008, members who have at least one (1) year of service in both PERF and TRF, have the option of choosing from which of these funds they would like to retire.

As of June 30, 2014, there were 1,125 participating political subdivisions in addition to the State. As of June 30, 2014, PERF membership consisted of:

Retired Members, Beneficiaries, and Disabled Members Receiving Benefits	75,950
Terminated Vested Members Entitled To But Not Yet Receiving Benefits	24,013
Terminated Non-Vested Members Entitled To a Distribution of ASA Balance	50,997
Active Members: Vested and Non-Vested	137,567
Total	288,527
Total Actual Covered Payroll for Active Members (dollars in thousands)	$ 4,896,635

Contributions

The State of Indiana is obligated by statute to make contributions to the PERF Hybrid Plan or the PERF ASA Only Plan. Any political subdivision that elects to participate in the PERF Hybrid Plan is obligated by statute to make contributions to the plan. The required contributions are determined by the INPRS Board of Trustees based on actuarial investigation and valuation in accordance with IC 5-10.2-2-11. The funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to fund the pension benefits when they become due. As PERF is a cost-sharing plan, all risks and costs, including benefit costs, are shared proportionately by the participating employers. During fiscal year 2014, all participating employers were required to contribute 11.2 percent of covered payroll for members employed by the State. For political subdivisions, an average contribution rate of 9.7 percent was required from employers during the period of July 1 – December 31, 2013, and an average contribution rate of 11.0 percent was required for the period of January 1 – June 30, 2014. For the ASA Only Plan all participating employers were also required to contribute 11.2 percent of covered payroll. In accordance to IC 5-10.3-12-24, the amount credited from the employer's contribution rate to the member's account shall not be less that 3 percent and not be greater than the normal cost of the fund which was 4.7 percent for fiscal year 2014 and any amount not credited to the member's account shall be applied to the pooled assets of the PERF Hybrid Plan.

The PERF Hybrid Plan or the PERF ASA Only Plan members contribute three (3) percent of covered payroll to their annuity savings account, which is not used to fund the defined benefit pension for the PERF Hybrid Plan. For the PERF Hybrid Plan, the employer may elect to make the contributions on behalf of the member. The employer shall pay the member's contributions on behalf of the member for the PERF ASA Only Plan. In addition, members of the PERF Hybrid Plan (effective 7/1/2014 the PERF ASA Only Plan may also participate) may elect to make additional voluntary contributions, under certain criteria, of up to 10 percent of their compensation into their annuity savings accounts.

PERF Hybrid Plan

Plan Description

The PERF Hybrid Plan was established by the Indiana Legislature in 1945 and is governed by the INPRS Board of Trustees in accordance with Indiana Code (IC) 5-10.2, IC 5-10.3, and IC 5-10.5. There are two (2) aspects to the PERF Hybrid Plan defined benefit structure. The first portion is the monthly defined benefit pension that is funded by the employer. The second portion of the PERF Hybrid Plan benefit structure is the annuity savings account (ASA) that supplements the defined benefit at retirement.

Retirement Benefits – Defined Benefit Pension

The PERF Hybrid Plan retirement benefit consists of the sum of a defined pension benefit provided by employer contributions plus the amount credited to the member's annuity savings account. Pension benefits (non ASA) vest after 10 years of creditable service. The vesting period is eight (8) years for certain elected officials. Members are immediately vested in their annuity savings account. At retirement, a member may choose to receive a lump sum payment of the amount credited to the member's annuity savings account, receive the amount as an annuity, or leave the contributions invested with INPRS. Vested PERF members leaving a covered position, who wait 30 days after termination, may withdraw their annuity savings account and will not forfeit creditable service or a full retirement benefit. However, if a member is eligible for a full retirement at the time of the withdrawal request, he/she will have to begin drawing his/her pension benefit in order to withdraw the annuity savings account. A non-vested member who terminates employment prior to retirement may withdraw his/her annuity savings account after 30 days, but by doing so, forfeits his/her creditable service. A member who returns to covered service and works no less than six (6) months in a covered position may reclaim his/her forfeited creditable service.

A member who has reached age 65 and has at least 10 years of creditable service is eligible for normal retirement and, as such, is entitled to 100 percent of the pension benefit component. This annual pension benefit is equal to 1.1 percent times the average annual compensation times the number of years of creditable service. The average annual compensation in this calculation uses the highest 20 calendar quarters of salary in a covered position. All 20 calendar quarters do not need to be continuous, but they must be in groups of four (4) consecutive calendar quarters. The same calendar quarter may not be included in two (2) different groups. For PERF members who serve as an elected official, the highest one (1) year (total of four (4) consecutive quarters) of annual compensation is used. Member contributions paid by the employer on behalf of the member and severance pay up to $2,000 are included as part of the member's annual compensation.

A member who has reached age 60 and has at least 15 years of creditable service is eligible for normal retirement and, as such, is entitled to 100 percent of the pension benefit. A member who is at least 55 years old and whose age plus number of years of creditable service is at least 85 is entitled to 100 percent of the benefits as described above.

A member who has reached at least age 50 and has at least 15 years of creditable service is eligible for early retirement with a reduced pension. A member retiring early receives a percentage of the normal annual pension benefit. The percentage of the pension benefit at retirement remains the same for the member's lifetime. For age 59, the early retirement percentage of the normal annual pension benefit is 89 percent. This amount is reduced five (5) percentage points per year (e.g., age 58 is 84 percent) to age 50 being 44 percent.

The monthly pension benefits for members in pay status may be increased periodically as cost of living adjustments (COLA). Such increases are not guaranteed by statute and have historically been provided on an "ad hoc" basis and can only be granted by the Indiana General Assembly. There was no COLA for the year ended June 30, 2014; however, eligible members received a one-time check (a.k.a. 13th check) in September 2013. The amount of the one-time check ranged from $150 to $450, depending upon a member's years of service, and was for a member who retired or was disabled on or before December 1, 2012, and who was entitled to receive a monthly benefit on July 1, 2013.

Disability and Survivor Benefits

The PERF Hybrid Plan also provides disability and survivor benefits. A member who has at least five (5) years of creditable service and becomes disabled while in active service, on FMLA leave, receiving workers' compensation benefits, or receiving employer-provided disability insurance benefits may retire for the duration of the disability, if the member has qualified for social security disability benefits and has furnished proof of the qualification. The disability benefit is calculated the same as that for a normal retirement without reduction for early retirement. The minimum benefit is $180 per month, or the actuarial equivalent.

Upon the death in service of a member with 15 or more years of creditable service as of January 1, 2007, a survivor benefit may be paid to the surviving spouse to whom the member had been married for two (2) or more years, or surviving dependent children under the age of 18. This payment is equal to the benefit which would have been payable to a beneficiary if the member had retired at age 50 or at death, whichever is later, under an effective election of the joint and survivor option available for retirement benefits. A surviving spouse or surviving dependent children are also entitled to a survivor benefit upon the death in service after January 1, 2007, of a member who was at least 65 years of age and had at least 10 but not more than 14 years of creditable service.

Retirement Benefits – Annuity Savings Account

Members are required to participate in an Annuity Savings Account (ASA). The ASA consists of the member's contributions, set by statute at three (3) percent of compensation as defined by IC 5-10.2-3-2 for PERF, plus the interest/earnings or losses credited to the member's account. The employer may elect to make the contributions on behalf of the member. In addition, under certain conditions, members may elect to make additional voluntary contributions of up to 10 percent of their compensation into their annuity savings accounts. A member's contributions and interest credits belong to the member and do not belong to the State or political subdivision.

Investments in the members' annuity savings accounts are individually directed and controlled by plan participants who direct the investment of their account balances among the following eight (8) investment options, with varying degrees of risk and return potential:

- Guaranteed Fund – This fund's objective is to provide stability of principal and a competitive interest rate. The interest rate is set by the INPRS Board of Trustees each year and is guaranteed for the fiscal year. Market risk is assumed by the Fund.
- Large Cap Equity Index Fund – This fund's objective is to seek investment growth/capital appreciation through passive investment in the stocks of the 500 largest U.S. companies. Market risk is assumed by the member.
- Small/Mid Cap Equity Fund – This fund's objective is to seek investment growth/capital appreciation through both active and passive investment in stocks of small- and mid-sized U.S. companies. Market risk is assumed by the member.
- International Equity Fund – This fund's objective is to seek investment growth/capital appreciation through both active and passive investment in stocks of non-U.S. companies in both developed and emerging markets. Market risk is assumed by the member.
- Fixed Income Fund – This fund's objective is to seek total return, consisting of income and capital appreciation. Market risk is assumed by the member.
- Inflation-Linked Fixed Income Fund – This fund's objective is to provide investors inflation protection and income consistent with investment in inflation-indexed securities. Principal and interest payments are adjusted in response to changes in inflation. Market risk is assumed by the member.
- Target Date Funds – The Funds are designed to seek an appropriate amount of total return, commensurate with risk, given the specific time horizon of each Fund. The Target Date Funds provide participants with a one-stop shop for investing. Participants simply choose the Fund most appropriate for them based on the year in which they plan to withdraw their money (usually their retirement year). Once a participant selects the appropriate Fund, the underlying asset allocation automatically adjusts over time. Market risk is assumed by the member.
- Money Market Fund – This fund's objective is to provide a market rate of return consistent with the preservation of capital through a shorter maturity, high quality portfolio. Market risk is assumed by the member.

Members may make changes to their investment directions daily and investments are reported at fair value.

ASA Only Plan

Plan Description

The PERF ASA Only Plan was established by the Indiana Legislature in 2011, and is governed by the INPRS Board of Trustees in accordance with IC 5-10.3-12, and IC 5-10.5. This plan is funded by an employer and a member for the use of the member, or the member's beneficiaries or survivors, after the member's retirement. PERF ASA Only Plan members are full-time employees of the State of Indiana (as defined in IC 5-10.3-7-1(d)), who are in a position eligible for membership in the PERF Hybrid Plan and who elect to become members of the PERF ASA Only Plan. The PERF ASA Only Plan membership does not include individuals who: (1) before March 1, 2013 were members of the PERF Hybrid Plan or (2) on or after March 1, 2013 do not elect to participate in the PERF ASA Only Plan. Any government agency that pays employees through the Auditor of the State is a mandatory participant in the ASA Only Plan and must offer eligible employees the ASA Only Plan option. Quasi-government agencies and State educational institutions may choose to offer the ASA-Only Plan as an option to their employees. Since inception, 395 members have selected the ASA Only Plan, or approximately 9 percent of eligible new hires of the State.

Retirement Account

The PERF ASA Only Plan maintains an annuity savings account for each member. Each member's account consists of two (2) subaccounts within the annuity savings account structure. There is a member contribution subaccount (which is the same as the annuity savings account in the PERF Hybrid Plan) and an employer contribution subaccount.

The member's contribution subaccount consists of the member's contributions, set by statute at three (3) percent of covered payroll as defined by IC 5-10.3-12-23 plus the interest/earnings or losses credited to the member's contribution subaccount. The State shall pay the member's contributions on behalf of the member. The employer contribution subaccount consists of the employer's contributions and the earnings on the employer's contributions. The employer contribution rate is set by INPRS Board of Trustees in accordance with IC 5-10.2-2-11.

The PERF ASA Only Plan allows members to actively participate in managing their retirement benefits through self-directed investment options. All contributions made to a member's account (member contribution subaccount and employer contribution subaccount) are invested as a combined total according to the member's investment elections. The members can direct their investments among the following aforementioned eight (8) investment options: Large Cap Equity Index Fund, Small/Mid Cap Equity Fund, International Equity Fund, Fixed Income Fund, Inflation-Linked Fixed Income Fund, Money Market Fund, Stable Value Fund, and Target Date Funds. A description of each of these Funds is earlier in this note in the PERF Hybrid Plan Retirement Benefits – Annuity Savings Account section, except for the Stable Value Fund:

- Stable Value Fund (available only to PERF ASA Only members) – This fund's objective is to provide a market rate of return consistent with the preservation of principal through a shorter maturity, high quality portfolio.

A member is immediately vested in the member contribution subaccount. In order to receive contributions and earnings from the employer contribution subaccount, a member must meet vesting requirements (full years of participation) to qualify for a distribution. The vesting schedule is as follows:

One (1) year of participation = 20%
Two (2) years of participation = 40%
Three (3) years of participation = 60%

Four (4) years of participation = 80%
Five (5) years of participation = 100%

A member who terminates service with their employer is entitled to withdraw the total amount in the member contribution subaccount. In addition, the member is entitled to withdraw amounts in the employer contribution subaccount to the extent the member is vested in this account. The member must be separated from employment for at least 30 days before the member may take a withdrawal from the member's account. The amount available for withdrawal is the fair value of the participant's account on the processing date. The withdrawal amount can be paid in a lump sum, a direct rollover to another eligible retirement plan, or if the member has attained normal retirement age and met other criteria established by the INPRS Board of Trustees as a monthly annuity provided through INPRS.

If a member becomes disabled while in active service, subject to the member providing proof of the member's qualification for social security disability benefits to the Board of Trustees, a member may withdraw the total amount in the member contribution subaccount. To the extent that the member is vested, the member may make a withdrawal from the member's employer subaccount. The withdrawal amount can be paid in a lump sum, a direct rollover to another eligible retirement plan, or a monthly annuity provided through INPRS if the member has attained normal retirement age and met other criteria established by the INPRS Board of Trustees.

If a member dies while in active service or after terminating service in a position covered by the Plan, but before withdrawing the member's account, all of the member's contribution subaccount, and to the extent that the member is vested, the employer contribution subaccount, will be paid to the beneficiary or beneficiaries designated by the member. The amount available for payment is the fair value of the participant's account. The beneficiary may elect to the have member's account paid as a lump sum, a direct rollover to another eligible retirement plan, or as a monthly annuity in accordance with the rules of the INPRS Board of Trustees. The monthly annuity is an option only on or after the beneficiary attains normal retirement age and meets other criteria established by the INPRS Board of Trustees. If a member dies in the line of duty while in active service, the designated beneficiary or beneficiaries or surviving spouse or dependents, are entitled to payment of the member's account as described above. In addition, if the member was not fully vested in the employer contribution subaccount, the account is deemed to be fully vested for purposes of withdrawal.

(B) Teachers' Retirement Funds

The Indiana State Teachers' Retirement Fund (TRF) was established by the Indiana General Assembly in 1921. In 1955, TRF was designed as a pay-as-you-go defined benefit retirement plan. In 1995, legislation was passed that closed the pay-as-you-go plan (renamed the TRF Pre-1996 Account) to newly hired members and created a new account (named the TRF 1996 Account) for all members hired after June 30, 1995. TRF is two (2) cost-sharing, multiple-employer defined benefit plans, TRF Pre-1996 Account and TRF 1996 Account. TRF is governed by the INPRS Board of Trustees in accordance with IC 5-10.2, IC 5-10.4, and IC 5-10.5.

Teachers' Retirement Fund Pre-1996 Account

Plan Description

The Indiana State Teachers' Retirement Fund Pre-1996 Account (TRF Pre-1996) is a pay-as-you-go cost-sharing, multiple-employer defined benefit plan established to provide retirement, disability, and survivor benefits to public school teachers and administrators, regularly employed licensed teachers at certain State universities and other educational institutions, and certain INPRS employees hired before July 1, 1995, and who have maintained continuous employment with the same school corporation or covered institution since that date to June 30, 2005. There are two (2) aspects to the TRF Pre-1996 defined benefit structure. The first portion is the monthly defined benefit pension that is funded by the State of Indiana. The second portion of the TRF Pre-1996 benefit structure is the annuity savings account that supplements the defined benefit at retirement and was described in the PERF Hybrid Plan Retirement Benefits – Annuity Savings Account section. Investment options are similar to the PERF Hybrid Plan.

Membership

Membership in TRF Pre-1996 is closed to new entrants. 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 employees hired before July 1, 2011, are required to participate in TRF as a condition of employment. Generally, members hired prior to 1996 participate in the TRF Pre-1996 Account and members hired after 1996 participate in the TRF 1996 Account (IC 5-10.2-2-2; IC 5-10.4-4-1; IC 5-10.4-7-1; 35 IAC 14-4-16(a)).

As of June 30, 2014, the number of participating employers was 339 in addition to the State. The State of Indiana makes contributions as the sole non-employer contributing entity. As of June 30, 2014, TRF Pre-1996 Account membership consisted of:

Retired Members, Beneficiaries, and Disabled Members Receiving Benefits	49,345
Terminated Vested Members Entitled To But Not Yet Receiving Benefits	3,314
Terminated Non-Vested Members Entitled To a Distribution of ASA Balance	546
Active Members: Vested and Non-Vested	19,210
Total	72,415
Total Actual Covered Payroll for Active Members (dollars in thousands)	$ 1,262,828

Contributions

State appropriations are made in accordance with IC 5-10.4-2-4 for each fiscal year. Currently, a three (3) percent year-over-year increase is being provided through State appropriations. If the actual pension benefit payout for the fiscal year exceeds the amount appropriated, the difference is paid from the Pension Stabilization Fund as part of the assets of the TRF Pre-1996, which was established according to IC 5-10.4-2-5. As a nonemployer contributing entity, the State of Indiana contributed $825.6 million in fiscal year 2014 to TRF Pre-1996. As part of the $825.6 million contribution, the State pre-funded a one-time check (a.k.a.13th check) of $19 million in accordance with 2013 HB 1080 (which went into the Pension Stabilization Fund). Employers contributed $6.3 million in fiscal year 2014.

TRF Pre-1996 Account members contribute three (3) percent of covered payroll to their annuity savings account, which is not used to fund the defined benefit pension. The employer may elect to make the contributions on behalf of the member. In addition, members may elect to make additional voluntary contributions, under certain criteria, of up to 10 percent of their compensation into their annuity savings accounts.

Teachers' Retirement Fund 1996 Account

Plan Description

The Indiana State Teachers' Retirement 1996 Account (TRF 1996) is a cost-sharing, multiple-employer defined benefit plan established to provide retirement, disability, and survivor benefits to public school teachers and administrators, regularly employed licensed teachers at certain State universities and other educational institutions, and certain INPRS employees (hired before July 1, 2011) hired after June 30, 1995. Members who were hired before July 1, 1995, were members of TRF Pre-1996. However, pursuant to the law in place prior to July 1, 2005, if a member of TRF Pre-1996 left employment and re-employed after June 30, 1995, the member and the liability were transferred to TRF 1996. There are two (2) aspects to the TRF 1996 defined benefit structure. The first portion is the monthly defined benefit pension that is funded by the employer. The second portion of the TRF 1996 benefit structure is the annuity savings account that supplements the defined benefit at retirement and was described in the PERF Hybrid Plan Retirement Benefits – Annuity Savings Account section. Investment options are similar to the PERF Hybrid Plan.

Membership

Membership in TRF 1996 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 employees. Additionally, faculty members and professional employees at Ball State University and Vincennes University have the option of selecting membership in the Fund or the alternate University Plan not administered by INPRS. Membership in TRF 1996 is optional for teachers employed by charter schools, employees and officials of the Indiana State Board of Education who were Indiana licensed teachers prior to their employment with the Board, and teachers employed by special management teams as defined under IC 20-31 et Seq.

As of June 30, 2014, the number of participating employers was 362 in addition to the State. As of June 30, 2014, TRF 1996 Account membership consisted of:

Retired Members, Beneficiaries, and Disabled Members Receiving Benefits	3,665
Terminated Vested Members Entitled To But Not Yet Receiving Benefits	3,103
Terminated Non-Vested Members Entitled To a Distribution of ASA Balance	11,147
Active Members: Vested and Non-Vested	51,204
Total	69,119
Total Actual Covered Payroll for Active Members (dollars in thousands)	$ 2,598,115

Contributions

The required contributions are determined by the INPRS Board of Trustees based on actuarial investigation and valuation in accordance with IC 5-10.2-2-11. The funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to fund the pension benefits when they become due. As the TRF 1996 Account is a cost-sharing system, all risks and costs, including benefit costs, are shared proportionally by the participating employers. During fiscal year 2014, all participating employers in the TRF 1996 Account were required to contribute 7.5 percent of covered payroll.

TRF 1996 Account members contribute three (3) percent of covered payroll to their annuity savings account, which is not used to fund the defined benefit pension. The employer may elect to make the contributions on behalf of the member. In addition, members may elect to make additional voluntary contributions, under certain criteria, of up to 10 percent of their compensation into their annuity savings accounts.

TRF Pre-1996 Account and TRF 1996 Account Retirement Benefits

The TRF retirement benefit consists of the sum of a defined pension benefit provided by employer contributions plus the amount credited to the member’s annuity savings account as described earlier in this note above. Pension benefits (non

ASA) vest after 10 years of creditable service. At retirement, a member may choose to receive a lump sum payment of the amount credited to the member's annuity savings account, receive the amount as an annuity provided through INPRS, or leave the contributions invested with INPRS. Vested TRF members terminating service with an employer, who wait 30 days after termination, may withdraw their annuity savings account and will not forfeit creditable service or a future retirement benefit. However, if a member is eligible for a full retirement at the time of the withdrawal request, he/she will have to begin drawing his/her pension benefit in order to withdraw the annuity savings account. A non-vested member who terminates employment prior to retirement may withdraw his/her annuity savings account after 30 days, but by doing so forfeit his/her creditable service. A member who returns to covered service and works no less than six (6) months in a covered position may reclaim his/her forfeited creditable service.

A member who has reached age 65 and has at least 10 years of creditable service is eligible for normal retirement and, as such, is entitled to 100 percent of the pension benefit component. This annual pension benefit is equal to 1.1 percent times the average annual compensation times the number of years of creditable service. Generally, the average annual compensation in this calculation is the average of the highest five (5) years of annual compensation in a covered position. For TRF members who take a leave of absence to serve as an elected official, the highest one (1) year of salary is used. In order for a salary year to be included as one of the five (5) years, the member must have received at least one-half (1/2) year of service credit for that year as stated in IC 5-10.4-4-2. The five (5) years do not have to be continuous. Member contributions paid by the employer on behalf of the member and severance pay up to $2,000 are included as part of the member's salary.

A member who has reached age 60 and has at least 15 years of creditable service is eligible for normal retirement and, as such, is entitled to 100 percent of the pension benefit. A member who is at least 55 years old and whose age plus number of years of creditable service is at least 85 is entitled to 100 percent of the benefits as described above.

A member who has reached at least age 50 and has at least 15 years of creditable service is eligible for early retirement with a reduced pension. A member retiring early receives a percentage of the normal annual pension benefit. The percentage of the pension benefit at retirement remains the same for the member's lifetime. For age 59, the early retirement percentage of the normal annual pension benefit is 89 percent. This amount is reduced five (5) percentage points per year (e.g., age 58 is 84 percent) to age 50 being 44 percent.

Monthly pension benefits for members in pay status may be increased as COLA. Such increases are not guaranteed by statute and have historically been provided on an "ad hoc" basis and can only be granted by the Indiana General Assembly. There was no COLA for the year ended June 30, 2014; however, eligible members did receive a one-time check (a.k.a. 13th check) in August 2013. The amount of the one-time check ranged from $150 to $450, depending upon a member's years of service, and was for a member who retired or was disabled on or before December 1, 2012, and who was entitled to receive a monthly benefit on July 1, 2013.

TRF Pre-1996 Account and TRF 1996 Account Disability and Survivor Benefits

TRF also provides disability and survivor benefits. A member who has at least five (5) years of creditable service and becomes disabled while in active service, on FMLA leave, receiving workers' compensation benefits, or receiving employer-provided disability insurance benefits, may retire for the duration of the disability if the member has qualified for social security disability benefits and has furnished proof of the qualification. The disability benefit is calculated the same as that for a normal retirement without reduction for early retirement.

Members are eligible for a classroom disability benefit once they have earned five (5) years of service, have a temporary or permanent disability that continues for six (6) months or more, and applies for classroom disability benefits within one (1) year of the disability. Classroom disability refers to a medically confirmed inability to continue classroom teaching due to a mental or physical condition that is not necessarily of sufficient severity to meet social security disability guidelines. The eligible members may receive $125 per month plus $5 for each additional year of service credit over five (5) years.

Upon the death in service of a member with 15 or more years of creditable service, a survivor benefit may be paid to the surviving spouse to whom the member had been married for two (2) or more years, or surviving dependent children under the age of 18. This payment is equal to the benefit which would have been payable to a beneficiary if the member had retired at age 50 or at death, whichever is later, under an effective election of the joint and survivor option available for retirement benefits. A surviving spouse or surviving dependent children are also entitled to a survivor benefit upon the death in service after March 31, 1990, of a member who was at least 65 years of age and had at least 10 but not more than 14 years of creditable service.

(C) 1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The 1977 Police Officers' and Firefighters' Pension and Disability Fund (1977 Fund) is a cost-sharing, multiple-employer defined benefit plan established to provide retirement, disability, and survivor benefits to all full-time police officers and firefighters who are hired (or rehired) after April 30, 1977. The 1977 Fund was established in 1977 and is governed by the INPRS Board of Trustees in accordance with IC 36-8-8 to provide coverage to full-time sworn officers of a police force of an Indiana city or town and full-time firefighters employed by an Indiana city, town, township or county.

Membership

As of June 30, 2014, the number of participating employers totaled 162. As of June 30, 2014, the 1977 Fund membership consisted of:

Retired Members, Beneficiaries, and Disabled Members Receiving Benefits	3,491
Terminated Vested Members Entitled To But Not Yet Receiving Benefits	129
Terminated Non-Vested Members Entitled To a Distribution of Contributions	796
Active Members: Vested and Non-Vested	13,295
Total	17,711
Total Actual Covered Payroll for Active Members (dollars in thousands)	$ 710,581

Covered Payroll is the applicable first class officer pay for each member.

Contributions

The funding policy for the 1977 Fund requires remittances of member and employer contributions based on percentages of the salary of a first class officer or firefighter rather than actual payroll. The employer contribution rate is actuarially determined. The required contributions are determined by the INPRS Board of Trustees based on actuarial investigation and valuation in accordance with IC 36-8-8-6. As the 1977 Fund is a cost-sharing system, all risks and costs, including benefit costs, are shared proportionally by the participating employers. During fiscal year 2014, all participating employers were required to contribute 19.7 percent of the salary of a first class officer or firefighter.

The member contribution rate is established by statute IC 36-8-8-8 at six (6) percent of the salary of a first class officer or firefighter. Each fund member shall contribute during the period of the fund member's employment or for 32 years, whichever is shorter. The employer may pay all or a part of the contribution for the member. Member contributions are used to fund a portion of the defined benefit payment unless the member ends employment other than by death or disability before the fund member completes 20 years of active service. The accumulated value of the member's contribution, including interest, may be withdrawn if the member terminates employment prior to completing 20 years of service. The INPRS Board of Trustees shall return to the fund member in a lump sum the fund member's contributions plus interest as determined by the INPRS Board of Trustees in accordance with IC 36-8-8-8.

Retirement Benefits

A member vests after 20 years of service. If the member retires at or after the age of 52 with 20 years of service, the benefit is equal to 50 percent of the salary of a first class officer, as reported by the employer in the year the 1977 Fund member ended service plus one (1) percent of that salary for each six (6) months of active service over 20 years to a maximum of 12 years. At age 50 and with 20 years of service, a member may elect to receive a reduced benefit by a factor established by the fund's actuary (IC 36-8-8-11).

The monthly pension benefits for members in pay status may be increased annually in accordance with the cost of living adjustment (COLA) statute (IC 36-8-8-15). A member is entitled to an annual increase in the member's benefit based on the percentage increase in the Consumer Price Index (January-March); however, the maximum increase is 3.0 percent. There was a COLA increase of 1.7 percent effective July 1, 2013.

Disability and Survivor Benefits

The 1977 Fund also provides disability and survivor benefits. An active member may file an application for disability benefits. A determination is then made by the local pension board, and reviewed by the INPRS Board of Trustees, as to whether the member has a covered impairment and whether the impairment was incurred in the line of duty or not. The calculation for disability benefits is based on when the member was first hired, the type of impairment and other factors. In addition, the heirs or estate of a fund member may be entitled to receive $12,000 upon the member's death.

If a member dies while receiving retirement or disability benefits, there are provisions for the surviving spouse and child(ren) to receive a portion of the benefits. The member's surviving spouse is entitled to a monthly benefit equal to 60 percent of the member's monthly benefit during the spouse's lifetime. Each of the member's surviving child(ren) is entitled to a monthly benefit equal to 20 percent of the member's monthly benefit until the age of 18, or age 23, if a full-time student. If there is no eligible surviving spouse or child(ren), a dependent parent(s) may receive 50 percent of the member's monthly benefit during their lifetime.

Deferred Retirement Option Plan

The Deferred Retirement Option Plan (DROP) for the 1977 Fund was established by the Indiana Legislature in 2002 and is governed by the INPRS Board of Trustees in accordance with Indiana Code (IC) 36-8-8.5. Members of the 1977 Fund 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 remains in active service contributing to the fund until that date. The DROP retirement date must be not less than twelve (12) months and not more than thirty-six (36) months after their DROP entry date, and not after the date they reach any mandatory retirement age that may apply. The member may make an election to enter the DROP only once in their lifetime. 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, 2014, the amount held by the plan pursuant to the DROP is $45 million.

(D) Judges' Retirement System

Plan Description

The Judges' Retirement System (JRS) is a single-employer (the State of Indiana) defined benefit plan established to provide retirement, disability, and survivor benefits to judges and magistrates. JRS was established in 1985, and is governed through the INPRS Board of Trustees by IC 33-38-6, IC 33-38-7 (judges beginning service before September 1, 1985) and IC 33-38-8 (judges beginning service after August 31, 1985). Coverage is for any person who has served, is serving, or shall serve, as a regular judge 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.

Membership

The Judges' Retirement System consists of two classes of members (the 1977 System and the 1985 System). The 1977 System includes all individuals who began service as a judge before September 1, 1985, unless the individual, within twenty days after becoming a judge, filed an irrevocable election not to participate in the 1977 System. The 1985 System covers all individuals who: (1) began service as a judge after August 31, 1985; and (2) are not participants in the 1977 System. Beginning January 1, 2011, full-time magistrates who were serving on July 1, 2010, may elect to be members of the 1985 System. The 1985 System is for all new judges, and beginning January 1, 2011, all new full-time magistrates (IC 33-38-8-10).

As of June 30, 2014, the Judges' Retirement System membership consisted of:

Retired Members, Beneficiaries, and Disabled Members Receiving Benefits	321
Terminated Vested Members Entitled To But Not Yet Receiving Benefits	67
Terminated Non-Vested Members Entitled To a Distribution of Contributions	32
Active Members: Vested and Non-Vested	365
Total	785
Total Actual Covered Payroll for Active Members (dollars in thousands)	$ 46,041

Contributions

The funding policy for the Judges' Retirement System is in accordance with statute IC 33-38-6-17 that requires an appropriation by the Indiana General Assembly, determined by the INPRS Board of Trustees from the State of Indiana General Fund, for each biennium to the Judges' Retirement System computed on an actuarially funded basis and the recommendation of the actuary. The statute also provides for remittance of docket fees and court fees which are considered employer contributions. For fiscal 2014, employer contributions were $20.9 million.

The member contribution rate is established by statute IC 33-38-7-10 (1977 System) and IC 33-38-8-11 (1985 System) at six (6) percent of salary. Each fund member shall contribute during the period of the fund member's employment, or for 22 years, whichever is shorter. The employer may pay all or a part of the contributions for the member. Member contributions are used to fund a portion of the defined benefit payment unless the member ends employment other than by death or disability before being eligible for a retirement benefit. The INPRS Board of Trustees shall return to the fund member an amount equal to the total sum contributed to the fund plus interest at a rate specified by the INPRS Board of Trustees in accordance with IC 33-38-7-13 (1977 System) and IC 33-38-8-12 (1985 System).

Retirement Benefits

A member vests after eight (8) years of creditable service. Judges who retire at or after age 65 with eight (8) years of creditable service (or are at least 55 years of age and the participant's age in years plus the participant's years of service total 85 or more) are entitled to an annual retirement benefit, payable monthly for life, in an amount calculated in accordance with the statute.

The annual retirement benefit for a participant equals the product of the salary that was paid to the participant at the time of separation from service, multiplied by a percentage for years of service as defined in the statute. Applicable salary for participants in the 1985 Judges' System is defined in IC 33-38-8-14(e). The pension benefit for participants of the 1977 Judges' System is based on the salary being paid for the office that the participant held at the time of separation from service [IC 33-38-7-11(d)]. The statute provides for the percentage to be prorated for partial years of service. If the annual retirement benefit of a participant who began service as a judge before July 1, 1977, as computed per IC 33-38-7-11, is less than the benefit the participant would have received under IC 33-38-6 as in effect on June 30, 1977, the participant is entitled to receive the greater amount as the participant's annual retirement benefit.

A member may retire at age 62 with the requisite years of service, however the participant's benefit is reduced by 0.1 percent for each month the member's age on the date the participant begins receiving a retirement benefit precedes the participant's 65th birthday.

The monthly pension benefits of the retired judges that were former participants in the 1977 System receive benefit increases whenever the salary of the position the retiree held at separation from service increases. Before fiscal year 2011, benefits of judges who are members of the 1985 System were tied to the salary of the position at the time the participant separated from service and did not increase if the salary of the position increased after the participant separated from service. Before fiscal year 2011, the General Assembly provided COLA increases to participants in the 1985 System on an "ad hoc" basis. Beginning after June 30, 2010, a participant in the 1985 System receives an increase in the monthly benefit of the same percentage by which the salary of the office of the participant held at separation from service increases. The percentage increase to the monthly benefit takes effect at the same time the salary increase takes effect (IC 33-38-8-25). There was a COLA increase of 3.1 percent effective July 1, 2013, for eligible participants in the 1977 System and 1985 System.

Disability and Survivor Benefits

There is no vesting requirement for permanent disability benefits. For both the 1977 System and the 1985 System, a participant is considered permanently disabled if the INPRS Board of Trustees receives a written certification by at least two (2) licensed and practicing physicians appointed by the INPRS Board of Trustees. A participant receiving disability benefits must be reexamined at least once a year by at least two (2) physicians appointed by the INPRS Board of Trustees.

Surviving spouses or dependent child(ren) are entitled to benefits if the participant had qualified to receive a retirement or disability benefit, or had completed at least eight (8) years of service and was in service as a judge. The minimum survivor benefit is $12,000.

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

Plan Description

The State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan (EG&C Plan) 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 Plan was established in 1972 and is governed by by the INPRS Board of Trustees in accordance with IC 5-10-5.5.

Membership

As of June 30, 2014, the EG&C Plan membership consisted of:

Retired Members, Beneficiaries, and Disabled Members Receiving Benefits	193
Terminated Vested Members Entitled To But Not Yet Receiving Benefits	4
Terminated Non-Vested Members Entitled To a Distribution of Contributions	87
Active Members: Vested and Non-Vested	473
Total	757
Total Actual Covered Payroll for Active Members (dollars in thousands)	$ 25,825

Contributions

The funding policy for the EG&C Plan is in accordance with statute IC 5-10-5.5-8.5. The employer contribution rate is actuarially determined. The required contributions are determined by the INPRS Board of Trustees based on actuarial investigation and valuation. During fiscal year 2014, the State of Indiana was required to contribute 20.75 percent of covered payroll.

The member contribution rate is established by statute IC 5-10-5.5-8 at four (4) percent of a participant's salary to be contributed to the participant's savings account. The employer may pay all or a part of the contribution for the participant. Member contributions are used to fund a portion of the defined benefit payment. Any participant who terminates employment before accumulating 15 years of creditable service and before attaining the age of 45 shall be entitled to a lump sum refund of all contributions in the participant's savings account plus accumulated interest as determined by the INPRS Board of Trustees in accordance with IC 5-10-5.5-17.

Retirement Benefits

Generally, pension benefits vest after 15 years of creditable service. Officers becoming participants after age 50 are vested after completion of 10 years of service. A participant is entitled to an annual pension benefit, paid in equal monthly installments beginning on the participant's normal retirement date, equal to 25 percent of the participant's average annual salary. A participant who completes more than 10 years of creditable service is entitled to receive an additional amount equal to 1.67 percent of the participant's average annual salary for each completed year of creditable service over 10 years. However, a participant's annual pension benefit may not exceed 75 percent of the participant's average annual salary.

Each participant is required to retire on or before the first day of the month following the participant's 65th birthday. However, a participant who is hired after age 50 must retire upon the earlier of: (1) the first day of the month following the participant's 65th birthday; or (2) the first day of the month following the date the participant completes 15 years of creditable service. A participant, who is at least 55 years of age and the sum of the participant's years of creditable service and age in years, equals at least 85, may retire and become eligible for full retirement benefits. In addition, a participant may elect full retirement benefits at age 50 with 25 years of service. A reduced benefit is provided for early retirements that are elected upon attainment of age 45 with at least 15 years of creditable service. The monthly benefit is reduced by 0.25 percent for each full month by which the participant's early retirement date precedes the participant's 60th birthday.

Any participant who terminates service before accumulating 15 years of creditable service may become a member of the Public Employees' Retirement Fund (PERF). Upon payment of contributions and interest required by the INPRS Board of Trustees, the withdrawing participant shall be entitled to transfer creditable service to PERF.

The monthly pension benefits for members in pay status may be increased periodically as COLA. Such increases are not guaranteed by statute and have historically been provided on an "ad hoc" basis and can only be granted by the Indiana General Assembly. There was no COLA for the year ended June 30, 2014; however, eligible members did receive a one-time check (a.k.a. 13th check) in September 2013. The amount of the one-time check ranged from $125 to $400, depending upon a member's years of service, and was for a member who retired or was disabled on or before December 1, 2012, and who was entitled to receive a monthly benefit on July 1, 2013.

Disability and Survivor Benefits

A participant who becomes permanently or temporarily disabled from performing all suitable and available work "on the force" for which the participant is or may be capable of becoming qualified, considering reasonable accommodation to the extent required by the Americans and Disability Act, is entitled to receive a disability benefit. The amount of the disability benefit paid to a participant depends on whether the disability arose in the line of duty, the degree of impairment as determined by INPRS Board of Trustees' medical authority, and the participant's monthly salary. A participant is entitled to receive creditable service for the time the participant receives disability benefits under a State disability plan established under IC 5-10-8-7.

If a participant has more than 15 years of creditable service at the time of death, survivor benefits are payable to the surviving spouse, parents, or dependent children, as nominated by the participant's written direction, acknowledged, and filed with the INPRS Board of Trustees. The surviving spouse or the parent(s) is entitled to an annual survivor's allowance for life equal to 50 percent of the amount the participant would have been entitled to if he/she had retired on the date of death. If nominated and eligible, surviving unmarried minor child(ren) are entitled to an annual survivor's allowance equal to 50 percent of the amount the participant would have been entitled to if he/she had retired, divided equally between or among all nominated and eligible children. This benefit will continue until the child reaches 18 years of age or marries, whichever occurs first.

Deferred Retirement Option Plan

The DROP for the EG&C Plan was established by the Indiana Legislature in 2008 and is governed by the INPRS Board of Trustees in accordance with Indiana Code (IC) 5-10-5.5-22. Members of the EG&C Plan that are eligible to retire at an unreduced annual retirement allowance, 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 remains in active service contributing to the plan until that date. The DROP retirement date must be not less than twelve (12) months and not more than thirty-six (36) months after their DROP entry date, and not after the date they reach any mandatory retirement age that may apply. The member may make an election to enter the DROP only once in their lifetime. 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, 2014, the amount held by the plan pursuant to the DROP is $2 million.

(F) Prosecuting Attorneys' Retirement Fund

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. PARF was established in 1989 and is governed through the INPRS Board of Trustees by IC 33-39-7. Coverage is for individuals who: (1) serve as a prosecuting attorney or a chief deputy prosecuting attorney; or (2) serve as the executive director or assistant executive director of the Indiana Prosecuting Attorneys Council or as a State-paid deputy prosecuting attorney. These individuals' salaries are paid from the General Fund of the State of Indiana.

Membership

As of June 30, 2014, the PARF membership consisted of:

Retired Members, Beneficiaries, and Disabled Members Receiving Benefits	95
Terminated Vested Members Entitled To But Not Yet Receiving Benefits	83
Terminated Non-Vested Members Entitled To a Distribution of Contributions	162
Active Members: Vested and Non-Vested	210
Total	550
Total Actual Covered Payroll for Active Members (dollars in thousands)	$ 20,608

Contributions

The funding policy for PARF is in accordance with statute IC 33-39-7-23 that requires an appropriation, determined by the INPRS Board of Trustees from the State of Indiana General Fund, for each biennium to PARF computed on an actuarially funded basis and the recommendation of the actuary. For fiscal year 2014, employer contributions were $1.2 million.

The member contribution rate is established by statute IC 33-39-7-12 at six (6) percent of salary. The employer may elect to pay the contributions for a member. Members receive interest earnings at a rate specified by the INPRS Board of Trustees in accordance with IC 33-39-7-14. Member contributions are used to fund a portion of the defined benefit payment unless the member ends employment other than by death or disability before the member completes eight (8) years of creditable service. The INPRS Board of Trustees shall return to the fund member an amount equal to the total sum contributed to the fund plus interest as determined by the INPRS Board of Trustees in accordance with IC 33-39-7-13.

Retirement Benefits

A participant is entitled to a retirement benefit if the participant: (1) is at least age 62; (2) has at least eight (8) years of service credit; and (3) is not receiving salary for services currently performed. A member whose service ended prior to July 1, 2006 must have at least ten (10) years of service.

The retirement benefit of a participant who is at least age 65 is calculated by multiplying: (1) the highest annual salary paid to the participant before the participant's separation from service; by (2) a percentage based on the participant's years of service. The percentages range from 24 percent for eight (8) years of service to 60 percent for 22 or more years of service. If a participant is at least 62 years of age with at least eight (8) years of creditable service, a participant is entitled to receive a reduced annual retirement benefit that equals the benefit, as calculated above, reduced by 0.25 percent per month for each month the participant retires prior to age 65.

In addition, a PARF participant is a member of PERF. A PARF participant's retirement benefit is reduced by the amount of the employer-financed pension benefit that would be payable to the participant had the participant retired from PERF on the date of the participant's retirement from the fund. However, the benefits payable to a participant from the fund are not reduced by any payments made to the participant from the participant's PERF annuity savings account. The employer may elect to make the contributions on behalf of the member.

Disability and Survivor Benefits

PARF also provides disability and survivor benefits. A participant who has at least five (5) years of creditable service and becomes disabled while in active service may retire for the duration of the disability if the participant has qualified for social security disability benefits and has furnished proof of the qualification. The amount of the annual benefit payable to a participant for disability benefits is equal to the product of the annual salary that was paid to the participant at the time of separation from service multiplied by a percentage based on the participant's years of service. The percentages range from 40 percent for 5 to 10 years of service to 50 percent for 20 or more years of service. These benefits are reduced by any benefits payable to the participant from PERF.

The surviving spouse or designated beneficiary of a participant is entitled to a benefit if, on the date of the participant's death, the participant: (1) was receiving benefits; (2) has completed at least eight (8) years of service and was in service as a prosecuting attorney or chief deputy prosecuting attorney, executive director or assistant executive director of the Indiana Prosecuting Attorneys Council, or as a State-paid deputy prosecuting attorney; or (3) had met the requirements for a disability benefit.

Regardless of the participant's age at death, the surviving spouse's benefit is equal to the greater of: (1) $7,000 annually; or (2) 50 percent of the amount of retirement benefit the participant was drawing at the time of death, or to which the participant would have been entitled had the participant retired and begun receiving retirement benefits on the date of death; survivor benefits are not subject to reduction for early retirement. If there is not a surviving spouse, there are provisions for dependents to receive benefits.

(G) Legislators' Retirement System

Plan Description

The Legislators' Retirement System was established in 1989 by IC 2-3.5 and accordingly are governed by the INPRS Board of Trustees. The retirement system is for certain members of the General Assembly of the State of Indiana as specified by the provisions of the statute.

The Legislators' Retirement System is comprised of two (2) separate and distinct plans. The Legislators' Defined Benefit Plan (LEDB Plan) (IC 2-3.5-4), a single-employer (the State of Indiana) defined benefit plan, applies to members of the General Assembly who were serving on April 30, 1989, and who filed an election under IC 2-3.5-3-1(b). The Legislators' Defined Contribution Plan (LEDC Plan) (IC 2-3.5-5) applies to: (1) members of the General Assembly who were serving on April 30, 1989, and who filed an election under IC 2-3.5-3-1(b); (2) members of the General Assembly who are first elected or appointed after April 30, 1989; and (3) members of the General Assembly who: (a) served before April 30, 1989; (b) were not serving on April 20, 1989; and (c) are subsequently reelected or reappointed to the General Assembly.

Membership

As of June 30, 2014, the Legislators' Retirement System membership consisted of:

	Legislators'	
	Defined Benefit Plan	Defined Contribution Plan
Retired Members, Beneficiaries, and Disabled Members Receiving Benefits	68	-
Terminated Vested Members Entitled To But Not Yet Receiving Benefits	9	-
Terminated Non-Vested Members Entitled To a Distribution of Contributions	-	70
Active Members: Vested and Non-Vested	24	149
Total	101	219

A member of the LEDB Plan, under certain circumstances, may also be a member of the LEDC Plan.

Legislators' Defined Benefit Plan

The LEDB Plan provides retirement, disability and survivor benefits. The LEDB Plan is closed to new entrants, as members of the General Assembly who began service after April 30, 1989, are not members of this plan.

Contributions

For the LEDB Plan, the funding policy is in accordance with statute IC 2-3.5-4-9 and IC 2-3.5-4-10. The amount required to actuarially fund participants' retirement benefits, as determined by the INPRS Board of Trustees on the recommendation of the actuary, is to be appropriated from the State of Indiana General Fund for each biennium. For fiscal year 2014, employer contributions were $0.1 million.

Retirement Benefits

A participant is entitled to an unreduced monthly retirement benefit if the participant is: (1) at least age 65 and has at least 10 years of service as a member of the General Assembly; (2) at least age 55 and whose years of service as a member of the General Assembly plus years of age equal at least 85; or (3) at least age 60 and has at least 15 years of service as a member of the General Assembly. To qualify for a monthly retirement benefit, the member: (1) must have terminated service as a member of the General Assembly; (2) has at least 10 years of service as a member of the General Assembly; and (3) is not receiving and is not entitled to receive a salary from the State.

The monthly retirement benefit is equal to the lesser of: (1) $40 multiplied by the number of years of service in the General Assembly completed before November 8, 1989, or (2) the highest consecutive three-year average annual salary of the participant under IC 2-3-1-1 at the date the participant's service as a member of the General Assembly is terminated, divided by 12.

A participant who has reached at least age 55, has terminated service as a member of the General Assembly, has at least 10 years of service as a member of the General Assembly, and is not receiving, nor is entitled to receive, a salary from the State of Indiana, is eligible for early retirement with a reduced benefit. The reduction in the benefit is equal to: (1) 0.1 percent a month between ages 60 and 65; and (2) 5/12 percent a month between ages 55 and 60.

The monthly pension benefits for members in pay status are increased periodically as COLA. COLA increases for the LEDB Plan are equal to the increase for the PERF Plan in accordance with IC 2-3.5-4-13 on an "ad hoc" basis and are generally based on date of retirement, and other eligibility factors. There was no COLA for the year ended June 30, 2014.

The LEDB Plan also provides disability and survivor benefits. A member who has at least five (5) years of creditable service and becomes disabled while in active service may retire for the duration of the disability if the member has qualified for social security disability and has furnished proof of the qualification. The disability benefit is calculated the same as that for a normal retirement without reduction for early retirement. If a participant dies while receiving retirement benefits, or had completed at least 10 years of service as a member of the General Assembly, or was permanently disabled and receiving disability benefits from the system, the surviving spouse is entitled to receive survivor benefits. The benefits are for life and are equal to 50 percent of the amount of retirement benefits that the participant was receiving at the time of death or that the participant would have been entitled to receive at 55 years of age, or at the date of death, whichever is later. If there is not a surviving spouse, there are provisions for dependents to receive benefits.

Legislators' Defined Contribution Plan

For the LEDC Plan, each participant is required to contribute five (5) percent of annual salary in accordance with statute IC 2-3.5-5-4. In addition, the State of Indiana is required by statute IC 2-3.5-5-5.5 to contribute a percentage of the member's annual salary on behalf of the participant as determined by INPRS Board of Trustees and confirmed by the State Budget Agency each year. This rate, by statute, cannot exceed the total contribution rate paid that year by the State to PERF for State employees. The State contribution rate is the sum of: (1) the State's employer contribution rate for State employees, and (2) the rate the State pays on behalf of State employees to their annuity savings accounts (3.0 percent).

The contribution rate for calendar year 2013 was 12.7 percent and the rate for calendar year 2014 is 14.2 percent.

Investments in the members' accounts are individually directed and controlled by plan participants who direct the investment of their account balances among several investment options of varying degrees of risk and return potential. There are nine (9) investment options available to LEDC Plan members: Defined Benefit Unitized Assets, Stable Value Fund, Fixed Income Fund, Inflation-Linked Fixed Income Fund, Money Market Fund, Small/Mid Cap Equity Fund, Large Cap Equity Index Fund, International Equity Fund and Target Date Funds. Members may make changes to their investment directions daily and investments of the plan are reported at fair value.

A participant of the LEDC Plan who terminates service as a member of the General Assembly is entitled to withdraw both the employee and employer contributions to the LEDC Plan. The amount available for withdrawal is the fair market value of the participant’s account on the processing date. Account balances are fully vested to the participants. The withdrawn amount can be paid in a lump sum, a partial lump sum, a monthly annuity as purchased by the INPRS Board of Trustees, or a series of monthly installment payments over 60, 120, or 180 months as elected by the participant.

If a participant dies while a member of the General Assembly or after terminating service as a member, but prior to withdrawing from the LEDC Plan, the participant’s account is to be paid to the beneficiary(ies) or to the survivor(s) if there is no properly designated beneficiary, or if no beneficiary survives the participant. The amount to be paid is the fair market value of the participant’s account (employer and employee contributions) on the processing date.

(H) Non-Retirement Plans

State Employees’ Death Benefit Fund

Indiana Code 5-10-11 established the State Employees’ Death Benefit program, which is an Other Postemployment Benefit plan (OPEB). Under the program as of July 1, 2013, a death benefit of $100,000 is to be paid in a lump sum to the surviving spouse, or if there is no surviving spouse, to the surviving child(ren) and stepchildren (to be shared equally) of a State of Indiana employee who dies in the line of duty as defined in the statute. The children and stepchildren must also be dependent on the State employee who died in the line of duty.

The law provides that “the State may provide these benefits by purchasing group life insurance or by establishing a program of self-insurance.” It was determined that a program of self-insurance would be established, and effective with the State’s pay period ended October 23, 1993, the State assessed State agencies 0.1 percent of gross pay to fund this program. Due to the size of the fund and the infrequency of payments, collection of the assessment was ceased in November 1999. The measurement of potential liability and the related disclosures required for Other Postemployment Benefit plans, have been excluded as they would not be material to the INPRS system.

Public Safety Officers’ Special Death Benefit Fund

Indiana Code 5-10-10 established the Public Safety Officers’ Special Death Benefit Fund, which is an Other Postemployment Benefit plan (OPEB). The fund was established for the purpose of paying a lump sum death benefit of $150,000 to the surviving spouse or child(ren) of a public safety officer (as defined by IC 5-10-10-4) or other eligible officers (as defined by IC 5-10-10-4.5) who die in the line of duty. If there is no surviving spouse or child(ren), the benefit is paid to the parent(s) in equal shares. The fund consists of bail bond fees remitted under IC 35-33-8-3.2, payments under IC 5-10-10-4.5, and investment earnings of the fund. The measurement of potential liability and the related disclosures required for Other Postemployment Benefit plans, have been excluded as they would not be material to the INPRS system.

Pension Relief Fund

The Pension Relief Fund (PR Fund) was created by the Indiana General Assembly in 1980 (IC 5-10.3-11) and is an Agency Fund. The purpose of the PR Fund is to give financial relief to pension funds maintained by units of local government for their police officers’ and firefighters’ retirement plan benefits.

Funding for the PR Fund is derived from contributions from the State of Indiana from a portion of cigarette and alcohol taxes, a portion of the State’s lottery proceeds, interest earned by the Public Deposit Insurance Fund, investment income earned, and appropriations from the General Assembly.

Distributions are made from the PR Fund to units of local government in two equal installments before July 1 and before October 2 of each year. Effective January 1, 2009, the distribution is determined by an estimate of the total amount of pension, disability and survivors benefits from the 1925 Police Pension Fund (IC 36-8-6), the 1937 Firefighters' Pension Fund (IC 36-8-7), and the 1953 Police Pension Fund (IC 36-8-7.5). The estimate is prepared by the actuary on a city-by-city basis, and on a departmental basis.

As defined by IC 36-8-8-20, the PR Fund also pays a lump sum line of duty death benefit of $150,000. As defined by IC 36-8-8-14.1, the benefit is paid to the following relative(s) of a fund member who dies in the line of duty: (1) to the surviving spouse; (2) if there is no surviving spouse, to the surviving child(ren) (to be shared equally); (3) if there is no surviving spouse or child(ren), to the parent(s) in equal shares.

In accordance with IC 5-10.3-11-6, separate accounts are maintained by INPRS for each unit of local government for amounts that have not been distributed to the local units. These amounts remain invested in the fund and are available to the units of local government at their request. As of June 30, 2014, units of local government had investments with a market value of approximately $2.1 million on deposit in the PR Fund.

Note 2. Summary of Significant Accounting Policies

(A) Reporting Entity

Established July 1, 2011, the Indiana Public Retirement System and the governing board of trustees merged the administration of the Public Employees' Retirement Fund (PERF) and the Teachers' Retirement Fund (TRF). INPRS is an independent body corporate and politic and is not a department or agency of the State, but is an independent instrumentality exercising essential government functions (Public Law 23-2011). For these reasons, INPRS is a pension trust fund of the State of Indiana for financial statement reporting purposes.

The financial statements presented in this report represent only those funds for which the INPRS Board of Trustees has responsibility and are not intended to present the financial position or results of operations of the State of Indiana or all of the retirement and benefit plans administered by the State.

The INPRS Board of Trustees administers nine (9) pension trust funds [eight (8) Defined Benefit plans and one (1) Defined Contribution plan], two (2) death benefit funds accounted for as other postemployment benefit funds, and an agency fund. These fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of others.

The following funds are included in the financial statements:
- Public Employees' Retirement Fund (PERF);
- Teachers' Retirement Fund Pre-1996 Account (TRF Pre-1996);
- Teachers' Retirement Fund 1996 Account (TRF 1996);
- 1977 Police Officers' and Firefighters' Pension and Disability Fund (1977 Fund);
- Judges' Retirement System (JRS);
- State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan (EG&C Plan);
- Prosecuting Attorneys' Retirement Fund (PARF);
- Legislators' Defined Benefit Plan (LEDB Plan);
- Legislators' Defined Contribution Plan (LEDC Plan);
- State Employees' Death Benefit Fund;
- Public Safety Officers' Special Death Benefit Fund; and
- Pension Relief Fund (PR Fund).

See Note 1 for descriptions of these funds.

(B) Basis of Accounting

The financial statements of INPRS have been prepared using the accrual basis of accounting in conformity with generally accepted accounting principles (GAAP) as applied to government units. Under the accrual basis, revenues are recognized when earned, and expenses are recognized when liabilities are incurred, regardless of the timing of related cash flows. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for established governmental accounting and financial reporting principles. INPRS applies all applicable GASB pronouncements in accounting and reporting for its operations.

(C) Use of Estimates

In preparing the financial statements in conformity with accounting principles generally accepted in the United States of America, the Board makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

(D) Reclassifications

Certain reclassifications have been made within the fiscal year 2013 financial statements to conform with the classifications for fiscal year 2014. These changes have no material impact on total net position for either fiscal year presented.

(E) Contributions Receivable

Contributions are recognized as revenues when earned, pursuant to legal requirements. Member and employer contributions are earned on the employers' payroll date. The estimate for contributions receivable at year-end was calculated utilizing member and employer contributions from the last reported payroll period. Contributions receivable and revenue pursuant to service purchase credits are recognized in full in the year in which the service purchase contract is signed.

In addition to actuarially determined contractually required contributions, one employer also makes quarterly installment payments, including interest at 7.25 percent per year, for the cost of service credits granted retroactively when the employer resolved to enlarge participation in the Public Employees' Retirement Fund. As of June 30, 2014, the outstanding balance was $1.1 million. This agreement was entered into effective July 1, 2000, to be amortized over forty (40) years.

(F) Deposit and Investment Policies and Provisions

Oversight of INPRS' assets is the responsibility of the INPRS Board of Trustees. 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 a 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, 2014, 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 including 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. See Note 3 for more information.

There were no investment policy changes during the fiscal year.

Investment purchases and sales of securities are recorded as of their trade date.

(G) Method Used to Value Investments

The pooled and non-pooled investments are reported at fair value. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Short-term investments consist primarily of cash, money market funds, certificates of deposits and fixed income instruments with maturities of less than one year. Short-term investments are reported at cost, which approximates fair value or, for fixed income instruments, valued using similar methodologies as other fixed income securities described below.

Fixed income securities consist primarily of the U.S. government, U.S. government-sponsored agencies, publicly traded debt and commingled investment debt instruments. Equity securities consist primarily of domestic and international stocks in addition to commingled equity instruments. Fixed income and equity securities are generally valued based on published market prices and quotations from national security exchanges and securities pricing services. Securities that are not traded on a national security exchange are valued using modeling techniques that include market observable inputs required to develop a fair value. Commingled funds are valued using the net asset value (NAV) of the entity.

Alternative investments include limited partnership interests in private equity, absolute return, private real estate and risk parity investment strategies. Publicly traded alternative investments are valued based on quoted market prices. In the absence of readily determinable public market values, alternative investments are valued using current estimates of fair value obtained from the general partner or investment manager. Moreover, holdings are generally valued by a general partner or investment manager on a quarterly or semi-annual 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 expert judgment. Alternative investments, such as investments in private equity or real estate, are generally considered to be illiquid long-term investments. Due to the inherent uncertainty that exists in the valuation of alternative investments, the realized value upon the sale of an asset may differ from the fair value.

Derivative instruments are marked to market daily with changes in fair value recognized as part of investments and investment income.

(H) Pooled Investment Unit Trust Accounting

Pooled unit trust accounting involves assigning units to each fund based on the share of the fund’s investment fair value to the total fair value of the consolidated investments. The per-unit value of all participating funds will increase or (decrease) based on investment earnings or (losses) and appreciation or (depreciation). Deposits and withdrawals for each fund change the number of units held by each fund. These changes are recorded at the unit value on the transaction date. Investment earnings or losses and fees for the total consolidated fund are allocated to each of the pension funds on a daily basis.

In accordance with GASB criteria for internal investment pools, the assets and liabilities are allocated pro rata to each of the funds within the pool. This includes investment and foreign exchange contract receivables, interest and dividend receivables, securities lending collateral, investment and foreign exchange contract payables, securities lending obligations, obligations under reverse repurchase agreements and the investment holdings.

The INPRS Board of Trustees approved unitizing investment assets in order to provide for a consolidated rate of return and to invest in a diversified manner.

The INPRS Board of Trustees unitized, into a consolidated pool, the defined benefit assets of the following retirement funds and pension systems known collectively as the Consolidated Defined Benefit Assets:

Public Employees' Retirement Fund (PERF)
Teachers' Retirement Fund Pre-1996 Account (TRF Pre-1996)
Teachers' Retirement Fund 1996 Account (TRF 1996)
1977 Police Officers' and Firefighters' Pension and Disability Fund (1977 Fund)
Judges' Retirement Fund (JRS)
State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement
    Officers' Retirement Fund (EG&C Plan)
Prosecuting Attorneys' Retirement Fund (PARF)
Legislators' Defined Benefit Plan (LEDB Plan)

The INPRS Board of Trustees unitized into two separate consolidated pools that include the ASA investment assets of PERF, TRF Pre-1996 and TRF 1996 and, the Defined Contribution Assets of LEDC. The first pool is comprised of the PERF, TRF Pre-1996, and TRF 1996 assets in the Guaranteed Fund, also known as the ASA Guaranteed Fund Assets. The second pool is comprised of all other ASA assets and the LEDC Defined Contribution assets.

The State Employees' Death Benefit Fund and the Public Safety Officers' Special Death Benefit Fund are pooled into the Death Benefit Unit Trust.

A summary of the pooled unit trust investments held by unitized value and fund is as follows:

(dollars in thousands)

Trust Fund	**Consolidated Defined Benefit Assets (1)**	**ASA Guaranteed Fund Assets**	**All Other ASA/Defined Contribution Assets (2)**	**Death Benefit Funds**	**Pooled Unit Trust Investments**
Public Employees' Retirement Fund	$ 11,256,330	$ 1,867,992	$ 964,461	$ -	$ 14,088,783
Teachers' Retirement Fund Pre-1996 Account	3,867,814	958,256	760,655	-	5,586,725
Teachers' Retirement Fund 1996 Account	4,072,474	577,599	541,986		5,192,059
1977 Police Officers' and Firefighters' Pension and Disability Fund	4,756,240	-	-	-	4,756,240
Judges' Retirement System	429,086	-	-	-	429,086
State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan	110,837	-	-	-	110,837
Prosecuting Attorneys' Retirement Plan	54,422	-	-	-	54,422
Legislators' Defined Benefit Plan	3,492	-	-	-	3,492
Legislators' Defined Contribution Plan	9,628	-	18,582	-	28,210
State Employees' Death Benefit Fund	-	-	-	7,917	7,917
Public Safety Officers' Special Death Benefit Fund	-	-	-	5,068	5,068
Total INPRS Unitized Investments	**$ 24,560,323**	**$ 3,403,847**	**$ 2,285,684**	**$ 12,985**	**$ 30,262,839**

[1] Assets represent members of the LEDC Plan who have elected the Consolidated Defined Benefit Assets option.
[2] All other ASA/Defined Contribution Assets consist of PERF, TRF Pre-1996 and TRF 1996 ASA assets which are not invested into the Guaranteed Fund plus other Legislators' defined contributions that are not invested into the Consolidated Defined Benefit Assets.

(I) Investments and Foreign Exchange Contracts Receivable and Investments and Foreign Exchange Contracts Payable

Investments and foreign exchange contracts receivable in addition to investments and foreign exchange contracts payable, consist primarily of receivables or payables for securities purchased or sold, but not settled as of June 30, 2014.

See Note 4 for additional information related to foreign exchange contract receivables and payables.

(J) Capitalized Assets

Capital assets, fixed and intangible are capitalized at historical cost when total cost is $25,000 or more. The cost of items like normal maintenance, repairs, and software license agreements that do not add to the value of the assets or materially extend assets' lives are not capitalized. Depreciation and amortization are calculated using straight-line method over the estimated useful life of assets exceeding one (1) year life; depreciation and amortization expenses are recognized in administrative expenses.

The following are net capitalized asset values as of June 30, 2014:

(dollars in thousands)

Capitalized Assets	Gross Cost	Accumulated Depreciation Amortization	Net Capitalized Assets
Land	$ 547	$ -	$ 547
Building	2,893	(1,433)	1,460
Equipment	87	(87)	-
Software	15,634	(8,438)	7,196
Total	**$ 19,161**	**$ (9,958)**	**$ 9,203**

INPRS owns and occupies the land and building at 143 W. Market Street, Indianapolis, Indiana. The building is being depreciated over 20 years.

All capitalized equipment is currently fully depreciated. No new equipment was capitalized during the current fiscal year.

INPRS just completed the process of implementing new computer systems. Amortization is computed over five (5) years when assets are placed in service. Costs for purchase and development of computer software meeting minimum cost and service life estimates are capitalized as incurred. A new retirement processing system was placed in service during fiscal year 2014.

(K) Benefits and Distributions

Pension, disability, special death benefits, and distributions of contributions and interest are recognized when due and payable to members or beneficiaries. Benefits are paid once the retirement or survivor applications have been processed and approved. Distributions of contributions and interest are distributions from inactive, non-vested members' annuity savings accounts. These distributions may be requested by members or auto-distributed by the fund when certain criteria are met.

(L) Due To/From Other Funds and Member Reassignments

Total Due to/from other funds represent routine transfers between funds for initial retirements and payments of shared administrative expenses as part of the agency's operations. Payments of interfund balances are funded on a routine basis between funds.

When statute allows, member reassignments occur resulting in the movement of member and employer reserves between funds due to a retiring member having service in multiple funds. Once a member selects which fund he/she wishes to retire from, creditable service covered by the other fund and the related annuity savings account (ASA) balance will be moved to the fund selected in calculating the member's retirement benefit. At the time the retirement is calculated, the fund selected sets up a receivable from the other fund for both the ASA balance and the calculated reserve for the service credit brought in from the other fund. This receivable is included as a line item in the Receivables section of Statement of Fiduciary Net Position. On the reverse side, a payable is recognized in the Liabilities section of the Statement of Fiduciary Net Position.

(M) Due To Other Governments

Total Due to Other Governments represents a liability account reflecting amounts owed by INPRS to another government (e.g., county or municipality). INPRS acts as an agent of the Pension Relief Fund.

(N) Compensated Absences

INPRS' full-time employees accumulate earned but unused vacation, sick pay, compensatory time, and personal time each pay period. Bonus vacation days are awarded upon completion of five (5), 10 and 20 years of employment with INPRS and/or the State of Indiana. Upon separation from service, employees in good standing will be paid for a maximum of 30 unused vacation leave days.

Vacation, compensatory time and personal leave are reported as part of the Salaries and Benefits Payable line in the Liabilities section of the Statement of Fiduciary Net Position. No liability is reported for unpaid accumulated sick leave since it is not probable that sick leave will be paid.

(O) Administrative, Project and Direct Investment Expenses

An annual budget for the administrative, project and direct investment expenses of INPRS is reviewed and approved by the INPRS Board of Trustees. These expenses are paid from plan assets and investment earnings.

The PERF plan pays the shared administrative, project and direct investment expenses of all the funds. At June 30, a receivable is established in the PERF plan and a payable in the other funds for the amount due to the PERF plan for the other funds' administrative expenses. The payable and receivable are settled routinely.

(P) Federal Income Tax Status

Plans administered by INPRS qualify under Section 401(a) of the Internal Revenue Code (IRC) and are exempt from federal income taxes under Section 501(a) of the IRC.

(Q) Reserves and Designations

The following are the legally required reserves.

1. Member Reserve – The member reserve represents member contributions made by or on behalf of the members plus any interest or earnings, less amounts distributed or transferred to the Benefits in Force reserve for retirement, disability, or other benefits. For the PERF and TRF plans, this reserve includes the members' annuity savings accounts.

2. Employer Reserve – This reserve consists of the accumulated employer contributions, plus earnings, less transfers made to the Benefits in Force reserve of the actuarial pension cost for retirement, disability, or other benefits.

3. Benefits in Force – This reserve represents the actuarially determined present value of future benefits for all members who are currently retired or disabled and survivors of members who died in service. The accumulated contributions of the members who elect to annuitize their annuity savings accounts and the actuarial pension cost are transferred to the reserve upon retirement, disability, or death.

4. Undistributed Investment Income Reserve – This reserve is credited with all investment earnings. Interest transfers are made periodically during the year to the other reserves as allowed or required by the individual funds' statutes. The transfers are at rates established by the INPRS Board of Trustees, statutes or the actual earning rates of the investment options, depending on the statutes of the individual funds. Any remaining balance (positive or negative) is transferred to the employer reserve.

The following are the balances of the reserves as of June 30, 2014:

(dollars in thousands)

Pension Trusts Funds	Member Reserve	Employer Reserve[1]	Benefits in Force	Undistributed Income	Total Reserves
PERF	$ 2,860,023	$ 5,437,878	$ 5,806,387	$ -	$ 14,104,288
TRF Pre-1996	1,715,340	-	3,786,527	-	5,501,867
TRF 1996	1,120,729	3,414,036	654,677	-	5,189,442
1977 Fund	805,257	2,739,023	1,213,698	-	4,757,978
Judges' Retirement System	32,101	194,635	205,994	-	432,730
EG&C Plan	7,934	51,910	50,813	-	110,657
PARF	26,006	7,717	20,784	-	54,507
Legislators' Retirement System –					
LEDB Plan	N/A	660	2,829	-	3,489
LEDC Plan	29,103	N/A	N/A	-	29,103

[1] *The employer reserve includes $454K of reserve monies for the unvested portion of the ASA Only Plan.*

(R) New Accounting Pronouncements

The GASB has issued Statement No. 65, "*Items Previously Reported as Assets and Liabilities*." This Statement specifies the items that were previously reported as assets and liabilities that should now be reported as deferred outflows of resources, deferred inflows of resources, outflows of resources, or inflows of resources. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2012. Management has evaluated GASB Statement No. 65 and determined the amendment does not have an impact on INPRS' financial reporting.

The GASB has issued Statement No. 66, "*Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62,"* to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions"*, and No. 62, "*Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements"*. The provisions of GASB Statement No. 66 are effective for financial statements for periods beginning after December 15, 2012. Management has evaluated GASB Statement No. 66 and determined the amendment does not have an impact on INPRS' financial reporting.

The GASB has issued Statement No. 67, "*Financial Reporting for Pension Plans; an amendment of GASB Statements No. 25."* This Statement replaces the requirements of Statements No. 25 and No. 50 related to pension plans that are administered through trusts or equivalent arrangements. The requirements of Statements No. 25 and No. 50 remain applicable to pension plans that are not administered through trust or equivalent arrangements. The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2013. The provisions of GASB Statement No. 67 have been implemented as INPRS' financial statements reflect any required changes to actuarial calculations for accounting purposes, note disclosures and new schedules in the required supplementary information.

The GASB has issued Statement No. 68, "*Accounting and Financial Reporting for Pensions,"* which will improve accounting and financial reporting by State and local governments for pensions. It also improves information provided by State and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement is an amendment to the requirements of Statement No. 27, "*Accounting for Pensions by State and Local Governmental Employers,"* as well as the requirements of Statement No. 50, "*Pension Disclosures,"* as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement. The provisions of GASB Statement No. 68 are effective for financial statements for periods beginning after June 15, 2014. GASB Statement No. 68 will require employers to record their proportionate share of net pension liability, deferred outflows and inflows of resources and pension expense, more extensive note disclosures and required supplementary information. Independent schedules for employers are planned to be issued by INPRS to communicate employer's proportionate share of net pension liability, deferred outflows and inflows of resources, and pension expense for each of the plans.

The GASB has issued Statement No. 69, "*Government Combinations and Disposals of Government Operations."* This Statement establishes accounting and financial reporting standards for mergers, acquisitions, and transfers of operations (i.e., government combinations). The Statement also provides guidance on how to determine the gain or loss on a disposal of government operations. This Statement applies to all State and local governmental entities. The requirements of this Statement should be applied prospectively and are effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013. However, earlier application of the Statement is encouraged. Management is currently evaluating GASB Statement No. 69 and, if applicable, will implement it in the financial statements for fiscal year 2015.

The GASB has issued Statement No. 70, “*Accounting and Financial Reporting for Nonexchange Financial Guarantees.*” This Statement establishes accounting and financial reporting standards for situations where a State or local government, as a guarantor, agrees to indemnify a third-party obligation holder under specified conditions (i.e., nonexchange financial guarantees). The issuer of the guaranteed obligation can be a legally separate entity or individual, including a blended or discretely presented component unit. Guidance is provided for situations where a State or local government extends or receives a nonexchange financial guarantee. The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2013. Management has evaluated GASB Statement No. 70 and determined the amendment does not have an impact on INPRS’ financial reporting.

The GASB has issued Statement 71, “*Pension Transition for Contributions Made Subsequent to the Measurement Date,*” which addresses the transition provisions of, and is an amendment to Statement No. 68, “*Accounting and Financial Reporting for Pensions*.” The Statement eliminates a potential source of understatement of beginning net position and expense in a government’s first year of implementing Statement 68. The provisions are effective simultaneously with the provisions of Statement 68, which is required to be applied in fiscal years beginning after June 15, 2014. In conjunction with GASB Statement No. 68, management is determining how best to assist employers to implement GASB Statement No. 71 in their financial statements for fiscal year 2015.

Note 3. Cash and Investments

(A) Investment Guidelines and Limitations

The Indiana General Assembly enacted the prudent investor standard to apply to the INPRS Board of Trustees and govern all its investments. Under statute (IC 5-10.3-5-3(a)) for PERF and (IC 5-10.4-3-10(a)) for TRF, the Board of Trustees must "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." The Board of Trustees also is required to diversify such investments in accordance with the prudent investor standard.

Within these governing statutes, the INPRS Board of Trustees has broad authority to invest the assets of the plans. The INPRS Board of Trustees utilizes external investment managers, each with specific mandates to collectively achieve the investment objectives of the retirement funds. Depending on the mandate and the contractual agreement with the investment manager, investments may be managed in separate accounts, commingled accounts, mutual funds or other structures acceptable to the INPRS Board of Trustees. An asset allocation review is conducted periodically.

In October 2011, the INPRS Board of Trustees adopted a new Investment Policy Statement effective January 1, 2012, and the new strategic asset allocation for the Consolidated Defined Benefit Assets is as follows:

Global Asset Classes	Target Allocation	Target Range
Public Equity	22.5%	20.0% to 25.0%
Private Equity	10.0%	7.0% to 13.0%
Fixed Income – Ex Inflation-Linked	22.0%	19.0% to 25.0%
Fixed Income – Inflation-Linked	10.0%	7.0% to 13.0%
Commodities	8.0%	6.0% to 10.0%
Real Estate	7.5%	4.0% to 11.0%
Absolute Return	10.0%	6.0% to 14.0%
Risk Parity	10.0%	5.0% to 15.0%

Contributions and asset reallocation in the PERF, TRF Pre-1996 and TRF 1996 Annuity Savings Accounts and the Legislators' Defined Contribution Plan (LEDC) are directed by the members in each plan and as such, the asset allocation will differ from that of the Consolidated Defined Benefit Assets.

The Pension Relief Fund (PR Fund) is invested 100 percent in a money market fund.

The State Employees' Death Benefit Fund and the Public Safety Officers' Special Death Benefit Fund are 100 percent invested in short-term and fixed income investments.

(B) Rate of Return

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the fiscal year ended June 30, 2014, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense is as follows:

Pension Trust Funds[1]	2014 Annual Money Weighted Rate of Return
Public Employees' Retirement Fund	12.33%
Teachers' Retirement Fund Pre-1996 Account[2]	12.71%
Teachers' Retirement Fund 1996 Account[2]	12.71%
1977 Police Officers' and Firefighters' Pension and Disability Fund	13.70%
Judges' Retirement System	13.69%
State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan	13.69%
Presecuting Attorneys' Retirement Fund	13.70%
Legislators' Defined Benefit Plan	13.65%
Total INPRS[3]	**12.69%**

[1] Excludes the Legislators' Defined Contribution Plan

[2] The Teachers' Retirement Fund Accounts are combined for investment purposes

[3] Rate of return also includes Legislators' Defined Contribution Plan, State Employees' Death Benefit Fund, Public Safety Officers' Special Death Benefit Fund and Pension Relief Fund

(C) Cash in Bank and Deposits

Cash balances represent both operational demand deposit accounts held at the bank and, investment related cash and short-term investments, both pooled and non-pooled, on deposit with the investment custodian. To maximize investment income, the float caused by outstanding checks is invested in a short-term investment account, thus causing a possible negative book balance. Negative book balances are reflected in the liabilities section of the Statement of Fiduciary Net Position.

The table below presents the INPRS total deposits and short-term investment funds as of June 30, 2014.

(dollars in thousands)

Cash Deposits	Total
Demand Deposit Account – Bank Balances (Insured by FDIC up to $250 thousand per financial institution)	$ 10,050
Held with Indiana Treasurer of State (Fully Insured)	4,951
Demand Deposit – Outstanding Check Float	(39,299)
Held with Custodian Bank (Uncollateralized)	161,544
Short Term Investment Funds held at Bank (Collateralized)	963,462
Total	**$ 1,100,708**

(D) Summary of Investments Held

A summary of investments held as of June 30, 2014, exclusive of operational cash and the securities lending program which is fully disclosed in Section (I), is as follows:

(dollars in thousands)

Investment Type[1]	**Fair Value**	**% of Total Investments**
Short Term[2]		
Cash at Brokers	$ 161,544	0.5%
Money Market Sweep Vehicle	963,462	3.2
Commercial Paper	3,474	-
U.S. Treasury Obligations	150,803	0.5
U.S. Agencies	34,418	0.1
Non-U.S. Governments	17,162	0.1
Total Short Term Investments	1,330,863	4.4
Fixed Income		
U.S. Governments	4,380,484	14.4
Non-U.S. Governments	2,474,447	8.1
U.S. Agencies	747,558	2.5
Corporate Bonds	2,898,294	9.5
Asset-Backed Securities	928,810	3.0
Commingled Fixed Income Funds	958,272	3.1
Total Fixed Income Investments	12,387,865	40.6
Equity		
Domestic Equities	3,212,707	10.5
International Equities	2,860,157	9.4
Commingled Equity Funds	1,575,701	5.1
Total Equity Investments	7,648,565	25.0
Alternative Investments		
Private Equity	4,802,039	15.7
Absolute Return	1,425,500	4.7
Private Real Estate	410,929	1.3
Risk Parity	2,496,392	8.2
Total Alternative Investments	9,134,860	29.9
Derivatives	27,082	0.1
Total Investments	**$ 30,529,235**	**100.0%**

[1] *The amounts disclosed above will differ from the Asset Allocation Summary shown in the Investment Section. The investment type disclosure groups 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 non-pooled and pooled, that are an integral part of the pension investments.*

(E) Custodial Credit Risk

Deposits, investment securities, and collateral securities are exposed to custodial credit risk if they are uninsured and uncollateralized. Custodial credit risk is the risk that, in the event of a failure of the counterparty, INPRS will not be able to recover the value of its deposits, investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to risk if the securities are uninsured, are not registered in the name of INPRS and are held by either the counterparty or the counterparty trust department's agent, but not in INPRS' name.

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, 2014, there were no investment or collateral securities subject to custodial credit risk and $171,344 thousand of cash on deposit which was uninsured and uncollateralized and therefore exposed to credit risk as disclosed in Section (C).

Per IC 5-10.3-5-4(a) and IC 5-10.3-5-5 for PERF and IC 5-10.4-3-14(a) and IC 5-10.4-3-13 for TRF, securities are required to be held for the fund under custodial agreements. INPRS' custody agreement with the custodian requires that the custodian segregate the securities on the custodian's books and records from the custodian's own property. In addition, any investment manager for INPRS is not allowed, under any circumstances, to take possession, custody, title, or ownership of any managed assets.

(F) Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investments. Duration is a measure of interest rate risk. The longer the maturity, the more the value of the fixed-income investment will fluctuate with interest rate changes. The INPRS Investment Policy Statement recognizes interest rate risk as a market risk factor that is monitored on an absolute and relative basis.

As of June 30, 2014, debt securities had the following duration information:

(dollars in thousands)

Debt Security Type	Fair Value	% of All Debt Securities	Portfolio Weighted Average Effective Duration (Years)
Short Term Investments			
Money Market Sweep Vehicle	$ 963,462	7.0%	0.01
Commercial Paper	3,474	0.1	0.16
U.S. Treasury Obligations	150,803	1.1	0.11
U.S. Agencies	34,418	0.2	0.12
Non-U.S. Government	17,162	0.1	0.22
Duration Not Available	161,544	1.2	N/A
Total Short Term Investments	1,330,863	9.7	
Fixed Income Investments			
U.S. Governments	4,380,484	31.9	7.64
Non-U.S. Government	2,474,447	18.0	6.44
U.S. Agencies	747,558	5.5	2.77
Corporate Bonds	2,823,689	20.6	5.28
Asset-Backed Securities	899,519	6.6	1.07
Duration Not Available	1,062,168	7.7	N/A
Total Fixed Income Investments	12,387,865	90.3	
Total Debt Securities	**$ 13,718,728**	**100.0%**	

The $1,224 million, for which no duration was available, is primarily made up of cash and commingled debt funds.

(G) Credit Risk

The credit risk of investments is the risk that the issuer will default and not meet their obligations. The INPRS Investment Policy Statement recognizes credit (quality) risk as a market and strategic risk factor that is monitored on an absolute and relative basis.

The quality rating of investments in debt securities as described by Moody's at June 30, 2014 is as follows:

(dollars in thousands)

Moody's Rating	Short Term Investments	Fixed Income Securities	Total	% of All Debt Securities
U.S. Government Guaranteed	$ -	$ 4,443,101	$ 4,443,101	32.4%
Aaa	185,222	1,852,621	2,037,843	14.9
Aa	-	1,469,909	1,469,909	10.7
A	-	915,584	915,584	6.7
Baa	-	1,633,392	1,633,392	11.9
Ba	-	306,423	306,423	2.2
B	-	161,455	161,455	1.2
Below B	-	125,534	125,534	0.9
Unrated	1,145,641	1,479,846	2,625,487	19.1
Total	**$ 1,330,863**	**$12,387,865**	**$13,718,728**	**100.0%**

The $2,625 million not rated by Moody's is primarily in the following security types: cash at broker, money market sweep vehicles, asset-backed securities, commercial mortgages, CMO/Remics and commingled debt funds.

Concentration of credit risk is the risk of loss that may arise in the event of default by a single issuer. The INPRS Investment Policy Statement recognizes issuer risk as a strategic risk factor that is monitored on an absolute and relative basis.

INPRS Investment Policy Statement has placed an upper limit on the concentration of assets placed with an investment manager.

No investment manager shall manage more than 10 percent of the system's assets in actively managed portfolios at the time of funding. Through capital appreciation and additional purchases, no investment manager shall be allowed to manage in excess of 15 percent of the system's assets in actively managed portfolios without Board approval.

No investment manager shall manage more than 15 percent of the system's assets in passively managed portfolios at the time of funding. Through capital appreciation and additional purchases, no investment manager shall be allowed to manage in excess of 20 percent of the system's assets in passively managed portfolios without Board approval.

No investment manager shall manage more than 25 percent of the system's assets in a combination of actively and passively managed portfolios.

At June 30, 2014, single issuer exposure in the portfolio did not exceed 5 percent of the total net investments.

(H) 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. INPRS' foreign currency exposure is focused primarily in international fixed income and equity holdings.

At June 30, 2014, INPRS did not have a currency hedging program at the total fund level. However, at the manager level, hedging currency risk is allowed and certain managers actively manage currency exposure. INPRS monitors currency risk at the total fund level, portfolio level, and asset class level.

INPRS has exposure to foreign currency risk at June 30, 2014 as follows:

(dollars in thousands)	**Foreign Currency Held at June 30, 2014**					
Currency:	**Short Term**	**Fixed Income**	**Equity**	**Other Investments**	**Grand Total**	**% of Total**
Australian Dollar	$ (240)	$ 47,965	$ 61,627	$ (22,796)	$ 86,556	0.3%
Brazilian Real	189	53,493	20,386	(3,250)	70,818	0.2
Canadian Dollar	470	113,912	107,955	(105,261)	117,076	0.4
Chilean Peso	-	1,887	-	2,767	4,654	-
Chinese R Yuan HK	-	-	-	24,650	24,650	0.1
Chinese Yuan Renminbi	-	-	-	(11)	(11)	-
Colombian Peso	43	20,316	-	(881)	19,478	0.1
Czech Koruna	-	-	5,837	-	5,837	-
Danish Krone	66	15,275	29,440	(3,194)	41,587	0.1
Dominican Rep Peso	-	2,270	-	-	2,270	-
Egyptian Pound	-	-	324	-	324	-
Euro Currency Unit	13,441	1,126,815	653,170	(385,168)	1,408,258	4.8
Hong Kong Dollar	491	-	135,074	609	136,174	0.4
Hungarian Forint	81	3,257	2,445	3,282	9,065	-
Indian Rupee	110	3,571	38,701	21,500	63,882	0.2
Indonesian Rupiah	3	18,135	5,673	4,238	28,049	0.1
Israeli Shekel	21	-	2,500	(7,752)	(5,231)	-
Japanese Yen	1,682	231,495	412,522	(79,120)	566,579	1.9
Malaysian Ringgit	3,419	20,388	1,556	10,360	35,723	0.1
Mexican Peso	14,503	57,573	5,224	(14,435)	62,865	0.2
New Taiwan Dollar	170	-	62,185	(8,010)	54,345	0.2
New Turkish Lira	25	29,372	21,298	(15,686)	35,009	0.1
New Zealand Dollar	73	2,392	2,682	(4,020)	1,127	-
Nigerian Naira	798	553	-	1,716	3,067	-
Norwegian Krone	212	2,812	34,165	35,480	72,669	0.2
Peruvian Nuevo Sol	-	1,267	-	2,803	4,070	-
Philippines Peso	18	1,019	1,436	679	3,152	-
Polish Zloty	104	23,614	4,120	20,662	48,500	0.2
Pound Sterling	2,094	412,571	351,701	(146,264)	620,102	2.1
Qatari Riyal	-	-	2,197	-	2,197	-
Romania Leu	27	4,840	-	(71)	4,796	-
Russian Ruble	7	20,450	-	1,492	21,949	0.1
S Africa Comm Rnd	265	20,974	29,815	2,699	53,753	0.2
Singapore Dollar	73	6,539	32,908	(11,832)	27,688	0.1
South Korean Won	30	(474)	76,720	19,973	96,249	0.3
Swedish Krona	281	67,815	61,147	(40,175)	89,068	0.3
Swiss Franc	1,431	3,032	144,227	(17,110)	131,580	0.4
Thai Baht	136	11,288	6,456	(3,865)	14,015	-
UAE Dirham	-	-	1,666	-	1,666	-
Zambia Kwacha	-	339	-	-	339	-
Held in Foreign Currency	**$ 40,023**	**$ 2,324,755**	**$ 2,315,157**	**$ (715,991)**	**$ 3,963,944**	**13.1%**

The foreign currency exposure consists of unhedged assets within the investment portfolio. The short term investment, debt securities and equity securities include accruals. Other investments include foreign holdings of other investments, derivatives and receivables/payables.

(I) Securities Lending

Indiana Code 5-10.2-2-13(d) provides that the INPRS Board of Trustees may authorize a custodian bank to enter into a securities lending program agreement under which certain securities held by the custodian on behalf of INPRS may be loaned. The statute requires that collateral initially in excess of the total fair value of the loaned securities must be pledged by the borrower and must be maintained at no less than the total fair value of the loaned securities.

The purpose of such a program is to provide additional revenue for the Consolidated Defined Benefits Assets. The INPRS Investment Policy Statement requires that collateral securities and/or cash be initially pledged at 102 percent of the fair value of the securities lent for domestic securities and 105 percent for international securities. No more than 40 percent of the Consolidated Defined Benefit Assets may be lent at one time. The custodian bank and/or its securities lending sub-agents provide 100 percent indemnification of the Consolidated Defined Benefit Assets against borrower default, overnight market risk and failure to return loaned securities. Securities received as collateral cannot be pledged or sold unless the borrower defaults.

At June 30, 2014, INPRS had no credit risk exposure since the collateral value held exceeded the fair value of securities on loan.

(dollars in thousands)

Securities Lending as of June 30, 2014

Security Type	Fair Value of Securities on Loan	Collateral Value (Securities and Cash)
U.S. Governments	$ 1,621,578	$ 1,667,028
Corporate Bonds	168,003	172,057
International Bonds	65,422	67,243
Domestic Equities	632,347	654,485
International Equities	83,079	90,866
Total	**$ 2,570,429**	**$ 2,651,679**

Cash collateral can be reinvested. The reinvested assets are subject to the investment guidelines specified by the INPRS Investment Policy Statement. It states that the maximum weighted average days to maturity may not exceed 60. The securities lending agent matches the maturities of the cash collateral investments with stated securities loans' termination dates. Cash collateral received for open-ended loans that can be terminated on demand are invested with varying maturities. INPRS retains the fair value risk with respect to the investment of the cash collateral.

The quality rating of the reinvested cash collateral investments as described by Standard and Poor's at June 30, 2014 is as follows:

(dollars in thousands)

Standard and Poor's Rating	Commercial Paper	Repurchase Agreements	U.S. Agencies	Floating Rate Notes	Certificates of Deposit	Fair Value of Reinvested Cash Collateral	Percent of Portfolio
A-1 and A-1+	$ 707,030	$ -	$ 36,600	$ -	$ 166,519	$ 910,149	42.0%
AA+	-	-	-	16,712	-	16,712	0.8
AA-	-	-	-	379,448	-	379,448	17.5
A+	-	-	-	221,806	-	221,806	10.2
A	-	-	-	17,405	-	17,405	0.8
Unrated	-	623,472	-	-	-	623,472	28.7
Total	**$ 707,030**	**$ 623,472**	**$ 36,600**	**$ 635,371**	**$ 166,519**	**$ 2,168,992**	**100.0%**

The majority of the unrated reinvested cash collateral investments consist of repurchase agreements.

(J) Repurchase Agreements

A repurchase agreement is an agreement in which INPRS transfers cash to a broker-dealer or financial institution. The broker-dealer or financial institution transfer securities to INPRS and promises to repay the cash plus interest in exchange for the same securities. Repurchase agreements are assets with the security collateral held at INPRS' custodian bank.

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

Cash received and reinvested in securities are not required to match the maturities of the securities posted as collateral.

At June 30, 2014, INPRS did not have a repurchase agreement or an obligation under reverse repurchase agreement program at the total fund level. However, at the manager level, repurchase agreements and obligations under reverse repurchase agreements are allowable investments.

There were no repurchase agreements held at June 30, 2014 outside of the securities lending collateral holdings that are disclosed in (I). The amounts held at June 30, 2014 for obligations under reverse repurchase agreements, exclusive of securities lending reinvested cash collateral, are as follows:

(dollars in thousands)

Obligations Under Reverse Repurchase Agreements by Collateral Type	Cash Collateral Posted	Fair Value
U.S. Treasury	$ 225,614	$ 227,143

At June 30, 2014, INPRS had no credit risk exposure related to obligations under reverse repurchase agreements since the collateral value posted exceeded the fair value of the liability held.

Note 4. Derivative Financial Instruments

(A) Overview of Derivatives

Derivative instruments are financial contracts whose values depend on the values of one or more underlying assets, reference rates, or financial indices. The fair value of all derivative financial instruments is reported in the Statement of Fiduciary Net Position as either assets or liabilities, and the change in the fair value is recorded in the Statement of Changes in Fiduciary Net Position as investment income. A derivative instrument could be a contract negotiated on behalf of the Master Trust and a specific counterparty. This would typically be referred to as an "OTC contract" (Over the Counter) such as swaps and forward contracts. Alternatively, a derivative instrument, such as futures, could be listed and traded on an exchange and referred to as "exchange traded." Due to the level of risk associated with certain derivative investment securities, it is reasonably possible that changes in the value of investment securities will occur in the near term, and such changes could affect the amounts reported in the financial statements. Investments in limited partnerships may include derivatives that are not shown in the derivative total.

The derivative instruments held by INPRS are considered investments and not hedges for accounting purposes. The gains and losses arising from this activity are recognized as incurred in the Statement of Changes in Fiduciary Net Position.

All investment derivatives discussed below are included within the Investment Risk Schedules, which precede this section. Investment derivative instruments are disclosed separately to provide a comprehensive and distinct view of this activity and its impact on the overall investment portfolio. INPRS holds investments in limited partnership and commingled investment funds, which may utilize derivatives from time to time for hedging purposes, and any derivatives held by these types of investment vehicles are not included in the information describing the INPRS' derivatives.

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.

INPRS' investment managers use financial futures to replicate an underlying security or index they intend to hold or sell in the portfolio. In certain instances, it may be beneficial to own a futures contract rather than the underlying security. Additionally, INPRS' investment managers use futures contracts to adjust the portfolio risk exposure. Futures contracts may be used for the purpose of investing cash flows or modifying duration, but in no event may leverage be created by any individual security or combination of securities. No short sales of equity securities or equity index derivatives are permitted.

As the fair value of the futures contract varies from the original contract price, a gain or loss is recognized and paid to, or received from, the clearinghouse. The cash or securities to fulfill these obligations are held in the investment portfolio.

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.

The purchaser of put options pays a premium at the outset of the agreement and stands to gain from an unfavorable change (i.e., a decrease) in the price of the instrument underlying the option. The writer of a call option receives a premium at the outset of the agreement and bears the risk of an unfavorable change (i.e., an increase) in the price of the instrument underlying the option. An interest rate swaption is the option to enter into an interest rate swap based off a set of predetermined conditions.

Options are generally used to manage interest rate risk, adjust portfolio duration, or rebalance the total portfolio to the target asset allocation. The fair value of exchange-traded options is determined based upon quoted market prices.

The fair value of over the counter options is determined by external pricing services, using various proprietary methods, based upon the type of option.

Swaps

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

Interest rate swaps are generally used to manage interest rate risk, adjust portfolio duration, or rebalance the total portfolio to the target asset allocation. The fair value is determined by external pricing services using various proprietary methods.

An inflation swap is a derivative used to transfer inflation risk from one party to another through an exchange of cash flows. In an inflation swap, one party pays a fixed rate on a notional principal amount, while the other party pays a floating rate linked to an inflation index, such as the Consumer Price Index (CPI) or an inflation bond.

Credit default swap agreements involve one party (referred to as the buyer of protection) making a stream of payments to another party (the seller of protection) in exchange for the right to receive a specified return in the event of a default or other predetermined credit event for the referenced entity, obligation or index.

Credit default swaps are used to achieve the desired credit exposure of a security or basket of securities. One of the main advantages of a credit default swap is it allows for exposure to credit risk while limiting exposure to other risks, such as interest rate and currency risk. The fair value is determined by external pricing services using various proprietary methods.

Forwards

A forward currency exchange contract is a commitment to purchase or sell a foreign currency at a future date at a negotiated forward rate. A contract is classified as a forward contract when the settlement date is more than two days after the trade date. Risks associated with such contracts include movement in the value of a foreign currency relative to the U.S. dollar. The contracts are valued at forward exchange rates and include net appreciation / depreciation in the Statement of Fiduciary Net Position. Realized gains or losses on forward currency contracts is the difference between the original contract and the closing value of such contract and is included in the Statement of Changes in Fiduciary Net Position.

The Fund enters into foreign currency forwards to manage exposure to fluctuations in foreign currency exchange rates on portfolio holdings and to settle future obligations.

(B) Derivative Contracts

The table below summarizes INPRS' derivative contracts for the year ended June 30, 2014:

(dollars in thousands)

Investment Derivatives	**Change in Fair Value**	**Fair Value**	**Notional**
Futures:			
Index Futures – Long	$ 13,719	$ 13,719	$ 624,486
Commodity Futures – Long	25,474	25,474	1,277,538
Fixed Income Futures – Long	1,212	1,212	443,391
Fixed Income Futures – Short	(699)	(699)	(572,292)
Foreign Currency Futures – Long	29	29	38,388
Foreign Currency Futures – Short	(435)	(435)	(383,873)
Total Futures	39,300	39,300	1,427,638
Options:			
Currency Spot Options Bought	(147)	796	59,840
Currency Spot Options Written	184	(986)	84,349
Interest Rate Options Bought	(986)	6,372	333,220
Interest Rate Options Written	649	(1,326)	144,320
Fixed Income Options Bought	(140)	36	36
Fixed Income Options Written	121	(18)	(18)
Foreign Currency Options Bought	(113)	66	160
Foreign Currency Options Written	79	(5)	(5)
Credit Default Single Issuer Swaptions Written	23	(60)	97,800
Credit Default Index Swaptions Written	21	(17)	22,700
Inflation Rate Swaptions Bought	(8)	7	6,955
Total Options	(317)	4,865	749,357
Swaps:			
Interest Rate Swaps – Pay Fixed Receive Variable	(14,747)	(26,533)	937,072
Interest Rate Swaps – Pay Variable Receive Fixed	12,700	5,310	1,014,556
Forward Volatility Agreement Straddle	(29)	268	2,600
Currency Swaps	24	27	13,102
Credit Default Swaps Single Name – Buy Protection	(1,237)	404	72,062
Credit Default Swaps Single Name – Sell Protection	936	1,130	50,900
Credit Default Swaps Index – Buy Protection	(816)	1,432	32,916
Credit Default Swaps Index – Sell Protection	290	879	45,555
Total Swaps	(2,879)	(17,083)	2,168,763
Total Derivatives	**$ 36,104**	**$ 27,082**	**$ 4,345,758**

The table below summarizes the swap maturity profile as of June 30, 2014.

(dollars in thousands)

	Swap Maturity Profile at June 30, 2014					
Swap Type	**< 1 yr**	**1-5 yrs**	**5-10 yrs**	**10-20 yrs**	**20+ yrs**	**Total**
Interest Rate Swaps – Pay Fixed Receive Variable	$ -	$ (1,841)	$ (12,345)	$ (7,861)	$ (4,486)	$ (26,533)
Interest Rate Swaps – Pay Variable Receive Fixed	-	6,372	(1,370)	308	-	5,310
Forward Volatility Agreement Straddle	268	-	-	-	-	268
Currency Swaps	-	29	(2)	-	-	27
Credit Default Swaps Single Name – Buy Protection	-	(1,004)	774	-	634	404
Credit Default Swaps Single Name – Sell Protection	-	1,251	(121)	-	-	1,130
Credit Default Swaps Index – Buy Protection	-	(181)	-	-	1,613	1,432
Credit Default Swaps Index – Sell Protection	-	879	-	-	-	879
Total Swap Fair Value	**$ 268**	**$ 5,505**	**$ (13,064)**	**$ (7,553)**	**$ (2,239)**	**$ (17,083)**

(C) Credit Risk

Counterparty credit risk exists on all open OTC positions. Counterparty credit risk is the risk that a derivative counterparty may fail to meet its payment obligation under the derivative contract.

INPRS' investment managers use International Swaps and Derivative Association Master Agreements to further reduce counterparty risk by specifying credit protection mechanisms and providing standardization that improves legal certainty, thereby reducing the probability of unforeseen losses. Furthermore, the master agreements can provide additional credit protection through the requirement of collateral exchange and certain event of default and mutual termination provisions. Securities eligible as collateral are typically United States government bills and U.S. dollar cash.

The maximum amount of loss due to credit risk that the Fund would incur if the counterparty to the derivative instrument failed to perform according to the terms of the contract, without respect to any collateral or other security, or netting arrangements, is the total unrealized gain of derivatives at the end of the reporting period. The aggregate fair value of investment derivative instruments in an unrealized gain position at June 30, 2014, was $33,677 thousand, of which $31,587 thousand was uncollateralized.

The table below summarizes the counterparty positions as of June 30, 2014:

(dollars in thousands)	Fair Value			Collateral		
Swaps Counterparty	**S&P Rating**	**Receivable Unrealized Gain**	**Payable (Unrealized Loss)**	**Total Fair Value**	**Posted**	**Received**
Bank of America	A-	$ 259	$ (225)	$ (101)	$ 360	$ (1,160)
Barclays	A-	181	(197)	(197)	200	-
Citibank	A-	895	(2,011)	2,176	877	(3,167)
CME Central	AA-	30,181	(28,927)	(18,286)	-	-
Credit Suisse	A-	20	(59)	(4)	50	(72)
Deutsche Bank	A	167	(1,141)	(944)	-	(4,449)
Goldman Sachs	A-	826	(1,353)	885	510	(570)
HSBC Securities Inc.	A+	4	(132)	(132)	-	-
IntercontinentalExchange Inc.	A	417	(348)	273	-	-
JPMorgan Chase Bank	A	108	(334)	(262)	-	(530)
London Clearing House	A-	530	(935)	(651)	-	-
Royal Bank of Canada (RBC)	AA-	17	(2)	(2)	1,600	-
UBS	A	72	-	92	20	(810)
Total		**$ 33,677**	**$ (35,664)**	**$ (17,153)**	**$ 3,617**	**$ (10,758)**

(D) Interest Rate Risk

The System has exposure to interest rate risk due to investments in interest rate and inflation swaps and TBAs. The required risk disclosures are included in the Interest Rate Risk schedule in Note 3.

The table below summarizes INPRS' Investments that are highly sensitive to interest rate changes:

(dollars in thousands)

Derivative Instruments Highly Sensitive to Interest Rate Changes

Reference Currency	Pays	Receives	Fair Value	Notional
Interest Rate Swap- Pay Fixed Receive Variable:				
U.S Dollar	0.0265% to 4.37%	3M USD LIBOR	$ (13,623)	$ 630,430
Euro Currency Unit	1.50 % to 3.25%	6M EURIBOR REUTERS	(5,130)	63,967
Pound Sterling	1.00% to 3.75%	6M GBP LIBOR BBA	(52)	27,888
Chilean Peso	3.85% to 5.36%	6M CLP CLICP BLOOMBERG	(71)	5,784
Australian Dollar	3.75% to 5.50%	6M AUD BBR BBSW	(6,392)	101,851
Polish Zloty	3.76% to 4.20%	6M WIBOR WIBO	(89)	1,874
Japanese Yen	0.75% to 1.65%	6M JPY LIBOR BBA	(165)	59,184
Swiss Franc	2.50%	3M CHF LIBOR BBA	(254)	5,864
Malaysian Ringgit	0.00% to 4.49%	3M MYR KLIBOR BNM	(4)	4,893
South Korean Won	3.00% to 3.63%	3M KRW KWCDC COD	(491)	19,744
Norwegian Krone	4.00%	6M NOK NIBOR BBG	(95)	2,752
Swedish Krona	1.75%	3M SEK STIBOR SIDE	(179)	10,952
South African Rand	8.55%	3M ZAE JIBAR SAFEX	(5)	178
Colombian Peso	2.11% to 5.92%	COP DTF90 RATE	10	785
Colombian Peso	5.19% to 5.35%	1D COP COOVIBR	7	926
			$ (26,533)	**$ 937,072**
Interest Rate Swap- Pay Variable Receive Fixed:				
U.S Dollar	3M USD LIBOR	1.00% to 4.50%	$ (1,682)	$ 170,480
Brazilian Real	1D BRL CDI	8.86% to 10.37%	(823)	28,683
South African Rand	3M ZAE JIBAR SAFEX	6.15% to 8.52%	(457)	13,343
Australian Dollar	6M AUD BBR BBSW	3.5% to 4.50%	7,576	644,574
Euro Currency Unit	6M EURIBOR REUTERS	1.50%	459	11,720
Japanese Yen	6M JPY LIBOR BBA	1.25% to 1.88%	274	37,475
Canadian Dollar	3M CAD BA CDOR	2.75% to 4.00%	143	15,096
Pound Sterling	6M GBP LIBOR BBA	2.25% to 3.75%	(26)	43,362
New Zealand Dollar	3M NZD BBR FRA	4.50% to 5.00%	(86)	15,804
Swedish Krona	3M SEK STIBOR SIDE	2.50%	71	2,019
Chilean Peso	6M CLP CLICP BLOOMBERG	4.61%	(6)	281
South Korean Won	3M KRW KWCDC COD	2.85% to 2.89%	17	3,041
Mexican Peso	1M MXN TIIE BANXICO	6.81% to 6.83%	18	10,620
Brazilian Real	ZCS BZDIOVRA	11.68%	(168)	18,057
			$ 5,310	**$ 1,014,555**

(E) Foreign Currency Risk

The Fund is exposed to foreign currency risk on its foreign currency forward contracts and futures contracts. The required risk disclosures are included in the Foreign Currency Risk schedule in Note 3.

At June 30, 2014, INPRS' investments included the following currency forwards balances:

(dollars in thousands)

Foreign Currency Contract Receivable	$ 4,027,199
Foreign Currency Contract Payable	(4,046,822)

The aggregate realized gain/loss recognized for the year ended June 30, 2014 due to foreign currency transactions was a $71,413 thousand realized loss.

Note 5. Long Term Commitments for Alternative Investments

INPRS enters into long-term commitments for funding other investments in private equity and private real estate. These amounts include Euro currency, Norwegian Krone and British Pound Sterling denominated commitments to limited liability partnerships. The remaining amount of unfunded commitments, converted to U.S. dollars using the closing exchange rate, as of June 30, 2014, is as follows:

(dollars in thousands)

Currency	Total Unfunded Commitments
U.S. Dollar	$ 2,010,868
Euro Currency Unit	156,072
Norwegian Krone	6,108
British Pound Sterling	1,696
Total Commitments	**$ 2,174,744**

Note 6. Risk Management

INPRS is exposed to various risks that could lead to loss and disruption to its operations, including damage to property owned by INPRS; personal injury or property damage liabilities; errors, omissions and theft by employees; certain employee death benefits, employee health benefits and unemployment and worker's compensation costs for INPRS employees; and breach of fiduciary responsibility.

For risks related to physical loss and liability, employee benefits and fiduciary responsibility, INPRS purchases commercial insurance for property, general liability, employee crime, employee health and unemployment, and fiduciary responsibility. INPRS records expenses for losses, if any, as the liabilities are incurred or replacement items are purchased.

Note 7. Contingent Liabilities

INPRS participates in lawsuits that, in management's opinion, will not have a material effect on the financial statements.

Note 8. Net Pension Liability and Actuarial Information – Defined Benefit Plans

The components of the net pension liability of each defined benefit retirement plan as of June 30, 2014:

(dollars in thousands)

Pre-Funded Defined Benefit Pension Trust Funds	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (Surplus) (a) - (b)	Fiduciary Net Position as a Percent of Total Pension Liability (b) / (a)
PERF	$ 16,732,223	$ 14,104,288	$ 2,627,935	84.3%
TRF 1996 Account	5,236,993	5,189,442	47,551	99.1
1977 Fund	4,706,998	4,757,978	(50,980)	101.1
JRS	464,855	432,730	32,125	93.1
EG&C Plan	123,601	110,657	12,944	89.5
PARF	65,336	54,507	10,829	83.4
LEDB Plan	4,166	3,489	677	83.7
Pay-As-You-Go Defined Benefit Pension Trust Fund				
TRF Pre-1996 Account	$ 16,355,216	$ 5,501,867	$ 10,853,349	33.6%

The total pension liability is determined by our actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

The accompanying Schedule of Contributions in the Required Supplementary Information presents trend information about the amounts contributed to the plan by employers and a nonemployer contributing entity in comparison to the Actuarially Determined Contribution (ADC). The ADC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost for each year and the amortization of any unfunded actuarial accrued liability (or funding excess) over 30 years.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination. Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuations are presented below:

Description	**PERF**	**TRF Pre-1996 Account**	**TRF 1996 Account**	**1977 Fund**	**JRS**	**EG&C Plan**	**PARF**	**LEDB Plan**
Valuation Date:								
Assets	June 30, 2014							
Liabilities	June 30, 2013 – Member census data as of June 30, 2013 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2013 and June 30, 2014. Standard actuarial roll forward techniques were then used to project the total pension liability computed as of June 30, 2013 to June 30, 2014.							
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)							
Actuarial Assumptions:								
Experience Study Date	Period of 5 years ended June 30, 2010	Period of 4 years ended June 30, 2011		Period of 5 years ended June 30, 2010				
Investment Rate of Return	6.75%, net of investment expense, including inflation							
Cost of Living Increases (COLA) or "Ad Hoc" COLA (see Note 1.)	1.0%	1.0%	1.0%	2.25%	4.0%	1.0%	N/A	1.0%
Future Salary Increases, including Inflation	3.25% – 4.5%	3.0% – 12.5%		3.25%	4.0%	3.25%	4.0%	3.0%
Inflation	3.0%							

The long-term return expectation for the INPRS defined benefit retirement plans has been 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. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes.

		Geometric Basis
	Target Asset Allocation	**Long-Term Expected Real Rate of Return**
Public Equity	22.5%	6.0%
Private Equity	10.0%	7.7%
Fixed Income – Ex Inflation-Linked	22.0%	2.1%
Fixed Income – Inflation-Linked	10.0%	0.5%
Commodities	8.0%	2.5%
Real Estate	7.5%	3.9%
Absolute Return	10.0%	1.8%
Risk Parity	10.0%	4.3%

Total pension liability for each defined benefit pension plan was calculated using the discount rate of 6.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and where applicable from the members, would at the minimum be made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the Board, and contributions required by the State of Indiana (the non-employer contributing entity) would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (6.75 percent). Based on those assumptions, each defined benefit pension plan's fiduciary net position were 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 each plan.

Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability of each defined benefit pension plan calculated using the discount rate of 6.75 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%), or one percentage point higher (7.75%) than the current rate:

(dollars in thousands)

Pre-Funded Defined Benefit Pension Trust Funds	**1% Decrease (5.75%)**	**Current Discount Rate (6.75%)**	**1% Increase (7.75%)**
PERF	$ 4,218,734	$ 2,627,935	$ 1,280,117
TRF 1996 Account	782,000	47,551	(561,000)
1977 Fund	691,739	(50,980)	(679,715)
JRS	85,443	32,125	(14,742)
EG&C Plan	28,722	12,944	(749)
PARF	18,219	10,829	4,341
LEDB Plan	964	677	414
Pay-As-You-Go Defined Benefit Pension Trust Fund			
TRF Pre-1996 Account	$ 12,327,000	$ 10,853,349	$ 9,579,000

Note 9. Subsequent Events

Financial Statement Events

Events or transactions that were known prior to the date the financial statements were issued, that provided additional evidence about conditions that existed at June 30, 2014, were not material to the financial statements and were not recognized in the financial statements for the year ended June 30, 2014.

Events or transactions that were known prior to the date the financial statements were issued, that provided additional evidence about conditions that did not exist at June 30, 2014, were not material to the financial statements and were not disclosed in the finanancial statements for the year ended June 30, 2014.

Legislative Changes

Below is a summary of significant legislative changes that are effective July 1, 2014. These changes have been reflected in the actuarial valuations as of June 30, 2014.

Public Employees' Retirement Fund

- PERF members, beneficiaries, and survivors received a one-time check, based on years of service, in September 2014. The amount of the one-time check ranged from $150 to $450, depending upon a member's years of service, and was for a member who retired or was disabled on or before December 1, 2013, and who was entitled to receive a monthly benefit on July 1, 2014.

Teachers' Retirement Fund – TRF Pre-1996 Account

- TRF members, beneficiaries, and survivors received a one-time check, based on years of service, in September 2014. The amount of the one-time check ranged from $150 to $450, depending upon a member's years of service, and was for a member who retired or was disabled on or before December 1, 2013, and who was entitled to receive a monthly benefit on July 1, 2014.

Teachers' Retirement Fund – TRF 1996 Account

- TRF members, beneficiaries, and survivors received a one-time check, based on years of service, in September 2014. The amount of the one-time check ranged from $150 to $450, depending upon a member's years of service, and was for a member who retired or was disabled on or before December 1, 2013, and who was entitled to receive a monthly benefit on July 1, 2014.

1977 Police Officers' and Firefighters' Pension and Disability Fund

- A 1.4 percent COLA was approved for eligible participants effective July 1, 2014, in accordance with IC 36-8-8-15.

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

- EG&C Plan members, beneficiaries, and survivors received a one-time check, based on years of service, in September 2014. The amount of the one-time check ranged from $125 to $400, depending upon a member's years of service, and was for a member who retired or was disabled on or before December 1, 2013, and who was entitled to receive a monthly benefit on July 1, 2014.

PERF and TRF Annuities

- Provide that INPRS keeps the annuity program in-house until January 1, 2017.
- Provides that between October 1, 2014 and September 30, 2015, the Board shall provide annuities to retiring and retired PERF and TRF members at a 5.75% interest rate. Between October 1, 2015 and December 31, 2016, the interest rate will be the greater of the market rate or 4.5%. After December 31, 2016, whenever the Board enters into an agreement with a third party provider, the interest rate will be the market rate.

Note 10. Required Supplementary Information and Other Supplementary Schedules

The historical trend information is designed to provide decision-usefulness of the financial reports, improved value for assessing accountability and greater transparency related to measures of net pension liabilities impacting INPRS. The Schedules of Changes in Net Pension Liability and Net Pension Liability, Schedule of Contributions, and Schedule of Investment Returns are included immediately following the Notes to the Financial Statements. Other Supplementary Schedules (i.e., Schedule of Administrative and Project Expenses; Schedule of Administrative Contractual and Professional Services Expenses, Schedule of Project Expenses, Schedule of Investment Expenses; Schedule of Project Contractual and Professional Services Expenses) are presented for the purpose of additional analysis and are not a required part of the Financial Statements.

Schedules of Changes in Net Pension Liability and Net Pension Liability[1]
Public Employees' Retirement Fund
Fiscal Year Ended June 30

(dollars in thousands)

	2014	2013
Total Pension Liability		
Total Pension Liability – Beginning of Year	$ 16,145,681	$ 15,784,240
Annuity Savings Account (ASA) – Beginning of Year	2,796,103	2,749,449
Excluding ASA - Beginning of Year	13,349,578	13,034,791
Service Cost	258,070	270,974
Interest Cost	895,454	875,616
Experience (Gains) / Losses	(15,161)	(104,471)
Assumption Changes	-	-
Plan Amendments	(42,985)	(167,486)
Benefit Payments[2]	(680,203)	(662,283)
ASA Annuitizations	119,094	107,520
Net Member Reassignment[3]	(3,125)	(5,083)
Other	-	-
Net Change in Total Pension Liability – Excluding ASA	531,144	314,787
Net Change in Total Pension Liability – ASA	55,398	46,654
Net Change in Total Pension Liability	**586,542**	**361,441**
Total Pension Liability – Excluding ASA – End of Year	13,880,722	13,349,578
Total Pension Liability – ASA – End of Year	2,851,501	2,796,103
Total Pension Liability – End of Year	**$ 16,732,223**	**$ 16,145,681**
Fiduciary Net Position		
Fiduciary Net Position – Beginning of Year	**$ 12,720,601**	**$ 12,243,755**
Employer Contributions	526,090	455,658
Member Contributions	164,189	156,408
Net Investment Income	1,553,393	691,332
Benefit Payments[4]	(828,358)	(791,360)
Net Member Reassignment[5]	(4,246)	(6,042)
Administrative and Project Expenses	(27,433)	(29,181)
Other	52	31
Net Change in Fiduciary Net Position	**1,383,687**	**476,846**
Fiduciary Net Position – End of Year	**$ 14,104,288**	**$ 12,720,601**
Net Pension Liability		
Total Pension Liability	$ 16,732,223	$ 16,145,681
Plan Fiduciary Net Position	14,104,288	12,720,601
Net Pension Liability	**$ 2,627,935**	**$ 3,425,080**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	**84.3%**	**78.8%**
Covered-Employee Payroll (Actual)[6]	$ 4,896,635	$ 4,700,000
Net Pension Liability as a Percentage of Covered-Employee Payroll	53.7%	72.9%

[1] *The effort and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2012 for GASB Statement No. 67 purposes.*

[2] *Excludes ASA lump sum payments to retired members or refunds of accumulated member contributions associated with ASA balances.*

[3] *Includes net interfund transfers, except for interfund transfers of ASA balances.*

[4] *Includes ASA lump sum payments to retired members and refunds of employee contributions associated with ASA balances.*

[5] *Includes net interfund transfers.*

[6] *2013 covered-employee payroll was adjusted to reflect actual contribution rates.*

Schedules of Changes in Net Pension Liability and Net Pension Liability[1]
Teachers' Retirement Fund Pre-1996 Account
Fiscal Year Ended June 30

(dollars in thousands)

	2014	2013
Total Pension Liability		
Total Pension Liability – Beginning of Year	$ 16,463,598	$ 16,522,015
Annuity Savings Account (ASA) – Beginning of Year	1,814,049	1,974,076
Excluding ASA - Beginning of Year	14,649,549	14,547,939
Service Cost	68,860	81,343
Interest Cost	961,628	957,228
Experience (Gains) / Losses	(70,517)	(40,719)
Assumption Changes	-	-
Plan Amendments	(25,524)	-
Benefit Payments[2]	(1,034,563)	(988,335)
ASA Annuitizations	93,982	86,941
Net Member Reassignment[3]	(3,802)	-
Other	263	5,152
Net Change in Total Pension Liability – Excluding ASA	(9,673)	101,610
Net Change in Total Pension Liability – ASA	(98,709)	(160,027)
Net Change in Total Pension Liability	**(108,382)**	**(58,417)**
Total Pension Liability – Excluding ASA – End of Year	14,639,876	14,649,549
Total Pension Liability – ASA – End of Year	1,715,340	1,814,049
Total Pension Liability – End of Year	**$ 16,355,216**	**$ 16,463,598**
Fiduciary Net Position		
Fiduciary Net Position – Beginning of Year	**$ 5,215,202**	**$ 5,058,910**
Employer Contributions	6,325	9,484
Non-Employer Contributing Entity Contributions	825,617	1,003,596
Member Contributions	47,028	45,421
Net Investment Income	647,581	315,598
Benefit Payments[4]	(1,229,301)	(1,212,945)
Net Member Reassignment[5]	(3,594)	3,059
Administrative and Project Expenses	(7,010)	(7,926)
Other	19	5
Net Change in Fiduciary Net Position	**286,665**	**156,292**
Fiduciary Net Position – End of Year	**$ 5,501,867**	**$ 5,215,202**
Net Pension Liability		
Total Pension Liability	$ 16,355,216	$ 16,463,598
Plan Fiduciary Net Position	5,501,867	5,215,202
Net Pension Liability	**$ 10,853,349**	**$ 11,248,396**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	**33.6%**	**31.7%**
Covered-Employee Payroll (Actual)[6]	$ 1,262,828	$ 1,383,428
Net Pension Liability as a Percentage of Covered-Employee Payroll	859.4%	813.1%

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[3] *Includes net interfund transfers, except for interfund transfers of ASA balances.*

[4] *Includes ASA lump sum payments to retired members and refunds of employee contributions associated with ASA balances.*

[5] *Includes net interfund transfers.*

[6] *2013 represents anticipated covered-employee payroll.*

Schedules of Changes in Net Pension Liability and Net Pension Liability[1]
Teachers' Retirement Fund 1996 Account
Fiscal Year Ended June 30

(dollars in thousands)

	2014	2013
Total Pension Liability		
Total Pension Liability – Beginning of Year	$ 4,748,149	$ 4,338,309
Annuity Savings Account (ASA) – Beginning of Year	990,705	899,339
Excluding ASA – Beginning of Year	3,757,444	3,438,970
Service Cost	155,314	147,337
Interest Cost	262,263	240,282
Experience (Gains) / Losses	504	(15,995)
Assumption Changes	-	-
Plan Amendments	(4,504)	-
Benefit Payments[2]	(77,253)	(68,793)
ASA Annuitizations	15,151	11,621
Net Member Reassignment[3]	6,922	-
Other	423	4,022
Net Change in Total Pension Liability – Excluding ASA	358,820	318,474
Net Change in Total Pension Liability – ASA	130,024	91,366
Net Change in Total Pension Liability	**488,844**	**409,840**
Total Pension Liability – Excluding ASA – End of Year	4,116,264	3,757,444
Total Pension Liability – ASA – End of Year	1,120,729	990,705
Total Pension Liability – End of Year	**$ 5,236,993**	**$ 4,748,149**
Fiduciary Net Position		
Fiduciary Net Position – Beginning of Year	**$ 4,433,677**	**$ 4,018,149**
Employer Contributions	194,751	180,714
Member Contributions	81,802	77,532
Net Investment Income	586,782	258,111
Benefit Payments[4]	(108,720)	(97,157)
Net Member Reassignment[5]	7,836	2,806
Administrative and Project Expenses	(6,707)	(6,482)
Other	21	4
Net Change in Fiduciary Net Position	**755,765**	**415,528**
Fiduciary Net Position – End of Year	**$ 5,189,442**	**$ 4,433,677**
Net Pension Liability		
Total Pension Liability	$ 5,236,993	$ 4,748,149
Plan Fiduciary Net Position	5,189,442	4,433,677
Net Pension Liability	**$ 47,551**	**$ 314,472**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	**99.1%**	**93.4%**
Covered-Employee Payroll (Actual)	$ 2,598,115	$ 2,442,496
Net Pension Liability as a Percentage of Covered-Employee Payroll	1.8%	12.9%

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[3] *Includes net interfund transfers, except for interfund transfers of ASA balances.*

[4] *Includes ASA lump sum payments to retired members and refunds of employee contributions associated with ASA balances.*

[5] *Includes net interfund transfers.*

Schedules of Changes in Net Pension Liability and Net Pension Liability[1]
1977 Police Officers' and Firefighters' Pension and Disability Fund
Fiscal Year Ended June 30

(dollars in thousands)

	2014	2013
Total Pension Liability		
Total Pension Liability – Beginning of Year	**$ 4,392,947**	**$ 4,122,436**
Service Cost	133,075	130,912
Interest Cost	301,824	283,733
Experience (Gains) / Losses	(11,754)	(39,592)
Assumption Changes	-	(4,810)
Plan Amendments	-	-
Benefit Payments[2]	(109,094)	(99,803)
Net Member Reassignment[3]	-	71
Other	-	-
Net Change in Total Pension Liability	**314,051**	**270,511**
Total Pension Liability – End of Year	**$ 4,706,998**	**$ 4,392,947**
Plan Fiduciary Net Position		
Plan Fiduciary Net Position – Beginning of Year	**$ 4,116,861**	**$ 3,817,013**
Employer Contributions	140,119	137,111
Member Contributions	41,791	40,786
Net Investment Income	570,058	223,510
Benefit Payments[2]	(109,094)	(99,803)
Net Member Reassignment[3]	-	71
Administrative and Project Expenses	(1,787)	(1,845)
Other	30	18
Net Change in Plan Fiduciary Net Position	**641,117**	**299,848**
Plan Fiduciary Net Position – End of Year	**$ 4,757,978**	**$ 4,116,861**
Net Pension Liability		
Total Pension Liability	$ 4,706,998	$ 4,392,947
Plan Fiduciary Net Position	4,757,978	4,116,861
Plan Net Pension Liability	**$ (50,980)**	**$ 276,086**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	**101.1%**	**93.7%**
Covered-Employee Payroll (Actual)[4]	$ 710,581	$ 695,000
Net Pension Liability as a Percentage of Covered-Employee Payroll	(7.2%)	39.7%

[1] *The effort and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2012 for GASB Statement No. 67 purposes.*

[2] *Includes refunds of employee contributions.*

[3] *Includes net interfund transfers.*

[4] *2013 covered-employee payroll was adjusted to reflect actual contribution rates.*

Schedules of Changes in Net Pension Liability and Net Pension Liability[1]
Judges' Retirement Fund
Fiscal Year Ended June 30

(dollars in thousands)

	2014	2013
Total Pension Liability		
Total Pension Liability – Beginning of Year	**$ 453,110**	**$ 437,854**
Service Cost	15,302	16,084
Interest Cost	30,992	30,047
Experience (Gains) / Losses	(16,026)	(13,603)
Assumption Changes	-	186
Plan Amendments	-	-
Benefit Payments[2]	(18,527)	(17,579)
Net Member Reassignment[3]	4	121
Other	-	-
Net Change in Total Pension Liability	**11,745**	**15,256**
Total Pension Liability – End of Year	**$ 464,855**	**$ 453,110**
Plan Fiduciary Net Position		
Plan Fiduciary Net Position – Beginning of Year	**$ 375,752**	**$ 262,326**
Employer Contributions	20,895	111,419
Member Contributions	2,856	2,631
Net Investment Income	51,890	16,955
Benefit Payments[2]	(18,527)	(17,579)
Net Member Reassignment[3]	4	121
Administrative and Project Expenses	(146)	(126)
Other	6	5
Net Change in Plan Fiduciary Net Position	**56,978**	**113,426**
Plan Fiduciary Net Position – End of Year	**$ 432,730**	**$ 375,752**
Net Pension Liability		
Total Pension Liability	$ 464,855	$ 453,110
Plan Fiduciary Net Position	432,730	375,752
Plan Net Pension Liability	**$ 32,125**	**$ 77,358**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	**93.1%**	**82.9%**
Covered-Employee Payroll (Actual)[4]	$ 46,041	$ 47,595
Net Pension Liability as a Percentage of Covered-Employee Payroll	69.8%	162.5%

[1] *The effort and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2012 for GASB Statement No. 67 purposes.*

[2] *Includes refunds of employee contributions.*

[3] *Includes net interfund transfers.*

[4] *2013 represents anticipated covered-employee payroll.*

Schedules of Changes in Net Pension Liability and Net Pension Liability[1]
State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan
Fiscal Year Ended June 30

(dollars in thousands)

	2014	2013
Total Pension Liability		
Total Pension Liability – Beginning of Year	**$ 118,097**	**$ 113,282**
Service Cost	3,841	3,811
Interest Cost	8,031	7,740
Experience (Gains) / Losses	(430)	(1,845)
Assumption Changes	-	(40)
Plan Amendments	-	-
Benefit Payments[2]	(5,938)	(4,836)
Net Member Reassignment[3]	-	(15)
Other	-	-
Net Change in Total Pension Liability	**5,504**	**4,815**
Total Pension Liability – End of Year	**$ 123,601**	**$ 118,097**
Plan Fiduciary Net Position		
Plan Fiduciary Net Position – Beginning of Year	**$ 97,019**	**$ 76,543**
Employer Contributions	5,359	19,740
Member Contributions	1,019	1,006
Net Investment Income	13,339	4,702
Benefit Payments[2]	(5,938)	(4,836)
Net Member Reassignment[3]	-	(15)
Administrative and Project Expenses	(141)	(121)
Other	-	-
Net Change in Plan Fiduciary Net Position	**13,638**	**20,476**
Plan Fiduciary Net Position – End of Year	**$ 110,657**	**$ 97,019**
Net Pension Liability		
Total Pension Liability	$ 123,601	$ 118,097
Plan Fiduciary Net Position	110,657	97,019
Plan Net Pension Liability	**$ 12,944**	**$ 21,078**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	**89.5%**	**82.2%**
Covered-Employee Payroll (Actual)[4]	$ 25,825	$ 24,675
Net Pension Liability as a Percentage of Covered-Employee Payroll	50.1%	85.4%

[1] *The effort and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2012 for GASB Statement No. 67 purposes.*

[2] *Includes refunds of employee contributions.*

[3] *Includes net interfund transfers.*

[4] *2013 covered-employee payroll was adjusted to reflect actual contribution rates.*

Schedules of Changes in Net Pension Liability and Net Pension Liability[1]
Prosecuting Attorneys' Retirement Fund
Fiscal Year Ended June 30

(dollars in thousands)

	2014	2013
Total Pension Liability		
Total Pension Liability – Beginning of Year	**$ 61,940**	**$ 56,080**
Service Cost	1,587	1,568
Interest Cost	4,207	3,816
Experience (Gains) / Losses	-	1,474
Assumption Changes	-	(109)
Plan Amendments	-	1,346
Benefit Payments[2]	(2,398)	(2,235)
Net Member Reassignment[3]	-	-
Other	-	-
Net Change in Total Pension Liability	**3,396**	**5,860**
Total Pension Liability – End of Year	**$ 65,336**	**$ 61,940**
Plan Fiduciary Net Position		
Plan Fiduciary Net Position – Beginning of Year	**$ 47,920**	**$ 27,689**
Employer Contributions	1,174	19,443
Member Contributions	1,334	1,271
Net Investment Income	6,581	1,897
Benefit Payments[2]	(2,398)	(2,235)
Net Member Reassignment[3]	-	-
Administrative and Project Expenses	(108)	(145)
Other	4	-
Net Change in Plan Fiduciary Net Position	**6,587**	**20,231**
Plan Fiduciary Net Position – End of Year	**$ 54,507**	**$ 47,920**
Net Pension Liability		
Total Pension Liability	$ 65,336	$ 61,940
Plan Fiduciary Net Position	54,507	47,920
Plan Net Pension Liability	**$ 10,829**	**$ 14,020**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	**83.4%**	**77.4%**
Covered-Employee Payroll (Actual)[4]	$ 20,608	$ 18,805
Net Pension Liability as a Percentage of Covered-Employee Payroll	52.5%	74.6%

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[1] *The effort and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2012 for GASB Statement No. 67 purposes.*

[2] *Includes refunds of employee contributions.*

[3] *Includes net interfund transfers.*

[4] *2013 represents anticipated covered-employee payroll.*

Schedules of Changes in Net Pension Liability and Net Pension Liability[1]
Legislators' Defined Benefit Plan
Fiscal Year Ended June 30

(dollars in thousands)

	2014	2013
Total Pension Liability		
Total Pension Liability – Beginning of Year	**$ 4,285**	**$ 4,497**
Service Cost	3	2
Interest Cost	277	291
Experience (Gains) / Losses	(36)	(140)
Assumption Changes	-	-
Plan Amendments	-	-
Benefit Payments[2]	(363)	(365)
Net Member Reassignment[3]	-	-
Other	-	-
Net Change in Total Pension Liability	**(119)**	**(212)**
Total Pension Liability – End of Year	**$ 4,166**	**$ 4,285**
Plan Fiduciary Net Position		
Plan Fiduciary Net Position – Beginning of Year	**$ 3,337**	**$ 3,385**
Employer Contributions	138	150
Member Contributions	-	-
Net Investment Income	439	201
Benefit Payments[2]	(363)	(365)
Net Member Reassignment[3]	-	-
Administrative and Project Expenses	(62)	(34)
Other	-	-
Net Change in Plan Fiduciary Net Position	**152**	**(48)**
Plan Fiduciary Net Position – End of Year	**$ 3,489**	**$ 3,337**
Net Pension Liability		
Total Pension Liability	$ 4,166	$ 4,285
Plan Fiduciary Net Position	3,489	3,337
Plan Net Pension Liability	**$ 677**	**$ 948**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	**83.7%**	**77.9%**
Covered-Employee Payroll (Actual)[4]	N/A	N/A
Net Pension Liability as a Percentage of Covered-Employee Payroll[4]	N/A	N/A

[1] *The effort and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2012 for GASB Statement No. 67 purposes.*

[2] *Includes refunds of employee contributions.*

[3] *Includes net interfund transfers.*

[4] *Is a closed plan with no payroll.*

Schedule of Contributions
Fiscal Year Ended June 30

(dollars in thousands)

Fiscal Year End	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC[1]	Contribution Deficiency (Excess)	Contributions as a Percentage of ADC	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
PUBLIC EMPLOYEES' RETIREMENT FUND						
6/30/2005[2]	$ 222,357	$ 206,323	$ 16,034	92.8%	$ 4,700,000	4.4%
6/30/2006[2]	230,966	230,357	609	99.7%	4,600,000	5.0%
6/30/2007[2]	259,768	260,150	(382)	100.1%	4,325,000	6.0%
6/30/2008[2]	303,700	303,877	(177)	100.1%	4,550,000	6.7%
6/30/2009[2]	326,170	323,151	3,019	99.1%	4,850,000	6.7%
6/30/2010[2]	329,731	331,090	(1,359)	100.4%	4,800,000	6.9%
6/30/2011[2]	351,000	342,779	8,221	97.7%	4,500,000	7.6%
6/30/2012[2]	449,388	397,843	51,545	88.5%	4,550,000	8.7%
6/30/2013[2]	464,047	455,658	8,389	98.2%	4,700,000	9.7%
6/30/2014[2,3]	528,562	519,576	8,986	98.3%	4,896,635	10.6%
TEACHERS' RETIREMENT FUND PRE-1996 ACCOUNT (TRF PRE-1996)						
6/30/2005[4]	$ 516,267	$ 394,387	$ 121,880	76.4%	$ 2,305,725	17.1%
6/30/2006[4]	556,460	601,259	(44,799)	108.1%	2,237,380	26.9%
6/30/2007[4]	602,904	636,039	(33,135)	105.5%	2,376,390	26.8%
6/30/2008[4]	678,050	675,682	2,368	99.7%	2,295,816	29.4%
6/30/2009[4]	700,307	706,366	(6,059)	100.9%	2,030,484	34.8%
6/30/2010[4]	850,493	731,149	119,344	86.0%	1,865,102	39.2%
6/30/2011[4]	894,507	748,978	145,529	83.7%	1,762,750	42.5%
6/30/2012[4]	866,207	764,423	101,784	88.2%	1,637,066	46.7%
6/30/2013[4,5]	873,751	1,013,080	(139,329)	115.9%	1,383,428	73.2%
6/30/2014[4]	879,072	831,942	47,130	94.6%	1,262,828	65.9%
TEACHERS' RETIREMENT FUND 1996 ACCOUNT						
6/30/2005[2]	$ 109,843	$ 90,392	$ 19,451	82.3%	$ 1,325,000	6.8%
6/30/2006[2]	119,558	100,081	19,477	83.7%	1,425,000	7.0%
6/30/2007[2]	150,415	117,001	33,414	77.8%	1,675,000	7.0%
6/30/2008[2]	130,305	132,446	(2,141)	101.6%	1,825,000	7.3%
6/30/2009[2]	125,330	147,425	(22,095)	117.6%	2,075,000	7.1%
6/30/2010[2]	99,000	154,491	(55,491)	156.1%	2,200,000	7.0%
6/30/2011[2]	135,057	166,633	(31,576)	123.4%	2,225,000	7.5%
6/30/2012[2]	154,800	181,067	(26,267)	117.0%	2,400,000	7.5%
6/30/2013[2]	167,311	180,714	(13,403)	108.0%	2,442,496	7.4%
6/30/2014[2]	177,711	194,751	(17,040)	109.6%	2,598,115	7.5%
1977 POLICE OFFICERS' AND FIREFIGHTERS' PENSION AND DISABILITY FUND						
12/31/2005[2]	$ 102,243	$ 108,766	$ (6,523)	106.4%	$ 519,000	21.0%
12/31/2006[2]	134,354	143,272	(8,918)	106.6%	682,000	21.0%
12/31/2007[2]	114,075	122,712	(8,637)	107.6%	585,000	21.0%
12/31/2008[2]	123,825	133,196	(9,371)	107.6%	635,000	21.0%
6/30/2009[2,6]	64,285	64,285	-	100.0%	330,000	19.5%
6/30/2010[2]	94,135	130,775	(36,640)	138.9%	670,000	19.5%
6/30/2011[2]	117,820	133,726	(15,906)	113.5%	687,000	19.5%
6/30/2012[2]	132,549	135,605	(3,056)	102.3%	690,000	19.7%
6/30/2013[2]	112,590	137,111	(24,521)	121.8%	695,000	19.7%
6/30/2014[2]	103,425	140,119	(36,694)	135.5%	710,581	19.7%

[1] *Contributions are from employers except for the Teachers' Retirement Fund TRF Pre-1996 Account, which are predominately from a nonemployer contributing entity*

[2] *Actuarially determined contribution and covered-employee payroll were adjusted to reflect actual employee payroll*

[3] *Contributions exclude specific financed liabilities of $6,514 thousand*

[4] *Covered-employee payroll represents anticipated covered-employee payroll except for 6/30/2014, which represents actual employee payroll*

[5] *In FY2013, the State of Indiana appropriated additional monies to: TRF Pre-1996 – $206,796 thousand, JRS – $90,187 thousand, EG&C Plan – $14,619 thousand, and PARF – $17,363 thousand*

[6] *Represents only a half year of activity*

Schedule of Contributions
Fiscal Year Ended June 30

(dollars in thousands)

JUDGES' RETIREMENT SYSTEM (JRS)

Fiscal Year End	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC[1]	Contribution Deficiency (Excess)	Contributions as a Percentage of ADC	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
6/30/2005[4]	$ 10,064	$ 13,540	$ (3,476)	134.5%	$ 32,231	42.0%
6/30/2006[4]	14,932	13,537	1,395	90.7%	34,065	39.7%
6/30/2007[4]	12,249	14,662	(2,413)	119.7%	29,712	49.3%
6/30/2008[4]	10,028	15,920	(5,892)	158.8%	33,729	47.2%
6/30/2009[4]	16,131	20,861	(4,730)	129.3%	36,196	57.6%
6/30/2010[4]	16,077	18,631	(2,554)	115.9%	36,722	50.7%
6/30/2011[4]	18,910	19,200	(290)	101.5%	45,764	42.0%
6/30/2012[4]	19,664	18,896	768	96.1%	45,138	41.9%
6/30/2013[4,5]	25,458	111,419	(85,961)	437.7%	47,595	234.1%
6/30/2014[4]	27,648	20,895	6,753	75.6%	46,041	45.4%

STATE EXCISE POLICE, GAMING AGENT, GAMING CONTROL OFFICER, AND CONSERVATION ENFORCEMENT OFFICERS' RETIREMENT PLAN (EG&C PLAN)

Fiscal Year End	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC[1]	Contribution Deficiency (Excess)	Contributions as a Percentage of ADC	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
6/30/2005[2]	$ 2,471	$ 2,164	$ 307	87.6%	$ 13,500	16.0%
6/30/2006[2]	3,198	2,498	700	78.1%	15,600	16.0%
6/30/2007[2]	4,410	3,359	1,051	76.2%	21,000	16.0%
6/30/2008[2]	4,918	4,854	64	98.7%	23,700	20.5%
6/30/2009[2]	5,294	5,294	-	100.0%	25,500	20.8%
6/30/2010[2]	4,200	5,256	(1,056)	125.1%	25,300	20.8%
6/30/2011[2]	4,112	5,197	(1,085)	126.4%	25,000	20.8%
6/30/2012[2]	4,556	5,054	(498)	110.9%	24,300	20.8%
6/30/2013[2,5]	4,794	19,740	(14,946)	411.8%	24,675	80.0%
6/30/2014[2]	5,341	5,359	(18)	100.3%	25,825	20.8%

PROSECUTING ATTORNEYS' RETIREMENT FUND (PARF)

Fiscal Year End	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC[1]	Contribution Deficiency (Excess)	Contributions as a Percentage of ADC	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
6/30/2005[4]	$ 889	$ 961	$ (72)	108.1%	$ 16,659	5.8%
6/30/2006[4]	952	170	782	17.9%	19,225	0.9%
6/30/2007[4]	1,044	190	854	18.2%	18,092	1.1%
6/30/2008[4]	1,040	170	870	16.3%	20,617	0.8%
6/30/2009[4]	1,340	170	1,170	12.7%	20,782	0.8%
6/30/2010[4]	1,663	170	1,493	10.2%	21,016	0.8%
6/30/2011[4]	1,960	170	1,790	8.7%	18,082	0.9%
6/30/2012[4]	2,037	1,839	198	90.3%	21,705	8.5%
6/30/2013[4,5]	2,542	19,443	(16,901)	764.9%	18,805	103.4%
6/30/2014[4]	2,345	1,174	1,171	50.1%	20,608	5.7%

LEGISLATORS' RETIREMENT SYSTEM – DEFINED BENEFIT PLAN[7]

Fiscal Year End	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC[1]	Contribution Deficiency (Excess)	Contributions as a Percentage of ADC	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
6/30/05	$ 89	$ 206	$ (117)	231.5%	N/A	N/A
6/30/06	91	100	(9)	109.9%	N/A	N/A
6/30/07	120	100	20	83.3%	N/A	N/A
6/30/08	66	100	(34)	151.5%	N/A	N/A
6/30/09	45	100	(55)	222.2%	N/A	N/A
6/30/10	63	-	63	0.0%	N/A	N/A
6/30/11	113	-	113	0.0%	N/A	N/A
6/30/12	113	112	1	99.1%	N/A	N/A
6/30/13	140	150	(10)	107.1%	N/A	N/A
6/30/14	138	138	-	100.0%	N/A	N/A

[1] Contributions are from employers except for the Teachers' Retirement Fund TRF Pre-1996 Account, which are predominately from a nonemployer contributing entity

[2] Actuarially determined contribution and covered-employee payroll were adjusted to reflect actual employee payroll

[4] Covered-employee payroll represents anticipated covered-employee payroll except for 6/30/2014, which represents actual employee payroll

[5] In FY2013, the State of Indiana appropriated additional monies to: TRF Pre-1996 – $206,796 thousand, JRS – $90,187 thousand, EG&C Plan – $14,619 thousand, and PARF – $17,363 thousand

[7] Is a closed plan with no payroll

Schedule of Investment Returns[1]

Annual Money-Weighted Rate of Return, Net of Investment Expense

(dollars in thousands)

	Fiscal Year Ended June 30	
Pension Trust Funds[2]	2014	2013
Public Employees' Retirement Fund	12.33%	5.79%
Teachers' Retirement Fund Pre-1996 Account[3]	12.71%	5.11%
Teachers' Retirement Fund 1996 Account[3]	12.71%	5.11%
1977 Police Officers' and Firefighters' Pension and Disability Fund	13.70%	5.85%
Judges' Retirement System	13.69%	5.24%
State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforement Officers' Retirement Plan	13.69%	5.48%
Presecuting Attorneys' Retirement Fund	13.70%	4.84%
Legislators' Defined Benefit Plan	13.65%	6.16%
Total INPRS[4]	**12.69%**	**5.57%**

[1] *The effort and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2012 for GASB Statement No. 67 purposes.*

[2] *Excludes the Legislators' Defined Contribution Plan.*

[3] *The Teachers' Retirement Fund Accounts are combined for investment purposes.*

[4] *Rate of return also includes Legislators' Defined Contribution Plan, State Employees' Death Benefit Fund, Public Safety Officers' Special Death Benefit Fund and Pension Relief Fund.*

Schedule of Notes to Required Supplementary Information
Fiscal Year Ended June 30

Schedules of Changes In Net Pension Liability and Net Pension Liability

Plan Amendments

In 2014, HB 1075 impacted the Public Employees' Retirement Fund, the Teachers' Retirement Fund Pre-1996 Account, and the Teachers' Retirement Fund 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. On January 1, 2017, the ASA annuities are allowed to be outsourced to a third party provider.

In 2013, HB 1057 changed the benefits in the Prosecuting Attorneys' Retirement Fund to be comparable to the Judges' Retirement Fund.

Assumption Changes

In 2013, the interest crediting rate on member contributions was changed to a consistent interest rate of 3.5% for the 1977 Police Officers' and Firefighters' Pension and Disablility Fund (formerly 5.5%), the Judges' Retirement Fund (formerly 0.0%), the State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Fund (formerly 6.75%), and the Prosecuting Attorneys' Retirement Fund (formerly 5.5%).

Schedule of Contributions

Methods and Assumptions Used in Calculating Actuarially Determined Contributions

The actuarially determined contribution rates in the schedule of contributions are calculated as of June 30 and the newly calculated contribution rates will become effective either July 1, 2015 or January 1, 2016. The following actuarial methods and assumptions were used to determine the contribution rates:

Description	PERF	TRF Pre-1996 Account	TRF 1996 Account	1977 Fund	JRS	EG&C Plan	PARF	LEDB Plan
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)							Traditional Unit Credit
Actuarial Amortization Method for Unfunded Liability	Level Dollar							
Actuarial Amortization Period for Unfunded Liability	30 Years, Closed							
Asset Valuation Method	4-year smoothing of gains and losses on the Market Value of assets subject to a 20% corridor							
Investment Rate of Return	6.75%, net of investment and administrative expenses, including inflation							
Future Salary Increases, including Inflation	3.25% - 4.5%	3.0% - 12.5%		3.25%	4.0%	3.25%	4.0%	3.0%
Inflation	3.0%							

Trends

Contributions in fiscal year 2014 are lower than in fiscal year 2013 for certain pension trust funds due to 2012 HB 1376, which appropriated additional monies for the following pension trust funds: Teachers' Retirement Fund Pre-1996 Account – $206,796 thousand, Judges' Retirement Fund – $90,187 thousand, State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan – $14,619 thousand, and the Prosecuting Attorneys' Retirement Fund – $17,363 thousand.

Schedule of Pension Relief Changes in Assets and Liabilities

(dollars in thousands)

	Balance June 30, 2013	Additions	Deductions	Balance June 30, 2014
Assets				
Cash	$ 1,054	$ 57,441	$ 57,252	$ 1,243
Short Term Investments	35,587	881,435	901,089	15,933
Total Assets	**$ 36,641**	**$ 938,876**	**$ 958,341**	**$ 17,176**
Liabilities				
Accounts Payable	$ 9	$ 222,222	$ 222,227	$ 4
Due to Other Funds	15	17	27	5
Due to Other Governments	36,617	716,637	736,087	17,167
Total Liabilities	**$ 36,641**	**$ 938,876**	**$ 958,341**	**$ 17,176**

Schedule of Administrative and Project Expenses

(dollars in thousands)	Fiscal Year Ended June 30	
	2014	2013
Personnel Services:		
Salaries and Wages	$ 10,083	$ 9,518
Employee Benefits	4,403	4,061
Temporary Services	4,356	5,950
Total Personnel Services	**18,842**	**19,529**
Contractual and Professional Services:		
Benefit Payment Processing Fees	2,698	2,555
Consulting Services	965	817
Actuarial Services	821	759
Legal Services	217	102
Total Contractual and Professional Services	**4,701**	**4,233**
Information Technology Services:		
Data Processing	2,537	1,427
Software and Licenses	1,699	1,473
Other Computer Services	700	2
Total Information Technology Services	**4,936**	**2,902**
Communications:		
Postage	707	829
Telephone	343	369
Printing	184	281
E-communications	96	120
Total Communications	**1,330**	**1,599**
Miscellaneous:		
Depreciation and Amortization	3,195	2,370
Office Rent and Expenses	992	1,007
Memberships and Training	135	148
Travel	87	61
Equipment Rental	72	178
Other Administrative Expenses	296	166
Total Miscellaneous	**4,777**	**3,930**
Subtotal Administrative Expenses	**$ 34,586**	**$ 32,193**
Less Amount Allocated to Pension Relief Fund	(42)	(44)
Total Administrative Expenses	**$ 34,544**	**$ 32,149**
Subtotal Project Expenses	**$ 8,856**	**$ 13,728**
Less Amount Allocated to Pension Relief Fund	(1)	(13)
Total Project Expenses	**$ 8,855**	**$ 13,715**
Total Administrative and Project Expenses	**$ 43,399**	**$ 45,864**

Schedule of Administrative Contractual and Professional Services Expenses

(dollars in thousands)

	Fiscal Year Ended June 30		
Vendor Name	**2014**	**2013**[1]	**Nature of Services**
Xerox	$ 2,777	$ 2,576	Benefit Payment Services
PricewaterhouseCoopers LLP	684	651	Actuarial Services
Indiana State Board of Accounts	233	193	Audit Services
Callan	140	-	ASA Annuity/Xerox Renewal Consulting
Nyhart, Inc.	137	108	Actuarial Services
Ice Miller LLP	136	67	Legal Services
Orion	112	-	Quality Management
AIRvan Consulting LLC	75	65	Research Services
Gartner, Inc.	61	70	IT Research
Omkar Markand, M.D.	55	58	Medical Consulting
Automatic Data Processing, Inc.	42	33	Payroll Processing Services
Ernst & Young LLP	41	34	Management Consulting
CEM Benchmarking, Inc.	40	40	Benchmarking Services
Loyalty Research Center	34	-	Research Services
Gonzalez Saggio Harlan	30	3	Legal Services
United States Treasury	28	-	Cycle C Filings
ERP Control Specialists, LLC	21	29	Internal Audit Software
Krieg DeVault LLP	13	12	Legal Services
Fleming Stage	12	4	Legal Services
Protiviti Inc.	11	219	Enterprise Risk Management/Vendor Management
Briljent	10	14	Training Services
Flashpoint	-	16	Management Consulting
Segal	-	15	Management Consulting
Other Contractual and Professional Services	9	26	Other Services
Total Administrative Contractual and Professional Services Expenses	**$ 4,701**	**$ 4,233**	

Fees paid to investment professionals can be found in the Investment Section.

[1] *Schedule of Administrative Contractual and Professional Services Expenses as of June 30, 2013, has been restated to provide greater transparency and is reflected as comparable to INPRS' June 30, 2014, reporting classifications.*

Schedule of Project Expenses

	Fiscal Year Ended June 30	
(dollars in thousands)	2014	2013
Personnel Services:		
Temporary Services	$ 4,393	$ 4,444
Salaries and Wages	624	371
Employee Benefits	264	128
Total Personnel Services	**5,281**	**4,943**
Contractual and Professional Services:		
Consulting Services	3,084	7,244
Total Contractual and Professional Services	3,084	7,244
Information Technology Services:		
Data Processing	484	1,419
Software and Licenses	(1)	172
Total Information Technology Services	**483**	**1,591**
Communications and Miscellaneous	**8**	**(50)**
Subtotal Project Expenses	$ 8,856	$ 13,728
Less Amount Allocated to Pension Relief Fund	(1)	(13)
Total Project Expenses	**$ 8,855**	**$ 13,715**

Schedule of Project Contractual and Professional Services Expenses

(dollars in thousands)	Fiscal Year Ended June 30		
Vendor Name	**2014**	**2013**	**Nature of Services**
CherryRoad Technologies Inc.	$ 1,506	$ 3,389	Strategic Assessment and IT Consulting
Oracle America, Inc.	500	1,941	Strategic Assessment and IT Consulting
IBM Corporation	401	159	Software Licenses
Briljent	399	1,051	Training Documentation
KPMG LLP	147	121	Strategic Assessment and IT Consulting
Xerox	131	532	Strategic Assessment and IT Consulting
Guidesoft	-	51	Training Documentation
Total Project Contractual and Professional Services Expenses	**$ 3,084**	**$ 7,244**	

Fees paid to investment professionals can be found in the Investment Section.

Schedule of Investment Expenses[1]

(dollars in thousands)	Fiscal Year Ended June 30	
	2014	2013
Direct Investment Expenses		
Investment Consultants:		
Strategic Investment Solutions	$ 900	$ 1,000
Aksia	500	500
ORG Portfolio Management LLC	330	322
Capital Cities	85	105
Institutional Shareholder Services	50	7
Other	28	13
CitiGroup	25	-
Xerox	21	69
Total Investment Consultants	**1,939**	**2,016**
Investment Custodian:		
BNY Mellon	515	513
Total Investment Custodian	**515**	**513**
Broker Commissions	**3,463**	**3,652**
Investment Recordkeeper Fees	**5,541**	**5,705**
Investment Staff Expenses	**2,305**	**1,817**
Investment Administrative Expenses	**888**	**1,242**
Total Direct Investment Expenses	**14,651**	**14,945**
Investment Management Fees	**172,835**	**127,093**
Subtotal Investment Expenses	**$ 187,486**	**$ 142,038**
Less Amount Allocated to Pension Relief Fund	(6)	(6)
Total Project Expenses	**$ 187,480**	**$ 142,032**

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[1] *Schedule of Investment Expenses as of June 30, 2013, has been restated to provide greater transparency and is reflected as comparable to INPRS' June 30, 2014, reporting classifications.*

Indiana Public Retirement System

2014 COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2014

Investment Section

Investment Results – Consolidated Defined Benefit Assets

Investment Results – Annuity Savings Accounts and Legislators' Defined Contribution Plan

STRATEGIC INVESTMENT SOLUTIONS

BARRY W. DENNIS
Chairman & CEO/Managing Director

August 6, 2014

Board of Trustees
Indiana Public Retirement System
One North Capitol Avenue
Indianapolis, IN 46204

Dear Trustees:

Strategic Investment Solutions is pleased to provide you with an overview of the economic environment for the year ended June 30, 2014, how it impacted the Indiana Public Retirement System's investment results, and observations regarding the current investment strategy.

Economic Environment

Despite continued partisanship in Washington, gridlock did not dominate economic and market performance in fiscal 2014. Instead, the focus has been on the pace of the Federal Reserve Bank's tapering of economic stimulus and Mother Nature. The severe and prolonged winter weather disturbed the five year trend of slow and steady growth, although a strong rebound in Q2 re-established the growth trajectory. The Fed has gradually reduced its monthly bond purchases from $85 billion to $25 billion, a measured pace that did not rattle markets.

Around the globe, the major countries and regions are in a coordinated effort to avoid a return to 2008-09 conditions. Japan, combatting multiple problems, including deflation, demographics and an expensive currency, is pursuing a program described as 'Quantitative Easing on Steroids'. Europe is taking a path similar to, but lagging, the U.S. program of massive bond purchasing. The U.K. has been the most austere, but has kept interest rates at minimal levels.

Concerns about stability in the Middle East and surrounding areas increased in 2014. Syria's civil war continues, with hostilities crossing the border into Iraq. The Russian intrusion into Crimea and Eastern Ukraine has resulted in economic sanctions. While each of the above has exerted upward pressure on oil prices, the remarkable expansion of U.S. energy production has generally stabilized oil prices.

Inflation and inflation expectations remain muted due to continued labor and capacity underutilization. However, increased demand for talent, particularly in the technology sector, is beginning to build wage pressure.

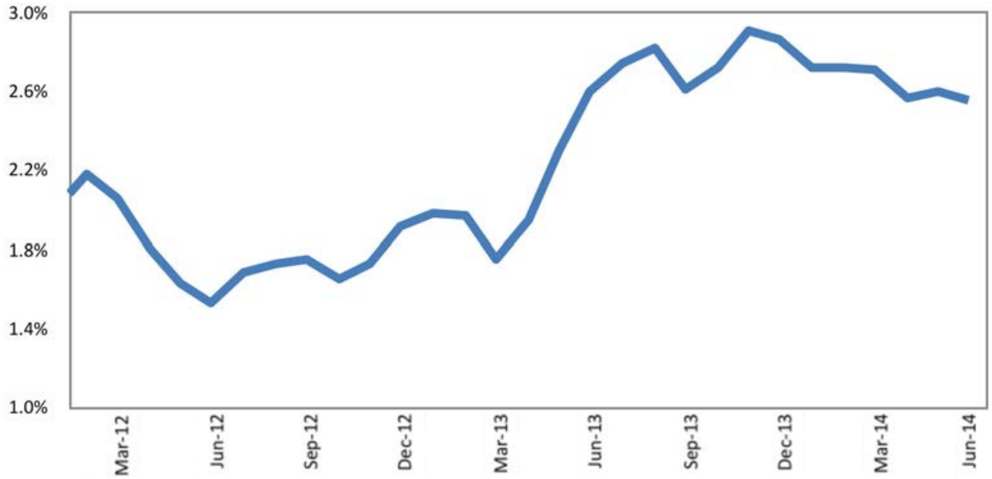
Over the fiscal year, U.S. GDP growth and inflation were as follows:

Annualized Percentage Growth

	U.S. GDP	U.S. CPI
Third Quarter 2013	4.5%	1.5%
Fourth Quarter 2013	3.5	1.1
First Quarter 2014	(2.1)	1.3
Second Quarter 2014	4.0	2.0
Annual Average	2.5	1.5

The long, hard winter and its economic effect pushed the yield on the 10 Year Treasury Bond from about 3.0% to about 2.5% where it continues to linger. The 'market' however, is expecting rates to rise slowly, with the 12 month forward yield curve showing an increase of approximately 1.0% in 10 year yields.

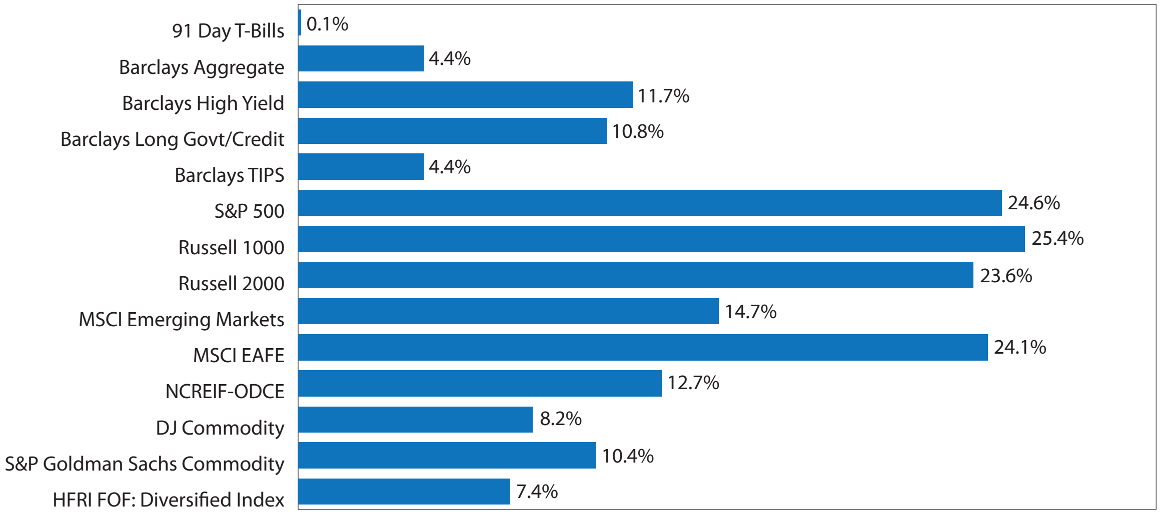
Yield on 10 Year Treasury



Impact on Investments

INPRS' investments are broadly diversified across many asset classes. The returns for indices that are representative of these asset classes can be seen in the chart below.

Key Index Returns for Year Ending June 30, 2014



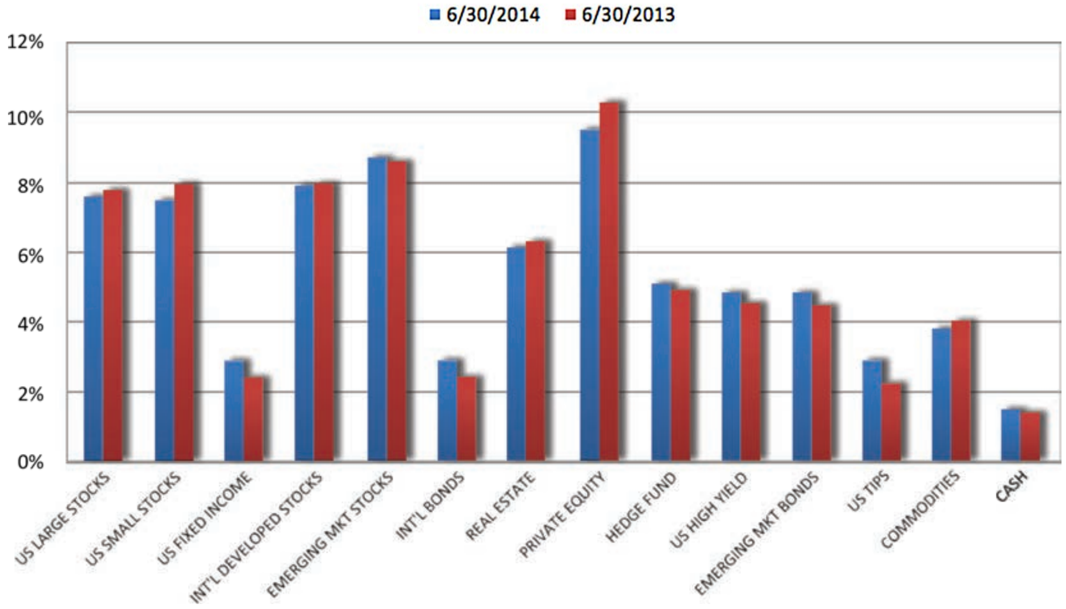
Key Index Returns for Year Ending June 30, 2014

INPRS' investments are broadly diversified in a risk-balanced fashion. Indeed, the Fund's excellent performance in Fiscal 2014 is a result of 'hitting on all cylinders'. The portfolio is constructed to perform well in many types of economic conditions with specific consideration to downside risk. The fact that performance excelled in a 'risk on' year exceeded reasonable expectations.

Observations Regarding the Current Investment Strategy

SIS closely monitors all the markets that INPRS is invested in so that estimates can be made relative to the distribution of future long-term results. The estimates can then be integrated into the expectations of the System's future cash demands. These relationships will be revisited via an Asset / Liability Study that will take place early in fiscal year 2015.

Capital Market Expected Returns



SIS's capital market expected return expectations for the various markets have declined slightly from one year ago, a result of slow economic growth coupled with the strong results of the previous year. This puts all asset class return expectations below their long term averages. In an environment where all asset classes appear to be 'priced to perfection', a risk-balanced investment strategy, which INPRS has adopted, is an ideal posture to maximize the probability of meeting the System's actuarial requirements in the intermediate future.

Yours very truly,

Barry Dennis

Barry Dennis
bwd@sis-sf.com

INPRS' Investment Imperatives[1]

There are three long-term imperatives that are vital for the continued health of the System. Every tactical and strategic decision that is made must have the expectation of positively contributing to our imperatives.

1. **Achieve the long term rate of return assumption.** Effective fiscal year 2013 the long-term rate of return assumption, set by INPRS Board, is 6.75%. In order for INPRS' Funds to maintain a healthy funded status, it is essential to achieve this rate of return over a long-term period.

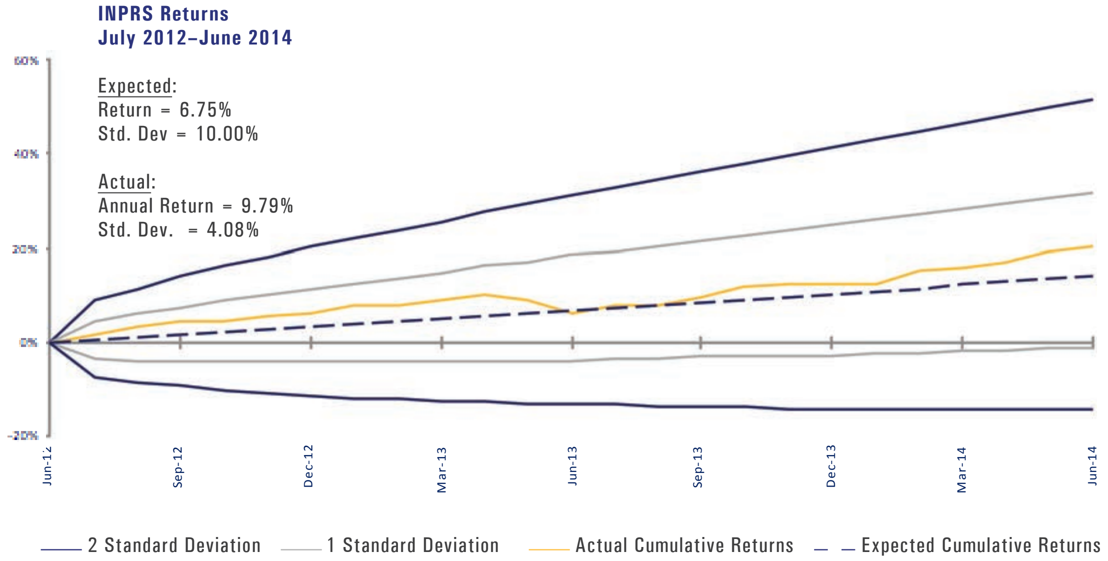
2. **Accomplish the first goal as effectively and efficiently as possible.** Recognizing that not only is it important to return 6.75%, or the long term rate of return, annually; but as fiduciaries, just as important, is the need to accomplish this by focusing on return per unit of risk, diversification, and cost efficiency.

3. **Have sufficient liquidity on hand to pay beneficiaries.** INPRS is fortunate to have a highly liquid portfolio. The current liquidity profile is more than sufficient to match the beneficiary payment requirements of the System. Nevertheless, this is an imperative on which we will continue to focus.

Year in Review[2]

Fiscal year 2014 was a successful year on many fronts. Regarding the imperatives above, INPRS achieved performance of 13.73% net of all fees, which is over twice the long-term rate of return assumption of 6.75%. The return brought the DB assets to an all-time high level of $24.6 billion. Since reaching the most recent target asset allocation June 30, 2012, INPRS has experienced a cumulative return of 20.5% versus a long-term rate of return target equivalent of 14.0%. The following chart shows the path of that cumulative return over the past two years as well as the range of outcomes that were possible given the projected volatility of INPRS' portfolio.

INPRS Net of Fees Cumulative Returns



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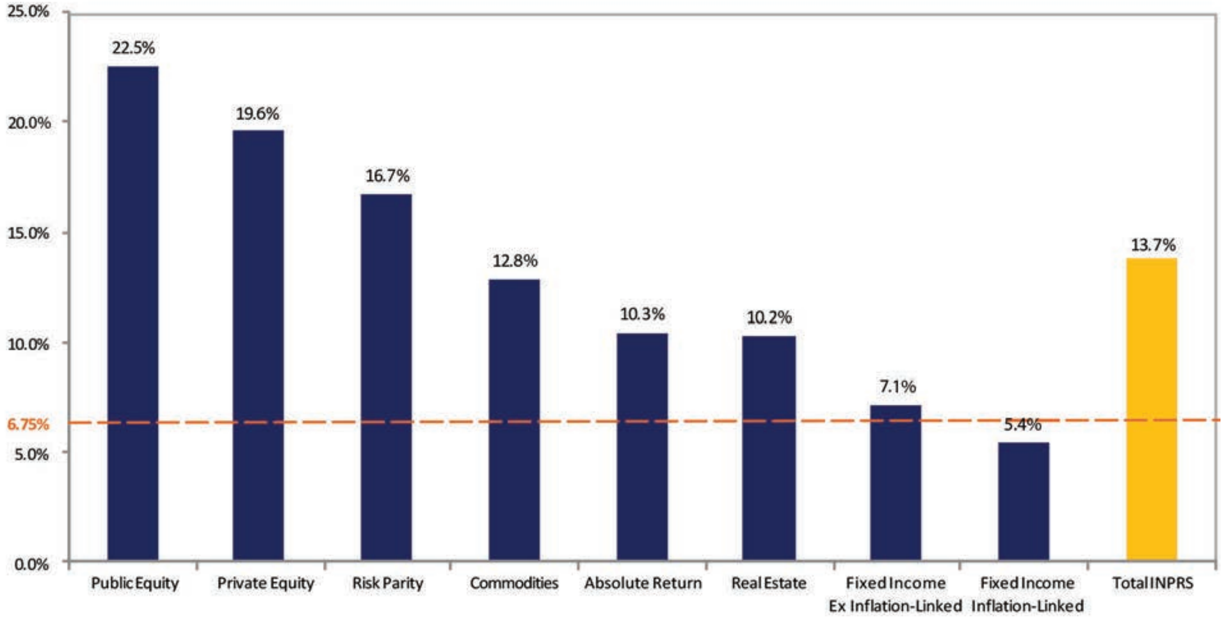
[1] For more details, see the INPRS Investment Policy Statement, Section 4 – Guiding Principles.

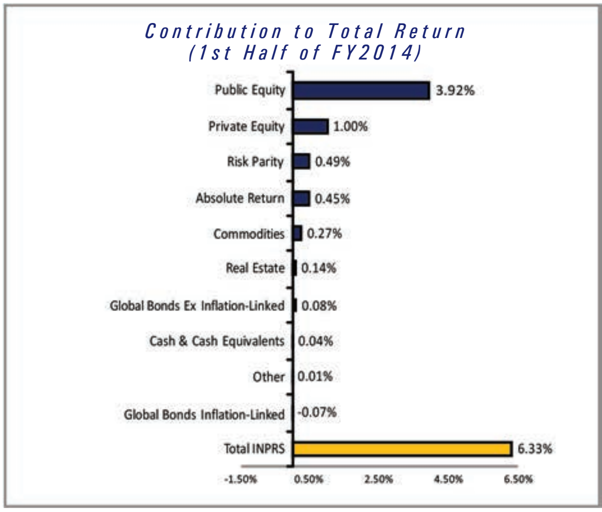
[2] Rates of return are based on calculations made by the System's custodian, Bank of New York Mellon, and are presented using a time-weighted rate of return methodology based upon market value.

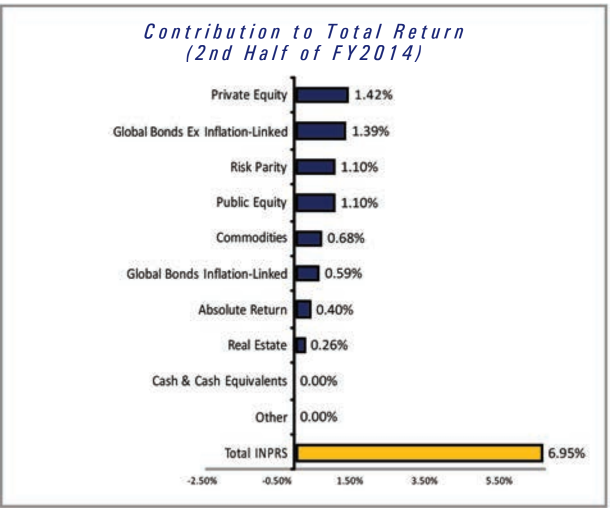
Every asset class contributed positive returns this fiscal year.

INPRS Fiscal Year 2014
Net of Fees Total Return



Interestingly, the contribution to performance was derived in different ways in the first and second half of the year, despite similar total returns.


Contribution to Total Return
(1st Half of FY2014)


Contribution to Total Return
(2nd Half of FY2014)

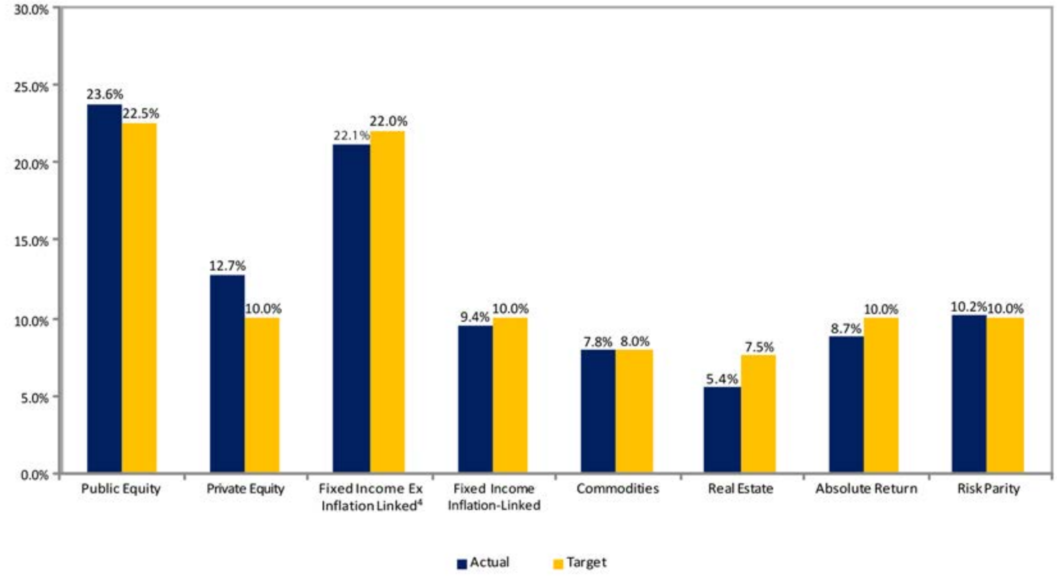
In the first half of the fiscal year, equities were once again the top performer as the low volatility environment that prevailed for many asset classes in fiscal year 2013 continued early in fiscal year 2014, especially for those that tend to benefit from rising growth. However, macro concerns were prevalent across the globe in Q1 of fiscal year 2014, including conflicts in the Ukraine and possibilities of slower growth than expected in the U.S. With a bias toward slower growth environments, global bonds were the top performer in the second half of the year (despite skepticism toward fixed income investments by many market participants at the start of 2014).[3] At INPRS, we believe making accurate predictions on asset class returns and the timing of those returns is a difficult endeavor, and fiscal year 2014 merely strengthened our belief in maintaining a diversified portfolio despite the popularity of certain market calls.

INPRS was able to successfully achieve this year's return in an effective and efficient manner (second imperative). Over long periods of time, INPRS expects to achieve a Sharpe Ratio (a measure of return in excess of a risk free rate divided by volatility) of 0.50. This year, INPRS experienced a Sharpe Ratio of 3.97, a result that showed the benefits of holding uncorrelated assets but was abnormally high primarily due to the historically low volatility across all asset classes.

As mentioned above, a large part of effectiveness and efficiency is a result of diversification. INPRS became more diversified than it has ever been as it moved closer to the target allocations as seen below.

INPRS Asset Allocation
As of June 30, 2014

INPRS was also able to produce a return that was 0.62% (62 bps) above its dynamic benchmark, net of all fees. Active management in the Fixed Income Ex Inflation-Linked, Fixed Income Inflation-Linked, and Commodities portfolios all contributed positively to the excess return. The Public Equity portfolio was a detractor on a relative basis.



Regarding the third imperative of liquidity, INPRS continues to hold a portfolio that is positioned to provide adequate liquidity. As of June 30, 2014 there were $4.5 billion identified as primary liquidity sources with investments in Money Market Sweep Vehicles and US Government and Agency Securities and another $1.5 billion invested in highly liquid assets such as Large Cap Domestic Equities. These assets represented 24.2% of the total consolidated defined benefit assets.

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[3] *Although displayed as the highest contribution to return in the graph, the Private Equity performance in the 2nd half of FY2014 reflects returns that are lagged one quarter due to the timing of valuations.*

[4] *Fixed Income assets only, exclusive of cash.*

In summary, it was a strong year for INPRS and progress was made toward each of our three imperatives. A diversified portfolio, strong markets with little volatility, and successful active management along with a stable liquidity profile made for a successful year.

Sincerely,

David C. Cooper
Chief Investment Officer

Outline of Investment Policies

The Indiana Public Retirement System's ("INPRS") Board of Trustees ("Board") serves as the ultimate fiduciary of INPRS. Indiana Code, Article 5-10.5 provides that a nine-member Board of Trustees will oversee INPRS. The nine trustees shall be appointed by the Governor, four of whom must be members of the INPRS. The INPRS Board of Trustees appoints the executive director of INPRS.

The Board establishes investment policies; however, Indiana law establishes guidelines on the investment of the Fund's assets. At all times, INPRS must invest its assets in accordance with the "Prudent Investor" standard. Under this standard, investment decisions are based upon the same degree of care that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a similar character with similar aims.

The objective of the Board's Investment Policy Statement ("IPS") is to maintain adequate funding for each retirement fund and pension system in order to provide for the payment of such fund's actuarially determined liabilities over time in a cost-effective manner. The purpose of the IPS is to support this general objective by:

- Setting forth the investment policies which the Board judges to be appropriate and prudent, in consideration of the needs and legal requirements applicable to direct investment of the assets;
- Making a clear distinction between the roles and responsibilities of the Board, Staff, and each Service Provider;
- Establishing formalized criteria to measure, monitor and evaluate the performance results of the Investment Managers;
- Communicating the investment policies, objectives, guidelines, and performance criteria of the Board to the Staff, Investment Managers, Consultants, Service Providers, employers, members and all other interested parties; and
- Serving as a review document to guide the ongoing oversight of the investments by the System and demonstrating that the Board is fulfilling its fiduciary responsibilities in the administration and management of each Retirement Fund's assets solely in the interests of such Retirement Fund's members and beneficiaries.

The Board intends for the IPS to be a dynamic document, and, as such, expects to conduct periodic reviews utilizing input from INPRS staff, consultants and other knowledgeable parties. The Board anticipates approving changes from time to time to reflect changes in any or all of: economic and market conditions, investment opportunities, the System's investment strategy, benefit provisions, and the INPRS' governance.

The Board recognizes that the allocation of assets is the most important determinant of investment rates of returns over long periods of time. The procedure for determining the allocation will consider the relevant characteristics of the liabilities and the potential assets of the Fund. An asset liability study will be conducted no less than every three years and will analyze the expected returns of various asset classes, projected liabilities, risks associated with alternative asset mix strategies and their effect on the projected market value of assets, funded status, and contributions to the System.

The investment portfolio includes long-term commitments to the following asset classes: public equity, private equity, fixed income – ex. inflation-linked, fixed income – inflation-linked, commodities, real estate, absolute return, and risk parity. The current asset allocation, approved by the Board on October 28, 2011 is as follows:

INPRS Asset Allocation:	Target Allocation	Target Range	Benchmark
Public Equity	22.5%	+/- 2.5%	MSCI All Country World
Private Equity	10.0%	+/- 3.0%	Russell 3000 + 300bps
Fixed Income – Ex Inflation-Linked	22.0%	+/- 3.0%	Barclays Global Aggregate (USDH)
Fixed Income – Inflation-Linked	10.0%	+/- 3.0%	Custom Benchmark
Commodities	8.0%	+/- 2.0%	Custom Benchmark
Real Estate	7.5%	+/- 3.5%	NCREIF NFI-ODCE
Absolute Return	10.0%	+/- 4.0%	HFRI Fund of Funds Composite
Risk Parity	10.0%	+/- 5.0%	Custom Benchmark

Outline of Investment Policies, continued

The Board employs investment managers to implement the asset allocation through a selective and thorough search process that embodies the principles of procedural due diligence. It is the intent of the Board to encourage the participation of all qualified organizations in this process. The Board encourages investment managers to develop long-term investment strategies consistent with the guidelines outlined in the IPS, as well as governing Indiana statutes. Additionally, investment managers will adhere to and comply with the CFA Institute Global Investment Performance Standards in calculating and reporting investment performance. Performance of each manager is measured against the rate of return associated with appropriate market index benchmarks and an appropriate universe or style peer group of investment managers.

Annuity Savings Accounts (ASA) are accounts established for each member of the Plans. A member's account is credited with the legislated 3% mandatory contribution (either paid by the member or "picked-up" by the employer). The member has investment direction to several alternative funds or may direct contributions to the Guaranteed Fund. The ASA produces an additional separate benefit from the fixed-formula employer funded pension benefit to the member. The ASA investment options currently include:

1. Large Cap Equity Index Fund;
2. Small/Mid Cap Equity Fund;
3. International Equity Fund;
4. Fixed Income Fund;
5. Inflation Linked Fixed Income Fund;
6. Target-Date Retirement Funds;
7. Money Market Fund;
8. Stable Value Fund (PERF ASA Only & Legislators' Plan only);
9. Consolidated Retirement Fund (Legislators' Plan only);
10. Guaranteed Fund

The Guaranteed Fund provides a guarantee of the value of an individual's contributions plus any interest credited. The INPRS Board of Trustees annually establishes the interest crediting rate for the Guaranteed Fund based on a uniform methodology. The interest crediting rate for the Guaranteed Fund during the last 10 years is included in the Investment Highlights of this section.

The number and types of investment funds offered will be periodically reviewed by the Board in order to ensure diversity of investment alternatives, adequate and reasonable availability of investment types, and clarity and usefulness of the investment choices. ASA performance data is included in the Investment Highlights of this section.

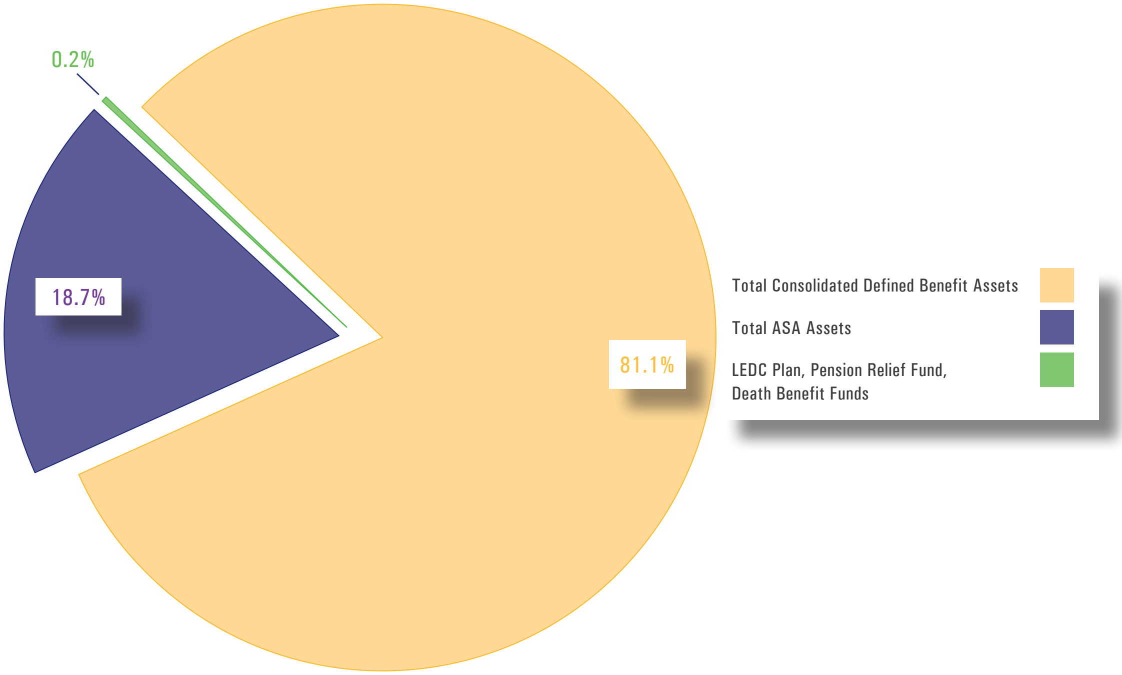
Fund Fact Sheets for the aforementioned ASA investment options, are available online at: http://www.in.gov/inprs/fundfactsheets.htm.

Investment Summary
Fiscal Year Ended June 30, 2014

(dollars in millions)

	Actual Assets	Percent
Consolidated Defined Benefit Assets:		
Defined Benefit Retirement Plans' Assets	$ 24,550.7	81.1%
Legislators' Defined Contribution Plan (LEDC Plan)[1]	9.6	-
Total Consolidated Defined Benefit Assets	24,560.3	81.1
Annuity Savings Accounts (ASA) Assets[2]:		
Public Employees' Retirement Fund (PERF)	2,832.5	9.3
Teachers' Retirement Fund Pre-1996 Account (TRF Pre-1996)	1,718.9	5.7
Teachers' Retirement Fund 1996 Account (TRF 1996)	1,119.6	3.7
Total Annuity Savings Accounts Assets	5,671.0	18.7
Legislators' Defined Contribution Plan[3]	18.6	0.1
Pension Relief Fund[4]	15.9	0.1
Death Benefit Funds[5]	13.0	–
Total Investments[6]	**$ 30,278.8**	**100.0%**

[1] Assets represent members of the LEDC Plan who have elected the Consolidated Defined Benefit Assets option.
[2] ASA assets are directed by PERF, TRF Pre-1996 and TRF 1996 members outside the Consolidated Defined Benefit Assets.
[3] Account balances directed outside the Legislators' Consolidated Defined Benefit Assets option.
[4] Assets are invested in a Money Market Fund with Bank of New York Mellon.
[5] Includes State Employees' Death Benefit Fund and Public Safety Officers' Special Death Benefit Fund.
[6] Includes Investment and Foreign Exchange Contracts Receivables, Interest and Dividends Receivable, Securities Lending Collateral, Investments and Foreign Exchange Contracts Payable, Securities Lending Obligations, and Obligations Under Reverse Repurchase Agreements.

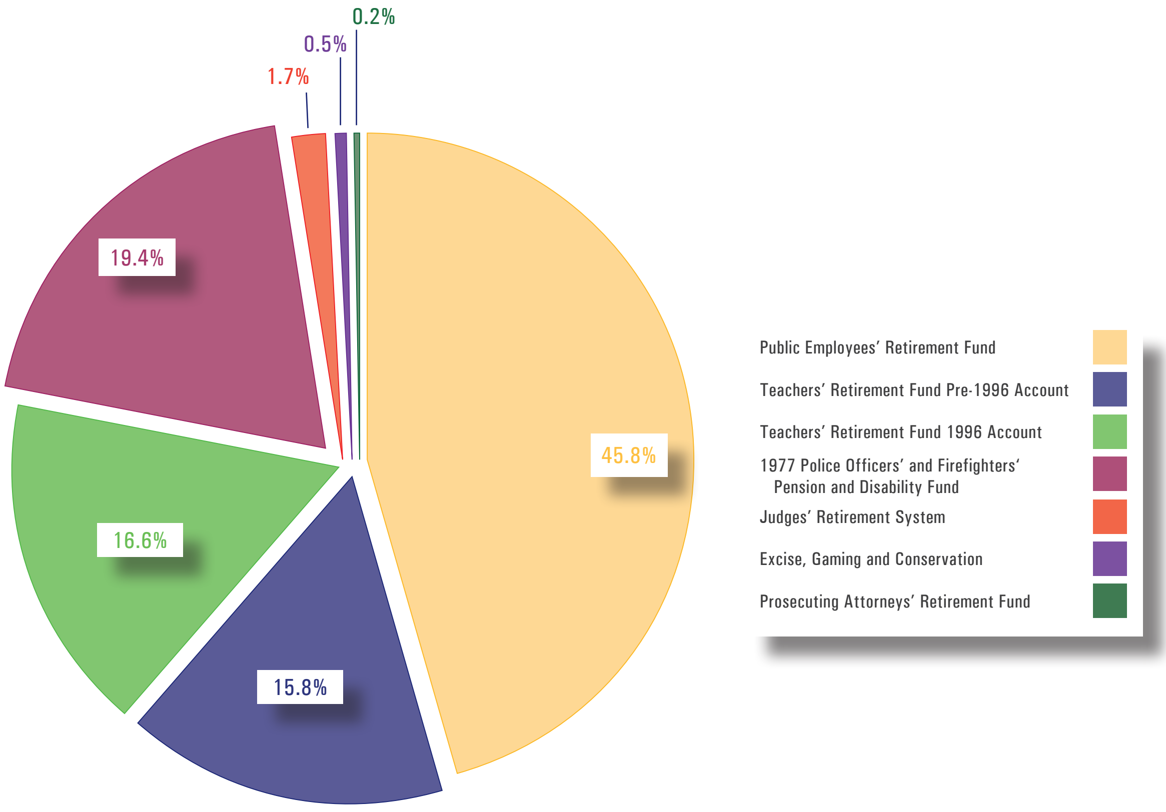


Retirement Plans in Consolidated Defined Benefit Assets Fiscal Year Ended June 30, 2014

(dollars in millions)

Retirement Plan	Amount	Percent
Public Employees' Retirement Fund	$ 11,256.3	45.8%
Teachers' Retirement Fund Pre-1996 Account	3,867.8	15.8
Teachers' Retirement Fund 1996 Account	4,072.5	16.6
1977 Police Officers' and Firefighters' Pension and Disability Fund	4,756.3	19.4
Judges' Retirement System	429.1	1.7
State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan	110.8	0.5
Prosecuting Attorneys' Retirement Fund	54.4	0.2
Legislators' Retirement System – Defined Benefit Plan	3.5	–
Legislators' Retirement System – Defined Contribution Plan	9.6	–
Total Consolidated Defined Benefit Assets[1]	**$ 24,560.3**	**100.0%**

[1] *Includes Investment and Foreign Exchange Contracts Receivables, Interest and Dividends Receivable, Securities Lending Collateral, Investments and Foreign Exchange Contracts Payable, Securities Lending Obligations, and Obligations Under Reverse Repurchase Agreements.*



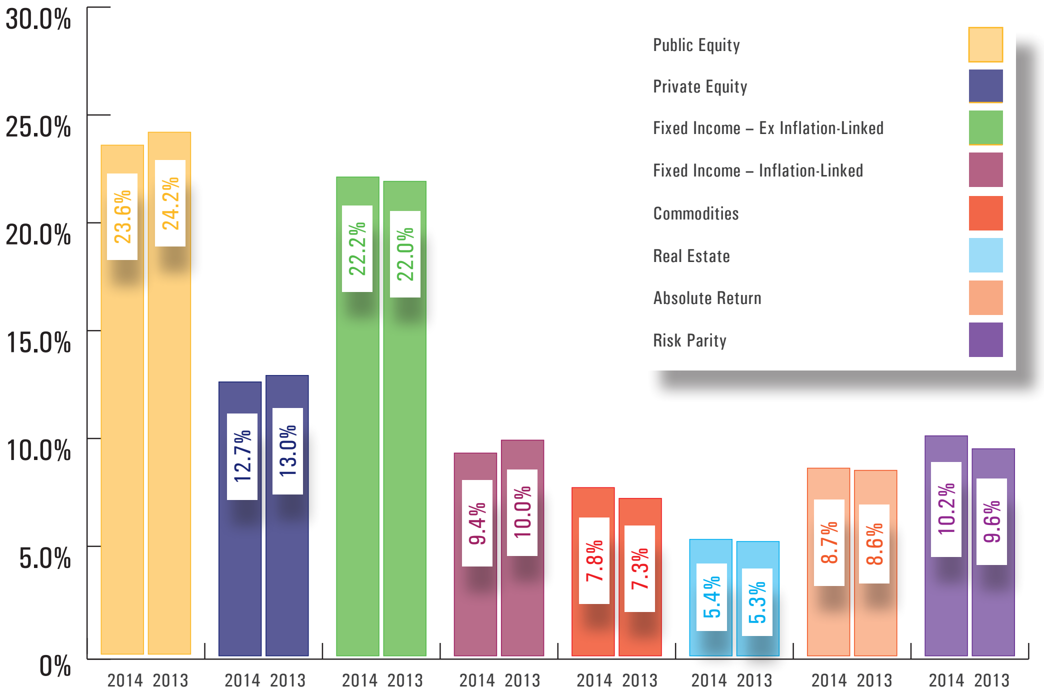
Asset Allocation Summary
June 30, 2014 Actual vs. June 30, 2013 Actual

(dollars in millions)

	June 30, 2014		June 30, 2013	
Asset Class	**Amount**	**Percent**	**Amount**	**Percent**
Public Equity	$ 5,807.2	23.6%	$ 5,205.9	24.2%
Private Equity	3,107.2	12.7	2,793.3	13.0
Fixed Income – Ex Inflation-Linked[1]	5,459.3	22.2	4,735.2	22.0
Fixed Income – Inflation-Linked	2,308.4	9.4	2,144.4	10.0
Commodities	1,913.4	7.8	1,553.6	7.3
Real Estate	1,338.0	5.4	1,146.0	5.3
Absolute Return	2,130.4	8.7	1,848.2	8.6
Risk Parity	2,496.4	10.2	2,062.1	9.6
Total Consolidated Defined Benefit Assets[2]	**$ 24,560.3**	**100.0%**	**$ 21,488.7**	**100.0%**

[1] *Includes Cash & Cash Equivalents*

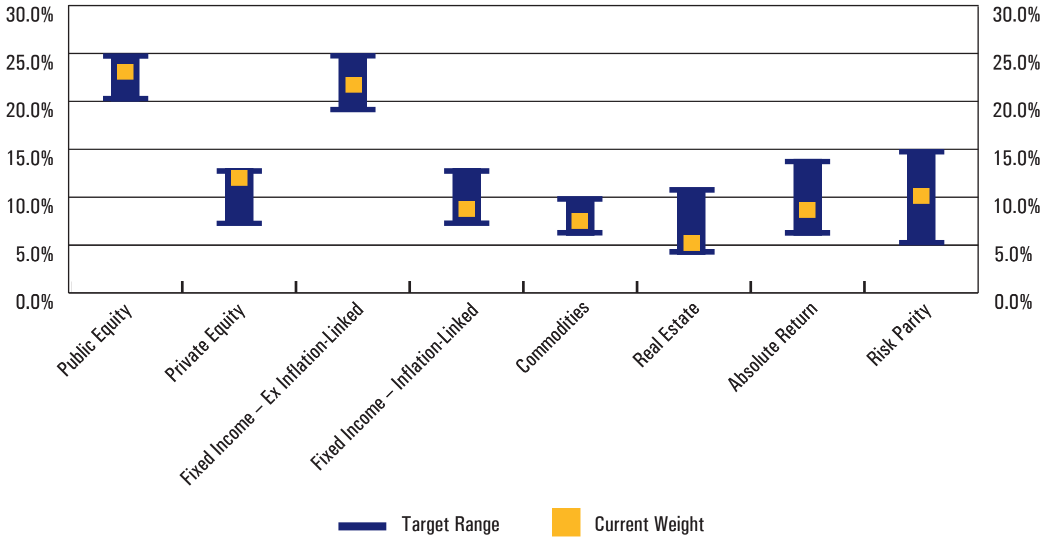
[2] *Amounts disclosed above will agree to the Pooled Unit Trust Investments in the Financial Section in Note 2 (H) Summary of Significant Accounting Policies. The amounts disclosed above are shown by investment strategy and will differ from the Statement of Net Position and the Summary of Investments Held in the Financial Section Note 3 (D) Cash and Investments, due to the investment strategy disclosure being related to a systematic plan to achieve returns and diversification and the Summary of Investments Held disclosure summarized by 1) the legal structure of the investments and 2) excluding investment receivables and payables and other amounts such as Investment and Foreign Exchange Contracts Receivable, Interest and Dividend Receivables, Securities Lending Collateral, Investment and Foreign Exchange Contracts Payable, Securities Lending Obligations, and Obligations Under Reverse Repurchase Agreements.*



Asset Allocation Summary
June 30, 2014 Actual vs. Target

Asset Class	June 30, 2014 Actual	Target	Allowable Range for Investments
Public Equity	23.6%	22.5%	20.0 to 25.0%
Private Equity	12.7	10.0	7.0 to 13.0
Fixed Income – Ex Inflation-Linked[1]	22.2	22.0	19.0 to 25.0
Fixed Income – Inflation-Linked	9.4	10.0	7.0 to 13.0
Commodities	7.8	8.0	6.0 to 10.0
Real Estate	5.4	7.5	4.0 to 11.0
Absolute Return	8.7	10.0	6.0 to 14.0
Risk Parity	10.2	10.0	5.0 to 15.0
Total Consolidated Defined Benefit Assets	**100.0%**	**100.0%**	

[1] Includes Cash & Cash Equivalents



NOTE: Fixed Income – Ex Inflation-Linked is shown exclusive of cash and cash equivalents.

Investment Results, continued
Consolidated Defined Benefit Assets

Annualized Time-Weighted Rate of Return by Asset Class vs. Benchmark Returns Fiscal Year Ended June 30, 2014 (percent return)[1]

	1-Year[2]			
Asset Class	**Actual Return**	**Benchmark Return**	**Actual Over / (Under) Benchmark (Pct. Points)**	**Benchmark**
Public Equity	22.5%	23.4%	(0.9)	MSCI All Country World IMI Index (MSCI ACWI)
Private Equity	19.6	28.2	(8.6)	Russell 3000 Index Plus 300 Basis Points
Fixed Income - Ex Inflation-Linked	7.1	5.2	1.9	Barclays Global Aggregate Index (USDH)
Fixed Income - Inflation-Linked	5.4	4.7	0.7	Custom Benchmark[3]
Commodities	12.8	11.9	0.9	Custom Benchmark[4]
Real Estate	10.2	12.7	(2.5)	NCREIF Open End Diversified Core Equity Index
Absolute Return	10.3	6.4	3.9	HFRI Fund of Funds Composite Index
Risk Parity	16.7	15.9	0.8	Custom Benchmark[5]
Total Consolidated Defined Benefit Assets	**13.7%**	**13.1%**	**0.6**	**Custom Benchmark**

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[1] *Net of fees.*

[2] *Based on calculations made by the System's custodian, Bank of New York Mellon. Time-weighted rates of return have been reported for fiscal year 2014.*

[3] *Global Inflation 70/30*

[4] *50% Bloomberg Commodity Index / 50% Goldman Sachs Commodity Index and a collateral component is a 75/25 blend of Global Inflation Linked Bonds (ILBs) and 90-day Treasury Bills respectively.*

[5] *60% MSCI ACWI IMI Index (Equities) / 40% Barclays Global Aggregate Bond Index (Bonds)*

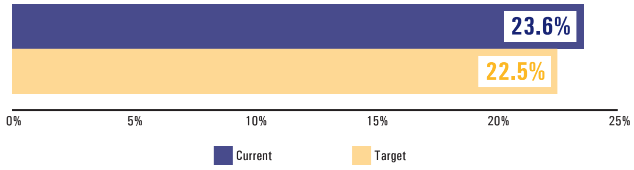
Asset Class Summary: Public Equity

Market Value as of 06/30/14	INPRS 1-Year Net Performance[1]	MSCI All Country World IMI Index 1-Year Performance
$5,807.2 Million	22.5%	23.4%

Portfolio Objective

The Public Equity portfolio seeks to provide long-term capital appreciation and income through exposure to public equity securities. INPRS uses a variety of external managers to create a globally diversified portfolio within the asset class. Historically, public equities have performed well in environments when actual economic growth came in higher than expectations and/or when actual inflation came in lower than expectations.

INPRS Allocation



Performance Attribution

Although the Public Equity portfolio had a great year in terms of absolute performance returning 22.5 percent, it slightly underperformed its benchmark over the past year as the outperformance from an overweight to domestic equities was offset by the underperformance of the active managers in the portfolio.

Market Overview

Over the past year, global equities, as represented by the MSCI All Country World IMI Index, were up 23.4 percent. Equity markets had another great twelve-month period as central banks around the world continued to supply liquidity and economic fundamentals in the U.S. improved. The theme for the fiscal year was higher highs and higher lows for equities. Based on the Russell 3000 Index, domestic equities were up 25.2 percent over the fiscal year. International equities were up 22.3 percent based on the MSCI ACWI ex US IMI Index.

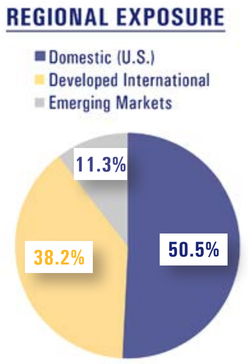
For the first quarter of the fiscal year, global equities were up 8.3 percent. Global equity markets displayed higher volatility as investors were concerned about the Federal Reserve's tapering schedule. However, investors shook off the uncertainty and equities continued to climb as valuation multiples expanded and supportive monetary policy continued globally.

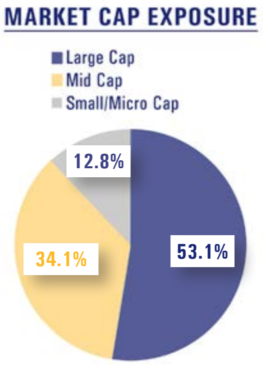
In the second quarter, global equities were up 7.3 percent, despite political challenges over fiscal policy in the U.S. and economic pressures in many regions of the world. Another strong quarter for global equities resulted in a 23.6 percent gain for calendar year 2013. As the current bull market approached its fifth anniversary, the outlook for global equities, especially U.S. equities, remained a key consideration for investors.

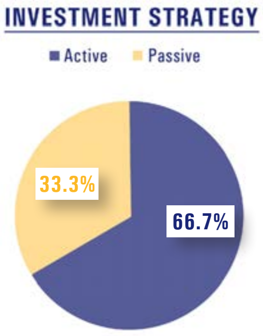
In the third quarter, global equities were up 1.3 percent. After a strong 2013, the new year started with a rough month: unexpected softness in the U.S. economy (partially due to a bad winter), geopolitical concerns in Ukraine, and a slowdown in China's growth. Investors took a more cautious approach toward equities in the third quarter, but the global index still managed to finish in positive territory.

In the fourth quarter, global equities were up 4.8 percent. Better economic growth and accelerating M&A activities supported the market advance despite a number of continued geopolitical risks in Iraq, Argentina, Ukraine, and China.

Portfolio Structure







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[1] *Investment performance is based on calculations made by the system's custodian, BNY Mellon, and are time-weighted rates of return.*

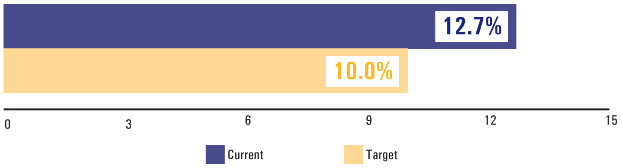
Asset Class Summary: Private Equity

Market Value as of 06/30/2014	INPRS 1-Year[1] Net Performance	Custom Benchmark[2] 1-Year Performance
$3,107.2 Million	19.6%	28.2%

Portfolio Objective

The Private Equity portfolio seeks to provide risk adjusted returns in excess of the public equity markets while simultaneously decreasing the volatility of the investment portfolio through diversification. The Private Equity portfolio is invested in the following sub-asset classes: venture and growth capital, buyout, energy, and debt related strategies.

INPRS Allocation



Performance Attribution

With the performance of the public markets, including a strong IPO market, it is no surprise that the Private Equity portfolio has seen strong returns from its buyout and late-stage venture funds. Late-stage venture capital led the way returning 20.8 percent inception to date. In the buyout category, domestic middle market buyout funds were at the head of the pack generating a 19.1 percent inception to date return. Large buyout and small buyout funds also performed well generating 15.1 percent and 15.0 percent, respectively, inception to date returns. In addition to the strong performance in buyouts and late stage venture capital, the private equity portfolio's energy funds have returned 19.8 percent since inception.

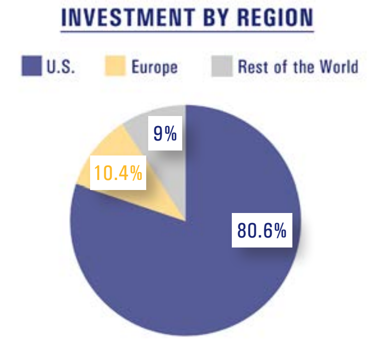
The continued strength in the public equity markets coupled with favorable credit markets resulted in a continuation of last year's supportive exit environment for private equity. INPRS continued to benefit from this, receiving positive net cash flows of $210.3 million from the private equity portfolio. Distributions during the fiscal year totaled $639.9 million and contributions totaled $429.8 million.

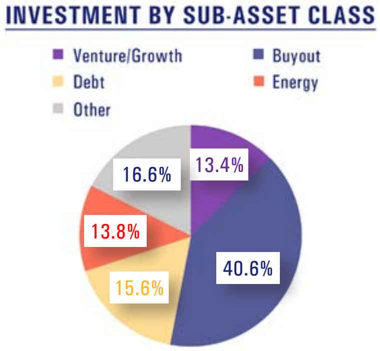
Portfolio Overview

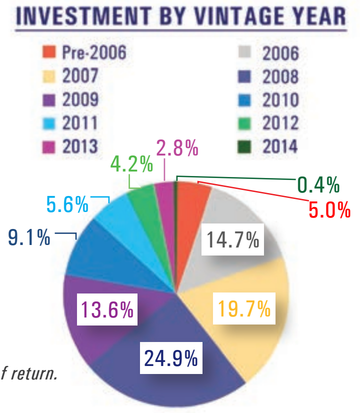
The Private Equity portfolio returned 19.6 percent for the fiscal year, which proved to be accretive to the overall INPRS long-term rate of return assumption by 12.6 percent. While the Private Equity portfolio's fiscal year return lagged its benchmark return of 28.2 percent, given that the Private Equity portfolio is diversified across venture and growth capital, buyouts, credit related strategies, and energy investments it will not generally track the Russell 3000 with consistency, particularly when the benchmark exhibits extreme upside or downside performance as was seen in fiscal year 2014.

In fiscal year 2014, INPRS invested capital with eight existing managers across ten funds, totaling $575 million of new commitments. Commitments ranged in size from $40 million to $75 million and were made to managers in the buyout, growth, energy, debt, and special situations sub-asset classes.

Portfolio Structure







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[1] *Investment performance is based on calculations made by the system's custodian, BNY Mellon, and are time-weighted rates of return.*
[2] *Custom Benchmark is the Russell 3000 Index plus 300 basis points.*

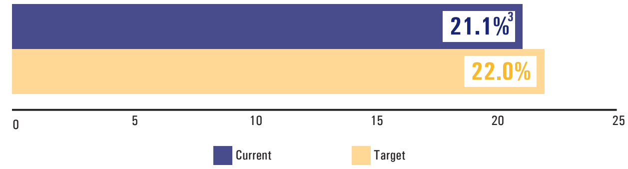
Asset Class Summary: Fixed Income – Ex Inflation-Linked

Market Value as of 6/30/2014[1]	INPRS 1-Year Net Performance[2]	Barclays Capital Global Aggregate Index 1-Year Performance
$5,459.3 Million	7.1%	5.2%

Portfolio Objective

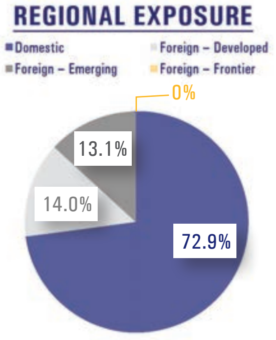
The Fixed Income portfolio seeks to generate current income and long-term risk-adjusted return in excess of the Barclays Capital Global Aggregate Index ("Benchmark") through investment in debt securities. A focus is placed on preservation of capital. To minimize the probability of substantial principal loss over the investment horizon, the objective is to reduce portfolio volatility first and foremost while expecting to enhance portfolio returns.

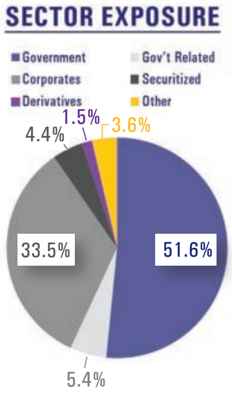
INPRS Allocation



Portfolio Overview

	INPRS	Benchmark
Duration to worst:	8.2 yrs	6.3 yrs
Yield to worst:	2.5%	1.7%
Credit quality:	A1 / A	Aa3 / AA-





Performance Attribution

For fiscal year 2014, INPRS Fixed Income portfolio returned 7.1 percent, outperforming its benchmark by 1.9 percent. The portfolio's overweight to longer duration government bonds and emerging markets debt were the main contributors to outperformance.

Market Overview

Fiscal year 2014 was a year of cautious optimism. Positive market sentiment fueled by the prospect of a sustained U.S. economic recovery was literally chilled by a harsh winter. Lackluster economic growth in Europe and geopolitical tension in the Middle East and Eastern Europe prompted global central banks to maintain their accommodative monetary policy and investors to be cautious.

For the first quarter, expectation of reduction in the Federal Reserve's (Fed) asset purchase program disrupted fixed income markets in the U.S. and emerging countries early. As mixed U.S. economic data and the uncertain U.S. fiscal policy landscape led the Fed to delay taking action, fixed income markets in the aforementioned regions rallied late in the quarter. INPRS Fixed Income portfolio returned 0.1 percent for the quarter; with an overweight to longer duration government bonds as the main detractors.

For the second quarter, albeit a 16-day shutdown of the U.S. Government due to political gridlock in Washington, encouraging U.S. economic data led the Fed to announce its intention to begin reducing its asset purchase program in January 2014. In both Europe and Japan, economic data showed signs of growth and stabilization. INPRS fixed income portfolio returned 0.3 percent for the quarter; with an overweight to the corporate sector as the main contributor.

For the third quarter, an uncharacteristically frigid winter that impacted the U.S. economy, weaker economic data in China, and geopolitical tension in the Middle East and Eastern Europe contributed to a bid for safe-haven assets. INPRS Fixed Income portfolio returned 3.5 percent for the quarter; being overweight to longer duration government bonds was the main contributor to performance.

For the fourth quarter, with a worse than expected impact the harsh winter had on the U.S. economy, deflationary concern in Europe, challenging growth outlook in China, and continued geopolitical tension in the Middle East and Eastern Europe prompted the Fed to remain accommodative with its monetary policy and the European Central Bank to implement new stimulus, including a historic negative rate on deposits. INPRS Fixed Income portfolio returned 3.1 percent for the quarter; being overweight to longer duration government bonds and emerging markets debt were the main contributors to performance.

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[1] *Market Value includes Cash.*
[2] *Investment performance is based on calculations made by the system's custodian, BNY Mellon, and are time-weighted rates of return.*
[3] *Represents Fixed Income assets only, exclusive of cash.*

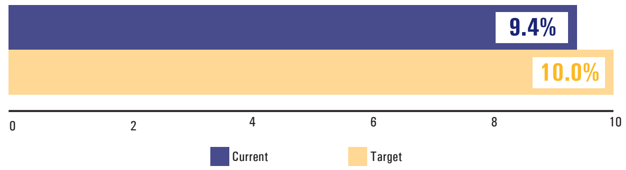
Asset Class Summary: Fixed Income – Inflation-Linked

Market Value as of 6/30/2014	INPRS 1-Year Net Performance[1]	Custom Benchmark[2] 1-Year Performance
$2,308.4 Million	5.4%	4.7%

Portfolio Objective

The Global Inflation-Linked Bonds ("ILBs") portfolio seeks to generate long-term risk-adjusted return in excess of the custom global inflation index ("Benchmark"), comprised of 70 percent Barclays Capital U.S. Treasury Inflation Protected Securities (TIPS) Index and 30 percent Barclays Capital Global Inflation-Linked Bond Index, through investment in inflation-linked securities as well as provide protection against unanticipated inflation.

INPRS Allocation



Performance Attribution

For fiscal year 2014, INPRS Global ILBs portfolio returned 5.4 percent, outperforming its benchmark by 0.7 percentage points. The portfolio's overweight to longer duration U.S. TIPS was the main contributor to performance.

Market Overview

Fiscal year 2014 was a year of cautious optimism. Positive market sentiment fueled by the prospect of a sustained U.S. economic recovery was literally chilled by a harsh winter. Lackluster economic growth in Europe and geopolitical tension in the Middle East and Eastern Europe prompted global central banks to maintain their accommodative monetary policy and investors to be cautious.

For the first quarter, expectation of a reduction in the Federal Reserve's (Fed) asset purchase program rattled fixed income markets in the U.S. and emerging countries. With mixed U.S. economic data and the uncertain U.S. fiscal policy landscape, the Fed delayed taking action and fixed income markets in the aforementioned regions rallied late in the quarter. Real yields in developed countries fell 0.1 percent. INPRS Global ILBs portfolio returned 1.1 percent for the quarter; an overweight to longer duration U.S. TIPS was the main contributor.

For the second quarter, albeit a 16-day shutdown of the U.S. Government due to political gridlock in Washington, encouraging U.S. economic data led the Fed to announce its intention to begin reducing its asset purchase program in January 2014. In both Europe and Japan, economic data showed signs of growth and stabilization. Real yields in developed countries rose 0.3 percent. INPRS Global ILBs portfolio declined 1.9 percent for the quarter; an overweight to longer duration U.S. TIPS was the main detractor.

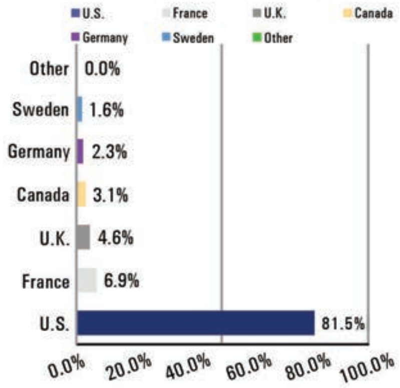
For the third quarter, an uncharacteristically frigid winter that chilled the U.S. economy, weaker economic data in China, and geopolitical tension in the Middle East and Eastern Europe contributed to a bid for safe-haven assets. Real yields in developed countries fell 0.3 percent, with Canada leading the way. INPRS Global ILBs portfolio returned 2.2 percent for the quarter; an overweight to longer duration U.S TIPS and global ILBs were the main contributors.

For the fourth quarter, weakness in global economic data and continued geopolitical tension in the Middle East and Eastern Europe prompted the Fed to remain accommodative with its monetary policy and the European Central Bank to implement new stimuli. Real yields in developed countries fell 0.3 percent, with Australia leading the way. INPRS Global ILBs portfolio returned 3.9 percent for the quarter; an overweight to longer duration U.S. TIPS and global ILBs was the main contributor.

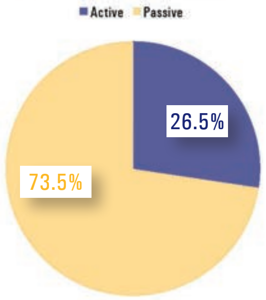
Portfolio Overview

	INPRS	Benchmark
Duration to worst:	9.2 yrs	9.7 yrs
Yield to worst:	2.0%	2.1%
Credit quality:	Aaa / AA+	Aaa / AA+

COUNTRY EXPOSURE



MANAGEMENT STYLE



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[1] *Investment performance is based on calculations made by the systems's custodian, BNY Mellon, and are time-weighted rates of return*
[2] *Global Inflation 70/30*

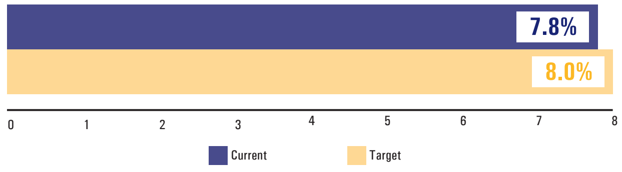
Asset Class Summary: Commodities

Market Value as of 6/30/2014	INPRS 1-Year[1] Net Performance	Custom Benchmark[2] 1-Year Performance
$1,913.4 Million	12.8%	11.9%

Portfolio Objective

The purpose of the commodity portfolio is to enhance long-term risk-adjusted returns by preserving investment capital and lowering overall volatility. The portfolio should also act as a hedge against unanticipated inflation. Commodity investments have historically delivered returns that are less correlated with equity and fixed income markets which may provide an opportunity to enhance returns and/or reduce volatility.

INPRS Allocation



Performance Attribution

The commodities portfolio one-year total return outperformed its benchmark by 0.9 percentage points. Commodities' total return is comprised of two components: 1) commodity futures return and 2) collateral return. The one-year return for each of these components was approximately 10.4 percent and 2.4 percent, respectively.

Market Overview

INPRS' commodity exposure is approximately equal to a 50/50 blend of the Dow Jones UBS Commodity Index and the S&P Goldman Sachs Commodity Index. For the fiscal year, the two indices returned 8.2 percent and 10.4 percent, respectively.

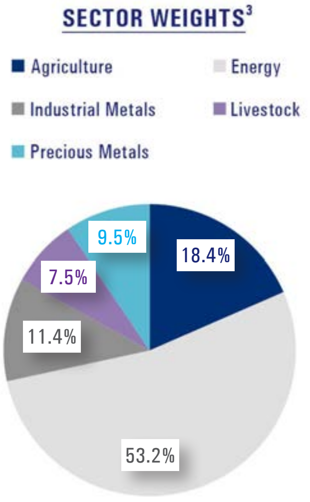
Commodity prices rallied in the first quarter, with the Dow Jones UBS Commodity Index and S&P GSCI Commodity Index climbing 2.1 percent and 4.8 percent, respectively. Most index components recorded gains during the quarter. WTI Crude Oil prices rose 6.0 percent, as total US Crude Oil inventories declined. Also of significant note for the quarter was the rise in precious metal prices. Gold and silver rallied from multi-year lows, with gold appreciating 8.4 percent and silver increasing 11.6 percent.

Commodities underperformed other major asset classes during the second quarter, with the Dow Jones UBS Commodity Index falling 1.1 percent. Gold and silver were among the hardest hit during the period, down 9.4 percent and 10.9 percent, respectively. An improved economic outlook and expectations of tapering relative to the Federal Reserve's long-running stimulus program seemed to weigh heavily on the precious metals.

Diversified commodity exposure experienced significant gains during the third quarter, with the Dow Jones UBS Commodity Index up nearly 7 percent for the period. The rally was led by the livestock and agriculture sectors. Within agriculture, corn, wheat and soybeans each produced double digit gains during the quarter.

Commodities delivered only modest gains during the fourth quarter. Losses in the agriculture sector were offset by gains within energy and metals. Nickel was a standout as it continued its price surge, appreciating almost 20 percent for the quarter and over 37 percent for the year. Livestock also rose significantly, with feeder cattle prices appreciating over 20 percent during the quarter, as the U.S. live cattle inventory reached its lowest level in over 60 years.

Portfolio Structure



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[1] *Investment Returns are based on calculations made by the system's custodian, BNY Mellon, and are time-weighted rates of return.*

[2] *Custom Benchmark is a 50/50 blend of the DJ UBS Commodity Index and the Goldman Sachs Commodity Index. The collateral component is a 75/25 blend of Global ILB's and 90-day Treasury Bills, respectively.*

[3] *Approximate*

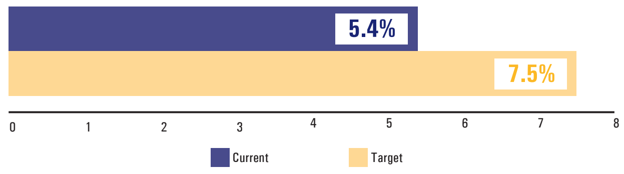
Asset Class Summary: Real Estate

Market Value as of 6/30/2014	INPRS 1-Year Net Performance[1]	NCREIF Open End Diversified Core Equity Index ("ODCE") 1-Year Performance
$1,338.0 Million	10.2%	12.7%

Portfolio Objective

The real estate portfolio is mostly comprised of investments in private real estate partnerships, and the underlying exposures are a mix of debt and equity holdings. The portfolio seeks to generate attractive risk-adjusted returns by providing stable current income and preserving investment capital. The portfolio should also reduce volatility by providing a hedge against inflation and through the diversification benefits provided by real estate investments.

INPRS Allocation



Performance Attribution

For fiscal year 2014, the real estate portfolio trailed its benchmark by 2.5 percentage points. INPRS' real estate debt portfolio accounted for all of the relative underperformance, as its real estate debt and equity portfolios returned 4.2 percent and 15.4 percent, respectively, for the period.

Market Overview

Commercial real estate continued to generate investor interest during the fiscal year. The rise in interest rates that occurred at the end of last fiscal year did not seem to have a significant impact on capitalization rates (i.e. yield on real estate investment property), as transaction volume and investor demand appeared to keep prices stable or moving higher.

For the first quarter, the ODCE returned 3.6 percent. According to the Federal Reserve's survey on bank lending practices, loan officers reported both loosening credit standards and stronger demand for commercial real estate loans. In conjunction with a more favorable lending market, commercial property sales volume increased 26 percent year-over-year in the first quarter. Industrial led the other major property types in the NCREIF Property Index, increasing 3.1 percent during the quarter.

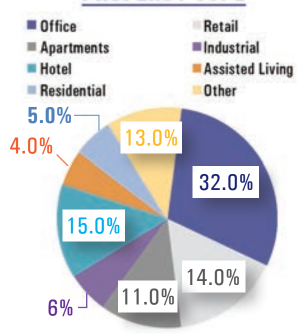
Positive economic growth and an ongoing recovery in real estate fundamentals continued to fuel investor demand during the second quarter. Industrial again outpaced the other major property types, returning 2.9 percent during the quarter. The ODCE had another strong performance, returning 3.2 percent during the quarter.

For the third quarter, the ODCE was up 2.5 percent. Retail and industrial were the top-performing property types, increasing 4.3 percent and 2.8 percent, respectively. Major cities ("gateway markets") remained the leader in transaction activity during the quarter; however, rising prices in these markets appeared to push some investors into primary and secondary real estate markets.

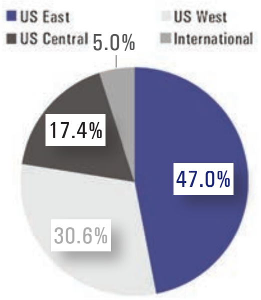
The ODCE finished the year with another strong quarter, up 2.9 percent. Retail, Industrial and Office each posted sizable gains, returning 3.2 percent, 3.3 percent and 2.9 percent, respectively. The fourth quarter proved to be the best quarter for Office performance during the year. Technology, energy and healthcare sectors were the biggest drivers for office demand, with Texas and west-coast markets appearing to be the biggest beneficiaries.

Portfolio Structure

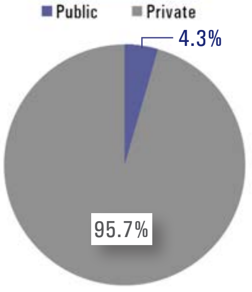
PROPERTY TYPE[2]



PROPERTY LOCATION



MARKET TYPE



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[1] *Investment performance is based on calculations made by the system's custodian, BNY Mellon, and are time-weighted rates of return*

[2] *Estimated*

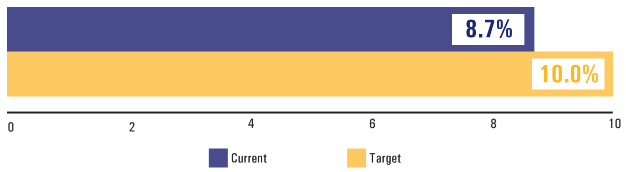
Asset Class Summary: Absolute Return

Market Value as of 6/30/2014	INPRS 1-Year Net Performance[1]	HFRI Custom[2]
$2,130.4 Million	10.3%	6.4%

Portfolio Objective

The purpose of the Absolute Return Strategies Program is to enhance the long-term risk adjusted returns by providing diversification benefits, preserving capital, and reducing volatility. Absolute Return Strategies generate returns by exploiting mispricing and inefficiencies in global capital markets, while attempting to reduce exposures to primary market factors (e.g., interest rates and equities) through various hedging techniques. These strategies have historically delivered returns that are less correlated with equity and fixed-income markets than traditional investment strategies. It is important to maintain an appropriate level of diversification among investment strategies in order to most effectively meet these stated objectives. At the end of the fiscal year, the Absolute Return portfolio comprised 20 managers pursuing various investment strategies.

INPRS Allocation



Performance Attribution

INPRS outperformed the HFRI Custom benchmark for the following reasons: 1) fund of funds managers with an overweight to event-driven strategies exceeded the HFRI Fund of Funds Composite Index by more than 500 bps; 2) the Tactical Trading book exceeded the HFRI Macro (Total) Index by more than 600 bps.

Market Overview

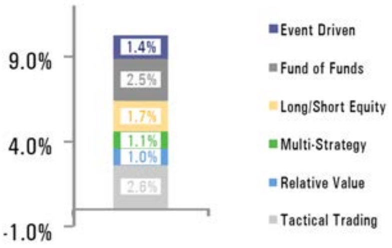
All strategy-level portfolios contributed positively to performance in an environment of slow global economic growth, ongoing accommodative monetary policy in the developed world, and improved fiscal stability in Europe.

Global equities and corporate credit generally performed strongly throughout the fiscal year. US equities performed best, followed by the U.K., Continental Europe, and emerging markets. Commodities had an uninspiring first half of the fiscal year, but recorded gains during the final two quarters of the fiscal year as a harsh winter drove both natural gas and crops higher, while geopolitical concerns resulted in increased crude oil prices. Global bonds continued to edge lower through the end of calendar year 2013, but reversed course during the second half of the fiscal year on the back of both growth concerns and rising geopolitical tensions.

Overall, Long/Short Equity and Event-Driven were the best performing strategies during this period with both posting double-digit gains. Conversely Tactical Trading strategies were the worst performers posting a modest 1.5 percent return for the fiscal year. Relative Value strategies returned 8.9 percent over the same period.

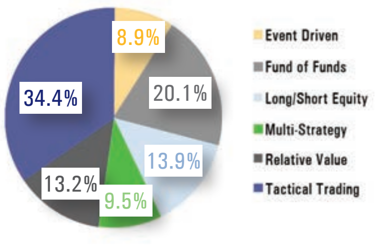
INPRS' fund-of-funds portfolio generated a rate of return of 12.8 percent for the fiscal year ending on June 30, 2014, outperforming the HFRI Fund of Funds Composite Index by nearly 5.0 percent due to an overweight position in Event-Driven strategies. INPRS' Tactical Trading portfolio returned 7.6 percent, significantly outperforming the HFRI Macro (Total) Index return of 1.5 percent.

Contribution to Performance by Strategy

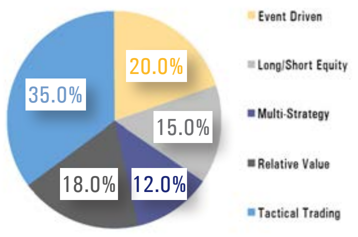


Portfolio Composition

FUND OF FUNDS – AGGREGATED



FUND OF FUNDS – LOOK-THROUGH[3]



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[1] Investment performance is based on calculations made by the systems custodian, BNY Mellon, and are time-weighted rates of return
[2] HFRI Custom benchmark is a weighted average of INPRS' exposure to representative HRFI sub-strategy indices
[3] May not total 100% due to transition cash balance

Asset Class Summary: Risk Parity

Market Value as of 6/30/2014	INPRS 1-Year[1] Net Performance	Custom Benchmark[2] 1-Year Performance
$2,496.4 Million	16.7%	15.9%

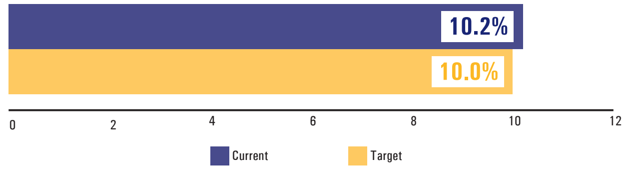
Portfolio Objective

The Risk Parity portfolio seeks to create risk balance that is capable of delivering consistent and high risk adjusted returns in several macro-economic environments. Unlike a traditional asset allocation that is highly dependent on positive equity returns, the Risk Parity portfolio is constructed to accrue various asset class risk premiums, including equity, without long-term dominance from any single asset class. As a result, the underperformance of a given asset class in a particular environment is expected to be offset by the outperformance of another asset with an opposing sensitivity to the environment.

The Risk Parity portfolio rests on the following key tenets:

1. Over a full market cycle, most asset classes carry a risk premium, and by investing in them, investors expect to earn a return higher than that offered by cash instruments.
2. The return of a particular asset class is proportional to its risk over long periods of time (i.e., different asset classes have similar Sharpe ratios).
3. True diversification goes beyond simple capital allocation and, instead, focuses on risk allocation.
4. The main drivers of returns are growth and and risk premium factors, and certain asset classes perform better than others depending on the particular combination of such factors the economy is facing.

INPRS Allocation



Performance Attribution

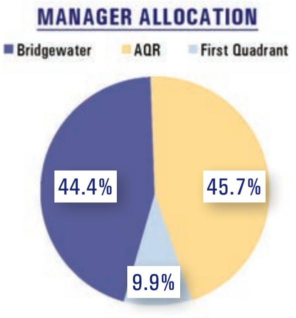
A relevant passive market equivalent does not currently exist for the Risk Parity portfolio; therefore, we continue to use a traditional portfolio of 60 percent global equities and 40 percent global bonds ("60/40 portfolio") as a benchmark for long-term return and risk comparisons despite expectations of significant tracking error. For fiscal year 2014, the Risk Parity portfolio outperformed a 60/40 portfolio by 0.8 percent because the Risk Parity portfolio had smaller drawdowns, when they did occur throughout the year.

Market Overview

Driven by ample central bank liquidity across the globe, investors seemed to want to holding anything except the near zero return from cash in FY2014. While, growth and inflation came in roughly as discounted by markets to start the year, these conditions produced a favorable environment for each of the major asset classes to finish with positive returns with a minimal amount of volatility.

The only hint of substantial volatility, which was short-lived, occurred early in 2014. Global equities sold off by 3.7 percent in January amidst geopolitical and economic concerns. However, this time period gave a glimpse into the benefits of diversification as the Risk Parity portfolio, which consistently holds a diversified mix of asset classes, finished with a positive return of 0.7 percent (a 60/40 portfolio was down (1.7) percent).

Portfolio Structure



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[1] *Investment performance is based on calculations made by the system's custodian, BNY Mellon, and are time-weighted rates of return.*

[2] *Comprised of 60% MSCI ACWI IMI Index (equities) & 40% Barclays Global Aggregate Bond Index (bonds).*

Historical Comparative Investment Results[1]
Fiscal Year Ended June 30, 2014
(percent return)[2]

		Annualized Time-Weighted Rates of Return		
	Percent of Portfolio	**1-Year[3]**	**3-Year[3]**	**5-Year[3]**
Total Consolidated Defined Benefit Assets	100.0%	13.7%	6.7 %	10.5 %
vs. BNY Mellon Public Universe Median[4]		17.1	10.2	13.1
Target Reference Index[5]		13.2	7.2	10.1
Total Domestic Equity	12.2	23.6	15.6	19.0
vs. BNY Mellon Public Universe Median		25.1	16.2	19.5
Russell 3000 Index		25.2	16.5	19.3
Total International Equity	11.5	21.3	6.1	11.6
vs. BNY Mellon Public Universe Median		22.4	7.5	12.9
MSCI ACWI ex U.S. IMI Net		22.3	5.9	11.5
Total Domestic Fixed Income	15.9	7.2	5.0	7.5
vs. BNY Mellon Public Universe Median		5.8	4.8	7.1
Barclays U.S. Aggregate Bond Index		4.4	3.7	4.9
Total International Fixed Income	5.2	3.6	(2.1)	1.2
vs. BNY Mellon Public Universe Median		8.6	3.5	7.7
Barclays Global Aggregate ex-USD (USDH)		5.6	5.0	4.4

[1] *As the investment objectives and resulting portfolio construction of INPRS may differ from those in the listed peer universes, the most relevant evaluation of INPRS' performance will be against the investment imperatives outlined in the report from the Chief Investment Officer and the cited benchmarks for each asset class.*

[2] *Net of fees.*

[3] *Investment performance is based on calculations made by the system's custodian, BNY Mellon. The 1-year, 3-year, and 5-year performance returns are time-weighted rates of return based on the market rates of return.*

[4] *Universe of Public Funds.*

[5] *Benchmark history through December 31, 2011, represents composite returns for the legacy PERF and TRF dynamic policies and have been combined using dynamic market weights each month and are reported under the single Total Consolidated Defined Benefit Assets structure beginning January 1, 2012.*

Ten-Year Time-Weighted Investment Rates of Return[1]

(dollars in millions)

Fiscal Year Ended June 30		Market Value of Assets	Rate of Return[2]	Actuarial Assumed Rate
2005	PERF CRIF[3]	$ 12,435.3	9.8 %	7.25 %
	TRF DB Assets [4]	4,041.0	9.1	7.50
2006	PERF CRIF	13,694.9	10.7	7.25
	TRF DB Assets	4,521.0	11.2	7.50
2007	PERF CRIF	16,114.3	18.2	7.25
	TRF DB Assets	5,501.0	17.9	7.50
2008	PERF CRIF	14,851.0	(7.6)	7.25
	TRF DB Assets	5,252.0	(6.0)	7.50
2009	PERF CRIF	11,795.1	(20.6)	7.25
	TRF DB Assets	4,236.0	(18.0)	7.50
2010	PERF CRIF	13,314.0	13.9	7.25
	TRF DB Assets	5,073.0	14.8	7.50
2011	PERF CRIF	15,796.6	20.1	7.00
	TRF DB Assets	5,984.0	18.2	7.00
2012	INPRS[5]	19,708.9	0.7	7.00
2013	INPRS	21,488.7	6.0	6.75
2014	INPRS	24,560.3	13.7	6.75

[1] *Returns from 2005 - 2011 presented as previously reported; returns 2012 and thereafter are based on calculations made by the System's custodian, Bank of New York Mellon. All returns are time-weighted rates of return.*

[2] *Net of fees; 2005-2011 reported as Gross of fees.*

[3] *Public Employees' Retirement Fund Consolidated Retirement Investment Fund*

[4] *Teachers' Retirement Fund Defined Benefit Assets.*

[5] *INPRS Consolidated Defined Benefit Assets.*

Statistical Performance
Fiscal Year Ended June 30, 2014

Statistic	1-Year	3-Years	5-Years	10-Years
Annualized Time-Weighted Rate of Return	13.73%	6.66%	10.51%	5.68%
Annualized Standard Deviation	3.30	6.15	6.88	9.72
Annualized Sharpe Ratio	3.92	1.07	1.48	0.46
Beta	0.31	0.45	0.47	0.62
Annualized Alpha	0.10	(0.77)	0.15	(0.25)
Correlation	0.85	0.88	0.91	0.93

Market proxy is the S&P 500.
Risk Free proxy is the Citigroup 3-month Treasury Bill.

Definition of Key Terms:

Standard Deviation: A statistic used to measure the dispersion in a distribution. Dispersion is measured relative to the mean, or average of the distribution. The greater the dispersion, the higher the risk associated with the pattern of observations. One standard deviation describes two-thirds of the observations in a normal, or bell-shaped distribution. In an asset allocation context, standard deviation is a conventional proxy for risk or volatility.

Sharpe Ratio: Ratio used to measure risk-adjusted performance. The Sharpe Ratio is calculated by subtracting a risk-free rate (proxy) from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns. The Sharpe Ratio provides insight on excess risk held in the portfolio. The greater a portfolio's Sharpe Ratio, the better its risk-adjusted performance has been. A negative Sharpe Ratio indicates that a risk-less asset would perform better than the security being analyzed.

Beta: A measure of the volatility, or systematic risk, of a security or portfolio in comparison to the market as a whole. Beta is the tendency of a security's return to respond to swings in the market. A Beta of less than one (1) indicates less volatility than the market. A Beta of greater than one (1) indicates greater volatility than the market.

Alpha: A measure of performance on a risk-adjusted basis. Alpha is the difference between the actual performance of the fund and the performance which should have been achieved given the market's performance and the fund's risk posture.

Correlation: A statistical measure of how two (2) securities move in relation to each other. A correlation of 1.0 indicates similar magnitude and direction of change. A correlation of negative (1.0) indicates similar magnitude, but opposite direction. A correlation of zero indicates the relationship is purely random. Often, the correlation is squared and known as ***R-squared*** or the ***Coefficient of the Correlation.***

Assets by Investment Option
Fiscal Year Ended June 30, 2014

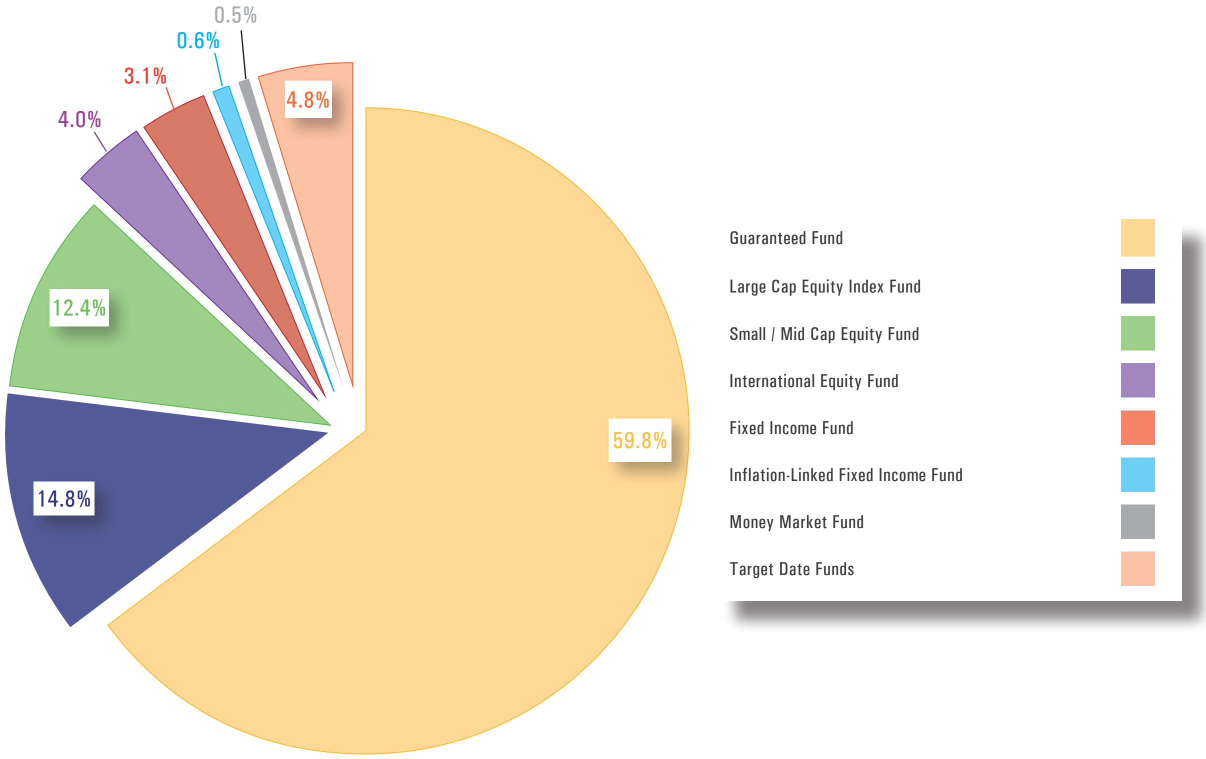
(dollars in millions)

Investment Option	ASA & LEDC Plan Assets[1]	Percent of Self-Directed Investments
Guaranteed Fund	$ 3,403.9	59.8%
Large Cap Equity Index Fund	838.9	14.8
Small / Mid Cap Equity Fund	705.4	12.4
International Equity Fund	229.8	4.0
Fixed Income Fund	176.0	3.1
Inflation-Linked Fixed Income Fund	35.5	0.6
Money Market Fund	26.6	0.5
Stable Value Fund	1.8	-
Target Date Funds[2]	271.7	4.8
Total ASA and LEDC Plan Assets[3]	**$ 5,689.6**	**100.0%**

[1] Assets include all PERF, TRF Pre-1996, and TRF 1996 ASA assets and the LEDC Plan account balances allocated outside of the Consolidated Defined Benefit Assets option.

[2] Consolidated market values of all Target Date Funds.

[3] Includes Investment and Foreign Exchange Contracts Receivables, Interest and Dividends Receivable, Investments and Foreign Exchange Contracts Payable, and Obligations Under Reverse Repurchase Agreements.



Historical Annualized Rate of Return by Investment Option vs. Benchmark Returns Fiscal Year Ended June 30, 2014

(percent return)[1]

Investment Option	1-Year[2]	3-Year[2]	5-Year[2]
Guaranteed Fund	0.26 %	0.74%	1.53%
Large Cap Equity Index Fund	24.6	16.6	18.9
S&P 500 Index	24.6	16.6	18.8
Small / Mid Cap Equity Fund	26.1	15.2	21.4
Russell Small Cap Completeness Index	27.4	15.8	21.6
International Equity Fund	22.1	6.0	11.6
MSCI ACWI ex US Index	21.8	5.7	11.1
Fixed Income Fund	5.2	4.6	5.7
Barclays U.S. Aggregate Bond Index	4.4	3.7	4.9
Inflation-Linked Fixed Income Fund	4.4	3.7	5.5
Barclays U.S. TIPS Index	4.4	3.6	5.6
Money Market Fund	0.1	0.1	0.1
Citigroup 3-Month T-Bill Index	0.0	0.1	0.1
Stable Value Fund[3]	3.8	3.2	3.4
Citigroup 3-Month T-Bill Index	0.0	0.1	0.1
Target Date Funds[4]:			
Retirement Fund	6.4	4.6	6.2
Retirement Fund Index	5.1	3.5	4.9
Retirement Fund 2015	7.3	5.0	7.2
2015 Fund Index	6.2	4.1	6.0
Retirement Fund 2020	9.3	5.8	8.4
2020 Fund Index	8.4	5.1	7.5
Retirement Fund 2025	11.7	6.7	9.9
2025 Fund Index	11.1	6.2	9.2
Retirement Fund 2030	15.0	7.7	11.5
2030 Fund Index	14.6	7.4	11.0
Retirement Fund 2035	17.3	8.6	12.3
2035 Fund Index	16.9	8.3	11.8
Retirement Fund 2040	17.7	8.7	12.4
2040 Fund Index	17.4	8.5	11.9
Retirement Fund 2045	17.7	8.7	12.5
2045 Fund Index	17.4	8.5	11.9
Retirement Fund 2050	17.7	8.7	12.5
2050 Fund Index	17.4	8.5	11.9
Retirement Fund 2055	17.7	8.7	12.5
2055 Fund Index	17.4	8.5	11.9

---

[1] Net of fees.

[2] Based on performance calculations made by the system's recordkeeper, Xerox. The 1-year, 3-year, and 5-year performance returns are time-weighted rates of return for the for the fiscal year ended June 30, 2014. Prior to July 30, 2010, all data presented (excluding the Guaranteed Fund) is calculated from manager composite performance. After July 30, 2010, all performance presented consists of actual investment returns experienced by members.

[3] Investment Fund Option in the Legislators' Defined Contribution Plan and Public Employees' Retirement Fund ASA Only Plan.

[4] Target Date Fund benchmarks are comprised of performance data using a passive strategy with the same asset allocation of each Target Date Fund.

Annuity Savings Accounts
Ten-Year Guaranteed Fund Interest Crediting Rates

	Interest Crediting Rate		
Fiscal Year	**INPRS**	**PERF**	**TRF**
2005	N/A	6.25%	6.25%
2006	N/A	5.75	6.00
2007	N/A	6.00	5.50
2008	N/A	6.50	6.00
2009	N/A	6.00	5.50
2010	N/A	3.50	3.50
2011	N/A	1.75	1.75
2012[1]	1.75%	N/A	N/A
2013	0.28	N/A	N/A
2014	0.26	N/A	N/A

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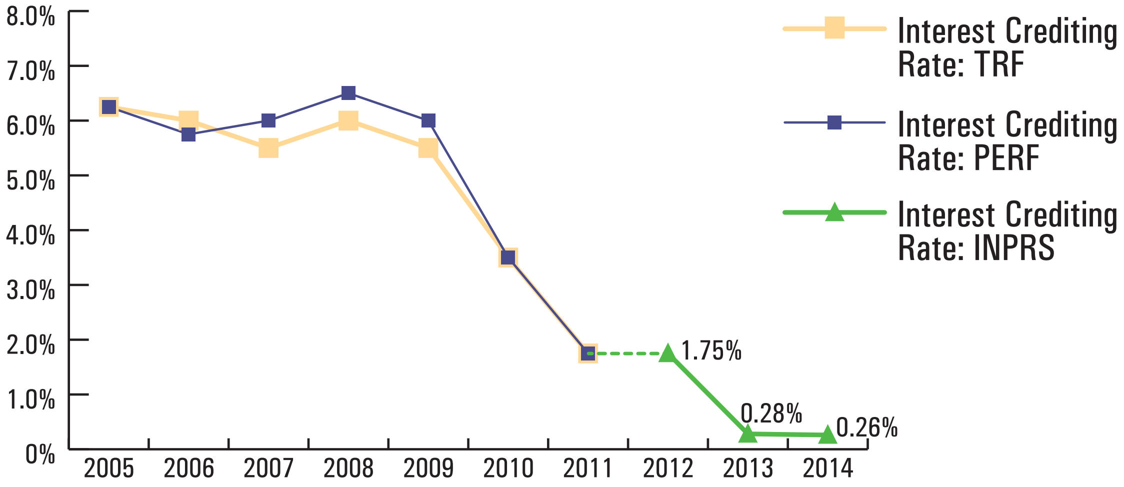
[1] *Guaranteed Fund assets of PERF, TRF Pre-1996 and TRF 1996 were unitized as of January 1, 2012.*



Top Ten Equity Holdings
Fiscal Year Ended June 30, 2014
(by Market Value)[1]

(dollars in thousands)

Company	Shares	Market Value
Apple Inc.	590,236	$ 54,851
Microsoft Corp.	1,255,348	52,348
Exxon Mobil Corp.	397,734	40,044
Nestle SA	426,802	33,064
Novartis	359,115	32,518
Johnson & Johnson	305,522	31,964
Total SA EUR2.5	411,078	29,706
Qualcomm Inc.	373,905	29,613
Visa Inc.	136,098	28,677
Wells Fargo & Co.	544,285	28,608

[1] A complete list of portfolio holdings is available upon request.

Top Ten Fixed Income Holdings
Fiscal Year Ended June 30, 2014
(by Market Value)[1]

(dollars in thousands)

Description	Coupon Rate	Maturity Date	Par Value	Market Value
U.S. Treasury Bond	3.625%	2/15/44	$ 207,325	$ 218,793
U.S. Treasury – CPI Inflation Index Bond	0.125	4/15/18	192,171	198,507
U.S. Treasury Note	2.500	5/15/24	193,785	193,513
U.S. Treasury – CPI Inflation Index Bond	0.625	1/15/24	178,565	185,038
U.S. Treasury Note	0.125	4/30/15	175,365	175,399
U.S. Treasury – CPI Inflation Index Bond	0.375	7/15/23	138,367	141,047
U.S. Treasury – CPI Inflation Index Bond	0.125	1/15/23	137,950	137,476
U.S. Treasury – CPI Inflation Index Bond	0.125	1/15/22	136,152	137,056
U.S. Treasury – CPI Inflation Index Bond	0.125	4/15/17	131,081	135,587
U.S. Treasury – CPI Inflation Index Bond	0.125	4/15/16	122,641	125,860

[1] A complete list of portfolio holdings is available upon request.

Top Ten Brokers' Commission Fees
Fiscal Year Ended June 30, 2014

(dollars in thousands)

Broker		Amount Paid in Fees
Morgan Stanley & Co. Inc.	$	442
Newedge USA LLC		262
Goldman Sachs & Co.		243
Credit Suisse, New York		124
Instinet Corp., New York		123
JonesTrading Institutional Services		99
UBS Securities LLC		87
Instinet Europe Limited		84
Merrill Lynch International		72
Broadcourt Capital		65
"Top Ten" Brokers' Commission Fees		1,601
Other Brokers		1,862
Total Brokers' Commission Fees	**$**	**3,463**

Investment Management Fees by Asset Class
Fiscal Year Ended June 30, 2014

(dollars in thousands)

Asset Class		Investment Management Fees
Consolidated Defined Benefit Assets		
Public Equity	$	18,683
Private Equity		46,157
Fixed Income – Ex Inflation-Linked		11,057
Fixed Income – Inflation-Linked		5,740
Commodities		7,377
Real Estate		10,611
Absolute Return		61,650
Risk Parity		6,785
Total Consolidated Defined Benefit Assets		168,060
Annuity Savings Account Assets		4,775
Total Investment Management Fees	**$**	**172,835**

Fiscal Year Ended June 30, 2014

Consolidated Defined Benefit Assets

Custodian

Bank of New York Mellon

Consultants

Aksia (Absolute Return)
ORG Real Property (Real Estate)
Strategic Investment Solutions
(General: Defined Benefit)
Torrey Cove Capital Partners (Private Equity)

Public Equity

Altrinsic Global Advisors, LLC
Arrowstreet Capital, LP
Artisan Partners Limited Partnership
Baillie Gifford & Company
Barrow Hanley
BlackRock Institutional Trust
Columbus Circle Investors
Jackson Square Partners
DePrince Race & Zollo
Disciplined Growth Investors
Earnest Partners, LLC
Gryphon
JP Morgan
Leading Edge Investment Advisors
Mondrian Investment Partners, Inc.
Rhumbline Advisers
Schroders
Times Square Capital Management, LLC

Private Equity

A.M. Pappas & Associates, LLC
ABRY Partners, LLC
Accel Partners
Accent Equity Partners AB
Actis Capital, LLP
Advanced Technology Ventures
Advent International Corp.
Aisling Capital
American Securities Capital Partners, LP
AnaCap Financial Partners, LLP
Apax Partners
Apollo Advisors, LP
ARCH Venture Partners
Ares Management, LLC
Austin Ventures
Avenue
Bain Capital, Inc.
Bay Partners
Bertram Capital
Black Diamond Capital Management, LLC
BPEP International
Brentwood Associates
Caltius Mezzanine
Candover Partners, Ltd.
Cardinal Partners
Carlye Solutions Group
Catterton Partners
Centerfield Capital Partners
Century Park Capital Partners
Cerberus Capital Management, LLC
Charterhouse Group International, Inc.
CID Capital
Cinven
Close Brothers Private Equity, Ltd.
Code Hennessy & Simmons, LLC
Coller Capital
Columbia Capital, LLC
Court Square Capital Partners
Credit Suisse First Boston
Crescent Capital
Crestview Capital Funds
CVC Capital Partners
Doll Capital Management
Elevation Associates, LP
EnCap Investments, LP
Energy Capital Partners
Enhanced Capital Partners
Escalate Capital Partners
Falcon Strategic Partners
First Reserve Corporation
Forbion Capital Partners
Fortress Investment Group, LLC
Gilde Buy Out Partners
Globespan Capital Partners

Fiscal Year Ended June 30, 2014

Consolidated Defined Benefit Assets

Private Equity, cont.

Green Equity Partners
GSO Capital Partners, LP
GTCR Golder Rauner, LLC
H2 Equity Partners BV
Hammond Kennedy Whitney & Co
Hellman & Friedman, LLC
Herkules Capital
High Road Capital Partners
Horsley Bridge
Insight Venture Partners
Institutional Venture Management, LLC
JFM Management, Inc.
Kailai Investments
Khosla Ventures
KPS Special Situations Funds
Landmark Partners, Inc.
Lexington Capital Partners
Lightyear Capital, LLC
Lindsay Goldberg
Lion Capital
MBK Partners, GP, LP
Merit Capital Partners
Mill Road Capital
Natural Gas Partners
Neovara
Neuberger Berman
New Enterprise Associates
New Mountain Partners
Oak Hill Advisors, LP
Oak Hill Capital Management, LLC
Oak Investment Partners
Oaktree Capital Management, LLC
Opus Capital
Panda Power Generation Infrastructure Fund, GP
PCP Managers, LLC
Peninsula Capital Partners, LLC
Permira Holdings Limited
Platinum Equity, LLC
Rho Capital Partners, Inc.
RJD Partners Limited
SAIF Partners
Sankaty Credit Opportunities
Scale Management
Silver Cup
Silver Lake Partners, LLC
SPC Capital Management
StepStone Group, LLC
Sun Capital Partners, Inc.
TA Associates
TCW/Crescent Mezzanine Partners
Technology Crossover Ventures
Technology Partners Management, LLC
Texas Pacific Group
The Blackstone Group
The Jordan Company
TowerBrook Investors GP
Trilantic Capital Partners
Trinity Ventures
Triton Partners
True Ventures
TSG6 Management, LLC
Veritas Capital
Veronis Suhler Stevenson
Vestar Capital Partners, Inc.
Vintage Venture Partners
Vision Capital, LLP
Vista Equity Partners
Walden Group of Venture Capital Funds
Warburg Pincus, LLC
Wayzata Investment Partners, LLC
Weston Presido Capital Management
White Deer Energy
Windjammer Capital Investors
WL Ross & Company, LLC
Xenon Private Equity
York Capital Management

Fixed Income – Ex Inflation Linked

Alliance Capital
Goldman Sachs Asset Management, LP
Income Research + Management
Loomis Sayles & Company, LP
Pacific Investment Management Company (PIMCO)

Fiscal Year Ended June 30, 2014

Fixed Income – Ex Inflation Linked, cont.

Reams Asset Management
Stone Harbor
TCW
Northern Trust Global Investments
Wellington

Fixed Income – Inflation Linked

BlackRock Financial Management
Bridgewater Associates, Inc.
Northern Trust Global Investments

Consolidated Defined Benefit Assets

Commodities

CoreCommodity Management
Goldman Sachs Asset Management, LP
Gresham Investment Management, LLC

Real Estate

Blackstone Real Estate Partners
Colony Capital, LLC
European Investors, Inc.
Greenfield Partners, LLC
H/2 Capital Partners
Harrison Street Real Estate Capital, LLC
House Investments
JDM Partners
LaSalle Investment Management
Lone Star Funds
Mesa West Capital
Prima Capital Advisors, LLC
Stockbridge Capital Group
TA Realty Associates
Walton Street Capital, LLC
WestRiver Capital, LLC

Absolute Return

Blackstone Alternative Asset Management (BAAM)
Blackstone Tactical Opportunities Advisors
BlueCrest Capital Management
Brevan Howard Asset Management
Bridgewater Associates, Inc.
Brigade Capital Management
Davidson Kempner Capital Management
D.E. Shaw Multi-Asset Manager
Emerging Sovereign Group
Highfields Capital Management
Ionic Capital Management
Kepos Capital
King Street Capital Management
MKP Capital Management
Oxford Asset Management
Pacific Alternative Asset Management Company (PAAMCO)
Perella Weinberg Partners
Pharo Global Advisors
Two Sigma Advisers
Viking Global Investors

Risk Parity

AQR Capital Management
Bridgewater Associates, Inc
First Quadrant

Fiscal Year Ended June 30, 2014

Annuity Savings Account & Legislators' Defined Contribution Plan Assets

Public Employees' Retirement Fund (PERF)
Teachers' Retirement Fund Pre-1996 Account (TRF Pre-1996)
Teachers' Retirement Fund 1996 Account (TRF 1996)
Legislators' Defined Contribution Plan (LEDC Plan)

Consultant

Cap Cities (General: Defined Contribution)

Large Cap Equity Index Fund

BlackRock Institutional Trust

Small/Mid Cap Equity Fund

CS McKee
Loomis Sayles & Company
Rhumbline Advisers

International Equity Fund

Baillie Gifford & Company
BlackRock Institutional Trust
Dimensional Fund Advisors
Earnest Partners

Fixed Income Fund

Loomis Sayles & Company
Northern Trust Global Investments
Pacific Investment Management Company (PIMCO)

Inflation-Linked Fixed Income Fund

BlackRock Institutional Trust

Money Market Fund

Bank of New York Mellon

Guaranteed Fund

Logan Circle
Reams Asset Management
State Street Global Advisors

Stable Value Fund (PERF ASA Only & Legislators' Plans only)

Galliard Capital Management

Pension Relief Fund

Bank of New York Mellon

Special Death Funds

PNC Institutional Investments

Indiana Public Retirement System

INPRS
INDIANA PUBLIC RETIREMENT SYSTEM

2014 COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2014

Actuarial Section

Introduction

Prior to July 1, 2011, the Defined Benefit retirement plans for public employees in the State of Indiana were administered by independent instrumentalities governed by separate boards of appointed trustees, including the Public Employees' Retirement Fund and the Indiana State Teachers' Retirement Fund. Legislation adopted in 2010 called for a consolidation of these entities, which began with the appointment of a joint Executive Director in May 2010, and resulted in the creation of the Indiana Public Retirement System (INPRS) effective July 1, 2011.

For the eight (8) separate Defined Benefit retirement plans administered by INPRS, there are two (2) actuaries who currently provide the actuarial services as summarized below:

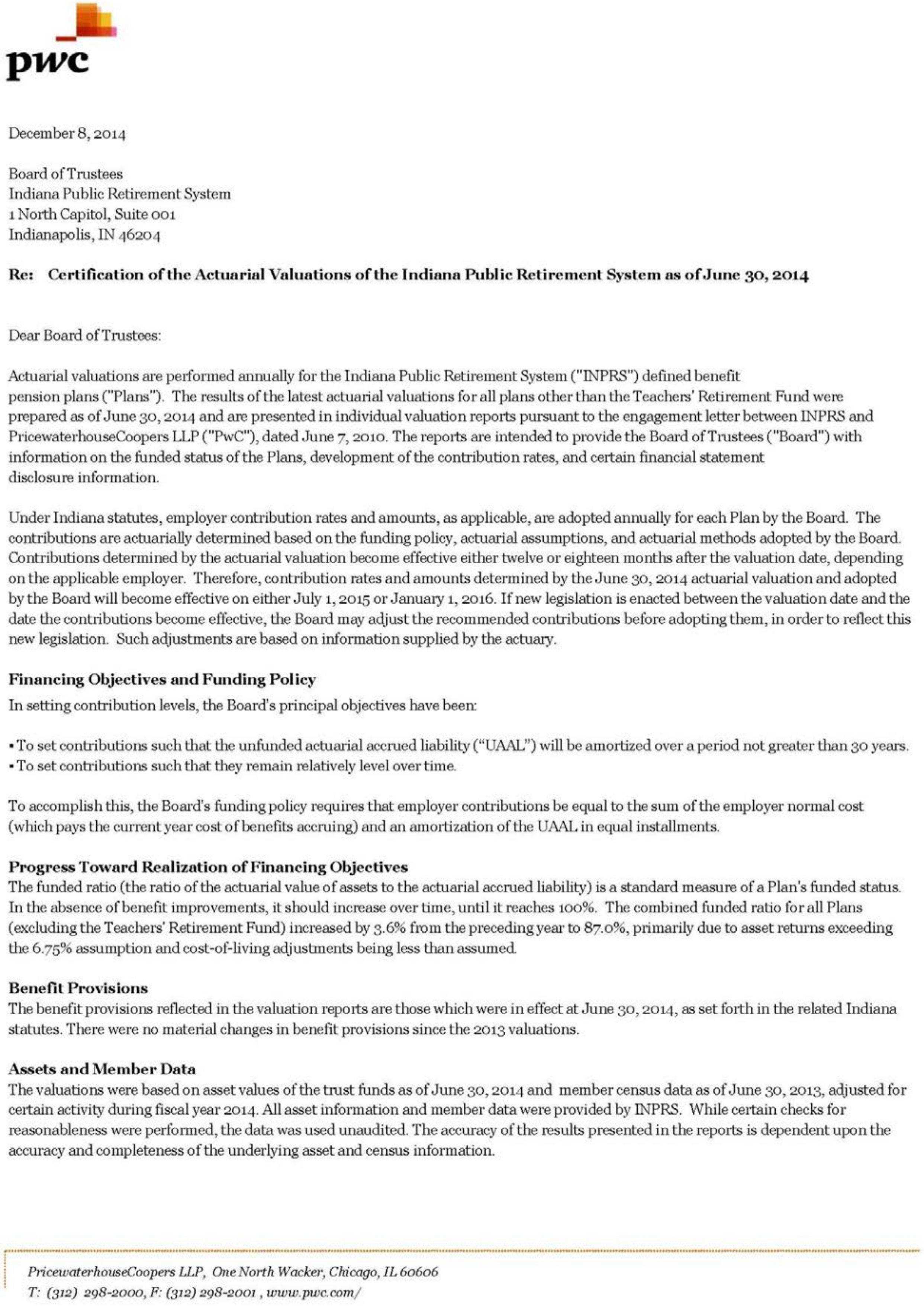
PricewaterhouseCoopers LLP

- Public Employees' Retirement Fund
- 1977 Police Officers' and Firefighters' Pension and Disability Fund
- Judges' Retirement System
- State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan
- Prosecuting Attorneys' Retirement Fund
- Legislators' Defined Benefit Plan

Nyhart

- Teachers' Retirement Fund Pre–1996 Account
- Teachers' Retirement Fund 1996 Account

Accordingly, the INPRS FY2014 CAFR Actuarial Section includes an Actuary Certification Letter from each actuary for the actuarial valuations prepared as of June 30, 2014.



December 8, 2014

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

Re: Certification of the Actuarial Valuations of the Indiana Public Retirement System as of June 30, 2014

Dear Board of Trustees:

Actuarial valuations are performed annually for the Indiana Public Retirement System ("INPRS") defined benefit pension plans ("Plans"). The results of the latest actuarial valuations for all plans other than the Teachers' Retirement Fund were prepared as of June 30, 2014 and are presented in individual valuation reports pursuant to the engagement letter between INPRS and PricewaterhouseCoopers LLP ("PwC"), dated June 7, 2010. The reports are intended to provide the Board of Trustees ("Board") with information on the funded status of the Plans, development of the contribution rates, and certain financial statement disclosure information.

Under Indiana statutes, employer contribution rates and amounts, as applicable, are adopted annually for each Plan by the Board. The contributions are actuarially determined based on the funding policy, actuarial assumptions, and actuarial methods adopted by the Board. Contributions determined by the actuarial valuation become effective either twelve or eighteen months after the valuation date, depending on the applicable employer. Therefore, contribution rates and amounts determined by the June 30, 2014 actuarial valuation and adopted by the Board will become effective on either July 1, 2015 or January 1, 2016. If new legislation is enacted between the valuation date and the date the contributions become effective, the Board may adjust the recommended contributions before adopting them, in order to reflect this new legislation. Such adjustments are based on information supplied by the actuary.

Financing Objectives and Funding Policy

In setting contribution levels, the Board's principal objectives have been:

- To set contributions such that the unfunded actuarial accrued liability ("UAAL") will be amortized over a period not greater than 30 years.
- To set contributions such that they remain relatively level over time.

To accomplish this, the Board's funding policy requires that employer contributions be equal to the sum of the employer normal cost (which pays the current year cost of benefits accruing) and an amortization of the UAAL in equal installments.

Progress Toward Realization of Financing Objectives

The funded ratio (the ratio of the actuarial value of assets to the actuarial accrued liability) is a standard measure of a Plan's funded status. In the absence of benefit improvements, it should increase over time, until it reaches 100%. The combined funded ratio for all Plans (excluding the Teachers' Retirement Fund) increased by 3.6% from the preceding year to 87.0%, primarily due to asset returns exceeding the 6.75% assumption and cost-of-living adjustments being less than assumed.

Benefit Provisions

The benefit provisions reflected in the valuation reports are those which were in effect at June 30, 2014, as set forth in the related Indiana statutes. There were no material changes in benefit provisions since the 2013 valuations.

Assets and Member Data

The valuations were based on asset values of the trust funds as of June 30, 2014 and member census data as of June 30, 2013, adjusted for certain activity during fiscal year 2014. All asset information and member data were provided by INPRS. While certain checks for reasonableness were performed, the data was used unaudited. The accuracy of the results presented in the reports is dependent upon the accuracy and completeness of the underlying asset and census information.

PricewaterhouseCoopers LLP, One North Wacker, Chicago, IL 60606
T: (312) 298-2000, F: (312) 298-2001 , www.pwc.com/

]

pwc

Actuarial Assumptions and Methods

The majority of the actuarial assumptions used in the June 30, 2014 valuations were adopted by the Board pursuant to the experience studies completed in September 2011, which reflected the experience period from July 1, 2005 through June 30, 2010, and were first used in the June 30, 2011 valuation. The actuarial assumptions for interest rate and mortality were updated for the June 30, 2012 valuation. Minor assumptions were updated for the June 30, 2013 valuation including the interest rate on member account balances and certain demographic assumptions for Prosecuting Attorneys' Retirement Fund due to plan changes. There were no updates to the actuarial assumptions for the June 30, 2014 valuation. However, the June 30, 2014 valuations are the first valuations that incorporate member census data as of a date one year prior to the valuation date. Standard actuarial techniques were used to roll forward valuation results from June 30, 2013 to June 30, 2014.

The actuarial assumptions and methods are summarized in the Actuarial Assumptions and Methods section of each valuation report. We believe the actuarial assumptions and methods are reasonable for the purposes of the valuation reports and comply with the parameters set forth in Statements No. 27, No. 50, No. 67 and No. 68 of the Governmental Accounting Standards Board ("GASB"). Different assumptions and methods may be reasonable for other purposes. As such, the results presented in the valuation reports should only be relied upon for the intended purpose.

Certification

We certify that the information presented herein is accurate and fairly portrays the actuarial position of each Plan administered by INPRS (other than the Teachers' Retirement Fund) as of June 30, 2014 based on the underlying census data, asset information and selected assumptions and methods. This information is presented in several schedules and exhibits in this report, including the following:

- Schedule of Funding Progress (Included in the Historical Summary)
- Summary of Actuarial Assumptions & Methods
- Analysis of Financial Experience (Unfunded Actuarial Accrued Liability Reconciliation)
- Solvency Test (Included in the Historical Summary)
- Schedule of Active Member Valuation Data
- Schedule of Retirants and Beneficiaries

This report contains certain accounting information required to be included in the System's Comprehensive Annual Financial Report. This information for the system has been prepared in accordance with our understanding of GASB No.67. This report also contains employer accounting information prepared in accordance with our understanding of GASB No. 27 and 50, as well as the new requirements under GASB No. 68.

To the best of our knowledge this actuarial statement is complete and accurate and has been prepared in accordance with generally accepted actuarial principles and practice and with the Actuarial Standards of Practice issued by the Actuarial Standards Board. In our opinion, our calculations also comply with our understanding of the requirements of Indiana state law. The undersigned actuaries are members of the Society of Actuaries and other professional organizations, including the American Academy of Actuaries, and meet the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States relating to pension plans. There is no relationship between the PwC practitioners involved in this engagement and INPRS that may impair our objectivity.

This document has been prepared pursuant to an engagement letter between INPRS and PwC, and is intended solely for the use and benefits of INPRS and not for reliance by any other person.

Respectfully submitted,

Cindy Fraterrigo	Sheldon A. Gamzon	Brandon A. Robertson
Ms. Cindy Fraterrigo Member, American Academy of Actuaries Fellow of the Society of Actuaries Enrolled Actuary (No. 14-06229)	Mr. Sheldon Gamzon Member, American Academy of Actuaries Fellow of the Society of Actuaries Enrolled Actuary (No. 14-03238)	Mr. Brandon Robertson Member, American Academy of Actuaries Associate of the Society of Actuaries Enrolled Actuary (No. 14-07568)

November 12, 2014

The Board of Trustees
Indiana Public Retirement System
Indianapolis, IN

Dear Board Members:

An actuarial valuation is prepared annually for the Indiana State Teachers' Retirement Fund. Submitted in this report are the results of the June 30, 2014 actuarial valuation.

Census Data and Asset Information

The member census data and the asset information for this valuation were furnished by the Chief Financial Officer and Staff. Their efforts and cooperation in furnishing these materials are acknowledged with appreciation. We did not audit the information provided, but we did review it thoroughly for reasonableness and compared it with the prior year's submission for consistency.

Assumptions and Methods

The majority of the actuarial assumptions used in the June 30, 2014 valuation were adopted by the Board pursuant to the Experience Study completed in June 2012, which reflected the experience period from July 1, 2007 to June 30, 2011. The interest rate and mortality assumptions were approved by the Board on June 29, 2012 for first use in the 2012 valuation. Assumptions are summarized in the Assumptions and Methods section of this report. These assumptions and methods have been used to develop the Annual Required Contribution and are consistent with the accounting requirements detailed in GASB Statements No. 25, No. 27, and No. 50.

Benefit obligations in the June 30, 2014 valuation are determined using June 30, 2013 census data and rolled-forward to the June 30, 2014 measurement date at the valuation interest rate, using actual distributions and ASA account returns during that period. We are not aware of any material events that would require additional adjustments to the benefit obligations for changes to the population not anticipated in the demographic assumptions used in the valuation.

Funding Objective

The Indiana State Teachers' Retirement Fund Pre-1996 Account is funded on a pay-as-you-go basis from the State of Indiana.

The funding objective of the Indiana State Teachers' Retirement Fund 1996 Account is to establish and receive contributions that, when invested at the assumed rate of return, will ultimately accumulate assets over each member's working lifetime that will be sufficient to pay expected retirement allowances. As such, an employer contribution rate is calculated each year. That rate is then considered in conjunction with the goal of maintaining a relatively stable contribution over time.

Fund Structure

The Indiana State Teachers' Retirement Fund (TRF) is one fund comprised of a two-account structure in compliance with Indiana Code Section 5-10.4-2-2:

1. The Pre-1996 Account consists of members who were hired prior to July 1, 1995, and who have maintained continuous employment with the same school corporation or covered institution since that date.

2. The 1996 Account consists of members who were:
   a. hired on or after July 1, 1995; or

b. hired before July 1, 1995, and prior to June 30, 2005:
    i. were either hired by another school corporation or institution covered by TRF, or
    ii. were re-hired by a covered prior employer.

Characteristics of the Pre-1996 Account

1. Active membership in the Pre-1996 Account continues to decline as members quit, become disabled, die, or retire.

2. The Defined Benefits from the Pre-1996 Account are funded by State appropriations (including contributions of some revenue from the State Lottery). At the time of retirement, Annuity Savings Account (ASA) benefits payable from the Pre-1996 Account are funded by the annuitization of Pre-1996 Account member contributions.

Characteristics of the 1996 Account

1. As members depart from active service in the Pre-1996 Account, their replacements will become members of the 1996 Account. If the 1996 Account were a stand-alone plan, this pattern of departures and hirings would produce a fairly constant population size.

2. Defined Benefits payable from the 1996 Account are funded by contributions from local school corporations or other institutions that employ covered members. At the time of retirement, ASA benefits payable from the 1996 Account are funded by the annuitization of 1996 Account member contributions.

Funding Arrangements

Prior to the legislation that established the two-account structure of TRF, the Defined Benefits of the Indiana State Teachers' Retirement Fund were funded with a pay-as-you-go method. Under this arrangement, amounts were appropriated to meet the current year's pension payment requirements. Defined Benefits payable from the Pre-1996 Account continue to be funded on this basis.

In 1995, the Pension Stabilization Fund was set up for the Pre-1996 Account. Since then, some pre-funding progress has been made via State appropriations to this account.

Defined Benefits payable from the 1996 Account are funded through employer percent-of-pay contributions. The Board of the Indiana Public Retirement System sets this contribution rate after reviewing the most recent actuarial valuation report.

The contribution rate of 7.50% for fiscal year 2015 was set by the Board in fiscal year 2014 for the 1996 Account. The contribution rate of 7.50% for fiscal year 2016 was set by the Board in fiscal year 2015.

Progress Toward Realization of Financing Objectives

The funded ratio (the ratio of the actuarial value of assets to the actuarial accrued liability) is a standard measure of a Plan's funded status. In the absence of benefit improvements, it should increase over time, until it reaches 100%. The total funded ratio for the Plan (Pre-1996 Account and 1996 Account combined) increased by 2.4%, to 48.1% from 45.7% for the preceding year due primarily to investment returns being higher than the actuarial assumed returns and the payment of the 13th check to retirees versus the 1% COLA assumed in the valuation.

The funded ratio of the Pre-1996 Account (pay-as-you-go) increased to 32.8% from 31.8% for the preceding year. Based on the actuarial assumptions, it is anticipated that the Pre-1996 Account will attain 100% funded status on 6/30/2035.

The funded ratio of the 1996 Account increased to 96.1% from 93.8% for the preceding year. Based on the actuarial assumptions, it is anticipated that the 1996 Account will attain 100% funded status on 6/30/2017.

Certification

We have included several schedules and exhibits in this report, including the following:

Summary of Actuarial Assumptions and Methods
Analysis of Financial Experience
Solvency Test
Schedule of Active Members' Valuation Data
Schedule of Retired Members and Beneficiaries
Schedule of Funding Progress

To the best of our knowledge, this report presents a fair position of the funded status of the plan in accordance with the Actuarial Standards of Practice as described by the American Academy of Actuaries. In addition, information has been prepared in accordance with applicable government standards of financial reporting for defined benefit pension plans.

The actuarial valuation is prepared using information which has been reconciled and reviewed for reasonableness. We are not aware of any material inadequacy in employee census or asset values. The census information and the asset information have been provided to us by the Chief Financial Officer and Staff. We have not audited the information at the source, and therefore do not accept responsibility for the accuracy or the completeness of the data on which the information is based.

In our opinion, the actuarial assumptions and methods are individually reasonable and in combination represent our best estimate of anticipated experience of the plan.

Neither Nyhart nor any of its employees have any relationship with the plan or its sponsor which could impair or appear to impair the objectivity of this report.

The undersigned are compliant with the continuing education requirements of the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States.

Respectfully submitted,

John Dowell

John L. Dowell, FSA, EA, MAAA

Michael Zurek, EA, MAAA

Summary of INPRS Funded Status

(dollars in millions)

	Actuarial Valuation as of June 30, 2014				Actuarial Valuation as of June 30, 2013			
Pre-Funded Defined Benefit Retirement Plans	**Actuarial Accrued Liability**	**Actuarial Value of Assets[1]**	**Unfunded Actuarial Accrued Liability**	**Actuarial Funded Status**	**Actuarial Accrued Liability**	**Actuarial Value of Assets[1]**	**Unfunded Actuarial Accrued Liability**	**Actuarial Funded Status**
Public Employees' Retirement Fund	$ 16,732.2	$ 13,791.3	$ 2,940.9	82.4%	$ 16,145.7	$ 12,947.3	$ 3,198.4	80.2%
Teachers' Retirement Fund 1996 Account	5,237.0	5,035.2	201.8	96.1	4,749.3	4,453.8	295.5	93.8
1977 Police Officers' and Firefighters' Pension and Disability Fund	4,707.0	4,625.5	81.5	98.3	4,392.9	4,180.7	212.2	95.2
Judges' Retirement System	464.9	419.6	45.3	90.3	453.1	381.2	71.9	84.1
State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan	123.6	107.6	16.0	87.0	118.1	98.6	19.5	83.5
Prosecuting Attorneys' Retirement Fund	65.3	52.9	12.4	81.0	62.0	48.8	13.2	78.7
Legislators' Defined Benefit Plan	4.2	3.5	0.7	83.1	4.3	3.4	0.9	79.8
Total Pre-Funded Defined Benefit Retirement Plans	**$ 27,334.2**	**$ 24,035.6**	**$ 3,298.6**	**87.9%**	**$ 25,925.4**	**$ 22,113.8**	**$ 3,811.6**	**85.3%**
Pay-As-You-Go Defined Benefit Retirement Plan								
Teachers' Retirement Fund Pre-1996 Account	16,355.2	5,358.3	10,996.9	32.8	16,462.4	5,235.1	11,227.3	31.8
Total Defined Benefit Retirement Plans	**$ 43,689.4**	**$ 29,393.9**	**$ 14,295.5**	**67.3%**	**$ 42,387.8**	**$ 27,348.9**	**$ 15,038.9**	**64.5%**

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[1] The Unfunded Liability uses the Actuarial Value of Assets (AVA), which is different than Net Pension Liability in the Financial Section which uses the Plan Fiduciary Net Position, also known as the Market Value of Assets (MVA).

Analysis of Financial Experience

(dollars in thousands)

		(Gain) / Loss					
Defined Benefit Retirement Plans	**June 30, 2013 UAAL[1]**	**Actuarial Value of Assets Experience**	**Actuarial Accrued Liabilities Experience[2]**	**Amortization of Existing Bases**	**Actuarial Assumption & Methodology Changes**	**Plan Provision Changes[3]**	**June 30, 2014 UAAL**
Public Employees' Retirement Fund	$ 3,198,397	$ (153,724)	$ (15,161)	$ (45,565)	$ -	$ (42,985)	$ 2,940,962
Teachers' Retirement Fund Pre-1996 Account	11,227,275	(105,699)	(70,518)	(28,669)	-	(25,524)	10,996,865
Teachers' Retirement Fund 1996 Account	295,540	(74,202)	504	(15,576)	-	(4,504)	201,762
1977 Police Officers' and Firefighters' Pension and Disability Fund	212,243	(115,940)	(11,754)	(3,027)	-	-	81,522
Judges' Retirement System	71,870	(9,371)	(16,026)	(1,186)	-	-	45,287
State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan	19,489	(2,712)	(430)	(310)	-	-	16,037
Prosecuting Attorneys' Retirement Fund	13,178	(584)	-	(194)	-	-	12,400
Legislators' Defined Benefit Plan	867	(93)	(36)	(32)	-	-	706
Total INPRS	**$ 15,038,859**	**$ (462,325)**	**$ (113,421)**	**$ (94,559)**	**$ -**	**$ (73,013)**	**$ 14,295,541**

[1] *UAAL: Unfunded Actuarial Accrued Liabilities*

[2] *Actuarial Accrued Liabilities Experience includes:*

- *For PERF, TRF Pre-1996, TRF 1996, and EG&C, a one-time payment (i.e., 13th Check) was paid to benefit recipients in August/September 2014 in lieu of the 1.0 percent COLA assumption.*
- *For 1977 Fund, a 1.4 percent COLA was paid to benefit recipients in July 2014, rather than the assumed COLA of 2.25 percent.*
- *For JRS, no COLA was paid to benefit recipients in July 2014, rather than the assumed COLA of 4.0 percent.*
- *For the LEDB Plan, there was no COLA paid to benefit recipients versus than the assumed COLA of 1.0 percent.*

[3] *Plan Provision Changes include:*

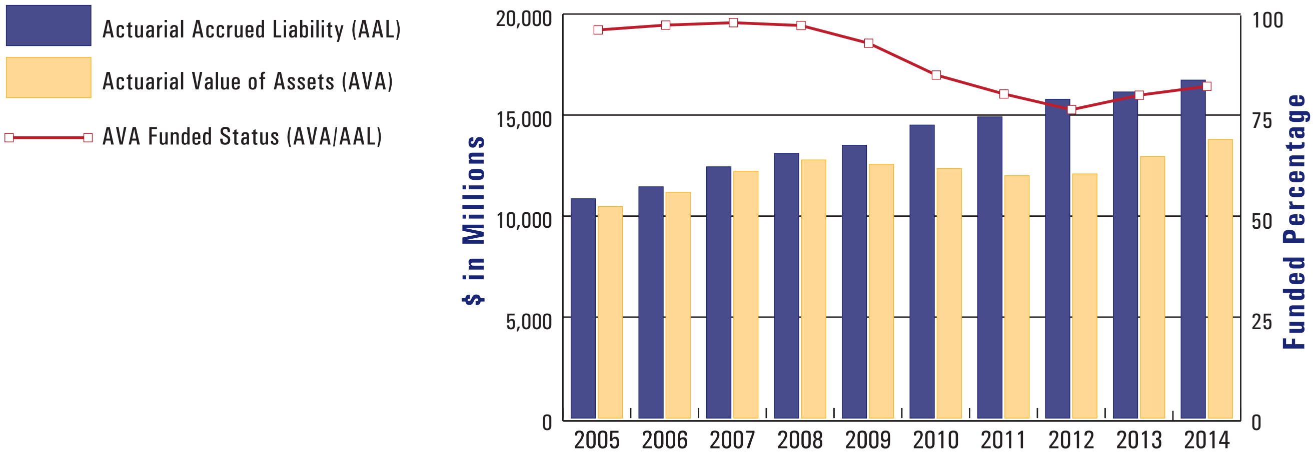
- *For PERF and TRF Pre-1996, TRF 1996, the impact of 2014 House Enrolled Act No. 1075, which prohibits INPRS from entering into an agreement with a third party for ASA annuitizations prior to January 1, 2017, but specifies ASA annuitization rates of 5.75% starting September 30, 2014, and the greater of 4.5% and a market rate starting September 30, 2015.*

Ten-Year Schedule of Participating Employers

Fiscal Year	Total[1]	PERF	TRF (Consolidated)[2]	TRF Pre-1996[2]	TRF 1996[2]	1977	JRS	EG&C	PARF	LEDB
2005[3]	1,679	1,159	357	N/A	N/A	159	1	1	1	1
2006[3]	1,691	1,169	358	N/A	N/A	160	1	1	1	1
2007[3]	1,663	1,138	360	N/A	N/A	161	1	1	1	1
2008	1,207	1,167	361	N/A	N/A	158	1	1	1	1
2009	1,220	1,179	360	N/A	N/A	160	1	1	1	1
2010	1,230	1,180	367	N/A	N/A	164	1	1	1	1
2011	1,182	1,132	369	N/A	N/A	166	1	1	1	1
2012[4]	1,170	1,122	364	N/A	N/A	162	1	1	1	1
2013[4]	1,171	1,121	365	N/A	N/A	161	1	1	1	1
2014	1,175	1,126	N/A	340	363	162	1	1	1	1

[1] *Sum of individual employers by retirement plan does not equal total employers, since one (1) employer may participate in multiple retirement plans.*
[2] *Prior to Fiscal Year 2014 participating employers for TRF were not split between the TRF Pre-1996 Account and the TRF 1996 Account.*
[3] *The total is the sum of each of the plans, so employers are duplicated if they participate in more than one plan.*
[4] *The total was adjusted to treat the State and its component units as one employer.*

Historical Summary of Actuarial Valuation Results by Retirement Plan



(dollars in millions)

Actuarial Valuation as of June 30	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets (AVA)	Unfunded Liability[1] (AAL – AVA)	AVA Funded Status (AVA/AAL)	Covered Employee Payroll[2]	Unfunded Liability[1] as a percentage of Covered Employee Payroll
2005	$ 10,858.3	$ 10,471.9	$ 386.4	96.4%	$ 4,700.0	8.2%
2006	11,450.9	11,178.0	272.9	97.6	4,600.0	5.9
2007	12,439.8	12,220.9	218.9	98.2	4,325.0	5.1
2008	13,103.2	12,780.1	323.1	97.5	4,550.0	7.1
2009	13,506.2	12,569.3	936.9	93.1	4,850.0	19.3
2010	14,506.1	12,357.2	2,148.9	85.2	4,800.0	44.8
2011	14,913.1	12,000.6	2,912.5	80.5	4,500.0	64.7
2012	15,784.2	12,088.2	3,696.0	76.6	4,550.0	81.2
2013	16,145.7	12,947.3	3,198.4	80.2	4,700.0	68.1
2014	16,732.2	13,791.3	2,940.9	82.4	4,896.6	60.1

[1] The Unfunded Liability uses the Actuarial Value of Assets (AVA), which is different than Net Pension Liability in the Financial Section which uses the Plan Fiduciary Net Position, also known as the Market Value of Assets (MVA).

[2] Covered Employee Payroll can also be found in the RSI Contribution Schedule in the Financial Section.

Summary of Actuarial Assumptions and Methods as of June 30, 2014

The actuarial assumptions and methods used in the June 30, 2014 valuation of the Public Employees' Retirement Fund were adopted by the INPRS Board in April 2014. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2005 through June 30, 2010, which were adopted by the INPRS Board in September 2011, and were first used in the June 30, 2011 valuation. The interest rate/investment return and mortality assumptions were updated for the June 30, 2012 valuation. In addition to the actuarial assumptions and methods the INPRS Board also adopted the funding policy in April 2014. For information on the plan provisions please refer to Note 1 in the financial section of this report.

Changes in Actuarial Assumptions

Assumptions concerning ASA withdrawal and annuitization were added pursuant to the addition of IC 5-10.5-4-2.5 and 2.6 in accordance with the 2014 House Enrolled Act No. 1075.

All other assumptions are the same as the June 30, 2013 valuation.

Changes in Actuarial Methods

Member census data as of June 30, 2013 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2013 and June 30, 2014. Standard actuarial roll forward techniques were then used to project the liabilities computed as of June 30, 2013 to the June 30, 2014 measurement date.

Actuarial Assumptions

Except as noted below, actuarial assumptions used for funding purposes are the same as those used for accounting and financial reporting.

Economic Assumptions

Interest Rate / Investment Return:

Funding	6.75 percent (net of administrative and investment expenses)
Accounting & Financial Reporting	6.75 percent (net of investment expenses)
Cost of Living Increases:	1.0 percent per year in retirement
Future Salary Increases:	Based on 2005-2010 experience. Illustrative rates shown below:

Age	Inflation	Productivity, Merit, and Promotion	Total Individual Salary Growth
< 31	3.00%	1.50%	4.50%
31-45	3.00	1.00	4.00
46-60	3.00	0.50	3.50
> = 61	3.00	0.25	3.25

Inflation: 3.0 percent per year

Summary of Actuarial Assumptions and Methods as of June 30, 2014, continued

Demographic Assumptions

Mortality (Healthy and Disabled): 2013 IRS Static Mortality projected five (5) years with Scale AA

Retirement: Based on PERF experience 2005-2010. Illustrative rates shown below:

	Years of Service				
Age	**10**	**15**	**20**	**30**	**31 +**
50	-%	4%	4%	4%	4%
55	-	7	7	12	7
60	-	10	10	10	10
65	30	30	30	30	30
70	25	25	25	25	25
75+	100	100	100	100	100

Termination: Select and ultimate tables based on 2005-2010 experience. Illustrative rates shown below:

State (Male)
Earnings < $20,000

	Years of Service					
Age	**0**	**1**	**2**	**3**	**4**	**5+**
20	57%	40%	23%	19%	17%	13%
30	56	34	21	17	15	11
40	55	29	18	15	13	9
50	55	24	15	13	11	6
60+	55	20	12	10	9	4

State (Male)
Earnings >= $20,000

	Years of Service					
Age	**0**	**1**	**2**	**3**	**4**	**5+**
20	43%	26%	13%	10%	9%	7%
30	39	20	12	9	8	6
40	36	16	11	8	7	5
50	36	14	9	7	7	4
60+	37	13	8	6	6	3

State (Female)
Earnings < $20,000

	Years of Service					
Age	**0**	**1**	**2**	**3**	**4**	**5+**
20	57%	40%	26%	26%	21%	16%
30	54	36	23	23	19	14
40	54	32	20	19	16	11
50	54	29	17	15	13	8
60+	54	25	15	11	11	6

Summary of Actuarial Assumptions and Methods as of June 30, 2014, continued

State (Female)
Earnings > = $20,000

	Years of Service					
Age	**0**	**1**	**2**	**3**	**4**	**5+**
20	43%	25%	14%	14%	11%	8%
30	36	22	13	12	10	7
40	35	19	12	10	9	6
50	35	17	10	9	7	5
60+	36	16	9	7	6	4

Political Subdivisions (Male)
Earnings < $20,000

	Years of Service					
Age	**0**	**1**	**2**	**3**	**4**	**5+**
20	33%	25%	13%	12%	10%	7%
30	29	21	11	10	9	6
40	28	17	10	8	8	5
50	26	14	8	7	6	4
60+	25	11	6	5	5	3

Political Subdivisions (Male)
Earnings > = $20,000

	Years of Service					
Age	**0**	**1**	**2**	**3**	**4**	**5+**
20	30%	19%	7%	7%	5%	4%
30	22	14	7	6	5	4
40	22	11	6	5	4	3
50	21	10	5	5	4	3
60+	20	9	4	4	3	2

Political Subdivisions (Female)
Earnings < $20,000

	Years of Service					
Age	**0**	**1**	**2**	**3**	**4**	**5+**
20	36%	30%	16%	12%	11%	8%
30	32	25	14	11	10	7
40	32	21	12	10	9	5
50	31	18	9	8	7	4
60+	30	14	7	6	5	3

Political Subdivisions (Female)
Earnings > = $20,000

	Years of Service					
Age	**0**	**1**	**2**	**3**	**4**	**5+**
20	31%	21%	10%	8%	7%	4%
30	24	16	9	7	6	4
40	23	14	8	6	5	3
50	23	12	7	6	5	3
60+	23	11	6	5	4	2

Disability:	Based on 2000 - 2005 experience for males and 1995 - 2000 experience for females. Recent experience has been consistent.

Summary of Actuarial Assumptions and Methods as of June 30, 2014, continued

Illustrative rates shown below:

Age	Male	Female
20	0.007%	0.005%
30	0.021	0.016
40	0.065	0.050
50	0.201	0.156
60	0.622	0.488
70	0.100	0.100
80	0.000	0.000

Spouse/Beneficiary:	75 percent of male members and 60 percent of female members are assumed to be married and or to have a dependent beneficiary. Male members are assumed to be three (3) years older than their spouses and female members are assumed to be two (2) years younger than their spouses.
ASA Withdrawal:	Prior to January 1, 2017: – 50% of active members who decrement while vested are assumed to withdraw their ASA balance immediately upon decrement. – 50% of vested inactive members are assumed to withdraw their ASA balance immediately on the valuation date. – 100% of active members who decrement prior to vesting are assumed to withdraw their ASA balance immediately upon decrement. – 100% of non-vested inactive members are assumed to withdraw their ASA balance immediately on the valuation date. Beginning January 1, 2017: – 100% of active members are assumed to withdraw their ASA balance immediately upon decrement. – 100% of inactive members are assumed to withdraw their ASA balance immediately.
ASA Annuitization	Prior to January 1, 2017: – 50% of active members who decrement while vested are assumed to annuitize their ASA balance at their assumed retirement age. – 50% of vested inactive members are assumed to annuitize their ASA balance at their assumed retirement age.

Summary of Actuarial Assumptions and Methods as of June 30, 2014, continued

Actuarial Methods

Funding uses the same Actuarial Methods as accounting and financial reporting, except where noted.

Actuarial Cost Method:	Entry Age Normal – Level Percent of Payroll The normal cost is calculated separately for each active member and is equal to the level percentage of payroll needed as an annual contribution from entry age to retirement age to fund projected benefits. The actuarial accrued liability on any valuation date is the accumulated value of such normal costs from entry age to the valuation date. This method produces a cost of future benefit accruals that is a level percent of pay over time, which is more desirable for employers from a budgeting standpoint. Other actuarial cost methods are more volatile in their allocation of cost for each year of member service.
Amortization Method:	For funding, gains and losses occurring from census experience different than assumed, assumption changes, and benefit changes are amortized over a 30-year period with level payments each year. A new gain or loss base is established each year based on the additional gain or loss during that year and that base is amortized over a new 30-year period. The purpose of the method is to give a smooth progression of the costs from year-to-year and, at the same time, provide for an orderly funding of the unfunded liabilities. For accounting and financial reporting, gains and losses occurring from census experience different than assumed and assumption changes are amortized into expense over the average expected future service of all plan participants (actives and inactives). Gains and losses occurring from investment experience different than assumed are amortized into expense over a 5-year period. The effect of plan changes on the plan liability are fully recognized in expense in the year in which they occur.
Asset Valuation Method:	Funding uses the Actuarial Value of Assets (AVA), which is equal to a four-year smoothing of gains and losses on the Market Value of Assets (MVA), subject to a 20 percent corridor. Accordingly, the AVA is limited to no more than 20 percent greater than or 20 percent less than the MVA. Accounting and financial reporting uses the Market Value of Assets (MVA) in accordance with GASB Statement No. 67.

Analysis of Financial Experience

(dollars in thousands)

	UAAL
Unfunded Actuarial Accrued Liability (UAAL): June 30, 2013	**$ 3,198,397**
UAAL (Gain) / Loss	
Actuarial Value of Assets Experience	(153,724)
Actuarial Accrued Liabilities Experience[1]	(15,161)
Amortization of Existing Bases	(45,565)
Actuarial Assumption & Methodology Changes	–
Plan Provision Changes[2]	(42,985)
Unfunded Actuarial Accrued Liability (UAAL): June 30, 2014	**$ 2,940,962**

[1] *Actuarial Accrued Liabilities Experience includes a gain of approximately $29,438 thousand for retired members being provided a one-time (13th check) in Sept. 2014, rather than a 1.0 percent COLA on Jan. 1, 2015.*

[2] *Impact of 2014 House Enrolled Act No. 1075, which prohibits INPRS from entering into an agreement with a third party for ASA annuitizations prior to Jan. 1, 2017, but specifies ASA annuitization rates of 5.75% starting Sept. 30, 2014, and the greater of 4.5% and a market rate starting Sept. 30, 2015.*

Solvency Test

(dollars in thousands)

	Actuarial Accrued Liabilities					Portion of Actuarial Accrued Liabilities Covered by Assets			
Valuation Date	Active Member Contributions	Retirees and Beneficiaries	Active Member (Employer Financed Portion)	Total Actuarial Accrued Liabilities	Actuarial Value of Assets	Active Member Contributions	Retirees and Beneficiaries	Active Member (Employer Financed Portion)	Total Actuarial Accrued Liabilities
6/30/05	$ 2,382,280	$ 3,301,265	$ 5,174,777	$ 10,858,322	$ 10,471,937	100.0%	100.0%	92.5%	96.4%
6/30/06	2,515,984	3,648,764	5,286,181	11,450,929	11,177,971	100.0	100.0	94.8	97.6
6/30/07	2,707,176	4,007,389	5,725,233	12,439,798	12,220,934	100.0	100.0	96.2	98.2
6/30/08	2,694,331	4,227,366	6,181,524	13,103,221	12,780,116	100.0	100.0	94.8	97.5
6/30/09	2,669,318	4,611,257	6,225,705	13,506,280	12,569,336	100.0	100.0	85.0	93.1
6/30/10	2,780,570	4,931,592	6,793,890	14,506,052	12,357,199	100.0	100.0	68.4	85.2
6/30/11	2,805,023	5,370,786	6,737,338	14,913,147	12,000,586	100.0	100.0	56.8	80.5
6/30/12	2,749,449	5,895,779	7,139,012	15,784,240	12,088,225	100.0	100.0	48.2	76.6
6/30/13	2,796,103	6,367,819	6,981,759	16,145,681	12,947,283	100.0	100.0	54.2	80.2
6/30/14	2,851,501	6,250,902	7,629,820	16,732,223	13,791,261	100.0	100.0	61.5	82.4

Schedule of Active Members Valuation Data

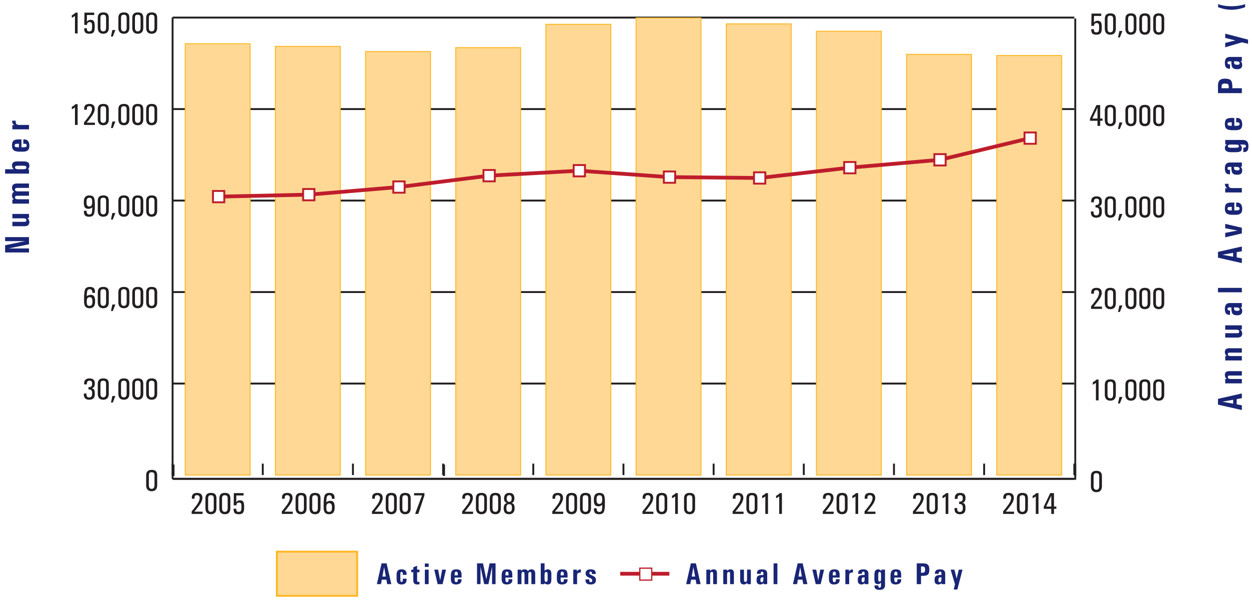
(dollars in thousands – except annual average pay)

Valuation Date	Active Members	Annual[1] Payroll	Annual Average Pay	Annual Percent Increase / (Decrease) In Average Pay
6/30/05	141,428	$ 4,318,450	$ 30,535	3.5 %
6/30/06	140,563	4,322,180	30,749	4.3
6/30/07	138,863	4,385,676	31,583	2.7
6/30/08	140,146	4,600,354	32,825	3.9
6/30/09	147,792	4,931,423	33,367	1.7
6/30/10	149,877	4,896,013	32,667	(2.1)
6/30/11	147,933	4,818,774	32,574	(0.3)
6/30/12	145,519	4,904,052	33,700	3.5
6/30/13	137,937	4,766,910	34,559	2.5
6/30/14[2]	137,567	5,080,092	36,928	6.9

[1] *Figures shown are the anticipated pay for the one-year period following the valuation date.*

[2] *The valuation results as of June 30, 2014 were calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

Total Number of Active Members Per Year and Annual Average Pay



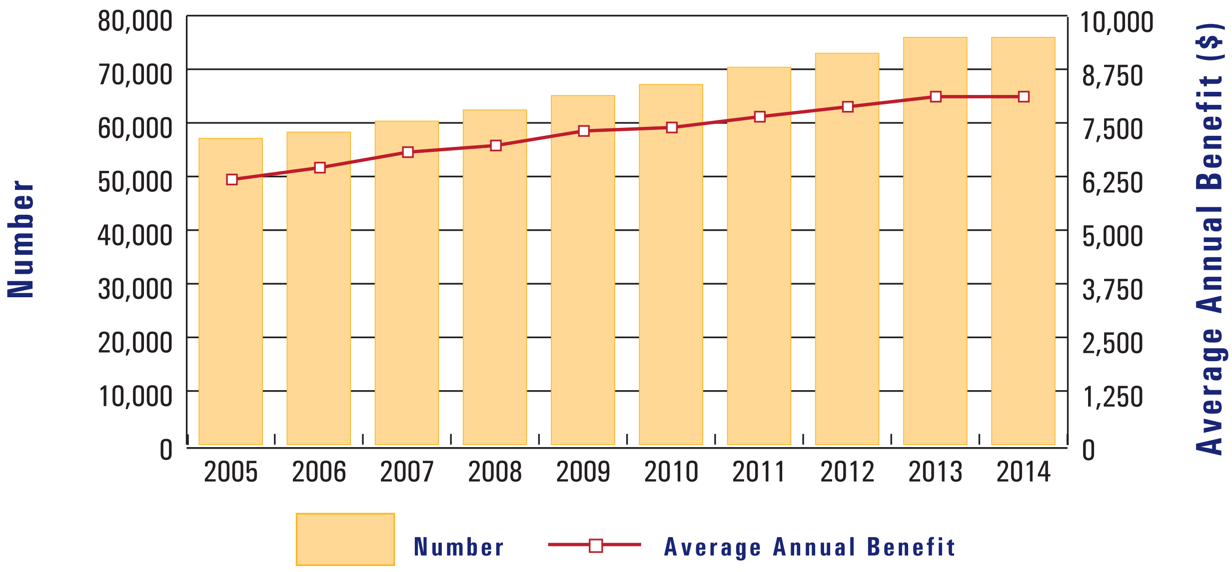
Schedule of Retirants and Beneficiaries

(dollars in thousands – except average annual benefit)

	Added to Rolls		Removed from Rolls		Rolls – End of Year				
Valuation Date	Number	Annual[1,2] Benefits	Number	Annual[1,2] Benefits	Number	Total[1,2] Annual Benefits	Percent Increase / (Decrease) in Total Annual Benefits	Average[1,2] Annual Benefit	Percent Increase/ (Decrease) in Average Annual Benefit
6/30/05	4,499	$ 35,845	1,732	$ 8,358	57,121	$ 354,285	8.8%	$ 6,202	3.5%
6/30/06	3,403	29,572	2,241	14,440	58,283	377,611	6.6	6,479	4.5
6/30/07	4,633	42,653	2,584	15,229	60,332	412,745	9.3	6,841	5.6
6/30/08	5,376	43,915	3,284	18,022	62,424	436,749	5.8	6,996	2.3
6/30/09	6,047	55,726	3,372	19,103	65,099	477,553	9.3	7,336	4.9
6/30/10	4,827	39,214	2,760	19,022	67,166	498,199	4.3	7,417	1.1
6/30/11	5,402	56,185	2,188	11,698	70,380	539,747	8.3	7,669	3.4
6/30/12	4,751	49,766	2,139	12,540	72,992	576,678	6.8	7,901	3.0
6/30/13	5,231	55,523	2,273	13,898	75,950	617,977	7.2	8,137	3.0
6/30/14[3]	-	-	-	-	75,950	617,977	-	8,137	-

[1] End of year annual benefits are not equal to prior end of year annual benefits plus additions less removals due to beneficiary benefit changes, data changes, and COLA increases.
[2] Annual benefits include member annuities.
[3] The valuation results as of June 30, 2014 were calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.

Total Number of Retirants and Beneficiaries Per Year and Average Annual Benefit



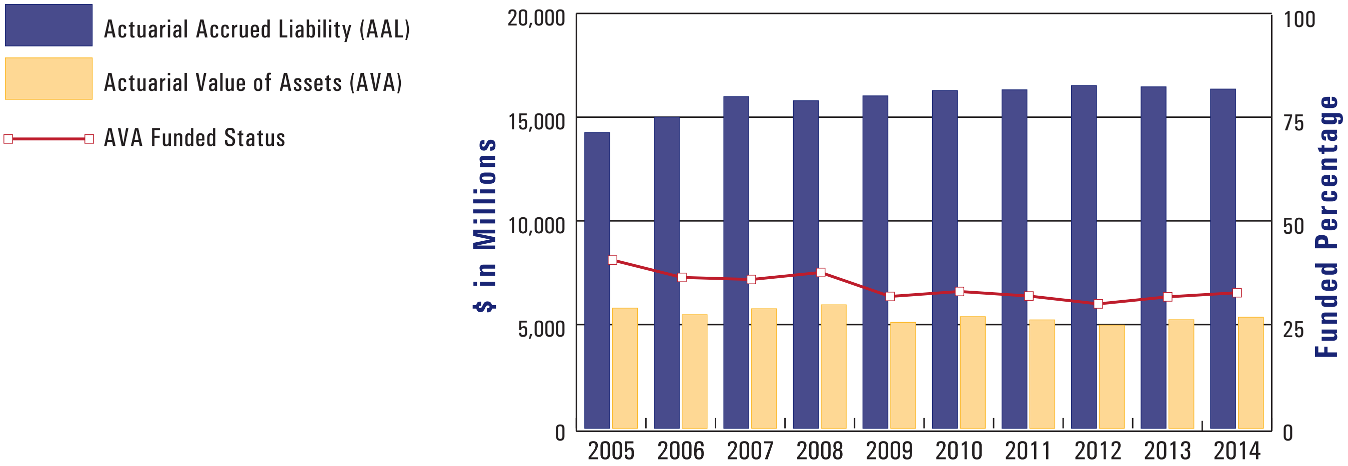
Changes in Plan Provisions

The 2014 House Enrolled Act No. 1075 added paragraphs 2.5 and 2.6 to IC 5-10.5-4, which prohibits INPRS from entering into an agreement with a third party provider to provide annuities for members who wish to annuitize their ASA balance prior to January 1, 2017, and defines the interest rate which must be used for converting ASA balances to annuities in the interim. It is anticipated that an agreement with a third party provider will be entered into effective January 1, 2017. This plan change resulted in a small decrease in Actuarial Accrued Liability and Normal Cost since the prescribed interest rates to be used for annuitization are lower than the rate previously in effect.

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

Teachers' Retirement Fund Pre-1996

Historical Summary of Actuarial Valuation Results by Retirement Plan



(dollars in millions)

Actuarial Valuation as of June 30	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets (AVA)	Unfunded Liability[1] (AAL – AVA)	AVA Funded Status (AVA/AAL)	Covered Employee Payroll[2]	Unfunded Liability[1] as a percentage of Covered Employee Payroll
2005	$ 14,254.1	$ 5,796.7	$ 8,457.4	40.7%	$ 2,305.7	366.8%
2006	15,002.5	5,477.2	9,525.3	36.5	2,237.4	425.7
2007	15,988.3	5,763.5	10,224.8	36.0	2,376.4	430.3
2008	15,792.3	5,954.0	9,838.3	37.7	2,295.8	428.5
2009	16,027.1	5,109.1	10,918.0	31.9	2,030.5	537.7
2010	16,282.1	5,382.4	10,899.7	33.1	1,865.1	584.4
2011	16,318.4	5,227.4	11,091.0	32.0	1,762.8	629.2
2012	16,522.0	4,978.1	11,543.9	30.1	1,637.1	705.2
2013	16,462.4	5,235.1	11,227.3	31.8	1,383.4	811.6
2014	16,355.2	5,358.3	10,996.9	32.8	1,262.8	870.8

[1] *The Unfunded Liability uses the Actuarial Value of Assets (AVA), which is different than Net Pension Liability in the Financial Section which uses the Plan Fiduciary Net Position, also known as the Market Value of Assets (MVA).*

[2] *Covered Employee Payroll can also be found in the RSI Contribution Schedule in the Financial Section.*

Summary of Actuarial Assumptions and Methods as of June 30, 2014

The actuarial assumptions and methods used in the June 30, 2014 valuation of the Teachers' Retirement Fund Pre-1996 Account were adopted by the INPRS Board in April 2014. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2007 through June 30, 2011, which were adopted by the INPRS Board in June 2012, and were first used in the June 30, 2012 valuation. The interest rate / investment return and mortality assumptions were updated for the June 30, 2012 valuation. In addition to the actuarial assumptions and methods the INPRS Board also adopted the funding policy in April 2014. For information on the plan provisions please refer to Note 1 in the financial section of this report.

Changes in Actuarial Assumptions

Assumptions concerning ASA withdrawal and annuitization were added pursuant to the addition of IC 5-10.5-4-2.5 and 2.6 in accordance with the 2014 House Enrolled Act No. 1075.

All other assumptions are the same as the June 30, 2013 valuation.

Changes in Actuarial Methods

Member census data as of June 30, 2013 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2013 and June 30, 2014. Standard actuarial roll forward techniques were then used to project the liabilities computed as of June 30, 2013 to the June 30, 2014 measurement date.

Actuarial Assumptions

Except as noted below, actuarial assumptions used for funding purposes are the same as those used for accounting and financial reporting.

Economic Assumptions

Interest Rate / Investment Return:	
Funding	6.75 percent (net of administrative and investment expenses)
Accounting & Financial Reporting	6.75 percent (net of investment expenses)
Cost of Living Increases:	1.0 percent per year in retirement
Future Salary Increases:	Based on TRF 2007-2011 experience. Illustrative rates shown below:

Years of Service	Inflation	Merit and Seniority	Total Individual Salary Growth
1	3.00%	9.50%	12.50%
5	3.00	4.00	7.00
10	3.00	2.75	5.75
15	3.00	1.50	4.50
20	3.00	0.25	3.25
25	3.00	-	3.00
30	3.00	-	3.00
35	3.00	-	3.00
40	3.00	-	3.00

Inflation:	3.0 percent per year

Summary of Actuarial Assumptions and Methods
as of June 30, 2014, continued

Demographic Assumptions

Mortality (Healthy and Disabled):	2013 IRS Static Mortality projected five (5) years with Scale AA
Retirement:	Based on TRF 2007-2011 experience. Sample probabilities are shown below:

Regular Retirement		Rule of 85 Retirement		Early Retirement	
Age	**Probability**	**Age**	**Probability**	**Age**	**Probability**
				50-53	2.0%
				54	5.0
		55	10.0%	55	5.0
		56	10.0	56	5.0
		57	10.0	57	5.0
		58	12.5	58	5.0
		59	15.0	59	10.0
60	17.5%	60	17.5		
61	20.0	61	20.0		
62	25.0	62	25.0		
63	25.0	63	25.0		
64	25.0	64	25.0		
65	30.0	65	30.0		
66	30.0	66	30.0		
67	30.0	67	30.0		
68	30.0	68	30.0		
69	30.0	69	30.0		
70	100.0	70	100.0		

Termination: Based on TRF 2007-2011 experience. Sample probabilities are shown below:

Service Based			Age Based[1]		
Years of Service	**Male**	**Female**	**Attained Age**	**Male**	**Female**
0	35.0%	35.0%	25	2.0%	3.5%
1	14.0	14.0	30	2.0	3.5
2	11.0	11.0	35	2.0	3.0
3	8.0	9.0	40	2.0	2.0
4	6.0	8.0	45	2.0	2.0
5	4.5	7.0	50	2.0	2.0
6	4.0	6.0	55	2.0	2.0
7	4.0	5.0	60	2.0	2.0
8	3.5	4.5			
9	3.5	4.0			

[1] *Age-based rates apply only if 10 or more years of service.*

Summary of Actuarial Assumptions and Methods as of June 30, 2014, continued

Disability: Based on TRF 2007-2011 experience. Sample probabilities are shown below:

Age	Male	Female
25	0.01%	0.01%
30	0.01	0.01
35	0.01	0.01
40	0.01	0.01
45	0.02	0.02
50	0.05	0.05
55	0.09	0.09
60	0.10	0.10

Spouse/Beneficiary: 100 percent of members are assumed to be married for purposes of valuing death-in-service benefits.

Male spouses are assumed to be three (3) years older than female spouses.

ASA Withdrawal: Prior to January 1, 2017:

- 50% of active members who decrement while vested are assumed to withdraw their ASA balance immediately upon decrement.
- 50% of vested inactive members are assumed to withdraw their ASA balance immediately on the valuation date.
- 100% of active members who decrement prior to vesting are assumed to withdraw their ASA balance immediately upon decrement.
- 100% of non-vested inactive members are assumed to withdraw their ASA balance immediately on the valuation date.

Beginning January 1, 2017:

- 100% of active members are assumed to withdraw their ASA balance immediately upon decrement.
- 100% of inactive members are assumed to withdraw their ASA balance immediately.

ASA Annuitization Prior to January 1, 2017:

- 50% of active members who decrement while vested are assumed to annuitize their ASA balance at their assumed retirement age.
- 50% of vested inactive members are assumed to annuitize their ASA balance at their assumed retirement age.

Summary of Actuarial Assumptions and Methods as of June 30, 2014, continued

Actuarial Methods

Funding uses the same Actuarial Methods as accounting and financial reporting, except where noted.

Actuarial Cost Method:	Entry Age Normal – Level Percent of Payroll The normal cost is calculated separately for each active member and is equal to the level percentage of payroll needed as an annual contribution from entry age to retirement age to fund projected benefits. The actuarial accrued liability on any valuation date is the accumulated value of such normal costs from entry age to the valuation date. This method produces a cost of future benefit accruals that is a level percent of pay over time, which is desirable for employers from a budgeting standpoint. Other actuarial cost methods are more volatile in their allocation of cost for each year of member service.
Amortization Method	For funding, gains and losses occurring from census experience different than assumed, assumption changes, and benefit changes are amortized over a 30-year period with level payments each year. A new gain or loss base is established each year based on the additional gain or loss during that year and that base is amortized over a new 30-year period. The purpose of the method is to give a smooth progression of the costs from year-to-year and, at the same time, provide for an orderly funding of the unfunded liabilities. For accounting and financial reporting, gains and losses occurring from census experience different than assumed and assumption changes are amortized into expense over the average expected future service of all plan participants (actives and inactives). Gains and losses occurring from investment experience different than assumed are amortized into expense over a 5-year period. The effect of plan changes on the plan liability are fully recognized in expense in the year in which they occur.
Asset Valuation Method:	Funding uses the Actuarial Value of Assets (AVA), which is equal to a four-year smoothing of gains and losses on the Market Value of Assets (MVA), subject to a 20 percent corridor. Accordingly, the AVA is limited to no more than 20 percent greater than or 20 percent less than the MVA. Accounting and financial reporting uses the Market Value of Assets (MVA) in accordance with GASB Statement No. 67.

Analysis of Financial Experience

(dollars in thousands)

		UAAL
Unfunded Actuarial Accrued Liability (UAAL): June 30, 2013	**$**	**11,227,275**
UAAL (Gain) / Loss		
Actuarial Value of Assets Experience		(105,699)
Actuarial Accrued Liabilities Experience[1]		(70,518)
Amortization of Existing Bases		(28,669)
Actuarial Assumptions & Methodology Changes		–
Plan Provision Changes[2]		(25,524)
Unfunded Actuarial Accrued Liability (UAAL): June 30, 2014	**$**	**10,996,865**

[1] *Actuarial Accrued Liabilities Experience includes a gain of approximately $75,200 thousand for retired members being provided a one-time (13th check) in September 2014, rather than a 1.0 percent COLA on Jan. 1, 2015.*

[2] *Impact of 2014 House Enrolled Act No. 1075, which prohibits INPRS from entering into an agreement with a third party for ASA annuitizations prior to Jan. 1, 2017, but specifies ASA annuitization rates of 5.75% starting Sept. 30, 2014, and the greater of 4.5% and a market rate starting Sept. 30, 2015.*

Solvency Test

(dollars in thousands)

	Actuarial Accrued Liabilities					Portion of Actuarial Accrued Liabilities Covered by Assets			
Valuation Date	Active Member Contributions	Retirees and Beneficiaries	Active Member (Employer Financed Portion)	Total Actuarial Accrued Liabilities	Actuarial Value of Assets	Active Member Contributions	Retirees and Beneficiaries	Active Member (Employer Financed Portion)	Total Actuarial Accrued Liabilities
6/30/05	$ 2,925,367	$ 5,653,502	$ 5,675,278	$ 14,254,147	$ 5,796,724	100.0%	50.8%	0.0%	40.7%
6/30/06	2,898,891	6,238,115	5,865,465	15,002,471	5,477,221	100.0	41.3	0.0	36.5
6/30/07	3,016,052	7,063,889	5,908,318	15,988,259	5,763,508	100.0	38.9	0.0	36.1
6/30/08	2,613,138	7,244,422	5,934,745	15,792,305	5,953,991	100.0	46.1	0.0	37.7
6/30/09	2,389,886	7,891,346	5,745,861	16,027,093	5,109,086	100.0	34.5	0.0	31.9
6/30/10	2,353,715	8,153,240	5,775,111	16,282,066	5,382,410	100.0	37.1	0.0	33.1
6/30/11	2,015,580	8,776,916	5,525,908	16,318,404	5,227,402	100.0	36.6	0.0	32.0
6/30/12	1,782,353	9,451,792	5,287,870	16,522,015	4,978,107	100.0	33.8	0.0	30.1
6/30/13	1,636,978	10,254,953	4,570,448	16,462,379	5,235,104	100.0	35.1	0.0	31.8
6/30/14	1,525,192	9,876,539	4,953,485	16,355,216	5,358,351	100.0	38.8	0.0	32.8

Schedule of Active Members Valuation Data

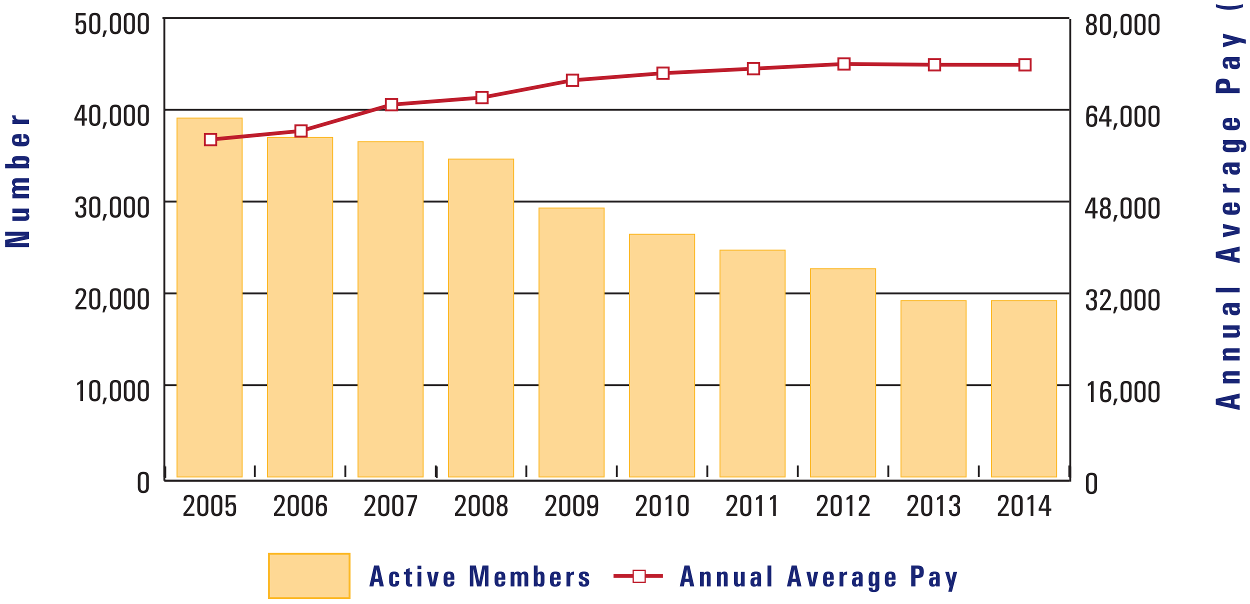
(dollars in thousands – except annual average pay)

Valuation Date	Active Members	Annual[1] Payroll	Annual Average Pay	Annual Percent Increase / (Decrease) In Average Pay
6/30/05	39,097	$ 2,305,726	$ 58,974	2.7 %
6/30/06	36,994	2,237,380	60,480	2.6
6/30/07	36,526	2,376,390	65,060	7.6
6/30/08	34,628	2,295,816	66,299	1.9
6/30/09	29,297	2,030,484	69,307	4.5
6/30/10	26,439	1,865,102	70,544	1.8
6/30/11	24,710	1,762,750	71,338	1.1
6/30/12	22,688	1,637,066	72,156	1.1
6/30/13	19,210	1,383,428	72,016	(0.2)
6/30/14[2]	19,210	1,383,242	72,006	(0.0)

[1] *Figures shown are the anticipated pay for the one-year period following the valuation date.*

[2] *The valuation results as of June 30, 2014 were calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

Total Number of Active Members Per Year and Annual Average Pay



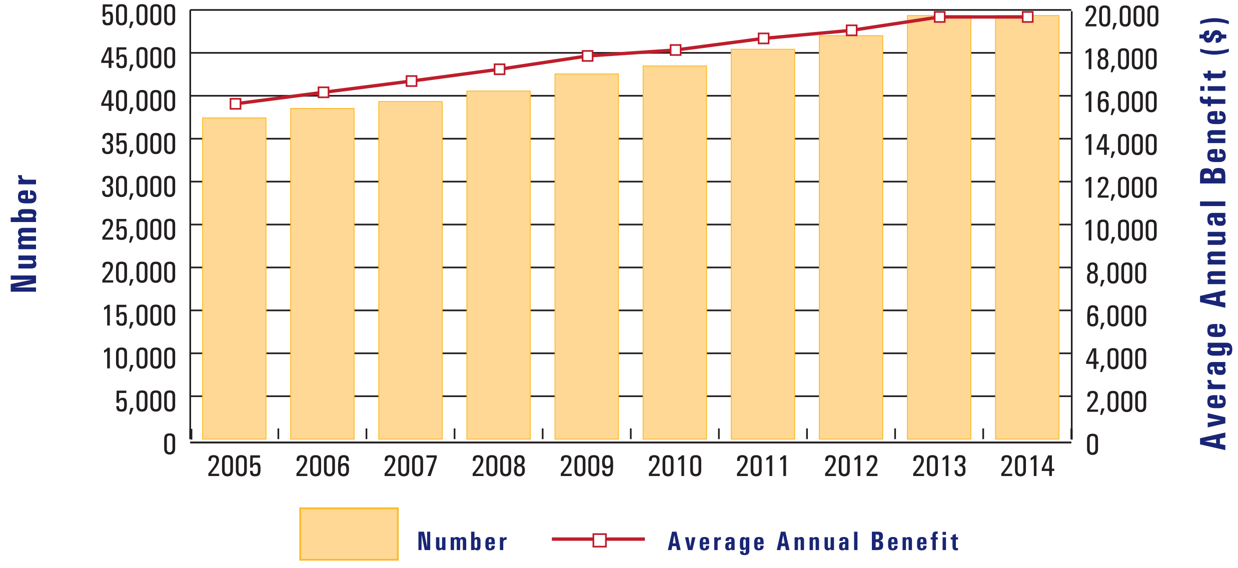
Schedule of Retirants and Beneficiaries

(dollars in thousands – except average annual benefit)

	Added to Rolls		Removed from Rolls		Rolls – End of Year				
Valuation Date	Number	Annual Benefits	Number	Annual Benefits	Number	Total[1] Annual Benefits	Percent Increase / (Decrease) in Total Annual Benefits	Average[2] Annual Benefit	Percent Increase/ (Decrease) in Average Annual Benefit
6/30/05[3]					37,421	$ 586,597	7.2%	$ 15,676	4.0%
6/30/06[3]					38,522	624,573	6.5	16,213	3.4
6/30/07	2,292	$ 52,947	1,063	$ 12,167	39,328	658,297	5.4	16,739	3.2
6/30/08	2,296	52,167	966	11,026	40,554	701,155	6.5	17,289	3.3
6/30/09[4]	2,344	56,819	929	11,062	42,548	762,067	8.7	17,911	3.6
6/30/10	1,940	47,657	1,010	11,982	43,478	790,773	3.8	18,188	1.5
6/30/11	3,003	77,290	1,060	13,121	45,421	850,711	7.6	18,729	3.0
6/30/12	2,541	63,923	962	12,216	47,000	898,006	5.6	19,107	2.0
6/30/13	3,422	93,605	1,077	14,524	49,345	973,635	8.4	19,731	3.3
6/30/14[5]	-	93,605	-	14,524	49,345	973,635	-	19,731	0.0

[1] *End of year annual benefits are not equal to prior end of year annual benefits plus additions less removals due to beneficiary benefit changes, data changes, and COLA increases.*
[2] *Average annual benefit includes member annuities.*
[3] *Adds & Drops prior to fiscal year 2007 are not available.*
[4] *The end of year number of benefit recipients are not equal to prior end of year number of benefit recipients plus additions less removals due to reclassifications between Pre-1996 Account and 1996 Account.*
[5] *The valuation results as of June 30, 2014 were calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

Total Number of Retirants and Beneficiaries Per Year and Average Annual Benefit



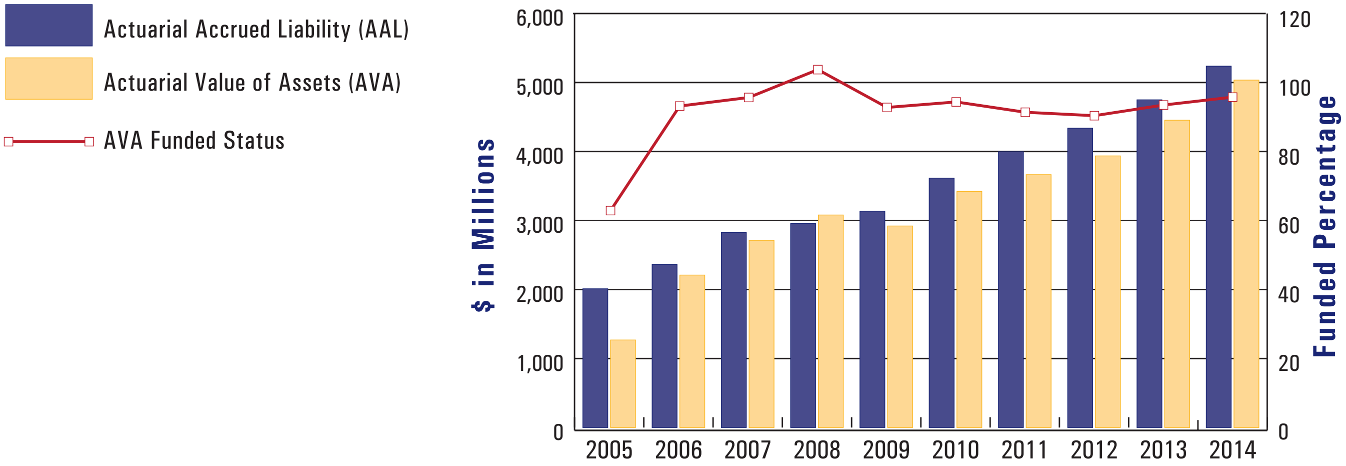
Changes in Plan Provisions

The 2014 House Enrolled Act No. 1075 added paragraphs 2.5 and 2.6 to IC 5-10.5-4, which prohibits INPRS from entering into an agreement with a third party provider to provide annuities for members who wish to annuitize their ASA balance prior to January 1, 2017, and defines the interest rate which must be used for converting ASA balances to annuities in the interim. It is anticipated that an agreement with a third party provider will be entered into effective January 1, 2017. This plan change resulted in a small decrease in Actuarial Accrued Liability and Normal Cost since the prescribed interest rates to be used for annuitization are lower than the rate previously in effect.

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

Teachers' Retirement Fund 1996

Historical Summary of Actuarial Valuation Results by Retirement Plan, continued



(dollars in millions)

Actuarial Valuation as of June 30	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets (AVA)	Unfunded Liability[1] (AAL – AVA)	AVA Funded Status (AVA/AAL)	Covered Employee Payroll[2]	Unfunded Liability[1] as a percentage of Covered Employee Payroll
2005	$ 2,010.7	$ 1,268.6	$ 742.1	63.1%	$ 1,325.0	56.0 %
2006	2,363.1	2,209.5	153.6	93.5	1,425.0	10.8
2007	2,827.6	2,713.1	114.5	96.0	1,675.0	6.8
2008	2,957.8	3,080.1	(122.3)	104.1	1,825.0	(6.7)
2009	3,135.5	2,920.7	214.8	93.1	2,075.0	10.4
2010	3,614.6	3,422.6	192.0	94.7	2,200.0	8.7
2011	3,996.8	3,664.6	332.2	91.7	2,225.0	14.9
2012	4,338.3	3,936.4	401.9	90.7	2,400.0	16.7
2013	4,749.3	4,453.8	295.5	93.8	2,442.5	12.1
2014	5,237.0	5,035.2	201.8	96.1	2,598.1	7.8

[1] *The Unfunded Liability uses the Actuarial Value of Assets (AVA), which is different than Net Pension Liability in the Financial Section which uses the Plan Fiduciary Net Position, also known as the Market Value of Assets (MVA).*

[2] *Covered Employee Payroll can also be found in the RSI Contribution Schedule in the Financial Section.*

Summary of Actuarial Assumptions and Methods as of June 30, 2014

The actuarial assumptions and methods used in the June 30, 2014 valuation of the Teachers' Retirement Fund 1996 Account were adopted by the INPRS Board in April 2014. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2007 through June 30, 2011, which were adopted by the INPRS Board in June 2012, and were first used in the June 30, 2012 valuation. The interest rate / investment return and mortality assumptions were updated for the June 30, 2012 valuation. In addition to the actuarial assumptions and methods the INPRS Board also adopted the funding policy in April 2014. For information on the plan provisions please refer to Note 1 in the financial section of this report.

Changes in Actuarial Assumptions

Assumptions concerning ASA withdrawal and annuitization were added pursuant to the addition of IC 5-10.5-4-2.5 and 2.6 in accordance with the 2014 House Enrolled Act No. 1075.

All other assumptions are the same as the June 30, 2013 valuation.

Changes in Actuarial Methods

Member census data as of June 30, 2013 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2013 and June 30, 2014. Standard actuarial roll forward techniques were then used to project the liabilities computed as of June 30, 2013 to the June 30, 2014 measurement date.

Actuarial Assumptions

Except as noted below, actuarial assumptions used for funding purposes are the same as those used for accounting and financial reporting.

Economic Assumptions

Interest Rate / Investment Return:	
Funding	6.75 percent (net of administrative and investment expenses)
Accounting & Financial Reporting	6.75 percent (net of investment expenses)
Cost of Living Increases:	1.0 percent per year in retirement
Future Salary Increases:	Based on TRF 2007-2011 experience. Illustrative rates shown below:

Years of Service	Inflation	Merit and Seniority	Total Individual Salary Growth
1	3.00%	9.50%	12.50%
5	3.00	4.00	7.00
10	3.00	2.75	5.75
15	3.00	1.50	4.50
20	3.00	0.25	3.25
25	3.00	-	3.00
30	3.00	-	3.00
35	3.00	-	3.00
40	3.00	-	3.00

Inflation:	3.0 percent per year

Summary of Actuarial Assumptions and Methods as of June 30, 2014, continued

Demographic Assumptions

Mortality (Healthy and Disabled): 2013 IRS Static Mortality projected five (5) years with Scale AA

Retirement: Based on TRF 2007-2011 experience. Sample probabilities are shown below:

Regular Retirement		Rule of 85 Retirement		Early Retirement	
Age	Probability	Age	Probability	Age	Probability
				50-53	2.0%
				54	5.0
		55	10.0%	55	5.0
		56	10.0	56	5.0
		57	10.0	57	5.0
		58	12.5	58	5.0
		59	15.0	59	10.0
60	17.5%	60	17.5		
61	20.0	61	20.0		
62	25.0	62	25.0		
63	25.0	63	25.0		
64	25.0	64	25.0		
65	30.0	65	30.0		
66	30.0	66	30.0		
67	30.0	67	30.0		
68	30.0	68	30.0		
69	30.0	69	30.0		
70	100.0	70	100.0		

Termination: Based on TRF 2007-2011 experience. Sample probabilities are shown below:

Service Based			Age Based[1]		
Years of Service	Male	Female	Attained Age	Male	Female
0	35.0%	35.0%	25	2.0%	3.5%
1	14.0	14.0	30	2.0	3.5
2	11.0	11.0	35	2.0	3.0
3	8.0	9.0	40	2.0	2.0
4	6.0	8.0	45	2.0	2.0
5	4.5	7.0	50	2.0	2.0
6	4.0	6.0	55	2.0	2.0
7	4.0	5.0	60	2.0	2.0
8	3.5	4.5			
9	3.5	4.0			

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[1] *Age-based rates apply only if 10 or more years of service.*

Summary of Actuarial Assumptions and Methods as of June 30, 2014, continued

Disability:

Based on TRF 2007-2011 experience. Sample probabilities are shown below:

Age	Male	Female
25	0.01%	0.01%
30	0.01	0.01
35	0.01	0.01
40	0.01	0.01
45	0.02	0.02
50	0.05	0.05
55	0.09	0.09
60	0.10	0.10

Spouse/Beneficiary:

100 percent of members are assumed to be married for purposes of valuing death-in-service benefits.

Male spouses are assumed to be three (3) years older than female spouses.

ASA Withdrawal:

Prior to January 1, 2017:
- 50% of active members who decrement while vested are assumed to withdraw their ASA balance immediately upon decrement.
- 50% of vested inactive members are assumed to withdraw their ASA balance immediately on the valuation date.
- 100% of active members who decrement prior to vesting are assumed to withdraw their ASA balance immediately upon decrement.
- 100% of non-vested inactive members are assumed to withdraw their ASA balance immediately on the valuation date.

Beginning January 1, 2017:
- 100% of active members are assumed to withdraw their ASA balance immediately upon decrement.
- 100% of inactive members are assumed to withdraw their ASA balance immediately.

ASA Annuitization

Prior to January 1, 2017:
- 50% of active members who decrement while vested are assumed to annuitize their ASA balance at their assumed retirement age.
- 50% of vested inactive members are assumed to annuitize their ASA balance at their assumed retirement age.

Summary of Actuarial Assumptions and Methods as of June 30, 2014, continued

Actuarial Methods

Funding uses the same Actuarial Methods as accounting and financial reporting, except where noted.

Actuarial Cost Method:	Entry Age Normal – Level Percent of Payroll The normal cost is calculated separately for each active member and is equal to the level percentage of payroll needed as an annual contribution from entry age to retirement age to fund projected benefits. The actuarial accrued liability on any valuation date is the accumulated value of such normal costs from entry age to the valuation date. This method produces a cost of future benefit accruals that is a level percent of pay over time, which is desirable for employers from a budgeting standpoint. Other actuarial cost methods are more volatile in their allocation of cost for each year of member service.
Amortization Method	For funding, gains and losses occurring from census experience different than assumed, assumption changes, and benefit changes are amortized over a 30-year period with level payments each year. A new gain or loss base is established each year based on the additional gain or loss during that year and that base is amortized over a new 30-year period. The purpose of the method is to give a smooth progression of the costs from year-to-year and, at the same time, provide for an orderly funding of the unfunded liabilities. For accounting and financial reporting, gains and losses occurring from census experience different than assumed and assumption changes are amortized into expense over the average expected future service of all plan participants (actives and inactives). Gains and losses occurring from investment experience different than assumed are amortized into expense over a 5-year period. The effect of plan changes on the plan liability are fully recognized in expense in the year in which they occur.
Asset Valuation Method:	Funding uses the Actuarial Value of Assets (AVA), which is equal to a four-year smoothing of gains and losses on the Market Value of Assets (MVA), subject to a 20 percent corridor. Accordingly, the AVA is limited to no more than 20 percent greater than or 20 percent less than the MVA. Accounting and financial reporting uses the Market Value of Assets (MVA) in accordance with GASB Statement No. 67.

Analysis of Financial Experience

(dollars in thousands)

		UAAL
Unfunded Actuarial Accrued Liability (UAAL): June 30, 2013	**$**	**295,540**
UAAL (Gain) / Loss		
Actuarial Value of Assets Experience		(74,202)
Actuarial Accrued Liabilities Experience[1]		504
Amortization of Existing Bases		(15,576)
Actuarial Assumption & Methodology Changes		–
Plan Provision Changes[2]		(4,504)
Unfunded Actuarial Accrued Liability (UAAL): June 30, 2014	**$**	**201,762**

[1] *Actuarial Accrued Liabilities Experience includes a gain of approximately $6,700 thousand for retired members being provided a one-time (13th check) in September 2014, rather than a 1.0 percent COLA on Jan. 1, 2015.*

[2] *Impact of 2014 House Enrolled Act No. 1075, which prohibits INPRS from entering into an agreement with a third party for ASA annuitizations prior to Jan. 1, 2017, but specifies ASA annuitization rates of 5.75% starting Sept. 30, 2014, and the greater of 4.5% and a market rate starting Sept. 30, 2015.*

Solvency Test

(dollars in thousands)

	Actuarial Accrued Liabilities					Portion of Actuarial Accrued Liabilities Covered by Assets			
Valuation Date	Active Member Contributions	Retirees and Beneficiaries	Active Member (Employer Financed Portion)	Total Actuarial Accrued Liabilities	Actuarial Value of Assets	Active Member Contributions	Retirees and Beneficiaries	Active Member (Employer Financed Portion)	Total Actuarial Accrued Liabilities
6/30/05	$ 535,179	$ 219,722	$ 1,255,845	$ 2,010,746	$ 1,268,575	100.0%	100.0%	40.9%	63.1%
6/30/06	602,051	282,638	1,478,412	2,363,101	2,209,468	100.0	100.0	89.6	93.5
6/30/07	656,918	449,452	1,721,184	2,827,554	2,713,052	100.0	100.0	93.3	95.9
6/30/08	649,840	514,933	1,792,985	2,957,758	3,080,056	100.0	100.0	100.0	104.1
6/30/09	655,843	432,942	2,046,748	3,135,533	2,920,735	100.0	100.0	89.5	93.1
6/30/10	750,575	483,117	2,380,867	3,614,559	3,422,554	100.0	100.0	91.9	94.7
6/30/11	840,341	562,445	2,594,053	3,996,839	3,664,657	100.0	100.0	87.2	91.7
6/30/12	882,942	662,558	2,792,809	4,338,309	3,936,455	100.0	100.0	85.6	90.7
6/30/13	975,309	798,486	2,975,573	4,749,368	4,453,828	100.0	100.0	90.1	93.8
6/30/14	1,102,686	777,287	3,357,020	5,236,993	5,035,232	100.0	100.0	94.0	96.1

Schedule of Active Members Valuation Data

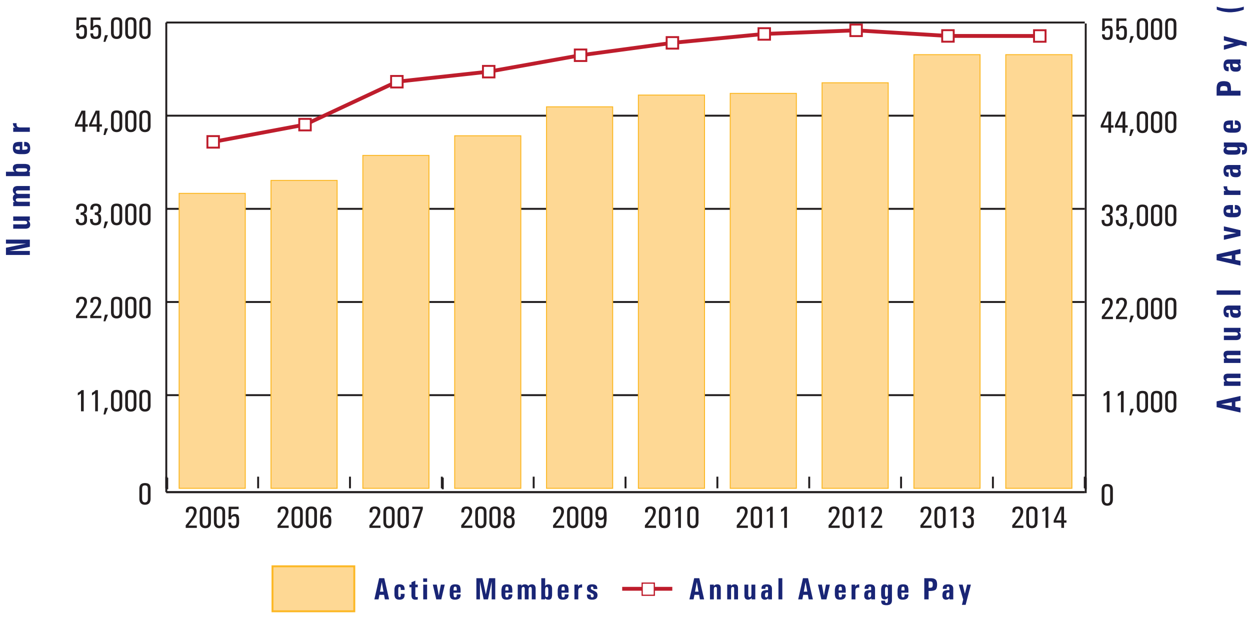
(dollars in thousands – except annual average pay)

Valuation Date	Active Members	Annual[1] Payroll	Annual Average Pay	Annual Percent Increase / (Decrease) In Average Pay
6/30/05	34,826	$ 1,428,604	$ 41,021	3.6 %
6/30/06	36,356	1,565,341	43,056	5.0
6/30/07	39,307	1,891,605	48,124	11.8
6/30/08	41,628	2,052,719	49,311	2.5
6/30/09	45,046	2,308,548	51,249	3.9
6/30/10	46,433	2,447,509	52,711	2.9
6/30/11	46,633	2,507,193	53,764	2.0
6/30/12	47,885	2,594,952	54,191	0.8
6/30/13	51,204	2,740,940	53,530	(1.2)
6/30/14[2]	51,204	2,740,661	53,524	(0.0)

[1] *Figures shown are the anticipated pay for the one-year period following the valuation date.*

[2] *The valuation results as of June 30, 2014 were calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

Total Number of Active Members Per Year and Annual Average Pay



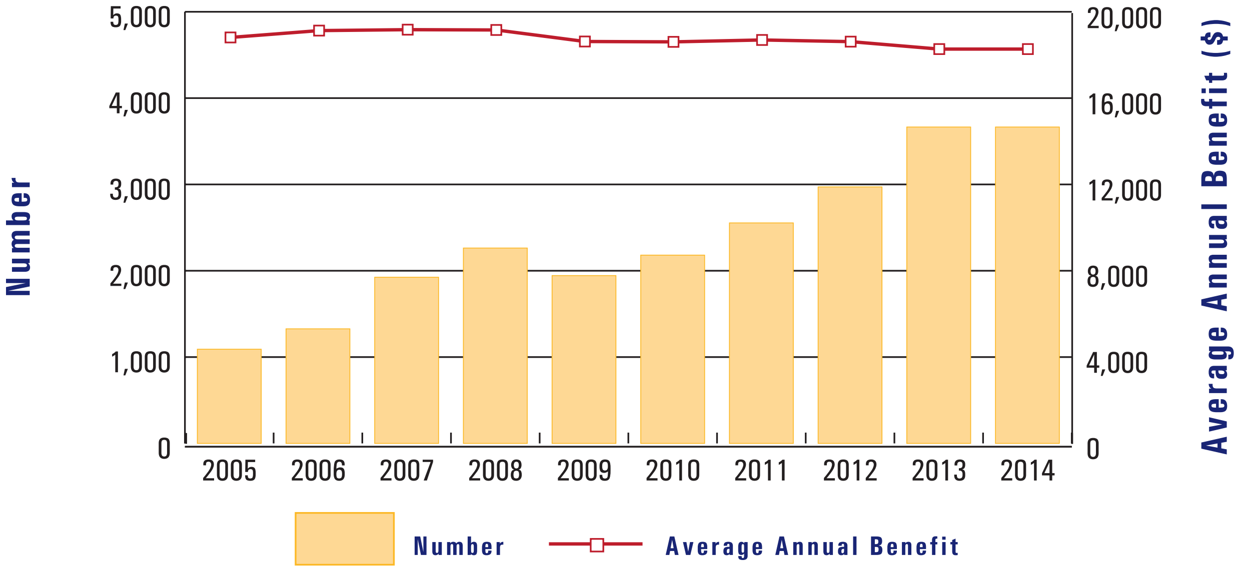
Schedule of Retirants and Beneficiaries

(dollars in thousands – except average annual benefit)

	Added to Rolls		Removed from Rolls		Rolls – End of Year				
Valuation Date	Number	Annual Benefits	Number	Annual Benefits	Number	Total[1] Annual Benefits	Percent Increase / (Decrease) in Total Annual Benefits	Average[2] Annual Benefit	Percent Increase/ (Decrease) in Average Annual Benefit
6/30/05[3]	-	$ -	-	$ -	1,091	$ 20,584	42.2 %	$ 18,867	3.8%
6/30/06[3]	-	-	-	-	1,327	25,459	23.7	19,185	1.7
6/30/07	197	3,658	22	416	1,925	37,013	45.4	19,228	0.2
6/30/08	255	5,126	21	316	2,263	43,482	17.5	19,214	(0.1)
6/30/09[4]	270	5,145	10	119	1,944	36,312	(16.5)	18,679	(2.8)
6/30/10	249	4,859	12	129	2,181	40,701	12.1	18,662	(0.1)
6/30/11	390	7,666	17	253	2,554	47,887	17.7	18,750	0.5
6/30/12	433	8,132	16	236	2,971	55,475	15.8	18,672	(0.4)
6/30/13	712	12,216	18	251	3,665	67,169	21.1	18,327	(1.8)
6/30/14[5]	-	12,216	-	251	3,665	67,169	-	18,327	-

[1] End of year annual benefits are not equal to prior end of year annual benefits plus additions less removals due to beneficiary benefit changes, data changes, and COLA increases.
[2] Average annual benefit includes member annuities.
[3] Adds & Drops prior to fiscal year 2007 are not available.
[4] The end of year number of benefit recipients are not equal to prior end of year number of benefit recipients plus additions less removals due to reclassifications between Pre-1996 Account and 1996 Account.
[5] The valuation results as of June 30, 2014 were calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.

Total Number of Retirants and Beneficiaries Per Year and Average Annual Benefit



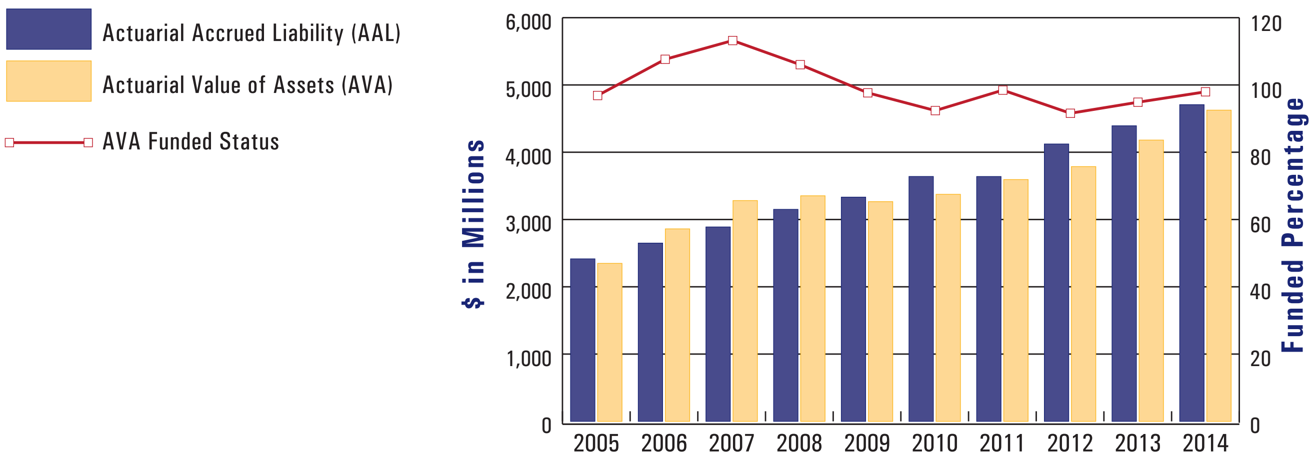
Changes in Plan Provisions

The 2014 House Enrolled Act No. 1075 added paragraphs 2.5 and 2.6 to IC 5-10.5-4, which prohibits INPRS from entering into an agreement with a third party provider to provide annuities for members who wish to annuitize their ASA balance prior to January 1, 2017, and defines the interest rate which must be used for converting ASA balances to annuities in the interim. It is anticipated that an agreement with a third party provider will be entered into effective January 1, 2017. This plan change resulted in a small decrease in Actuarial Accrued Liability and Normal Cost since the prescribed interest rates to be used for annuitization are lower than the rate previously in effect.

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

1977 Police Officers' and Firefighters' Pension and Disability Fund

Historical Summary of Actuarial Valuation Results by Retirement Plan



(dollars in millions)

Actuarial Valuation as of June 30	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets (AVA)	Unfunded Liability[1] (AAL – AVA)	AVA Funded Status (AVA/AAL)	Covered Employee Payroll[2]	Unfunded Liability[1] as a percentage of Covered Employee Payroll
2005[3]	$ 2,415.1	$ 2,348.0	$ 67.1	97.2%	$ 519.0	18.7%
2006[3]	2,649.5	2,860.5	(211.0)	108.0	682.0	15.8
2007[3]	2,889.3	3,281.5	(392.2)	113.6	585.0	19.4
2008[3]	3,150.8	3,352.7	(201.9)	106.4	635.0	16.8
2009[4]	3,332.7	3,265.6	67.1	98.0	330.0	14.8
2010	3,639.6	3,374.4	265.2	92.7	670.0	13.8
2011	3,639.0	3,593.8	45.2	98.8	687.0	14.4
2012	4,122.4	3,786.6	335.8	91.9	690.0	13.3
2013	4,392.9	4,180.7	212.2	95.2	695.0	13.7
2014	4,707.0	4,625.5	81.5	98.3	710.6	13.8

[1] The Unfunded Liability uses the Actuarial Value of Assets (AVA), which is different than Net Pension Liability in the Financial Section which uses the Plan Fiduciary Net Position, also known as the Market Value of Assets (MVA).

[2] Covered Employee Payroll can also be found in the RSI Contribution Schedule in the Financial Section.

[3] Actuarial Valuations from 2005-2008 were based off of a December year end.

[4] Covered employee payroll represents only a half year of activity.

Summary of Actuarial Assumptions and Methods as of June 30, 2014

The actuarial assumptions and methods used in the June 30, 2014 valuation of the 1977 Police Officers' and Firefighters' Pension and Disability Fund were adopted by the INPRS Board in April 2014. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2005 through June 30, 2010, which were adopted by the INPRS Board in September 2011, and were first used in the June 30, 2011 valuation. The interest rate / investment return and mortality assumptions were updated for the June 30, 2012 valuation. In addition to the actuarial assumptions and methods the INPRS Board also adopted the funding policy in April 2014. For information on the plan provisions please refer to Note 1 in the financial section of this report.

Changes in Actuarial Assumptions

For the actuarial valuation as of June 30, 2014, there were no changes to the actuarial assumptions from the actuarial valuation as of June 30, 2013.

Changes in Actuarial Methods

Member census data as of June 30, 2013 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2013 and June 30, 2014. Standard actuarial roll forward techniques were then used to project the liabilities computed as of June 30, 2013 to the June 30, 2014 measurement date.

Actuarial Assumptions

Exceptions noted below, actuarial assumptions used for funding purposes are the same as those used for accounting and financial reporting.

Economic Assumptions

Interest Rate / Investment Return:	
Funding	6.75 percent (net of administrative and investment expenses)
Accounting & Financial Reporting	6.75 percent (net of investment expenses)
Interest on Member Contributions:	3.5 percent per year
Cost of Living Increases:	2.25 percent per year in retirement
Future Salary Increases:	3.25 percent per year
Inflation:	3.0 percent per year

Demographic Assumptions

Mortality (Healthy and Disabled):	2013 IRS Static Mortality projected five (5) years with Scale AA
Retirement:	Based on 2005-2010 experience. Illustrative rates shown below:

Ages	Service < 32	Service >= 32
45-51	10%	100%
52-57	10	20
58-61	15	20
62-64	20	20
65-69	50	50
70+	100	100

Summary of Actuarial Assumptions and Methods as of June 30, 2014, continued

Termination: Based on 2005-2010 experience. Illustrative rates shown below:

Service	Rate	Service	Rate
0	40.0%	7-9	2.0%
1	20.0	10-14	1.5
2	5.0	15-19	1.0
3	4.0	20+	1.5
4	3.5		
5	3.0		
6	2.5		

Disability: Based on 2005-2010 experience. Illustrative rates shown below:

Age	Rate
20	0.000%
25	0.075
30	0.150
35	0.200
40	0.400
45+	0.700

Spouse/Beneficiary: 80 percent of male members and 50 percent of female members are assumed to be married or to have a dependent beneficiary. Male members are assumed to be three (3) years older than females and female members are assumed to be the same age as males.

Disability Retirement: For members hired after 1989 that become disabled, impairments are assumed to be 45 percent Class 1 (at 65 percent of salary), 10 percent Class 2 (at 50 percent of salary), and 45 percent Class 3 (at 36 percent of salary).

Pre-Retirement Death: Of active member deaths, 10 percent are assumed to be in the line of duty and 90 percent are other than in the line of duty. Additionally, all deaths among retired and disabled members are other than in the line of duty.

Summary of Actuarial Assumptions and Methods as of June 30, 2014, continued

Actuarial Methods

Funding uses the same Actuarial Methods as accounting and financial reporting, except where noted.

Actuarial Cost Method:	Entry Age Normal – Level Percent of Payroll The normal cost is calculated separately for each active member and is equal to the level percentage of payroll needed as an annual contribution from entry age to retirement age to fund projected benefits. The actuarial accrued liability on any valuation date is the accumulated value of such normal costs from entry age to the valuation date. This method produces a cost of future benefit accruals that is a level percent of pay over time, which is desirable for employers from a budgeting standpoint. Other actuarial cost methods are more volatile in their allocation of cost for each year of member service.
Amortization Method:	For funding, gains and losses occurring from census experience different than assumed, assumption changes, and benefit changes are amortized over a 30-year period with level payments each year. A new gain or loss base is established each year based on the additional gain or loss during that year and that base is amortized over a new 30-year period. The purpose of the method is to give a smooth progression of the costs from year-to-year and, at the same time, provide for an orderly funding of the unfunded liabilities. For accounting and financial reporting, gains and losses occurring from census experience different than assumed and assumption changes are amortized into expense over the average expected future service of all plan participants (actives and inactives). Gains and losses occurring from investment experience different than assumed are amortized into expense over a 5-year period. The effect of plan changes on the plan liability are fully recognized in expense in the year in which they occur.
Asset Valuation Method:	Funding uses the Actuarial Value of Assets (AVA), which is equal to a four-year smoothing of gains and losses on the Market Value of Assets (MVA), subject to a 20 percent corridor. Accordingly, the AVA is limited to no more than 20 percent greater than or 20 percent less than the MVA. Accounting and financial reporting uses the Market Value of Assets (MVA) in accordance with GASB Statement No. 67.

Analysis of Financial Experience

(dollars in thousands)

		UAAL
Unfunded Actuarial Accrued Liability (UAAL): June 30, 2013	**$**	**212,243**
UAAL (Gain) / Loss		
Actuarial Value of Assets Experience		(115,940)
Actuarial Accrued Liabilities Experience[1]		(11,754)
Amortization of Existing Bases		(3,027)
Actuarial Assumption & Methodology Changes		-
Plan Provision Changes		-
Unfunded Actuarial Accrued Liability (UAAL): June 30, 2014	**$**	**81,522**

[1] *A Cost-of-Living Adjustment (COLA) of 1.4% was effective as of July 1, 2014, rather than the assumed COLA of 2.25%.*

Solvency Test

(dollars in thousands)

	Actuarial Accrued Liabilities					Portion of Actuarial Accrued Liabilities Covered by Assets			
Valuation Date	**Active Member Contributions**	**Retirees and Beneficiaries**	**Active Member (Employer Financed Portion)**	**Total Actuarial Accrued Liabilities**	**Actuarial Value of Assets**	**Active Member Contributions**	**Retirees and Beneficiaries**	**Active Member (Employer Financed Portion)**	**Total Actuarial Accrued Liabilities**
6/30/05[1]	$ 403,643	$ 503,498	$ 1,507,912	$ 2,415,053	$ 2,347,986	100.0%	100.0%	95.6%	97.2%
6/30/06[1]	455,476	546,628	1,647,421	2,649,525	2,860,512	100.0	100.0	100.0	108.0
6/30/07[1]	498,662	655,827	1,734,806	2,889,295	3,281,480	100.0	100.0	100.0	113.6
6/30/08[1]	534,303	765,909	1,850,615	3,150,827	3,352,705	100.0	100.0	100.0	106.4
6/30/09	571,534	793,167	1,967,985	3,332,686	3,265,598	100.0	100.0	96.6	98.0
6/30/10	634,865	859,626	2,145,178	3,639,669	3,374,438	100.0	100.0	87.6	92.7
6/30/11	679,849	970,676	1,988,431	3,638,956	3,593,787	100.0	100.0	97.7	98.8
6/30/12	728,892	1,135,538	2,258,006	4,122,436	3,786,595	100.0	100.0	85.1	91.9
6/30/13	782,124	1,288,457	2,322,366	4,392,947	4,180,704	100.0	100.0	90.9	95.2
6/30/14	809,877	1,280,920	2,616,200	4,706,997	4,625,475	100.0	100.0	96.9	98.3

[1] *As of December 31 instead of June 30*

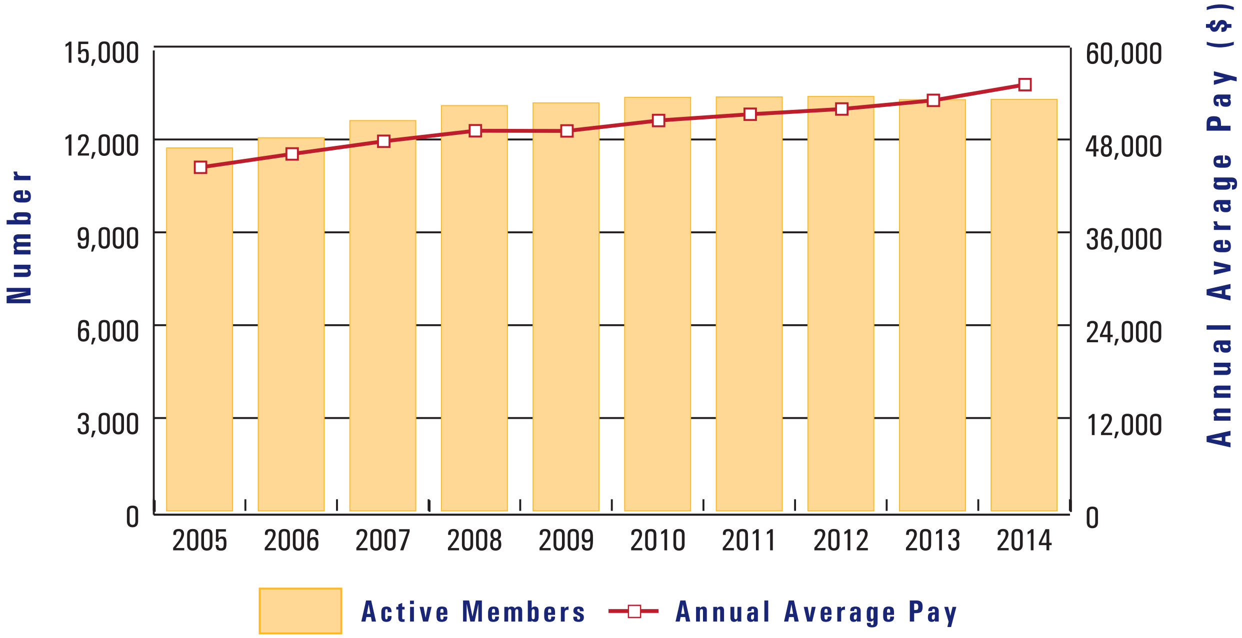
Schedule of Active Members Valuation Data

(dollars in thousands – except annual average pay)

Valuation Date	Active Members	Annual[1] Payroll	Annual Average Pay	Annual Percent Increase / (Decrease) In Average Pay
6/30/05[2]	11,728	$ 522,227	$ 44,528	3.0%
6/30/06[2]	12,056	557,644	46,254	3.9
6/30/07[2]	12,611	603,963	47,892	3.5
6/30/08[2]	13,095	644,936	49,251	2.8
6/30/09	13,184	649,018	49,228	-
6/30/10	13,362	675,797	50,576	2.7
6/30/11	13,376	687,342	51,386	1.6
6/30/12	13,390	697,111	52,062	1.3
6/30/13	13,287	706,603	53,180	2.1
6/30/14[3]	13,295	734,024	55,211	3.8

[1] *Figures shown are the anticipated pay for the one-year period following the valuation date.*
[2] *As of December 31 instead of June 30.*
[3] *The valuation results as of June 30, 2014 were calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

Total Number of Active Members Per Year and Annual Average Pay



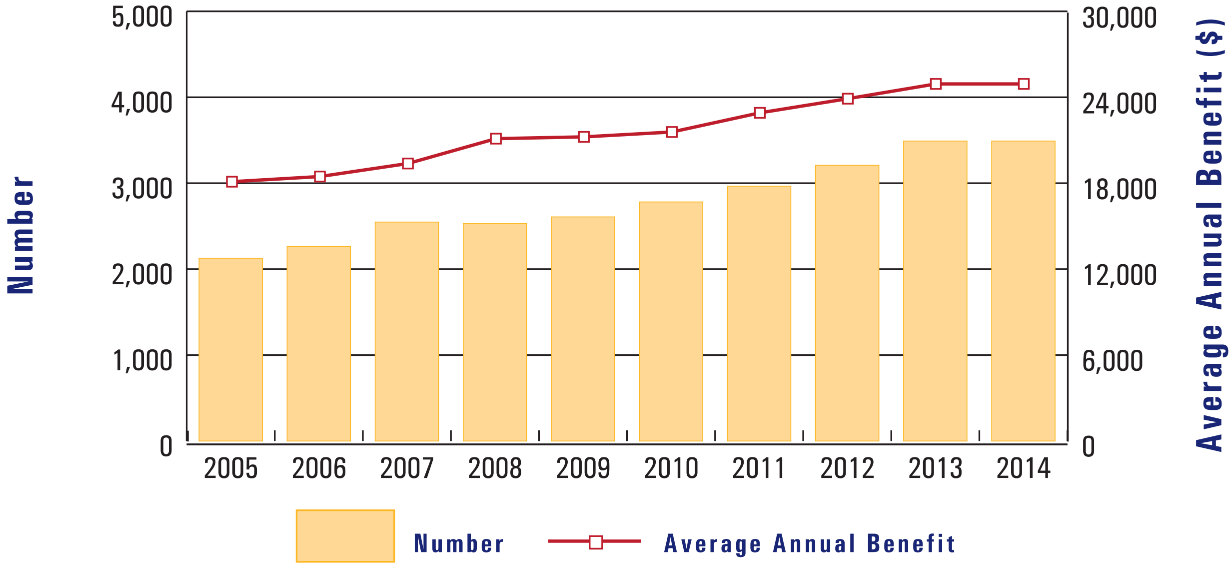
Schedule of Retirants and Beneficiaries

(dollars in thousands – except average annual benefit)

	Added to Rolls		Removed from Rolls		Rolls – End of Year				
Valuation Date	**Number**	**Annual Benefits**	**Number**	**Annual Benefits**	**Number**	**Total[1] Annual Benefits**	**Percent Increase / (Decrease) in Total Annual Benefits**	**Average Annual Benefit**	**Percent Increase/ (Decrease) in Average Annual Benefit**
6/30/05[2]	257	$ 5,493	28	$ 554	2,127	$ 38,648	14.7%	$ 18,170	2.3%
6/30/06[2]	172	3,860	34	592	2,265	41,973	8.6	18,531	2.0
6/30/07[2]	333	8,101	50	886	2,548	49,537	18.0	19,442	4.9
6/30/08[2]	255	5,861	273	4,565	2,530	53,588	8.2	21,181	8.9
6/30/09	102	2,571	24	479	2,608	55,564	3.7	21,305	0.6
6/30/10	208	4,918	34	641	2,782	60,220	8.4	21,646	1.6
6/30/11	218	6,179	34	609	2,966	68,179	13.2	22,987	6.2
6/30/12	281	7,900	39	814	3,208	76,917	12.8	23,977	4.3
6/30/13	326	10,098	43	845	3,491	87,301	13.5	25,008	4.3
6/30/14[3]	-	-	-	-	3,491	87,301	-	25,008	-

[1] *End of year annual benefits are not equal to prior end of year annual benefits plus additions less removals due to beneficiary benefit changes, data changes, and COLA increases.*
[2] *As of December 31 instead of June 30.*
[3] *The valuation results as of June 30, 2014 were calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

Total Number of Retirants and Beneficiaries Per Year and Average Annual Benefit

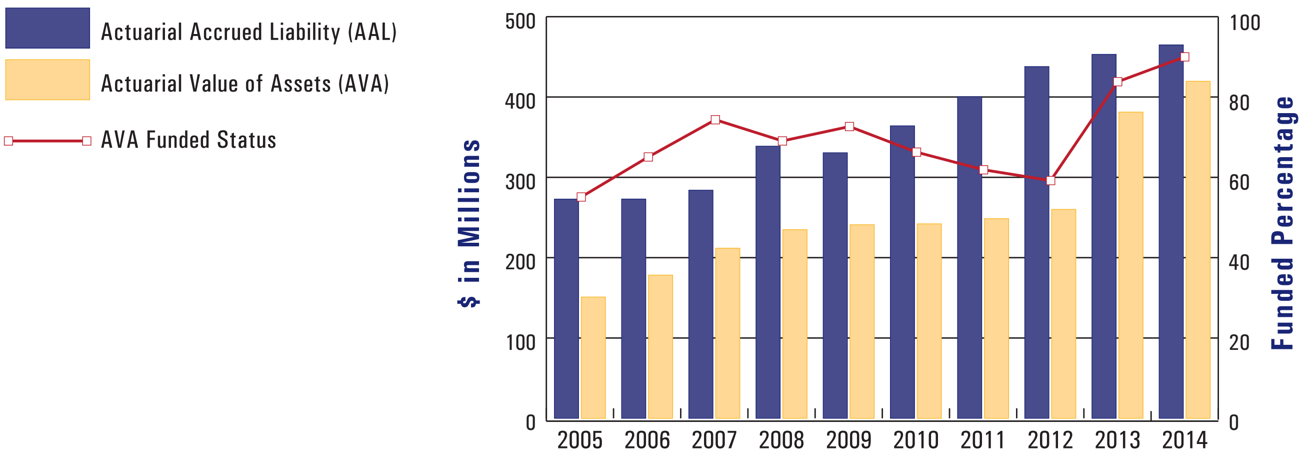


Changes in Plan Provisions

There were no changes in plan provisions that impacted the pension benefits during the fiscal year.

Judges' Retirement System

Historical Summary of Actuarial Valuation Results by Retirement Plan



(dollars in millions)

Actuarial Valuation as of June 30	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets (AVA)	Unfunded Liability[1] (AAL – AVA)	AVA Funded Status (AVA/AAL)	Covered Employee Payroll[2]	Unfunded Liability[1] as a percentage of Covered Employee Payroll
2005	$ 272.9	$ 151.0	$ 121.9	55.3%	$ 32.2	378.6%
2006	273.0	178.3	94.7	65.3	34.1	277.7
2007	284.0	211.8	72.2	74.6	29.7	243.0
2008	338.8	234.9	103.9	69.3	33.7	308.1
2009	330.6	241.0	89.6	72.9	36.2	247.5
2010	364.1	242.1	122.0	66.5	36.7	332.2
2011	400.3	248.6	151.7	62.1	45.8	331.5
2012	437.9	260.1	177.8	59.4	45.1	393.9
2013	453.1	381.2	71.9	84.1	47.6	151.1
2014	464.9	419.6	45.3	90.3	46.0	98.5

[1] *The Unfunded Liability uses the Actuarial Value of Assets (AVA), which is different than Net Pension Liability in the Financial Section which uses the Plan Fiduciary Net Position, also known as the Market Value of Assets (MVA).*

[2] *Covered Employee Payroll can also be found in the RSI Contribution Schedule in the Financial Section.*

Summary of Actuarial Assumptions and Methods as of June 30, 2014

The actuarial assumptions and methods used in the June 30, 2014 valuation of the Judges' Retirement System were adopted by the INPRS Board in April 2014. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2005 through June 30, 2010, which were adopted by the INPRS Board in September 2011, and were first used in the June 30, 2011 valuation. The interest rate/investment return and mortality assumptions were updated for the June 30, 2012 valuation. In addition to the actuarial assumptions and methods the INPRS Board also adopted the funding policy in April 2014. For information on the plan provisions please refer to Note 1 in the financial section of this report.

Changes in Actuarial Assumptions

For the actuarial valuation as of June 30, 2014, there were no changes to the actuarial assumptions from the actuarial valuation as of June 30, 2013.

Changes in Actuarial Methods

Member census data as of June 30, 2013 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2013 and June 30, 2014. Standard actuarial roll forward techniques were then used to project the liabilities computed as of June 30, 2013 to the June 30, 2014 measurement date.

Actuarial Assumptions

Exceptions noted below, actuarial assumptions used for funding purposes are the same as those used for accounting and financial reporting.

Economic Assumptions

Interest Rate / Investment Return:	
Funding	6.75 percent (net of administrative and investment expenses)
Accounting & Financial Reporting	6.75 percent (net of investment expenses)
Interest on Member Contributions:	3.5 percent per year
Cost of Living Increases:	4.0 percent per year in deferral and retirement
Future Salary Increases:	4.0 percent per year
Inflation:	3.0 percent per year

Demographic Assumptions

Mortality (Healthy and Disabled):	2013 IRS Static Mortality projected five (5) years with Scale AA
Retirement:	Based on 2005-2010 experience. Rates shown below:

Age	Rate	Age	Rate
55-61	20%	65	50%
62	25	66-74	30
63	15	75+	100
64	10		

Termination: Based on 2005-2010 experience. Rates shown below:

Age	Rate
20-37	4%
38-65	7
66+	4

Summary of Actuarial Assumptions and Methods as of June 30, 2014, continued

Disability: 1964 OASDI Table. Illustrative rates shown below:

Age	Rate
20	0.060%
25	0.085
30	0.110
35	0.147
40	0.220
45	0.360
50	0.606
55	1.009
60	1.627
65+	0.000

Spouse/Beneficiary: 90 percent of members are assumed to be married or to have a dependent beneficiary. Male members are assumed to be four (4) years older than their spouses and female members are assumed to be two (2) years younger than their spouses.

Actuarial Methods

Funding uses the same Actuarial Methods as accounting and financial reporting, except where noted.

Actuarial Cost Method: Entry Age Normal – Level Percent of Payroll

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

This method produces a cost of future benefit accruals that is a level percent of pay over time, which is desirable for employers from a budgeting standpoint. Other actuarial cost methods are more volatile in their allocation of cost for each year of member service.

Amortization Method: For funding, gains and losses occurring from census experience different than assumed, assumption changes, and benefit changes are amortized over a 30-year period with level payments each year. A new gain or loss base is established each year based on the additional gain or loss during that year and that base is amortized over a new 30-year period. The purpose of the method is to give a smooth progression of the costs from year-to-year and, at the same time, provide for an orderly funding of the unfunded liabilities.

For accounting and financial reporting, gains and losses occurring from census experience different than assumed and assumption changes are amortized into expense over the average expected future service of all plan participants (actives and inactives). Gains and losses occurring from investment experience different than assumed are amortized into expense over a 5-year period. The effect of plan changes on the plan liability are fully recognized in expense in the year in which they occur.

Summary of Actuarial Assumptions and Methods as of June 30, 2014, continued

Asset Valuation Method:	Funding uses the Actuarial Value of Assets (AVA), which is equal to a four-year smoothing of gains and losses on the Market Value of Assets (MVA), subject to a 20 percent corridor. Accordingly, the AVA is limited to no more than 20 percent greater than or 20 percent less than the MVA. Accounting and financial reporting uses the Market Value of Assets (MVA) in accordance with GASB Statement No. 67.

Analysis of Financial Experience

(dollars in thousands)

	UAAL
Unfunded Actuarial Accrued Liability (UAAL): June 30, 2013	**$ 71,870**
UAAL (Gain) / Loss	
Actuarial Value of Assets Experience	(9,371)
Actuarial Accrued Liabilities Experience[1]	(16,026)
Amortization of Existing Bases	(1,186)
Actuarial Assumption & Methodology Changes	-
Plan Provision Changes	-
Unfunded Actuarial Accrued Liability (UAAL): June 30, 2014	**$ 45,287**

[1] *No Salary/Cost-of-Living Adjustment (COLA) was effective July 1, 2014 rather than the assumed increase of 4.0%.*

Solvency Test

(dollars in thousands)

	Actuarial Accrued Liabilities					Portion of Actuarial Accrued Liabilities Covered by Assets			
Valuation Date	Active Member Contributions	Retirees and Beneficiaries	Active Member (Employer Financed Portion)	Total Actuarial Accrued Liabilities	Actuarial Value of Assets	Active Member Contributions	Retirees and Beneficiaries	Active Member (Employer Financed Portion)	Total Actuarial Accrued Liabilities
6/30/05	$ 19,515	$ 137,631	$ 115,709	$ 272,855	$ 151,003	100.0%	95.5%	0.0%	55.3%
6/30/06	20,861	134,272	117,865	272,998	178,276	100.0	100.0	19.6	65.3
6/30/07	21,276	143,645	119,074	283,995	211,747	100.0	100.0	39.3	74.6
6/30/08	22,243	155,177	161,329	338,749	234,881	100.0	100.0	35.6	69.3
6/30/09	21,649	170,962	137,940	330,551	240,954	100.0	100.0	35.0	72.9
6/30/10	23,138	182,023	158,962	364,123	242,143	100.0	100.0	23.3	66.5
6/30/11	24,359	198,797	177,118	400,274	248,623	100.0	100.0	14.4	62.1
6/30/12	27,699	205,341	204,814	437,854	260,096	100.0	100.0	13.2	59.4
6/30/13[1]	29,060	224,132	199,918	453,110	381,240	100.0	100.0	64.1	84.1
6/30/14	32,060	216,044	216,751	464,855	419,568	100.0	100.0	79.1	90.3

[1] *In accordance with Legislation passed during March 2012, the State appropriated $90,187 thousand during FY2013 to reach a funded status of 80.0 percent based on the actuarial valuation as of June 30, 2012.*

Schedule of Active Members Valuation Data

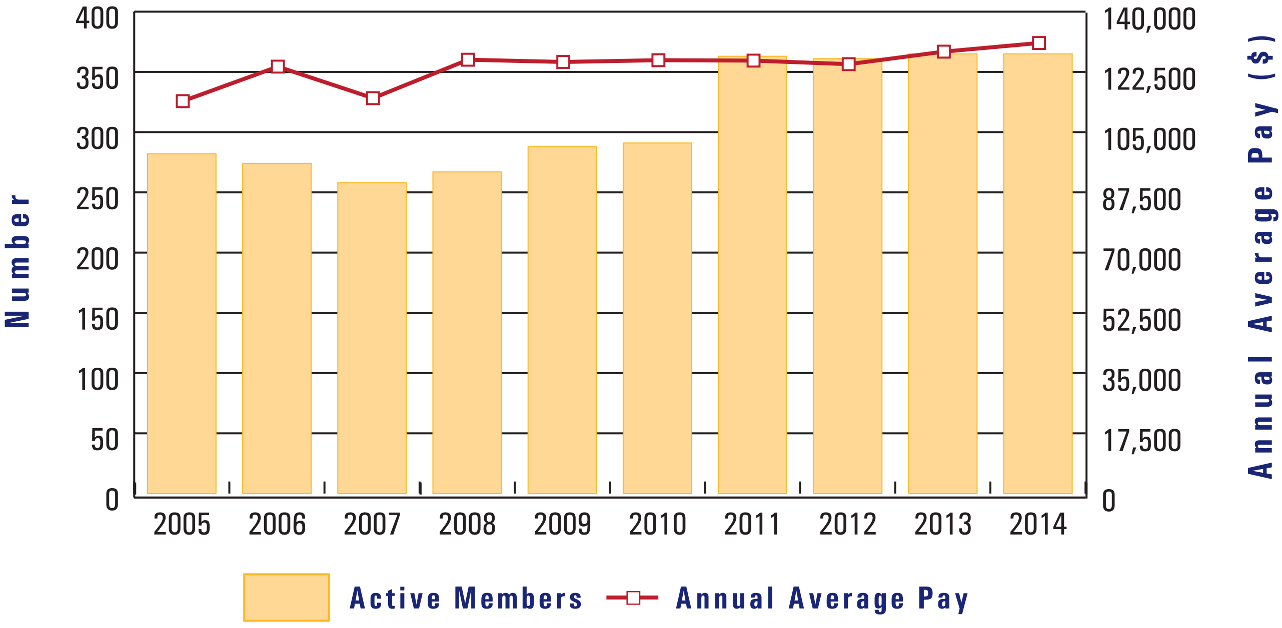
(dollars in thousands – except annual average pay)

Valuation Date	Active Members	Annual[1] Payroll	Annual Average Pay	Annual Percent Increase / (Decrease) In Average Pay
6/30/05	282	$ 32,231	$ 114,293	22.3 %
6/30/06	274	34,065	124,323	8.8
6/30/07	258	29,712	115,163	(7.4)
6/30/08	267	33,729	126,327	9.7
6/30/09	288	36,196	125,680	(0.5)
6/30/10	291	36,722	126,192	0.4
6/30/11	363	45,764	126,072	(0.1)
6/30/12	361	45,138	125,036	(0.8)
6/30/13	365	46,967	128,676	2.9
6/30/14[2]	365	47,883	131,186	2.0

[1] *Figures shown are the anticipated pay for the one-year period following the valuation date.*

[2] *The valuation results as of June 30, 2014 were calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

Total Number of Active Members Per Year and Annual Average Pay



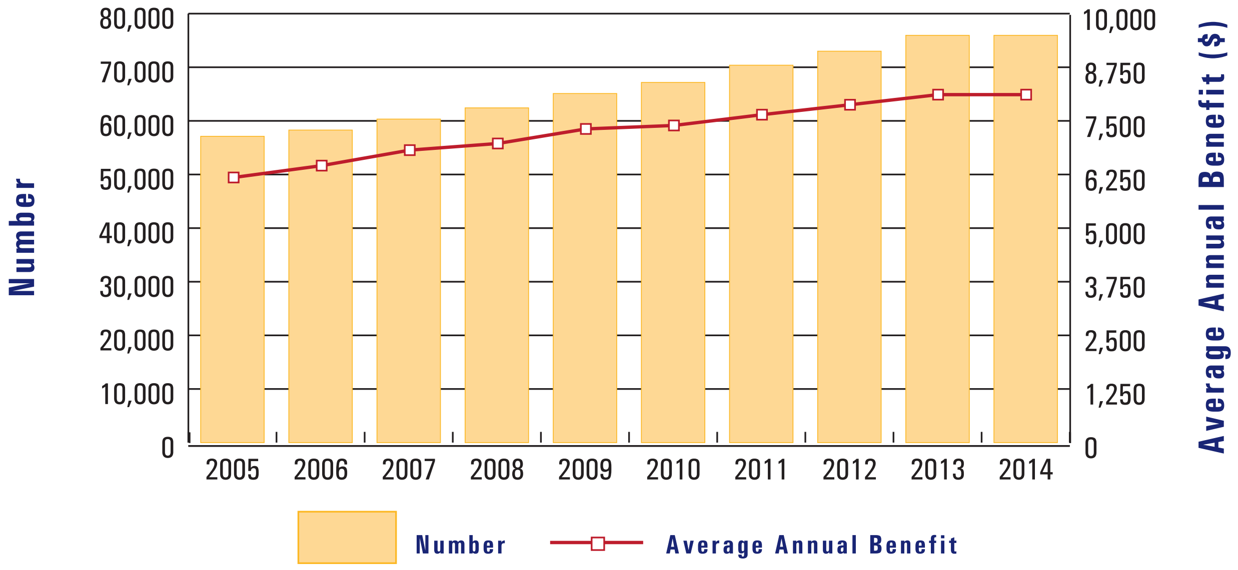
Schedule of Retirants and Beneficiaries

(dollars in thousands – except average annual benefit)

	Added to Rolls		Removed from Rolls		Rolls – End of Year				
Valuation Date	Number	Annual Benefits	Number	Annual Benefits	Number	Total[1] Annual Benefits	Percent Increase / (Decrease) in Total Annual Benefits	Average Annual Benefit	Percent Increase/ (Decrease) in Average Annual Benefit
6/30/05	13	$ 667	11	$ 374	264	$ 12,272	24.5%	$ 46,485	23.6%
6/30/06	12	868	7	474	269	12,983	5.8	48,266	3.8
6/30/07	18	976	8	409	279	13,899	7.1	49,819	3.2
6/30/08	23	1,257	26	991	276	14,754	6.1	53,455	7.3
6/30/09	74	3,744	57	1,835	293	15,230	3.2	51,978	(2.8)
6/30/10	11	627	6	339	298	15,390	1.1	51,644	(0.6)
6/30/11	21	1,452	9	200	310	16,787	9.1	54,152	4.9
6/30/12	7	444	6	194	311	17,028	1.4	54,751	1.1
6/30/13	24	1,798	14	442	321	18,474	8.5	57,551	5.1
6/30/14[2]	-	-	-	-	321	18,474	-	57,551	-

[1] End of year annual benefits are not equal to prior end of year annual benefits plus additions less removals due to beneficiary benefit changes, data changes, and COLA increases.
[2] The valuation results as of June 30, 2014 were calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.

Total Number of Retirants and Beneficiaries Per Year and Average Annual Benefit

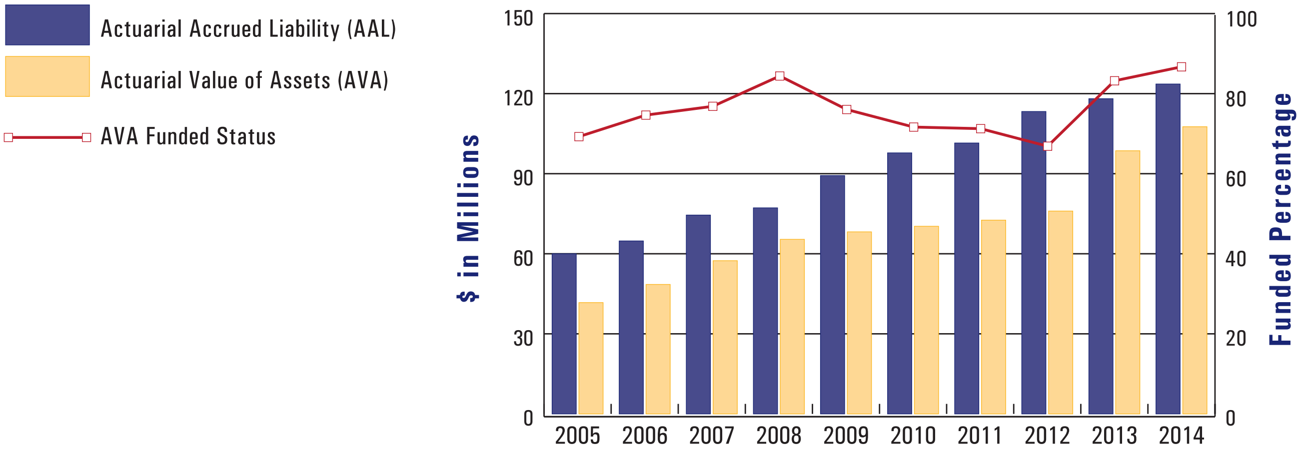


Changes in Plan Provisions

There were no changes in plan provisions that impacted the pension benefits during the fiscal year.

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

Historical Summary of Actuarial Valuation Results by Retirement Plan



(dollars in millions)

Actuarial Valuation as of June 30	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets (AVA)	Unfunded Liability[1] (AAL – AVA)	AVA Funded Status (AVA/AAL)	Covered Employee Payroll[2]	Unfunded Liability[1] as a percentage of Covered Employee Payroll
2005	$ 60.0	$ 41.7	$ 18.3	69.5%	$ 13.5	135.6%
2006	64.8	48.5	16.3	74.9	15.6	104.3
2007	74.5	57.4	17.0	77.1	21.0	81.1
2008	77.2	65.4	11.8	84.7	23.7	49.8
2009	89.3	68.2	21.1	76.3	25.5	82.7
2010	97.8	70.3	27.5	71.9	25.3	108.7
2011	101.5	72.6	28.9	71.5	25.0	115.6
2012	113.3	76.0	37.3	67.1	24.3	153.5
2013	118.1	98.6	19.5	83.5	24.7	79.0
2014	123.6	107.6	16.0	87.0	25.8	62.1

[1] *The Unfunded Liability uses the Actuarial Value of Assets (AVA), which is different than Net Pension Liability in the Financial Section which uses the Plan Fiduciary Net Position, also known as the Market Value of Assets (MVA).*

[2] *Covered Employee Payroll can also be found in the RSI Contribution Schedule in the Financial Section.*

Summary of Actuarial Assumptions and Methods as of June 30, 2014

The actuarial assumptions and methods used in the June 30, 2014 valuation of the State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan were adopted by the INPRS Board in April 2014. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2005 through June 30, 2010, which were adopted by the INPRS Board in September 2011, and were first used in the June 30, 2011 valuation. The interest rate / investment return and mortality assumptions were updated for the June 30, 2012 valuation. In addition to the actuarial assumptions and methods the INPRS Board also adopted the funding policy in April 2014. For information on the plan provisions please refer to Note 1 in the financial section of this report.

Changes in Actuarial Assumptions

For the actuarial valuation as of June 30, 2014, there were no changes to the actuarial assumptions from the actuarial valuation as of June 30, 2013.

Changes in Actuarial Methods

Member census data as of June 30, 2013 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2013 and June 30, 2014. Standard actuarial roll forward techniques were then used to project the liabilities computed as of June 30, 2013 to the June 30, 2014 measurement date.

Actuarial Assumptions

Except as noted below, actuarial assumptions used for funding purposes are the same as those used for accounting and financial reporting.

Economic Assumptions

Interest Rate / Investment Return:	
Funding	6.75 percent (net of administrative and investment expenses)
Accounting & Financial Reporting	6.75 percent (net of investment expenses)
Interest on Member Contributions:	3.5 percent per year
Cost of Living Increases:	1.0 percent per year in retirement
Future Salary Increases:	3.25 percent per year
Inflation:	3.0 percent per year

Demographic Assumptions

Mortality (Healthy and Disabled):	2013 IRS Static Mortality projected five (5) years with Scale AA
Retirement:	Based on 2005-2010 experience. Illustrative rates shown below:

Age	Rate	Age	Rate
45	3%	54	4%
46-49	2	55-59	15
50	3	60-64	20
51-52	2	65+	100
53	3		

Summary of Actuarial Assumptions and Methods as of June 30, 2014, continued

Termination: Sarason T-1 Table. Illustrative rates shown below:

Age	Rate
20	5.4384%
25	4.8948
30	3.7020
35	2.3492
40	1.1283
45	0.2653
50+	0.0000

Disability: 150 percent of 1964 OASDI Table. Illustrative rates shown below:

Age	Rate
20	0.0900%
25	0.1275
30	0.1650
35	0.2205
40	0.3300
45	0.5400
50	0.9090
55	1.5135
60	2.4405
65+	0.0000

Spouse/Beneficiary: 100 percent of members are assumed to be married or to have a dependent beneficiary. Males are assumed to be five (5) years older than females.

Actuarial Methods

Funding uses the same Actuarial Methods as accounting and financial reporting, except where noted.

Actuarial Cost Method: Entry Age Normal – Level Percent of Payroll

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

This method produces a cost of future benefit accruals that is a level percent of pay over time, which is desirable for employers from a budgeting standpoint. Other actuarial cost methods are more volatile in their allocation of cost for each year of member service.

Summary of Actuarial Assumptions and Methods as of June 30, 2014, continued

Amortization Method:	For funding, gains and losses occurring from census experience different than assumed, assumption changes, and benefit changes are amortized over a 30-year period with level payments each year. A new gain or loss base is established each year based on the additional gain or loss during that year and that base is amortized over a new 30-year period. The purpose of the method is to give a smooth progression of the costs from year-to-year and, at the same time, provide for an orderly funding of the unfunded liabilities. For accounting and financial reporting, gains and losses occurring from census experience different than assumed and assumption changes are amortized into expense over the average expected future service of all plan participants (actives and inactives). Gains and losses occurring from investment experience different than assumed are amortized into expense over a 5-year period. The effect of plan changes on the plan liability are fully recognized in expense in the year in which they occur.
Asset Valuation Method:	Funding uses the Actuarial Value of Assets (AVA), which is equal to a four-year smoothing of gains and losses on the Market Value of Assets (MVA), subject to a 20 percent corridor. Accordingly, the AVA is limited to no more than 20 percent greater than or 20 percent less than the MVA. Accounting and financial reporting uses the Market Value of Assets (MVA) in accordance with GASB Statement No. 67.

Analysis of Financial Experience

(dollars in thousands)

		UAAL
Unfunded Actuarial Accrued Liability (UAAL): June 30, 2013	**$**	**19,489**
UAAL (Gain) / Loss		
Actuarial Value of Assets Experience		(2,712)
Actuarial Accrued Liabilities Experience[1]		(430)
Amortization of Existing Bases		(310)
Actuarial Assumption & Methodology Changes		-
Plan Provision Changes		-
Unfunded Actuarial Accrued Liability (UAAL): June 30, 2014	**$**	**16,037**

[1] *Actuarial Accrued Liabilities Experience includes a gain of approximately $430 thousand for retired members being provided a one-time (13th check) in September 2014, rather than a 1.0 percent COLA on January 1, 2015.*

Solvency Test

(dollars in thousands)

	Actuarial Accrued Liabilities					Portion of Actuarial Accrued Liabilities Covered by Assets			
Valuation Date	**Active Member Contributions**	**Retirees and Beneficiaries**	**Active Member (Employer Financed Portion)**	**Total Actuarial Accrued Liabilities**	**Actuarial Value of Assets**	**Active Member Contributions**	**Retirees and Beneficiaries**	**Active Member (Employer Financed Portion)**	**Total Actuarial Accrued Liabilities**
6/30/05	$ 3,488	$ 18,907	$ 37,569	$ 59,964	$ 41,663	100.0%	100.0%	51.3%	69.5%
6/30/06	3,644	20,870	40,251	64,765	48,496	100.0	100.0	59.6	74.9
6/30/07	3,527	24,606	46,318	74,451	57,414	100.0	100.0	63.2	77.1
6/30/08	4,314	28,902	43,961	77,177	65,375	100.0	100.0	73.2	84.7
6/30/09	5,274	35,039	48,983	89,296	68,170	100.0	100.0	56.9	76.3
6/30/10	6,220	36,044	55,598	97,862	70,327	100.0	100.0	50.5	71.9
6/30/11	6,271	46,695	48,568	101,534	72,599	100.0	100.0	40.4	71.5
6/30/12	6,532	53,929	52,822	113,283	76,007	100.0	100.0	29.4	67.1
6/30/13[1]	7,494	56,028	54,575	118,097	98,608	100.0	100.0	64.3	83.5
6/30/14	8,042	54,626	60,933	123,601	107,563	100.0	100.0	73.7	87.0

[1] *In accordance with Legislation passed during March 2012, the State appropriated $14,619 thousand during FY2013 to reach a funded status of 80.0 percent based on the actuarial valuation as of June 30, 2012.*

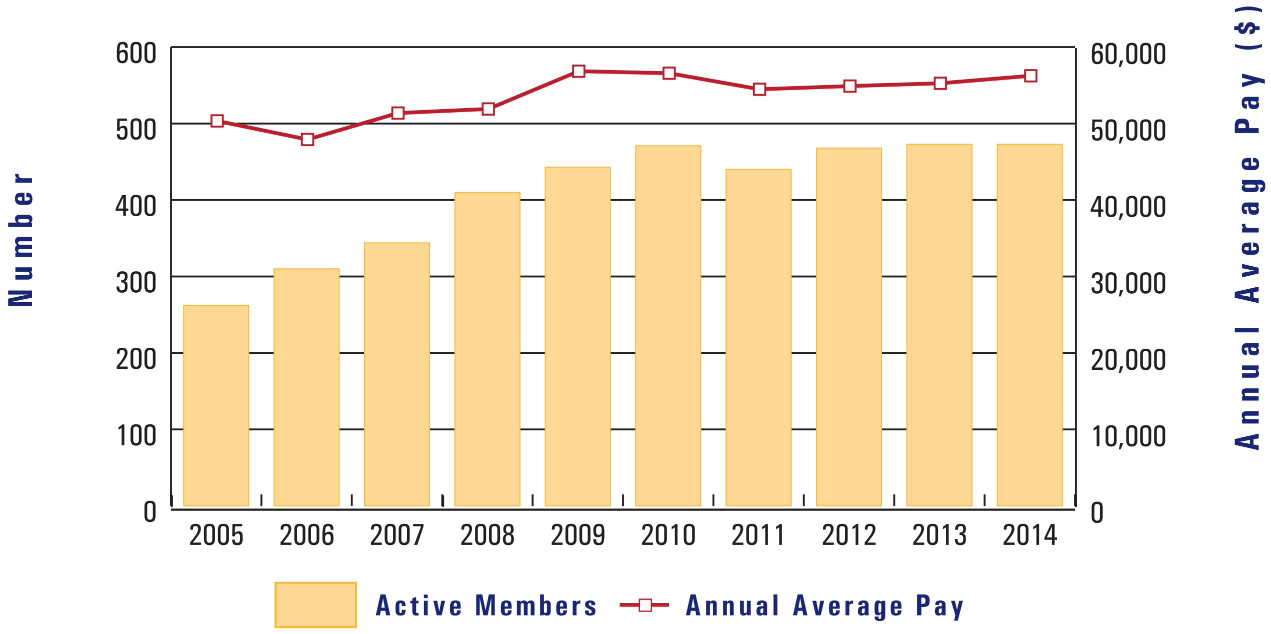
Schedule of Active Members Valuation Data

(dollars in thousands – except annual average pay)

Valuation Date	Active Members	Annual[1] Payroll	Annual Average Pay	Annual Percent Increase / (Decrease) In Average Pay
6/30/05	262	$ 13,223	$ 50,469	24.1 %
6/30/06	310	14,892	48,038	(4.8)
6/30/07	344	17,715	51,497	7.2
6/30/08	410	21,333	52,033	1.0
6/30/09	443	25,238	56,971	9.5
6/30/10	471	26,709	56,707	(0.5)
6/30/11	440	24,028	54,609	(3.7)
6/30/12	468	25,752	55,026	0.8
6/30/13	473	26,201	55,393	0.7
6/30/14[2]	473	26,664	56,372	1.8

[1] Figures shown are the anticipated pay for the one-year period following the valuation date.
[2] The valuation results as of June 30, 2014 were calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.

Total Number of Active Members Per Year and Annual Average Pay



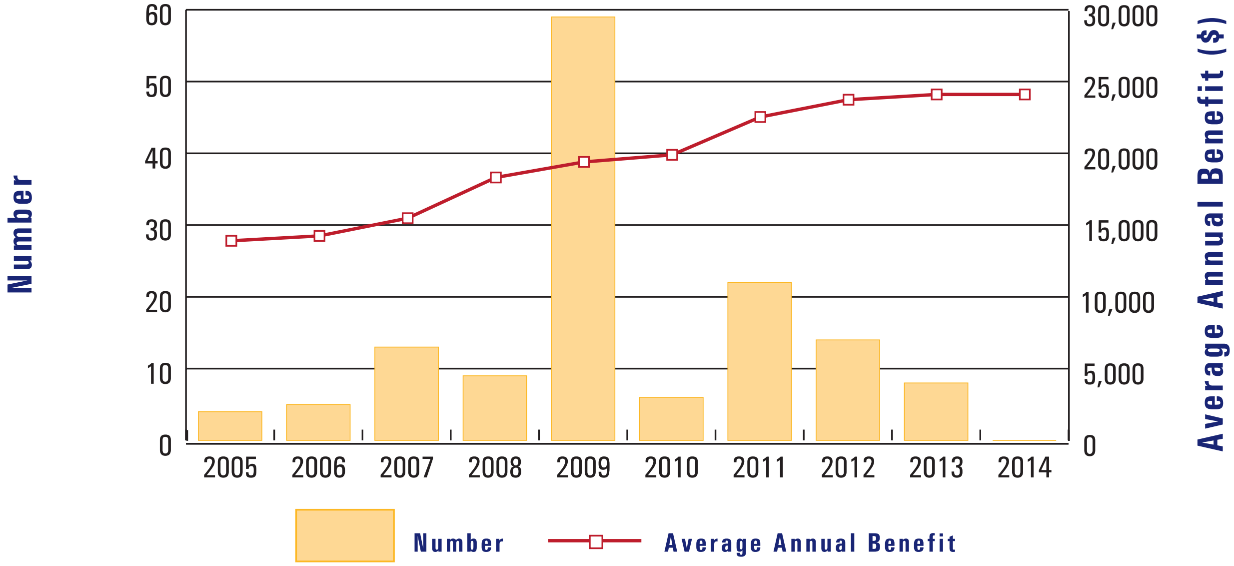
Schedule of Retirants and Beneficiaries

(dollars in thousands – except average annual benefit)

	Added to Rolls		Removed from Rolls		Rolls – End of Year				
Valuation Date	Number	Annual Benefits	Number	Annual Benefits	Number	Total[1] Annual Benefits	Percent Increase / (Decrease) in Total Annual Benefits	Average Annual Benefit	Percent Increase/ (Decrease) in Average Annual Benefit
6/30/05	4	$ 114	4	$ 65	128	$ 1,787	2.8%	$ 13,962	2.8%
6/30/06	5	127	1	26	132	1,888	5.6	14,304	2.4
6/30/07	13	359	5	74	140	2,176	15.2	15,539	8.6
6/30/08	9	302	12	119	137	2,518	15.8	18,382	18.3
6/30/09	59	748	39	258	157	3,056	21.3	19,465	5.9
6/30/10	6	136	6	49	157	3,134	2.6	19,962	2.6
6/30/11	22	902	3	23	176	3,978	26.9	22,602	13.2
6/30/12	14	495	3	14	187	4,452	11.9	23,810	5.3
6/30/13	8	253	2	9	193	4,666	4.8	24,177	1.5
6/30/14[2]	-	-	-	-	193	4,666	-	24,177	-

[1] *End of year annual benefits are not equal to prior end of year annual benefits plus additions less removals due to beneficiary benefit changes, data changes, and COLA increases.*
[2] *The valuation results as of June 30, 2014 were calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

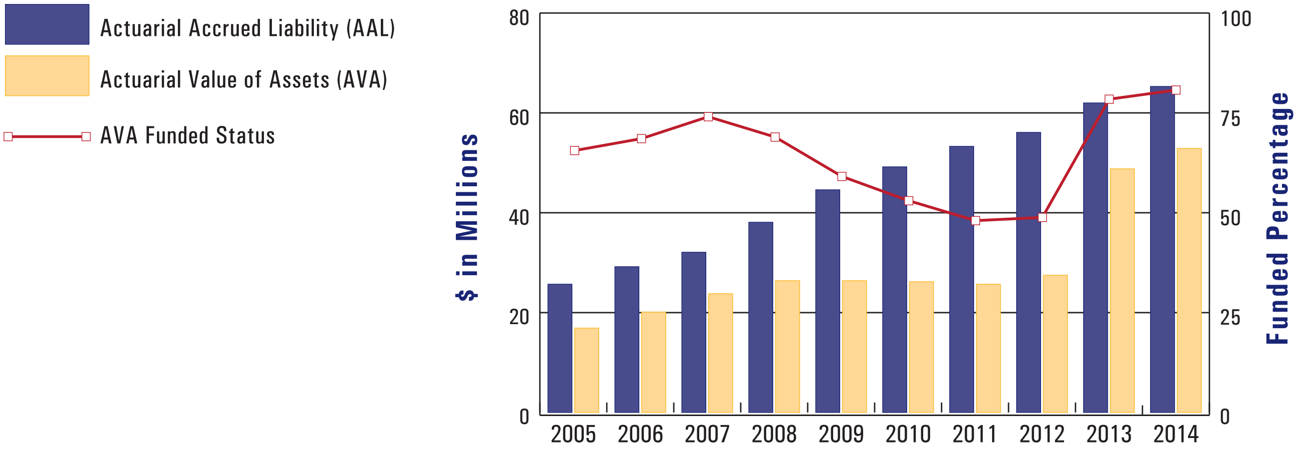
Total Number of Retirants and Beneficiaries Per Year and Average Annual Benefit



Changes in Plan Provisions

There were no changes in plan provisions that impacted the pension benefits during the fiscal year.

Historical Summary of Actuarial Valuation Results by Retirement Plan



(dollars in millions)

Actuarial Valuation as of June 30	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets (AVA)	Unfunded Liability[1] (AAL – AVA)	AVA Funded Status (AVA/AAL)	Covered Employee Payroll[2]	Unfunded Liability[1] as a percentage of Covered Employee Payroll
2005	$ 25.7	$ 16.9	$ 8.8	65.8%	$ 16.7	52.7%
2006	29.2	20.1	9.1	68.8	19.2	47.4
2007	32.1	23.8	8.2	74.3	18.1	45.5
2008	38.1	26.4	11.7	69.2	20.6	56.8
2009	44.6	26.4	18.2	59.3	20.8	87.6
2010	49.2	26.2	23.0	53.2	21.0	109.4
2011	53.3	25.7	27.6	48.2	18.1	152.6
2012	56.1	27.5	28.6	49.0	21.7	131.8
2013	62.0	48.8	13.2	78.7	18.8	70.2
2014	65.3	52.9	12.4	81.0	20.6	60.2

[1] The Unfunded Liability uses the Actuarial Value of Assets (AVA), which is different than Net Pension Liability in the Financial Section which uses the Plan Fiduciary Net Position, also known as the Market Value of Assets (MVA).

[2] Covered Employee Payroll can also be found in the RSI Contribution Schedule in the Financial Section.

Summary of Actuarial Assumptions and Methods as of June 30, 2014

The actuarial assumptions and methods used in the June 30, 2014 valuation of the Prosecuting Attorneys' Retirement Fund were adopted by the INPRS Board in April 2014. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2005 through June 30, 2010, which were adopted by the INPRS Board in September 2011, and were first used in the June 30, 2011 valuation. The interest rate/investment return and mortality assumptions were updated for the June 30, 2012 valuation. In addition to the actuarial assumptions and methods the INPRS Board also adopted the funding policy in April 2014. For information on the plan provisions please refer to Note 1 in the financial section of this report.

Changes in Actuarial Assumptions

For the actuarial valuation as of June 30, 2014, there were no changes to the actuarial assumptions from the actuarial valuation as of June 30, 2013.

Changes in Actuarial Methods

Member census data as of June 30, 2013 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2013 and June 30, 2014. Standard actuarial roll forward techniques were then used to project the liabilities computed as of June 30, 2013 to the June 30, 2014 measurement date.

Actuarial Assumptions

Except as noted below, actuarial assumptions used for funding purposes are the same as those used for accounting and financial reporting.

Economic Assumptions

Interest Rate / Investment Return:	
Funding	6.75 percent (net of administrative and investment expenses)
Accounting & Financial Reporting	6.75 percent (net of investment expenses)
Interest on Member Contributions:	3.5 percent per year
Cost of Living Increases:	N/A
Future Salary Increases:	4.0 percent per year
Inflation:	3.0 percent per year

Demographic Assumptions

Mortality (Healthy and Disabled):	2013 IRS Static Mortality projected five (5) years with Scale AA
Retirement:	Based on 2005-2010 experience. Rates shown below:

Age	Rate (Less Than 85 Points)	Rate (85 Points Or More)
55-61	0%	20%
62	20	20
63	20	20
64	20	20
65	100	100

Termination:	10 percent per year for all members prior to retirement eligibility.
Disability:	Illustrative rates shown below:

Summary of Actuarial Assumptions and Methods as of June 30, 2014, continued

Age	Male	Female
20	0.0067%	0.0050%
30	0.0208	0.0158
40	0.0646	0.0496
50	0.2005	0.1556
60	0.6220	0.4881
70	0.1000	0.1000
71+	0.0000	0.0000

Spouse/Beneficiary:	90 percent of participants are assumed either to be married or to have a dependent beneficiary. Males are assumed to be three (3) years older than their spouses.

Actuarial Methods

Funding uses the same Actuarial Methods as accounting and financial reporting, except where noted.

Actuarial Cost Method:	Entry Age Normal – Level Percent of Payroll The normal cost is calculated separately for each active member and is equal to the level percentage of payroll needed as an annual contribution from entry age to retirement age to fund projected benefits. The actuarial accrued liability on any valuation date is the accumulated value of such normal costs from entry age to the valuation date.
Amortization Method	For funding, gains and losses occurring from census experience different than assumed, assumption changes, and benefit changes are amortized over a 30-year period with level payments each year. A new gain or loss base is established each year based on the additional gain or loss during that year and that base is amortized over a new 30-year period. The purpose of the method is to give a smooth progression of the costs from year-to-year and, at the same time, provide for an orderly funding of the unfunded liabilities. For accounting and financial reporting, gains and losses occurring from census experience different than assumed and assumption changes are amortized into expense over the average expected future service of all plan participants (actives and inactives). Gains and losses occurring from investment experience different than assumed are amortized into expense over a 5-year period. The effect of plan changes on the plan liability are fully recognized in expense in the year in which they occur.
Asset Valuation Method:	Funding uses the Actuarial Value of Assets (AVA), which is equal to a four-year smoothing of gains and losses on the Market Value of Assets (MVA), subject to a 20 percent corridor. Accordingly, the AVA is limited to no more than 20 percent greater than or 20 percent less than the MVA. Accounting and financial reporting uses the Market Value of Assets (MVA) in accordance with GASB Statement No. 67.

Analysis of Financial Experience

(dollars in thousands)

		UAAL
Unfunded Actuarial Accrued Liability (UAAL): June 30, 2013	**$**	**13,178**
UAAL (Gain) / Loss		
Actuarial Value of Assets Experience		(584)
Actuarial Accrued Liabilities Experience		–
Amortization of Existing Bases		(194)
Actuarial Assumption & Methodology Changes		–
Plan Provision Changes		–
Unfunded Actuarial Accrued Liability (UAAL): June 30, 2014	**$**	**12,400**

Solvency Test

(dollars in thousands)

	Actuarial Accrued Liabilities					Portion of Actuarial Accrued Liabilities Covered by Assets			
Valuation Date	**Active Member Contributions**	**Retirees and Beneficiaries**	**Active Member (Employer Financed Portion)**	**Total Actuarial Accrued Liabilities**	**Actuarial Value of Assets**	**Active Member Contributions**	**Retirees and Beneficiaries**	**Active Member (Employer Financed Portion)**	**Total Actuarial Accrued Liabilities**
6/30/05	$ 13,132	$ 2,303	$ 10,309	$ 25,744	$ 16,876	100.0%	100.0%	14.0%	65.6%
6/30/06	14,893	2,252	12,039	29,184	20,053	100.0	100.0	24.2	68.7
6/30/07	16,014	3,192	12,846	32,052	23,815	100.0	100.0	35.9	74.3
6/30/08	17,428	5,173	15,468	38,069	26,350	100.0	100.0	24.2	69.2
6/30/09	19,239	10,384	15,009	44,632	26,467	100.0	69.6	-	59.3
6/30/10	20,999	12,557	15,618	49,174	26,166	100.0	41.1	-	53.2
6/30/11	21,592	16,806	14,854	53,252	25,651	100.0	24.2	-	48.2
6/30/12	23,406	18,660	14,014	56,080	27,501	100.0	21.9	-	49.0
6/30/13[1]	25,371	22,004	14,565	61,940	48,762	100.0	100.0	9.5	78.7
6/30/14	26,654	22,665	16,017	65,336	52,936	100.0	100.0	22.6	81.0

[1] *In accordance with Legislation passed during March 2012, the State appropriated $17,363 thousand during FY2013 to reach a funded status of 80.0 percent based on the actuarial valuation as of June 30, 2012.*

Schedule of Active Members Valuation Data

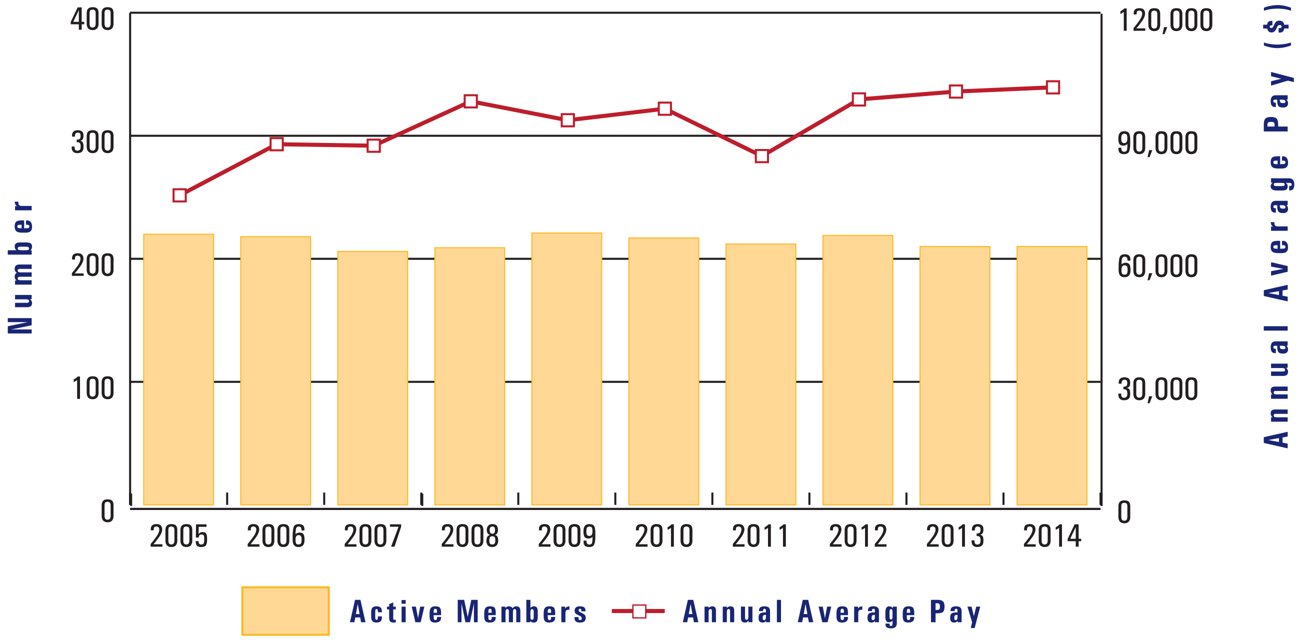
(dollars in thousands – except annual average pay)

Valuation Date	Active Members	Annual[1] Payroll	Annual Average Pay	Annual Percent Increase / (Decrease) In Average Pay
6/30/05	220	$ 16,659	$ 75,724	7.0 %
6/30/06	218	19,225	88,188	16.5
6/30/07	206	18,092	87,825	(0.4)
6/30/08	209	20,617	98,646	12.3
6/30/09	221	20,782	94,037	(4.7)
6/30/10	217	21,016	96,848	3.0
6/30/11	212	18,082	85,292	(11.9)
6/30/12	219	21,705	99,110	16.2
6/30/13	210	21,217	101,033	1.9
6/30/14[2]	210	21,432	102,057	1.0

[1] *Figures shown are the anticipated pay for the one-year period following the valuation date.*

[2] *The valuation results as of June 30, 2014 were calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

Total Number of Active Members Per Year and Annual Average Pay



Schedule of Retirants and Beneficiaries

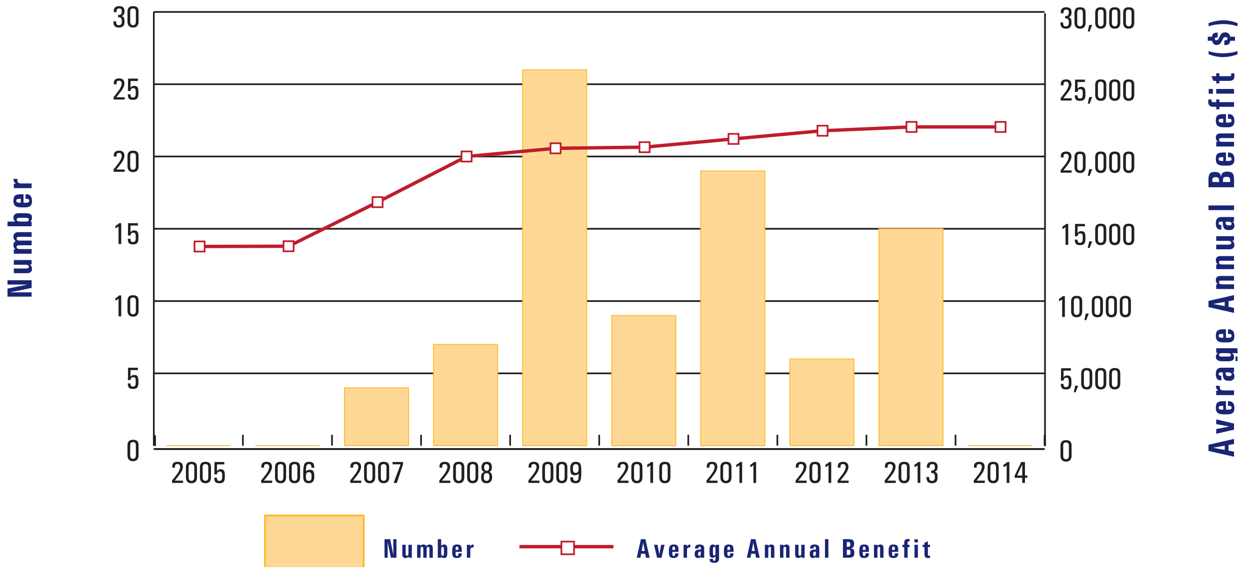
(dollars in thousands – except average annual benefit)

	Added to Rolls		Removed from Rolls		Rolls – End of Year				
Valuation Date	**Number**	**Annual Benefits**	**Number**	**Annual Benefits**	**Number**	**Total[1] Annual Benefits**	**Percent Increase / (Decrease) in Total Annual Benefits**	**Average Annual Benefit**	**Percent Increase/ (Decrease) in Average Annual Benefit**
6/30/05	-	$ -	-	$ -	18	$ 249	(3.0)%	$ 13,831	(3.0)%
6/30/06	-	-	-	-	18	249	0.1	13,850	0.1
6/30/07	4	121	2	32	20	338	35.6	16,905	22.1
6/30/08	7	207	1	14	26	522	54.3	20,068	18.7
6/30/09	26	536	2	26	50	1,032	97.8	20,636	2.8
6/30/10	9	187	1	16	58	1,201	16.4	20,715	0.4
6/30/11	19	473	1	16	76	1,618	34.7	21,288	2.8
6/30/12	6	178	1	27	81	1,770	9.4	21,853	2.7
6/30/13	15	362	1	27	95	2,101	18.7	22,118	1.2
6/30/14[2]	-	-	-	-	95	2,101	-	22,118	-

[1] *End of year annual benefits are not equal to prior end of year annual benefits plus additions less removals due to beneficiary benefit changes, data changes, and COLA increases.*

[2] *The valuation results as of June 30, 2014 were calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

Total Number of Retirants and Beneficiaries Per Year and Average Annual Benefit

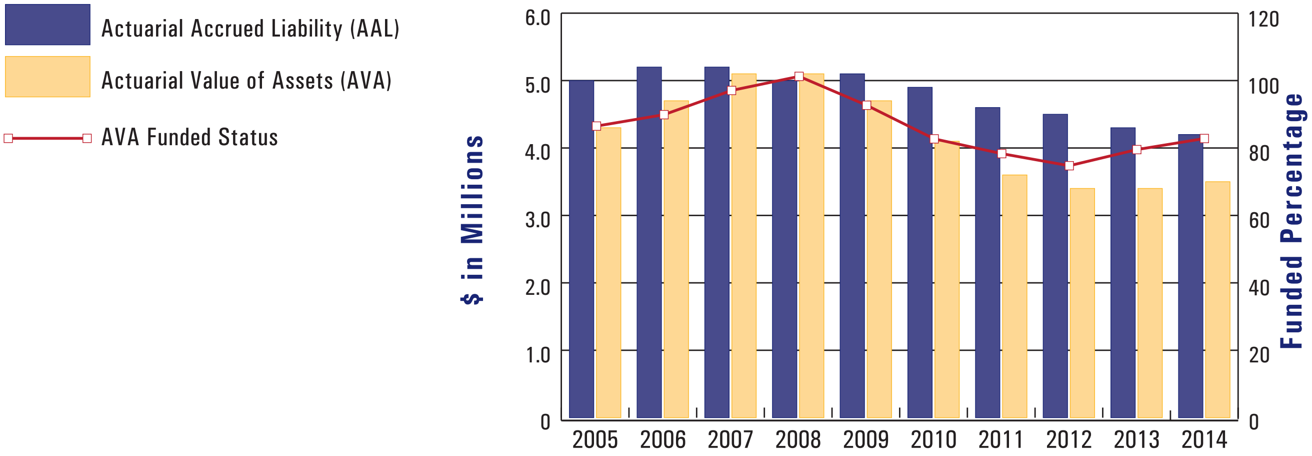


Changes in Plan Provisions

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

Legislators' Defined Benefit Plan

Historical Summary of Actuarial Valuation Results by Retirement Plan



(dollars in millions)

Actuarial Valuation as of June 30	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets (AVA)	Unfunded Liability[1] (AAL – AVA)	AVA Funded Status (AVA/AAL)	Covered Employee Payroll[2]	Unfunded Liability[1] as a percentage of Covered Employee Payroll
2005	$ 5.0	$ 4.3	$ 0.7	86.8%	N/A	N/A
2006	5.2	4.7	0.5	90.2	N/A	N/A
2007	5.2	5.1	0.1	97.4	N/A	N/A
2008	5.0	5.1	(0.1)	101.6	N/A	N/A
2009	5.1	4.7	0.4	93.0	N/A	N/A
2010	4.9	4.1	0.8	83.0	N/A	N/A
2011	4.6	3.6	1.0	78.6	N/A	N/A
2012	4.5	3.4	1.1	75.0	N/A	N/A
2013	4.3	3.4	0.9	79.8	N/A	N/A
2014	4.2	3.5	0.7	83.1	N/A	N/A

[1] *The Unfunded Liability uses the Actuarial Value of Assets (AVA), which is different than Net Pension Liability in the Financial Section which uses the Plan Fiduciary Net Position, also known as the Market Value of Assets (MVA).*

[2] *Covered Employee Payroll can also be found in the RSI Contribution Schedule in the Financial Section.*

Summary of Actuarial Assumptions and Methods as of June 30, 2014

The actuarial assumptions and methods used in the June 30, 2014 valuation of the Legislators' Defined Benefit Plan were adopted by the INPRS Board in April 2014. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2005 through June 30, 2010, which were adopted by the INPRS Board in September 2011, and were first used in the June 30, 2011 valuation. The interest rate / investment return and mortality assumptions were updated for the June 30, 2012 valuation. In addition to the actuarial assumptions and methods the INPRS Board also adopted the funding policy in April 2014. For information on the plan provisions please refer to Note 1 in the financial section of this report.

Changes in Actuarial Assumptions

For the actuarial valuation as of June 30, 2014, there were no changes to the actuarial assumptions from the actuarial valuation as of June 30, 2013.

Changes in Actuarial Methods

Member census data as of June 30, 2013 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2013 and June 30, 2014. Standard actuarial roll forward techniques were then used to project the liabilities computed as of June 30, 2013 to the June 30, 2014 measurement date.

Actuarial Assumptions

Except as noted below, actuarial assumptions used for funding purposes are the same as those used for accounting and financial reporting.

Economic Assumptions

Interest Rate / Investment Return:	
Funding	6.75 percent (net of administrative and investment expenses)
Accounting & Financial Reporting	6.75 percent (net of investment expenses)
Cost of Living Increases:	1.0 percent per year in retirement
Future Salary Increases:	3.0 percent per year
Inflation:	3.0 percent per year

Demographic Assumptions

Mortality (Healthy and Disabled): 2013 IRS Static Mortality projected five (5) years with Scale AA

Retirement: Retirement rates based on actual experience of current retirees. Illustrative rates shown below:

Age	Rate
55	10%
56-57	8
58-61	2
62-64	5
65+	100

Termination: Sarason T-2 Tables. Illustrative rates shown below:

Age	Rate
20	5.4384%
25	5.2917
30	5.0672
35	4.6984
40	3.5035
45	1.7686
50	0.4048
55+	0.0000

Summary of Actuarial Assumptions and Methods as of June 30, 2014, continued

Disability: 75 percent of 1964 OASDI Tables. Illustrative rates shown below:

Age	Rate
20	0.045%
25	0.064
30	0.083
35	0.111
40	0.165
45	0.270
50	0.454
55	0.757
60	1.220
65+	0.000

Spouse/Beneficiary: 90 percent of members are assumed to be married or to have a dependent beneficiary. Males are assumed to be three (3) years older than females.

Actuarial Methods

Actuarial Cost & Amortization Methods:

Funding: Traditional Unit Credit

The normal cost is calculated separately for each active member and is equal to actuarial present value of additional benefits expected to be accrued during the year following the valuation date. The actuarial accrued liability on any valuation date is the actuarial present value of the benefits earned for service prior to the valuation date. Since the benefits for all members of the Legislator's Defined Benefit Plan are fixed and no longer increasing with future service credit or future salary increases, applying the Traditional Unit Credit cost method results in the Actuarial Accrued Liability being equal to the Present Value of Future Benefits (i.e. all benefits are treated as though they are attributable to past service) and the Normal Cost being equal to $0. This is consistent with the actual status of member benefit accruals.

Gains and losses occurring from census experience different than assumed, assumption changes, and benefit changes are amortized over a 30-year period with level payments each year. A new gain or loss base is established each year based on the additional gain or loss during that year and that base is amortized over a new 30-year period. The purpose of the method is to give a smooth progression of the costs from year to year and, at the same time, provide for an orderly funding of the unfunded liabilities.

Accounting & Financial Reporting: Entry Age Normal – Level Percent of Payroll

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

Gains and losses occurring from census experience different than assumed and assumption changes are amortized into expense over the average expected future service of all plan participants (active and inactive). Gains and losses occurring from investment experience different than assumed are amortized into expense over a 5-year period. The effect of plan changes on the plan liability are fully recognized in expense in the year in which they occur.

Summary of Actuarial Assumptions and Methods as of June 30, 2014, continued

Asset Valuation Method:	Funding uses the Actuarial Value of Assets (AVA), which is equal to a four-year smoothing of gains and losses on the Market Value of Assets (MVA), subject to a 20 percent corridor. Accordingly, the AVA is limited to no more than 20 percent greater than or 20 percent less than the MVA. Accounting and financial reporting uses the Market Value of Assets (MVA) in accordance with GASB Statement No. 67.

Analysis of Financial Experience

(dollars in thousands)

	UAAL
Unfunded Actuarial Accrued Liability (UAAL): June 30, 2013	**$ 867**
UAAL (Gain) / Loss	
Actuarial Value of Assets Experience	(93)
Actuarial Accrued Liabilities Experience[1]	(36)
Amortization of Existing Bases	(32)
Actuarial Assumption & Methodology Changes	-
Plan Provision Changes	-
Unfunded Actuarial Accrued Liability (UAAL): June 30, 2014	**$ 706**

[1] *Actuarial Accrued Liabilities Experience includes a gain of approximately $36 thousand since a COLA was not granted to retired members as of January 1, 2015, rather than the 1.0 percent COLA assumption.*

Solvency Test

(dollars in thousands)

	Actuarial Accrued Liabilities					Portion of Actuarial Accrued Liabilities Covered by Assets			
Valuation Date	Active Member Contributions	Retirees and Beneficiaries	Active Member (Employer Financed Portion)	Total Actuarial Accrued Liabilities	Actuarial Value of Assets	Active Member Contributions	Retirees and Beneficiaries	Active Member (Employer Financed Portion)	Total Actuarial Accrued Liabilities
6/30/05	-	$2,121	$2,878	$4,999	$4,339	N/A	100.0%	77.0%	86.8%
6/30/06	-	2,270	2,962	5,232	4,721	N/A	100.0	82.8	90.2
6/30/07	-	2,432	2,737	5,169	5,035	N/A	100.0	95.1	97.4
6/30/08	-	2,258	2,781	5,039	5,120	N/A	100.0	100.0	101.6
6/30/09	-	3,147	1,940	5,087	4,730	N/A	100.0	81.6	93.0
6/30/10	-	3,017	1,892	4,909	4,075	N/A	100.0	55.9	83.0
6/30/11	-	3,037	1,584	4,621	3,634	N/A	100.0	37.7	78.6
6/30/12	-	3,031	1,472	4,503	3,377	N/A	100.0	23.5	75.0
6/30/13	-	3,192	1,103	4,295	3,428	N/A	100.0	21.4	79.8
6/30/14	-	3,076	1,097	4,173	3,467	N/A	100.0	35.7	83.1

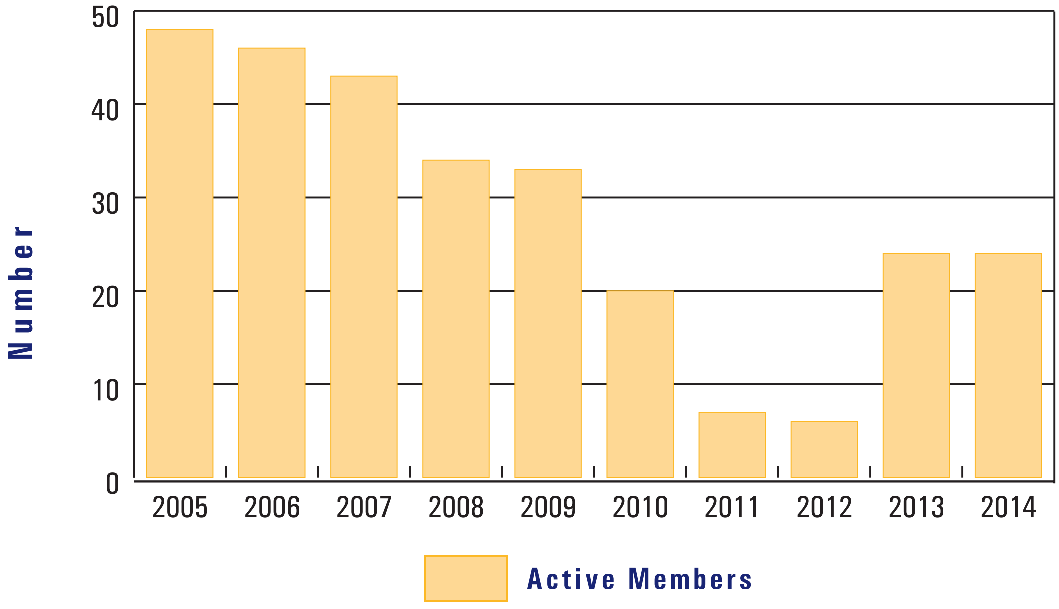
Schedule of Active Members Valuation Data

(dollars in thousands – except annual average pay)

Valuation Date	Active Members	Annual Payroll	Annual Average Pay	Annual Percent Increase / (Decrease) In Average Pay
6/30/05	48	N/A	N/A	N/A
6/30/06	46	N/A	N/A	N/A
6/30/07	43	N/A	N/A	N/A
6/30/08	34	N/A	N/A	N/A
6/30/09	33	N/A	N/A	N/A
6/30/10	20	N/A	N/A	N/A
6/30/11	7	N/A	N/A	N/A
6/30/12	6	N/A	N/A	N/A
6/30/13	24	N/A	N/A	N/A
6/30/14[1]	24	N/A	N/A	N/A

[1] *The valuation results as of June 30, 2014 were calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

Total Number of Active Members Per Year



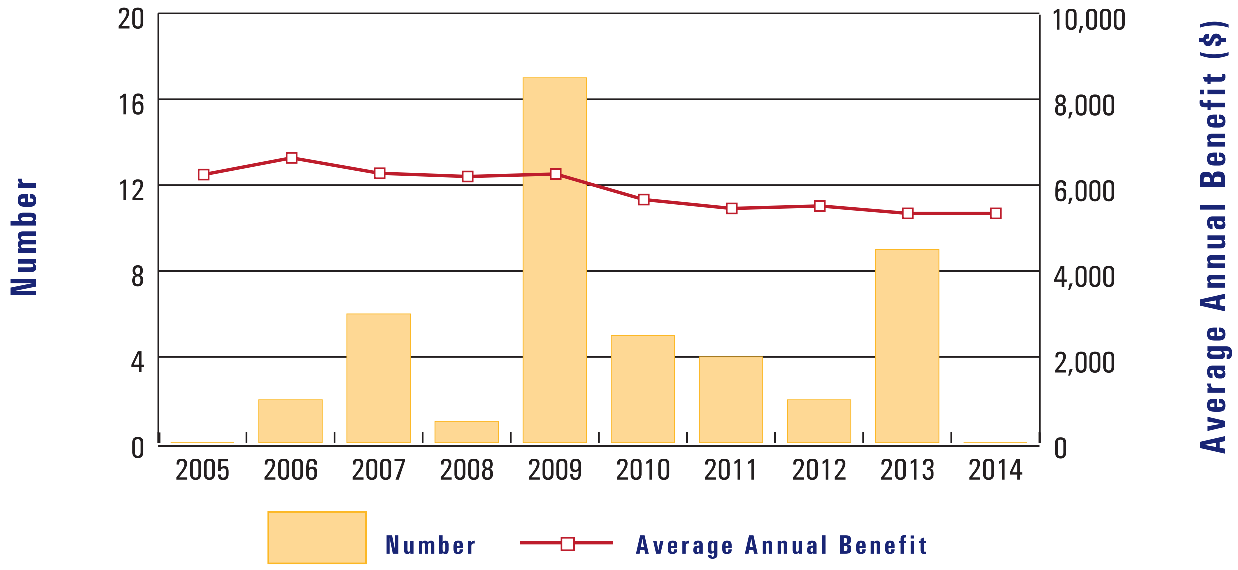
Schedule of Retirants and Beneficiaries

(dollars in thousands – except average annual benefit)

Valuation Date	Added to Rolls Number	Added to Rolls Annual Benefits	Removed from Rolls Number	Removed from Rolls Annual Benefits	Rolls – End of Year Number	Rolls – End of Year Total[1] Annual Benefits	Percent Increase / (Decrease) in Total Annual Benefits	Average Annual Benefit	Percent Increase/ (Decrease) in Average Annual Benefit
6/30/05	-	$ -	-	$ -	39	$ 244	(0.5)%	$ 6,268	(0.6)%
6/30/06	2	12	2	9	39	260	6.2	6,658	6.2
6/30/07	6	31	-	-	45	283	9.1	6,298	(5.4)
6/30/08	1	-	2	10	44	274	(3.4)	6,223	(1.2)
6/30/09	17	88	2	2	59	371	35.3	6,281	0.9
6/30/10	5	9	3	27	61	347	(6.5)	5,685	(9.5)
6/30/11	4	22	-	-	65	356	2.6	5,477	(3.7)
6/30/12	2	13	4	20	63	349	(2.0)	5,536	1.1
6/30/13	9	41	4	26	68	364	4.3	5,362	(3.1)
6/30/14[2]	-	-	-	-	68	364	-	5,362	-

[1] *End of year annual benefits are not equal to prior end of year annual benefits plus additions less removals due to beneficiary benefit changes, data changes, and COLA increases.*
[2] *The valuation results as of June 30, 2014 were calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

Total Number of Retirants and Beneficiaries Per Year and Average Annual Benefit



Changes in Plan Provisions

There were no changes in plan provisions that impacted the pension benefits during the fiscal year.

Indiana Public Retirement System

INPRS
INDIANA PUBLIC RETIREMENT SYSTEM

2014 COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2014

Statistical Section

Summary of Statistical Section

This part of the Comprehensive Annual Financial Report contains more detailed information regarding the financial viability and pension benefit offerings for understanding the Financial Statements, Notes to the Financial Statements, and Required Supplementary Information.

Financial Trends

The following schedules contain trends to assist in understanding changes over time in financial performance of each retirement plan:

- Schedule of Changes in Net Position
- Schedule of Income Sources for a 10-Year Period
- Schedule of Historical Contribution Rates

Demographic and Economic Information

The following schedules contain benefit and member data to provide a better understanding of the benefit offerings of each retirement plan:

- Membership Data Summary
- Ratio of Active Members to Annuitants
- Schedule of Benefit Recipients by Type of Benefit Option
- Schedule of Average Benefit Payments
- Schedule of Average Death Benefit Payments
- Schedule of Participating Employers: Top 10
- Schedule of Participating Employers

Schedule of Changes in Net Position[1]

(dollars in thousands)

	Fiscal Year Ended June 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Additions										
Member Contributions	$ 290,407	$ 312,918	$ 312,488	$ 322,060	$ 332,959	$ 335,244	$ 330,314	$ 335,548	$ 326,518	$ 341,609
Employer Contributions	448,819	467,369	532,143	609,138	636,164	648,470	677,385	749,439	933,719	894,851
Nonemployer Contributing Entity	376,851	585,187	618,658	653,981	693,140	717,932	739,846	756,116	1,004,140	826,142
Investment Income / (Loss)	1,680,835	1,940,363	3,792,531	(1,754,782)	(4,642,194)	2,637,244	3,943,032	172,721	1,514,240	3,434,051
Member Reassignments	6,955	6,606	6,965	9,608	7,662	8,176	15,410	13,025	14,759	15,582
Other Additions	1,583	166	253	404	166	154	166	100	106	172
Total Additions	**$ 2,805,450**	**$ 3,312,609**	**$ 5,263,038**	**$ (159,591)**	**$ (2,972,103)**	**$ 4,347,220**	**$ 5,706,153**	**$ 2,026,949**	**$ 3,793,482**	**$ 5,512,407**
Deductions										
Pension Benefits	$ 1,113,329	$ 1,215,172	$ 1,379,511	$ 1,477,798	$ 1,494,247	$ 1,623,749	$ 1,889,792	$ 1,976,672	$ 2,070,025	$ 2,144,854
Disability Benefits	35,484	39,079	45,094	47,079	51,326	55,554	53,608	57,239	60,664	71,202
Death Benefits	410	209	222	558	656	1,014	774	788	1,444	870
Distributions of Contributions and Interest	47,889	78,735	65,382	60,440	50,355	53,297	91,447	95,431	98,414	87,375
Administrative and Project Expenses	24,707	23,459	27,366	31,686	36,043	38,200	35,848	40,813	45,864	43,399
Member Reassignments	6,955	6,606	6,965	9,608	7,662	8,176	15,410	13,025	14,759	15,582
Total Deductions	**$ 1,228,774**	**$ 1,363,260**	**$ 1,524,540**	**$ 1,627,169**	**$ 1,640,289**	**$ 1,779,990**	**$ 2,086,879**	**$ 2,183,968**	**$ 2,291,170**	**$ 2,363,282**
Changes in Net Position										
Beginning of Year	$ 18,650,859	$ 20,227,535	$22,176,884	$ 25,915,382	$ 24,128,622	$ 19,516,230	$22,083,460	$25,702,734	$ 25,545,715	$27,048,027
End of Year	20,227,535	22,176,884	25,915,382	24,128,622	19,516,230	22,083,460	25,702,734	25,545,715	27,048,027	30,197,152
Net Increase / (Decrease)	**$ 1,576,676**	**$ 1,949,349**	**$ 3,738,498**	**$(1,786,760)**	**$ (4,612,392)**	**$ 2,567,230**	**$ 3,619,274**	**$ (157,019)**	**$ 1,502,312**	**$ 3,149,125**

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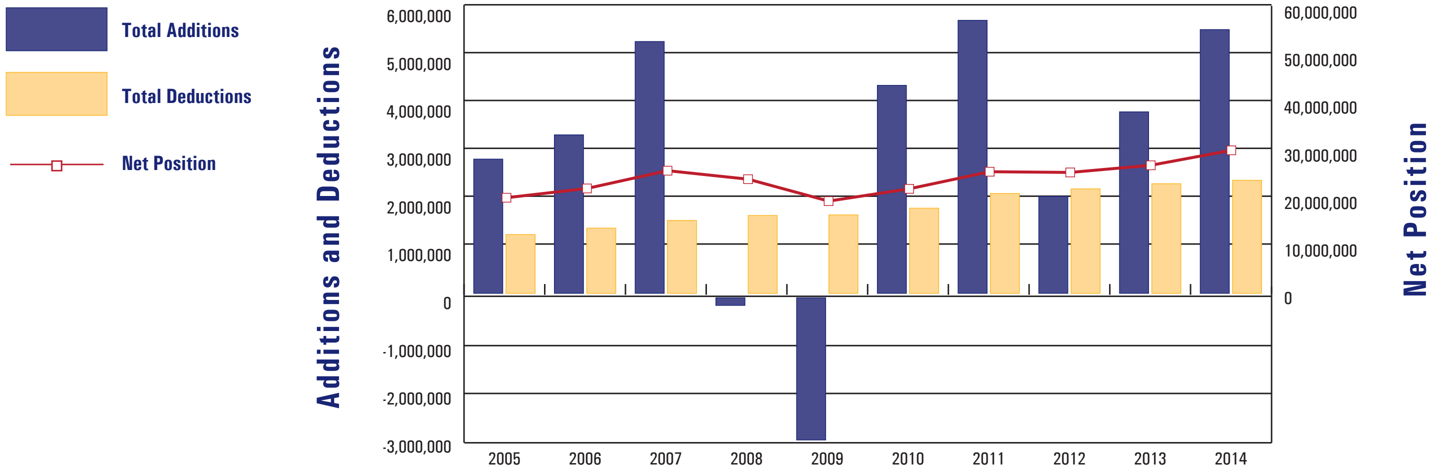
[1] *Prior years (2005 through 2013) have been restated to reflect the exclusion of the Pension Relief Fund as an Agency Fund and the reclass of Nonemployer Contributing Entity contributions from Employer Contributions and Other Additions.*

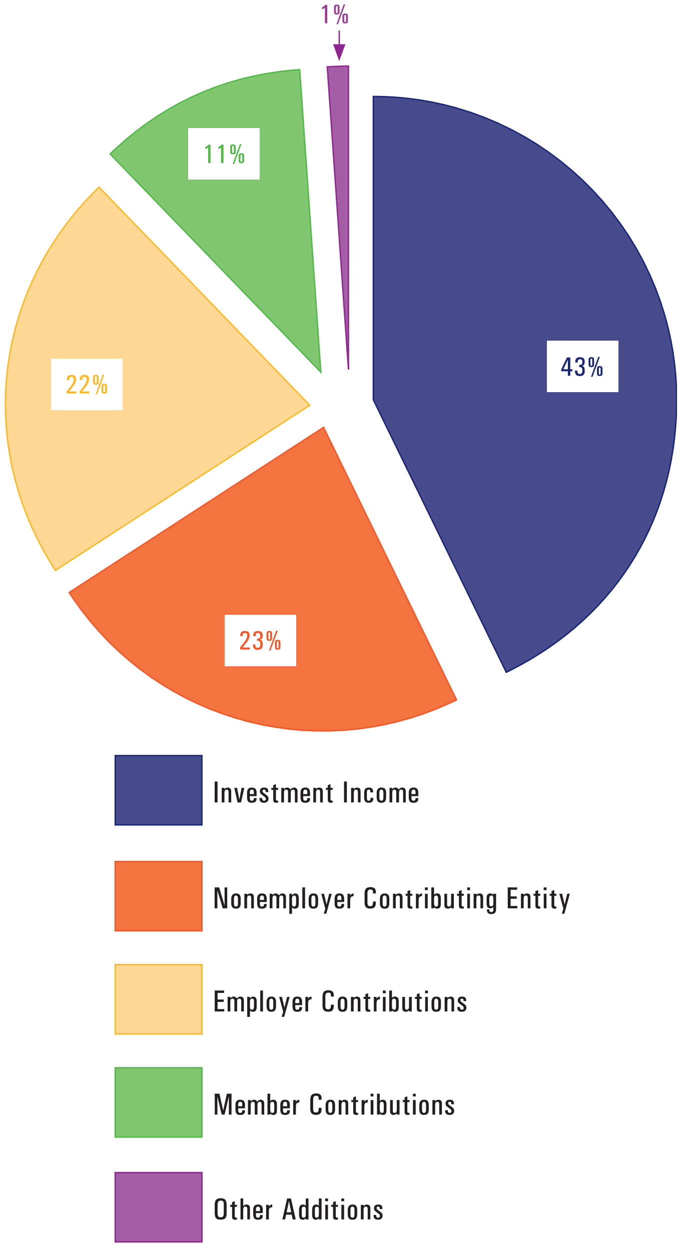
Ten-Year Comparison of Net Position, Additions and Deductions (dollars in thousands)



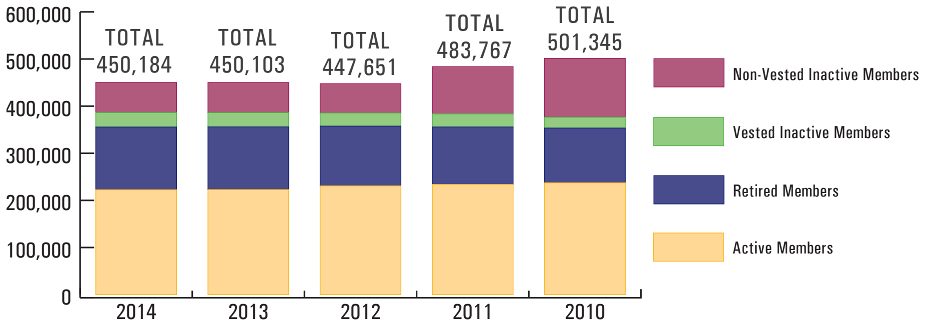
Summary of Income Sources for a Ten-Year Period

Fiscal Year 2005 - Fiscal Year 2014

Investment Income	43%
Nonemployer Contributing Entity	23%
Employer Contributions	22%
Member Contributions	11%
Other Additions	1%



Membership Data Summary[1]



- PERF = Public Employees' Retirement Fund
- TRF Pre-1996 = Teachers' Retirement Fund Pre-1996 Account
- TRF 1996 = Teachers' Retirement Fund 1996 Account
- 1977 Fund = 1977 Police Officers' and Firefighters' Pension and Disability Fund
- JRS = Judges' Retirement System
- EG&C Plan = State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan
- PARF = Prosecuting Attorneys' Retirement Fund
- LEDB Plan = Legislators' Defined Benefit Plan
- LEDC Plan = Legislators' Defined Contribution Plan

Fiscal Year Ended June 30, 2014[2]

Retirement Plans	Active Members	Retirees, Disabilitants, & Beneficiaries	Terminated Vested Inactive Members	Terminated Non-Vested Inactive Members With Balance	Total Members
PERF	137,567	75,950	24,013	50,997	288,527
TRF Pre-1996	19,210	49,345	3,314	546	72,415
TRF 1996	51,204	3,665	3,103	11,147	69,119
1977 Fund	13,295	3,491	129	796	17,711
JRS	365	321	67	32	785
EG&C Plan	473	193	4	87	757
PARF	210	95	83	162	550
LEDB Plan	24	68	9	-	101
LEDC Plan	149	-	-	70	219
Total INPRS	222,497	133,128	30,722	63,837	450,184

Fiscal Year Ended June 30, 2013

Retirement Plans	Active Members	Retirees, Disabilitants, & Beneficiaries	Terminated Vested Inactive Members	Terminated Non-Vested Inactive Members With Balance	Total Members
PERF	137,937	75,950	23,504	51,057	288,448
TRF Pre-1996	19,210	49,345	3,314	546	72,415
TRF 1996	51,204	3,665	3,103	11,147	69,119
1977 Fund	13,287	3,491	129	796	17,703
JRS	365	321	67	32	785
EG&C Plan	473	193	4	87	757
PARF	210	95	83	162	550
LEDB Plan	24	68	9	-	101
LEDC Plan	167	-	-	58	225
Total INPRS	222,877	133,128	30,213	63,885	450,103

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[1] *INPRS intends to make this schedule a 10-year schedule over time. Terminated Non-Vested Inactive Members With Balance data was not available for select retirement plans prior to fiscal year 2010.*

[2] *June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

Membership Data Summary, continued[1]

- PERF = Public Employees' Retirement Fund
- TRF Pre-1996 = Teachers' Retirement Fund Pre-1996 Account
- TRF 1996 = Teachers' Retirement Fund 1996 Account
- 1977 Fund = 1977 Police Officers' and Firefighters' Pension and Disability Fund
- JRS = Judges' Retirement System
- EG&C Plan = State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan
- PARF = Prosecuting Attorneys' Retirement Fund
- LEDB Plan = Legislators' Defined Benefit Plan
- LEDC Plan = Legislators' Defined Contribution Plan

Fiscal Year Ended June 30, 2012

Retirement Plans	Active Members	Retirees, Disabilitants, & Beneficiaries	Terminated Vested Inactive Members	Terminated Non-Vested Inactive Members With Balance	Total Members
PERF	145,519	72,992	21,200	47,874	287,585
TRF Pre-1996	22,688	47,000	3,382	794	73,864
TRF 1996	47,885	2,971	2,985	12,528	66,369
1977 Fund	13,390	3,208	122	751	17,471
JRS	361	311	72	28	772
EG&C Plan	468	187	4	61	720
PARF	219	81	84	165	549
LEDB Plan	6	63	38	-	107
LEDC Plan	167	-	-	47	214
Total INPRS	230,703	126,813	27,887	62,248	447,651

Fiscal Year Ended June 30, 2011

Retirement Plans	Active Members	Retirees, Disabilitants, & Beneficiaries	Terminated Vested Inactive Members	Terminated Non-Vested Inactive Members With Balance	Total Members
PERF	147,933	70,380	20,634	72,105	311,052
TRF Pre-1996	24,710	45,421	3,921	3,595	77,647
TRF 1996	46,633	2,554	2,715	23,573	75,475
1977 Fund	13,376	2,966	126	791	17,259
JRS	363	310	66	31	770
EG&C Plan	440	176	5	59	680
PARF	212	76	85	177	550
LEDB Plan	7	65	40	-	112
LEDC Plan	171	-	-	51	222
Total INPRS	233,845	121,948	27,592	100,382	483,767

Fiscal Year Ended June 30, 2010

Retirement Plans	Active Members	Retirees, Disabilitants, & Beneficiaries	Terminated Vested Inactive Members	Terminated Non-Vested Inactive Members With Balance	Total Members
PERF	149,877	67,166	14,759	88,234	320,036
TRF Pre-1996	26,439	43,478	5,209	8,149	83,275
TRF 1996	46,433	2,181	2,461	27,698	78,773
1977 Fund	13,362	2,782	111	771	17,026
JRS	291	298	73	31	693
EG&C Plan	471	157	4	52	684
PARF	217	58	74	177	526
LEDB Plan	20	61	34	-	115
LEDC Plan	169	-	-	48	217
Total INPRS	237,279	116,181	22,725	125,160	501,345

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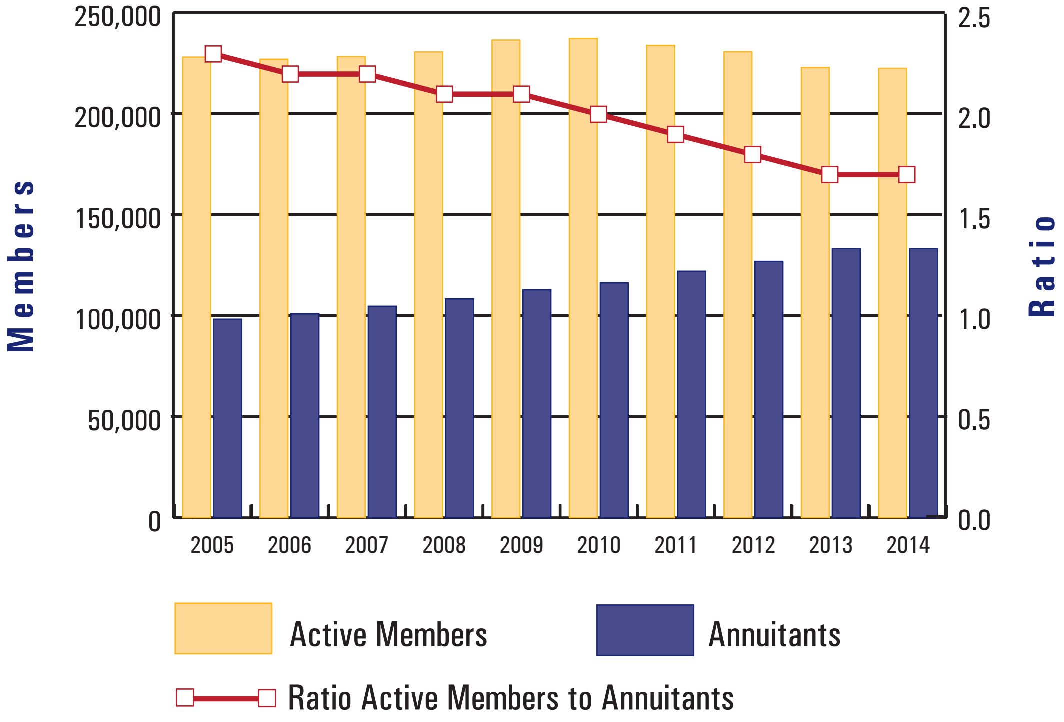
[1] INPRS intends to make this schedule a 10-year schedule over time. Terminated Non-Vested Inactive Members With Balance data was not available for select retirement plans prior to fiscal year 2010.

Ratio of Active Members to Annuitants

Fiscal Year Ended June 30	Active Members[1]	Annuitants[2]	Ratio Active Members To Annuitants
2005	227,891	98,209	2.3
2006	226,817	100,855	2.2
2007	228,158	104,617	2.2
2008	230,417	108,254	2.1
2009	236,304	112,758	2.1
2010	237,110	116,181	2.0
2011	233,674	121,948	1.9
2012	230,536	126,813	1.8
2013	222,710	133,128	1.7
2014[3]	222,348	133,128	1.7

[1] Active Members exclude Legislators' Defined Contribution Plan.
[2] Annuitants includes retirees, disabilities, and beneficiaries.
[3] June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.



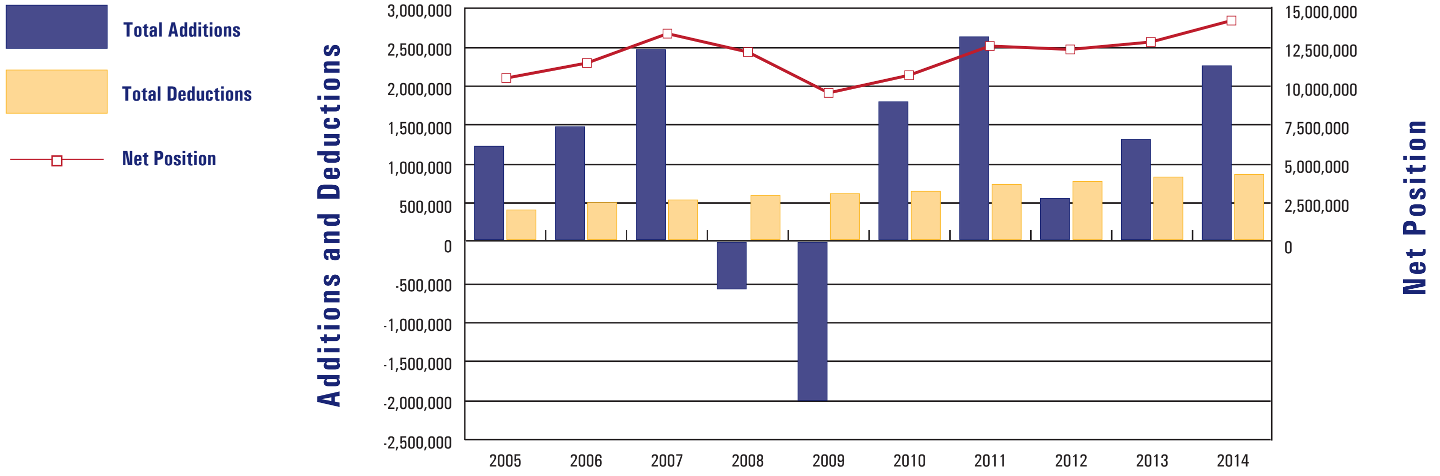
Public Employees' Retirement Fund

Schedule of Changes in Net Position

(dollars in thousands)

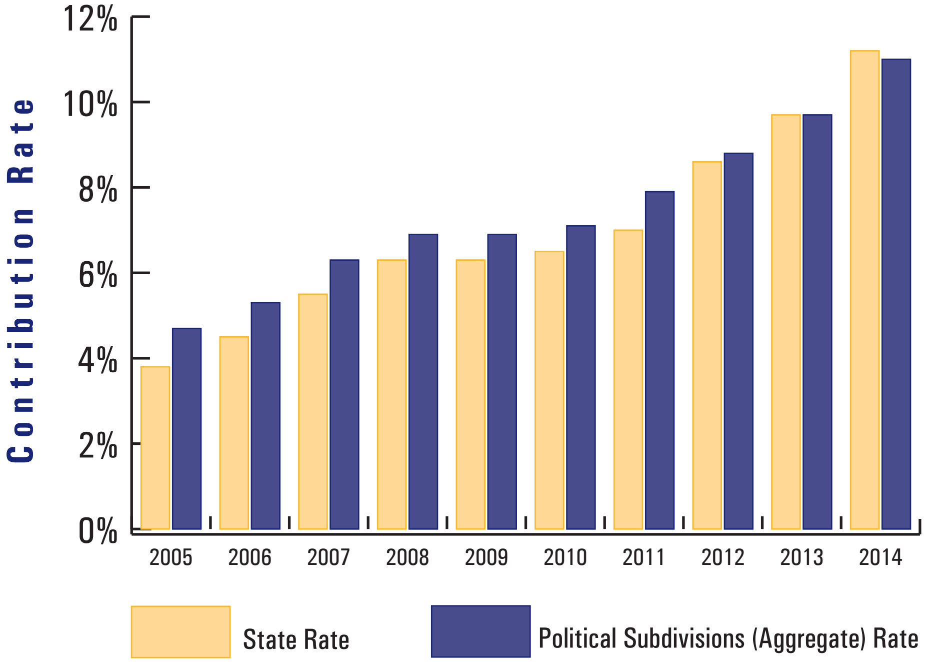
	Fiscal Year Ended June 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Additions										
Member Contributions	$ 136,009	$ 145,753	$ 147,740	$ 155,728	$ 160,034	$ 158,089	$ 156,028	$ 158,696	$ 156,408	$ 164,189
Employer Contributions	206,323	230,357	260,150	303,877	323,151	331,090	342,779	397,843	455,658	526,090
Investment Income / (Loss)	896,408	1,093,658	2,024,539	(1,079,918)	(2,517,955)	1,297,543	2,112,090	(3,952)	691,332	1,553,393
Member Reassignments	2,982	1,496	2,695	6,356	3,115	2,361	5,302	3,341	4,363	3,444
Other Additions	560	45	145	287	32	39	15	8	31	52
Total Additions	**$ 1,242,282**	**$ 1,471,309**	**$ 2,435,269**	**$ (613,670)**	**$ (2,031,623)**	**$ 1,789,122**	**$ 2,616,214**	**$ 555,936**	**$ 1,307,792**	**$ 2,247,168**
Deductions										
Pension Benefits	$ 350,810	$ 391,173	$ 433,463	$ 467,994	$ 500,214	$ 539,540	$ 600,797	$ 628,522	$ 679,680	$ 725,490
Disability Benefits	25,032	27,394	32,546	33,643	36,569	40,171	37,663	40,659	42,905	39,837
Death Benefits	1	-	-	-	-	-	-	-	-	-
Distributions of Contributions and Interest	35,009	65,804	48,334	45,610	36,099	39,632	65,178	69,879	68,775	63,031
Administrative and Project Expenses	15,688	14,273	17,943	21,183	21,497	24,959	22,461	24,793	29,181	27,433
Member Reassignments	3,973	5,110	6,795	6,844	5,132	5,837	10,078	9,684	10,405	7,690
Total Deductions	**$ 430,513**	**$ 503,754**	**$ 539,081**	**$ 575,274**	**$ 599,511**	**$ 650,139**	**$ 736,177**	**$ 773,537**	**$ 830,946**	**$ 863,481**
Changes in Net Position										
Beginning of Year	$ 9,586,902	$ 10,398,671	$ 11,366,226	$ 13,262,414	$ 12,073,470	$ 9,442,336	$ 10,581,319	$ 12,461,356	$ 12,243,755	$ 12,720,601
End of Year	10,398,671	11,366,226	13,262,414	12,073,470	9,442,336	10,581,319	12,461,356	12,243,755	12,720,601	14,104,288
Net Increase / (Decrease)	**$ 811,769**	**$ 967,555**	**$ 1,896,188**	**$ (1,188,944)**	**$ (2,631,134)**	**$ 1,138,983**	**$ 1,880,037**	**$ (217,601)**	**$ 476,846**	**$ 1,383,687**

Ten-Year Comparison of Net Position, Additions and Deductions (dollars in thousands)



Schedule of Historical Contribution Rates

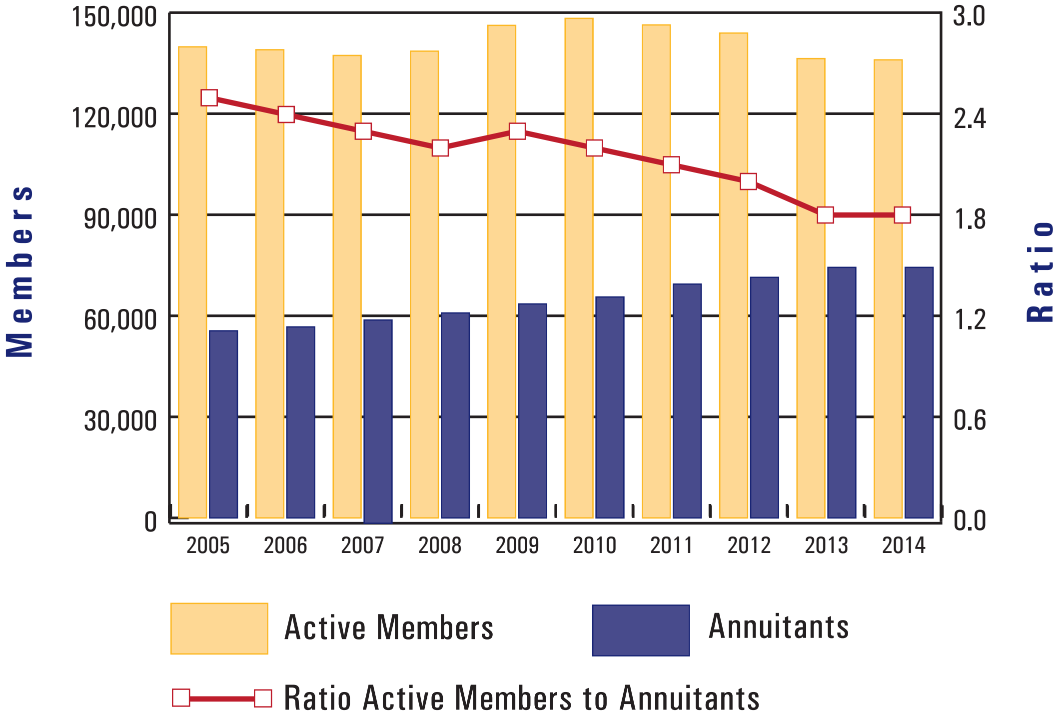
Fiscal Year Ended June 30	State Rate	Political Subdivisions (Aggregate) Rate
2005	3.8%	4.7%
2006	4.5	5.3
2007	5.5	6.3
2008	6.3	6.9
2009	6.3	6.9
2010	6.5	7.1
2011	7.0	7.9
2012	8.6	8.8
2013	9.7	9.7
2014	11.2	11.0
Memo: Effective Date	July 1	January 1



Ratio of Active Members to Annuitants

Fiscal Year Ended June 30	Active Members	Annuitants[1]	Ratio Active Members To Annuitants
2005	141,428	57,121	2.5
2006	140,563	58,283	2.4
2007	138,863	60,332	2.3
2008	140,146	62,424	2.2
2009	147,792	65,099	2.3
2010	149,877	67,166	2.2
2011	147,933	70,380	2.1
2012	145,519	72,992	2.0
2013	137,937	75,950	1.8
2014[2]	137,567	75,950	1.8

[1] *Annuitants includes retirees, disabilities, and beneficiaries.*
[2] *June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

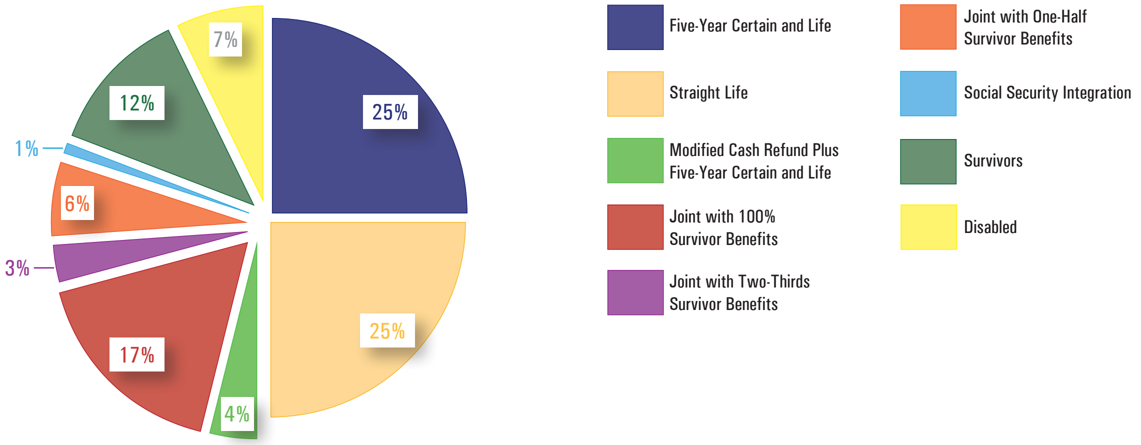


Schedule of Benefit Recipients by Type of Benefit Option

Fiscal Year Ended June 30, 2014[10]

Number of Benefit Recipients by Benefit Option

Amount of Monthly Benefit (in dollars)	1 5-Year Certain & Life	2 Straight Life	3 Modified Cash Refund Plus 5-Year Certain & Life	4 Joint With 100% Survivor Benefits	5 Joint With Two-Thirds Survivor Benefits	6 Joint With One-Half Survivor Benefits	7 Social Security Integration	8 Survivors	9 Disability	Total Benefit Recipients
$ 1 - 500	11,190	7,637	960	6,166	652	1,559	300	6,071	3,116	37,651
501 - 1,000	5,564	6,418	971	3,769	825	1,689	185	2,218	1,342	22,981
1,001 - 1,500	1,682	2,796	425	1,922	461	894	68	555	341	9,144
1,501 - 2,000	570	1,181	176	748	261	337	56	156	85	3,570
2,001 - 3,000	273	690	135	459	180	270	49	71	21	2,148
over 3,000	45	170	27	84	53	53	10	12	2	456
Total	**19,324**	**18,892**	**2,694**	**13,148**	**2,432**	**4,802**	**668**	**9,083**	**4,907**	**75,950**
Memo: Percent	**25%**	**25%**	**4%**	**17%**	**3%**	**6%**	**1%**	**12%**	**7%**	**100%**



1 (5-Year Certain & Life) – Provides a monthly benefit for retiree's life. If retiree receives benefits for at least five (5) years prior to death, there is no benefit payable to a designated beneficiary. In the event the retiree dies before receiving five (5) years of payments, the beneficiary receives the remainder of those five (5) years of monthly benefits, or the present value of those remaining payments in a lump sum.

2 (Straight Life) – Provides a monthly benefit for retiree's life. The benefit ceases upon the death of the retiree. If applicable, the balance of the retiree's Annuity Savings Account (ASA) is distributed to a designated beneficiary or estate if the remaining ASA is greater than the total payments previously paid to the retiree.

3 (Modified Cash Refund Plus 5-Year Certain & Life) – Provides a monthly benefit for retiree's life, including monthly annuitization of member's Annuity Savings Account (ASA). In the event the retiree dies before receiving five (5) years of payments, the beneficiary receives either a monthly benefit of the pension amount only for the remainder of the five (5) years of guaranteed pension payments, or the present value of those pension payments in a lump sum. If applicable, the balance of the retiree's ASA is distributed to a designated beneficiary or estate if the remaining ASA is greater than the ASA-related payments previously paid to the retiree.

4 (Joint With 100% Survivor Benefits) – Provides a monthly benefit for retiree's life. Upon the death of the retiree, the qualified designated survivor receives 100 percent of the member's monthly benefit for the remainder of the survivor's life.

5 (Joint With Two-Thirds Survivor Benefits) – Provides a monthly benefit for retiree's life. Upon the death of the retiree, the qualified designated survivor receives 66 2/3 percent of the member's monthly benefit for the remainder of the survivor's life.

6 (Joint With One-Half Survivor Benefits) – Provides a monthly benefit for retiree's life. Upon the death of the retiree, the qualified designated survivor receives 50 percent of the member's monthly benefit for the remainder of the survivor's life.

7 (Social Security Integration) – Provides a higher monthly benefit for a retiree between the ages 50 and 62 who elects to integrate social security with the monthly benefit. For PERF retirees, the monthly benefit is reduced at age 62 to no less than $180 depending on the estimated monthly benefit from social security at age 62.

8 (Survivors) – Members receiving a survivor benefit in accordance with the applicable statute. The benefit ceases upon the death of the survivor.

9 (Disability) – Members receiving a disability benefit in accordance with the applicable statute. For PERF, five (5) or more years of creditable service is required to be eligible for a disability benefit.

10 June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.

Schedule of Average Benefit Payments[1]

	Years of Credited Service						
Description	**< 10[2]**	**10 - 14**	**15 - 19**	**20 - 24**	**25 - 29**	**30+**	**Total**
Fiscal Year Ended June 30, 2014[3]							
Average Monthly Defined Benefit	$ 154	$ 269	$ 370	$ 515	$ 715	$ 1,160	$ 569
Average Monthly ASA Annuity[4]	$ 42	$ 94	$ 124	$ 180	$ 244	$ 425	$ 199
Average Final Average Salary	$ 22,762	$ 22,669	$ 25,080	$ 27,190	$ 30,044	$ 37,145	$ 28,019
Number of Benefit Recipients	2,670	12,866	19,825	15,757	11,079	13,753	75,950
Fiscal Year Ended June 30, 2013							
Average Monthly Defined Benefit	$ 154	$ 269	$ 370	$ 515	$ 715	$ 1,160	$ 569
Average Monthly ASA Annuity[4]	$ 42	$ 94	$ 124	$ 180	$ 244	$ 425	$ 199
Average Final Average Salary	$ 22,762	$ 22,669	$ 25,080	$ 27,190	$ 30,044	$ 37,145	$ 28,019
Number of Benefit Recipients	2,670	12,866	19,825	15,757	11,079	13,753	75,950
Fiscal Year Ended June 30, 2012							
Average Monthly Defined Benefit	$ 156	$ 265	$ 363	$ 504	$ 701	$ 1,139	$ 555
Average Monthly ASA Annuity[4]	$ 42	$ 89	$ 116	$ 171	$ 233	$ 407	$ 188
Average Final Average Salary	$ 22,105	$ 21,993	$ 24,513	$ 26,534	$ 29,347	$ 36,331	$ 27,306
Number of Benefit Recipients	2,523	12,369	19,361	15,258	10,589	12,892	72,992
Fiscal Year Ended June 30, 2011							
Average Monthly Defined Benefit	$ 159	$ 263	$ 358	$ 495	$ 687	$ 1,120	$ 542
Average Monthly ASA Annuity[4]	$ 39	$ 85	$ 110	$ 162	$ 223	$ 386	$ 176
Average Final Average Salary	$ 21,397	$ 21,487	$ 24,034	$ 25,883	$ 28,617	$ 35,542	$ 26,632
Number of Benefit Recipients	2,373	12,036	19,007	14,731	10,190	12,043	70,380

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[1] INPRS intends to make this schedule a 10-year schedule over time.

[2] Members with less than 10 years of service are: (1) a member receiving a disability benefit from INPRS; (2) a member who has at least eight (8) years of creditable service as a county clerk, county auditor, county recorder, county treasurer, county sheriff or county coroner eligible for a normal retirement after reaching age 65 (applies to only members retiring after June 30, 2002); (3) a member who has at least eight (8) years of creditable service as a state auditor, state treasurer, or secretary of state (whose term commences after the November 5, 2002 election).

[3] June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.

[4] Members may choose to take the distribution of the Annuity Savings Account (ASA) in two (2) ways. This represents those retirees who elected to receive their ASAs as a supplemental monthly payment in addition to the monthly Defined Benefit payment.

Note: Based on the actuarial valuation as of June 30, 2013, approximately 56% of PERF members annuitized their ASA balances.

Schedule of Participating Employers: Top 10

	June 30, 2014			June 30, 2005		
Participating Employer	Covered Members	Rank	Percentage of Total PERF	Covered Members	Rank	Percentage of Total PERF
Top 10 Employers						
State of Indiana	42,755	1	31.1%	53,312	1	37.7%
Health & Hospital Corporation – Marion County	4,575	2	3.3	3,989	2	2.8
Marion County	2,643	3	1.9	2,778	3	2.0
Indianapolis Public Schools	1,946	4	1.4	2,472	4	1.8
City of Indianapolis	1,633	5	1.2	1,891	6	1.3
Fort Wayne Community Schools	1,497	6	1.1	1,962	5	1.4
Lake County	1,441	7	1.0	1,838	7	1.3
South Bend Community School Corporation	1,283	8	0.9	1,500	8	1.1
Evansville-Vanderburgh School Corporation	1,183	9	0.9	1,182	10	0.8
Allen County	1,182	10	0.9	1,281	9	0.9
Total – Top 10 Employers	**60,138**		**43.7**	**72,205**		**51.1**
All Other (1,116 Employers in 2014; 1,107 Employers in 2005)	77,429		56.3	69,223		48.9
(1,126 Employers in 2014; 1,117 Employers in 2005)	**137,567**		**100.0%**	**141,428**		**100.0%**

Teachers' Retirement Fund (Total)

INPRS
INDIANA PUBLIC RETIREMENT SYSTEM

Schedule of Changes in Net Position[1]

(dollars in thousands)

	Fiscal Year Ended June 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Additions										
Member Contributions	$ 117,897	$ 130,496	$ 126,195	$ 123,928	$ 128,568	$ 131,676	$ 126,784	$ 129,962	$ 122,953	$ 128,830
Employer Contributions	107,947	116,460	134,866	154,664	156,586	162,549	176,313	190,090	190,198	201,076
Nonemployer Contributing Entity	376,832	584,880	618,173	653,464	692,601	717,306	739,298	755,400	1,003,596	825,617
Investment Income / (Loss)	560,890	572,290	1,223,431	(381,080)	(1,390,148)	965,556	1,177,390	166,001	573,709	1,234,363
Member Reassignments	3,973	5,092	3,841	3,188	4,260	5,510	8,827	9,304	10,204	12,134
Other Additions	864	-	-	-	-	-	-	-	10	40
Total Additions	**$ 1,168,403**	**$ 1,409,218**	**$ 2,106,506**	**$ 554,164**	**$ (408,133)**	**$ 1,982,597**	**$ 2,228,612**	**$ 1,250,757**	**$ 1,900,670**	**$ 2,402,060**
Deductions										
Pension Benefits	$ 723,626	$ 779,616	$ 897,580	$ 950,755	$ 934,216	$ 1,017,030	$ 1,210,936	$ 1,256,887	$ 1,287,388	$ 1,305,501
Disability Benefits[2]	108	98	96	100	80	74	63	51	51	13,351
Distributions of Contributions and Interest	9,237	9,562	12,901	10,463	9,613	10,447	20,565	21,236	22,664	19,169
Administrative and Project Expenses	7,025	6,750	6,522	6,920	10,254	11,076	10,840	13,954	14,408	13,717
Member Reassignments	2,982	1,484	37	2,761	2,525	2,339	5,239	3,308	4,339	7,892
Total Deductions	**$ 742,978**	**$ 797,510**	**$ 917,136**	**$ 970,999**	**$ 956,688**	**$ 1,040,966**	**$ 1,247,643**	**$ 1,295,436**	**$ 1,328,850**	**$ 1,359,630**
Changes in Net Position										
Beginning of Year	$ 6,754,291	$ 7,179,716	$ 7,791,424	$ 8,980,794	$ 8,563,959	$ 7,199,138	$ 8,140,769	$ 9,121,738	$ 9,077,059	$ 9,648,879
End of Year	7,179,716	7,791,424	8,980,794	8,563,959	7,199,138	8,140,769	9,121,738	9,077,059	9,648,879	10,691,309
Net Increase / (Decrease)	**$ 425,425**	**$ 611,708**	**$ 1,189,370**	**$ (416,835)**	**$ (1,364,821)**	**$ 941,631**	**$ 980,969**	**$ (44,679)**	**$ 571,820**	**$ 1,042,430**

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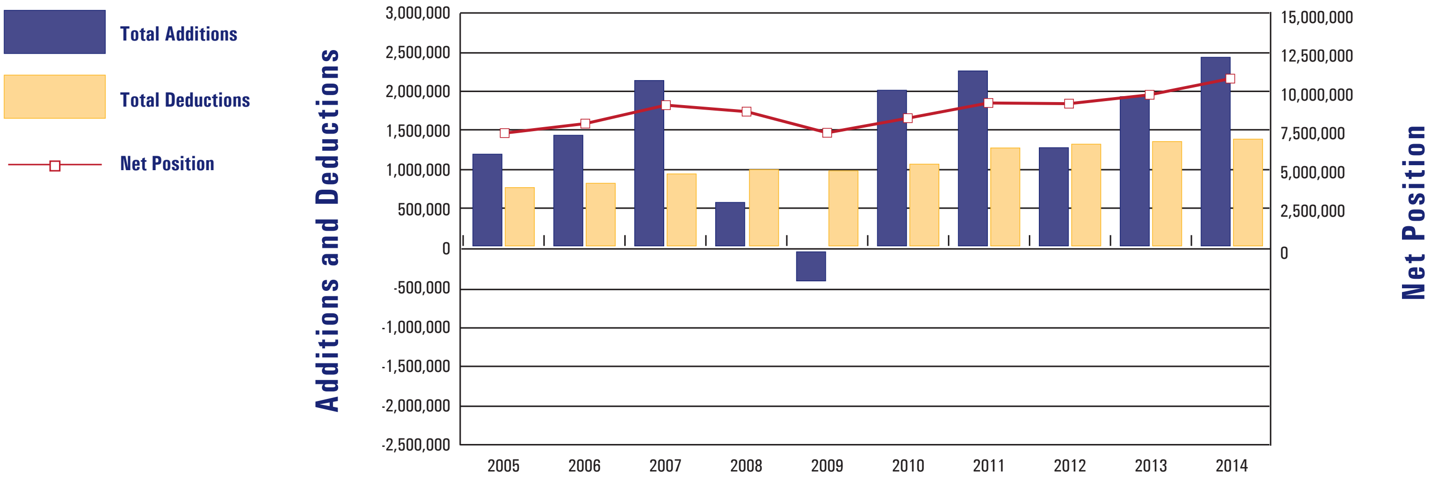
[1] Prior years (2005 through 2013) have been restated to reflect the reclass of Nonemployer Contributing Entity contributions from Employer Contributions and Other Additions.

[2] Prior years (2005 through 2013) classified only classroom disability in Disability Benefit for the Teachers' Retirement Fund, while 2014 includes all disability benefits.

Ten-Year Comparison of Net Position, Additions and Deductions (dollars in thousands)



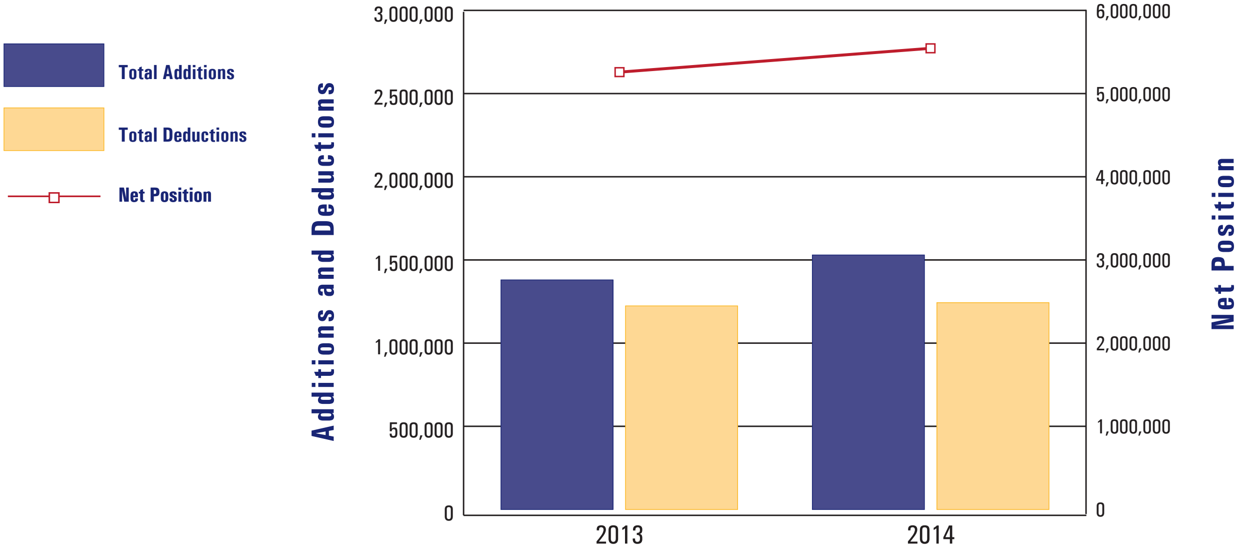
Schedule of Changes in Net Position[1]

(dollars in thousands)

	Fiscal Year Ended June 30	
	2013	2014
Additions		
Member Contributions	$ 45,421	$ 47,028
Employer Contributions	9,484	6,325
Nonemployer Contributing Entity	1,003,596	825,617
Investment Income / (Loss)	315,598	647,581
Member Reassignments	5,883	3,250
Other Additions	5	19
Total Additions	**$ 1,379,987**	**$ 1,529,820**
Deductions		
Pension Benefits	$ 1,201,162	$ 1,209,304
Disability Benefits	45	11,562
Distributions of Contributions and Interest	11,738	8,435
Administrative and Project Expenses	7,926	7,010
Member Reassignments	2,824	6,844
Total Deductions	**$ 1,223,695**	**$ 1,243,155**
Changes in Net Position		
Beginning of Year	$ 5,058,910	$ 5,215,202
End of Year	5,215,202	5,501,867
Net Increase / (Decrease)	**$ 156,292**	**$ 286,665**

[1] June 30, 2014 is the first year to split the Teachers' Retirement Fund (TRF) into two, TRF Pre-1996 and TRF 1996 Accounts. INPRS intends to make this schedule a 10-year schedule over time.

Ten-Year Comparison of Net Position, Additions and Deductions (dollars in thousands)

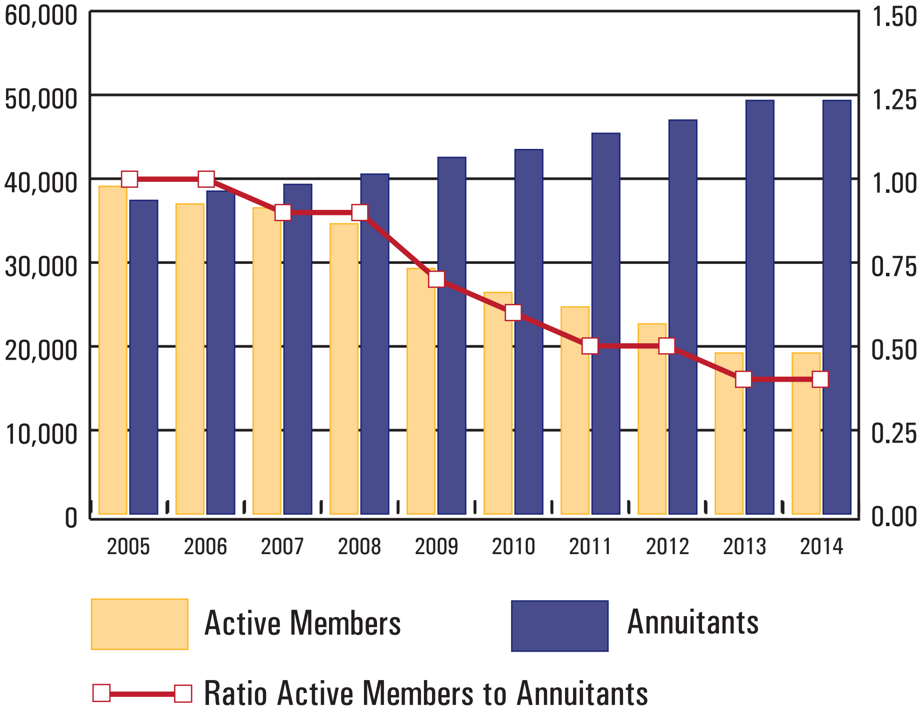


Ratio of Active Members to Annuitants

Fiscal Year Ended June 30	Active Members	Annuitants[1]	Ratio Active Members To Annuitants
2005	39,097	37,421	1.0
2006	36,994	38,522	1.0
2007	36,526	39,328	0.9
2008	34,628	40,554	0.9
2009	29,297	42,548	0.7
2010	26,439	43,478	0.6
2011	24,710	45,421	0.5
2012	22,688	47,000	0.5
2013	19,210	49,345	0.4
2014[2]	19,210	49,345	0.4

[1] *Annuitants includes retirees, disabilities, and beneficiaries.*

[2] *June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

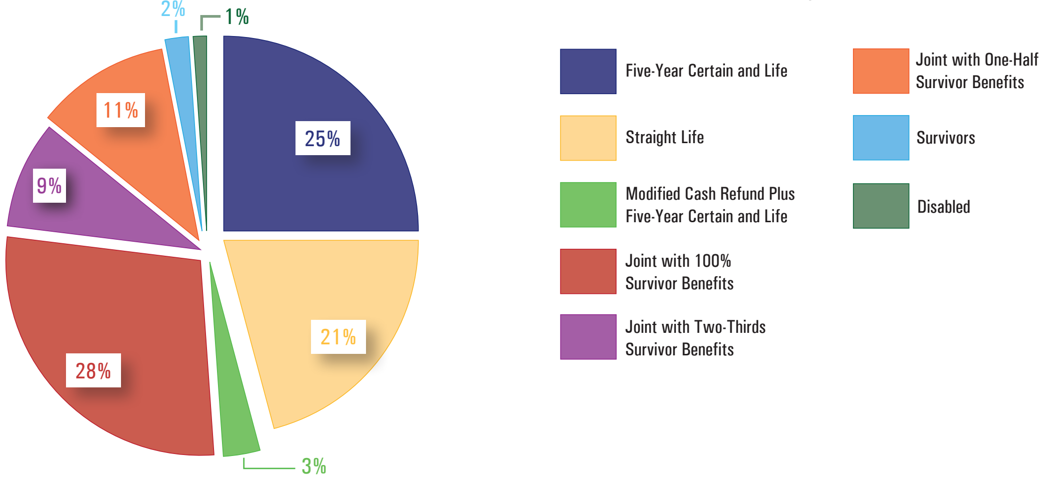


Schedule of Benefit Recipients by Type of Benefit Option

Fiscal Year Ended June 30, 2014[10]

Number of Benefit Recipients by Benefit Option

Amount of Monthly Benefit (in dollars)	1 5-Year Certain & Life	2 Straight Life	3 Modified Cash Refund Plus 5-Year Certain & Life	4 Joint With 100% Survivor Benefits	5 Joint With Two-Thirds Survivor Benefits	6 Joint With One-Half Survivor Benefits	7 Social Security Integration	8 Survivors	9 Disability	Total Benefit Recipients
$ 1 - 500	1,725	839	214	1,089	236	419	Incl. 1-6	473	77	5,072
501 - 1,000	2,085	1,423	311	1,911	685	930	Incl. 1-6	340	179	7,864
1,001 - 1,500	3,111	2,437	433	3,877	1,180	1,319	Incl. 1-6	150	223	12,730
1,501 - 2,000	2,987	2,816	356	4,184	1,395	1,623	Incl. 1-6	131	110	13,602
2,001 - 3,000	2,047	2,384	273	2,338	914	1,109	Incl. 1-6	52	26	9,143
over 3,000	211	252	23	228	102	118	Incl. 1-6	0	0	934
Total	**12,166**	**10,151**	**1,610**	**13,627**	**4,512**	**5,518**	**Incl. 1-6**	**1,146**	**615**	**49,345**
Memo: Percent	**25%**	**21%**	**3%**	**28%**	**9%**	**11%**	**N/A**	**2%**	**1%**	**100%**



1 (5-Year Certain & Life) – Provides a monthly benefit for retiree's life. If retiree receives benefits for at least five (5) years prior to death, there is no benefit payable to a designated beneficiary. In the event the retiree dies before receiving five (5) years of payments, the beneficiary receives the remainder of those five (5) years of monthly benefits, or the present value of those remaining payments in a lump sum.

2 (Straight Life) – Provides a monthly benefit for retiree's life. The benefit ceases upon the death of the retiree. If applicable, the balance of the retiree's Annuity Savings Account (ASA) is distributed to a designated beneficiary or estate if the remaining ASA is greater than the total payments previously paid to the retiree.

3 (Modified Cash Refund Plus 5-Year Certain & Life) – Provides a monthly benefit for retiree's life, including monthly annuitization of member's Annuity Savings Account (ASA). In the event the retiree dies before receiving five (5) years of payments, the beneficiary receives either a monthly benefit of the pension amount only for the remainder of the five (5) years of guaranteed pension payments, or the present value of those pension payments in a lump sum. If applicable, the balance of the retiree's ASA is distributed to a designated beneficiary or estate if the remaining ASA is greater than the ASA-related payments previously paid to the retiree.

4 (Joint With 100% Survivor Benefits) – Provides a monthly benefit for retiree's life. Upon the death of the retiree, the qualified designated survivor receives 100 percent of the member's monthly benefit for the remainder of the survivor's life.

5 (Joint With Two-Thirds Survivor Benefits) – Provides a monthly benefit for retiree's life. Upon the death of the retiree, the qualified designated survivor receives 66 2/3 percent of the member's monthly benefit for the remainder of the survivor's life.

6 (Joint With One-Half Survivor Benefits) – Provides a monthly benefit for retiree's life. Upon the death of the retiree, the qualified designated survivor receives 50 percent of the member's monthly benefit for the remainder of the survivor's life.

7 (Social Security Integration) – Provides a higher monthly benefit for a retiree between the ages 50 and 62 who elects to integrate social security with the monthly benefit. For TRF retirees, social security integration can be incorporated with options 1-6 and the number of retirees electing social security integration is included in the number of retirees electing options 1-6. For TRF retirees, the monthly benefit is reduced or terminated at age 62 depending on the estimated monthly benefit from social security at age 62.

8 (Survivors) – Members receiving a survivor benefit in accordance with the applicable statute. The benefit ceases upon the death of the survivor.

9 (Disability) – Members receiving a disability benefit in accordance with the applicable statute. For TRF, five (5) or more years of creditable service is required to be eligible for a disability benefit. Includes Classroom Disability which provides a benefit of $125 per month plus $5 for each additional year of TRF-covered service over five (5) years.

[10] June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.

Schedule of Average Benefit Payments[1]

	Years of Credited Service						
Description	**< 10[2]**	**10 - 14**	**15 - 19**	**20 - 24**	**25 - 29**	**30+**	**Total**
Fiscal Year Ended June 30, 2014[3]							
Average Monthly Defined Benefit	$ 405	$ 258	$ 517	$ 834	$ 1,187	$ 1,793	$ 1,453
Average Monthly ASA Annuity[4]	$ 57	$ 108	$ 104	$ 128	$ 159	$ 225	$ 191
Average Final Average Salary	$ 24,193	$ 22,426	$ 35,702	$ 43,604	$ 48,801	$ 55,636	$ 50,855
Number of Benefit Recipients	36	1,185	3,720	5,541	7,987	30,876	49,345
Fiscal Year Ended June 30, 2013							
Average Monthly Defined Benefit	$ 405	$ 258	$ 517	$ 834	$ 1,187	$ 1,793	$ 1,453
Average Monthly ASA Annuity[4]	$ 57	$ 108	$ 104	$ 128	$ 159	$ 225	$ 191
Average Final Average Salary	$ 24,193	$ 22,426	$ 35,702	$ 43,604	$ 48,801	$ 55,636	$ 50,855
Number of Benefit Recipients	36	1,185	3,720	5,541	7,987	30,876	49,345
Fiscal Year Ended June 30, 2012							
Average Monthly Defined Benefit	$ 311	$ 252	$ 503	$ 804	$ 1,150	$ 1,747	$ 1,405
Average Monthly ASA Annuity[4]	$ 14	$ 101	$ 101	$ 126	$ 156	$ 222	$ 187
Average Final Average Salary	$ 23,116	$ 21,575	$ 34,714	$ 41,788	$ 47,172	$ 54,014	$ 49,136
Number of Benefit Recipients	39	1,178	3,719	5,366	7,672	29,026	47,000
Fiscal Year Ended June 30, 2011							
Average Monthly Defined Benefit	$ 239	$ 250	$ 493	$ 785	$ 1,130	$ 1,722	$ 1,376
Average Monthly ASA Annuity[4]	$ 15	$ 99	$ 96	$ 125	$ 154	$ 220	$ 185
Average Final Average Salary	$ 20,085	$ 21,205	$ 33,684	$ 40,472	$ 45,837	$ 52,751	$ 47,787
Number of Benefit Recipients	37	1,170	3,735	5,252	7,467	27,760	45,421

[1] INPRS intends to make this schedule a 10-year schedule over time.

[2] Members with less than 10 years of service are primarily members receiving a disability benefit from INPRS.

[3] June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.

[4] Members may choose to take the distribution of the Annuity Savings Account (ASA) in two (2) ways. This represents the average ASA annuity amount across all retirees, which is in addition to the monthly Defined Benefit payment.

Note: Based on the actuarial valuation as of June 30, 2013, approximately 46% of TRF members annuitized their ASA balances.

Schedule of Participating Employers: Top 10

	June 30, 2014					June 30, 2005[1]		
Participating Employer	**Pre-1996 Account Covered Members**	**1996 Account Covered Members**	**Total TRF Covered Members**	**Rank**	**Percentage of Total TRF**	**Total TRF Covered Members**	**Rank**	**Percentage of Total TRF**
Top 10 Employers								
Indianapolis Public Schools	730	1,929	2,659	1	3.8%	3,628	1	4.8%
Fort Wayne Community Schools	598	1,583	2,181	2	3.1	2,183	2	2.9
Evansville-Vanderburgh School Corporation	604	952	1,556	3	2.2	1,631	4	2.1
South Bend Community School Corporation	423	975	1,398	4	2.0	1,656	3	2.2
Hamilton Southeastern Schools	185	1,053	1,238	5	1.8			
Wayne Township Metropolitan School District	185	905	1,090	6	1.5	1,098	8	1.4
Vigo County School Corporation	352	689	1,041	7	1.5	1,304	6	1.7
Elkhart Community Schools	225	810	1,035	8	1.5	1,036	9	1.4
Carmel Clay Schools	187	830	1,017	9	1.4	1,029	10	1.4
Hammond Public Schools	260	718	978	10	1.4			
Gary Community School Corporation						1,400	5	1.8
Lawrence Township Metropolitan School District						1,131	7	1.5
Total – Top 10 Employers	**3,749**	**10,444**	**14,193**		**20.2**	**16,096**		**21.2**
All Other (355 Employers in 2014; 337 Employers in 2005)	15,461	40,760	56,221		79.8	59,800		78.8
Grand Total (365 Employers in 2014; 347 Employers in 2005)	**19,210**	**51,204**	**70,414**		**100.0%**	**75,896**		**100.0%**

[1] *June 30, 2014 is the first year to split the Teachers' Retirement Fund (TRF) into two, TRF Pre-1996 and TRF 1996 Accounts. June 30, 2005 "Top 10" Employers information is only available for Total TRF.*

INPRS
INDIANA PUBLIC RETIREMENT SYSTEM

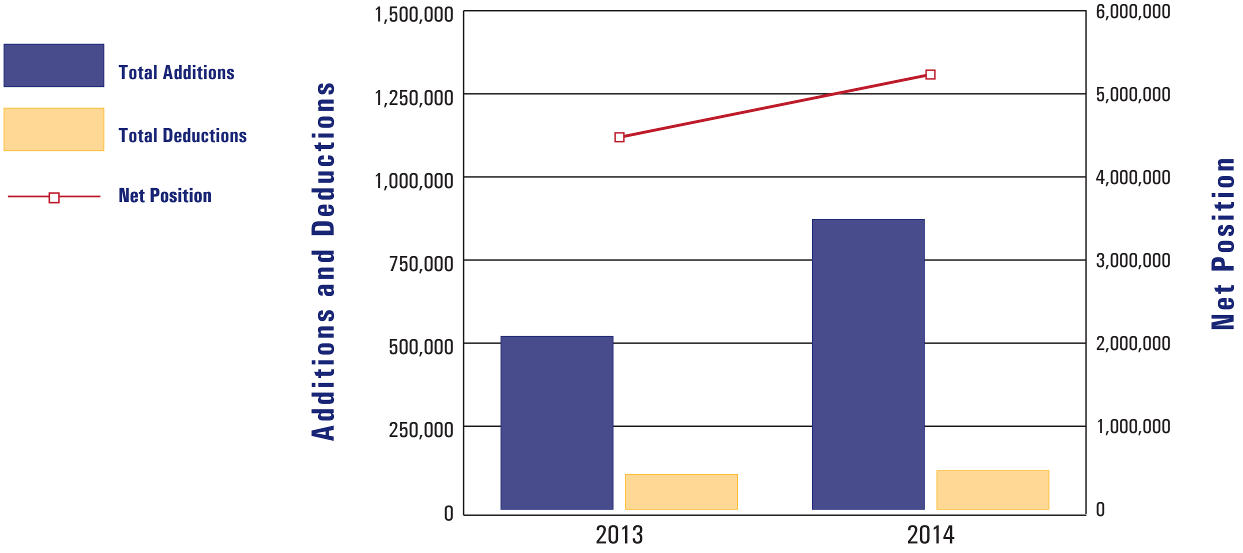
Schedule of Changes in Net Position[1]

(dollars in thousands)

	Fiscal Year Ended June 30	
	2013	2014
Additions		
Member Contributions	$ 77,532	$ 81,802
Employer Contributions	180,714	194,751
Investment Income / (Loss)	258,111	586,782
Member Reassignments	4,322	8,884
Other Additions	4	21
Total Additions	**$ 520,683**	**$ 872,240**
Deductions		
Pension Benefits	$ 86,226	$ 96,196
Disability Benefits	6	1,790
Distributions of Contributions and Interest	10,925	10,734
Administrative and Project Expenses	6,482	6,707
Member Reassignments	1,516	1,048
Total Deductions	**$ 105,155**	**$ 116,475**
Changes in Net Position		
Beginning of Year	$ 4,018,149	$ 4,433,677
End of Year	4,433,677	5,189,442
Net Increase / (Decrease)	**$ 415,528**	**$ 755,765**

[1] *June 30, 2014 is the first year to split the Teachers' Retirement Fund (TRF) into two, TRF Pre-1996 and TRF 1996 Accounts. INPRS intends to make this schedule a 10-year schedule over time.*

Ten-Year Comparison of Net Position, Additions and Deductions (dollars in thousands)

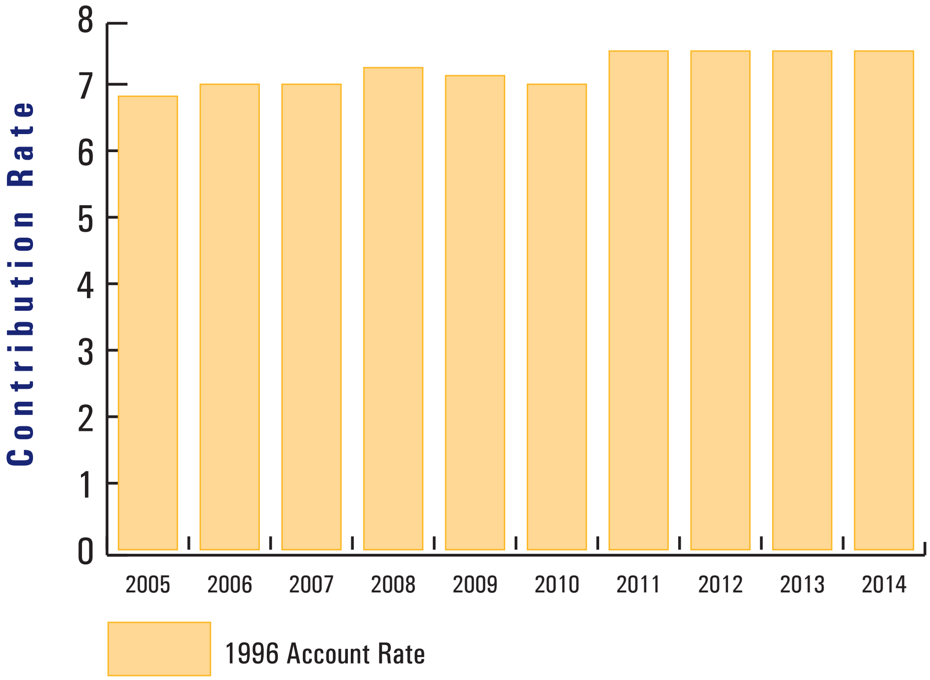


Schedule of Historical Contribution Rates

Fiscal Year Ended June 30	1996 Account Rate
2005	6.82%
2006	7.00
2007	7.00
2008	7.25
2009[1]	7.13
2010	7.00
2011	7.50
2012	7.50
2013	7.50
2014	7.50

Memo:	
Effective Date	July 1

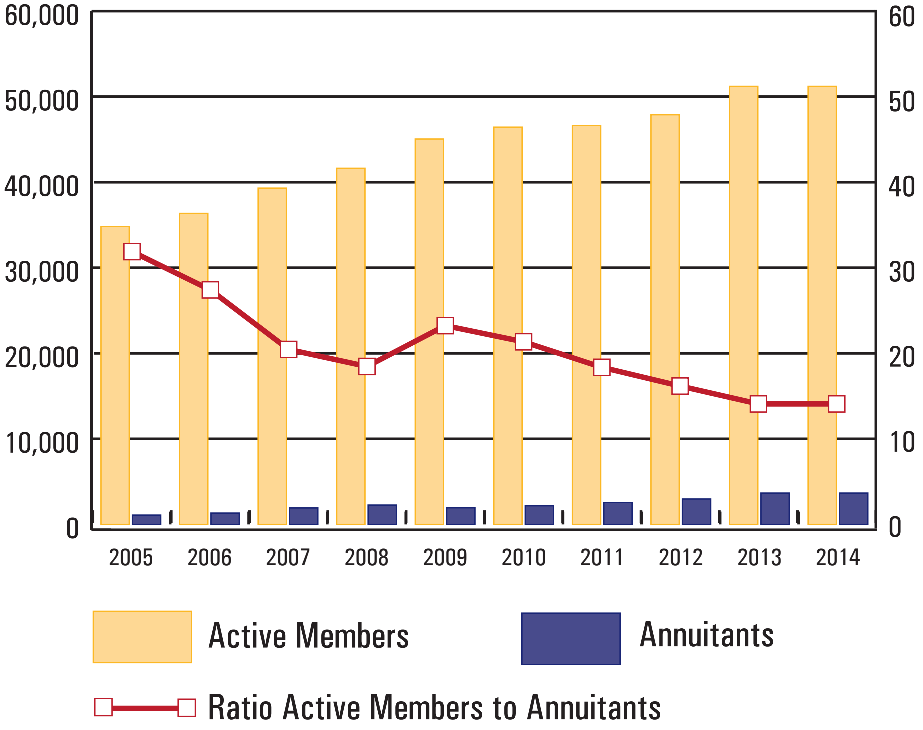
[1] *7.25 percent from July 1 - Dec. 31, 2008; 7.0 percent from Jan. 1 - June 30, 2009.*



Ratio of Active Members to Annuitants

Fiscal Year Ended June 30	Active Members	Annuitants[1]	Ratio Active Members To Annuitants
2005	34,826	1,091	31.9
2006	36,356	1,327	27.4
2007	39,307	1,925	20.4
2008	41,628	2,263	18.4
2009	45,046	1,944	23.2
2010	46,433	2,181	21.3
2011	46,633	2,554	18.3
2012	47,885	2,971	16.1
2013	51,204	3,665	14.0
2014[2]	51,204	3,665	14.0

[1] Annuitants includes retirees, disabilities, and beneficiaries.
[2] June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.

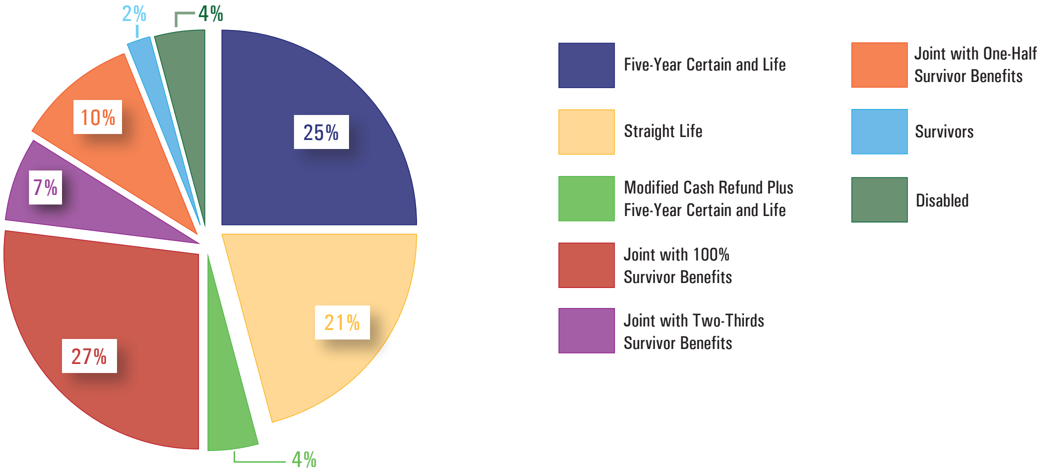


Schedule of Benefit Recipients by Type of Benefit Option

Fiscal Year Ended June 30, 2014[10]

Number of Benefit Recipients by Benefit Option

Amount of Monthly Benefit (in dollars)	1 5-Year Certain & Life	2 Straight Life	3 Modified Cash Refund Plus 5-Year Certain & Life	4 Joint With 100% Survivor Benefits	5 Joint With Two-Thirds Survivor Benefits	6 Joint With One-Half Survivor Benefits	7 Social Security Integration	8 Survivors	9 Disability	Total Benefit Recipients
$ 1 - 500	168	114	19	120	17	31	Incl. 1-6	23	55	547
501 - 1,000	258	206	52	237	56	80	Incl. 1-6	24	49	962
1,001 - 1,500	204	171	40	202	62	65	Incl. 1-6	3	13	760
1,501 - 2,000	144	131	24	173	54	80	Incl. 1-6	5	4	615
2,001 - 3,000	113	118	22	210	54	89	Incl. 1-6	4	5	615
over 3,000	35	41	1	52	20	17	Incl. 1-6	0	0	166
Total	**922**	**781**	**158**	**994**	**263**	**362**	**Incl. 1-6**	**59**	**126**	**3,665**
Memo: Percent	**25%**	**21%**	**4%**	**27%**	**7%**	**10%**	**N/A**	**2%**	**4%**	**100%**



1 (5-Year Certain & Life) – Provides a monthly benefit for retiree's life. If retiree receives benefits for at least five (5) years prior to death, there is no benefit payable to a designated beneficiary. In the event the retiree dies before receiving five (5) years of payments, the beneficiary receives the remainder of those five (5) years of monthly benefits, or the present value of those remaining payments in a lump sum.

2 (Straight Life) – Provides a monthly benefit for retiree's life. The benefit ceases upon the death of the retiree. If applicable, the balance of the retiree's Annuity Savings Account (ASA) is distributed to a designated beneficiary or estate if the remaining ASA is greater than the total payments previously paid to the retiree.

3 (Modified Cash Refund Plus 5-Year Certain & Life) – Provides a monthly benefit for retiree's life, including monthly annuitization of member's Annuity Savings Account (ASA). In the event the retiree dies before receiving five (5) years of payments, the beneficiary receives either a monthly benefit of the pension amount only for the remainder of the five (5) years of guaranteed pension payments, or the present value of those pension payments in a lump sum. If applicable, the balance of the retiree's ASA is distributed to a designated beneficiary or estate if the remaining ASA is greater than the ASA-related payments previously paid to the retiree.

4 (Joint With 100% Survivor Benefits) – Provides a monthly benefit for retiree's life. Upon the death of the retiree, the qualified designated survivor receives 100 percent of the member's monthly benefit for the remainder of the survivor's life.

5 (Joint With Two-Thirds Survivor Benefits) – Provides a monthly benefit for retiree's life. Upon the death of the retiree, the qualified designated survivor receives 66 2/3 percent of the member's monthly benefit for the remainder of the survivor's life.

6 (Joint With One-Half Survivor Benefits) – Provides a monthly benefit for retiree's life. Upon the death of the retiree, the qualified designated survivor receives 50 percent of the member's monthly benefit for the remainder of the survivor's life.

7 (Social Security Integration) – Provides a higher monthly benefit for a retiree between the ages 50 and 62 who elects to integrate social security with the monthly benefit. For TRF retirees, social security integration can be incorporated with options 1-6 and the number of retirees electing social security integration is included in the number of retirees electing options 1-6. For TRF retirees, the monthly benefit is reduced or terminated at age 62 depending on the estimated monthly benefit from social security at age 62.

8 (Survivors) – Members receiving a survivor benefit in accordance with the applicable statute. The benefit ceases upon the death of the survivor.

9 (Disability) – Members receiving a disability benefit in accordance with the applicable statute. For TRF, five (5) or more years of creditable service is required to be eligible for a disability benefit. Includes Classroom Disability which provides a benefit of $125 per month plus $5 for each additional year of TRF-covered service over five (5) years.

[10] June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.

Schedule of Average Benefit Payments[1]

	Years of Credited Service						
Description	**< 10[2]**	**10 - 14**	**15 - 19**	**20 - 24**	**25 - 29**	**30+**	**Total**
Fiscal Year Ended June 30, 2014[3]							
Average Monthly Defined Benefit	$ 263	$ 450	$ 730	$ 1,041	$ 1,426	$ 2,158	$ 1,366
Average Monthly ASA Annuity[4]	$ 23	$ 71	$ 102	$ 124	$ 200	$ 230	$ 162
Average Final Average Salary	$ 39,665	$ 44,142	$ 51,558	$ 57,665	$ 61,752	$ 70,633	$ 59,995
Number of Benefit Recipients	36	406	822	537	504	1,360	3,665
Fiscal Year Ended June 30, 2013							
Average Monthly Defined Benefit	$ 263	$ 450	$ 730	$ 1,041	$ 1,426	$ 2,158	$ 1,366
Average Monthly ASA Annuity[4]	$ 23	$ 71	$ 102	$ 124	$ 200	$ 230	$ 162
Average Final Average Salary	$ 39,665	$ 44,142	$ 51,558	$ 57,665	$ 61,752	$ 70,633	$ 59,995
Number of Benefit Recipients	36	406	822	537	504	1,360	3,665
Fiscal Year Ended June 30, 2012							
Average Monthly Defined Benefit	$ 274	$ 444	$ 682	$ 995	$ 1,401	$ 2,124	$ 1,391
Average Monthly ASA Annuity[4]	$ 29	$ 72	$ 97	$ 125	$ 207	$ 223	$ 165
Average Final Average Salary	$ 39,141	$ 43,284	$ 48,634	$ 55,970	$ 60,295	$ 69,381	$ 59,171
Number of Benefit Recipients	33	308	577	411	420	1,222	2,971
Fiscal Year Ended June 30, 2011							
Average Monthly Defined Benefit	$ 241	$ 419	$ 665	$ 963	$ 1,381	$ 2,080	$ 1,400
Average Monthly ASA Annuity[4]	$ 25	$ 76	$ 92	$ 122	$ 188	$ 216	$ 162
Average Final Average Salary	$ 37,883	$ 40,581	$ 47,337	$ 54,686	$ 59,531	$ 67,586	$ 58,202
Number of Benefit Recipients	27	247	453	341	363	1,123	2,554

[1] *INPRS intends to make this schedule a 10-year schedule over time.*

[2] *Members with less than 10 years of service are primarily members receiving a disability benefit from INPRS.*

[3] *June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

[4] *Members may choose to take the distribution of the Annuity Savings Account (ASA) in two (2) ways. This represents the average ASA annuity amount across all retirees, which is in addition to the monthly Defined Benefit payment.*

Note: Based on the actuarial valuation as of June 30, 2013, approximately 46% of TRF members annuitized their ASA balances.

Teachers' Retirement Fund (1996)

Schedule of Participating Employers: Top 10

	June 30, 2014					June 30, 2005[1]		
Participating Employer	**Pre-1996 Account Covered Members**	**1996 Account Covered Members**	**Total TRF Covered Members**	**Rank**	**Percentage of Total TRF**	**Total TRF Covered Members**	**Rank**	**Percentage of Total TRF**
Top 10 Employers								
Indianapolis Public Schools	730	1,929	2,659	1	3.8%	3,628	1	4.8%
Fort Wayne Community Schools	598	1,583	2,181	2	3.1	2,183	2	2.9
Evansville-Vanderburgh School Corporation	604	952	1,556	3	2.2	1,631	4	2.1
South Bend Community School Corporation	423	975	1,398	4	2.0	1,656	3	2.2
Hamilton Southeastern Schools	185	1,053	1,238	5	1.8			
Wayne Township Metropolitan School District	185	905	1,090	6	1.5	1,098	8	1.4
Vigo County School Corporation	352	689	1,041	7	1.5	1,304	6	1.7
Elkhart Community Schools	225	810	1,035	8	1.5	1,036	9	1.4
Carmel Clay Schools	187	830	1,017	9	1.4	1,029	10	1.4
Hammond Public Schools	260	718	978	10	1.4			
Gary Community School Corporation						1,400	5	1.8
Lawrence Township Metropolitan School District						1,131	7	1.5
Total – Top 10 Employers	**3,749**	**10,444**	**14,193**		**20.2**	**16,096**		**21.2**
All Other (355 Employers in 2014; 337 Employers in 2005)	15,461	40,760	56,221		79.8	59,800		78.8
Grand Total (365 Employers in 2014; 347 Employers in 2005)	**19,210**	**51,204**	**70,414**		**100.0%**	**75,896**		**100.0%**

[1] June 30, 2014 is the first year to split the Teachers' Retirement Fund (TRF) into two, TRF Pre-1996 and TRF 1996 Accounts. June 30, 2005 "Top 10" Employers information is only available for Total TRF.

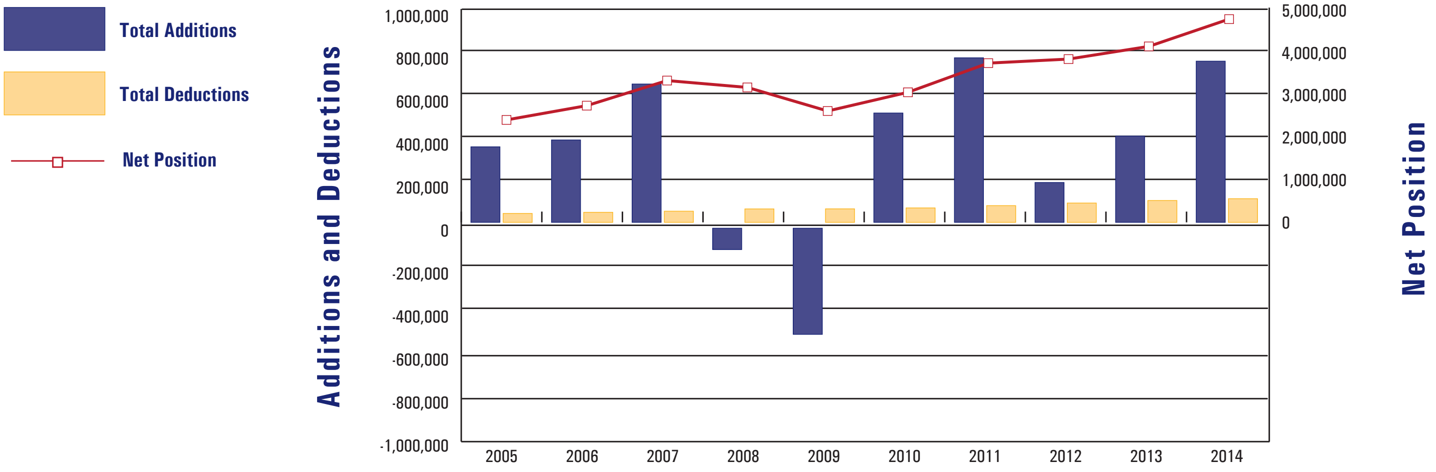
1977 Police Officers' and Firefighters' Pension and Disability Fund

Schedule of Changes in Net Position

(dollars in thousands)

	Fiscal Year Ended June 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Additions										
Member Contributions	$ 32,622	$ 32,231	$ 33,898	$ 36,787	$ 38,520	$ 39,826	$ 40,532	$ 40,870	$ 40,786	$ 41,791
Employer Contributions	117,678	104,247	118,816	129,553	130,002	130,774	133,726	135,605	137,111	140,119
Investment Income / (Loss)	201,043	246,767	490,857	(265,745)	(662,681)	337,766	591,408	8,750	223,510	570,058
Member Reassignments	-	-	-	-	131	237	-	123	71	-
Other Additions	132	78	76	57	115	90	83	41	18	30
Total Additions	**$ 351,475**	**$ 383,323**	**$ 643,647**	**$ (99,348)**	**$ (493,913)**	**$ 508,693**	**$ 765,749**	**$ 185,389**	**$ 401,496**	**$ 751,998**
Deductions										
Pension Benefits	$ 26,967	$ 30,427	$ 33,661	$ 42,790	$ 41,019	$ 47,150	$ 56,503	$ 67,920	$ 78,506	$ 87,035
Disability Benefits	10,158	11,389	12,256	13,184	14,541	15,199	15,710	16,288	17,429	17,767
Death Benefits	9	9	72	108	306	564	624	738	794	720
Distributions of Contributions and Interest	2,475	2,642	3,293	3,186	3,172	2,304	2,662	3,101	3,074	3,572
Administrative and Project Expenses	1,777	2,153	2,559	3,156	3,766	1,865	2,108	1,662	1,845	1,787
Member Reassignments	-	-	-	3	5	-	61	33	-	-
Total Deductions	**$ 41,386**	**$ 46,620**	**$ 51,841**	**$ 62,427**	**$ 62,809**	**$ 67,082**	**$ 77,668**	**$ 89,742**	**$ 101,648**	**$ 110,881**
Changes in Net Position										
Beginning of Year	$ 2,071,573	$ 2,381,662	$ 2,718,365	$ 3,310,171	$ 3,148,396	$ 2,591,674	$ 3,033,285	$ 3,721,366	$ 3,817,013	$ 4,116,861
End of Year	2,381,662	2,718,365	3,310,171	3,148,396	2,591,674	3,033,285	3,721,366	3,817,013	4,116,861	4,757,978
Net Increase / (Decrease)	**$ 310,089**	**$ 336,703**	**$ 591,806**	**$ (161,775)**	**$ (556,722)**	**$ 441,611**	**$ 688,081**	**$ 95,647**	**$ 299,848**	**$ 641,117**

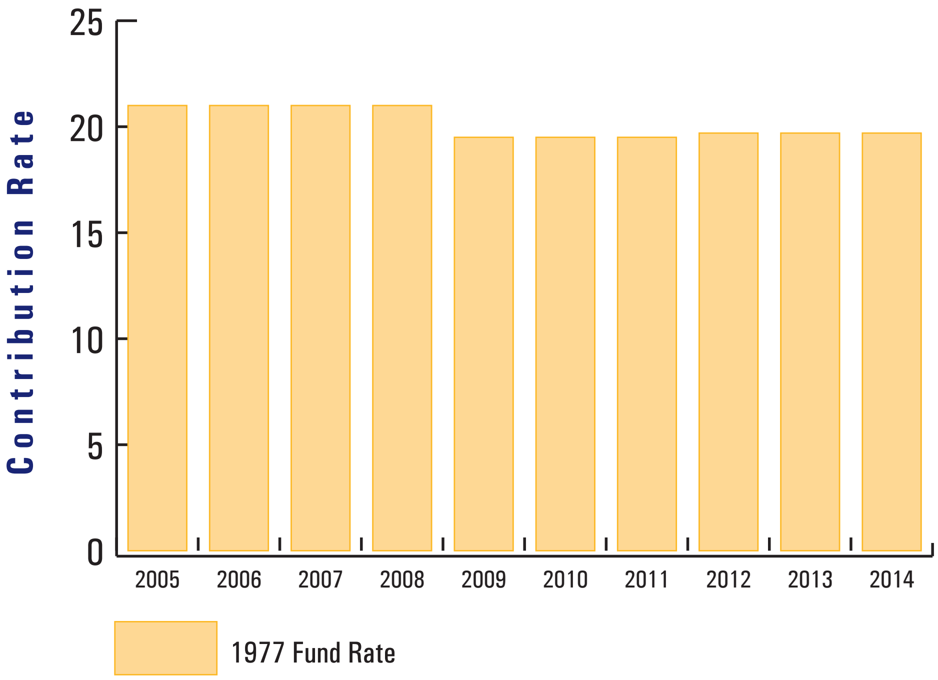
Ten-Year Comparison of Net Position, Additions and Deductions (dollars in thousands)



Schedule of Historical Contribution Rates

Fiscal Year Ended June 30	1977 Fund Rate
2005	21.0%
2006	21.0
2007	21.0
2008	21.0
2009	19.5
2010	19.5
2011	19.5
2012	19.7
2013	19.7
2014	19.7

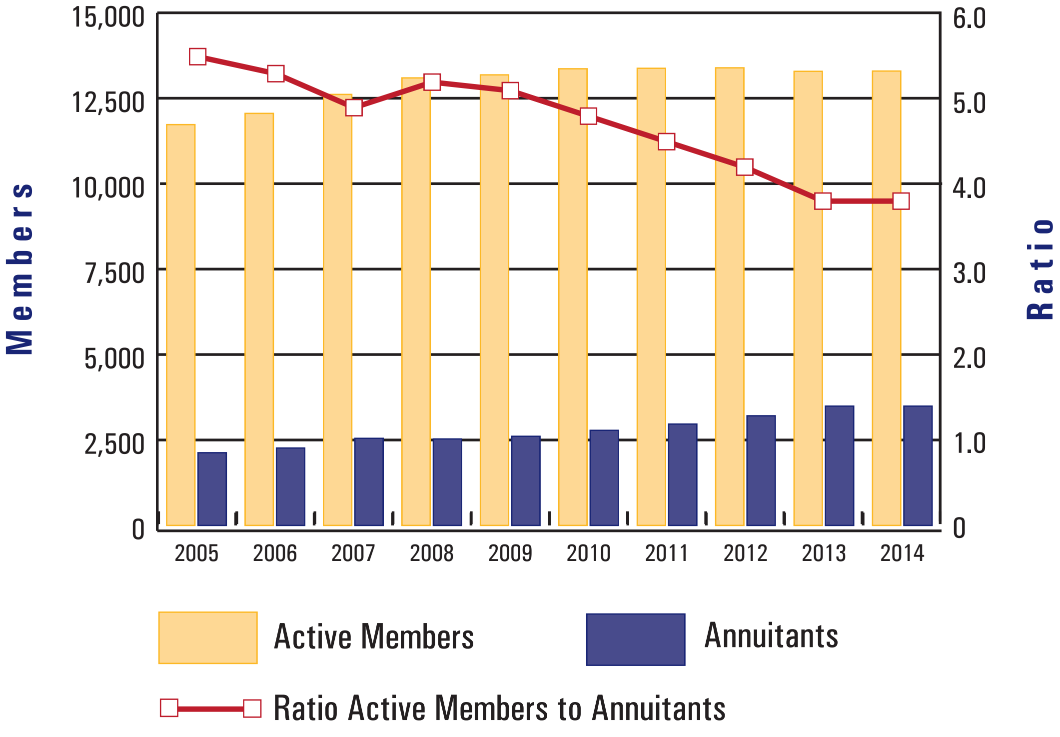
Memo:
Effective Date January 1



Ratio of Active Members to Annuitants

Fiscal Year Ended June 30	Active Members	Annuitants[1]	Ratio Active Members To Annuitants
2005[2]	11,728	2,127	5.5
2006[2]	12,056	2,265	5.3
2007[2]	12,611	2,548	4.9
2008[2]	13,095	2,530	5.2
2009	13,184	2,608	5.1
2010	13,362	2,782	4.8
2011	13,376	2,966	4.5
2012	13,390	3,208	4.2
2013	13,287	3,491	3.8
2014[3]	13,295	3,491	3.8

[1] *Annuitants includes retirees, disabilities, and beneficiaries.*
[2] *As of December 31 instead of June 30.*
[3] *June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*



Fiscal Year Ended June 30, 2014[4]

	Number of Benefit Recipients by Benefit Option			
Amount of Monthly Benefit (in dollars)	1 Joint With 60% Survivor Benefits	2 Survivors	3 Disability	Total Benefit Recipients
$ 1 - 500	0	13	0	13
501 - 1,000	10	138	30	178
1,001 - 1,500	144	312	102	558
1,501 - 2,000	475	101	230	806
2,001 - 3,000	1,275	48	317	1,640
over 3,000	259	9	28	296
Total	**2,163**	**621**	**707**	**3,491**

1 (Joint With 60% Survivor Benefits) – Provides a monthly benefit for retiree's life. Upon retiree's death, surviving spouse receives 60 percent of the monthly benefit for life and each surviving child receives 20 percent of the monthly benefit until age 18 or 23 if enrolled in a secondary school or accredited college or university.

2 (Survivors) – Members receiving a survivor benefit in accordance with the applicable statute. The benefit ceases upon the death of the survivor.

3 (Disability) – Members receiving a disability benefit in accordance with the applicable statute. For the 1977 Fund, there is no minimum creditable service requirement.

4 June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.

Schedule of Average Benefit Payments[1]

	Years of Credited Service						
Description	**< 10[2]**	**10 - 14[2]**	**15 - 19[2]**	**20 - 24**	**25 - 29**	**30+**	**Total**
Fiscal Year Ended June 30, 2014[3]							
Average Monthly Defined Benefit	$ 1,841	$ 1,748	$ 1,734	$ 1,864	$ 2,362	$ 2,553	$ 2,084
Average Final Average Salary	$ 42,408	$ 45,969	$ 44,636	$ 43,120	$ 46,421	$ 48,656	$ 45,245
Number of Benefit Recipients	290	226	273	1,243	883	576	3,491
Fiscal Year Ended June 30, 2013							
Average Monthly Defined Benefit	$ 1,841	$ 1,748	$ 1,734	$ 1,864	$ 2,362	$ 2,553	$ 2,084
Average Final Average Salary	$ 42,408	$ 45,969	$ 44,636	$ 43,120	$ 46,421	$ 48,656	$ 45,245
Number of Benefit Recipients	290	226	273	1,243	883	576	3,491
Fiscal Year Ended June 30, 2012							
Average Monthly Defined Benefit	$ 1,766	$ 1,685	$ 1,685	$ 1,815	$ 2,284	$ 2,396	$ 1,999
Average Final Average Salary	$ 40,609	$ 45,578	$ 43,738	$ 42,368	$ 45,510	$ 47,219	$ 44,173
Number of Benefit Recipients	251	215	266	1,178	822	476	3,208
Fiscal Year Ended June 30, 2011							
Average Monthly Defined Benefit	$ 1,708	$ 1,609	$ 1,636	$ 1,758	$ 2,206	$ 2,272	$ 1,916
Average Final Average Salary	$ 40,474	$ 44,601	$ 43,597	$ 41,438	$ 44,731	$ 47,365	$ 43,362
Number of Benefit Recipients	241	208	264	1,102	755	396	2,966

[1] *INPRS intends to make this schedule a 10-year schedule over time.*

[2] *Members with less than 20 years of service are primarily members receiving a disability benefit from INPRS.*

[3] *June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

Schedule of Participating Employers: Top 10

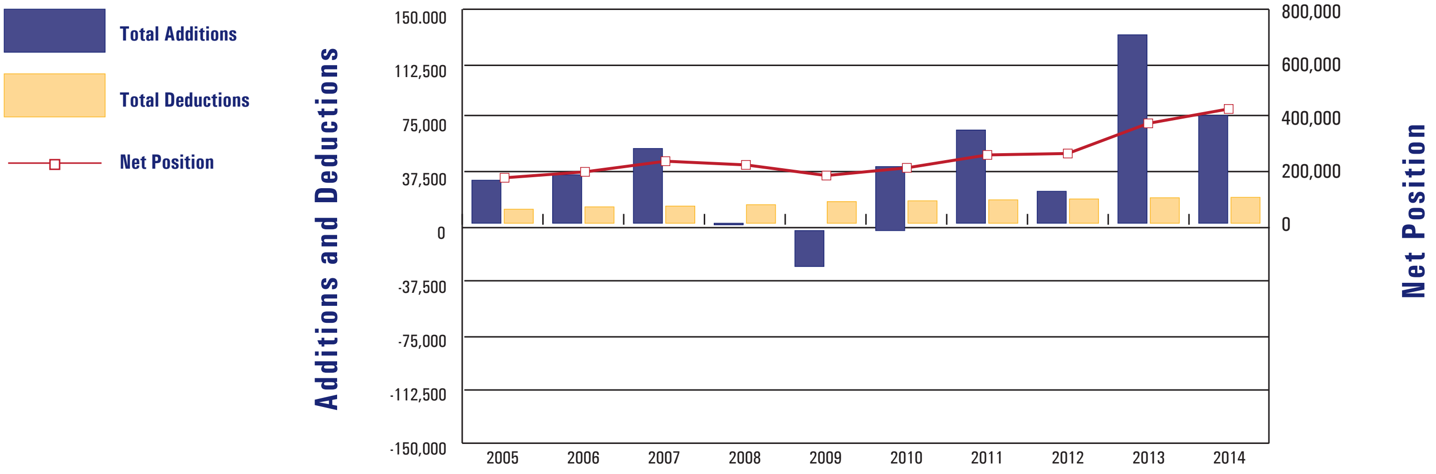
	June 30, 2014			June 30, 2005		
Participating Employer	Covered Members	Rank	Percentage of Total 1977 Fund	Covered Members	Rank	Percentage of Total 1977 Fund
Top 10 Employers						
City of Indianapolis	2,407	1	18.1%	1,634	1	13.9%
City of Fort Wayne	764	2	5.8	752	2	6.4
City of Evansville	547	3	4.1	485	3	4.1
City of South Bend	479	4	3.6	420	5	3.6
City of Gary	440	5	3.3	478	4	4.1
City of Hammond	351	6	2.6	356	6	3.0
City of Terre Haute	262	7	2.0	259	7	2.2
City of Lafayette	261	8	2.0	240	8	2.1
City of Carmel	258	9	1.9	231	9	2.0
City of Elkhart	239	10	1.8			
City of Anderson				227	10	1.9
Total – Top 10 Employers	**6,008**		**45.2**	**5,082**		**43.3**
All Other (152 Employers in 2014; 149 Employers in 2005)	7,287		54.8	6,646		56.7
Grand Total (162 Employers in 2014; 159 Employers in 2005)	**13,295**		**100.0%**	**11,728**		**100.0%**

Schedule of Changes in Net Position

(dollars in thousands)

	Fiscal Year Ended June 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Additions										
Member Contributions	$ 1,569	$ 1,839	$ 1,925	$ 2,062	$ 2,196	$ 2,229	$ 3,492	$ 2,468	$ 2,631	$ 2,856
Employer Contributions	13,540	13,537	14,662	15,920	20,861	18,631	19,200	18,896	111,419	20,895
Investment Income / (Loss)	14,814	18,291	35,419	(19,133)	(48,194)	23,622	40,871	595	16,955	51,890
Member Reassignments	-	18	-	64	151	59	1,281	257	121	4
Other Additions	-	-	-	-	-	-	-	2	5	6
Total Additions	**$ 29,923**	**$ 33,685**	**$ 52,006**	**$ (1,087)**	**$ (24,986)**	**$ 44,541**	**$ 64,844**	**$ 22,218**	**$ 131,131**	**$ 75,651**
Deductions										
Pension Benefits	$ 9,393	$ 11,102	$ 11,554	$ 12,514	$ 14,595	$ 15,441	$ 15,996	$ 16,569	$ 17,333	$ 18,393
Disability Benefits	94	113	110	65	54	29	92	158	193	134
Distributions of Contributions and Interest	119	6	72	50	55	-	5	19	53	-
Administrative and Project Expenses	134	149	194	244	308	104	160	132	126	146
Member Reassignments	-	-	-	-	-	-	-	-	-	-
Total Deductions	**$ 9,740**	**$ 11,370**	**$ 11,930**	**$ 12,873**	**$ 15,012**	**$ 15,574**	**$ 16,253**	**$ 16,878**	**$ 17,705**	**$ 18,673**
Changes in Net Position										
Beginning of Year	$ 150,812	$ 170,995	$ 193,310	$ 233,386	$ 219,426	$ 179,428	$ 208,395	$ 256,986	$ 262,326	$ 375,752
End of Year	170,995	193,310	233,386	219,426	179,428	208,395	256,986	262,326	375,752	432,730
Net Increase / (Decrease)	**$ 20,183**	**$ 22,315**	**$ 40,076**	**$ (13,960)**	**$ (39,998)**	**$ 28,967**	**$ 48,591**	**$ 5,340**	**$ 113,426**	**$ 56,978**

Ten-Year Comparison of Net Position, Additions and Deductions (dollars in thousands)

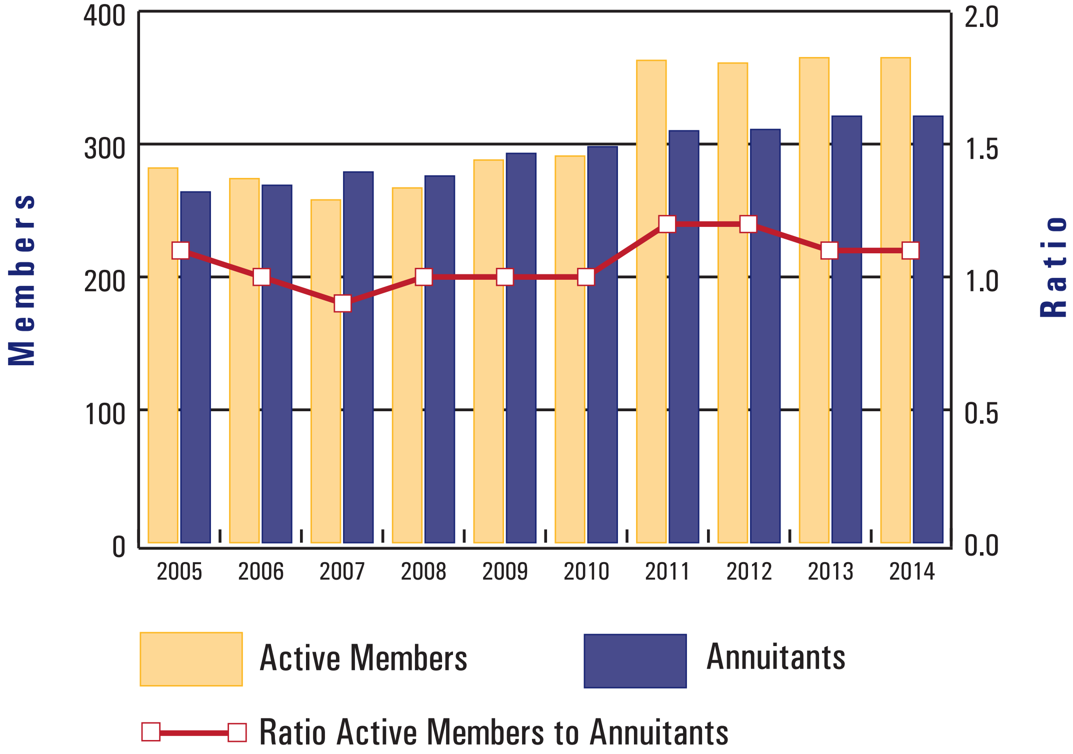


Ratio of Active Members to Annuitants

Fiscal Year Ended June 30	Active Members	Annuitants[1]	Ratio Active Members To Annuitants
2005	282	264	1.1
2006	274	269	1.0
2007	258	279	0.9
2008	267	276	1.0
2009	288	293	1.0
2010	291	298	1.0
2011	363	310	1.2
2012	361	311	1.2
2013	365	321	1.1
2014[2]	365	321	1.1

[1] *Annuitants includes retirees, disabilities, and beneficiaries.*

[2] *June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*



Schedule of Benefit Recipients by Type of Benefit Option

Fiscal Year Ended June 30, 2014[4]

	Number of Benefit Recipients by Benefit Option			
Amount of Monthly Benefit (in dollars)	1 Joint With One-Half Survivor Benefits	2 Survivors	3 Disability	Total Benefit Recipients
$ 1 - 500	0	0	0	0
501 - 1,000	0	0	0	0
1,001 - 1,500	0	32	0	32
1,501 - 2,000	1	13	0	14
2,001 - 3,000	11	33	0	44
over 3,000	209	20	2	231
Total	**221**	**98**	**2**	**321**

1 (Joint With One-Half Survivor Benefits) – Provides a monthly benefit for retiree's life. Upon the death of the retiree, the qualified designated survivor receives 50 percent of the member's monthly benefit for the remainder of the survivor's life.

2 (Survivors) – Members receiving a survivor benefit in accordance with the applicable statute. The benefit ceases upon the death of the survivor.

3 (Disability) – Members receiving a disability benefit in accordance with the applicable statute. For the Judges' Retirement System, there is no minimum creditable service requirement.

4 June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.

Schedule of Average Benefit Payments[1]

	Years of Credited Service						
Description	**< 10**	**10 - 14**	**15 - 19**	**20 - 24**	**25 - 29**	**30+**	**Total**
Fiscal Year Ended June 30, 2014[2]							
Average Monthly Defined Benefit	$ 3,519	$ 4,090	$ 5,039	$ 5,544	$ 6,538	$ 6,545	$ 4,796
Average Final Average Salary	$108,307	$113,994	$ 113,254	$ 114,783	$ 111,708	$ 122,579	$114,885
Number of Benefit Recipients	88	66	47	62	34	24	321
Fiscal Year Ended June 30, 2013							
Average Monthly Defined Benefit	$ 3,519	$ 4,090	$ 5,039	$ 5,544	$ 6,538	$ 6,545	$ 4,796
Average Final Average Salary	$108,307	$113,994	$ 113,254	$ 114,783	$ 111,708	$ 122,579	$114,885
Number of Benefit Recipients	88	66	47	62	34	24	321
Fiscal Year Ended June 30, 2012							
Average Monthly Defined Benefit	$ 2,508	$ 4,006	$ 4,999	$ 5,265	$ 6,212	$ 6,230	$ 4,478
Average Final Average Salary	$ 73,561	$114,043	$ 112,826	$ 114,625	$ 111,708	$ 122,579	$112,885
Number of Benefit Recipients	74	67	48	63	34	25	311
Fiscal Year Ended June 30, 2011							
Average Monthly Defined Benefit	$ 2,495	$ 4,104	$ 5,043	$ 5,317	$ 6,337	$ 6,162	$ 4,513
Average Final Average Salary	$ 57,717	$113,387	$ 112,461	$ 113,606	$ 111,708	$ 120,715	$111,151
Number of Benefit Recipients	75	66	47	64	35	23	310

[1] INPRS intends to make this schedule a 10-year schedule over time.

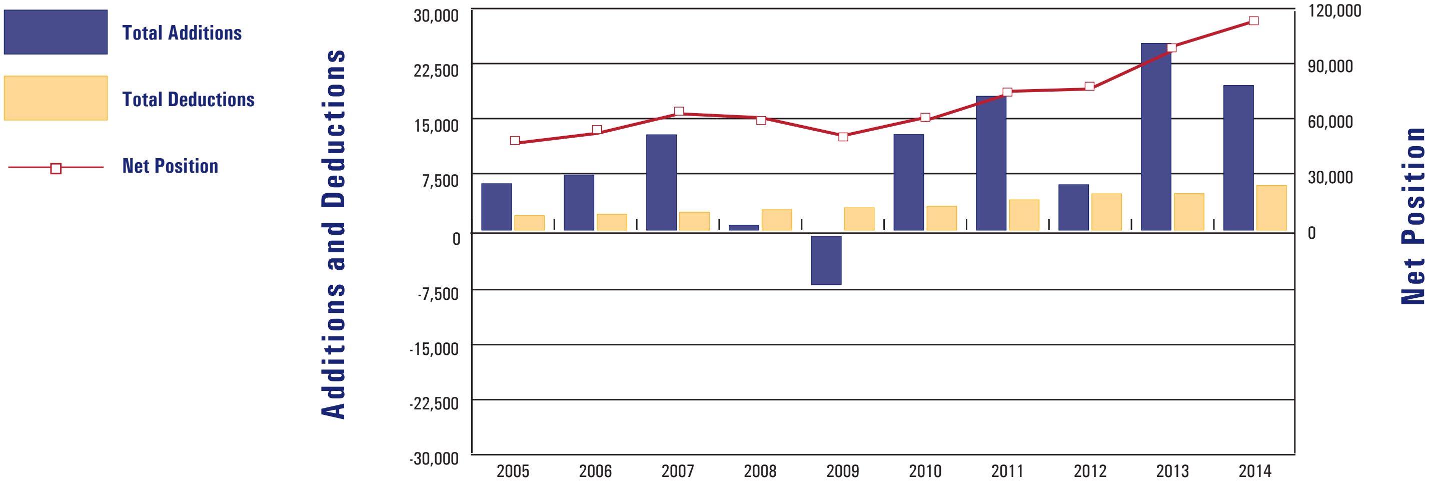
[2] June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.

Schedule of Changes in Net Position

(dollars in thousands)

	Fiscal Year Ended June 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Additions										
Member Contributions	$ 68	$ 96	$ 129	$ 981	$ 1,025	$ 1,010	$ 1,002	$ 972	$ 1,006	$ 1,019
Employer Contributions	2,164	2,498	3,359	4,854	5,294	5,256	5,197	5,054	19,740	5,359
Investment Income / (Loss)	4,092	4,907	9,508	(5,156)	(12,951)	6,749	12,052	160	4,702	13,339
Member Reassignments	-	-	-	-	5	9	-	-	-	-
Other Additions	-	10	-	-	-	-	-	-	-	-
Total Additions	**$ 6,324**	**$ 7,511**	**$ 12,996**	**$ 679**	**$ (6,627)**	**$ 13,024**	**$ 18,251**	**$ 6,186**	**$ 25,448**	**$ 19,717**
Deductions										
Pension Benefits	$ 1,850	$ 2,039	$ 2,309	$ 2,616	$ 2,855	$ 3,092	$ 3,851	$ 4,656	$ 4,735	$ 5,746
Disability Benefits	69	63	64	65	60	58	58	61	64	92
Distributions of Contributions and Interest	15	-	3	11	36	31	99	100	37	100
Administrative and Project Expenses	40	47	64	83	94	73	112	131	121	141
Member Reassignments	-	12	-	-	-	-	-	-	15	-
Total Deductions	**$ 1,974**	**$ 2,161**	**$ 2,440**	**$ 2,775**	**$ 3,045**	**$ 3,254**	**$ 4,120**	**$ 4,948**	**$ 4,972**	**$ 6,079**
Changes in Net Position										
Beginning of Year	$ 42,916	$ 47,266	$ 52,616	$ 63,172	$ 61,076	$ 51,404	$ 61,174	$ 75,305	$ 76,543	$ 97,019
End of Year	47,266	52,616	63,172	61,076	51,404	61,174	75,305	76,543	97,019	110,657
Net Increase / (Decrease)	**$ 4,350**	**$ 5,350**	**$ 10,556**	**$ (2,096)**	**$ (9,672)**	**$ 9,770**	**$ 14,131**	**$ 1,238**	**$ 20,476**	**$ 13,638**

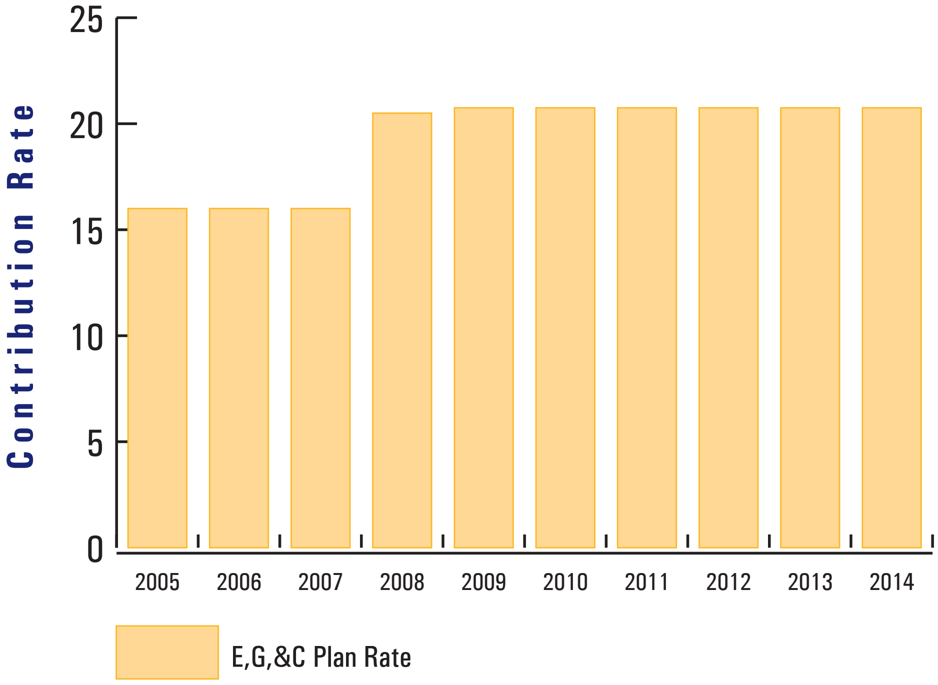
Ten-Year Comparison of Net Position, Additions and Deductions (dollars in thousands)



Schedule of Historical Contribution Rates

Fiscal Year Ended June 30	EG&C Plan Rate
2005	16.00%
2006	16.00
2007	16.00
2008	20.50
2009	20.75
2010	20.75
2011	20.75
2012	20.75
2013	20.75
2014	20.75

Memo:
Effective Date January 1

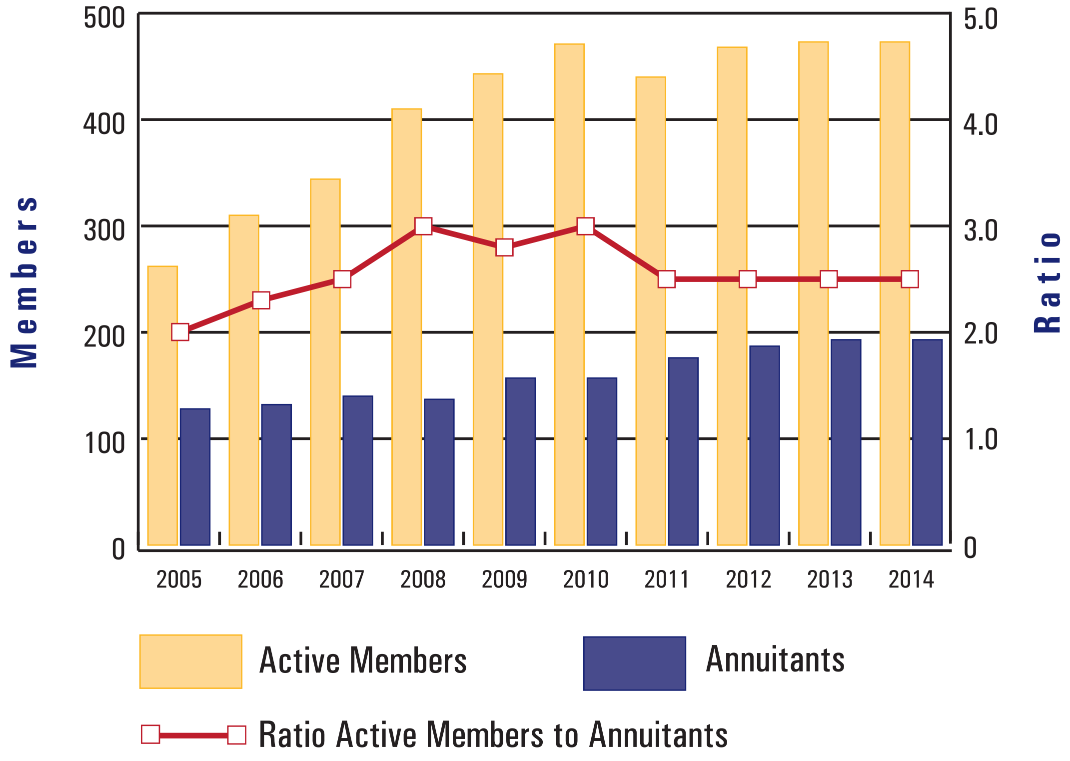


Ratio of Active Members to Annuitants

Fiscal Year Ended June 30	Active Members	Annuitants[1]	Ratio Active Members To Annuitants
2005	262	128	2.0
2006	310	132	2.3
2007	344	140	2.5
2008	410	137	3.0
2009	443	157	2.8
2010	471	157	3.0
2011	440	176	2.5
2012	468	187	2.5
2013	473	193	2.5
2014[2]	473	193	2.5

[1] *Annuitants includes retirees, disabilities and beneficiaries.*

[2] *June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*



Schedule of Benefit Recipients by Type of Benefit Option

Fiscal Year Ended June 30, 2014[4]

	Number of Benefit Recipients by Benefit Option			
Amount of Monthly Benefit (in dollars)	1 Joint With One-Half Survivor Benefits	2 Survivors	3 Disability	Total Benefit Recipients
$ 1 - 500	2	15	1	18
501 - 1,000	11	18	1	30
1,001 - 1,500	15	7	0	22
1,501 - 2,000	14	1	0	15
2,001 - 3,000	71	0	1	72
over 3,000	36	0	0	36
Total	**149**	**41**	**3**	**193**

1 (Joint With One-Half Survivor Benefits) – Provides a monthly benefit for retiree's life. Upon the death of the retiree, the qualified designated survivor receives 50 percent of the member's monthly benefit for the remainder of the survivor's life.

2 (Survivors) – Members receiving a survivor benefit in accordance with the applicable statute. The benefit ceases upon the death of the survivor.

3 (Disability) – Members receiving a disability benefit in accordance with the applicable statute. For the EG&C Plan, there is no minimum creditable service requirement.

4 June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.

Schedule of Average Benefit Payments[1]

	Years of Credited Service						
Description	**< 10**	**10 - 14**	**15 - 19**	**20 - 24**	**25 - 29**	**30+**	**Total**
Fiscal Year Ended June 30, 2014[2]							
Average Monthly Defined Benefit	$ 2,141	$ -	$ 439	$ 886	$ 1,816	$ 2,571	$ 2,015
Average Final Average Salary	$58,827	$ -	$ 22,436	$ 36,499	$ 45,830	$52,650	$47,776
Number of Benefit Recipients	14	-	11	22	54	92	193
Fiscal Year Ended June 30, 2013							
Average Monthly Defined Benefit	$ 2,141	$ -	$ 439	$ 886	$ 1,816	$ 2,571	$ 2,015
Average Final Average Salary	$58,827	$ -	$ 22,436	$ 36,499	$ 45,830	$52,650	$47,776
Number of Benefit Recipients	14	-	11	22	54	92	193
Fiscal Year Ended June 30, 2012							
Average Monthly Defined Benefit	$ 1,498	$ -	$ 439	$ 923	$ 1,791	$ 2,593	$ 1,984
Average Final Average Salary	$ -	$ -	$ 22,436	$ 37,858	$ 45,830	$52,589	$47,203
Number of Benefit Recipients	7	-	11	23	55	91	187
Fiscal Year Ended June 30, 2011							
Average Monthly Defined Benefit	$ 1,339	$ -	$ 439	$ 894	$ 1,757	$ 2,507	$ 1,884
Average Final Average Salary	$ -	$ -	$ 22,436	$ 35,889	$ 45,638	$50,797	$45,695
Number of Benefit Recipients	8	-	11	23	54	80	176

[1] *INPRS intends to make this schedule a 10-year schedule over time.*

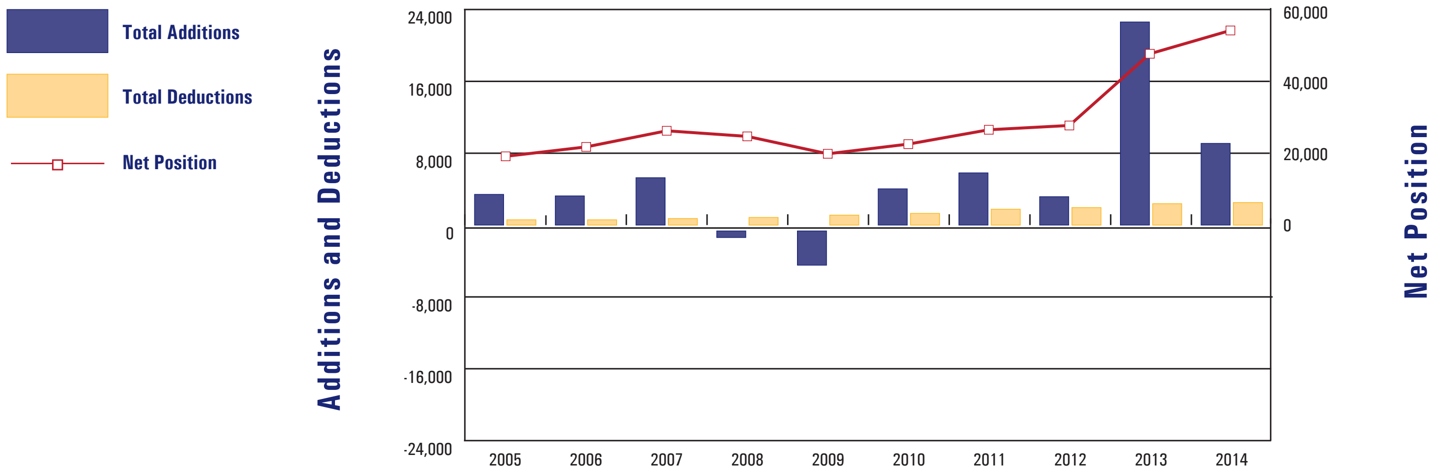
[2] *June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

Schedule of Changes in Net Position

(dollars in thousands)

	Fiscal Year Ended June 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Additions										
Member Contributions	$ 856	$ 1,089	$ 1,133	$ 1,208	$ 1,274	$ 1,268	$ 1,271	$ 1,277	$ 1,271	$ 1,334
Employer Contributions	961	170	190	170	170	170	170	1,839	19,443	1,174
Investment Income / (Loss)	1,598	1,988	3,948	(2,108)	(5,254)	2,595	4,370	42	1,897	6,581
Member Reassignments	-	-	-	-	-	-	-	-	-	-
Other Additions	-	-	-	-	-	-	-	-	-	4
Total Additions	**$ 3,415**	**$ 3,247**	**$ 5,271**	**$ (730)**	**$ (3,810)**	**$ 4,033**	**$ 5,811**	**$ 3,158**	**$ 22,611**	**$ 9,093**
Deductions										
Pension Benefits	$ 403	$ 512	$ 614	$ 787	$ 988	$ 1,143	$ 1,372	$ 1,783	$ 2,021	$ 2,327
Disability Benefits	20	19	19	19	19	20	19	19	19	20
Distributions of Contributions and Interest	148	35	71	4	55	80	263	63	195	51
Administrative and Project Expenses	15	17	23	36	45	55	78	82	145	108
Member Reassignments	-	-	-	-	-	-	32	-	-	-
Total Deductions	**$ 586**	**$ 583**	**$ 727**	**$ 846**	**$ 1,107**	**$ 1,298**	**$ 1,764**	**$ 1,947**	**$ 2,380**	**$ 2,506**
Changes in Net Position										
Beginning of Year	$ 16,152	$ 18,981	$ 21,645	$ 26,189	$ 24,613	$ 19,696	$ 22,431	$ 26,478	$ 27,689	$ 47,920
End of Year	18,981	21,645	26,189	24,613	19,696	22,431	26,478	27,689	47,920	54,507
Net Increase / (Decrease)	**$ 2,829**	**$ 2,664**	**$ 4,544**	**$ (1,576)**	**$ (4,917)**	**$ 2,735**	**$ 4,047**	**$ 1,211**	**$ 20,231**	**$ 6,587**

Ten-Year Comparison of Net Position, Additions and Deductions (dollars in thousands)

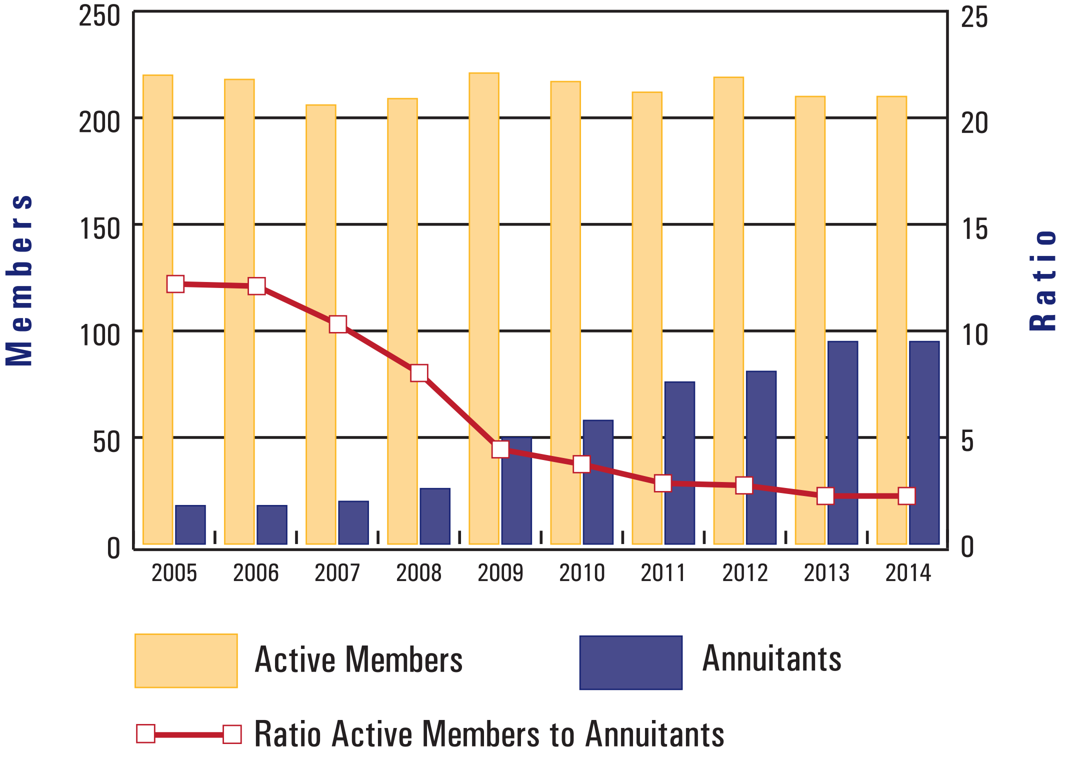


Ratio of Active Members to Annuitants

Fiscal Year Ended June 30	Active Members	Annuitants[1]	Ratio Active Members To Annuitants
2005	220	18	12.2
2006	218	18	12.1
2007	206	20	10.3
2008	209	26	8.0
2009	221	50	4.4
2010	217	58	3.7
2011	212	76	2.8
2012	219	81	2.7
2013	210	95	2.2
2014[2]	210	95	2.2

[1] Annuitants includes retirees, disabilities, and beneficiaries.

[2] June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.



Schedule of Benefit Recipients by Type of Benefit Option

Fiscal Year Ended June 30, 2014[4]

	Number of Benefit Recipients by Benefit Option			
Amount of Monthly Benefit (in dollars)	1 Joint With One-Half Survivor Benefits	2 Survivors	3 Disability	Total Benefit Recipients
$ 1 - 500	7	3	0	10
501 - 1,000	15	1	0	16
1,001 - 1,500	17	1	0	18
1,501 - 2,000	13	0	1	14
2,001 - 3,000	20	0	0	20
over 3,000	17	0	0	17
Total	**89**	**5**	**1**	**95**

1 (Joint With One-Half Survivor Benefits) – Provides a monthly benefit for retiree's life. Upon the death of the retiree, the qualified designated survivor receives 50 percent of the member's monthly benefit for the remainder of the survivor's life.

2 (Survivors) – Members receiving a survivor benefit in accordance with the applicable statute. The benefit ceases upon the death of the survivor.

3 (Disability) – Members receiving a disability benefit in accordance with the applicable statute. For PARF, five (5) or more years of creditable service is required to be eligible for a disability benefit.

4 June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.

Schedule of Average Benefit Payments[1]

	Years of Credited Service						
Description	**< 10**	**10 - 14**	**15 - 19**	**20 - 24**	**25 - 29**	**30+**	**Total**
Fiscal Year Ended June 30, 2014[2]							
Average Monthly Defined Benefit	$ 1,694	$ 1,445	$ 1,875	$ 2,340	$ 2,626	$ 2,187	$ 1,843
Average Final Average Salary	$ 77,001	$ 54,908	$ 71,821	$ 83,707	$ 103,220	$ 110,167	$ 72,709
Number of Benefit Recipients	28	22	22	14	5	4	95
Fiscal Year Ended June 30, 2013							
Average Monthly Defined Benefit	$ 1,694	$ 1,445	$ 1,875	$ 2,340	$ 2,626	$ 2,187	$ 1,843
Average Final Average Salary	$ 77,001	$ 54,908	$ 71,821	$ 83,707	$ 103,220	$ 110,167	$ 72,709
Number of Benefit Recipients	28	22	22	14	5	4	95
Fiscal Year Ended June 30, 2012							
Average Monthly Defined Benefit	$ 1,541	$ 1,421	$ 1,874	$ 2,283	$ 2,488	$ 2,496	$ 1,821
Average Final Average Salary	$ 63,714	$ 54,908	$ 72,709	$ 83,534	$ 103,220	$ 110,167	$ 72,130
Number of Benefit Recipients	17	21	21	13	5	4	81
Fiscal Year Ended June 30, 2011							
Average Monthly Defined Benefit	$ 1,541	$ 1,413	$ 1,831	$ 2,252	$ 2,219	$ 2,615	$ 1,774
Average Final Average Salary	$ 58,939	$ 55,721	$ 69,668	$ 79,113	$ 95,745	$ 101,967	$ 68,573
Number of Benefit Recipients	17	20	20	12	4	3	76

[1] *INPRS intends to make this schedule a 10-year schedule over time.*

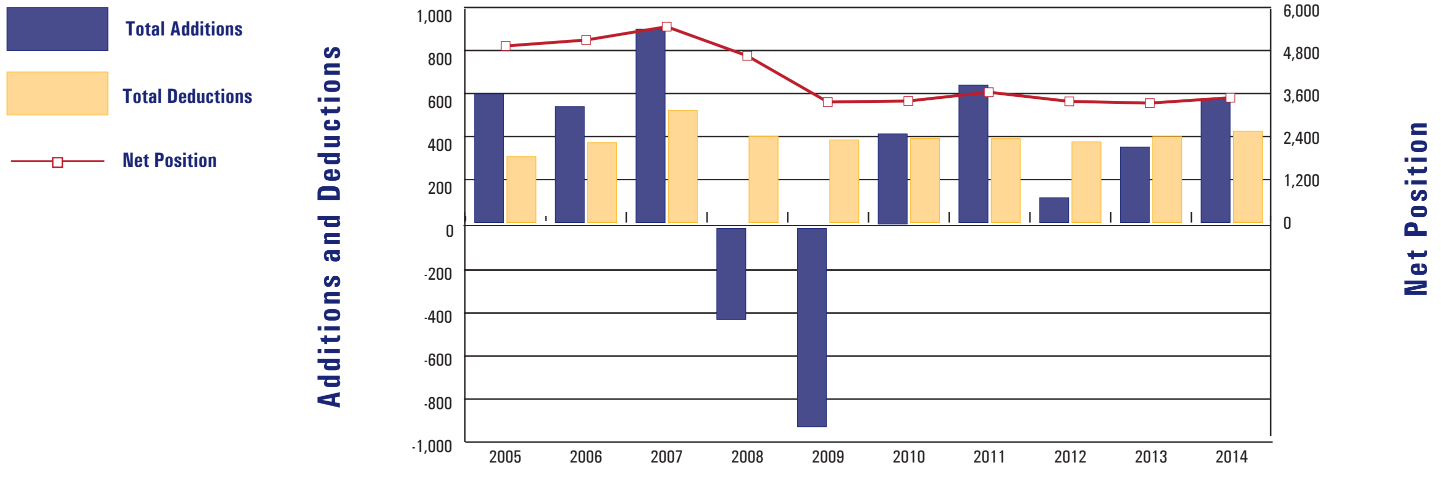
[2] *June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

Schedule of Changes in Net Position

(dollars in thousands)

	Fiscal Year Ended June 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Additions										
Member Contributions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer Contributions	206	100	100	100	100	-	-	112	150	138
Investment Income / (Loss)	392	439	799	(523)	(1,037)	419	639	3	201	439
Member Reassignments	-	-	-	-	-	-	-	-	-	-
Other Additions	-	-	-	-	15	-	-	-	-	-
Total Additions	**$ 598**	**$ 539**	**$ 899**	**$ (423)**	**$ (922)**	**$ 419**	**$ 639**	**$ 115**	**$ 351**	**$ 577**
Deductions										
Pension Benefits	$ 280	$ 303	$ 330	$ 342	$ 360	$ 353	$ 337	$ 335	$ 362	$ 361
Disability Benefits	3	3	3	3	3	3	3	3	3	2
Distributions of Contributions and Interest	-	-	-	-	-	-	-	-	-	-
Administrative and Project Expenses	23	65	56	56	21	35	50	37	34	62
Member Reassignments	-	-	133	-	-	-	-	-	-	-
Total Deductions	**$ 306**	**$ 371**	**$ 522**	**$ 401**	**$ 384**	**$ 391**	**$ 390**	**$ 375**	**$ 399**	**$ 425**
Changes in Net Position										
Beginning of Year	$ 4,661	$ 4,953	$ 5,121	$ 5,498	$ 4,674	$ 3,368	$ 3,396	$ 3,645	$ 3,385	$ 3,337
End of Year	4,953	5,121	5,498	4,674	3,368	3,396	3,645	3,385	3,337	3,489
Net Increase / (Decrease)	**$ 292**	**$ 168**	**$ 377**	**$ (824)**	**$ (1,306)**	**$ 28**	**$ 249**	**$ (260)**	**$ (48)**	**$ 152**

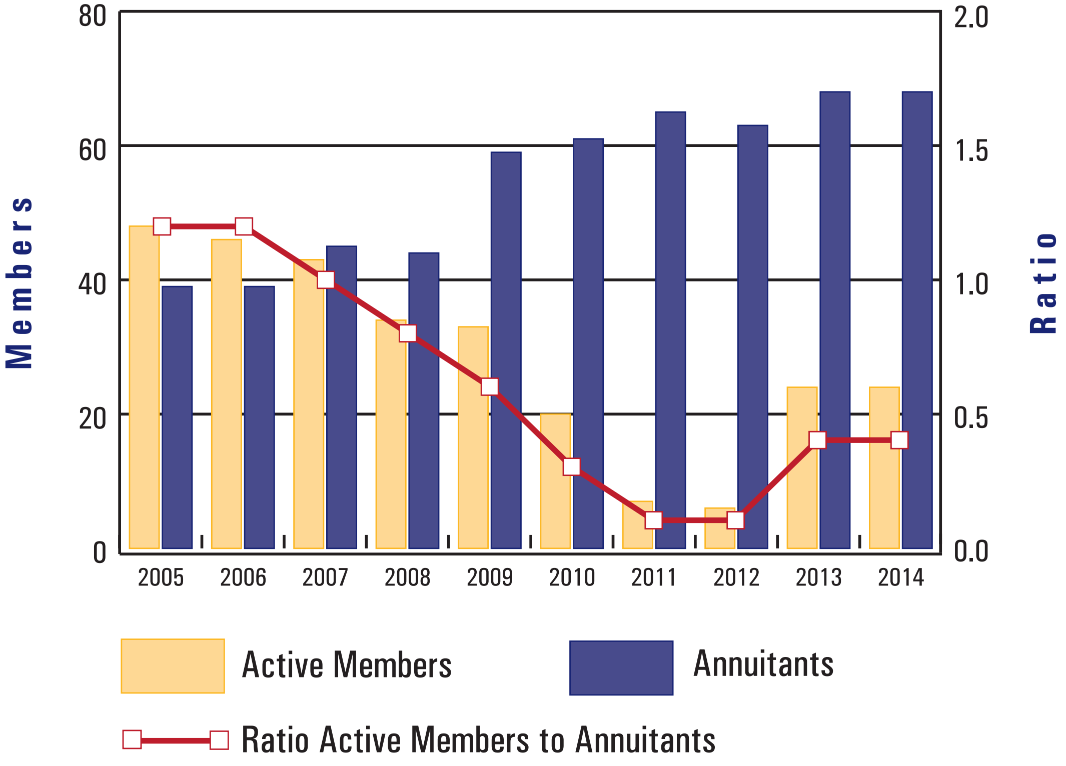
Ten-Year Comparison of Net Position, Additions and Deductions (dollars in thousands)



Ratio of Active Members to Annuitants

Fiscal Year Ended June 30	Active Members[1]	Annuitants[2]	Ratio Active Members To Annuitants
2005	48	39	1.2
2006	46	39	1.2
2007	43	45	1.0
2008	34	44	0.8
2009	33	59	0.6
2010	20	61	0.3
2011	7	65	0.1
2012	6	63	0.1
2013	24	68	0.4
2014[3]	24	68	0.4

[1] *Active Members exclude Legislators' Defined Contribution Plan.*
[2] *Annuitants includes retirees, disabilities, and beneficiaries.*
[3] *June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*



Schedule of Benefit Recipients by Type of Benefit Option

Fiscal Year Ended June 30, 2014[4]

	Number of Benefit Recipients by Benefit Option			
Amount of Monthly Benefit (in dollars)	1 Joint With One-Half Survivor Benefits	2 Survivors	3 Disability	Total Benefit Recipients
$ 1 - 500	30	11	0	41
501 - 1,000	25	1	0	26
1,001 - 1,500	1	0	0	1
1,501 - 2,000	0	0	0	0
2,001 - 3,000	0	0	0	0
over 3,000	0	0	0	0
Total	**56**	**12**	**0**	**68**

1 (Joint With One-Half Survivor Benefits) – Provides a monthly benefit for retiree's life. Upon the death of the retiree, the qualified designated survivor receives 50 percent of the member's monthly benefit for the remainder of the survivor's life.

2 (Survivors) – Members receiving a survivor benefit in accordance with the applicable statute. The benefit ceases upon the death of the survivor.

3 (Disability) – Members receiving a disability benefit in accordance with the applicable statute. For the LEDB Plan, five (5) or more years of creditable service is required to be eligible for a disability benefit.

4 June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.

Schedule of Average Benefit Payments[1]

	Years of Credited Service						
Description	**< 10**	**10 - 14**	**15 - 19**	**20 - 24**	**25 - 29**	**30+**	**Total**
Fiscal Year Ended June 30, 2014[2]							
Average Monthly Defined Benefit[3]	$ 386	$ 351	$ 459	$ 629	$ 472	$ 669	$ 447
Average Final Average Salary	$ 12,154	$ 19,636	$ 29,430	$ 32,868	$ 27,614	$ 31,870	$ 24,372
Number of Benefit Recipients	17	21	14	7	2	7	68
Fiscal Year Ended June 30, 2013							
Average Monthly Defined Benefit[3]	$ 386	$ 351	$ 459	$ 629	$ 472	$ 669	$ 447
Average Final Average Salary	$ 12,154	$ 19,636	$ 29,430	$ 32,868	$ 27,614	$ 31,870	$ 24,372
Number of Benefit Recipients	17	21	14	7	2	7	68
Fiscal Year Ended June 30, 2012							
Average Monthly Defined Benefit[3]	$ 341	$ 356	$ 458	$ 629	$ 699	$ 669	$ 461
Average Final Average Salary	$ 7,078	$ 19,636	$ 27,391	$ 32,868	$ 27,614	$ 31,870	$ 27,195
Number of Benefit Recipients	8	22	16	7	3	7	63
Fiscal Year Ended June 30, 2011							
Average Monthly Defined Benefit[3]	$ 341	$ 348	$ 448	$ 563	$ 699	$ 645	$ 456
Average Final Average Salary	$ 7,078	$ 18,880	$ 30,641	$ 32,804	$ 27,614	$ 32,151	$ 28,439
Number of Benefit Recipients	8	21	15	10	3	8	65

[1] *INPRS intends to make this schedule a 10-year schedule over time.*

[2] *June 30, 2014 was calculated using June 30, 2013 census data, adjusted for certain activity during fiscal year 2014.*

[3] *Benefit calculations for the LEDB benefit recipients are based on years of service, not final average salary.*

Legislators' Defined Contribution Plan

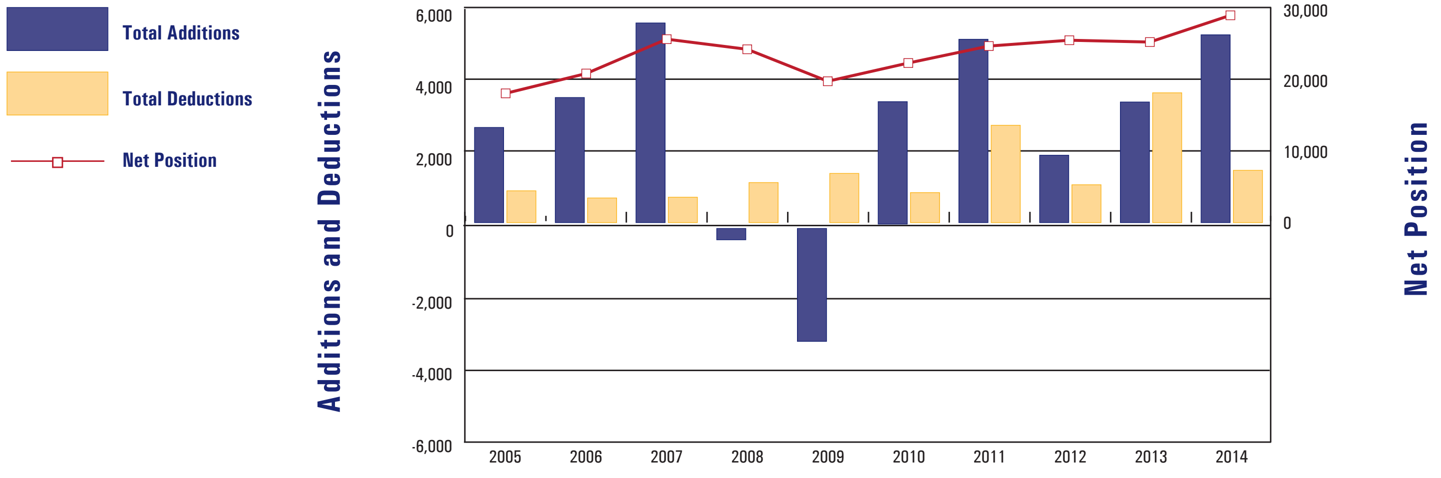
INPRS
INDIANA PUBLIC RETIREMENT SYSTEM

Schedule of Changes in Net Position

(dollars in thousands)

	Fiscal Year Ended June 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Additions										
Member Contributions	$ 1,386	$ 1,414	$ 1,468	$ 1,366	$ 1,342	$ 1,146	$ 1,205	$ 1,303	$ 1,463	$ 1,590
Employer Contributions	-	-	-	-	-	-	-	-	-	-
Investment Income / (Loss)	1,240	2,041	3,639	(1,741)	(4,495)	2,243	3,840	527	1,858	3,608
Member Reassignments	-	-	429	-	-	-	-	-	-	-
Other Additions	27	33	32	60	4	25	68	49	42	40
Total Additions	**$ 2,653**	**$ 3,488**	**$ 5,568**	**$ (315)**	**$ (3,149)**	**$ 3,414**	**$ 5,113**	**$ 1,879**	**$ 3,363**	**$ 5,238**
Deductions										
Pension Benefits	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Disability Benefits	-	-	-	-	-	-	-	-	-	-
Distributions of Contributions and Interest	886	686	708	1,116	1,325	803	2,675	1,033	3,616	1,452
Administrative and Project Expenses	-	-	-	-	46	33	39	22	4	5
Member Reassignments	-	-	-	-	-	-	-	-	-	-
Total Deductions	**$ 886**	**$ 686**	**$ 708**	**$ 1,116**	**$ 1,371**	**$ 836**	**$ 2,714**	**$ 1,055**	**$ 3,620**	**$ 1,457**
Changes in Net Position										
Beginning of Year	$ 16,300	$ 18,067	$ 20,869	$ 25,729	$ 24,298	$ 19,778	$ 22,356	$ 24,755	$ 25,579	$ 25,322
End of Year	18,067	20,869	25,729	24,298	19,778	22,356	24,755	25,579	25,322	29,103
Net Increase / (Decrease)	**$ 1,767**	**$ 2,802**	**$ 4,860**	**$ (1,431)**	**$ (4,520)**	**$ 2,578**	**$ 2,399**	**$ 824**	**$ (257)**	**$ 3,781**

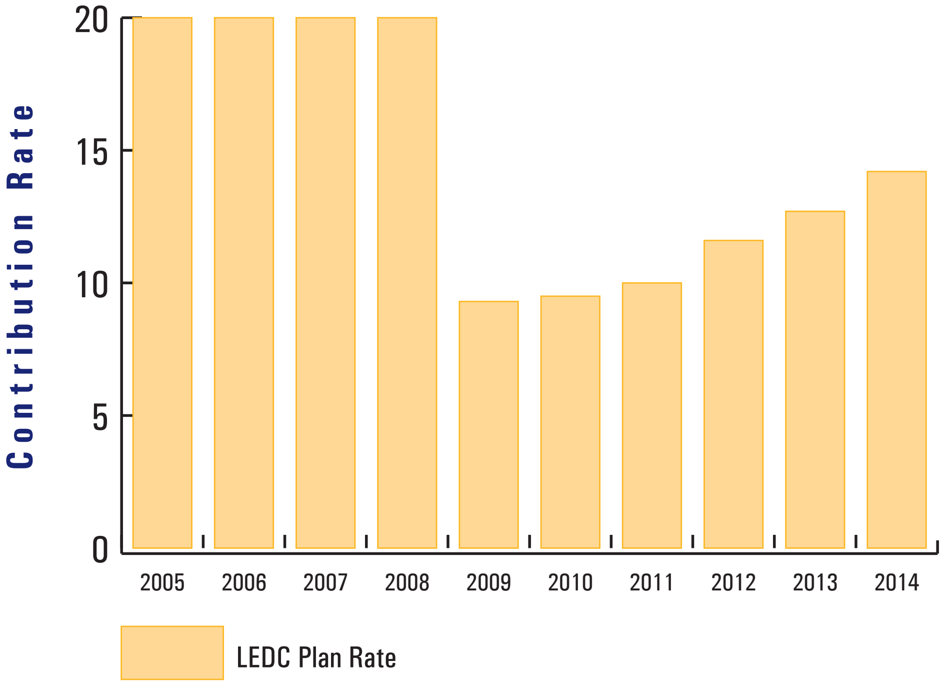
Ten-Year Comparison of Net Position, Additions and Deductions (dollars in thousands)



Schedule of Historical Contribution Rates

Fiscal Year Ended June 30	LEDC Plan Rate
2005	20.0%
2006	20.0
2007	20.0
2008	20.0
2009	9.3
2010	9.5
2011	10.0
2012	11.6
2013	12.7
2014	14.2

Memo:
Effective Date January 1



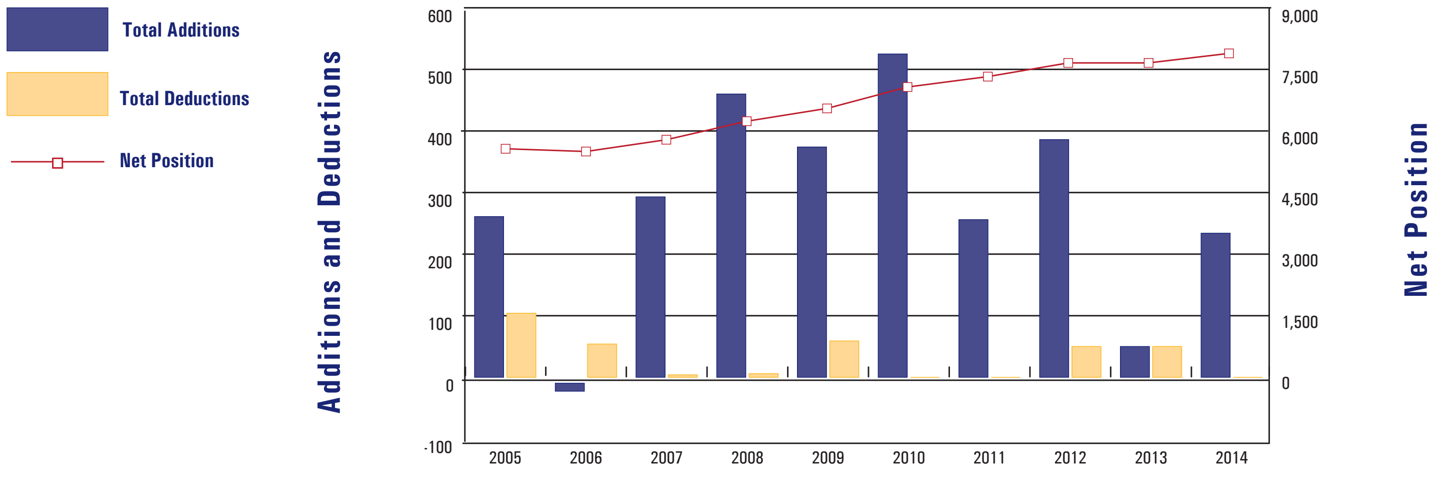
State Employees' Death Benefit Fund

Schedule of Changes in Net Position

(dollars in thousands)

	Fiscal Year Ended June 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Additions										
Member Contributions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer Contributions	-	-	-	-	-	-	-	-	-	-
Investment Income / (Loss)	261	(13)	293	460	374	525	256	386	50	234
Member Reassignments	-	-	-	-	-	-	-	-	-	-
Other Additions	-	-	-	-	-	-	-	-	-	-
Total Additions	**$ 261**	**$ (13)**	**$ 293**	**$ 460**	**$ 374**	**$ 525**	**$ 256**	**$ 386**	**$ 50**	**$ 234**
Deductions										
Pension Benefits	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Disability Benefits	-	-	-	-	-	-	-	-	-	-
Death Benefits	100	50	-	-	50	-	-	50	50	-
Distributions of Contributions and Interest	-	-	-	-	-	-	-	-	-	-
Administrative and Project Expenses	4	4	4	6	9	-	-	-	-	-
Member Reassignments	-	-	-	-	-	-	-	-	-	-
Total Deductions	**$ 104**	**$ 54**	**$ 4**	**$ 6**	**$ 59**	**$ -**	**$ -**	**$ 50**	**$ 50**	**$ -**
Changes in Net Position										
Beginning of Year	$ 5,418	$ 5,575	$ 5,508	$ 5,797	$ 6,251	$ 6,566	$ 7,091	$ 7,347	$ 7,683	$ 7,683
End of Year	5,575	5,508	5,797	6,251	6,566	7,091	7,347	7,683	7,683	7,917
Net Increase / (Decrease)	**$ 157**	**$ (67)**	**$ 289**	**$ 454**	**$ 315**	**$ 525**	**$ 256**	**$ 336**	**$ -**	**$ 234**

Ten-Year Comparison of Net Position, Additions and Deductions (dollars in thousands)

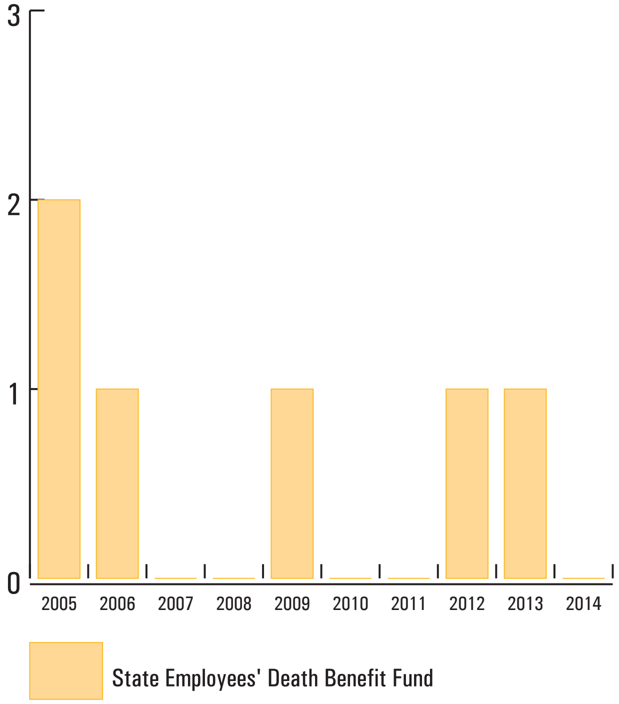


State Employees' Death Benefit Fund

Schedule of Average Death Benefit Payments[1]

Description		
Fiscal Year Ended June 30, 2005		
Average Death Benefit	$	50,000
Average Final Average Salary		N/A
Number of Benefit Recipients		2
Fiscal Year Ended June 30, 2006		
Average Death Benefit	$	50,000
Average Final Average Salary		N/A
Number of Benefit Recipients		1
Fiscal Year Ended June 30, 2007		
Average Death Benefit	$	-
Average Final Average Salary		N/A
Number of Benefit Recipients		-
Fiscal Year Ended June 30, 2008		
Average Death Benefit	$	-
Average Final Average Salary		N/A
Number of Benefit Recipients		-
Fiscal Year Ended June 30, 2009		
Average Death Benefit	$	50,000
Average Final Average Salary		N/A
Number of Benefit Recipients		1
Fiscal Year Ended June 30, 2010		
Average Death Benefit	$	-
Average Final Average Salary		N/A
Number of Benefit Recipients		-
Fiscal Year Ended June 30, 2011		
Average Death Benefit	$	-
Average Final Average Salary		N/A
Number of Benefit Recipients		-
Fiscal Year Ended June 30, 2012		
Average Death Benefit	$	50,000
Average Final Average Salary		N/A
Number of Benefit Recipients		1
Fiscal Year Ended June 30, 2013		
Average Death Benefit	$	50,000
Average Final Average Salary		N/A
Number of Benefit Recipients		1
Fiscal Year Ended June 30, 2014		
Average Death Benefit	$	-
Average Final Average Salary		N/A
Number of Benefit Recipients		-

Number of Benefit Recipients



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[1] Lump sum death benefit of $50,000 paid to the surviving spouse or child(ren) of a state employee who dies in the line of duty as defined in statute (IC 5-10-11).

Public Safety Officers' Special Death Benefit Fund

Schedule of Changes in Net Position[1]

(dollars in thousands)

	Fiscal Year Ended June 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Additions										
Member Contributions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer Contributions	-	-	-	-	-	-	-	-	-	-
Nonemployer Contributing Entity	19	307	485	517	539	626	548	716	544	525
Investment Income / (Loss)	97	(5)	98	162	147	226	116	209	26	146
Member Reassignments	-	-	-	-	-	-	-	-	-	-
Other Additions	-	-	-	-	-	-	-	-	-	-
Total Additions	**$ 116**	**$ 302**	**$ 583**	**$ 679**	**$ 686**	**$ 852**	**$ 664**	**$ 925**	**$ 570**	**$ 671**
Deductions										
Pension Benefits	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Disability Benefits	-	-	-	-	-	-	-	-	-	-
Death Benefits	300	150	150	450	300	450	150	-	600	150
Distributions of Contributions and Interest	-	-	-	-	-	-	-	-	-	-
Administrative and Project Expenses	1	1	1	2	3	-	-	-	-	-
Member Reassignments	-	-	-	-	-	-	-	-	-	-
Total Deductions	**$ 301**	**$ 151**	**$ 151**	**$ 452**	**$ 303**	**$ 450**	**$ 150**	**$ -**	**$ 600**	**$ 150**
Changes in Net Position										
Beginning of Year	$ 1,834	$ 1,649	$ 1,800	$ 2,232	$ 2,459	$ 2,842	$ 3,244	$ 3,758	$ 4,683	$ 4,653
End of Year	1,649	1,800	2,232	2,459	2,842	3,244	3,758	4,683	4,653	5,174
Net Increase / (Decrease)	**$ (185)**	**$ 151**	**$ 432**	**$227**	**$ 383**	**$ 402**	**$ 514**	**$ 925**	**$ (30)**	**$ 521**

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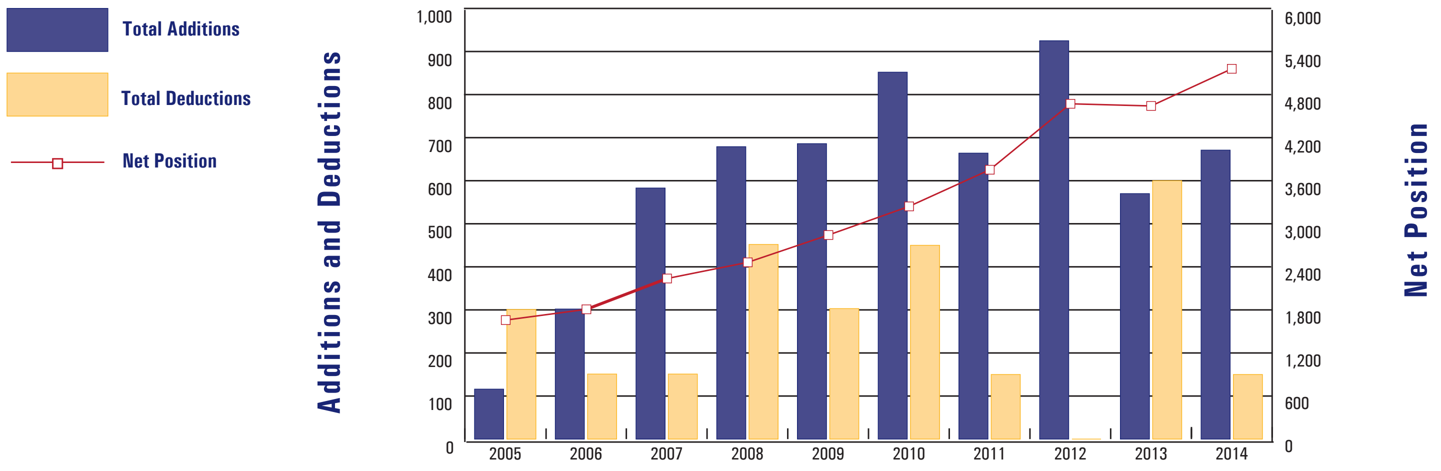
[1] *Reclass of Nonemployer Contributing Entity contributions from Other Additions.*

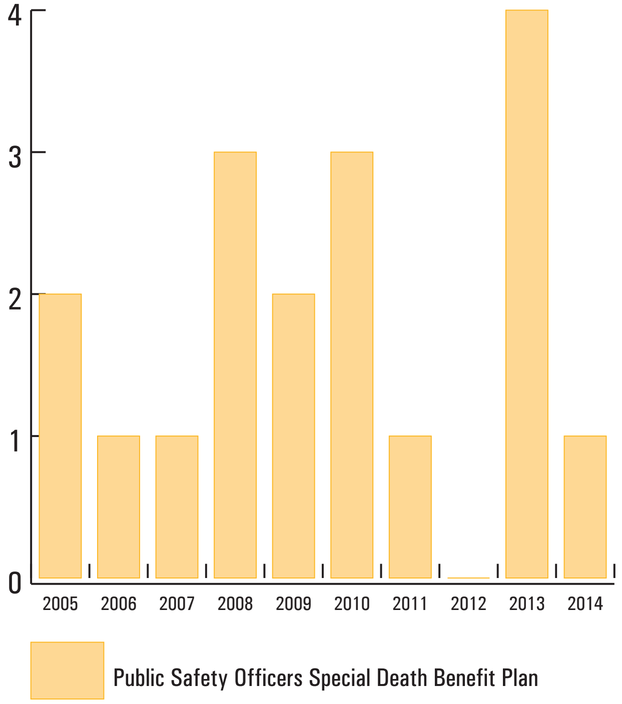
Ten-Year Comparison of Net Position, Additions and Deductions (dollars in thousands)



Schedule of Average Death Benefit Payments[1]

Description		
Fiscal Year Ended June 30, 2005		
Average Death Benefit	$	150,000
Average Final Average Salary		N/A
Number of Benefit Recipients		2
Fiscal Year Ended June 30, 2006		
Average Death Benefit	$	150,000
Average Final Average Salary		N/A
Number of Benefit Recipients		1
Fiscal Year Ended June 30, 2007		
Average Death Benefit	$	150,000
Average Final Average Salary		N/A
Number of Benefit Recipients		1
Fiscal Year Ended June 30, 2008		
Average Death Benefit	$	150,000
Average Final Average Salary		N/A
Number of Benefit Recipients		3
Fiscal Year Ended June 30, 2009		
Average Death Benefit	$	150,000
Average Final Average Salary		N/A
Number of Benefit Recipients		2
Fiscal Year Ended June 30, 2010		
Average Death Benefit	$	150,000
Average Final Average Salary		N/A
Number of Benefit Recipients		3
Fiscal Year Ended June 30, 2011		
Average Death Benefit	$	150,000
Average Final Average Salary		N/A
Number of Benefit Recipients		1
Fiscal Year Ended June 30, 2012		
Average Death Benefit	$	-
Average Final Average Salary		N/A
Number of Benefit Recipients		-
Fiscal Year Ended June 30, 2013		
Average Death Benefit	$	150,000
Average Final Average Salary		N/A
Number of Benefit Recipients		4
Fiscal Year Ended June 30, 2014		
Average Death Benefit	$	150,000
Average Final Average Salary		N/A
Number of Benefit Recipients		1

Number of Benefit Recipients



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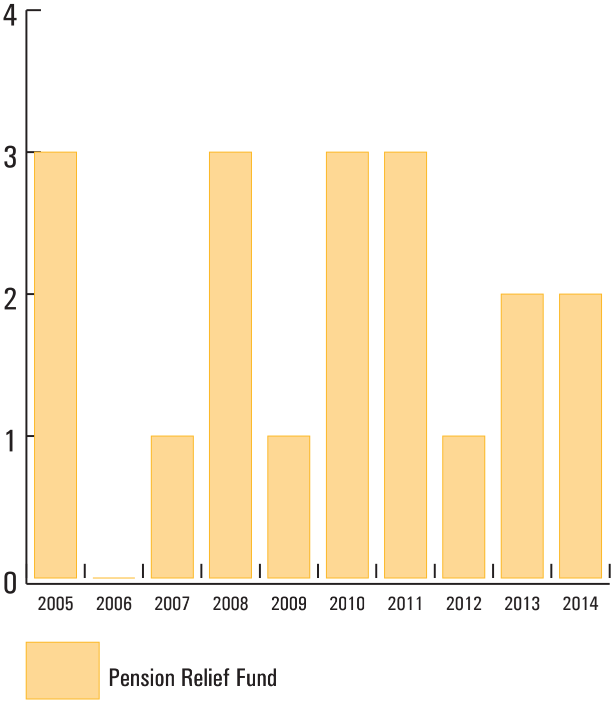
[1] Lump sum death benefit of $150,000 paid to the surviving spouse or child(ren) of a public safety officer who dies in the line of duty as defined in statute (IC 5-10-10) if there is no surviving spouse or child(ren), the benefit is paid to the parent(s).

Schedule of Average Death Benefit Payments[1]

Description		
Fiscal Year Ended June 30, 2005		
Average Death Benefit	$	150,000
Average Final Average Salary		N/A
Number of Benefit Recipients		3
Fiscal Year Ended June 30, 2006		
Average Death Benefit	$	-
Average Final Average Salary		N/A
Number of Benefit Recipients		-
Fiscal Year Ended June 30, 2007		
Average Death Benefit	$	150,000
Average Final Average Salary		N/A
Number of Benefit Recipients		1
Fiscal Year Ended June 30, 2008		
Average Death Benefit	$	150,000
Average Final Average Salary		N/A
Number of Benefit Recipients		3
Fiscal Year Ended June 30, 2009		
Average Death Benefit	$	150,000
Average Final Average Salary		N/A
Number of Benefit Recipients		1
Fiscal Year Ended June 30, 2010		
Average Death Benefit	$	150,000
Average Final Average Salary		N/A
Number of Benefit Recipients		3
Fiscal Year Ended June 30, 2011		
Average Death Benefit	$	150,000
Average Final Average Salary		N/A
Number of Benefit Recipients		3
Fiscal Year Ended June 30, 2012		
Average Death Benefit	$	150,000
Average Final Average Salary		N/A
Number of Benefit Recipients		1
Fiscal Year Ended June 30, 2013		
Average Death Benefit	$	150,000
Average Final Average Salary		N/A
Number of Benefit Recipients		2
Fiscal Year Ended June 30, 2014		
Average Death Benefit	$	150,000
Average Final Average Salary		N/A
Number of Benefit Recipients		2

Number of Benefit Recipients



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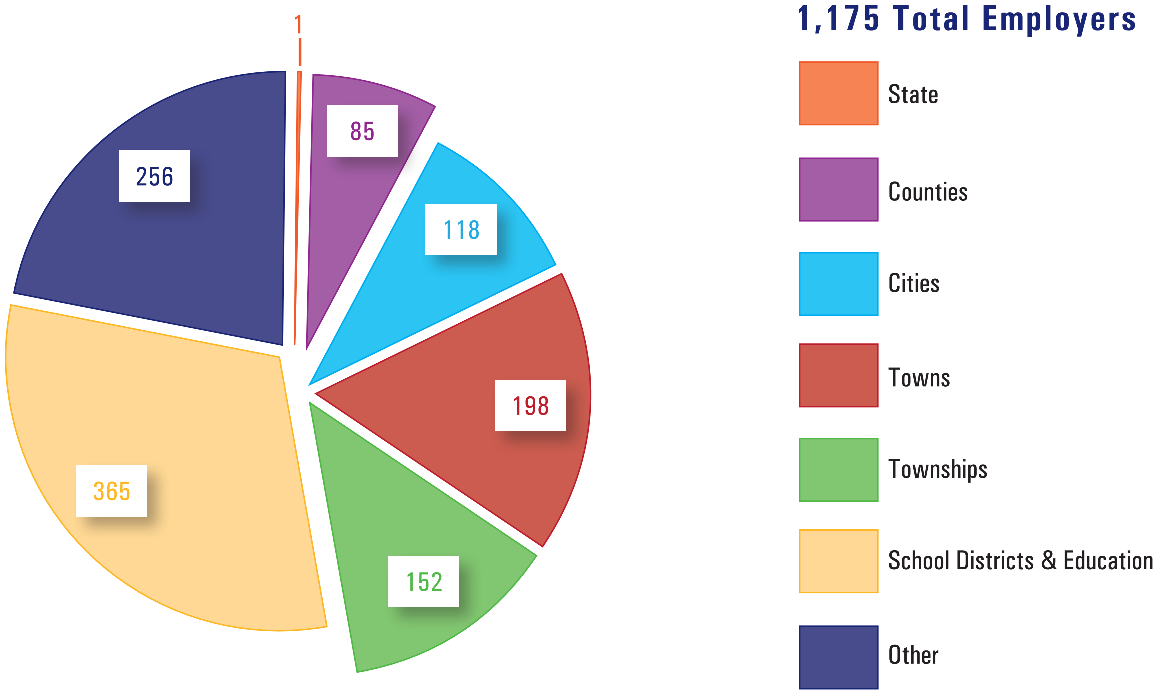
[1] Lump sum death benefit of $150,000 paid to the surviving spouse or child(ren) of a member of the 1977 Fund who dies in the line of duty as defined in statute (IC 36-8-8-20).if there is no surviving spouse or child(ren), the benefit is paid to the parent(s).

Schedule of Participating Employers

- PERF = Public Employees' Retirement Fund
- TRF Pre-1996 = Teachers' Retirement Fund Pre-1996 Account
- TRF 1996 = Teachers' Retirement Fund 1996 Account
- 1977 Fund = 1977 Police Officers' and Firefighters' Pension and Disability Fund
- JRS = Judges' Retirement System
- EG&C Plan = State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan
- PARF = Prosecuting Attorneys' Retirement Fund
- LE = Legislators' Retirement System

Employers	Total[1]	PERF	TRF Pre-1996	TRF 1996	1977 Fund	JRS	EG&C Plan	PARF	LE
State	1	1	1	1	-	1	1	1	1
Counties	85	85	-	-	-	-	-	-	-
Cities	118	110	-	-	117	-	-	-	-
Towns	198	195	-	-	31	-	-	-	-
Townships	152	148	-	-	14	-	-	-	-
School Districts & Education	365	331	339	362	-	-	-	-	-
Other	256	256	-	-	-	-	-	-	-
Total	**1,175**	**1,126**	**340**	**363**	**162**	**1**	**1**	**1**	**1**

[1] Sum of individual employers by retirement plan does not equal total employers, since one (1) employer may participate in multiple retirement plans.



Schedule of Participating Employers, continued

- PERF = Public Employees' Retirement Fund
- TRF Pre-1996 = Teachers' Retirement Fund Pre-1996 Account
- TRF 1996 = Teachers' Retirement Fund 1996 Account
- 1977 Fund = 1977 Police Officers' and Firefighters' Pension and Disability Fund
- JRS = Judges' Retirement System
- EG&C Plan = State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan
- PARF = Prosecuting Attorneys' Retirement Fund
- LE = Legislators' Retirement System

State: Total (1); PERF (1); TRF Pre-1996 (1); TRF Pre-1996 (1); Other Plans (4)

Fiscal Year Ended June 30, 2014

State of Indiana – Component Units
Ball State University
Bureau of Motor Vehicles Commission
Indiana Board for Depositories
Indiana Bond Bank
Indiana Comprehensive Health Insurance Association
Indiana Economic Development Corporation
Indiana Finance Authority
Indiana Homeland Security Foundation
Indiana Housing and Community Development Authority
Indiana Political Subdivision Risk Management Commission
Indiana Secondary Market for Education Loans Inc.
Indiana Stadium and Convention Building Authority
Indiana State Fair Commission
Indiana State Museum and Historic Sites Corporation
Indiana State University
Indiana University
Ivy Tech State College
Little Calument River Basin Commission
Natural Resources Foundation
Ports of Indiana
Purdue University
State Lottery Commission of Indiana
University of Southern Indiana
Vincennes University
White River State Park Development Commission

Counties: Total (85); PERF (85)
Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Adams County	PERF
Allen County	PERF
Bartholomew County	PERF
Blackford County	PERF
Boone County	PERF
Brown County	PERF
Carroll County	PERF
Cass County	PERF
Clark County	PERF
Clay County	PERF
Clinton County	PERF
Crawford County	PERF
Daviess County	PERF
Dearborn County	PERF
Decatur County	PERF
DeKalb County	PERF
Delaware County	PERF
Dubois County	PERF
Elkhart County	PERF
Fayette County	PERF
Floyd County	PERF
Franklin County	PERF
Fulton County	PERF
Gibson County	PERF
Grant County	PERF
Greene County	PERF
Hamilton County	PERF
Hancock County	PERF
Harrison County	PERF
Hendricks County	PERF
Henry County	PERF
Howard County	PERF
Huntington County	PERF
Jackson County	PERF
Jasper County	PERF
Jay County	PERF
Jefferson County	PERF
Johnson County	PERF
Knox County	PERF
Kosciusko County	PERF
LaGrange County	PERF
Lake County	PERF
LaPorte County	PERF

Counties: Total (85); PERF (85)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Lawrence County	PERF
Madison County	PERF
Marion County	PERF
Marshall County	PERF
Martin County	PERF
Miami County	PERF
Monroe County	PERF
Montgomery County	PERF
Morgan County	PERF
Newton County	PERF
Noble County	PERF
Orange County	PERF
Owen County	PERF
Parke County	PERF
Perry County	PERF
Pike County	PERF
Porter County	PERF
Posey County	PERF
Pulaski County	PERF
Putnam County	PERF
Randolph County	PERF
Ripley County	PERF
Rush County	PERF
Scott County	PERF
Shelby County	PERF
Spencer County	PERF
St. Joseph County	PERF
Starke County	PERF
Steuben County	PERF
Tippecanoe County	PERF
Union County	PERF
Vanderburgh County	PERF
Vermillion County	PERF
Vigo County	PERF
Wabash County	PERF
Warren County	PERF
Warrick County	PERF
Washington County	PERF
Wayne County	PERF
Wells County	PERF
White County	PERF
Whitley County	PERF

Cities: Total (118); PERF (110); 1977 Fund (117)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
City of Alexandria	PERF, 1977 Fund
City of Anderson	PERF, 1977 Fund
City of Angola	PERF, 1977 Fund
City of Attica	PERF, 1977 Fund
City of Auburn	PERF, 1977 Fund
City of Aurora	PERF, 1977 Fund
City of Austin	PERF, 1977 Fund
City of Batesville	PERF, 1977 Fund
City of Bedford	PERF, 1977 Fund
City of Beech Grove	PERF, 1977 Fund
City of Berne	PERF, 1977 Fund
City of Bicknell	1977 Fund
City of Bloomington	PERF, 1977 Fund
City of Bluffton	PERF, 1977 Fund
City of Boonville	PERF, 1977 Fund
City of Brazil	1977 Fund
City of Butler	PERF, 1977 Fund
City of Cannelton	1977 Fund
City of Carmel	PERF, 1977 Fund
City of Charlestown	PERF, 1977 Fund
City of Clinton	PERF, 1977 Fund
City of Columbia City	PERF, 1977 Fund
City of Columbus	PERF, 1977 Fund
City of Connersville	PERF, 1977 Fund
City of Covington	1977 Fund
City of Crawfordsville	PERF, 1977 Fund
City of Crown Point	PERF, 1977 Fund
City of Decatur	PERF, 1977 Fund
City of Delphi	PERF, 1977 Fund
City of Dunkirk	PERF, 1977 Fund
City of East Chicago	PERF, 1977 Fund
City of Elkhart	PERF, 1977 Fund
City of Elwood	PERF, 1977 Fund
City of Evansville	PERF, 1977 Fund
City of Fort Wayne	PERF, 1977 Fund
City of Frankfort	PERF, 1977 Fund
City of Franklin	PERF, 1977 Fund
City of Garrett	PERF, 1977 Fund
City of Gary	PERF, 1977 Fund
City of Gas City	PERF, 1977 Fund
City of Goshen	PERF, 1977 Fund
City of Greencastle	PERF, 1977 Fund
City of Greendale	PERF, 1977 Fund

Cities: Total (118); PERF (110); 1977 Fund (117)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
City of Greenfield	PERF, 1977 Fund
City of Greensburg	PERF, 1977 Fund
City of Greenwood	PERF, 1977 Fund
City of Hammond	PERF, 1977 Fund
City of Hartford City	PERF, 1977 Fund
City of Hobart	PERF, 1977 Fund
City of Huntingburg	PERF, 1977 Fund
City of Huntington	PERF, 1977 Fund
City of Indianapolis	PERF, 1977 Fund
City of Jasonville	PERF, 1977 Fund
City of Jasper	PERF, 1977 Fund
City of Jeffersonville	PERF, 1977 Fund
City of Jonesboro	PERF, 1977 Fund
City of Kendallville	PERF, 1977 Fund
City of Knox	PERF, 1977 Fund
City of Kokomo	PERF, 1977 Fund
City of Lafayette	PERF, 1977 Fund
City of Lake Station	PERF, 1977 Fund
City of LaPorte	PERF, 1977 Fund
City of Lawrence	PERF, 1977 Fund
City of Lawrenceburg	PERF, 1977 Fund
City of Lebanon	PERF, 1977 Fund
City of Ligonier	PERF, 1977 Fund
City of Linton	PERF, 1977 Fund
City of Logansport	PERF, 1977 Fund
City of Loogootee	PERF, 1977 Fund
City of Madison	PERF, 1977 Fund
City of Marion	PERF, 1977 Fund
City of Martinsville	PERF, 1977 Fund
City of Michigan City	PERF, 1977 Fund
City of Mishawaka	PERF, 1977 Fund
City of Mitchell	PERF, 1977 Fund
City of Monticello	PERF, 1977 Fund
City of Montpelier	PERF, 1977 Fund
City of Mount Vernon	1977 Fund
City of Muncie	PERF, 1977 Fund
City of Nappanee	PERF, 1977 Fund
City of New Albany	PERF, 1977 Fund
City of New Castle	PERF, 1977 Fund
City of New Haven	PERF, 1977 Fund
City of Noblesville	PERF, 1977 Fund
City of North Vernon	PERF, 1977 Fund
City of Oakland City	PERF, 1977 Fund

Cities: Total (118); PERF (110); 1977 Fund (117)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
City of Peru	PERF, 1977 Fund
City of Petersburg	PERF, 1977 Fund
City of Plymouth	PERF, 1977 Fund
City of Portage	PERF, 1977 Fund
City of Portland	PERF, 1977 Fund
City of Princeton	PERF, 1977 Fund
City of Rensselaer	PERF, 1977 Fund
City of Richmond	PERF, 1977 Fund
City of Rising Sun	PERF, 1977 Fund
City of Rochester	PERF, 1977 Fund
City of Rockport	PERF
City of Rushville	PERF, 1977 Fund
City of Salem	PERF, 1977 Fund
City of Scottsburg	PERF, 1977 Fund
City of Seymour	PERF, 1977 Fund
City of Shelbyville	PERF, 1977 Fund
City of South Bend	PERF, 1977 Fund
City of Sullivan	1977 Fund
City of Tell City	PERF, 1977 Fund
City of Terre Haute	PERF, 1977 Fund
City of Tipton	1977 Fund
City of Union City	PERF, 1977 Fund
City of Valparaiso	PERF, 1977 Fund
City of Vincennes	PERF, 1977 Fund
City of Wabash	PERF, 1977 Fund
City of Warsaw	PERF, 1977 Fund
City of Washington	PERF, 1977 Fund
City of West Lafayette	PERF, 1977 Fund
City of Westfield	PERF, 1977 Fund
City of Whiting	PERF, 1977 Fund
City of Winchester	PERF, 1977 Fund
City of Woodburn	1977 Fund

Towns: Total (198); PERF (195); 1977 Fund (31)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Town of Advance	PERF
Town of Akron	PERF
Town of Albany	PERF
Town of Albion	PERF
Town of Andrews	PERF
Town of Arcadia	PERF
Town of Argos	PERF, 1977 Fund
Town of Ashley	PERF
Town of Atlanta	PERF
Town of Avilla	PERF
Town of Avon	1977 Fund
Town of Bainbridge	PERF
Town of Bargersville	1977 Fund
Town of Battle Ground	PERF
Town of Birdseye	PERF
Town of Bloomfield	PERF
Town of Boswell	PERF
Town of Bourbon	PERF
Town of Bremen	PERF, 1977 Fund
Town of Brook	PERF
Town of Brookston	PERF
Town of Brookville	PERF
Town of Brownsburg	PERF, 1977 Fund
Town of Bunker Hill	PERF
Town of Burlington	PERF
Town of Burns Harbor	PERF
Town of Cambridge City	PERF
Town of Campbellsburg	PERF
Town of Carbon	PERF
Town of Carlisle	PERF
Town of Cedar Lake	PERF, 1977 Fund
Town of Centerville	PERF
Town of Chandler	PERF
Town of Chesterfield	PERF
Town of Chesterton	PERF, 1977 Fund
Town of Chrisney	PERF
Town of Cicero	PERF, 1977 Fund
Town of Clarks Hill	PERF
Town of Clarksville	PERF, 1977 Fund
Town of Clear Lake	PERF
Town of Cloverdale	PERF
Town of Colfax	PERF
Town of Converse	PERF

Towns: Total (198); PERF (195); 1977 Fund (31)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Town of Corydon	PERF
Town of Crothersville	PERF
Town of Culver	PERF
Town of Cumberland	PERF
Town of Cynthia	PERF
Town of Daleville	PERF
Town of Danville	PERF, 1977 Fund
Town of Darlington	PERF
Town of Dayton	PERF
Town of Dillsboro	PERF
Town of Dublin	PERF
Town of Dugger	PERF
Town of Dyer	PERF, 1977 Fund
Town of Eaton	PERF
Town of Edgewood	PERF
Town of Edinburgh	PERF
Town of Ellettsville	PERF
Town of Fairmount	PERF
Town of Farmland	PERF
Town of Fishers	PERF, 1977 Fund
Town of Flora	PERF
Town of Fort Branch	PERF
Town of Fortville	PERF, 1977 Fund
Town of Frankton	PERF
Town of Fremont	PERF
Town of French Lick	PERF
Town of Gaston	PERF
Town of Geneva	PERF
Town of Grabill	PERF
Town of Grandview	PERF
Town of Greentown	PERF
Town of Griffith	PERF, 1977 Fund
Town of Hagerstown	PERF
Town of Hamilton	PERF
Town of Hamlet	PERF
Town of Hanover	PERF
Town of Harmony	PERF
Town of Hebron	PERF
Town of Highland	PERF, 1977 Fund
Town of Huntertown	PERF
Town of Jamestown	PERF
Town of Kingman	PERF
Town of Kingsford Heights	PERF

Towns: Total (198); PERF (195); 1977 Fund (31)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Town of Knightstown	PERF
Town of Ladoga	PERF
Town of Lafontaine	PERF
Town of LaGrange	PERF
Town of Lagro	PERF
Town of Lapaz	PERF
Town of Lapel	PERF
Town of Lewisville	PERF
Town of Liberty	PERF
Town of Long Beach	PERF
Town of Lowell	PERF, 1977 Fund
Town of Lynn	PERF
Town of Markle	PERF
Town of Matthews	PERF
Town of McCordsville	PERF
Town of Mentone	PERF
Town of Merrillville	PERF, 1977 Fund
Town of Middletown	PERF
Town of Milan	PERF
Town of Millersburg	PERF
Town of Milton	PERF
Town of Monon	PERF
Town of Monroe	PERF
Town of Monroe City	PERF
Town of Monroeville	PERF
Town of Monterey	PERF
Town of Montgomery	PERF
Town of Moores Hill	PERF
Town of Mooresville	PERF, 1977 Fund
Town of Morocco	PERF
Town of Mount Summit	PERF
Town of Mulberry	PERF
Town of Munster	PERF, 1977 Fund
Town of Nashville	PERF
Town of New Carlisle	PERF
Town of New Chicago	PERF, 1977 Fund
Town of New Harmony	PERF
Town of New Palestine	PERF
Town of New Pekin	PERF
Town of New Ross	PERF
Town of New Whiteland	PERF
Town of Newburgh	PERF, 1977 Fund
Town of North Judson	PERF

Towns: Total (198); PERF (195); 1977 Fund (31)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Town of North Liberty	PERF
Town of North Manchester	PERF
Town of North Webster	PERF
Town of Oaktown	PERF
Town of Odon	PERF
Town of Ogden Dunes	PERF
Town of Oolitic	PERF
Town of Orland	PERF
Town of Orleans	PERF
Town of Osgood	PERF
Town of Ossian	PERF, 1977 Fund
Town of Otterbein	PERF
Town of Paoli	PERF
Town of Paragon	PERF
Town of Pendleton	PERF
Town of Pierceton	PERF
Town of Pittsboro	PERF
Town of Plainfield	PERF, 1977 Fund
Town of Porter	PERF, 1977 Fund
Town of Poseyville	PERF
Town of Prince's Lakes	PERF
Town of Remington	PERF
Town of Roachdale	PERF
Town of Rockville	PERF
Town of Rome City	PERF
Town of Rossville	PERF
Town of Royal Center	PERF
Town of Russiaville	PERF
Town of Schererville	PERF, 1977 Fund
Town of Sellersburg	PERF, 1977 Fund
Town of Sharpsville	PERF
Town of Shelburn	PERF
Town of Shoals	PERF
Town of South Whitley	PERF
Town of Speedway	PERF, 1977 Fund
Town of Spencer	PERF
Town of Spiceland	PERF
Town of St. John	PERF, 1977 Fund
Town of St. Leon	PERF
Town of St. Paul	PERF
Town of Summitville	PERF
Town of Sweetser	PERF
Town of Tennyson	PERF

Towns: Total (198); PERF (195); 1977 Fund (31)
Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Town of Thorntown	PERF
Town of Topeka	PERF
Town of Trafalgar	1977 Fund
Town of Trail Creek	PERF
Town of Van Buren	PERF
Town of Versailles	PERF
Town of Walkerton	PERF
Town of Wanatah	PERF
Town of Waterloo	PERF
Town of Waynetown	PERF
Town of West Baden Springs	PERF
Town of West Terre Haute	PERF
Town of Westport	PERF
Town of Whiteland	PERF
Town of Whitestown	PERF, 1977 Fund
Town of Williamsport	PERF
Town of Winamac	PERF
Town of Windfall	PERF
Town of Winfield	PERF
Town of Winona Lake	PERF
Town of Winslow	PERF
Town of Wolcott	PERF
Town of Wolcottville	PERF
Town of Worthington	PERF
Town of Yorktown	PERF
Town of Zionsville	PERF, 1977 Fund

Townships: Total (152); PERF (148); 1977 Fund (14)
Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Aboite Township-Allen County	PERF
Adams Township-Allen County	PERF
Adams Township-Hamilton County	PERF
Adams Township-Parke County	PERF
Anderson Township-Madison County	PERF
Bainbridge Township-Dubois County	PERF
Beaver Township-Newton County	PERF
Beech Creek Township-Greene County	PERF
Bloomfield Township-LaGrange County	PERF
Bloomington Township-Monroe County	PERF
Bourbon Township-Marshall County	PERF
Brown Township-Morgan County	PERF, 1977 Fund
Buck Creek Township-Hancock County	PERF, 1977 Fund
Calumet Township-Lake County	PERF
Cedar Creek Township-Lake County	PERF
Center Township-Boone County	PERF, 1977 Fund
Center Township-Delaware County	PERF
Center Township-Grant County	PERF
Center Township-Hendricks County	PERF
Center Township-Howard County	PERF
Center Township-Lake County	PERF
Center Township-Marion County	PERF
Center Township-Marshall County	PERF
Center Township-Porter County	PERF
Center Township-Vanderburgh County	PERF
Centre Township-St. Joseph County	PERF
Charlestown Township-Clark County	PERF
Chester Township-Wabash County	PERF
Clay Township-Kosciusko County	PERF
Clay Township-Hamilton County	PERF
Clay Township-St. Joseph County	PERF
Clear Creek Township-Monroe County	PERF
Cleveland Township-Elkhart County	PERF
Columbia Township-Whitley County	PERF
Columbus Township-Bartholomew County	PERF
Concord Township-Elkhart County	PERF
Decatur Township-Marion County	PERF, 1977 Fund
Delaware Township-Hamilton County	PERF
Eel River Township-Hendricks County	PERF
Etna-Troy Township-Whitley County	PERF
Fairfield Township-Tippecanoe County	PERF
Fayette Township-Vigo County	PERF
Franklin Township-Harrison County	PERF

Townships: Total (152); PERF (148); 1977 Fund (14)

Fiscal Year Ended June 30, 2014

Franklin Township-Marion County	PERF
Georgetown Township-Floyd County	PERF
German Township-Marshall County	PERF
Grant Township-Newton County	PERF
Guilford Civil Township-Hendricks County	PERF
Hanover Township-Lake County	PERF
Hanover Township-Shelby County	PERF
Harrison Township-Vigo County	PERF
Helt Township-Vermillion County	PERF
Henry Township-Henry County	PERF
Highland Township-Greene County	PERF
Hobart Township-Lake County	PERF
Honey Creek Township-Vigo County	PERF
Huntington Township-Huntington County	PERF
Jackson Township-Harrison County	PERF
Jackson Township-Jackson County	PERF
Jackson Township-Wayne County	PERF
Jamestown Township-Steuben County	PERF
Jefferson Township-Grant County	PERF
Jefferson Township-Greene County	PERF
Jefferson Township-Pike County	PERF
Jefferson Township-Whitley County	PERF
Jeffersonville Township-Clark County	PERF
Johnson Township-LaGrange County	PERF
Knight Township-Vanderburgh County	PERF
Lafayette Township-Allen County	PERF
Lafayette Township-Floyd County	PERF
Lake Township-Kosciusko County	PERF
Lawrence Township-Marion County	PERF, 1977 Fund
Liberty Township-Porter County	PERF
Lost Creek Township-Vigo County	PERF
Madison Township-Dubois County	PERF
Madison Township-Jefferson County	PERF
Madison Township-Pike County	PERF
Marion Township-Jasper County	PERF
Michigan Township-LaPorte County	PERF
Middle Township-Hendricks County	1977 Fund
Middlebury Township-Elkhart County	PERF
Milan Township-Allen County	PERF
New Albany Township-Floyd County	PERF
Newbury Township-LaGrange County	PERF
Noble Township-Wabash County	PERF
Noblesville Township-Hamilton County	PERF

Townships: Total (152); PERF (148); 1977 Fund (14)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
North Township-Lake County	PERF
Ohio Township-Warrick County	PERF
Patoka Township-Gibson County	PERF, 1977 Fund
Penn Township-St. Joseph County	PERF
Perry Township-Allen County	PERF
Perry Township-Marion County	PERF
Perry Township-Martin County	PERF
Perry Township-Monroe County	PERF
Perry Township-Vanderburgh County	PERF
Perry-Clear Creek Township-Monroe County	1977 Fund
Peru Township-Miami County	PERF
Pigeon Township-Vanderburgh County	PERF
Pike Township-Marion County	PERF, 1977 Fund
Pipecreek Township-Madison County	PERF
Pleasant Township-Johnson County	PERF
Pleasant Township-Steuben County	PERF
Pleasant Township-Wabash County	PERF
Portage Township-Porter County	PERF
Portage Township-St. Joseph County	PERF
Posey Township-Fayette County	PERF
Posey Township-Washington County	PERF
Prairie Township-Kosciusko County	PERF
Richland Township-Greene County	PERF
Richland Township-Jay County	PERF
Richland Township-Monroe County	PERF
Root Township-Adams County	PERF
Ross Township-Lake County	PERF
Seward Township-Kosciusko County	PERF
Shawswick Township-Lawrence County	PERF
Spencer Township-Harrison County	PERF
Springfield Township-LaPorte County	PERF
St. John Township-Lake County	PERF
St. Joseph Township-Allen County	PERF
Stafford Township-Greene County	PERF
Stockton Township-Greene County	PERF
Sugar Creek Township-Hancock County	1977 Fund
Sugar Creek Township-Montgomery County	PERF
Sugar Creek Township-Vigo County	PERF
Taylor Township-Greene County	PERF
Taylor Township-Howard County	PERF
Thorncreek Township-Whitley County	PERF
Tippecanoe Township-Kosciusko County	PERF
Union Township-Adams County	PERF

Townships: Total (152); PERF (148); 1977 Fund (14)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Union Township-Marshall County	PERF
Union Township-Montgomery County	PERF
Union Township-Whitley County	PERF
Van Buren Township-Monroe County	PERF
Vincennes Township-Knox County	PERF, 1977 Fund
Wabash Township-Tippecanoe County	PERF
Warren Township-Marion County	PERF
Washington Township-Adams County	PERF
Washington Township-Daviess County	PERF
Washington Township-Grant County	PERF
Washington Township-Hamilton County	PERF
Washington Township-Marion County	PERF
Washington Township-Morgan County	PERF, 1977 Fund
Washington Township-Pike County	PERF
Wayne Township-Allen County	PERF
Wayne Township-Marion County	PERF, 1977 Fund
Wayne Township-Wayne County	PERF
West Creek Township-Lake County	PERF
West Township-Marshall County	PERF
Wheatfield Township-Jasper County	PERF
White River Township-Johnson County	1977 Fund
White River Township-Randolph County	PERF
Wright Township-Greene County	PERF

School Districts and Education: Total (365); PERF (331); TRF Pre-1996 (339); TRF 1996 (362)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
21st Century Charter School at Gary	PERF, TRF - Pre-1996, TRF - 1996
Adams Central Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Alexandria Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Anderson Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Anderson Preparatory Academy (Charter)	TRF - Pre-1996, TRF - 1996
Area 30 Career Center (Charter)	PERF, TRF - 1996
Argos Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Attica Consolidated School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Avon Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Barr-Reeve Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Bartholomew Consolidated School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Batesville Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Baugo Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Beacon Academy Inc. (Charter)	TRF - 1996
Beech Grove City Schools	PERF, TRF - Pre-1996, TRF - 1996
Benton Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Blackford County Metropolitan School District	PERF, TRF - Pre-1996, TRF - 1996
Bloomfield School District	PERF, TRF - Pre-1996, TRF - 1996
Blue River Career Programs	PERF, TRF - Pre-1996, TRF - 1996
Blue River Valley Schools	PERF, TRF - Pre-1996, TRF - 1996
Bluffton-Harrison Metropolitan School District	PERF, TRF - Pre-1996, TRF - 1996
Boone Township Metropolitan School District	PERF, TRF - Pre-1996, TRF - 1996
Bremen Public Schools	PERF, TRF - Pre-1996, TRF - 1996
Brown County School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Brownsburg Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Brownstown Central Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Cannelton City Schools	PERF, TRF - Pre-1996, TRF - 1996
Carmel-Clay Schools	PERF, TRF - Pre-1996, TRF - 1996
Carroll Consolidated School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Caston School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Center Grove Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Centerville-Abington Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Central Indiana Educational Service Center	PERF, TRF - Pre-1996, TRF - 1996
Central Nine Career Center	PERF, TRF - Pre-1996, TRF - 1996
Central Noble Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Challenge Foundation Academy Charter School	TRF - Pre-1996, TRF - 1996
Charles A. Beard Memorial School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Charles A. Tindley Accelerated School (Charter)	PERF, TRF - Pre-1996, TRF - 1996
Charter School of the Dunes	PERF, TRF - Pre-1996, TRF - 1996
Charter Schools U.S.A.	PERF, TRF - Pre-1996, TRF - 1996
Christel House Academy (Charter)	PERF, TRF - 1996
Clark Pleasant Community School Corporation	TRF - Pre-1996, TRF - 1996
Clarksville Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996

School Districts and Education: Total (365); PERF (331); TRF Pre-1996 (339); TRF 1996 (362)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Clay Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Clinton Central School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Clinton Prairie School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Cloverdale Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Frankfort Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Community Montessori School (Charter)	PERF, TRF - Pre-1996, TRF - 1996
Eastern Hancock County Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Concord Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Covered Bridge Special Education District	PERF, TRF - Pre-1996, TRF - 1996
Covington Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Cowan Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Crawford County Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Crawfordsville Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Crothersville Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Crown Point Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Culver Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Daleville Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Danville Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Daviess-Martin Special Education Cooperative	PERF, TRF - Pre-1996, TRF - 1996
Decatur County Community Schools	PERF, TRF - Pre-1996, TRF - 1996
DeKalb County Eastern Community School District	PERF, TRF - Pre-1996, TRF - 1996
DeKalb County Central United School District	PERF, TRF - Pre-1996, TRF - 1996
Delaware Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Delphi Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Discovery Charter School	PERF, TRF - 1996
Duneland School Corporation	PERF, TRF - Pre-1996, TRF - 1996
East Allen County Schools	PERF, TRF - Pre-1996, TRF - 1996
East Central Indiana Educational Service Center	PERF, TRF - 1996
East Chicago Urban Enterprise Academy (Charter)	PERF, TRF - 1996
East Gibson School Corporation	PERF, TRF - Pre-1996, TRF - 1996
East Noble School Corporation	PERF, TRF - Pre-1996, TRF - 1996
East Porter County School Corporation	PERF, TRF - Pre-1996, TRF - 1996
East Washington School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Eastbrook Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Eastern Greene Schools	TRF - Pre-1996, TRF - 1996
Eastern-Howard County School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Eastern Pulaski County Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
EdPower Charter School	PERF, TRF - Pre-1996, TRF - 1996
Edinburgh Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Elkhart Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Elwood Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Eminence Consolidated School Corporation	TRF - Pre-1996, TRF - 1996
Evansville-Vanderburgh School Corporation	PERF, TRF - Pre-1996, TRF - 1996

Schedule of Participating Employers, continued

School Districts and Education: Total (365); PERF (331); TRF Pre-1996 (339); TRF 1996 (362)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Fairfield Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Fall Creek Academy	TRF - Pre-1996, TRF - 1996
Fayette County School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Flanner House Elementary School (Charter)	PERF, TRF - 1996
Flat Rock-Hawcreek School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Fort Wayne Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Fountain Square Academy (Charter)	TRF - 1996
Franklin County Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Franklin Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Franklin Township Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Frankton-Lapel Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Fremont Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Frontier School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Garrett-Keyser-Butler Community School District	PERF, TRF - Pre-1996, TRF - 1996
Gary Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Gary Middle College Charter School	PERF, TRF - 1996
Goodwill Education Initiatives	TRF - Pre-1996, TRF - 1996
Goshen Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Greater Clark County Schools	PERF, TRF - Pre-1996, TRF - 1996
Greater Jasper Consolidated Schools	PERF, TRF - Pre-1996, TRF - 1996
Greater Randolph Interlocal Cooperative	PERF, TRF - 1996
Greencastle Consolidated Schools	PERF, TRF - Pre-1996, TRF - 1996
Greene-Sullivan Special Education Co-op	TRF - Pre-1996, TRF - 1996
Greenfield Central Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Greensburg Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Greenwood Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Griffith Public Schools	PERF, TRF - Pre-1996, TRF - 1996
Hamilton Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Hamilton Heights School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Hamilton Southeastern Schools	PERF, TRF - Pre-1996, TRF - 1996
Hammond Urban Academy (Charter)	PERF, TRF - Pre-1996, TRF - 1996
Hancock-Madison-Shelby Educational Services	PERF, TRF - Pre-1996, TRF - 1996
Hanover Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Harrison County Lifelong Learning	PERF
Heartland Career Center	PERF, TRF - Pre-1996, TRF - 1996
Herron High School Charter School	TRF - Pre-1996, TRF - 1996
Hoosier Academy Inc. - Indianapolis (Charter)	TRF - Pre-1996, TRF - 1996
Hoosier Academy Muncie Inc	TRF - 1996
Hope Academy (Recovery High School At Fairbanks)	PERF, TRF - Pre-1996, TRF - 1996
Huntington County Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Indiana Math and Science Academy North (Charter)	PERF, TRF - 1996
Indiana Math and Science Academy South (Charter)	TRF - 1996
Indiana Math and Science Academy West (Charter)	PERF, TRF - 1996

School Districts and Education: Total (365); PERF (331); TRF Pre-1996 (339); TRF 1996 (362)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Indiana Virtual Academy	PERF, TRF - Pre-1996, TRF - 1996
Indiana Virtual Pilot School	TRF - Pre-1996, TRF - 1996
Indianapolis Public Schools	PERF, TRF - Pre-1996, TRF - 1996
Inspire Academy	TRF - 1996
International School of Columbus	TRF - Pre-1996, TRF - 1996
Irvington Community School	PERF, TRF - Pre-1996, TRF - 1996
Jac-Cen-Del Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Jay School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Jennings County School Corporation	PERF, TRF - Pre-1996, TRF - 1996
John Glenn School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Joshua Academy, Inc. (Charter)	PERF, TRF - Pre-1996, TRF - 1996
Kankakee Valley School Corporation	TRF - Pre-1996, TRF - 1996
Kipp Indianapolis Charter School	TRF - 1996
Knox Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Kokomo Center Township Consolidated School Corporation	PERF, TRF - Pre-1996, TRF - 1996
LaPorte Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Lafayette School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Lake Central School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Lake Ridge Schools	PERF, TRF - Pre-1996, TRF - 1996
Lake Station Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Lakeland School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Lanesville Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Lawrenceburg Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Lebanon Community School Corporation	TRF - Pre-1996, TRF - 1996
Liberty-Perry Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Linton-Stockton School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Logansport Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Loogootee Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Lost River Career Cooperative	PERF, TRF - Pre-1996, TRF - 1996
Maconaquah School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Madison Area Educational Special Services	PERF, TRF - Pre-1996, TRF - 1996
Madison Consolidated Schools	PERF, TRF - Pre-1996, TRF - 1996
Madison Grant United School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Manchester Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Marion Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Medora Community School Corporation	TRF - Pre-1996, TRF - 1996
Merrillville Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Michigan City Area Schools	PERF, TRF - Pre-1996, TRF - 1996
Middlebury Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Milan Schools	PERF, TRF - Pre-1996, TRF - 1996
Mill Creek Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Mississinewa Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Mitchell Community Schools	PERF, TRF - Pre-1996, TRF - 1996

School Districts and Education: Total (365); PERF (331); TRF Pre-1996 (339); TRF 1996 (362)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Monroe Central School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Monroe County Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Monroe-Gregg School District	PERF, TRF - Pre-1996, TRF - 1996
Mooresville Consolidated School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Lawrence Township Metropolitan School District	PERF, TRF - Pre-1996, TRF - 1996
Decatur Township Metropolitan School District	PERF, TRF - Pre-1996, TRF - 1996
Martinsville Metropolitan School District	PERF, TRF - Pre-1996, TRF - 1996
Mount Vernon Metropolitan School District	PERF, TRF - Pre-1996, TRF - 1996
New Durham Township Metropolitan School District	TRF - Pre-1996, TRF - 1996
North Posey County Metropolitan School District	PERF, TRF - Pre-1996, TRF - 1996
Perry Township Metropolitan School District	PERF, TRF - Pre-1996, TRF - 1996
Pike Township Metropolitan School District	PERF, TRF - Pre-1996, TRF - 1996
Shakamak Metropolitan School District	PERF, TRF - Pre-1996, TRF - 1996
Southwest Allen County Metropolitan School District	PERF, TRF - Pre-1996, TRF - 1996
Steuben County Metropolitan School District	PERF, TRF - Pre-1996, TRF - 1996
Wabash County Metropolitan School District	PERF, TRF - Pre-1996, TRF - 1996
Warren County Metropolitan School District	PERF, TRF - Pre-1996, TRF - 1996
Warren Township Metropolitan School District	PERF, TRF - Pre-1996, TRF - 1996
Washington Township-Marion County Metropolitan School District	PERF, TRF - Pre-1996, TRF - 1996
Wayne Township Metropolitan School District	PERF, TRF - Pre-1996, TRF - 1996
Mount Vernon Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Muncie Community Schools	PERF, TRF - Pre-1996, TRF - 1996
North Harrison Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
North Judson-San Pierre Schools	PERF, TRF - Pre-1996, TRF - 1996
North Putnam Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Nettle Creek School Corporation	PERF, TRF - Pre-1996, TRF - 1996
New Albany-Floyd County School Corporation	PERF, TRF - Pre-1996, TRF - 1996
New Castle Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
New Community School (Charter)	PERF, TRF - Pre-1996, TRF - 1996
New Prairie United School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Nineveh Hensley Jackson United School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Noblesville School Corporation	PERF, TRF - Pre-1996, TRF - 1996
North Adams Community Schools	PERF, TRF - Pre-1996, TRF - 1996
North Central Parke Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
North Daviess Community Schools	PERF, TRF - Pre-1996, TRF - 1996
North Gibson School Corporation	PERF, TRF - Pre-1996, TRF - 1996
North Knox School Corporation	PERF, TRF - Pre-1996, TRF - 1996
North Lawrence Community Schools	PERF, TRF - Pre-1996, TRF - 1996
North Miami Community Schools	PERF, TRF - Pre-1996, TRF - 1996
North Montgomery School Corporation	PERF, TRF - Pre-1996, TRF - 1996
North Newton School Corporation	PERF, TRF - Pre-1996, TRF - 1996
North Spencer County School Corporation	TRF - Pre-1996, TRF - 1996
North Vermillion Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996

School Districts and Education: Total (365); PERF (331); TRF Pre-1996 (339); TRF 1996 (362)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Northwest Hendricks Schools	PERF, TRF - Pre-1996, TRF - 1996
North White School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Northeast Dubois County School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Northeast School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Northeastern Wayne Schools	PERF, TRF - Pre-1996, TRF - 1996
Northern Wells Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Northwest Allen County Schools	PERF, TRF - Pre-1996, TRF - 1996
Northwest Indiana Educational Service Center	TRF - 1996
Northwest Indiana Special Education Cooperative	PERF, TRF - Pre-1996, TRF - 1996
Northwestern Consolidated School District of Shelby County	PERF, TRF - Pre-1996, TRF - 1996
Northwestern School Corporation - Howard County	PERF, TRF - Pre-1996, TRF - 1996
Oak Hill United School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Old National Trail Special Services	PERF, TRF - Pre-1996, TRF - 1996
Options Charter School - Carmel	PERF, TRF - 1996
Options Charter School - Noblesville	PERF, TRF - 1996
Oregon-Davis School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Orleans Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Paoli Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Paramount School of Excellence (Charter)	TRF - Pre-1996, TRF - 1996
Penn-Harris-Madison School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Perry Central Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Peru Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Phalen Leadership Academies	TRF - 1996
Pike County School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Pioneer Regional School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Plainfield Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Plymouth Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Portage Township Schools	PERF, TRF - Pre-1996, TRF - 1996
Porter County Education Services	PERF, TRF - Pre-1996, TRF - 1996
Porter Township School Corporation	TRF - Pre-1996, TRF - 1996
Prairie Heights Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Randolph Central School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Randolph Eastern School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Randolph Southern School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Region 8 Education Service Center	PERF, TRF - 1996
Renaissance Academy Charter School	PERF, TRF - 1996
Rensselaer Central School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Richland-Bean Blossom School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Richmond Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Ripley-Ohio-Dearborn Special Education Cooperative	PERF, TRF - Pre-1996, TRF - 1996
Rising Sun-Ohio County Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
River Forest Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Rochester Community Schools	PERF, TRF - Pre-1996, TRF - 1996

School Districts and Education: Total (365); PERF (331); TRF Pre-1996 (339); TRF 1996 (362)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Rossville Consolidated School District	PERF, TRF - Pre-1996, TRF - 1996
Rural Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Rush County Schools	PERF, TRF - Pre-1996, TRF - 1996
South Spencer County School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Salem Community Schools - Washington County	PERF, TRF - Pre-1996, TRF - 1996
East Chicago City School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Hammond Public Schools	PERF, TRF - Pre-1996, TRF - 1996
Hobart City School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Mishawaka City School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Whiting School, City of	PERF, TRF - Pre-1996, TRF - 1996
Highland Town School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Munster Town School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Speedway Public Schools	PERF, TRF - Pre-1996, TRF - 1996
Scott County School District No. 1	PERF, TRF - Pre-1996, TRF - 1996
Scott County School District No. 2	PERF, TRF - Pre-1996, TRF - 1996
Seymour Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Shelby Eastern Schools	PERF, TRF - Pre-1996, TRF - 1996
Shelbyville Central Schools	PERF, TRF - Pre-1996, TRF - 1996
Shenandoah School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Marion Adams School Corporation (Sheridan Community Schools)	PERF, TRF - Pre-1996, TRF - 1996
Shoals Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Signature Charter School	PERF, TRF - Pre-1996, TRF - 1996
Smith-Green Community Schools	PERF, TRF - Pre-1996, TRF - 1996
South Adams Schools	PERF, TRF - Pre-1996, TRF - 1996
South Bend Career Academy	TRF - Pre-1996, TRF - 1996
South Bend Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
South Central Area Special Education Cooperative	PERF, TRF - Pre-1996, TRF - 1996
South Central Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
South Dearborn Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
South Gibson School Corporation	PERF, TRF - Pre-1996, TRF - 1996
South Harrison Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
South Henry School Corporation	PERF, TRF - Pre-1996, TRF - 1996
South Knox School Corporation	PERF, TRF - Pre-1996, TRF - 1996
South Madison Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
South Montgomery Community School Corporation	TRF - Pre-1996, TRF - 1996
South Newton Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
South Putnam Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
South Ripley Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
South Vermillion Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Southeast Dubois County School Corporation	TRF - Pre-1996, TRF - 1996
Southeast Fountain School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Southeast Neighborhood School of Excellence (Charter)	PERF, TRF - 1996
Southeastern School Corporation	PERF, TRF - Pre-1996, TRF - 1996

School Districts and Education: Total (365); PERF (331); TRF Pre-1996 (339); TRF 1996 (362)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Southern Hancock County Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Southern Wells Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Southside Special Services of Marion County	PERF, TRF - Pre-1996, TRF - 1996
Southwest Dubois County School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Southwest Parke Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Southwest School Corporation of Sullivan County	PERF, TRF - Pre-1996, TRF - 1996
Southwestern Consolidated Schools of Shelby County	PERF, TRF - Pre-1996, TRF - 1996
Southwestern High School	PERF
Southwestern Consolidated Schools of Jefferson County	PERF, TRF - Pre-1996, TRF - 1996
Johnson County Schools Special Services	PERF, TRF - Pre-1996, TRF - 1996
Spencer-Owen Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Springs Valley Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Sunman-Dearborn Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Switzerland Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Taylor Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Tell City-Troy Township School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Bloomington Project School (Charter)	PERF, TRF - Pre-1996, TRF - 1996
Thea Bowman Leadership Academy (Charter)	PERF, TRF - Pre-1996, TRF - 1996
Theodore Roosevelt College and Career Academy	PERF, TRF - Pre-1996, TRF - 1996
Thurgood Marshall Leadership Academy	PERF, TRF - Pre-1996, TRF - 1996
Tippecanoe School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Tippecanoe Valley School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Tipton Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Tri-County School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Tri-Creek School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Tri-Central Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Triton School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Tri-Township Consolidated School Corporation	TRF - Pre-1996, TRF - 1996
Twin Lakes School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Twin Rivers Vocational School	PERF, TRF - Pre-1996, TRF - 1996
Union County School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Union School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Union Township School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Union-North United School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Valparaiso Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Veritas Academy Charter School	PERF, TRF - 1996
Vigo County School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Vincennes Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Wabash City Schools	PERF, TRF - Pre-1996, TRF - 1996
Wa-Nee Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Warrick County School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Warsaw Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Washington Community Schools	PERF, TRF - Pre-1996, TRF - 1996

School Districts and Education: Total (365); PERF (331); TRF Pre-1996 (339); TRF 1996 (362)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Wawasee Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Wes-Del Community Schools	PERF, TRF - Pre-1996, TRF - 1996
West Central Indiana Educational Service Center	PERF, TRF - Pre-1996, TRF - 1996
West Central School Corporation	PERF, TRF - Pre-1996, TRF - 1996
West Clark Community Schools	PERF, TRF - Pre-1996, TRF - 1996
West Lafayette Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
West Noble School Corporation	PERF, TRF - Pre-1996, TRF - 1996
West Washington School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Western Boone Community School Corporation	TRF - Pre-1996, TRF - 1996
Western School Corp	PERF, TRF - Pre-1996, TRF - 1996
Western Wayne Schools	PERF, TRF - Pre-1996, TRF - 1996
Westfield Washington Community School Corporation	TRF - Pre-1996, TRF - 1996
Westview School Corporation	PERF, TRF - Pre-1996, TRF - 1996
White River Valley School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Whitko Community School Corporation	PERF, TRF - Pre-1996, TRF - 1996
Whitley County Consolidated Schools	PERF, TRF - Pre-1996, TRF - 1996
Wilson Education Center	PERF, TRF - Pre-1996,
Xavier School of Excellence (Charter)	PERF, TRF - Pre-1996, TRF - 1996
Yorktown Community Schools	PERF, TRF - Pre-1996, TRF - 1996
Zionsville Community Schools	TRF - Pre-1996, TRF - 1996

Other: Total (256); PERF (256)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Adams County Public Library System	PERF
Akron Public Library	PERF
Alexandria Public Library	PERF
Allen County Public Library	PERF
Allen County Solid Waste Management District	PERF
Anderson Public Library	PERF
Andrews-Dallas Township Public Library	PERF
And-Tro Water Authority	PERF
Angola Housing Authority	PERF
Argos Public Library	PERF
Aurora Public Library	PERF
Bargersville Community Fire Protection District	PERF
Bartholomew County Library	PERF
Bedford Public Library	PERF
Beech Grove Public Library	PERF
Bell Memorial Public Library	PERF
Ben Davis Conservancy District	PERF
Benton County Highway	PERF
Benton County Public Library	PERF
Big Blue River Conservancy District	PERF
Bloomfield-Eastern Greene County Public Library	PERF
Boonville-Warrick County Public Library	PERF
Bourbon Public Library	PERF
Brazil Public Library	PERF
Bremen Public Library	PERF
Bristol Public Library	PERF
Brook-Iroquois Township Public Library	PERF
Brown County Public Library	PERF
Brownsburg Public Library	PERF
Cambridge City Library	PERF
Capital Improvements Board	PERF
Carmel Public Library	PERF
Carmel-Clay Board of Parks and Recreation	PERF
Centerville Library	PERF
Central Indiana Regional Transit Authority	PERF
Clarksville Sewage Department	PERF
Clay-Owen-Vigo Solid Waste Management District	PERF
Clinton Public Library	PERF
Coatesville Library	PERF
Connersville Utilities	PERF
Converse-Jackson Township Library	PERF
Cordry-Sweetwater Conservancy District	PERF
Crawfordsville Public Library	PERF

Other: Total (256); PERF (256)
Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Crown Point-Center Township Public Library	PERF
Culver-Union Township Public Library	PERF
Danville-Center Township Public Library	PERF
Decatur County Board Of Health	PERF
DeKalb County Airport Authority	PERF
Delaware County Airport Authority	PERF
Delaware County Housing Authority	PERF
Delaware County Regional Wastewater District	PERF
Delphi Public Library	PERF
Dubois County Contractual Library	PERF
East Central Indiana Solid Waste District	PERF
East Chicago Public Library	PERF
East Chicago Water Department	PERF
Eckhart Public Library	PERF
Elkhart Public Library	PERF
Evansville Housing Authority	PERF
Evansville Public Library	PERF
Evansville-Vanderburgh Airport Authority	PERF
Evansville-Vanderburgh County Building Authority	PERF
Fairmount Public Library	PERF
Fayette County Public Library	PERF
Flora-Monroe Public Library	PERF
Florence Regional Sewage District	PERF
Fort Branch-Johnson Township Public Library	PERF
Fort Wayne City Utilities	PERF
Fort Wayne-Allen County Airport Authority	PERF
Fortville-Vernon Township Public Library	PERF
Frankfort Community Public Library	PERF
Frankfort Utilities	PERF
Franklin County Public Library District	PERF
Fremont Public Library	PERF
Fulton County Airport Authority	PERF
Fulton County Library	PERF
Garrett Public Library	PERF
Gary Municipal Airport Authority	PERF
Gary Public Library	PERF
Gas City-Mill Township Public Library	PERF
Goshen Public Library	PERF
Greater Lafayette Public Transportation Corporation	PERF
Greentown and Eastern Howard Library	PERF
Greenwood Library	PERF
Hagerstown-Jefferson Township Public Library	PERF
Hamilton County Solid Waste District	PERF

Other: Total (256); PERF (256)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Hamilton East Public Library	PERF
Hamilton Lake Conservancy District	PERF
Hammond Public Library	PERF
Hancock County Public Library	PERF
Harrison County Public Library	PERF
Hartford City Public Library	PERF
Health and Hospital Corporation of Marion County (Wishard Hospital)	PERF
Huntingburg Housing Authority	PERF
Huntingburg Public Library	PERF
Huntington Public Library	PERF
Hussey-Mayfield Memorial Public Library	PERF
Indiana 15 Regional Planning Commission	PERF
Indiana Port Commission	PERF
Indiana State Fair Commission	PERF
Indianapolis Local Public Improvement Bond Bank	PERF
Indianapolis Public Transportation Corporation	PERF
Indianapolis-Marion County Building Authority	PERF
Indianapolis-Marion County Public Library	PERF
Jackson County Public Library	PERF
Jackson County Solid Waste Management District	PERF
Jasper County Public Library	PERF
Jasper Public Library	PERF
Jay County Public Library	PERF
Jefferson County Public Library	PERF
Jeffersonville Flood Control District	PERF
Jeffersonville Parks and Recreation	PERF
Jeffersonville Township Public Library	PERF
Jennings County Public Library	PERF
Johnson County Public Library	PERF
Kendallville Housing Authority	PERF
Kendallville Public Library	PERF
Kentland Public Library	PERF
Kewanna-Union Township Public Library	PERF
Knox County Housing Authority	PERF
Knox County Public Library	PERF
Kokomo Public Library	PERF
LaGrange County Public Library	PERF
Lake County Convention and Visitors Bureau	PERF
Lake County Library	PERF
Lake Lemon Conservancy District	PERF
LaPorte Municipal Airport Authority	PERF
LaPorte Public and County Libraries	PERF
Lawrenceburg Flood Control District	PERF

Other: Total (256); PERF (256)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Lawrenceburg Public Library	PERF
Lebanon Public Library	PERF
Leo-Cedarville Regional Sewer District	PERF
Lincoln-Heritage Public Library	PERF
Linton Housing Authority	PERF
Logansport Public Library	PERF
Loogootee Public Library	PERF
Lowell Public Library	PERF
Madison County Council of Governments	PERF
Marion Municipal Utilities	PERF
Marion Public Library	PERF
Melton Public Library	PERF
Michiana Area Council of Governments	PERF
Michigan City Library	PERF
Middlebury Community Library	PERF
Milford Public Library	PERF
Mishawaka Public Library	PERF
Mitchell Community Public Library	PERF
Monon Town and Township Public Library	PERF
Monroe County Public Library	PERF
Monterey-Tippecanoe Public Library	PERF
Monticello-Union Township Public Library	PERF
Mooresville Public Library	PERF
Morgan County Public Library	PERF
Muncie Housing Authority	PERF
Muncie Indiana Transit System	PERF
Muncie Public Library	PERF
Nappanee Public Library	PERF
New Albany-Floyd County Public Library	PERF
New Carlisle-Olive Township Library	PERF
New Castle Housing Authority	PERF
New Castle-Henry County Public Library	PERF
New Paris Conservancy District	PERF
Noble County Library	PERF
Noblesville Housing Authority	PERF
North Madison County Public Library System	PERF
Northeast Indiana Solid Waste Management District	PERF
Northern Indiana Commuter Transportation District	PERF
Northwest Indiana Health Department Cooperative	PERF
Northwestern Indiana Regional Planning Commission	PERF
Oak Hill Cemetery	PERF
Oak Park Conservancy District	PERF
Ohio County Public Library	PERF

Schedule of Participating Employers, continued

Other: Total (256); PERF (256)
Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Ohio Township Public Library System	PERF
Orleans Town and Township Public Library	PERF
Owen County Public Library	PERF
Paoli Public Library	PERF
Patoka Lake Regional Water and Sewer District	PERF
Peabody Public Library	PERF
Pendleton Community Public Library	PERF
Perry-Clear Creek Fire Protection District	PERF
Peru Public Library	PERF
Peru Utilities	PERF
Pike County Public Library	PERF
Plainfield Public Library	PERF
Plymouth Public Library	PERF
Porter County Public Library System	PERF
Porter County Solid Waste Management District	PERF
Pulaski County Public Library	PERF
Putnam County Public Library	PERF
Region 3-A Development and Regional Planning Commission	PERF
Remington-Carpenter Township Public Library	PERF
Richmond Sanitary District	PERF
Richmond-Morrison-Reeves Library	PERF
Rising Sun Municipal Utilities	PERF
Rockville Public Library	PERF
Rome City Housing Authority	PERF
Royal Center Township Library	PERF
Rushville Public Library	PERF
Salem Public Library	PERF
Scott County Public Library	PERF
Selma-Liberty Regional Waste District	PERF
Shelby County Public Library	PERF
Sheridan Public Library	PERF
South Dearborn Regional Sewer District	PERF
Southeastern Indiana Regional Planning Commission	PERF
Southern Indiana Development Commission	PERF
Southwest Allen County Fire District	PERF
Speedway Public Library	PERF
Spencer County Public Library	PERF
St. Joseph County Airport Authority	PERF
St. Joseph County Public Library	PERF
Starke County Airport Authority	PERF
Starke County Public Library System	PERF
Steuben Lakes Regional Waste District	PERF
Stucker Fork Conservancy District	PERF

Other: Total (256); PERF (256)

Fiscal Year Ended June 30, 2014

Employer's Name	Fund
Sullivan County Public Library	PERF
Swayzee Public Library	PERF
Switzerland County Public Library	PERF
Tell City-Perry County Public Library	PERF
Terre Haute International Airport Authority	PERF
Three Rivers Solid Waste Management District	PERF
Tippecanoe County Public Library	PERF
Tipton County Library	PERF
Turkey Creek Fire Territory	PERF
Union City Housing Authority	PERF
Union City Library	PERF
Union County Public Library	PERF
Vermillion County Public Library	PERF
Vigo County Public Library	PERF
Vincennes Housing Authority	PERF
Vincennes Water and Sewer Department	PERF
Wabash Carnegie Library	PERF
Wabash County Solid Waste Management District	PERF
Wakarusa Public Library	PERF
Warren Public Library	PERF
Warrick County Solid Waste Management District	PERF
Warsaw Community Public Library	PERF
Washington Carnegie Library	PERF
Washington County Solid Waste Management District	PERF
Washington Housing Authority	PERF
Waterloo-Grant Township Public Library	PERF
Wells County Public Library	PERF
West Central Conservancy District	PERF
West Central Solid Waste District	PERF
West Lafayette Public Library	PERF
Westchester Public Library	PERF
Westfield Public Library	PERF
White River Township Fire Protection District	PERF
Whiting Public Library	PERF
Whitley County Solid Waste Management District	PERF
Willard Library of Evansville	PERF
Williamsport-Washington Township Public Library	PERF
Winchester Community Library	PERF
Worthington-Jefferson Township Public Library	PERF
Wright-Hageman Public Library	PERF
Yorktown-Mount Pleasant Community Library	PERF

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INDIANA PUBLIC RETIREMENT SYSTEM